



Review of Transfers Pursuant to the Flexibility Proviso

Fiscal Year 2004-05

PO Box 11867
Blatt Building, Rm 227
Columbia, SC 29211

www.sceoc.org

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Background

For the past two years, the General Assembly has required the Education Oversight Committee (EOC) to review the utilization of a provision 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 1.61. and 1A.47. of the 2004-05 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 provision was originally enacted as a tool to assist school districts in addressing mid-year revenue shortfalls. Beginning in the 2002-03 General Appropriation Act, two provisos were adopted allowing school districts to transfer up to twenty percent of funds between programs to any instructional program with the same funding source and to allow districts 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, to expand the

amount districts could transfer. The resolution allowed school 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.”

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.

Implementation

According to the provisos, the Department of Education is required to implement the procedures for transferring funds between programs, and the Education Oversight Committee is responsible for reviewing the utilization of the flexibility provisos. In consultation with the EOC, the Department of Education developed and adopted the form and flexibility procedures for all districts to follow along with sample accounting transactions. These forms and directions are posted on the Department’s website and are included in the appendix. There were two distinct forms developed – one expressly for transfers from the Barnwell (Children’s Endowment) Fund and another for all other transfers. As required by the proviso, all transfers are to be submitted by May 1 of the fiscal year to the Department of Education. For the 2004-05 school year, the EOC received quarterly updates of transfers submitted and approved from the Department of Education.

Over the past two years, the forms developed and used by districts to request transfers have not changed. Districts submitting transfers must reference the name of the program and sub-fund that monies are to be transferred from, the current allocation, the amount of the transfer and the program to which the funds are to be allocated along with the sub-fund. Furthermore, districts are asked to attach a written justification of the transfer. Signatures of the chair of the local school district board and of the superintendent are also required on the transfer document.

Because the proviso specifically states that funds transferred must be utilized for direct classroom instruction, the Department of Education annually notifies districts of allocations to specific programs that may not be reduced or eliminated. For Fiscal Year 2004-05, there were some slight changes in the appropriations that could be transferred. According to the proviso, no funds allocated directly to an individual school through a grant or for technical assistance could be transferred. And, for the first time, a determination was made that only lottery funds allocated to the 6-8 Middle School Initiative could be

transferred. Below is a list of the EIA and Restricted State appropriations, along with their revenue code, that are **excluded** from the flexibility provision:

- Teacher Salary Supplement (3550)
- Teacher Salary Fringe Benefits (3555)
- National Board Certification (3532)
- Teacher/Curriculum Specialists (3196)
- Teacher Supply (3777)
- Principal Salary Supplement (3582)
- Part Time Benefits (3183)
- Teacher of the Year Award (3533)
- Bus Driver Salary Supplement (3598)
- Refurbishment of K-8 Science Kits (3126)
- All lottery funds **except** 6-8 Middle School Initiative (3607)
- All grants or technical assistance funds allocated directly to an individual school

Throughout FY2004-05 the Office of Finance at the Department of Education reminded school districts of the flexibility option. On July 20, 2004 the Department provided to all districts the flexibility form, sampling accounting transactions and flexibility procedures. Monthly thereafter, the *Monthly Financial Aid Newsletter* published by the Office of Finance reminded districts of the flexibility option and provided information on how to request the transfers. All monthly newsletters, documents and forms were posted on the Department's website at <http://www.myscschools.com>.

Utilization of Flexibility Provision

The flexibility provision requires 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." Last year the EOC determined that it was "impossible to determine the impact of the flexibility provision on the academic achievement of students or on the short and long-term education objectives of the state during the first year of the provision's implementation." (<http://www.sceoc.com/PDF/FlexSpendingCover.pdf>) The 2003-04 review suggested instead that in Fiscal Year 2004-05 the EOC analyze changes in the following indicators over the past two years: (1) PACT scores in grade 3, especially in districts that transferred their entire state allocation for Reduce Class Size to other programs; (2) student teacher ratios for the core subjects; and (3) dollars spent per pupil."

Consequently, for Fiscal Year 2004-05 the EOC has analyzed the transfers from the Barnwell (Children's Endowment) Fund and available state and EIA revenue to determine the following:

1. In Fiscal Year 2004-05 how many districts transferred funds from the Barnwell (Children's Endowment) Fund? What did the transfers total? Compared to Fiscal Year 2003-04, were there more or fewer transfers?
2. What general fund, EIA and lottery programs were reduced in Fiscal Year 2004-05 as a result of the flexibility provision? What was the amount of the reductions? Compared to Fiscal Year 2003-04 are these generally the same programs or different?
3. What programs were increased and the amount of the increase? Compared to Fiscal Year 2003-04 are these generally the same programs or different?
4. How many districts used the flexibility proviso? Compared to Fiscal Year 2003-04, are more or fewer districts using the flexibility?
5. In districts that transferred their entire state allocation for reduce class size in Fiscal Year 2003-04, based on the 2004 annual report card, what were grade 3 PACT scores in these districts?
6. In districts that used the flexibility proviso in 2003-04, based on the 2004 annual district report cards, did these districts have any changes in student teacher ratios for the core subjects or in dollars spent per pupil?

Transfers from the 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, and seventy percent of these monies must be allocated to Public School Facility Assistance and used as provided in Chapter 144 of Title 59. Of the funds available to school districts, 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. In Fiscal Year 2003-04 school

districts were allowed to transfer Barnwell Facilities which had been allocated for 1997 through 2003 projects. Twenty-two school districts transferred over eight million dollars or approximately 17% of the total amount available to other programs.

As of September 20, 2004 school districts had a total balance of \$31,897,929 in Barnwell (Children’s Endowment) Funds which had not been drawn down. (<http://www.myschools.com/offices/finance/BarnwellAlloc04.xls>.) Of this amount, \$18,055,777 had been allocated to school districts in FY04. During Fiscal Year 2004-05, only six school districts requested and received approval to transfer \$1,717,943.49 in Barnwell Funds or 5.35% of the total available amount. However, of these six districts, five also transferred funds from their Barnwell allocation last fiscal year. The following table summarizes the total amount of funds transferred during the past two fiscal years.

Transfers FROM the Barnwell (Children’s Endowment) Fund

Fiscal Year	No. Districts Making Transfers	Amount Transferred	Total Available Funds	% Transferred
2004-05	6	\$1,717,943.49	\$31,897,929	5.39%
2003-04	22	\$8,429,451.56	\$49,623,450	16.99%

Of the funds transferred in Fiscal Year 2003-04, approximately 98.48% of the funds were reallocated to the General Fund and 1.52% to Academic Assistance Programs. The General Fund is defined as appropriations to the Education Finance Act, home schooling, transportation for special needs students, school bus driver salary, retiree insurance, fringe benefits, health/dental benefits, and attendance supervisor salaries. Similarly in Fiscal Year 2004-05, all transfers of funds from the Barnwell fund were allocated to the General Fund. According to the justifications filed by the districts which opted to transfer funds designated for building construction and renovation, funds were used to pay for teacher salaries and fringe benefits.

