

# FundEd: South Carolina Report

## A Detailed Look at South Carolina's Funding Policies



## South Carolina



### Funding Basics

#### Formula Type

South Carolina has a hybrid funding formula incorporating both student-based calculations and extensive use of program-based allocations. It assigns a cost to the education of a student with no special needs or services, called a base amount. It then accounts for the additional cost of educating specific categories of students by applying multipliers to the base amount to generate supplemental funding for certain students.

The categories of students generating supplemental funding in South Carolina are English-language learners, low-income students, students with disabilities, students identified as gifted, and students enrolled in career and technical education programs. Certain elementary- and secondary-specific services, such as career services, physical education, reading coaches, nurses, and services for students enrolled in career and technical education are provided through program-specific allocations.

#### Base Amount

South Carolina has a fixed base funding amount per student. For FY2018, the per-student base amount was \$2,425.

This means that an average student with no special needs or disadvantages would be funded at that level.

### Local Revenue

#### Expected Local Share

South Carolina expects its school districts to raise revenue to support their public schools. The amount each district is expected to raise is based on a combination of its property values and a defined share of the amount calculated by the state to be necessary to educate its students.

Statewide, school districts are expected to contribute approximately 30% of the total cost of public education. The collective local share percentage is multiplied by a district-specific index of taxpaying ability (a measure of its property wealth relative to the level of property wealth statewide) to determine the share of funding that each district is expected to raise locally. Once the state calculates the total amount of funding necessary to educate students within a district, it subtracts the expected local contribution and provides the difference in the form of state education aid.

## Property Tax Floors and Ceilings

South Carolina does not set a floor or a ceiling for local property tax rates, or a level above which voter approval is required.

However, tax rate increases for local jurisdictions, including school districts, are limited in annual tax rate increases based on the Consumer Price Index.

## Other Local Taxes for Education

School districts in South Carolina may receive revenue from local property taxes and, in some counties, from sales and use taxes.

School districts in certain counties are authorized by specific legislation to impose a sales and use tax across the county. This tax is generally imposed to pay debt services on bonds or to fund capital improvements. Counties that meet certain requirements in terms of their existing sales tax burden may impose a further 1% sales and use tax for capital improvements, with voter approval in a county-wide referendum.

## District Characteristics

### Grade Level

South Carolina provides different levels of funding for students in different grade levels. It does so by providing allocations for certain programs and staff positions that are limited to certain grade levels.

Funding for personnel, supplies, and transportation related to career development and counseling is allocated only for students in grade 6-12. Funding is also provided for elementary school nurses, reading coaches, and physical education teachers.

### English-Language Learner

South Carolina provides increased funding for English-language learners (ELLs). It does so by applying a multiplier of 1.2 to the base per-pupil amount for these students.

ELLs are defined as those who require intensive English language instruction programs and whose families require specialized intervention.

### Poverty

South Carolina provides increased funding for students from low-income households. It does so by applying a multiplier of 1.2 to the base per-pupil amount for these students.

Students are eligible for this supplemental funding if they qualify for Medicaid or for free or reduced-price lunch under the National School Lunch Program.

## Special Education

South Carolina funds special education using a multiple student weights system, providing different levels of funding for different categories of students. Students are assigned to ten different categories based mostly on their specific disabilities.

Specifically, students are assigned to one of nine categories based on their disabilities, or to a tenth category for homebound students. The state provides supplemental funding for students in these categories by applying different multipliers to the per-student base amount. The multipliers for non-homebound students with disabilities range from 1.74 to 2.57, depending on the specifics of the student's diagnosis and education plan. Homebound students with disabilities are funded at the base amount. State law requires 85% of the amount generated for a particular disability category must be expended on that category of students.

The remainder of state special education funding is allocated to meet the federal Maintenance of Effort requirements of the Individuals with Disabilities Education Act, which is distributed in proportion to districts' total special education membership and can be spent with few restrictions.

## Gifted

South Carolina provides increased funding for gifted and talented students. It does so by applying a multiplier of 1.15 to the base per-pupil amount for these students.

Students enrolled in gifted and talented courses, Advanced Placement courses, or International Baccalaureate courses are eligible for this funding. Each student may generate this supplemental funding only once.

## Career and Technical Education

South Carolina provides increased funding for career and technical education (CTE) programs. It does so by applying a multiplier of 1.29 to the base per-pupil amount for students in grades 9-12 enrolled in these programs and through program-specific allocations for CTE equipment and the work-based learning program.

Each year, the state allocates funds for CTE equipment, which is distributed first at a flat rate of \$50,000 to each school district and official multi-district career centers meeting certain requirements, with any remaining funding in the state appropriation distributed in proportion to the prior-year student enrollment figures for CTE courses. The state also appropriates funding for work-based learning programs, including \$75,000 of which is used for teacher professional development, and \$500,000 for regional career specialists, with the remainder to be allocated to school districts in accordance with a formula.

The formula for the distribution of the remaining funding in the state appropriation for the work-based learning program includes consideration of the per-student base amount; the district's enrollment, and the district's tax index.

## Sparsity and/or Small Size

South Carolina does not provide increased funding for sparse districts or for small schools or districts.

For a complete list of primary sources, please see the appropriate state page at [funded.edbuild.org](http://funded.edbuild.org)

