

July 19, 2012

Honorable Mick Zais  
State Superintendent of Education  
South Carolina State Department of Education  
1429 Senate Street, Suite 1006  
Columbia, SC 29201

Dear Superintendent Zais:

I am pleased to approve South Carolina's request for ESEA flexibility. I congratulate you on submitting a request that demonstrates South Carolina's commitment to improving academic achievement and the quality of instruction for all of the State's elementary and secondary school students.

Last fall, the U.S. Department of Education (Department) offered States the opportunity to request flexibility from certain requirements of the Elementary and Secondary Education Act of 1965 (ESEA), as amended by the No Child Left Behind Act of 2001, in exchange for rigorous and comprehensive plans designed to improve educational outcomes for all students, close achievement gaps, increase equity, and improve the quality of instruction. This flexibility is intended to support the groundbreaking reforms already taking place in many States and districts that we believe hold promise for improving outcomes for students. We are encouraged by the innovative thinking and strong commitment to improving achievement for all students that is evident in South Carolina's request.

Our decision to approve South Carolina's request for ESEA flexibility is based on our determination that the request meets the four principles articulated in the Department's September 23, 2011, document titled *ESEA Flexibility*. In particular, South Carolina has: (1) demonstrated that it has college- and career-ready expectations for all students; (2) developed, and has a high-quality plan to implement, a system of differentiated recognition, accountability, and support for all Title I districts and schools in the State; (3) committed to developing, adopting, piloting, and implementing teacher and principal evaluation and support systems that support student achievement; and (4) provided an assurance that it will evaluate and, based on that evaluation, revise its administrative requirements to reduce duplication and unnecessary burden on districts and schools. Our decision is also based on South Carolina's assurance that it will meet these four principles by implementing the high-quality plans and other elements as described in its request and in accordance with the required timelines. In approving South Carolina's request, we have taken into consideration the feedback we received from the panel of peer experts and Department staff who reviewed South Carolina's request, as well as South Carolina's revisions to its request in response to that feedback.

Although South Carolina submitted a strong request that met all four principles of ESEA flexibility, we are concerned by the lack of local educational agency (LEA) support for South Carolina's proposed accountability system and the potential impact of that lack of support on the effective implementation of South Carolina's request. The Department expects that South Carolina will conduct robust outreach to all LEAs to ensure that school and LEA leaders are informed about the State's new accountability system, including how the metrics are designed, how the system will be implemented, and how the State educational agency (SEA) will work with LEAs to support continuous improvement in all schools. We expect that this outreach will be proactive and will be designed to result in a clear understanding by stakeholders of the impact of the new system on South Carolina's LEAs and schools. Additionally, as South Carolina implements its ESEA flexibility request, the Department expects that the SEA will meaningfully engage and solicit input from stakeholders and meet regularly with LEA superintendents.

The waivers that comprise ESEA flexibility are being granted to South Carolina pursuant to my authority in section 9401 of the ESEA. A complete list of the statutory provisions being waived is set forth in the table enclosed with this letter. Please note that the waiver granted to South Carolina regarding the funds available under section 1003(a) of the ESEA allows the South Carolina Department of Education to allocate those funds to certain low-achieving Title I schools that are not identified as priority or focus schools, as set forth in South Carolina's ESEA flexibility request. Consistent with section 9401(d)(1) of the ESEA, I am granting these waivers through the end of the 2013–2014 school year. At that time, South Carolina may request an extension of these waivers.

In the coming days, you will receive a letter from Deborah Delisle, Assistant Secretary for Elementary and Secondary Education, containing additional information regarding South Carolina's implementation of ESEA flexibility, as well as information regarding monitoring and reporting. Please note that the Department will closely monitor South Carolina's implementation of the plans, systems, and interventions detailed in its request in order to ensure that all students continue to receive the assistance and supports needed to improve their academic achievement. The monitoring process may include contact with LEAs and schools to ensure full and effective implementation. During our monitoring of South Carolina, we will expect the SEA to provide specific information regarding the outreach conducted with LEAs following approval.

South Carolina continues to have an affirmative responsibility to ensure that it and its districts are in compliance with Federal civil rights laws that prohibit discrimination based on race, color, national origin, sex, disability, and age in their implementation of ESEA flexibility as well as their implementation of all other Federal education programs. These laws include Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act, the Age Discrimination Act of 1975, and requirements under the Individuals with Disabilities Education Act.

A copy of South Carolina's approved request for ESEA flexibility will be posted on the Department's Web site at: <http://www.ed.gov/esea/flexibility/requests>. Again, I congratulate you on the approval of South Carolina's request for ESEA flexibility and thank you for the work that you and your staff have done. I look forward to continuing to support you as you implement

South Carolina's ESEA flexibility request and work to improve the quality of instruction and academic achievement for all students.