Transfers of the Barnwell (Children’s Endowment) Fund TO

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

Table 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 2003-04 approximately 50 school districts and one special school district, Palmetto Unified, transferred funds from state revenue and EIA-funded programs. Of these fifty districts, seventeen also transferred funds from the Barnwell (Children’s Endowment Fund). The total amount of funds transferred from state revenue and EIA sub-funds totaled \$20,858,776.81 or approximately 5.6% of all funds eligible for transferring were actually transferred. The least amount transferred from any one program was \$141.60, and the largest transfer from one line item was \$1,869,089. The least amount of transfers requested by any one district totaled \$2,381. The largest total amount of transfers requested by any one district from state and EIA programs totaled \$1,869,089.

In Fiscal Year 2004-05, approximately 41 school districts and one special school district, Palmetto Unified, transferred funds from state revenue and EIA-funded programs. Of these 41 school districts, four also transferred funds from the Barnwell (Children’s Endowment Fund). Table B in the appendix documents each transfer by school district. The total amount of funds transferred from state revenue and EIA sub-funds totaled \$17,105,458.37 or approximately 4.88% of all funds eligible for transferring were actually transferred. Table C in the appendix lists the total amount of state, EIA and lottery funds by program that was eligible for transferring to other purposes. The least amount transferred from any one program was \$2,381 and the largest transfer from any one item was \$1,984,244.50. The least amount of transfers requested by any one district totaled \$2,710.92.

Transfers FROM State Revenue and EIA Programs

Fiscal Year	No. Districts Making Transfers *	Amount Transferred	Total Available Funds	% Transferred
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 transfers by quarter and by program. As in the prior fiscal year, over 73% of all funds transferred were approved during the last two months of the fiscal year.

The next analysis focuses on the individual programs which were reduced or increased pursuant to the flexibility provision. In 2003-04 over 60% of all transfers were reallocations of monies appropriated for the Reduce Class Size program along with another 26% from Summer Schools and Act 135 Academic Assistance Funds. Similarly, in Fiscal Year 2004-05 approximately two-thirds or 66% of all funds transferred were transferred from the Reduce Class Size

program. Another 13% was transferred from Summer School and 12.5% from Act 135, Academic Assistance.

The goal of the Reduce Class Size program is to fund lower student to teacher ratios in the early grades. Section 59-63-65 of the South Carolina Code of Laws provides special funding for school districts "which choose to reduce class size to fifteen to one in grades one through three." Using the general fund appropriations for this program, the boards of trustees of each school district may implement the lower pupil-teacher ratios on a school by school, grade by grade, or class by class basis. A local match based on the second preceding year EFA formula is required. As in the prior fiscal year, some districts made the decision not to provide a reduced class size of 15:1 in grades one through three and to maintain instead more uniform class sizes in all elementary grades. Furthermore, districts with limited local revenues may have opted to transfer these funds to avoid raising the required local match as well.

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 the federal free and reduced-price lunch program. The second component is known as Subfund 348 which includes 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 and reduced 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.

Funds are also allocated to summer school and comprehensive remediation programs. According to Proviso 1.53 of the 2004-05 General Appropriation Act, "fund appropriated for summer school shall be allocated to each local public school district based on the number of academic subject area score below the basic on the prior year Spring PACT administration for students in grades three through eight. . . . Local public school districts shall utilize these funds in accordance with the requirements of Section 59-18-500 of the 1976 Code." Section 59-18-500 requires academic plans for students who lack the academic skills to perform on grade level. The plans may require students to attend summer school or to participate in yearlong remediation.

In Fiscal Year 2004-05 districts transferred funds from only 15 program allocations as compared to 28 in the prior fiscal year. One distinct change occurred with the allocation for Gifted and Talented funds. In Fiscal Year 2003-04 only \$27,113.95 in funds were reallocated from the Academic Programs of the Gifted and Talented Program. In Fiscal Year 2004-05, there was \$227,258.06 or a sevenfold increase in funds originally allocated for the Academic Gifted and Talented Program which were transferred to other functions.

Total Amount Transferred FROM:

Program	Code*	FY 2004-05	FY 2003-04
Reduce Class Size	929	\$11,296,252.20	\$12,555,404.92
Act 135 Academic Assistance, K-3	346	\$1,331,271.07	\$2,860,621.00
Summer School	931/932	\$2,255,249.42	\$2,028,590.56
Local School Innovation	307	\$206,348.00	\$751,062.36
Act 135 Academic Assistance 4-12	348	\$821,790.81	\$640,152.00
High School Diploma Requirements	901	\$39,063.48	\$471,000.00
Excellence in Middle School	934	\$397,263.66	\$242,869.76
Retraining Grants	329		\$226,159.82
Homework Centers	395		\$182,254.67
Parenting/Family Literacy	313	\$182,554.69	\$162,466.74
Gifted and Talented Artistic	322	\$11,273.00	\$143,551.76
Career and Technology Vocational Equipment	325	\$98,818.00	\$113,679.93
Alternative Schools	923	\$27,783.35	\$102,343.00
Professional Development on the Standards	334	\$78,346.47	\$95,490.03
Vocational Equipment (General Fund)	905		\$77,479.00
School Resource Officer	933	\$44,765.65	\$30,935.00
Intervention	370		\$30,000.00
Gifted and Talented Academic	320	\$227,258.06	\$27,113.95
Critical Teaching Needs	327	\$14,761.22	\$26,235.00
Reading Recovery	349		\$25,965.96
Four-Year-Old Early Childhood	340		\$17,396.75
Adult Education –Basic	918		\$15,000.00
School to Work	392		\$12,538.00
Reduce Class Size Carry Forward	229		\$12,490.00
Adult Education-Literacy	914		\$6,500.00
AP Singleton	317		\$960.00
Advanced Placement	315		\$375.00
Junior Scholars	323		\$141.60
Milken Foundation Teacher Award	399	\$12,786.81	
ADEPT	916	\$59,912.48	
TOTAL:		\$17,105,498.37	\$20,858,776.81

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

When analyzing what percentage of funds originally allocated to these programs were transferred, the following table documents that on average 6.49% of the

funds originally allocated to these EIA or general fund programs were transferred.

Code/Program	Current Allocation	Transfer Amount	% Transferred
307 - EIA School Innovation	\$ 9,970,064.00	\$ 206,348.00	2.07%
313 - EIA Parenting/Family Literacy	\$ 5,530,526.00	\$ 102,912.48	1.86%
320 - Gifted & Talented Academic	\$ 25,692,780.00	\$ 227,258.06	0.88%
322 - EIA Gifted & Talented Artistic	\$ 2,854,753.00	\$ 11,273.00	0.39%
327 - EIA Critical Teaching Needs	\$ 602,911.00	\$ 14,761.22	2.45%
334 - EIA Professional Development on Standards	\$ 4,435,400.00	\$ 78,346.47	1.77%
346 – Academic Assistance (K-3)	\$ 55,544,970.00	\$ 1,331,271.07	2.40%
348 – Academic Assistance (4-12)	\$ 60,607,836.00	\$ 821,790.81	1.36%
399 - Other EIA ^a	\$ 38,648.00	\$ 12,786.81	33.09%
901 - Increase High School Diploma Requirements	\$ 23,632,801.00	\$ 39,063.48	0.17%
905 - Career & Technology Equipment	\$ 3,963,520.00	\$ 98,818.00	2.49%
916 – ADEPT	\$ 2,045,311.00	\$ 139,554.69	6.82%
923 - Alternative Schools	\$ 10,711,251.00	\$ 27,783.35	0.26%
929 - EAA Reduce Class Size	\$ 35,047,429.00	\$ 11,296,212.20	32.23%
931 - EAA Summer School/Comprehensive Remd.	\$ 21,000,000.00	\$ 2,255,249.42	10.74%
933 - School Resource Officer	\$ 6,807,857.00	\$ 44,765.65	0.66%
934 - Excellence in Middle School	\$ 4,937,500.00	\$ 397,263.66	8.05%
	\$ 263,453,493.00	\$ 17,105,458.37	6.49%

