



Review of Transfers Pursuant to the Flexibility Proviso

FY2005-06

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Background

For the past three years, the General Assembly has required the Education Oversight Committee (EOC) to review the utilization of provisos allowing school districts the flexibility of transferring up to one hundred percent of funds appropriated for a specific program to any other program or programs as long as the funds are utilized for direct classroom instruction. Provisos 1.57. and 1A.47. of the 2005-06 General Appropriation Act state:

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

The flexibility provisions were enacted as a tool to assist school districts in addressing mid-year revenue shortfalls. First adopted in the 2002-03 General Appropriation Act were two provisos allowing school districts to transfer up to twenty percent of funds between programs to any instructional program with the same funding source and to carry forward any unexpended funds from the prior fiscal year into the current fiscal year. After additional mid-year revenue shortfalls in Fiscal Year 2002-03, the General Assembly in March of 2003 adopted a joint

resolution, Act No. 102, allowing districts and special schools to transfer revenue between programs to any instructional program with the same funding source and to make “expenditures for direct classroom instructional programs and essential operating costs from any state source without regard to fund type with the exception of school building bond funds.”

Subsequently, in the 2003-04 General Appropriation Act, the original flexibility provisos were amended to increase the amount of funds that could be transferred from twenty to one hundred percent, to allow funds to be transferred to programs regardless of funding sources, and to require the Education Oversight Committee to report on the utilization of the flexibility proviso. The 2004-05 General Appropriation Act further amended the proviso to prohibit any transfer of funds made directly to an individual school through a grant or technical assistance funds. There were no amendments made to the provisos in the 2005-06 General Appropriation Act.

Implementation

According to the provisos, the Department of Education was required to implement the procedures for transferring funds between programs, and the Education Oversight Committee was responsible for reviewing the utilization of the flexibility provisos. In consultation with the EOC, the Department of Education developed the form and flexibility procedures for school districts to follow in requesting transfers. The FY2005-06 forms and directions were originally posted on the Department’s website on July 21, 2005 and remained there for the entire year. In addition the Department included the flexibility procedures in the *2005-06 Funding Manual*. To assist school districts in completing the forms, the Department provided detailed sample accounting transactions. The Department reminded school business officials of the flexibility provision at professional meetings and online through the *Monthly Financial Aid Newsletters* beginning in February. As required by the provisos, all transfers were to be completed and submitted to the Department of Education by May 1, 2006. As in the prior fiscal year, the Department of Education provided quarterly copies of transfers submitted and approved.

Regarding the content of the forms, there were two distinct forms developed. One form was expressly designed to reflect transfers from the Barnwell (Children’s Endowment) Fund and another form for all other transfers. Over the past three years, the forms developed and used by districts to request transfers have not changed. Districts submitting transfers had to include the name of the program and sub-fund that monies were to be transferred from, the current allocation, the amount of the transfer and the program to which the funds were to be allocated along with the sub-fund. Furthermore, districts were asked to attach a written justification of the transfer. Signatures of the chair of the local school district board and of the superintendent were also required on the transfer document.

Because the provisos specifically stated that funds transferred must be utilized for direct classroom instruction, the Department of Education annually notified districts of allocations to specific programs that could not be reduced or eliminated. As explained by the Department in the Funding Flexibility Procedures for Fiscal Year 2005-06,

Districts may “transfer up to 100% of funds between programs to any instructional program provided the funds are utilized for direct classroom instruction.” What this means is you may transfer revenue between programs regardless of fund source (the exceptions being the General Fund and Lottery Funds) as long as those expenditures are recorded in a 100 function.

The Department further clarified additional appropriations that were excluded from the flexibility. By proviso, districts could not transfer “any grant or technical assistance funds allocated directly to an individual school may not be reduced or reallocated within the school district and must be expended by the receiving school only according to the guidelines governing the funds.” Examples of such grants or allocations were funds for Homework Centers and Retraining Grants. The Department further clarified that lottery funds and federal funds were excluded. And, according to item 5 of the Funding Flexibility Procedures, the following appropriations were excluded from this flexibility:

<u>Program</u>	<u>Revenue Code</u>
Refurbishment of K-8 Science Kits	3126
Teacher/Curriculum Specialists	3526
Principal Leaders/Specialists	3528
Junior Scholars Program	3523
NBC Salary Supplement	3532
Teacher of the Year	3533
Teacher Salary Increase	3550
Teacher Salary Increase Fringe	3555
Teacher Supplies	3577
Principal Salary/Fringe Increase	3582
Bus Driver Salary Supplement	3598

The above exclusions differ from those implemented in Fiscal Year 2004-05. First, allocations for the Junior Scholars Program for the first time could not be transferred. Second, in the prior fiscal year, there was an exception made for lottery fund allocations to the 6-8 Middle School Initiative. In Fiscal Year 2005-06 there were no exceptions. No lottery funds could be transferred between programs, and the procedures clarified that no federal funds could be transferred.

Table B in the appendix enumerates all programs that districts were given the flexibility of transferring funds from in Fiscal Year 2005-06. Table B also documents that the total amount of funds eligible for transferring was

\$302,126,256. This amount does not reflect any funds carried forward by districts from FY05 into FY06.

Utilization of Flexibility Provision

The flexibility provisos require the EOC to “review the utilization of the flexibility provision to determine how it enhances or detracts from the achievement of the goals of the educational accountability system, including the ways in which school districts and the state organize for maximum benefit to classroom instruction, priorities among existing programs and services, and the impact on short, as well as, long-term objectives.” Because this is the third review of the flexibility provisos, the EOC specifically focused on the following issues to document any historical and quantifiable impact on utilization, achievement and per pupil expenditure as a result of the flexibility provisions:

1. In Fiscal Year 2005-06 how many districts transferred funds from the Barnwell (Children’s Endowment) Fund? What did the transfers total? Compared to Fiscal Years 2003-04 and 2004-05, were there more or fewer transfers?
2. In Fiscal Year 2005-06, how many districts transferred general fund or EIA allocations? Compared to Fiscal Years 2003-04 and 2004-05, are more or fewer districts using the flexibility option? Over the long term, are the districts that utilize the proviso the same or different districts?
3. In Fiscal Year 2005-06, what was the total amount of EIA and general funds transferred by districts? What programs were decreased and increased as a result of the transfers? Compared to Fiscal Years 2003-04 and 2004-05, are these generally the same programs impacted by the flexibility proviso?
4. Do the 2004 and 2005 district report cards reveal any trends in educational achievement in districts that consistently utilized the flexibility provisos to transfer funds?
5. Have the per pupil expenditures for instruction increased or decreased in school districts that consistently utilized the flexibility provisos?
6. Have school districts that have consistently transferred their entire state allocation for the Reduced Class Size program experienced declines in third grade PACT scores or increases in student-teacher ratios in their elementary schools?

Transfers from Barnwell (Children’s Endowment) Fund

Chapters 143 and 144 of Title 59 of the South Carolina Code of Laws create and allocate funds from the Children’s Education Endowment Fund. Revenue from the nuclear waste disposal receipts is deposited by the State Treasurer into the Children’s Education Endowment Fund. Thirty percent of these monies must be allocated to Higher Education Scholarship Grants and used as provided in Section 59-143-30. The remaining seventy percent must be allocated to Public School Facility Assistance and used as provided in Chapter 144 of Title 59. Of these funds available to public schools, 35% are allocated based on the weighted pupil units, 35% on the EFA formula, 15% on a standardized assessment of districts’ needs and 15% based on an equalized effort. School districts are required to use the monies from the fund to construct, improve, enlarge or renovate facilities. The expressed legislative intent of the program is to provide adequate school facilities. The funds remain in the Children’s Education Endowment Fund at the State Treasurer’s Office until a district draws down its allocation, which must occur within six years of the initial authorization.

Through the flexibility provisos, districts were given the ability to transfer funds from their Barnwell allocation to other programs. According to the Office of Finance at the Department of Education, as of June 30, 2005, the total balance in the Children’s Education Endowment Fund for all districts totaled \$15,452,316.76. On September 26, 2005 an additional \$10,328,074.08 in funds was deposited into the account which represented prior year’s deposits. In Fiscal Year 2005-06 school districts were allowed to transfer Barnwell Facilities which had been allocated for 2000 through 2005 projects when available.

Transfers FROM Barnwell (Children’s Endowment) Fund

Fiscal Year	No. Districts Making Transfers	Amount Transferred	Total Available Funds	% Transferred
2005-06	7	\$2,300,172.49	\$25,780,390.84	8.92%
2004-05	6	\$1,717,943.49	\$31,897,929.00	5.39%
2003-04	22	\$8,429,451.56	\$49,623,450.00	16.99%

Sources: Office of Finance, Department of Education.

http://www.sceoc.com/PDF/Flexibility_Report_061305%20.pdf

<http://www.sceoc.com/PDF/FlexSpendingCover.pdf>

The number of school districts opting to use the flexibility provisos to transfer Barnwell funds increased from six in FY2004-05 to seven in FY2005-06 while the total amount of funds transferred increased by approximately 34%. As in the prior fiscal year, all funds transferred were reallocated to the General Fund.

School districts that transferred funds explained that the funds would cover the cost related to instructional payroll purposes, a ninth grade academy, and other General Fund expenses. The General Fund includes those expenses related to the Education Finance Act, transportation for special needs students, school bus driver salaries, retiree insurance, fringe benefits, and health and dental benefits.

Transfers of Barnwell (Children’s Endowment) Fund TO

Fiscal Year	General Fund	% of Total	Academic Assistance	% of Total
2005-06	\$2,300,172.49	100.0%		
2004-05	\$1,717,943.49	100.0%		
2003-04	\$8,301,654.66	98.48%	\$127,796.90	1.52%

Appendix A in the appendix is a detailed list of the transfers approved from the Barnwell (Children’s Endowment) Fund.

