

<b>AGENCY NAME:</b>	South Carolina Public Charter School District	
<b>AGENCY CODE:</b>	H610	<b>SECTION:</b>



## Fiscal Year 2018-19 Agency Budget Plan

### FORM A - BUDGET PLAN SUMMARY

<b>OPERATING REQUESTS (FORM B1)</b>	<b>For FY 2018-19, my agency is (mark "X"):</b>	
	<input type="checkbox"/>	Requesting General Fund Appropriations.
	<input checked="" type="checkbox"/>	Requesting Federal/Other Authorization.
	<input type="checkbox"/>	Not requesting any changes.
<b>NON-RECURRING REQUESTS (FORM B2)</b>	<b>For FY 2018-19, my agency is (mark "X"):</b>	
	<input type="checkbox"/>	Requesting Non-Recurring Appropriations.
	<input type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization.
	<input type="checkbox"/>	Not requesting any changes.
<b>CAPITAL REQUESTS (FORM C)</b>	<b>For FY 2018-19, my agency is (mark "X"):</b>	
	<input type="checkbox"/>	Requesting funding for Capital Projects.
	<input checked="" type="checkbox"/>	Not requesting any changes.
<b>PROVISOS (FORM D)</b>	<b>For FY 2018-19, my agency is (mark "X"):</b>	
	<input checked="" type="checkbox"/>	Requesting a new proviso and/or substantive changes to existing provisos.
	<input type="checkbox"/>	Only requesting technical proviso changes (such as date references).
	<input type="checkbox"/>	Not requesting any proviso changes.

Please identify your agency's preferred contacts for this year's budget process.

	<u>Name</u>	<u>Phone</u>	<u>Email</u>
<b>PRIMARY CONTACT:</b>	Elliott Smalley, Superintendent	803-734-8322	<a href="mailto:esmalley@sccharter.org">esmalley@sccharter.org</a>
<b>SECONDARY CONTACT:</b>	Siddhartha Chowdri, CFO/COO	803-908-2680	<a href="mailto:schowdri@sccharter.org">schowdri@sccharter.org</a>

I have reviewed and approved the enclosed FY 2018-19 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

	<u>Agency Director</u>	<u>Board or Commission Chair</u>
<b>SIGN/DATE:</b>		
<b>TYPE/PRINT NAME:</b>	Elliot Smalley	Don McLaurin

*This form must be signed by the agency head – not a delegate.*

Fiscal Year 2018-19 Budget Request Executive Summary

Agency Code:  
 Agency Name:  
 Section:

South Carolina Public Charter School District

BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B1 - Recurring	Proviso per Pupil Funding	18,808,341				18,808,341					0.00
2							0					0.00
3							0					0.00
4							0					0.00
5							0					0.00
6							0					0.00
7							0					0.00
8							0					0.00
9							0					0.00
10							0					0.00
11							0					0.00
12							0					0.00
13							0					0.00
14							0					0.00
15							0					0.00
16							0					0.00
17							0					0.00
18							0					0.00
19							0					0.00
20							0					0.00
21							0					0.00
22							0					0.00
23							0					0.00
24							0					0.00
25							0					0.00
26							0					0.00
27							0					0.00
28							0					0.00
29							0					0.00
30							0					0.00
TOTAL BUDGET REQUESTS			18,808,341	0	0	0	18,808,341	0.00	0.00	0.00	0.00	0.00

<b>AGENCY NAME:</b>	South Carolina Public Charter School District		
<b>AGENCY CODE:</b>	H610	<b>SECTION:</b>	

**FORM B1 – RECURRING OPERATING REQUEST**

<b>AGENCY PRIORITY</b>	<b>1 – Form #13213</b>
------------------------	------------------------

*Provide the Agency Priority Ranking from the Executive Summary.*

<b>TITLE</b>	<b>SC Charter School District Proviso per Pupil Funding</b>
--------------	---

*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<b>General:</b> <b>Federal:</b> <b>Other \$18,808,341 EIA</b> <b>Total: \$18,808,341</b>
---------------	---

*What is the net change in requested appropriations for FY 2018-19? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>NEW POSITIONS</b>	<b>0</b>
----------------------	----------

*Please provide the total number of new positions needed for this request.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark “X” for all that apply:</b>	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input checked="" type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority # _____	