* Refers to EIA grant awarded to Horry County School District

Source: Office of Finance, State Department of Education

In analyzing the programs that school districts transferred funds into, the data for Fiscal Years 2003-04 and 2004-05 are comparable. In Fiscal Year 2003-04, nine programs were increased as a result of the flexibility proviso. In Fiscal Year 2004-05 seven programs were increased. In the current fiscal year 48.26% of the funds were reallocated to Act 135 Academic Assistance as compared to 54% in the prior fiscal year. One-third or 32% of funds were reallocated to Local School Innovation as compared to 18% of the total in 2003-04. Districts stated that these funds were to be expended on teacher salaries and on specific district education initiatives. Another 18% was expended specifically on the salaries and fringe benefits of high school teachers.

Total Amount Transferred INTO:

Program	Code*	FY 2004-05	FY 2003-04
Local School Innovation	307	\$5,469,676.62	\$3,814,272.08
Act 135 Academic Assistance, K-3	346	\$4,604,657.08	\$7,642,815.68
Act 135 Academic Assistance, 4-12	348	\$3,649,580.69	\$3,721,002.98
Increase High School Requirements	901	\$3,058,787.06	\$4,488,563.63
Four-Year-Old Early Childhood	340	\$166,243.00	\$351,739.58
Gifted and Talented Academic	320	\$153,803.00	\$599,562.00
Trainable and Profoundly Mentally Disabled Student Services	330	\$2,710.92	\$85,749.00
Alternative Schools	923		\$100,071.86
Parenting/Family Literacy	313		\$55,000.00
TOTAL:		\$17,105,458.37	\$20,858,776.81

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

As in 2003-04, 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.

Non-Utilization of Flexibility Proviso

Equally as informative as the information on the transfers is the lack of utilization of the transfer flexibility provision. In Fiscal Year 2004-05 slightly more than half of the school districts requested a transfer of funds from either the Barnwell (Children’s Endowments) Fund or from state or EIA –funded programs. In fact, the number of school districts requesting transfers actually declined in 2004-05 from 55 to 43. There were sixteen districts that made transfers in 2003-04 but not in 2004-05. Another seven districts made transfers for the first time in 2004-05. These seven districts were Abbeville, Bamberg 2, Charleston, Kershaw, McCormick, Marion 7 and Spartanburg 7. Only about half of the school districts requested transfers through the flexibility provision.

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

Excluded are special school districts.

In fact, there still remain 23 school districts that have not requested transfers in 2004-05 or in 2003-04. These districts represent large urban school districts and small rural districts as well as districts of varying fiscal authority.

**Districts Not Requesting Any Transfer of Funds
Fiscal Year 2003-04 AND Fiscal Year 2004-05**

Barnwell 29	<i>Greenwood 52</i>	York 2
Berkeley	Lexington 2	York 3
Cherokee	Lexington 3	York 4
<i>Clarendon 1</i>	Lexington 5	
<i>Clarendon 3</i>	Oconee	
Dorchester 2	Orangeburg 5	
Fairfield	<i>Saluda</i>	
Florence 4	Spartanburg 6	
Florence 5	Williamsburg	
Greenville	York 1	

- 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

Based on the EOC's 2003-04 report on the flexibility provision, the 2004-05 report seeks to determine what impact, if any, the flexibility proviso has had on educational achievement. Three indicators were considered:

1. Dollars Spent per Pupil – The first question is do flexibility provisions encourage districts to spend more in direct classroom dollars on students. An argument in favor of school districts having flexibility in allocating state and EIA revenues is that districts will be able to target funds on direct classroom expenses.

On the annual district report cards are the dollars spent per pupil on instructional support. According to the *2003-04* and *2004-05 Accountability Manuals* this figure is based on the most recently audited data. For purposes of analyzing the 2004-05 or 2003-04 flexibility provisions, the most recent data available is from the 2002-03 school year. Consequently, it is not possible to determine if the total dollars spent per pupil has increased or decreased. After the issuance of the 2005 Annual School Report Card, the EOC will be able to determine how, if any, the amount that districts spent per pupil has been impacted by the flexibility provisos.

2. Student-teacher Ratios – Another issue related to the flexibility provisos is class size. Because the majority of funds that were transferred were transferred from the Reduce Class Size program, the EOC analyzed the data to determine the impact of the flexibility provisions on student-teacher ratios. According to the *2004-05 Accountability Manual*, the student-teacher ratio is defined as the average student-teacher ratio for English language arts, mathematics, science, and social studies classes. While the student-teacher ratios for school districts cannot be disaggregated between elementary, middle and high schools, the overall student-teacher ratios can be analyzed.

In Fiscal Year 2003-04 there were thirty-two school districts that transferred funds from Reduced Class Size to other programs. Of these 32 school districts 29 transferred 100% of their allocation for Reduce Class Size to other programs and functions. In analyzing the student-teacher ratios for these 29 school districts using the 2004 district report cards, it was determined that, while the state average student-teacher ratio increased between 2003 and 2004 from 20.6 to 21.0 or 0.40, the average student-teacher ratio in these 29 school districts increased by 0.80. In these 29 school districts, 22 districts experienced increases in the student-teacher ratio in 2004 which resulted in an average student-teacher ratio of 21.2 as compared to 20.4 in 2003. The student-teacher ratio in these select districts ranged from a high of 26.0 to a low of 18.3 in 2004. One of the 29 school districts increased its student-teacher ratio from 21.8 to

26.0. Two other districts decreased their student-teacher ratio from 27.2 to 24.0. However, when comparing the average student-teacher ratio in these 29 districts to the state average, these districts have ratios which are slightly greater than the state average. While districts could have transferred funds to reduce class size at the middle or high school levels, the data suggest that instead the districts used the funds to pay for existing teacher salaries and fringe benefits.

29 Districts Transferring 100% Funds for Reduce Class Size
2003-04

Student-Teacher Ratio	2004	2003
Average	21.2	20.4
Maximum	26.0	24.6
Minimum	18.6	15.3
STATE AVERAGE	21.0	20.6

Table E in the appendix reflects the student-teacher ratios for all schools districts in 2004 and 2003.

3. Third Grade PACT Scores – A final indicator is student achievement on PACT. Again, looking at these 29 school districts that transferred their entire allocation for Reduce Class Size to other programs and expenditures, the third grade English Language Arts (ELA) and mathematics scores on PACT were analyzed to determine how, if any, third grade PACT scores could have been impacted by the transfers.