Transfers from State Revenue and EIA Funded Programs

In Fiscal Year 2005-06 forty-eight (48) school districts and one special school district, Palmetto United transferred \$20,009,145.25 from state revenue and EIA-funded programs. Of these 48 school districts, one also transferred funds from the Barnwell (Children’s Endowment Fund). These transfers totaled approximately 6.62% of all FY06 appropriated funds that were eligible to be transferred pursuant to the flexibility provisos. The least amount transferred from any one program was \$600, and the largest transfer from one program was \$1,634,342. The largest total amount of transfers requested by any one school district was \$3,236,494. The least amount of transfers requested by any one school district was \$2,707.17

Transfers FROM State Revenue and EIA Programs

Fiscal Year	No. Districts Making Transfers *	Amount Transferred	Total Available Funds	% Transferred
2005-06	48	\$20,009,145.25	\$302,126,256	6.62%
2004-05	41	\$17,105,458.37	\$350,920,001	4.88%
2003-04	50	\$20,858,776.81	\$368,412,116	5.66%

- Excludes Palmetto Unified

Table D in the appendix is a summary of all transfers by quarter and by program. As in prior fiscal years, over 62% of all transfers were made during the last two months of the fiscal year.

As in prior fiscal years, over 62% of all transfers in Fiscal Year 2005-06 were reallocations of monies appropriated for the Reduce Class Size program. The Education Accountability Act of 1998 included a provision of law, Section 59-63-65, that allowed districts reducing class size to fifteen students in grades one through three to be eligible for special funding. Allocations to districts were based on the average daily membership in grades one through three and on the number of students eligible for free and reduced-price lunch program. The law further requires a local match which is based on the Education Finance Act formula for districts receiving these funds. The reallocation of \$12,393,194.60 represented 35% of the original \$35.0 million appropriation to the program.

In Fiscal Year 2005-06, twenty-eight districts made the decision not to provide a reduced class size of 15:1 in grades one through three in Fiscal Year 2005-06. Instead, these districts reallocated 100% of funds originally intended to reduce class size in the early grades. By transferring these funds, districts were also exempt from providing the local match.

Total Amount Transferred FROM:

PROGRAM	FY2005-06	FY2004-05	FY2003-04
Reduce Class Size	\$12,393,194.60	\$11,296,212.20	\$12,555,404.92
Act 135 Academic Assistance, K-3	\$ 3,346,264.33	\$1,331,271.07	\$2,860,621.00
Summer School	\$ 3,466,542.07	\$2,255,249.42	\$2,028,590.56
Summer School (Carryforward)	\$ 72,424.28		
Local School Innovation		\$206,348.00	\$751,062.36
Act 135 Academic Assistance 4-12	\$ 38,585.00	\$821,790.81	\$640,152.00
High School Diploma Requirements	\$ 39,037.22	\$39,063.48	\$471,000.00
Excellence in Middle School	\$ 221,129.79	\$397,263.66	\$242,869.76
Retraining Grants			\$226,159.82
Homework Centers			\$182,254.67
Parenting/Family Literacy	\$ 101,240.98	\$182,554.69	\$162,466.74
Gifted and Talented Artistic	\$ 22,580.00	\$11,273.00	\$143,551.76
Career and Technology Vocational Equipment	\$ 49,106.00	\$98,818.00	\$113,679.93
Alternative Schools	\$ 40,000.00	\$27,783.35	\$102,343.00
Professional Development on the Standards	\$ 101,191.39	\$78,346.47	\$95,490.03
Vocational Equipment (General Fund)	\$ 28,275.00		\$77,479.00
School Resource Officer	\$ 17,123.04	\$44,765.65	\$30,935.00
Intervention			\$30,000.00
Gifted and Talented Academic	\$ 15,000.00	\$227,258.06	\$27,113.95
Critical Teaching Needs	\$ 41,253.57	\$14,761.22	\$26,235.00

PROGRAM	FY2005-06	FY2004-05	FY2003-04
Reading Recovery			\$25,965.96
Four-Year-Old Early Childhood			\$17,396.75
Adult Education –Basic			\$15,000.00
School to Work			\$12,538.00
Reduce Class Size Carry Forward			\$12,490.00
Adult Education-Literacy			\$6,500.00
AP Singleton	\$ 600.00		\$960.00
Advanced Placement			\$375.00
Junior Scholars			\$141.60
Milken Foundation Teacher Award		\$12,786.81	
ADEPT		\$59,912.48	
Trainable and Profoundly Mentally Disabled Student Services	\$ 6,209.28		
Apple Tags	\$ 815.57		
Preschoolers with Disabilities	\$ 8,573.13		
TOTAL:	\$ 20,009,145.25	\$17,105,458.37	\$20,858,776.81

- 300 codes refer to EIA funds and 900 to General Fund programs.

The districts transferred funds to the following programs.

Code	Program	Transfer Amount	% of Total Transferred
301	High School Diploma	\$ 3,845,447.29	19.22%
315	Advanced Placement	\$ 600.00	0.00%
320	Gifted and Talented, Academic	\$ 426,716.42	2.13%
322	Gifted and Talented, Artistic	\$ 25,000.00	0.12%
330	Trainable and Profoundly Mentally Disabled Student Services	\$ 39,500.00	0.20%
340	Four-Year-Old Program	\$ 995,717.19	4.98%
346	Act 135 Academic Assistance, K-3	\$ 7,635,798.11	38.16%
348	Act 135 Academic Assistance, 4-12	\$ 6,763,529.68	33.80%
383	Summer School	\$ 16,672.58	0.08%
396	Alternative Schools	\$ 70,066.98	0.35%
960	K-5 Enhancement	\$ 130,000.00	0.65%
967	6-8 Enhancement	\$ 60,097.00	0.30%
	TOTAL	\$ 20,009,145.25	

Approximately 72% of all funds transferred were reallocated to the Act 135 Academic Assistance program. Act 135 Academic Assistance funds are allocated to school districts for two purposes. A portion of the funds, Subfund 346, provides resources to fund the kindergarten through grade 3 early childhood development programs. These K-3 funds are allocated to districts based on the number of students in kindergarten through grade three who are eligible for free or reduced-price lunch program. The second component is Subfund 348 which is funding for direct academic assistance to students in grades 4 through 12. Each district receives funds based on two factors: (1) the number of students eligible for free or reduced-price lunch in grades 4 through 12; and (2) the district's four-year average for the number of students in grades four through twelve scoring below basic on PACT. School districts can expend Act 135 funds on practically any educational cost. According to the *2005-06 Funding Manual* published by the Department of Education, the only disallowed expenditures "include salaries for clerical aides and the costs of classroom furniture and noninstructional equipment (duplicating/copying equipment, operation and maintenance items, and typewriters). Building renovations and construction are specifically excluded as allowed expenditures." ¹

And, as in prior fiscal years, based on the forms provided by the Department of Education, all transfer requests were approved in a timely manner. Furthermore, all transfers were submitted with a written justification. These justifications consistently focused on the need to reallocate funds to provide educational services to improve student achievement and to satisfy district objectives.

Non-Utilization of Flexibility Proviso

Equally as instructive as the information on the transfers is the lack of utilization of the transfer flexibility provision. In Fiscal Year 2005-06, fifty-three school districts requested a transfer of funds from either the Barnwell (Children's Endowments) Fund or from state or EIA-funded programs. Two school districts transferred both Barnwell and state funds. As the following table illustrates, the number of districts which made transfer requests increased by 23% over the prior year.

Fiscal Year	Number Districts Requesting Transfers	Number Districts Not Requesting Transfers
2005-06	53	32
2004-05	43	42
2003-04	55	30

Excluded are special school districts.

¹ "2005-06 Funding Manual," Department of Education, www.myschools.com/offices/finance/district_auditing/documents/PubFundManual2005.doc.

There remain only fourteen school districts that have not requested any transfers since Fiscal Year 2003-04. These districts represent large urban school districts and small rural districts as well as districts with varying fiscal authority.

**Districts Not Requesting Any Transfer of Funds
In Fiscal Year 2003-04, 2004-05 and 2005-06**

Berkeley	Lexington 2
Clarendon 3	Lexington 3
Fairfield	Lexington 5
<i>Clarendon 3</i>	Orangeburg 5
Fairfield	<i>Saluda</i>
Florence 5	Spartanburg 6
Greenville	Williamsburg

- Districts in bold have total fiscal independence while districts in italics have no fiscal authority. All other districts have limited fiscal autonomy. Source: The Relationship Between Fiscal Autonomy, Property Taxes and Student Performance Among South Carolina's School Districts prepared by Miley and Associates for the EOC, October 18, 2001.

Impact on Education Accountability

The flexibility provisions require that funds transferred must be expended on direct classroom instruction. Furthermore, the Education Oversight Committee is required to determine how the proviso “enhances or detracts from the achievement of the goals of the educational accountability system.” To address this issue, the EOC identified the following questions:

- (1) In school districts that consistently utilized the flexibility provisos, have the per pupil expenditures for instruction increased or decreased?
- (2) In school districts that consistently utilized the flexibility provisos, are the absolute district ratings improving over time?
- (3) Because approximately two-thirds of all funds transferred by districts were transferred from the Reduced Class Size program to other purposes, what has been the educational impact in these districts on third grade PACT scores?

Districts that “consistently utilized the flexibility provisos” are defined as those school districts that in Fiscal Year 2003-04 and 2004-05 transferred Barnwell

(Children’s Endowment) Fund, EIA or general fund monies from one program to another. The following thirty-five school districts are districts that “consistently utilized the flexibility provisos.” Excluded from the analysis were districts that utilized the flexibility provisos in 2005-06 since achievement and expenditure data are not yet available for the current school year and districts that utilized the flexibility provisos in either FY04 or FY05.

Aiken	Colleton	Jasper	Spartanburg 2
Allendale	Dillon 1	Lancaster	Spartanburg 3
Anderson 2	Dillon 2	Laurens 56	Spartanburg 4
Anderson 3	Dillon 3	Lee	Spartanburg 5
Anderson 5	Florence 1	Lexington 1	Sumter 17
Barnwell 19	Florence 2	Marion 1	
Barnwell 45	Greenwood 50	Marion 2	
Beaufort	Greenwood 51	Pickens	
Chester	Hampton 2	Richland 1	
Chesterfield	Horry	Spartanburg 1	

Per Pupil Expenditures for Instruction

The flexibility provisos require that “*all school districts and special schools of this State may transfer up to one hundred percent of funds between programs to any instructional program provided the funds are utilized for direct classroom instruction.*” The assumption is that funds expended on direct classroom instruction will fund instructional salaries, supplies and materials. In turn, greater investment in the classroom and in direct instruction will improve the academic performance of students. Some states including Georgia have recently adopted the “65 percent solution” that requires school districts to spend at least 65% of their budget on classroom expenses.

