

South Carolina

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FUNDING PRIORITIES FOR P-12 AND OR/ HIGHER EDUCATION

Despite anticipated tax revenue loss due to the COVID-19 pandemic, the state's budget exceeded the F.Y. 19-20 budget by nearly 2 billion dollars beating less than favorable projections. South Carolina's almost \$11 billion F.Y. 20-21 budget came into effect on July 1, 2021, and prioritized teacher pay, college building repairs, rural school construction, and 4-year-old kindergarten for all at-risk children in South Carolina.

K - 12

Students

The budget allocated approximately \$48 million in (EIA) for the statewide expansion of the full-day 4K program for at-risk children and \$35.2 million in recurring dollars to maintain current level State Aid to Classrooms and provide step increases for teachers. \$23.4 million were committed to completing school resource officers' placement in every school in every district – all day, every day, while an investment of 5.5 million was made to place a school nurse in every school – all day, every day. South Carolina invested over \$100 million in instructional materials, \$700,00 for computer science and coding instruction, and \$600k for \$1,500 signing bonuses for school mental health counselors.

Base Student Cost

Although the projected F.Y. 20-21 base student cost as of 08/31/2021 was \$3,239, the actual funded base student cost as of the same date was \$2,516. Considering this amount is higher than F.Y. 19-20 (\$2,499), it falls short of the projected amount (i.e., Full Funding).

Teacher Salaries

The state is slated to spend \$72 million to give every teacher a \$1,000 raise, showing a continued commitment to attract and retain talented teachers through this pay raise. While this is not the \$3,000 across-the-board raise proposed by the executive budget, it shows the state's commitment to making future investments that will further improve South Carolina's national ranking for average teacher pay. The \$1,000 raise increases the minimum teacher compensation in the state to \$36,000.

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HIGHER EDUCATION

In keeping with the previous fiscal year's *"Making College Affordable Again"* provision, the current fiscal year's budget proposes continued investment in higher education: 236,771,166 in lottery dollars for LIFE Scholarships, \$71,173,280 in lottery dollars for Palmetto Fellows Scholarships and \$10,372,104 in lottery dollars for HOPE Scholarships \$60,000,000 in lottery dollars for need-based grants at CHE to provide tuition assistance for every eligible student in private colleges \$51,100,000 in lottery dollars for tuition assistance at 2-year institutions (CHE and Tech Board) \$20,000,000 in lottery dollars for tuition grants at the Higher Education Tuition Grants Commission \$60 million in lottery dollars for need-based grants at CHE \$20 million in lottery dollars for tuition grants at the Higher Education Tuition Grants Commission \$750k in lottery dollars for scholarships for students with intellectual disabilities attending College Transition Programs.

This year, the F.Y. 2021-22 budget dedicates the entirety of the Capital Reserve Fund, \$176,095,044, to capital improvement projects at higher education institutions. The state will distribute the funding on a pro-rata basis, based on in-student enrollment at state colleges and universities. These dollars are for deferred maintenance only – not new construction projects.

CHANGES TO FUNDING FORMULA FOR P-12 AND OR/ HIGHER EDUCATION

There were no substantive changes in the funding formula beyond the increase of the base student cost

PRESSING STATE ISSUES AFFECTING P-12 AND OR/ HIGHER EDUCATION

The state was slated to increase teacher pay by \$3,000 for the 52,733 public school teachers. The proposed \$213 million investment would have amounted to an average of a 7% pay increase with 100% of the cost paid by the state. This investment would have moved S.C. to the top 25 in national average teacher salaries rankings (41st currently), exceeding the southeaster average by \$2,456 with the increase. However, due to pandemic budgetary constraints, the final wage increase was only \$1,000, as previously mentioned.

EXCLUSIVE TO P-12

Public charter schools witnessed an extraordinary 25% increase in 2020 student enrollment. The Governor largely attributes this growth to working parents' strong desire for their children's five-day, in-person classroom instruction. Believing the best policies provide that state dollars follow the student to the

school of their parent's choice, the budget allocated \$15 million in recurring dollars and \$9,588,000 in non-recurring EIA dollars (i.e., ~\$25 million) for charter schools to account for increased enrollment to follow students to their new schools. Additionally, S.C. allows parents to enroll their children in a public school approved by the South Carolina Department of Education or a private child-care center, military child-care facility, or non-profit, independent school approved by the Office of First Steps School Readiness, which may contribute to attrition in student enrollment in traditional public schools.

TOTAL DOLLAR AMOUNT FOR STATE'S PER PUPIL EXPENDITURE
State: \$6,902

ALLOCATION OF STATE DOLLARS AND PERCENT OF THE STATE
BUDGET FOR P-12 AND HIGHER EDUCATION

K-12: \$3,399,794,172 (38.0%)

Higher Education: \$798,477,083 (8.9%)

REFERENCES

Henry McMaster, Executive Budget State of South Carolina: Fiscal Year 2021-22, PDF file, 2021, https://www.scstatehouse.gov/sess124_20212022/appropriations2021/gbud2022.pdf

2021-2022 General Appropriations Bill South Carolina State Budget Bill H. 4100
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Executive Budget Highlights: Fiscal year 2021-2022, PDF File <https://governor.sc.gov/sites/default/files/Documents/Executive-Budget/FY%2021-22%20Executive%20Budget%20Presentation%20FINAL.pdf>