The following tables provide information on the percentage of students scoring basic and above and the percentage of students scoring proficient or above on both ELA and Math as compared to 2003. The data reveal that third grade PACT math scores in most of the 29 districts experienced declines in the percentage of students scoring Proficient and above. However, PACT math scores for students scoring above Basic were mixed. On the other hand, third grade PACT ELA scores in these districts generally improved across the board. There were districts, though, that experienced declines while the state experienced an overall increase in the students scoring Basic or above and Proficient or Above.

2004 and 2003 Third Grade PACT Math
 Districts Transferring 100% of Reduce Class Size Allocations
 To Other Programs in 2003-04

	Districts Having Increase In:	Range of Increase	Districts Having Decrease In:	Range of Decrease
% Students Basic or Above	17	0.5 to 15.7%	12	(0.2 to 8.5%)
% Students Proficient or Above	7	1.0 to 12.0%	22	(0.7 to 13.2%)
STATE		0.4%		(3.5%)

2004 and 2003 Third Grade PACT ELA
 Districts Transferring 100% of Reduce Class Size Allocations
 To Other Programs in 2003-04

	Districts Having Increase In:	Range of Increase	Districts Having Decrease In:	Range of Decrease
% Students Basic or Above	23	0.3 to 18.2%	6	(0.9 to 7.8%)
% Students Proficient or Above	28	2.5 to 23.80%	1	(2.10%)
STATE		4.0%		10.80%

There can not be a direct causal relationship substantiated between the districts that transferred funds originally allocated to Reduce Class Size to other functions and the districts' third grade PACT scores. However, future analysis on districts that continue to reallocate these funds to other functions may produce more definitive conclusions.

Conclusions and Policy Implications:

1. As compared to Fiscal Year 2003-04 in which 55 school districts used the flexibility provisos to transfer \$29,160,431.47 between educational programs and initiatives, 43 school districts or half of all districts in the state in Fiscal Year 2004-05 transferred \$18,823,401.86 in funds between programs.
2. Twenty-three or about one-quarter of all school districts did not request transfers of funds from one program to another in 2003-04 or in 2004-05.
3. As compared to Fiscal Year 2003-04 in which districts transferred funds from 28 distinct programs, in 2004-05 school districts transferred funds from 15 general fund and EIA programs.
4. In Fiscal Years 2003-04 and 2004-05, approximately two-thirds of all funds transferred were originally allocated to the Reduce Class Size program.
5. As compared to Fiscal Year 2003-04, transfers from the Gifted and Talented Academic and Artistic Programs reflected significant annual fluctuations. Transfers from the Gifted and Talented Academic Program increased from \$27,113.95 to \$227,258.06 or a seven-fold increase. On the other hand transfers from the Gifted and Talented Artistic Program fell from \$143,551.76 in FY04 to \$11,273 in FY05.
6. Analyzing the potential education impact when school districts transferred 100% of their Reduce Class Size allocation to other education programs and initiatives, the data suggest that the EOC should annually analyze the student-teacher ratios and third grade PACT scores in these districts. Increased student-teacher ratios in these districts above the level experienced in the state may adversely impact educational achievement in these districts.
7. Next year when the 2003-04 audited financial data is available, the EOC should analyze what, if any, changes in the dollars spent per pupil have occurred since implementation of the flexibility provisos.

APPENDIX

TABLE A

Summary of Fiscal Year 2004-05 Transfers from the Barnwell (Children's Endowment) Fund

Transfer From						Transfer To			
	District	2004 Projects	Total Current Allocation	Transfer Amount	% of Allocation	Program Name	Code	Date Completed by District	Date Reviewed by SDE
3rd	Charleston	\$1,030,671.39	\$1,030,671.39	\$1,030,671.39	100.00%	General Fund	100	1/27/2005	1/31/2005
2nd	Florence 1	\$338,225.00	\$338,225.00	\$338,225.00	100.00%	General Fund	100	10/22/2004	11/2/2004
3rd	Jasper	\$79,689.00	\$79,689.00	\$79,688.83	100.00%	General Fund	100	1/27/2005	1/28/2005
2nd	Marion 1	\$85,436.81	\$85,436.81	\$85,436.81	100.00%	General Fund	100	12/7/2004	12/14/2004
2nd	Marion 2	\$60,810.46	\$60,810.46	\$60,810.46	100.00%	General Fund	100	10/11/2004	10/18/2004
4th	Spartanburg 1	\$123,111.00	\$123,111.00	\$123,111.00	100.00%	General Fund	100	3/3/2005	3/7/2005
TOTAL		\$1,717,943.66	\$1,717,943.66	\$1,717,943.49					

TABLE B

Summary of Fiscal Year 2004-05

Transfers from EIA and State Revenue

<i>Transfer From</i>							<i>Transfer To</i>				
QTR	District	Program Name	Code	Current Allocation	Transfer Amount	% of Allocation	Program Name	Code	Explanation	Date Completed by District *	Date Reviewed by SDE
4th	Abbeville	Summer School	931	\$194,130.36	\$50,000.00	25.8%	Act 135 Academic Assistance, K-3	346	Purchase classroom materials	4/26/2005	5/2/2005
					\$50,000.00	25.8%	Act 135 Academic Assistance, 4-12	348	Purchase classroom materials		
1st	Aiken	Middle School Initiative	934	\$213,776.94	\$213,776.94	100.0%	School Innovation	307	Pay teacher salaries and fringes	9/17/2004	9/20/2004
4th	Allendale	Gifted and Talented - Academic	320	\$15,000.00	\$15,000.00	100.0%	Academic Assistance, K-3	346	Pay teacher salaries and fringes	4/28/2005	5/2/2005
		Gifted and Talented - Artistic	322	\$7,309.00	\$7,309.00	100.0%	Academic Assistance, K-3	346	Pay teacher salaries and fringes	4/28/2005	5/2/2005
		Reduce Class Size	929	\$476,072.00	\$200,000.00	42.0%	High School Diploma	901	Pay teacher salaries and fringes	4/28/2005	5/2/2005
					\$192,078.00	40.3%	Academic Assistance, K-3	346	Pay teacher salaries and fringes	4/28/2005	5/2/2005
					\$83,994.00	17.6%	Act 135 Academic Assistance, 4-12	348	Pay teacher salaries and fringes	4/28/2005	5/2/2005
		Summer School	931	\$108,085.00	\$108,085.00	100.0%	Act 135 Academic Assistance, 4-12	348	Pay teacher salaries and fringes	4/28/2005	5/2/2005
4th	Anderson 2	Summer School	931	\$66,183.00	\$30,000.00	45.3%	School Innovation	307	"Utilize these funds for a broader area of instructional programming. The funds would also allow more instructional service to be offered to a larger student population."	4/29/2005	5/2/2005
		Reduce Class Size	929	\$148,225.00	\$148,225.00	100.0%	School Innovation	307		4/29/2005	5/2/2005
		Act 135 Academic Assistance, K-3	346	\$251,915.00	\$60,000.00	23.8%	School Innovation	307		4/29/2005	5/2/2005
4th	Anderson 3	Reduce Class Size	929	\$139,486.33	\$139,486.33	100.00%	Act 135 Academic Assistance, K-3	346	District could not maintain a 15:1 ratio for any teacher; funds to be used to fund teachers' salaries and fringe benefits	4/27/2005	4/29/2005
		Summer School	932	\$85,443.58	\$85,443.58	100.00%	School Innovation	307	District receives a 21st Century grant which is funding after-school comprehensive remediation services at the elementary and middle schools. The grant is declining annually and will terminate at the end of the 2005-06 school year. Replacing the grant funds will be EAA comprehensive remediation funds to supplement and eventually fully support that program		