According to the Department of Education, In\$ite is a “means of consistently organizing expenditure information by district and school.”² The expenditure data reflects all federal, state and local funds and is organized according to five major spending categories: Instruction, Instructional Support, Operations, Other Commitments and Leadership. Instruction reflects expenditures for face-to-face teaching and classroom materials and supplies. Expenditure items include instructional teachers, substitutes, instructional paraprofessionals, pupil-use technology and software and instructional materials and supplies. Excluded from all expenditures in In\$ite are capital and out-of-district obligations. As of May 1, 2006 In\$ite data was available for Fiscal Years 2001-02 through 2003-04 only.

Table E in the appendix uses In\$ite data for FY03 and FY04 to compare per pupil expenditures for instruction across school districts. Of the thirty-five districts that consistently utilized the flexibility provisos, 22 or 63% increased the per pupil

² “What is In\$ite?” Department of Education. <http://www.myschools.com/offices/finance/WhatisIn.doc>.

expenditures for instruction. The increases ranged from \$12 to \$985. The remaining thirteen districts had lower per pupil expenditures for instruction in FY04 than in the prior fiscal year. The declines ranged from \$2 to \$455.

Statewide, of the fifty-seven school districts in the state which had higher per pupil expenditures for instruction in FY04 as compared to FY03, approximately 39% were districts that had consistently utilized the flexibility provisos. Of the remaining twenty-eight districts in the state which had lower per pupil expenditures for instruction in FY04 as compared to FY03, approximately 46% were districts that had consistently utilized the flexibility provisos. When additional In\$ite data becomes available, additional analysis of per pupil expenditures for instruction is needed to determine any trends in instructional spending in districts that utilize the flexibility proviso.

Absolute District Ratings

The second issue focuses on whether funds which are transferred between programs were expended in a manner that improved the educational achievement of children. Table F in the appendix documents the absolute rating for all school districts between 2002 and 2005. Of particular interest are the district ratings for 2004 and 2005.

The 2003 absolute rating reflects the academic progress made by students during school year 2002-03. In Fiscal Year 2002-03 districts initially were allowed the flexibility to transfer up to 20% of funds in a program. During the legislative session the flexibility was extended to 100%. The 2004 absolute rating reflects the academic progress made by students during school year 2003-04, the first year that districts were given the option to transfer up to 100% of funds between programs at the beginning of the fiscal year. And, finally, the 2005 absolute rating reflects the academic progress made by students during the 2004-05 school year.

The thirty-five districts in the state that consistently utilized the flexibility provisos had the following absolute ratings in 2005 and 2004

ABSOLUTE RATING	Number of Districts in 2005	Number of Districts in 2004
Excellent	1	6
Good	14	13
Average	14	12
Below Average	3	4
Unsatisfactory	3	0
TOTAL	35	35

**Change in Absolute District Ratings between 2004 and 2005
For Districts that Consistently Utilized the Flexibility Provisos
in FY04 and FY05 ***

Absolute Rating Declined	Absolute Rating Remained Same
Allendale, <i>Anderson 2</i> , Barnwell 19, Chesterfield, Colleton, Dillon 1, Dillon 3, Florence 1, Hampton 2, Lee, <i>Pickens</i> , Spartanburg 1, <i>Spartanburg 3</i> , <i>Spartanburg 4</i> , Sumter 17	<i>Aiken</i> , Anderson 3, Anderson 5, Barnwell 45, Beaufort, Chester, Dillon 2, <i>Florence 2</i> , <i>Greenwood 50</i> , Greenwood 51, <i>Horry</i> , Jasper, <i>Lancaster</i> , Laurens 56, <i>Lexington 1</i> , Marion 1, Marion 2, Richland 1, <i>Spartanburg 2</i> , <i>Spartanburg 5</i>

* Districts in italics had an absolute rating of Good or Excellent. Lexington 1 was the only district that consistently utilized the flexibility proviso and had an absolute rating of Excellent in 2004 and 2005.

Fifteen or 43% of the 35 districts that consistently utilized the flexibility provisos experienced declines in their absolute ratings with twenty or 57% maintaining the same absolute rating in 2004 and 2005. No district that consistently utilized the flexibility provisos improved its absolute performance rating in 2005. And, three districts that consistently utilized the flexibility proviso in FY2004 and FY2005 had an absolute rating of Unsatisfactory in 2005. There were a total of four districts in the state with an absolute rating of Unsatisfactory in 2005 and of these four districts, three were districts that consistently utilized the flexibility provisos.

For comparison purposes, of the remaining 50 school districts that did not consistently utilize the flexibility provisos, 12 or 24% experienced declines in their absolute ratings while 35 or 70% experienced no change in their absolute ratings. The remaining three school districts in the state, Bamberg 2, Lexington 4 and Greenwood 52 experienced improvements in their district's absolute rating in 2005 over 2004. With the release of the 2006 report card, additional data can be analyzed to determine any long-term trends in academic achievement among districts that consistently utilize the flexibility provisos.

Change in Absolute Rating from 2004 to 2005

Districts	Number Declined	Number No Change	Number Improved	Total
Consistently Utilized Flexibility Provisos	15 (43%)	20 (57%)	0	35
All Other Districts	12 (24%)	35 (70%)	3 (6%)	50

Educational Impact in Districts that Transferred Reduce Class Size Allocations

Between Fiscal Years 2003-04 and 2005-06, twenty school districts that utilized the flexibility provisos chose to transfer 100% of their state allocation for Reduce Class Size to other programs in each fiscal year. These funds were originally appropriated to reduce class size in grades one through three. To receive the funds, local school districts were required to “match” the state allocation. Moreover, over two-thirds of all funds transferred pursuant to the flexibility provisos were transferred from the Reduce Class Size program in each fiscal year.

According to the Education Commission of the States, “research tends to support the notion that smaller classes in the early grades promote effective teaching and learning. While not all studies on the subject have shown that students learn more in smaller settings, most studies have found benefits.”³ Others contend that “the costs of reducing class size are prohibitively high, and that the money would be better spent supporting other types of reform. If districts hire the most qualified teachers and support them with ongoing professional development, class size becomes an irrelevant issue, say some critics of the push toward smaller classes.”⁴

While a direct causal relationship between the transfer of these funds and the impact on student academic achievement can not be determined, an analysis of third grade ELA and Math PACT scores may begin to reveal some trend data in student achievement in these districts. The issue is did districts that elected not to expend these funds to maintain a student-teacher ratio of 15:1 in grades one through three experience positive or negative changes in Third Grade English/Language Arts and Math PACT scores.

As Tables G and H in the appendix illustrate, fourteen of the twenty school districts that transferred 100% of their state allocation for Reduced Class Size in FY04 and FY05 experienced a net decline in the percentage of students scoring proficient or above on the third grade English/language arts PACT between 2004 and 2005. Nine of these same districts also experienced a decline in the percentage of students scoring basic or above on the third grade English/language arts PACT. In mathematics in the third grade, the results are similar. Between 2004 and 2005, fourteen of the twenty districts experienced a decline in the percentage of students scoring basic or above on the third grade math PACT and nine, a decline in the percentage of students scoring proficient or above on third grade math PACT. For comparison purposes, statewide there were slight improvements in the number of third grade students scoring basic and above and proficient and above in both math and ELA PACT in 2005 as compared to 2004.

³ “Class Size.” Education Commission of the States.
<http://www.ecs.org/html/issueSection.asp?print=true&issueID=24&subIssueID=0&ssID=0&s=Overview>.

⁴ Ibid.

Third Grade ELA PACT Scores

**Of the 20 Districts that Transferred 100% of Reduce Class Size Allocations
in FY04 and FY05 to other Programs:**

	Districts With Increase in:	Range of Increase	Districts With Decrease in:	Range of Decrease	TOTAL DISTRICTS
% Students Basic or Above	11	0.5 to 10.4%	9	(0.3 to 3.9%)	20
% Students Proficient or Above	6	0.1 to 10.6%	14	(1.0 to 5.3%)	20

Third Grade Math PACT Scores

**Of the 20 Districts that Transferred 100% of Reduce Class Size Allocations
in FY04 and FY05 to other Programs**

	Districts With Increase in:	Range of Increase	Districts With Decrease in:	Range of Decrease	TOTAL DISTRICTS
% Students Basic or Above	6	0.1 to 13.1%	14	(0.5 to 13.8%)	20
% Students Proficient or Above	11	0.0 to 6.6%	9	(0.4 to 13.1%)	20

The data also reveal that of these twenty districts, two districts, Jasper and Lancaster, experienced significant improvement in the percentage of students scoring basic or above and proficient or above on both third grade ELA and Math PACT scores between 2004 and 2005.

The next analysis compares 2004 and 2005 third grade PACT scores in these twenty districts with all other districts that did **not** transfer 100% of their reduce class size funds. The following tables compare the percentage of students scoring basic or above and the percentage scoring proficient or above on the third grade PACT mathematics and English/language arts in 2004 and 2005 in

the two subsets of districts. The tables illustrate that the percentages of students scoring basic or above and proficient and above on third grade English/language arts and mathematics PACT in districts that transferred 100% of their allocation for the Reduce Class Size program were comparable to student achievement in school districts that did not transfer 100% of their Reduce Class Size allocations.