<b>STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES</b>	<b>Mark “X” for primary applicable Statewide Enterprise Strategic Objective:</b>	
	<input checked="" type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
<input type="checkbox"/>	Government and Citizens	

<b>AGENCY NAME:</b>	<b>South Carolina Public Charter School District</b>	
<b>AGENCY CODE:</b>	<b>H610</b>	<b>SECTION:</b>

<b>ACCOUNTABILITY OF FUNDS</b>	<p>SCPSD authorizes and holds accountable independent and autonomous charter schools. Each school is responsible for developing and maintaining curriculum, teaching standards, assessments and facilities to ensure that they are contributing to closing the achievement gap in the state.</p> <p>SCPCSD monitors charter school performance, as well takes appropriate corrective action when charters do not meet performance standards. Additionally, SCPCSD determines whether each charter school’s performance merits replication, renewal, nonrenewal, or revocation.</p>
--------------------------------	--

*What specific agency objective, as outlined in the agency’s accountability report, does this funding request support? How would this request advance that objective? How would the use of these funds be evaluated?*

<b>RECIPIENTS OF FUNDS</b>	<p>As per state Charter School Law 98% of the funds are passed from the District directly to the schools (non-profit organizations that hold the charter contract with SCPCSD). These funds are allocated to schools based on their official weighted pupil unit counts that are reported to the State Department of Education.</p>
----------------------------	---

*What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?*

<b>JUSTIFICATION OF REQUEST</b>	<p>The South Carolina Public Charter School District (SCPCSD) has approved six new charter schools that are projected to open in school year 2018-19 and enroll approximately 1,400 additional students, with existing schools adding approximately 4,500 students through additional grades and expansion. In total, the SCPCSD anticipates 30,000 students will be attending SCPCSD charter schools come August 2018. The fiscal impact of an increasing number of families and students choosing to enroll in Public Charter Schools under the SCPCSD is projected to be \$13,124,299.</p> <p>According to data reported by the Revenue and Fiscal Affairs Office, local funding for South Carolina schools has increased by an estimated \$581 to \$5,869 per pupil (an 11% increase from 2014-15). Over the same period, charter school proviso funding has remained unchanged at \$3,600 for brick and mortar and \$1,900 for virtual schools.</p> <p>To ensure that public charter school students are afforded equitable educational opportunities, it is important to gradually close this funding gap. It is recommended that the per pupil as set forth in the SCPCSD proviso be increased a modest 5% to \$3,780 for brick and mortar students and to \$1,995 for virtual students. Based on projected enrollment, this 5% increase totals an overall proviso request of \$119,364,892, which is significantly less than the \$148,312,010 of funding that would be required if these approximately 30,000 students were to have been funded at the same levels as the local district per pupil average.</p> <p><b><i>Put simply the 45 schools of the SCPCSD are projected to operate with approximately \$28.9 million less than the average locally funded schools in South Carolina.</i></b></p>
---------------------------------	--

*Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.*

<b>AGENCY NAME:</b>	South Carolina Public Charter School District		
<b>AGENCY CODE:</b>		<b>SECTION:</b>	

**FORM E – AGENCY COST SAVINGS AND GENERAL FUND REDUCTION  
CONTINGENCY PLAN**

<b>TITLE</b>	Agency Cost Savings and General Fund Reduction Contingency Plan
--------------	---

<b>AMOUNT</b>	<p><b>Not applicable our request is being funded through EIA</b></p> <p><i>What is the General Fund 3% reduction amount (minimum based on the FY 2017-18 recurring appropriations)? This amount should correspond to the reduction spreadsheet prepared by EBO.</i></p>
---------------	---

<b>ASSOCIATED FTE REDUCTIONS</b>	<p>The District Office has already reduced its FTE staff by 10%. Any reductions of staffing at the school level would be at the discretion of the independent boards of each of our 45 schools.</p> <p><i>How many FTEs would be reduced in association with this General Fund reduction?</i></p>
----------------------------------	---

