

October 5, 2006

MEMORANDUM

To: Dr. Layton R. McCurdy, Chairman, and Members, Commission on Higher Education

From: Dr. Betty Rose Horne, Chair, and Members, Committee on Academic Affairs and Licensing

**Consideration of Centers of Excellence (Teacher Education) Budget Allocations
FY 2006-07, and Appropriations Request, FY 2007-08**

Background

The Educational Improvement Act of 1984 provided for the establishment of a contract program with public or private colleges in South Carolina to foster the development of "Centers of Excellence" in particular areas of need related to teacher training. In FY 2003-04, in an effort to engage higher education more collaboratively with the State's efforts to improve underperforming schools, the Commission issued revised *Guidelines* that provided a different focus for the program.

The revised program focuses on teacher training specifically linked to the State's low-performing schools and districts. The program's revised goals are to improve teacher quality, raise student achievement, and increase the graduation rate in the target schools and districts. State funding is provided for up to five years with the goal of establishing statewide resource centers that will have a positive impact on the State's most needy schools and children. There are currently eleven Centers of Excellence, although only six are receiving funding during the current fiscal year (FY 2006-07).

Program *Guidelines* stipulate that each Center must submit budgets for the first five years of funding. The maximum funding award is \$150,000 in year one. In year two, funding is awarded at 90% of the original request, and further reduced to 75% of the original request in years, three, four, and five. In the event of budget shortfalls or mid-year reductions, funding awards are adjusted accordingly. In addition, reporting

requirements in the Guidelines further stipulate that each year there is a formal request for funding.

Budget Allocations for FY 2005-06

For FY 2006-07, full funding for the seven newest centers still entitled to five years of State funding required an appropriation of \$723,025.00. The actual appropriation for FY 2005-06 is \$721,101.00 which results in a shortfall of \$13,924.00.

The table shown below displays the center and institution, the amount of the FY 2006-07 award, the percentage of total funds of that award, the dollar reduction to be made, and the revised award for FY 2006-07:

Table I

Center/Institution	Projected Award FY 2006-07	% of Total Funds	Reduction	Revised Award FY 2006-07
Engineering & Computing Education, USC-Columbia (year 4 of 5)	\$112,500.00	16%	\$2,166.52	\$110,333.00
Advancement of Rural, Underperforming Schools, USC-Aiken (year 4 of 5)	\$112,870.00	16%	\$2,173.65	\$110,696.00
Preparing Teachers of Children of Poverty, Francis Marion (year 3 of 5)	\$112,500.00	16%	\$2,166.52	\$110,333.00
Collaborative Learning, USC-Beaufort (year 3 of 5)	\$100,175.00	14%	\$1,929.17	\$ 98,246.00
Adolescent Literacy and Learning, Clemson University (year 2 of 5)	\$134,980.00	19%	\$2,599.44	\$132,381.00
Advancement of New Literacies in Middle Grades, College of Charleston (year 1 of funding)	\$150,000.00	21%	\$2,888.70	\$147,111.00
CHE Administration	\$12,000.00			\$12,000.00
Total	\$723,025.00	100%	\$13,924.00	\$721,100.00

This information is presented to the Commission for information since it is relevant to the Centers of Excellence (Teacher Education) appropriations request for FY 2007-08, which requires Commission approval.

Appropriations Request, FY 2007-08

This report outlines the appropriations request for FY 2007-08 that will be made to the General Assembly through the Commission’s annual report to the Education Improvement Act Subcommittee of the Education Oversight Committee (EOC). In FY

2007-08, six Centers under the *Guidelines* will receive their second, third, fourth and fifth years of funding as shown in Table 1 below.

Noted in the table below is an itemized list of the Commission's total appropriation request. We are seeking an increase in funding of \$112,407 for the program for FY 2007-08. This request for an appropriation increase is to allow the Commission to award one new Center that will focus on assisting the State's low-performing schools. Only one center rotated off in FY 2006-07, which leaves six centers that are eligible for funding in 2007-08. The priority areas for funding have been established by the EOC and the Centers of Excellence program will seek a new center that will meet the high priority areas.

Table 1

Center and Institution	Amount to be Requested in FY 2007-08
Center of Excellence for Engineering and Computing Education (USC-Columbia)	\$110,333 (fifth and last year of funding)
Center of Excellence for the Advancement of Rural, Under-Performing Schools (USC-Aiken)	\$110,696 (fifth and last year of funding)
Center of Excellence to Prepare Teachers of Children of Poverty (Francis Marion)	\$110,333 (fourth year of funding)
Center of Excellence for Collaborative Learning (USC-Beaufort)	\$98,246 (fourth year of funding)
Center of Excellence in Adolescent Literacy and Learning (Clemson)	\$109,500 (third year of funding)
Center of Excellence for the Advancement of New Literacies in Middle Grades (College of Charleston)	\$132,400 (second year of funding)
CHE Expenses (brochures, review panel, meeting, symposium)	\$12,000
Subtotal	\$683,508
New Center of Excellence to be funded in FY 2007-08	\$150,000
Total Appropriation Required	\$833,508
FY 2006-07 Funds Awarded	\$721,101
Probable Shortfall for FY 07-08 if level funding awarded	(\$112,407)

Recommendation

The Committee on Academic Affairs and Licensing recommends that the Commission authorize the staff to seek an increase of \$112,407 or 15.59% from the Education Oversight Committee to permit the funding of a new Center of Excellence in Teacher Training at the full \$150,000 level during FY 2007-08. In the event that the increase is not approved and assuming level funding, the new center will not be established.