Third Grade PACT MATH

Districts	% Students Basic or Above				% Students Proficient or Above			
	2005		2004		2005		2004	
Transferring 100% Reduce Class Size Funds (n=20)	81.35%	n=7,711	84.11%	N=7,765	28.77%	n=2,727	28.97%	n=2,675
All Other (n=65)	83.94%	n=32,335	84.96%	N=32,191	31.39%	n=12,093	31.22%	n=11,830

Third Grade PACT English/Language Arts

Districts	% Students Basic or Above				% Students Proficient or Above			
	2005		2004		2005		2004	
Transferring 100% Reduce Class Size Funds (n=20)	85.02%	n=7,846	83.91%	N=7,747	53.37%	n=4,925	53.53%	n=4,942
All Other (n=65)	87.65%	n=32,820	86.21%	N=32,663	57.65%	n=21,587	56.57%	n=21,432

Conclusions and Policy Implications

1. In Fiscal Year 2005-06, a total of fifty-three (53) school districts transferred funds pursuant to the flexibility provisos. Two districts transferred funds from both the Barnwell (Children's Endowment) Fund and from EIA and general fund programs. There remain fourteen school districts that have not utilized the flexibility provision since its implementation in Fiscal Year 2003-04.
2. In Fiscal Year 2005-06, seven school districts transferred \$2,300,172.49 from the Barnwell (Children's Endowment) Fund to the General Fund which is a thirty-four percent increase in total funds transferred over the prior fiscal year.
3. In Fiscal Year 2005-06, forty-eight (48) districts transferred \$20,009,145.25 in funds from EIA and general fund programs which was a 16.97% increase in the amount of funds transferred over the prior fiscal year.
4. Approximately 62% of the EIA and general fund monies that were transferred in FY06 were originally allocated to the Reduce Class Size program. Of these funds, almost three-fourths were reallocated to the Act 135 Academic Assistance Program. Because districts are allowed to expend Act 135 funds for practically any educational expense, understanding how districts are using these funds and the educational impact of the program is undocumented.
5. Approximately 62% of all transfers in Fiscal Year 2005-06 were made in the last two months of the fiscal year. This usage raises the issue of whether school districts are using the flexibility provisos as an accounting tool to balance expenditures against available revenues at the end of the year instead of using the provisions to realign financial resources to meet the educational needs of students in a systematic manner.
6. When reviewing the potential impact of the flexibility provisos on educational accountability, the analysis demonstrated the following. Sixty-three percent (63%) of school districts that consistently utilized the flexibility provisions in FY04 and FY05 increased their per pupil expenditure for instruction. However, when comparing the absolute district ratings of these same school districts, 43% experienced declines in their absolute rating from 2004 to 2005. For comparison purposes, 24% of all other school districts that did not consistently utilize the flexibility provisos experienced declines in their absolute district rating over the same time.
7. Regarding the educational achievement in the twenty school districts that have transferred 100% of their Reduce Class Size allocations each year, the percentages of students scoring basic or above and proficient and above on third grade English/language arts and mathematics PACT in these districts were comparable to student achievement in school districts that did not transfer 100% of their Reduce Class Size allocations.

APPENDICES

Table A	Transfers from Barnwell (Children's Endowment Fund)
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TABLE A

Summary of Fiscal Year 2005-06 Transfers from Barnwell (Children's Endowment) Fund

Transfer From							Transfer To			
District	2003 Projects	2004 Projects	2005 (When available)	Total Current Allocation	Transfer Amount	% of Allocation	Program Name	Code	Date Completed by District	Date Reviewed by SDE
Charleston			\$578,966.45		\$578,966.45	100.00%	General Fund	100	1/13/2006	1/17/2006
Cherokee	\$297,578.74			\$297,578.74	\$297,578.74	100.00%	General Fund	100	9/13/2005	9/16/2005
		\$246,137.03		\$246,137.03	\$246,137.03	100.00%	General Fund	100	9/13/2005	9/16/2005
			\$137,531.10	\$137,531.10	\$137,531.10	100.00%	General Fund	100	3/14/2006	3/20/2006
Florence 1				\$197,435.74	\$197,435.74	100.00%	General Fund	100	4/6/2006	4/10/2006
Georgetown		\$478,359.18			\$455,877.00	95.30%	General Fund	100	2/6/2006	3/7/2006
Marion 1		\$50,103.41		\$50,103.41	\$50,103.41	100.00%	General Fund	100	10/28/2005	11/3/2005
Spartanburg 1				\$72,558.02	\$72,558.02	100.00%	General Fund	100	3/3/2006	3/16/2006
York 1	\$50,057	\$140,418	\$73,510	\$263,985	\$263,985	100.00%	General Fund	100	4/7/2006	4/10/2006
TOTAL:					\$2,300,172.49					

TABLE B**PROGRAMS AND FUNDS ELIGIBLE FOR TRANSFERRING PER FLEXIBILITY PROVISOS**

		Allocation *
Program	Subfund	FY 2005-06
Increase High School Diploma	301	\$23,632,801.00
School Technology Initiative	305	\$1,195,548.15
Parenting/Family Literacy	313	\$5,434,601.00
Advanced Placement Courses	315	\$1,432,072.00
Gifted and Talented Academic	320	\$25,597,780.00
Gifted and Talented Artistic	322	\$2,949,753.00
Critical Teaching Needs	327	\$352,912.00
Trainable and Profoundly Mentally Disabled Student Services	330	\$3,955,017.00
Professional Development on the Standards	334	\$3,391,200.00
Four-Year-Old Program	340	\$21,532,678.00
Preschool Programs for Children with Disabilities	342	\$3,973,584.00
Act 135 Academic Assistance, K-3	346	\$56,241,034.00
Act 135 Academic Assistance, 4-12	348	\$59,995,542.00
Academic Assistance Reading Recovery	349	\$2,973,147.00
Adult Education Remedial	353	\$494,900.00
Adult Education, Literacy	365	\$2,300,000.00
Summer Schools	383/384	\$30,750,000.00
Middle School Initiative	391	\$4,937,500.00
Reduce Class Size	393	\$35,047,429.00
Alternative Schools	396	\$7,899,237.00
Career & Technology Education Equipment	905	\$4,739,548.00
Technology Initiative	911	\$1,304,452.00
ADEPT	916	\$1,995,521.00
TOTAL:		\$302,126,256

Source: Department of Education,
http://www.myschools.com/offices/finance/eia_efa_summaries/MAR06.txt
 * Does not include funds that were carried forward from FY05 to FY06

TABLE C

Summary of Fiscal Year 2005-06 Transfers from State Revenue and EIA Programs

<i>Transfer From</i>						<i>Transfer To</i>				
District	Program Name	Code	Current Allocation	Transfer Amount	% of Allocation	Program Name	Code	Explanation	Date Completed by District *	Date Reviewed by SDE
Aiken	Middle School Initiative	391	\$211,056.52	\$211,056.52	100.0%	Gifted and Talented Academic	320	"To meet the instructional needs of our students; transfer is to pay teacher salaries and fringes."	4/25/2006	4/28/2006
Allendale	Reduce Class Size	393	\$476,072.00	\$144,873.00	100.00%	High School Diploma	301	Monies to be used for teacher salaries and fringe	4/27/2006	5/1/2006
				\$250,000.00		Act 135 Academic Assistance, K-3	346		4/27/2006	5/1/2006
				\$81,199.00		Act 135 Academic Assistance, 4-12	348		4/27/2006	5/1/2006
	Summer School/Remediation	383	\$146,802.00	\$146,802.00	100.00%	Act 135 Academic Assistance, 4-12	348		4/27/2006	5/1/2006
	Gifted and Talented Academic	320	\$15,000.00	\$15,000.00	100.0%	Act 135 Academic Assistance, 4-12	348		4/27/2006	5/1/2006
	Gifted and Talented Artistic	322	\$6,999.00	\$6,999.00	100.0%	Act 135 Academic Assistance, 4-12	348		4/27/2006	5/1/2006
Anderson 2	Reduce Class Size	393	\$163,978.00	\$98,478.00	100.0%	Act 135 Academic Assistance, 4-12	348	"Enhance funding and services to more diverse groups as directed by the District's curriculum strategies an school improvement plans" This transfer will better utilize these funds for a broader area of instructional programming and allow more instructional service to be offered to a larger student population."	5/1/2006	5/2/2006
				\$65,500.00		Act 135 Academic Assistance, K-3	346		5/1/2006	5/2/2006
Anderson 3	Act 135 Academic Assistance, K-3	346	\$258,084.00	\$125,539.32	48.6%	Act 135 Academic Assistance, 4-12	348	"More teachers being available to utilize funds"	3/13/2006	4/28/2006
	Reduce Class Size	393	\$143,662.00	\$143,662.00	100.0%	Act 135 Academic Assistance, 4-12	348	"District not having any classes that meet the 15:1 criteria, and more teachers being available to utilize funds in Academic Assistance 4-12"	3/13/2006	4/28/2006
	Summer School/Remediation	932	\$20,283.10	\$20,283.10	100.0%	Act 135 Academic Assistance, 4-12	348		3/13/2006	4/28/2006
Anderson 5	Summer School/Remediation	383	\$312,249.00	\$154,249.00	49.4%	Act 135 Academic Assistance, K-3	346	"To meet requirements of Proviso 1.57 and 1A.47 of the 2005 General Appropriations Act":	4/12/2006	4/20/2006
Bamberg 2	AP Singleton (Carryforward)	317	\$600.00	\$600.00	100.0%	Advanced Placement	315		3/7/2006	3/14/2006