TABLE B

Summary of Fiscal Year 2004-05

Transfers from EIA and State Revenue

QTR	District	Program Name	Code	Current Allocation	Transfer Amount	% of Allocation	Program Name	Code	Explanation	Date Completed by District *	Date Reviewed by SDE
4th	Anderson 5	Summer School	931	\$274,390.00	\$137,195.00	50.00%	Act 135 Academic Assistance, K-3	346	Funds for summer school remediation were transferred to academic assistance during the school year	4/12/2005	4/12/2005
					\$137,195.00	50.00%	Act 135 Academic Assistance, 4-12	348	Funds for summer school remediation were transferred to academic assistance during the school year	4/12/2005	4/12/2005
2nd	Bamberg 2	Reduce Class Size	929	\$761,715.20							
					\$217,580.94	28.6%	Act 135 Academic Assistance, K-3	346	Purchase, install and support technology equipment for students and teachers in all instructional programs within the district	11/19/2004	11/29/2004
					\$544,134.26	71.4%	Act 135 Academic Assistance, 4-12	348	Purchase, install and support technology equipment for students and teachers in all instructional programs within the district	11/19/2004	11/29/2004
		Increase High School Diploma	901	\$39,063.48	\$39,063.48	100.0%	School Innovation	307	Purchase, install and support technology equipment for students and teachers in all instructional programs within the district	11/19/2004	11/29/2004
4th		School Safety Officers	933	\$10,382.54	\$10,382.54	100.00%	Act 135 Academic Assistance, 4-12	348	Purchase instructional supplies	4/29/2005	5/2/2005
		Excellence in Middle Schools	934	\$30,526.07	\$30,526.07	100.00%	Act 135 Academic Assistance, 4-12	348	Purchase instructional supplies	4/29/2005	5/2/2005
4th	Barnwell 19	Gifted and Talented - Artistic	322	\$3,964.00	\$3,964.00	100.00%	Gifted and Talented - Academic	320	District does not have a Gifted and Talented Artistic Program currently	4/11/2005	4/22/2005
		Reduce Class Size	929	\$59,343.74	\$20,000.00	33.70%	Four-Year-Old early Childhood	340	Pay for salaries and fringe benefits	4/11/2005	4/22/2005
4th	Barnwell 45	School Innovation	307	\$41,140.00	\$41,140.00	100.00%	Act 135 Academic Assistance, 4-12	348	Pay for teacher salaries and fringe benefits	4/26/2005	4/28/2005
		Summer School	931	\$118,398.00	\$118,398.00	100.00%	Act 135 Academic Assistance, K-3	346	Pay for teacher salaries and fringe benefits	4/26/2005	4/28/2005
		Professional Development	344	\$38,000.00	\$33,146.47	87.23%	Act 135 Academic Assistance, K-3	346	Pay for teacher salaries and fringe benefits	4/26/2005	4/28/2005
4th	Beaufort	Reduce Class Size	929	\$796,200.00	\$796,200.00	100.00%	Act 135 Academic Assistance, K-3	346	Pay for teacher salaries and fringe benefits	4/26/2005	4/28/2005

TABLE B

Summary of Fiscal Year 2004-05

Transfers from EIA and State Revenue

QTR	District	Program Name	Code	Current Allocation	Transfer Amount	% of Allocation	Program Name	Code	Explanation	Date Completed by District *	Date Reviewed by SDE
4th	Chester	Reduce Class Size	929	\$391,077.00	\$391,077.00	100.00%	Act 135 Academic Assistance, K-3	346	District not able to meet specific class size requirements for utilization of class size reduction funds. District trying to address instructional needs of students performing below grade level	4/18/2005	4/28/2005
4th	Chesterfield	Reduce Class Size	929	\$469,440.00	\$135,653.28	28.90%	High School Diploma	901	Pay for teacher salaries and fringe benefits in high school. District could not maintain a 15:1 class size.	4/28/2005	5/2/2005
4th	Colleton	Critical teaching Needs	327	\$3,854.28	\$3,854.28	100.00%	Act 135 Academic Assistance, K-3	346	Pay for teacher salaries and fringe benefits	4/28/2005	5/2/2005
		Reduce Class Size	929	\$443,196.00	\$443,196.00	100.00%	Increase High School Diploma	901	Pay for teacher salaries and fringe benefits	4/28/2005	5/2/2005
		Summer School	931	\$307,677.00	\$307,677.00	100.00%	Increase High School Diploma	901	Pay for teacher salaries and fringe benefits	4/28/2005	5/2/2005
4th	Dillon 1	Professional Development	344	\$29,200.00	\$6,000.00	20.55%	Gifted and Talented-Academic	320	District used carry forward funds and other sources to provide professional development. To be used for cost of instruction	4/28/2005	5/2/2005
4th	Dillon 2	Summer School	931	\$166,566.00	\$47,850.00	28.73%	Act 135 Academic Assistance, 4-12	348	Instructional salaries	4/27/2005	5/2/2005
		Professional Development	344	\$40,400.00	\$8,100.00	20.05%	Act 135 Academic Assistance, 4-12	348	Instructional salaries	4/27/2005	5/2/2005
1st	Dillon 3	Critical Teaching Needs	327	\$2,710.92	\$2,710.92	100.0%	Handicapped Student Services	330	Pay teacher salaries	8/10/2004	9/7/2004
3rd	Florence 2	Reduce Class Size	929	\$65,056.00	\$65,056.00	100.0%	Act 135 Academic Assistance, K-3	346	Provide 18:1 student-teacher ratio rather than a 15:1 student-teacher ratio	2/1/2005	4/5/2005
		Critical Teaching Needs	327	\$2,381.00	\$2,381.00	100.0%	School Innovation	307	Pay salary of classroom instructional teacher	2/1/2005	4/5/2005
1st	Greenwood 50	Reduce Class Size	929	\$486,443.00	\$486,443.00	100.0%	Increase High School Diploma Requirements	901	Provide quality instructional program in high schools	8/30/2004	9/7/2004
4th	Greenwood 51	Summer School	931	\$42,555.00	\$30,000.00	70.50%	School Innovation	307	To provide summer school through grant funds. Funds to be for purchase of computers	4/14/2005	4/15/2005