<b>PROGRAM/ACTIVITY IMPACT</b>	<p>The SCPCSD cannot operate with fewer funds as we continue to grow in student size. Currently we have a student population increase of 40% over the last three years. On a per pupil basis the students at charter schools will be inadequately supported in comparison since the local school funding has increased by more than 11% over the last four years and our schools already see \$1,200 less per school than other public schools. If EIA funding were reduced, the SCPCSD would have to freeze enrollment, which would mean less students served and less positions available for teachers. Depending on the grade levels served and continued enrollment, some of the District's schools would not be able to continue operations.</p> <p><i>What programs or activities are supported by the General Funds identified?</i></p>
--------------------------------	--

<b>AGENCY NAME:</b>	<b>South Carolina Public Charter School District</b>		
<b>AGENCY CODE:</b>		<b>SECTION:</b>	

**SUMMARY**

Since the decisions of service delivery for schools in the SCPCSD is determined by the independent and autonomous schools the District is not in a position to anticipate how each one of its 45 schools may reduce expenditures while at the same time meeting our high standards of accountability. Each school would have to manage a decrease in resources as their leadership and community sees fit.

*Please provide a detailed summary of service delivery impact caused by a reduction in General Fund Appropriations and provide the method of calculation for anticipated reductions. Agencies should prioritize reduction in expenditures that have the least significant impact on service delivery.*

**AGENCY COST SAVINGS PLANS**

The SCPCSD has and continues to take several steps to reduce the cost of its operations including but not limited to:

- Reducing the amount of office space required to manage the district by 30%
- Moving from a 4-person IT team to outsourced technology support
- Significant reduction in Superintendent and other travel expenditure

*What measures does the agency plan to implement to reduce its costs and operating expenses by more than \$50,000? Provide a summary of the measures taken and the estimated amount of savings. How does the agency plan to repurpose the savings?*

<b>AGENCY NAME:</b>	South Carolina Public Charter School District		
<b>AGENCY CODE:</b>	H610	<b>SECTION:</b>	

**FORM F – REDUCING COST AND BURDEN TO BUSINESSES AND CITIZENS**

<b>TITLE</b>	District Office Economies of Scale
--------------	------------------------------------

*Provide a brief, descriptive title for this request.*

<b>EXPECTED SAVINGS TO BUSINESSES AND CITIZENS</b>	The SCPCSD will through its central office authorize, support and hold accountable schools that are serving twice as many students as it was four years ago without any additional costs.
--	---

*What is the expected savings to South Carolina’s businesses and citizens that is generated by this proposal? The savings could be related to time or money.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<p><b>Mark “X” for all that apply:</b></p> <input type="checkbox"/> Repeal or revision of regulations. <input type="checkbox"/> Reduction of agency fees or fines to businesses or citizens. <input checked="" type="checkbox"/> Greater efficiency in agency services or reduction in compliance burden. <input type="checkbox"/> Other
--	---

<b>METHOD OF CALCULATION</b>	We expect the SCPCSD District Office to reduce its expenditure levels from over \$170 per pupil to close to around \$100 per pupil without a reduction in the quality of our schools.
------------------------------	---

*Describe the method of calculation for determining the expected cost or time savings to businesses or citizens.*

<b>REDUCTION OF FEES OR FINES</b>	Not applicable.
-----------------------------------	-----------------

*Which fees or fines does the agency intend to reduce? What was the fine or fee revenue for the previous fiscal year? What was the associated program expenditure for the previous fiscal year? What is the enabling authority for the issuance of the fee or fine?*

<b>REDUCTION OF REGULATION</b>	Not applicable.
--------------------------------	-----------------

*Which regulations does the agency intend to amend or delete? What is the enabling authority for the regulation?*

<b>AGENCY NAME:</b>	<b>South Carolina Public Charter School District</b>		
<b>AGENCY CODE:</b>	<b>H610</b>	<b>SECTION:</b>	

**SUMMARY**

SCPCSD works relentlessly to promote high quality charter schools that create excellent choices for all families. SCPCSD will by grow the schools that support and inspire students to achieve at high levels. High quality charters prove what can happen when those closest to their students and communities — the educators and leaders in schools — have the power to make their own decisions, ensure equitable offerings for every student and be accountable for results.

By raising the bar on charter authorization and accountability, we will increase quality choices for families and give students in South Carolina the great education they deserve.

*Provide an explanation of the proposal and its positive results on businesses or citizens. How will the request affect agency operations?*