TABLE C

Transfer From						Transfer To				
District	Program Name	Code	Current Allocation	Transfer Amount	% of Allocation	Program Name	Code	Explanation	Date Completed by District *	Date Reviewed by SDE
Bamberg 2	Gifted and Talented Artistic	322	\$7,028.00	\$7,028.00		Gifted and Talented-Academic	320	"A major portion of the funds will be used to purchase science supplies for labs at the high, middle and elementary schools. Science and technology equipment will also be included in this purchase. Funds will also be used to purchase classroom supplies and instructional equipment for other core courses in the K-12 program and to assist the district' special needs program which is currently operating under severe budget constraints.	3/7/2006	3/14/2006
	Reduce Class Size	393	\$380,857.60	\$100,000.00	100.0%	Act 135 Academic Assistance, K-3	346		3/7/2006	3/14/2006
				\$280,857.60		Act 135 Academic Assistance, 4-12	348		3/7/2006	3/14/2006
	Apple Tags	919	\$815.57	\$815.57	100.0%	Act 135 Academic Assistance, 4-12	348		3/7/2006	3/14/2006
	High School Diploma	301	\$39,037.22	\$39,037.22	100.0%	Act 135 Academic Assistance, 4-12	348		3/7/2006	3/14/2006
	Gifted and Talented Artistic	322	\$4,454.00	\$4,454.00	100.0%	Act 135 Academic Assistance, K-3	346		3/7/2006	3/14/2006
	Handicapped	330	\$6,209.28	\$6,209.28	100.0%	Alternative Schools	396		3/7/2006	3/14/2006
	Preschool Program for Children with Disabilities	342	\$8,573.13	\$8,573.13	100.0%	Gifted and Talented-Academic	320		3/7/2006	3/14/2006
	Middle School Initiative	934	\$6,742.95	\$3,239.93	48.0%	Gifted and Talented-Academic	320		3/7/2006	3/14/2006
	School Safety Officer (Carryforward)	933	\$20,626.06	\$17,123.04	83.0%	Gifted and Talented-Academic	320		3/7/2006	3/14/2006
Barnwell 19	Gifted and Talented Artistic	322	\$4,099.00	\$4,099.00	100.0%	Gifted and Talented, Academic	320	"District does not have a G/T Artistic Program"	4/20/2006	4/28/2006
Barnwell 29	Professional Development	334	\$33,640.64	\$11,904.81	35.4%	Summer School/Remediation	383	To purchase computers/equipment to support after-school remediation program	2/10/2006	2/15/2006
Barnwell 45	Professional Development	334	\$16,945.45	\$7,342.58	43.3%	Act 135 Academic Assistance, 4-12	348	To use these funds for teacher salaries and fringes	5/1/2006	5/2/2006
	Middle School Initiative	391	\$6,833.34	\$6,833.34	100.0%	Act 135 Academic Assistance, 4-12	348		5/1/2006	5/2/2006
Beaufort	Reduce Class Size	931	\$810,822.00	\$810,822.00	100.0%	Act 135 Academic Assistance, K-3	346	"The transferred funds will be used to expend direct classroom instruction at our facilities by providing a source of additional funding for teacher salaries at locations requiring additional needs.	3/17/2006	3/27/2006
Calhoun	Critical Teaching Needs	327	\$2,803.55	\$2,803.55	100.0%	Act 135 Academic Assistance, 4-12	348	Money has not been used for three years due to the size of the district and professional development needs. The funds will be used for instruction	2/26/2006	3/14/2006
	Critical Teaching Needs	327	\$2,863.18	\$2,863.18	100.0%	Act 135 Academic Assistance, 4-12	348		2/26/2006	3/14/2006

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Transfer From						Transfer To				
District	Program Name	Code	Current Allocation	Transfer Amount	% of Allocation	Program Name	Code	Explanation	Date Completed by District *	Date Reviewed by SDE
Chester	Reduce Class Size	393	\$308,366.00	\$308,366.00	100.0%	Act 135 Academic Assistance, K-3	346	"The district was not financially able to meet the specific class size requirements as outlined in the guidelines for utilization of class size reduction funds. . . .The transfer of these funds to academic assistance will allow the district to do a better job of helping students meet grade level expectations."	4/24/2006	4/28/2006
	Critical Teaching Needs	327	\$3,789.38	\$3,789.38	100.0%	Act 135 Academic Assistance, K-3	346		4/24/2006	4/28/2006
Chesterfield	Reduce Class Size	393	\$457,471.00	\$106,313.65	23.2%	High School Diploma	301	"To cover salaries in high school secondary positions . . . It is difficult to have 15-1 classes."	4/19/2006	4/26/2006
	Reduce Class Size/Carryforward	929	\$14,357.11	\$14,357.11	100.0%	High School Diploma	301		4/19/2006	4/26/2006
Clarendon 1	Reduce Class Size	393	\$380,875.60	\$120,000.00	100.0%	High School Diploma	301	"To better utilize funds in the instruction of the children within our District to meet our current needs"	1/15/2006	1/23/2006
				\$25,000.00		Gifted and Talented - Artistic	322			
				\$235,857.60		Act 135 Academic Assistance, K-3	346			
Colleton	Critical Teaching Needs	327	\$ 3,856.08	\$ 3,856.08	100.0%	Act 135 Academic Assistance, K-3	346	"Transferred funds will be utilized for direct classroom instruction." District listed cost items making transfer necessary: increased fuel/heating costs, increase in local salary supplement paid, workers'	2/2/2006	2/13/2006
	Reduce Class Size	393	\$ 414,662.00	\$ 414,662.00	100.0%	Increase High School Diploma	301		2/2/2006	2/13/2006
	Summer School/Remediation	383	\$ 453,265.00	\$ 453,265.00	100.0%	Increase High School Diploma	301		2/2/2006	2/13/2006
Darlington	Reduce Class Size	393	\$690,741.00	\$690,741.00	100.00%	Act 135 Academic Assistance, K-3	346	"unable to reduce class size to 15:1 ratio"	2/13/2006	4/10/2006
Dillon 1	Parenting/Family Literacy	313	\$19,012.00	\$8,048.00	100.0%	Act 135 Academic Assistance, K-3	346	"The district did not employ a parent coordinator this year. . . "G&T academic costs exceed allocation."	4/26/2005	5/1/2005
				\$10,964.00		Gifted and Talented Academic	320		District used Title One funds for professional development.	4/26/2005
	Professional Development	334	\$18,000.00	\$3,623.00	100.0%	Gifted and Talented Academic	320		4/26/2005	5/1/2005
				\$14,377.00		Act 135 Academic Assistance, 4-12	348		4/26/2005	5/1/2005
		905	\$28,275.00	\$28,275.00	100.0%			Due to expenditures for academic assistance		
Dillon 2	Summer School/Remediation	383	\$267,244.00	\$63,684.00	23.8%	Act 135 Academic Assistance, 4-12	348	"Funds not needed for Summer School but are needed for instructional salaries"	4/26/2006	4/28/2006
Dillon 3	Critical Teaching Needs	327	\$2,711.31	\$2,711.31	100.0%	Act 135 Academic Assistance, K-3	346	Fund classroom instructional salaries	8/9/2005	10/4/2005

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Transfer From						Transfer To					
District	Program Name	Code	Current Allocation	Transfer Amount	% of Allocation	Program Name	Code	Explanation	Date Completed by District *	Date Reviewed by SDE	
Dorchester 2	Reduce Class Size	393	\$536,920.00	\$257,453.00	100.0%	Act 135 Academic Assistance, K-3	346	"Due to the District's rapid and continued rate of growth, class sizes of 15:1 are not feasible in our over-crowded facilities. Funds will be used instead to support Academic Assistance programs in schools."	4/28/2006	4/29/2006	
				\$279,467.00		Act 135 Academic Assistance, 4-12	348		4/28/2006	4/29/2006	
Florence 2	Critical Teaching Needs	327	\$2,381.00	\$2,381.00	100.0%	Act 135 Academic Assistance, K-3	346	"To reduce salary expense for a classroom instructional teacher"	4/18/2006	4/24/2006	
	Reduce Class Size	393	\$65,664.00	\$65,664.00	100.0%	Act 135 Academic Assistance, K-3	346	"Difficult to maintain the 15:1 ratio in a small school district when students move into the district all throughout the school year. The district is maintaining a 18:1 ratio in these classes."	4/18/2006	4/24/2006	
Florence 3	Critical Teaching Needs	327	\$3,225.77	\$3,225.77	100.0%	Summer School/Remediation	383	To fund summer school	4/27/2006	5/8/2006	
	Critical Teaching Needs	327	\$2,642.00	\$1,542.00	58.4%	Summer School/Remediation	383	To fund summer school	4/27/2006	5/8/2006	
Florence 4	Act 135 Academic Assistance, K-3	346	\$125,806.00	\$26,590.95	21.1%	Act 135 Academic Assistance, 4-12	348	"Remedial costs at the elementary and secondary grades (4-12) are much higher than the costs associated with the lower grade levels." "To offset the actual costs associated with several programs"	4/25/2006	4/28/2006	
	Reduce Class Size	393	\$107,106.00	\$22,720.66	100.0%	Four-Year-Old Program	340		4/25/2006	4/28/2006	
				\$39,500.00		TMD/PMD Student Services	330		4/25/2006	4/28/2006	
				\$28,012.80		Gifted and Talented, Academic	320		4/25/2006	4/28/2006	
				\$16,872.54		Alternative Schools	396		"To offset the high cost associated with the alternative school program"	4/25/2006	4/28/2006
			\$428,465.31	\$46,985.16	11.0%	Alternative Schools	396			4/25/2006	4/28/2006
Greenwood 50	Reduce Class Size	393	\$469,805.00	\$469,805.00	100.0%	High School Diploma	301		Fund additional secondary teachers	9/12/2005	9/19/2005
Greenwood 51	Summer School/Remediation Carryforward	931	\$12,512.17	\$12,512.17	100.0%	Act 135 Academic Assistance, 4-12	348	"Additional classroom computers of instructional use by students for literacy learning, including all core content areas and replacement computers for the instructional computer lab at the Alternative School." District projects summer school expenses to be less and a grant will help offset expenses of summer school, too.	1/11/2006	1/13/2006	
	Summer School/Remediation	383	\$61,293.00	\$35,000.00	57.1%	Act 135 Academic Assistance, 4-12	348		1/11/2006	1/13/2006	

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	Professional Development	334	\$29,466.53	\$20,500.00	69.6%	Academic Assistance, 4-12	348	"Purchase science materials fro classrooms in order to improve and meet the new science standards" and "to be used for classroom libraries to support independent reading in the classrooms and to improve student reading achievement"	4/21/2006	4/24/2006
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TABLE C