TABLE B

Summary of Fiscal Year 2004-05

Transfers from EIA and State Revenue

QTR	District	Program Name	Code	Current Allocation	Transfer Amount	% of Allocation	Program Name	Code	Explanation	Date Completed by District *	Date Reviewed by SDE
4th	Greenwood 52	Critical Teaching Needs	327	\$2,738.66	\$2,738.66	100.00%	Act 135 Academic Assistance, 4-12	348	Classroom Instruction	4/26/2005	5/2/2005
1st	Hampton 2	Reduce Class Size	929	\$114,329.00	\$114,329.00	100.0%	Act 135 Academic Assistance K-3	346	Reduce first and second grade class size and provide teacher assistants in all first grade classrooms	8/19/2004	9/7/2004
QTR	District	Program Name	Code	Current Allocation	Transfer Amount	% of Allocation	Program Name	Code	Explanation	Date Completed by District *	Date Reviewed by SDE
2nd	Horry	TAP Program	399	\$38,648.00	\$12,786.81	33.1%	School Innovation	307	Instructional related activity	11/8/2004	11/17/2004
4th		Reduce Class Size	929	\$1,984,244.50	\$1,984,244.50	100.00%	School Innovation	307	To fund following initiatives: Literacy First Program at the middle and high schools; CornerStone Expansion a literacy program for elementary schools; classroom books and reference materials in elementary, middle and high schools; school technology; services for at-risk students, and continuation of parenting and family literacy program at Conway Education Center.	5/1/2005	5/3/2005
		Summer School	931	\$607,131.00	\$561,621.84	92.50%	School Innovation	307		5/1/2005	5/3/2005
		Excellence in Middle Schools	934	\$195,197.36	\$152,960.65	78.36%	School Innovation	307		5/1/2005	5/3/2005
		Act 135 Academic Assistance, K-3	346	\$2,720,580.00	\$405,533.31	14.91%	School Innovation	307		5/1/2005	5/3/2005
		Act 135 Academic Assistance, 4-12	348	\$2,344,514.00	\$284,159.93	12.12%	School Innovation	307		5/1/2005	5/3/2005
		Gifted and Talented - Academic	320	\$1,434,674.56	\$212,258.06	14.79%	School Innovation	307		5/1/2005	5/3/2005
		Parenting and Family Literacy	313	\$160,055.11	\$139,554.69	87.19%	School Innovation	307		5/1/2005	5/3/2005
		ADEPT		\$82,019.07	\$59,912.48	73.05%	School Innovation	307	5/1/2005	5/3/2005	
3rd	Jasper	Reduce Class Size	929	\$761,715.19	\$464,827.90	61.0%	Increase High School Diploma Requirements	901	Do not have the space or finances to maintain a 15:1 student to teacher ratio.	1/27/2005	1/28/2005
					\$296,887.29	39.0%	Act 135 Academic Assistance, 4-12	348	Do not have the space or finances to maintain a 15:1 student to teacher ratio.	1/27/2005	1/28/2005
4th		Critical teaching Needs	327	\$3,076.36	\$3,076.36	100.00%	Act 135 Academic Assistance, K-3	346	Fund instructional cost	4/20/2005	4/20/2005
4th	Kershaw	Reduce Class Size	929	\$446,522.00	\$200,000.00	44.79%	Increase High School	901	Pay teacher salaries in the high schools. District not able to meet the 15:1 staffing requirements of the Reduce Class Size Fund in small rural elementary schools	4/12/2005	4/15/2005

TABLE B

Summary of Fiscal Year 2004-05

Transfers from EIA and State Revenue

QTR	District	Program Name	Code	Current Allocation	Transfer Amount	% of Allocation	Program Name	Code	Explanation	Date Completed by District *	Date Reviewed by SDE
4th	Lancaster	Summer School	931	\$418,504.00	\$279,003.00	66.67%	Act 135 Academic Assistance, 4-12	348	Provide academic assistance during the school day and after school	4/11/2005	4/12/2005
		Reduce Class Size	929	\$485,704.00	\$485,704.00	100.00%	Act 135 Academic Assistance, K-3	346	Provide appropriate number of students in all classrooms	4/11/2005	4/12/2005
		School Innovation	307	\$165,208.00	\$165,208.00	100.00%	Act 135 Academic Assistance, 4-12	348	Continue innovative programs such as fast For Word and Corrective reading at the middle and high school levels.	4/11/2005	4/12/2005
4th	Lee	Reduce Class Size	929	\$904,537.70	\$854,464.00	94.46%	Act 135 Academic Assistance, K-3	346	"Instructional Purposes"	4/25/2005	5/3/2005
					\$50,073.70	5.54%	Act 135 Academic Assistance, 4-12	348	"Instructional Purposes"	4/25/2005	5/3/2005
		Professional Development	334	\$38,200.00	\$17,700.00	46.34%	Act 135 Academic Assistance, 4-12	348	"Instructional Purposes"	4/25/2005	5/3/2005
4th	Lexington 1	Reduce Class Size	929	\$508,252.00	\$508,252.00	100.00%	School Innovation	307	District unable to achieve 15:1 staffing ratio. Instead District will use funds for teacher salaries and other teaching positions	4/5/2005	4/12/2005
3rd	Laurens 56	Reduce Class Size	929	\$176,317.00	\$176,317.00	100.0%	Increase High School Diploma Requirements	901	Because the district could not meet the 15:1 ratio with increasing other class sizes, the districts transferred funds to high schools for personnel expenses.	3/1/2005	3/3/2005
2nd	Marion 1	Reduce Class Size	929	\$226,958.00	\$226,958.00	100.0%	Act 135 Academic Assistance, K-3	346	Provide student teacher ratio of 18:1 rather than 15:1 in grades K through 3.	12/20/2004	1/4/2005
3rd		Summer School	931	\$174,137.00	\$75,000.00	43.1%	Act 135 Academic Assistance, K-3	346	"Fund instructional programs in Act 135, thus for direct classroom instruction"	2/14/2005	2/17/2005
					\$75,000.00	43.1%	Act 135 Academic Assistance, 4-12	348	"Fund instructional programs in Act 135, thus for direct classroom instruction"	2/14/2005	2/17/2005
2nd	Marion 2	Reduce Class Size	929	\$155,938.00	\$155,938.00	100.0%	Act 135 Academic Assistance, K-3	346	Provide for salaries and fringe benefits	10/11/2004	10/18/2004
3rd	Marion 7	Act 135 Academic Assistance, K-3	346	\$109,052.00	\$42,683.76	39.1%	Act 135 Academic Assistance, 4-12	348	Pay for instructional salaries and benefits	2/7/2005	2/10/2005
		School Safety Officers	993	\$34,383.11	\$34,383.11	100.0%	Act 135 Academic Assistance, 4-12	348	Purchase services from the Marion County Alternative School which include paying for instructional salaries and supplies	2/7/2005	2/10/2005