Sincerely,

/s/

Arne Duncan

Enclosure

cc: Governor Nikki Haley  
Charmeka Bosket, Deputy Superintendent for Policy and Research

<b>Provisions Waived Through Approval of South Carolina's Request for ESEA Flexibility</b>		
<b>ESEA SECTION<sup>1</sup></b>	<b>DESCRIPTION</b>	<b>NOTES</b>
<b>STATE-LEVEL RESERVATION FOR SCHOOL IMPROVEMENT</b>		
1003(a)	Requires State educational agency (SEA) to reserve 4 percent of its Title I, Part A allocation for school improvement activities and to distribute at least 95 percent to local educational agencies (LEAs) for use in Title I schools in improvement, corrective action, and restructuring	The reservation is not waived; SEA may distribute section 1003(a) funds to LEAs for use in priority, focus, and certain other low-achieving Title I schools, as set forth in South Carolina's ESEA flexibility request
<b>SCHOOL IMPROVEMENT GRANTS</b>		
1003(g)	Requires SEA to award School Improvement Grant (SIG) funds to LEAs with Title I schools in improvement, corrective action, or restructuring	Waiver permits SEA to award SIG funds to an LEA to implement one of the four SIG models in any priority school
<b>2013–2014 TIMELINE</b>		
1111(b)(2)(E)-(H)	Establishes requirements for setting annual measurable objectives (AMOs)	Waiver permits SEA to set new ambitious but achievable AMOs
<b>ADEQUATE YEARLY PROGRESS (AYP) DETERMINATIONS</b>		
1116(a)(1)(A)-(B) and 1116(c)(1)(A)	Requires SEA and its LEAs to make AYP determinations for LEAs and schools, respectively	
<b>WITHIN-DISTRICT ALLOCATIONS</b>		
1113(a)(3)-(4) and (c)(1)	Requires LEA to rank and serve eligible schools according to poverty and allocate Title I funds to schools in rank order of poverty	Waiver permits LEA to serve with Title I funds a Title I-eligible high school with a graduation rate below 60 percent that the SEA identified as a priority school even if that school does not rank sufficiently high to be served based solely on the school's poverty rate
<b>SCHOOLWIDE POVERTY THRESHOLD</b>		
1114(a)(1)	Requires 40 percent poverty threshold to be eligible to operate a schoolwide program	Waiver permits LEA to operate a schoolwide program in a priority school or a focus school with less than 40 percent poverty that is implementing a schoolwide

<sup>1</sup> The corresponding regulations that implement these statutory provisions are also waived. Any ESEA statutory provision not listed in this table is not waived.

**Provisions Waived Through Approval of South Carolina's  
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<b>SCHOOL IMPROVEMENT REQUIREMENTS</b>		
1116(b) (except (b)(13))	Requires LEA to identify schools for improvement, corrective action, and restructuring with corresponding requirements	1116(b)(13), which requires LEA to permit a child who has transferred to remain in the choice school through the highest grade in the school, is not waived
<b>LEA IMPROVEMENT REQUIREMENTS</b>		
1116(c)(3) and (5)-(11)	Requires SEA to identify LEAs for improvement and corrective action with corresponding requirements	
1116(e)	Requires SEA and LEAs to take a variety of actions to offer supplemental educational services to eligible students in schools in improvement, corrective action, restructuring	
<b>RESERVATION FOR STATE ACADEMIC ACHIEVEMENT AWARDS PROGRAM</b>		
1117(b)(1)(B)	Limits the schools that can receive Title I, Part A funds reserved for State awards program	Waiver allows funds reserved for State awards program to go to any reward school
<b>HIGHLY QUALIFIED TEACHER PLAN ACCOUNTABILITY AGREEMENT REQUIREMENT</b>		
2141(c)	Requires SEA/LEA agreement on use of Title II, Part A funds for LEAs that miss AYP for three years and fail to make progress toward reaching annual objectives for highly qualified teachers	Waiver includes existing agreements and applies to restrictions on hiring paraprofessionals under Title I, Part A
<b>LIMITATIONS ON TRANSFERABILITY OF FUNDS</b>		
6123(a)	Limits to 50 percent the amount an SEA may transfer from a covered program into another covered program or into Title I, Part A	Waiver applies to the percentage limitation, thereby permitting SEA to transfer up to 100 percent from a covered program
6123(b)(1)	Limits to 50 percent or 30 percent the amount an LEA may transfer from a covered program into another covered program or into Title I, Part A	Waiver applies to the percentage limitations as well as to the restrictions on the use of transferred funds
6123(d)	Requires modification of plans and notice of transfer	
6123(e)(1)	Transferred funds are subject to the requirements of the program to which they are transferred	Waiver permits an LEA to exclude funds transferred into Title I, Part A from the base in calculating any set-aside percentages

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**RURAL SCHOOLS**

6213(b)	Requires LEAs that fail to make AYP to use funds to carry out the requirements under ESEA section 1116	
6224(e)	Requires SEA to permit LEAs that fail to make AYP to continue to receive a Small, Rural School Achievement grant only if LEA uses funds to carry out ESEA section 1116	