Transfer From						Transfer To				
District	Program Name	Code	Current Allocation	Transfer Amount	% of Allocation	Program Name	Code	Explanation	Date Completed by District *	Date Reviewed by SDE
Greenwood 52	Critical Teaching Needs	327	\$2,707.17	\$2,707.17	100.0%	Act 135 Academic Assistance, 4-12	348	"Money needed for direct classroom instruction	2/10/2006	2/16/2006
Hampton 1	Critical Teaching Needs	327	\$3,049.61	\$3,049.61	100.0%	Four-Year-Old Program	340	"To adequately fund salaries and fringe benefits" of four-year-old program.	4/27/2006	4/28/2006
			\$6,218.92	\$6,218.92	100.0%	Four-Year-Old Program	340		4/27/2006	4/28/2006
Hampton 2	Reduce Class Size	393	\$107,747.00	\$107,747.00	100.0%	Act 135 Academic Assistance, 4-12	348	Reduce class size in fourth and fifth grade classes to 18 or less. Class sizes in grades K-3 are also 18 or less and there are Teacher Assistants in all first grade classrooms	10/19/2005	10/24/2005
	Act 135 Academic Assistance, K-3	346	\$178,108.00	\$64,557.00	36.2%	Act 135 Academic Assistance 4-12	348		10/19/2005	10/24/2005
Horry	Act 135 Academic Assistance, K-3	346	\$2,869,513.00	\$1,318,611.00	55.8%	Act 135 Academic Assistance, 4-12	348	Fund additional classroom resources for middle and high school social studies and science; continuation of literacy model in elementary schools; classroom books and reference materials for elementary schools; curriculum work for all schools; on-line SAT and EBSCO reference materials in middle and high schools; and after school tutorials.	5/1/2006	5/2/2006
				\$283,541.00		Act 135 Academic Assistance 4-12	348		5/1/2006	5/2/2006
	Reduce Class Size	393	\$1,634,342.00	\$1,634,342.00	100.0%	Act 135 Academic Assistance, K-3	346		5/1/2006	5/2/2006
Jasper	Reduce Class Size	393	\$761,715.19	\$464,827.90	61.0%	High School Diploma	301	Instructional Costs	12/12/2005	12/20/2005
				\$296,887.29	39.0%	Act 135 Academic Assistance 4-12	348	Instructional Costs	12/12/2005	12/20/2005
	Critical Teaching Needs	327	\$3,052.80	\$3,052.80	100.0%	Act 135 Academic Assistance, K-3	346	Instructional Costs	12/12/2005	12/20/2005
Lancaster	Summer School/Remediation	383	\$659,645.00	\$63,464.00	62.1%	Gifted and Talented, Academic	320	"To serve all students identified as gifted and talented"	4/6/2006	4/10/2006
				\$346,181.00		Act 135 Academic Assistance 4-12	348	"To continue to provide academic assistance during the school day and after school"	4/6/2006	4/10/2006
	Reduce Class Size	393	\$489,759.00	\$489,759.00	100.0%	Act 135 Academic Assistance, K-3	346	"To have an appropriate number of students in all classrooms . . .without overloading any one class because of the 15:1 student-teacher ratio requirement"	4/6/2006	4/10/2006
Laurens 56	Reduce Class Size	393	\$180,666.00	\$180,666.00	100.0%	High School Diploma	301	"District could not meet 15:1 ratio without disproportionately increasing other class sizes."	4/25/2006	4/26/2006
	Summer School/Remediation	384	\$221,810.00	\$50,000.00	22.5%	Act 135 Academic Assistance 4-12	348	To provide assistance to high school students "in overcoming academic deficiencies"	4/25/2006	4/26/2006

TABLE C

<i>Transfer From</i>						<i>Transfer To</i>				
District	Program Name	Code	Current Allocation	Transfer Amount	% of Allocation	Program Name	Code	Explanation	Date Completed by District *	Date Reviewed by SDE
Lee	Critical Teaching Needs	327	\$3,052.80	\$3,052.80	100.0%	Act 135 Academic Assistance, K-3	346	"for instructional purposes"	3/21/2006	4/3/2006
	Summer School/Remediation	383	\$230,383.00	\$230,383.00	100.0%	Act 135 Academic Assistance, K-3	346		3/21/2006	4/3/2006
	Reduce Class Size	393	\$904,537.70	\$82,602.25	100.0%	Act 135 Academic Assistance, K-3	346		3/21/2006	4/3/2006
				\$821,935.45		Act 135 Academic Assistance 4-12	348		3/21/2006	4/3/2006
McCormick	Reduce Class Size	393	\$68,566.00	\$68,566.00	100.0%	Act 135 Academic Assistance, K-3	346	"This transfer will allow us to utilize these funds in several classrooms instead of one classroom, containing the maximum number of 15 students. The funds will be used for teachers' salaries and fringe."	3/13/2006	4/4/2006
Marion 1	Reduce Class Size	393	\$220,210.00	\$220,210.00	100.0%	Act 135 Academic Assistance, K-3	346	Implement class size of 18 in grades one through three	10/28/2005	11/4/2005
	Summer School Carryforward	931	\$59,912.11	\$59,912.11	100.0%	Act 135 Academic Assistance 4-12	348	"to fund instructional programs in Act 135, thus for direct classroom instruction"	3/7/2006	3/13/2006
	Summer School/Remediation	383	\$241,527.00	\$90,087.89	37.3%	Act 135 Academic Assistance, K-3	346		3/7/2006	3/13/2006
Marion 2	Reduce Class Size	393	\$148,016.00	\$148,016.00	100.0%	Act 135 Academic Assistance, K-3	346	Fund salaries and fringes	10/6/2005	11/20/2005
Oconee	Reduce Class Size	393	\$523,496.00	\$523,496.00	100.0%	Act 135 Academic Assistance, K-3	346	To reallocate funds among schools based on number of free and reduce lunch counts and number of students performing below state standards on PACT	4/25/2006	4/26/2006
Pickens	Reduce Class Size	393	\$622,537.00	\$622,537.00	100.0%	Act 135 Academic Assistance, K-3	346	"To use the funds for direct classroom instructional needs, mainly funding teacher salaries and benefits"	2/28/2006	3/14/2006
	Summer School/Remediation	384	\$598,567.00	\$45,000.00	7.5%	Act 135 Academic Assistance, K-3	346		2/28/2006	3/14/2006
	Summer School/Remediation	384	\$598,567.00	\$125,000.00	20.9%	Act 135 Academic Assistance 4-12	348		2/28/2006	3/14/2006

TABLE C

Transfer From						Transfer To				
District	Program Name	Code	Current Allocation	Transfer Amount	% of Allocation	Program Name	Code	Explanation	Date Completed by District *	Date Reviewed by SDE
Richland 1	Act 135 Academic Assistance, K-3	346	\$2,657,941.00	\$320,000.00	40.7%	Four-Year-Old Program	340	"Due to an increase in the amount of funds needed to support instructional programs in Pre-K and grades 4-12"	4/25/2006	4/26/2006
				\$762,114.00		Act 135 Academic Assistance 4-12	348			
	Summer School/Remediation	383	\$1,570,461.00	\$856,615.08	54.5%	Act 135 Academic Assistance 4-12	348		4/25/2006	4/26/2006
Spartanburg 1	Career and Technology equipment	325	\$49,106.00	\$49,106.00	100.0%	High School Diploma	301	Transfers "will be used to pay for the salaries and fringe of additional teachers hired due to increased enrollment at the high school level"	3/3/2006	3/16/2006
	Summer School/Remediation	383	\$136,944.00	\$136,944.00	100.0%	High School Diploma	301		3/3/2006	3/16/2006
	Parenting/Family Literacy	313	\$53,228.98	\$53,228.98	100.0%	High School Diploma	301		3/3/2006	3/16/2006
Spartanburg 2	Act 135 Academic Assistance, K-3	346	\$607,828.00	\$200,000.00	54.9%	Act 135 Academic Assistance 4-12	348	"Flexibility needed to accommodate direct classroom expenses"	4/25/2006	5/1/2006
				\$133,766.06		High School Diploma	301		4/25/2006	5/1/2006
	Summer School/Remediation	383	\$227,597.00	\$90,000.00	65.9%	K-5 Enhancement	960		4/25/2006	5/1/2006
				\$60,097.00		6-8 Enhancement	967		4/25/2006	5/1/2006
	Reduce Class Size	393	\$363,872.00	\$363,872.00	100.0%	High School Diploma	301		4/25/2006	5/1/2006
	Alternative School	396	\$87,188.00	\$40,000.00	45.9%	K-5 Enhancement	960	4/25/2006	5/1/2006	
Spartanburg 4	Parenting/Family Literacy	313	\$29,000.00	\$29,000.00	100.0%	Four-Year-Old Program	340	"4K funding needs exceed our family literacy needs" and district has "embraced the philosophy that early intervention is the key to academic success, and in doing so, they have made a long-term commitment to preschool early intervention"	3/22/2006	3/30/2006
				Reduce Class Size		393	\$141,849.00		\$141,849.00	100.0%
Spartanburg 7	Act 135 Academic Assistance, K-3	346	\$795,831.00	\$111,545.00	14.0%	Four-Year-Old Program	340	"To support the district's four year old programs at each elementary school. The district has expanded its early childhood programs to all 9 elementary schools and this transfer will allow funding for the expanded programs."	4/11/2006	4/28/2006
	Act 135 Academic Assistance, 4-12	348	\$799,657.00	\$38,585.00	4.8%	Four-Year-Old Program	340		4/11/2006	4/28/2006