TABLE B

Summary of Fiscal Year 2004-05

Transfers from EIA and State Revenue

QTR	District	Program Name	Code	Current Allocation	Transfer Amount	% of Allocation	Program Name	Code	Explanation	Date Completed by District *	Date Reviewed by SDE
4th	McCormick	Reduce Class Size	929	\$59,881.00	\$59,881.00	100.00%	Act 135 Academic Assistance, K-3	346	Pay teacher salaries and fringe benefits	4/27/2005	4/29/2005
3rd	Pickens	Reduce Class Size	929	\$610,642.00	\$610,642.00	100.0%	Act 135 Academic Assistance, K-3	346	Pay for teacher salaries and benefits	2/9/2005	3/3/2005
		Act 135 Academic Assistance, K-3	346	\$1,053,849.00	\$225,000.00	21.4%	Act 135 Academic Assistance, 4-12	348	"Use funds for direct classroom instructional needs"	3/4/2005	4/4/2005
4th	Richland 1	Act 135 Academic Assistance, K-3	346	\$2,773,104.00	\$50,000.00	1.80%	Four-Year-Old Early Childhood Education	340	to serve more pre-k students	4/28/2005	5/2/2005
					\$548,054.00	19.76%	Act 135 Academic Assistance, 4-12	348	Upgrade curricular and assessment programs and services	4/28/2005	5/2/2005
4th	Spartanburg 1	Career and Technology equipment	325	\$47,466.00	\$47,466.00	100.00%	High School Diploma	901	Pay salary an fringe of an additional teacher added after the budget due to increased enrollment at the high school level	4/15/2005	4/18/2005
		Parenting & Family Literacy	313	\$52,914.98	\$43,000.00	90.59%	High School Diploma	901		4/15/2005	4/18/2005
4th	Spartanburg 2	Alternative Schools	923	\$87,188.00	\$27,783.35	31.87%	School innovation	307	"To accommodate direct classroom instructional expenses	4/27/2005	5/2/2005
		Reduce Class Size	929	\$348,938.00	\$348,938.00	100.00%	School innovation	307		4/27/2005	5/2/2005
		Summer School	931/932	\$162,781.00	\$162,781.00	100.00%	School innovation	307		4/27/2005	5/2/2005
4th	Spartanburg 3	Act 135 Academic Assistance, 4-12	348	\$246,900.00	\$30,060.88	12.18%	High School Diploma	901	Fund instructional high school teachers' salaries	5/2/2005	5/3/2005
2nd	Spartanburg 4	Reduce Class Size	929	\$126,416.00	\$126,416.00	100.0%	Act 135 Academic Assistance, K-3	346	Provide student teacher ratio of 18:1 rather than 15:1 in grades K through 3.	11/1/2004	11/15/2004
		Vocational Equipment	325/905	\$51,352.00	\$51,352.00	100.0%	Act 135 Academic Assistance, 4-12	348	Provide instructional technology for students and teachers	11/1/2004	11/5/2004
2nd	Spartanburg 5	Reduce Class Size	929	\$245,070.00	\$245,070.00	100.0%	Act 135 Academic Assistance K-3	346	Provide student teacher ratio of 18:1 rather than 15:1 in grades K through 3.	8/23/2004	9/7/2004
4th	Spartanburg 7	Act 135 Academic Assistance, 4-12	348	\$835,795.00	\$143,839.00	17.21%	Gifted and Talented Academic	320	Fund gifted and talented salaries and fringes	3/21/2005	4/15/2005
					\$96,243.00	11.52%	four-Year-Old Early Childhood Education	340	Fund program at five elementary schools	3/21/2005	4/15/2005
					\$267,488.00	32.00%	Act 135 Academic Assistance, K-3	346	Support the district's reduced class size initiative in grades 1-3, instructional and reading specialist	3/21/2005	4/15/2005
4th	Sumter 17	Reduce Class Size	929	\$524,146.00	\$524,146.00	100.00%	High School Diploma	901	Fund high school salaries.	4/12/2005	4/15/2005

TABLE B

Summary of Fiscal Year 2004-05

Transfers from EIA and State Revenue

QTR	District	Program Name	Code	Current Allocation	Transfer Amount	% of Allocation	Program Name	Code	Explanation	Date Completed by District *	Date Reviewed by SDE
4th	Palmetto Unified	Professional Development	334	\$13,400.00	\$13,400.00	100.00%	Act 135 Academic Assistance, 4-12	348	Fund teachers' salaries	4/22/2005	4/28/2005

GRAND TOTAL: **\$17,105,458.37**

TABLE C

TOTAL FUNDS AVAILABLE FOR TRANSFERRING

		EIA Allocation			General Fund			Lottery	
		Allocation			Allocation			Allocation	
Program	Code	FY 2004-05		Program	Code	FY 2004-05	Program	Subfund	FY 2004-05
Local School Innovation	307	\$9,970,064		Nursing Program	915	\$597,562	6-8 Enhancement	3607	\$2,000,000
Arts in Education	309	\$1,597,584		Summer School	931/932	\$21,000,000			
Parenting/Family Literacy	313	\$5,530,526		Increase High School Diploma Requirements	901	\$23,632,801			
Advanced Placement Courses	315	\$2,014,265		Alternative Schools Program	923	\$10,711,251			
Advanced Placement Singleton	315	\$500,000		Career and Technology Initiative	904	\$4,739,548			
Gifted and Talented Academic	320	\$25,692,780		Career and Technology Education Equipment	905	\$4,739,548			
Gifted and Talented Artistic	322	\$2,854,753		Reduce Class Size	929	\$35,047,429			
Junior Scholars Program	323	\$51,558		Preschool Programs for Children with Disabilities	100	\$3,973,584			
Career and Technology Education Equipment	325	\$3,963,520		School Lunch Program Aid	600	\$413,606			
Critical Teaching Needs	327	\$602,911		Adult Education Basic	918	\$12,677,703			
Trainable and Profoundly Mentally Disabled Student Services	330	\$4,205,017		Adult Education Literacy	914	\$2,300,000			
Professional Development on the Standards	334	\$4,435,400		EAA Bus Driver Salary & Fringe	200	\$1,124,000			
Governor's Institute of Reading	335	\$1,312,874		Excellence in Middle Schools	934	\$4,937,500			
Four-Year-Old Program	340	\$21,832,678		School Safety Officers	933	\$6,807,857			
Academic Assistance K-3	346	\$55,544,970		School Technology Initiative	911	\$5,091,082			
Academic Assistance 4-12	348	\$60,607,836		ADEPT	916	\$2,045,311			
Academic Assistance Reading Recovery	349	\$3,200,000							
Adult Education Remedial	353	\$1,000,000							
School-to-Work Transition Act	392	\$4,064,483							
TOTAL:		\$208,981,219		TOTAL :		\$139,838,782	TOTAL:		\$2,000,000
GRAND TOTAL:		\$350,820,001							

TABLE D

Fiscal Year 2004-05 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
934	Excellence in Middle Schools	\$213,776.94	307	School Innovation	\$213,776.94
327	Critical Teaching Needs	\$2,710.92	330	Handicapped Student Services	\$2,710.92
929	Reduce Class Size	\$600,772.00	901	Increase High School Diploma Requirements	\$486,443.00
			346	Act 135 Academic Assistance, K-3	\$114,329.00
	TOTAL:	\$817,259.86			\$817,259.86

QUARTER 2 (October through December)