TABLE C

Transfer From						Transfer To				
District	Program Name	Code	Current Allocation	Transfer Amount	% of Allocation	Program Name	Code	Explanation	Date Completed by District *	Date Reviewed by SDE
Union	Reduce Class Size	393	\$272,451.00	\$272,451.00	100.0%	Act 135 Academic Assistance, K-3	346	District "able to maintain successful pupil/teacher ratio targets."	4/27/2006	4/28/2006
	Professional Development	334	\$65,734.00	\$29,533.00	52.7%	Gifted and Talented, Academic	320	"This transfer allows us to provide opportunities for our staff as well as maintain our emphasis on student achievement."	4/27/2006	4/28/2006
				\$5,111.00		Four-Year-Old Program	340		4/27/2006	4/28/2006
Sumter 17	Reduce Class Size	393	\$506,447.00	\$506,447.00	100.0%	High School Diploma	301	"Reduce Class Size allocation is not sufficient to make a significant district wide impact in grades 1-3."	11/22/2005	1/4/2006
York 2	Summer School/Remediation	383	\$307,683	\$40,000	100.0%	Gifted and Talented Academic	320	District has "very few students who are not on grade level and are meeting their needs through the general funds. We have extensive academic gifted and talented and early childhood programs and will be able to use the funds more effectively in those areas."	4/19/2006	4/28/2006
				\$267,683		Four-Year-Old Program	340		4/19/2006	4/28/2006
	Summer School	383	\$191,804	\$191,804	100.0%	Four-Year-Old Program	340		4/19/2006	4/28/2006
York 3	Reduce Class Size	393	\$617,096.00	\$233,313.59	37.8%	High School Diploma	301	Due to increase in student population, district unable to maintain a teacher/student ratio of 15:1. "With the growth of our high school student population and the opening of a new high school this fiscal year," the district needed the funds realigned	4/24/2006	4/26/2006
York 4	Reduce Class Size	393	\$96,501	\$96,501	100.0%	Act 135 Academic Assistance, K-3	346	Due to growth in district, unable to maintain 15:1 ratio required for Reduce Class Size funding. Will use funds for academic instruction in grades K-3	12/12/2005	12/15/2005
Palmetto Unified	Professional Development	334	\$8,800	\$8,800	100.0%	Act 135 Academic Assistance, 4-12	348	"Cover cost of teachers' salaries that provide direct student instruction"	4/17/2006	4/24/2006
GRAND TOTAL				\$20,009,145.25						

TABLE D

**Fiscal Year 2005-06
Transfers by Quarter and by Program**

QUARTER 1 (July through September)

Funds Transferred FROM:			Funds Transferred TO:		
CODE	Program Name:	Total	CODE	Program Name:	Total
327	Critical Teaching Needs	\$2,711.31	346	Act 135 Academic Assistance, K-3	\$2,711.31
393	Reduce Class Size	\$469,805.00	301	High School Diploma	\$469,805.00
TOTAL:		\$472,516.31			\$472,516.31

QUARTER 2 (October through December)

Funds Transferred FROM:			Funds Transferred TO:		
CODE	Program Name:	Total	CODE	Program Name:	Total
327	Critical Teaching Needs	\$3,052.80	301	High School Diploma	\$971,274.90
346	Act 135 Academic Assistance, K-3	\$64,557.00	346	Act 135 Academic Assistance, K-3	\$371,278.80
393	Reduce Class Size	\$1,744,135.19	348	Act 135 Academic Assistance, 4-12	\$469,191.29
TOTAL:		\$1,811,744.99			\$1,811,744.99

QUARTER 3 (January through March)

Funds Transferred FROM:			Funds Transferred TO:		
CODE	Program Name:	Total	CODE	Program Name:	Total
393	Reduce Class Size	\$3,821,189.90	301	High School Diploma	\$1,227,205.98
383/384	Summer School/Remediation	\$1,115,679.89	346	Act 135 Academic Assistance, K-3	\$2,535,568.62
327	Critical Teaching Needs	\$15,282.78	348	Act 135 Academic Assistance, 4-12	\$1,383,444.02
931	Summer School Carryforward	\$72,424.28	322	Gifted and Talented Artistic	\$25,000.00
334	Professional Development	\$11,904.81	383	Summer School/Remediation	\$11,904.81
317	AP Singleton	\$600.00	315	Advanced Placement	\$600.00
322	Gifted and Talented-Artistic	\$11,482.00	320	Gifted and talented Academic	\$35,964.10
919	Apple Tags	\$815.57	396	Alternative School	\$6,209.28
301	High School Diploma	\$39,037.22	340	Four-Year-Old Early Childhood	\$29,000.00

TABLE D

**Fiscal Year 2005-06
Transfers by Quarter and by Program**

QUARTER 3 (January through March) Continued

Funds Transferred FROM:			Funds Transferred TO:		
CODE	Program Name:	Total	CODE	Program Name:	Total
330	Handicapped	\$6,209.28			
342	Preschool Program for Children with Disabilities	\$8,573.13			
933	School safety Officer (Carryforward)	\$17,123.04			
934	Middle School Initiative (carryforward)	\$3,239.93			
325	Career and Technology Equipment	\$49,106.00			
313	Family Literacy	\$82,228.98			
	TOTAL:	\$5,254,896.81		TOTAL:	\$5,254,896.81

QUARTER 4 (April and May)

Funds Transferred FROM:			Funds Transferred TO:		
CODE	Program Name:	Total	CODE	Program Name:	Total
383/384	Summer School/Remediation	\$2,350,862.18	346	Act 135 Academic Assistance, K-3	\$4,726,239.38
334	Professional Development	\$89,286.58	348	Act 135 Academic Assistance, 4-12	\$4,910,894.37
393/929	Reduce Class Size	\$6,358,064.51	301	High School Diploma Credit	\$1,177,161.41
346	Act 135 Academic Assistance, K-3	\$3,281,707.33	340	Four-Year-Old Program	\$966,717.19
327	Critical Teaching Needs	\$20,206.68	320	Gifted and Talented, Academic	\$390,752.32
391	Middle School Initiative	\$217,889.86	960	K-5 Enhancement	\$130,000.00
320	Gifted and Talented Academic	\$15,000.00	967	6-8 Enhancement	\$60,097.00
322	Gifted and Talented Artistic	\$11,098.00	330	Trainable and Profoundly Mentally Disabled Student Services	\$39,500.00
313	Parenting/Family Literacy	\$19,012.00	396	Alternative Schools	\$63,857.70
905		\$28,275.00	383	Summer School/Remediation	\$4,767.77
396	Alternative School	\$40,000.00			
348	Act 135 Academic Assistance, 4-12	\$38,585.00			
	TOTAL:	\$12,469,987.14		TOTAL:	\$12,469,987.14

GRAND TOTAL:

\$20,009,145.25

\$20,009,145.25

TABLE E

Per Pupil Expenditures for Instruction *			
District	2002-03	2003-04	Change
Anderson 2	\$4,538	\$4,083	(\$455)
Florence 4	\$5,310	\$4,941	(\$369)
Barnwell 29	\$4,429	\$4,077	(\$352)
Saluda	\$4,135	\$3,905	(\$230)
Jasper	\$4,818	\$4,590	(\$228)
Lee	\$4,978	\$4,797	(\$181)
Berkeley	\$3,969	\$3,800	(\$169)
Dorchester 4	\$4,997	\$4,848	(\$149)
Spartanburg 3	\$4,969	\$4,833	(\$136)
Anderson 5	\$4,379	\$4,268	(\$111)
Union	\$4,565	\$4,463	(\$102)
Orangeburg 4	\$4,146	\$4,047	(\$99)
Laurens 55	\$3,846	\$3,754	(\$92)
York 2	\$4,983	\$4,891	(\$92)
Clarendon 2	\$3,628	\$3,542	(\$86)
Spartanburg 1	\$4,603	\$4,524	(\$79)
Williamsburg	\$4,347	\$4,268	(\$79)
Dillon 3	\$3,853	\$3,775	(\$78)
Greenwood 50	\$4,061	\$4,002	(\$59)
Barnwell 45	\$4,238	\$4,187	(\$51)
Marion 1	\$4,123	\$4,087	(\$36)
Kershaw	\$4,022	\$3,988	(\$34)
Sumter 17	\$4,148	\$4,116	(\$32)
Lexington 4	\$3,644	\$3,622	(\$22)
Pickens	\$3,946	\$3,929	(\$17)
Spartanburg 2	\$3,514	\$3,498	(\$16)
Darlington	\$4,425	\$4,423	(\$2)
Greenville	\$3,885	\$3,883	(\$2)
Florence 2	\$4,147	\$4,159	\$12
Lexington 1	\$4,353	\$4,365	\$12
Oconee	\$4,766	\$4,782	\$16
Bamberg 1	\$4,494	\$4,513	\$19
Lexington 2	\$4,683	\$4,704	\$21
Sumter 2	\$3,426	\$3,451	\$25
Chester	\$4,421	\$4,453	\$32
Florence 5	\$4,047	\$4,083	\$36
Clarendon 1	\$4,349	\$4,391	\$42
Anderson 3	\$3,790	\$3,836	\$46
Abbeville	\$4,262	\$4,314	\$52

TABLE E

Per Pupil Expenditures for Instruction *			
District	2002-03	2003-04	Change
York 4	\$4,127	\$4,179	\$52
Georgetown	\$4,776	\$4,829	\$53
Colleton	\$4,114	\$4,169	\$55
Hampton 1	\$3,941	\$3,997	\$56
Dorchester 2	\$3,927	\$3,985	\$58
Lexington 3	\$4,505	\$4,563	\$58
Greenwood 51	\$4,057	\$4,117	\$60
Aiken	\$4,059	\$4,120	\$61
Lancaster	\$4,074	\$4,140	\$66
Clarendon 3	\$3,615	\$3,686	\$71
Orangeburg 3	\$4,774	\$4,841	\$67
Anderson 1	\$3,610	\$3,691	\$81
Hampton 2	\$4,601	\$4,695	\$94
Spartanburg 5	\$4,663	\$4,761	\$98
Spartanburg 6	\$4,190	\$4,293	\$103
Allendale	\$5,957	\$6,064	\$107
Edgefield	\$4,292	\$4,417	\$125
Orangeburg 5	\$4,972	\$5,097	\$125
Anderson 4	\$4,047	\$4,183	\$136
Charleston	\$4,440	\$4,582	\$142
Calhoun	\$4,853	\$4,996	\$143
Dillon 2	\$3,511	\$3,661	\$150
Lexington 5	\$4,564	\$4,716	\$152
Barnwell 19	\$5,008	\$5,161	\$153
Greenwood 52	\$3,939	\$4,095	\$156
York 3	\$4,130	\$4,290	\$160
Newberry	\$4,633	\$4,794	\$161
Horry	\$4,408	\$4,579	\$171
Spartanburg 4	\$3,588	\$3,761	\$173
Chesterfield	\$4,102	\$4,280	\$178
Florence 3	\$4,319	\$4,513	\$194
Cherokee	\$4,225	\$4,448	\$223
Fairfield	\$5,320	\$5,561	\$241
Florence 1	\$4,010	\$4,261	\$251
Dillon 1	\$4,035	\$4,298	\$263
York 1	\$4,167	\$4,441	\$274
Richland 2	\$4,463	\$4,742	\$279
Marlboro	\$3,946	\$4,244	\$298
Richland 1	\$5,291	\$5,634	\$343
Bamberg 2	\$4,813	\$5,221	\$408
Beaufort	\$4,622	\$5,046	\$424

TABLE E

Per Pupil Expenditures for Instruction *			
District	2002-03	2003-04	Change
Marion 7	\$4,822	\$5,257	\$435
Marion 2	\$3,976	\$4,421	\$445
Spartanburg 7	\$5,006	\$5,863	\$857
Laurens 56	\$3,248	\$4,233	\$985
McCormick	\$4,633	\$5,007	\$374

Source: In\$ite data published by the Department of Education.