Funds Transferred FROM:			Funds Transferred TO:		
CODE	Program Name:	Total	CODE	Program Name:	Total
325	Career & Technology Ed Equipment	\$51,352.00	307	School Innovation	\$51,850.29
399	Milken Foundation Teacher Award	\$12,786.81	346	Act 135 Academic Assistance, K-3	\$971,962.94
901	Increase High School Diploma Credits	\$39,063.48	348	Act 135 Academic Assistance, 4-12	\$595,486.26
929	Reduce Class Size	\$1,516,097.20			
	TOTAL:	\$1,619,299.49			\$1,619,299.49

QUARTER 3 (January through March)

Funds Transferred FROM:			Funds Transferred TO:		
CODE	Program Name:	Total	CODE	Program Name:	Total
327	Critical Teaching Needs	\$2,381.00	307	School Innovation	\$2,381.00
346	Act 135 Academic Assistance, K-3	\$267,683.76	346	Act 135 Academic Assistance, K-3	\$750,698.00
929	Reduce Class Size	\$1,613,730.19	348	Act 135 Academic Assistance, 4-12	\$673,954.16
931	Summer School	\$150,000.00	901	Increase High School Diploma Requirements	\$641,144.90
933	School Safety Officers	\$34,383.11			
	TOTAL:	\$2,068,178.06	TOTAL:		\$2,068,178.06

TABLE D

Fiscal Year 2004-05 Transfers by Quarter and by Program

QUARTER 4 (April and May)

Funds Transferred FROM:			Funds Transferred TO:		
CODE	Program Name:	Total	CODE	Program Name:	Total
307	School innovation	\$206,348.00	307	School Innovation	\$5,201,668.39
313	Parenting & Family Literacy	\$182,554.69	320	Gifted and Talented Academic	\$153,803.00
320	Gifted & Talented Academic	\$227,258.06	340	Four-Year-Old Early Childhood	\$166,243.00
322	Gifted & Talented Artistic	\$11,273.00	346	Act 135 Academic Assistance K-3	\$2,767,667.14
325	Career & Technology Equipment	\$47,466.00	348	Act 135 Academic Assistance, 4-12	\$2,380,140.27
327	Critical Teaching Needs	\$9,669.30	901	Increase High School Diploma	\$1,931,199.16
334	Professional Development	\$78,346.47			
346	Act 135 Academic Assistance K-3	\$1,063,587.31			
348	Act 135 Academic Assistance 4-12	\$821,790.81		TOTAL:	\$12,600,720.96
916	ADEPT	\$59,912.48			
923	Alternative Schools	\$27,783.35			
929	Reduce Class Size	\$7,565,612.81			
931	Summer School	\$2,105,249.42			
933	School Resource Officer	\$10,382.54			
934	Excellence in Middle Schools	\$183,486.72			
	TOTAL:	\$12,600,720.96			

GRAND TOTAL:

\$17,105,458.37

\$17,105,458.37

TABLE E

District	2004	2003	Difference
Abbeville	20.6	20.4	0.2
Aiken	20.6	20.3	0.3
Allendale	18.6	15.3	3.3
Anderson 1	22.8	23.8	(1.0)
Anderson 2	24.0	27.2	(3.2)
Anderson 3	21.3	21.9	(0.6)
Anderson 4	22.6	27.4	(4.8)
Anderson 5	21.3	21.5	(0.2)
Bamberg 1	19.5	20.3	(0.8)
Bamberg 2	19.8	17.1	2.7
Barnwell 19	18.7	19.0	(0.3)
Barnwell 29	19.5	20.8	(1.3)
Barnwell 45	22.9	19.2	3.7
Beaufort	21.0	20.4	0.6
Berkeley	23.6	22.1	1.5
Calhoun	18.3	17.7	0.6
Charleston	19.9	20.8	(0.9)
Cherokee	20.6	22.2	(1.6)
Chester	20.3	16.7	3.6
Chesterfield	21.4	19.3	2.1
Clarendon 1	21.5	18.4	3.1
Clarendon 2	25.3	20.8	4.5
Clarendon 3	22.6	22.7	(0.1)
Colleton	18.7	18.8	(0.1)
Darlington	22.9	19.8	3.1
Dillon 1	20.0	33.6	(13.6)
Dillon 2	20.6	20.7	(0.1)
Dillon 3	22.6	22.5	0.1
Dorchester 2	21.1	21.5	(0.4)
Dorchester 4	20.1	20.0	0.1
Edgefield	19.3	19.7	(0.4)

STUDENT-TEACHER RATIOS

District	2004	2003	Difference
Fairfield	18.7	20.2	(1.5)
Florence 1	23.8	21.3	2.5
Florence 2	19.2	19.6	(0.4)
Florence 3	20.6	22.8	(2.2)
Florence 4	17.2	14.2	3.0
Florence 5	21.7	21.6	0.1
Georgetown	18.8	17.2	1.6
Greenville	22.9	23.4	(0.5)
Greenwood 50	20.3	19.6	0.7
Greenwood 51	19.8	20.8	(1.0)
Greenwood 52	22.1	17.4	4.7
Hampton 1	21.2	21.2	0.0
Hampton 2	19.0	17.8	1.2
Horry	21.9	21.4	0.5
Jasper	21.5	18.3	3.2
Kershaw	23.0	21.8	1.2
Lancaster	21.4	24.6	(3.2)
Laurens 55	21.3	21.2	0.1
Laurens 56	21.2	20.5	0.7
Lee	19.7	18.7	1.0
Lexington 1	22.0	21.4	0.6
Lexington 2	22.5	20.6	1.9
Lexington 3	16.2	22.7	(6.5)
Lexington 4	23.1	22.2	0.9
Lexington 5	21.2	20.9	0.3
McCormick	18.8	17.7	1.1
Marion 1	20.5	22.4	(1.9)
Marion 2	19.9	22.4	(2.5)
Marion 7	15.4	20.7	(5.3)
Marlboro	20.0	19.8	0.2
Newberry	19.2	16.1	3.1

District	2004	2003	Difference
Oconee	26.1	15.5	10.6
Orangeburg 3	16.5	17.1	(0.6)
Orangeburg 4	22.0	20.4	1.6
Orangeburg 5	19.2	16.6	2.6
Pickens	26.0	21.8	4.2
Richland 1	19.6	19.5	0.1
Richland 2	20.7	19.9	0.8
Saluda	20.4	24.0	(3.6)
Spartanburg 1	20.2	22.9	(2.7)
Spartanburg 2	24.2	23.3	0.9
Spartanburg 3	20.0	20.0	0.0
Spartanburg 4	22.6	23.1	(0.5)
Spartanburg 5	19.2	18.4	0.8
Spartanburg 6	21.7	22.0	(0.3)
Spartanburg 7	19.2	19.1	0.1
Sumter 2	23.3	22.4	0.9
Sumter 17	21.4	17.5	3.9
Union	19.8	18.4	1.4
Williamsburg	22.3	20.4	1.9
York 1	22.0	22.6	(0.6)
York 2	22.1	19.1	3.0
York 3	27.6	24.2	3.4
York 4	21.6	21.2	0.4
STATE:	21.0	20.6	0.4
Average of Shaded Districts *	21.2	20.4	0.8

* Shaded districts are districts that transferred in 2003-04 100% of their allocation for Reduce Class Size to other education programs and initiatives.

Source:
www.myscschools.com/reportcard/2004/data/DistrictReportCard2004.xls