<http://www.myscschools.com/offices/finance/insite/>. Per Pupil Expenditure does not include capital and out-of-district obligations

Districts shaded consistently utilized the flexibility proviso in FY04 and FY05.

TABLE F

School District Absolute Ratings 2002–2005

Incorporates revisions to ratings as of November 4, 2005.

District *	2005	2004	2003	2002
Abbeville	Good	Good	Average	Average
Aiken	Good	Good	Good	Good
Allendale	Unsatisfactory	Below Average	Unsatisfactory	Below Average
Anderson 1	Excellent	Excellent	Excellent	Excellent
Anderson 2	Good	Excellent	Good	Good
Anderson 3	Average	Average	Average	Average
Anderson 4	Good	Good	Excellent	Good
Anderson 5	Good	Good	Good	Good
Bamberg 1	Average	Average	Average	Good
Bamberg 2	Below Average	Unsatisfactory	Unsatisfactory	Below Average
Barnwell 19	Average	Good	Average	Below Average
Barnwell 29	Average	Good	Average	Average
Barnwell 45	Average	Average	Average	Average
Beaufort	Average	Average	Average	Average
Berkeley	Average	Good	Average	Average
Calhoun	Below Average	Average	Below Average	Average
Charleston	Good	Good	Average	Average
Cherokee	Average	Average	Average	Average
Chester	Average	Average	Below Average	Average
Chesterfield	Average	Good	Average	Average
Clarendon 1	Below Average	Below Average	Below Average	Below Average
Clarendon 2	Below Average	Average	Average	Average
Clarendon 3	Average	Average	Average	Average
Colleton	Below Average	Average	Average	Below Average
Darlington	Average	Average	Average	Average
Dillon 1	Below Average	Average	Below Average	Below Average
Dillon 2	Average	Average	Below Average	Below Average
Dillon 3	Average	Good	Good	Good
Dorchester 2	Good	Good	Good	Good
Dorchester 4	Below Average	Average	Unsatisfactory	Below Average
Edgefield	Average	Good	Good	Average
Fairfield	Below Average	Below Average	Below Average	Below Average
Florence 1	Average	Good	Average	Average
Florence 2	Good	Good	Good	Average
Florence 3	Below Average	Average	Below Average	Below Average
Florence 4	Unsatisfactory	Below Average	Below Average	Below Average
Florence 5	Good	Good	Good	Good
Georgetown	Good	Good	Average	Average
Greenville	Good	Good	Good	Good
Greenwood 50	Good	Good	Good	Good
Greenwood 51	Average	Average	Average	Average
Greenwood 52	Excellent	Good	Good	Good
Hampton 1	Average	Average	Good	Average
Hampton 2	Unsatisfactory	Below Average	Unsatisfactory	Unsatisfactory
Horry	Good	Good	Excellent	Good

TABLE F

School District Absolute Ratings 2002–2005

Incorporates revisions to ratings as of November 4, 2005.

District *	2005	2004	2003	2002
Jasper	Below Average	Below Average	Unsatisfactory	Unsatisfactory
Kershaw	Good	Good	Good	Good
Lancaster	Good	Good	Average	Average
Laurens 55	Average	Good	Average	Average
Laurens 56	Average	Average	Average	Average
Lee	Unsatisfactory	Below Average	Unsatisfactory	Below Average
Lexington 1	Excellent	Excellent	Excellent	Good
Lexington 2	Good	Good	Good	Good
Lexington 3	Average	Good	Average	Average
Lexington 4	Average	Below Average	Average	Average
Lexington 5	Excellent	Excellent	Excellent	Excellent
McCormick	Below Average	Below Average	Below Average	Below Average
Marion 1	Average	Average	Average	Below Average
Marion 2	Average	Average	Average	Below Average
Marion 7	Below Average	Below Average	Below Average	Below Average
Marlboro	Below Average	Below Average	Below Average	Below Average
Newberry	Average	Average	Average	Average
Oconee	Good	Good	Good	Good
Orangeburg 3	Below Average	Below Average	Below Average	Below Average
Orangeburg 4	Average	Average	Average	Average
Orangeburg 5	Average	Average	Average	Below Average
Pickens	Good	Excellent	Excellent	Good
Richland 1	Average	Average	Average	Average
Richland 2	Good	Good	Excellent	Good
Saluda	Average	Average	Average	Average
Spartanburg 1	Good	Excellent	Good	Good
Spartanburg 2	Good	Good	Good	Good
Spartanburg 3	Good	Excellent	Good	Good
Spartanburg 4	Good	Excellent	Good	Good
Spartanburg 5	Good	Good	Good	Good
Spartanburg 6	Good	Good	Good	Good
Spartanburg 7	Average	Good	Good	Good
Sumter 2	Average	Good	Good	Average
Sumter 17	Average	Good	Average	Average
Union	Good	Good	Good	Average
Williamsburg	Average	Average	Average	Below Average
York 1	Good	Good	Good	Average
York 2	Good	Good	Excellent	Good
York 3	Good	Good	Good	Good
York 4	Excellent	Excellent	Excellent	Excellent

* Districts shaded consistently utilized the flexibility proviso in FY03 and FY04.

Source: Table compiled by EOC staff from information provided by the Department of Education.

TABLE G

Grade 3 PACT Results in Districts that Transferred 100% of Reduce Class Size Funds in FY04 and FY05

DISTRICT	MATH			MATH		
	% Students Basic or Above		Change	% Students Proficient or Above		Change
	2005	2004		2005	2004	
Allendale	60.0	68.0	(8.0)	7.9	6.8	1.1
Anderson 2	94.2	93.5	0.7	44.2	41.5	2.7
Anderson 3	77.0	86.8	(9.8)	20.8	24.7	(3.9)
Beaufort	78.9	77.7	1.2	25.7	24.3	1.4
Chester	77.1	81.3	(4.2)	19.1	21.0	(1.9)
Florence 2	78.7	92.5	(13.8)	22.5	21.3	1.2
Greenwood 50	79.0	80.3	(1.3)	27.1	23.4	3.7
Hampton 2	74.0	77.9	(3.9)	13.7	13.7	0.0
Jasper	67.3	54.2	13.1	19.5	12.9	6.6
Lancaster	78.8	74.1	4.7	27.0	22.9	4.1
Laurens 56	74.5	73.0	1.5	16.8	19.4	(2.6)
Lee	65.0	71.1	(6.1)	8.2	21.3	(13.1)
Lexington 1	89.6	91.4	(1.8)	37.5	37.9	(0.4)
Marion 1	59.6	66.4	(6.8)	18.8	18.0	0.8
Marion 2	56.6	57.2	(0.6)	7.2	9.0	(1.8)
Pickens	89.5	90.0	(0.5)	37.7	43.1	(5.4)
Spartanburg 2	89.6	89.5	0.1	40.4	35.4	5.0
Spartanburg 4	78.7	81.7	(3.0)	23.0	28.3	(5.3)
Spartanburg 5	80.2	84.9	(4.7)	29.5	26.3	3.2
Sumter 17	76.3	80.0	(3.7)	20.9	22.0	(1.1)
STATE:	83.4	82.7	0.7	30.9	30.0	0.9

Sources:

www.myschools.com/tracks/testscores/pact/2004/pctdst04.xls

www.myschools.com/tracks/testscores/pact/2005/pctdst05.xls

TABLE H

Grade 3 PACT Results in Districts that Transferred 100% of Reduce Class Size Funds in FY04 and FY05

DISTRICT	English/Language Arts				English/Language Arts		
	% Students Basic or Above	Change			% Students Proficient or Above	Change	
	2005	2004			2005	2004	
Allendale	70.5	64.4	6.1		24.1	27.7	(3.6)
Anderson 2	96.8	94.4	2.4		71.8	73.3	(1.5)
Anderson 3	86.0	89.8	(3.8)		57.6	60.5	(2.9)
Beaufort	85.4	85.7	(0.3)		54.4	56.2	(1.8)
Chester	78.1	82.0	(3.9)		39.0	41.9	(2.9)
Florence 2	90.8	87.1	3.7		60.6	50.0	10.6
Greenwood 50	84.0	82.6	1.4		47.3	49.5	(2.2)
Hampton 2	78.4	76.3	2.1		27.0	31.2	(4.2)
Jasper	71.4	61.0	10.4		31.6	26.7	4.9
Lancaster	82.6	76.2	6.4		49.9	44.0	5.9
Laurens 56	75.5	68.0	7.5		35.4	36.5	(1.1)
Lee	78.9	74.0	4.9		32.7	33.7	(1.0)
Lexington 1	90.2	90.6	(0.4)		61.2	65.5	(4.3)
Marion 1	67.4	68.8	(1.4)		32.2	36.0	(3.8)
Marion 2	59.6	60.0	(0.4)		20.6	24.4	(3.8)
Pickens	92.0	91.5	0.5		67.1	64.1	3.0
Spartanburg 2	89.6	92.2	(2.6)		63.3	68.6	(5.3)
Spartanburg 4	78.6	80.8	(2.2)		46.6	51.7	(5.1)
Spartanburg 5	80.8	84.4	(3.6)		54.8	52.9	1.9
Sumter 17	88.6	85.6	3.0		50.6	50.5	0.1
State	87.1	85.8	1.3		56.8	56.0	0.8

Sources:

www.myschools.com/tracks/testscores/pact/2004/pctdst04.xls

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