SOUTH CAROLINA
DEPARTMENT OF EDUCATION

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Senate Finance Appointee
Vacant,
Senate Education Committee Appointee
Boyd Jones,
South Carolina Manufacturers & Commerce Appointee

Capital Funding for Schools Committee

Monday, November 30, 2026
10:00 AM
Room A133

AGENDA

1. Welcome & Introduction of Committee
   Dr. Rebecca Gunnlaugsson, Chair

2. Overview of Proviso 1.113
   SCDE Staff

3. Discussion

4. Approval of Criteria and Application

5. Adjournment

Agenda is subject to change.

Note: As this meeting will be held at the South Carolina Department of Education, all visitors are required to present valid photo identification upon arrival in accordance with facility security protocols.

Proviso 1.113. (SDE: Capital Funding for Schools) (A) For the current fiscal year, of the funds appropriated for Capital Funding for Schools, the Department of Education shall comprise a committee to establish and approve criteria to disburse funds.

(B) The committee shall be comprised of the following individuals:

(1) one individual with significant experience in educational facilities appointed by the State Superintendent of Education, who serves as inaugural chair;

(2) one individual with at least five years of economic development experience appointed by the Governor;

(3) one individual appointed by the Chairman of the House Education and Public Works Committee;

(4) one individual appointed by the Chairman of the House Ways and Means Committee;

(5) one individual appointed by the Chairman of the Senate Finance Committee;

(6) one individual appointed by the Chairman of the Senate Education Committee; and

(7) one individual appointed by the South Carolina Manufacturers and Commerce.

(C) No member of the committee shall serve on the committee if that member or immediate family is an employee, contractor, or board member of a school district, charter school, or other educational institution that has the potential to receive funds from the Capital Funding for Schools Committee. No member of the General Assembly shall serve on the committee.

(D) In order for a project to be considered by the committee, the applicant must provide information that includes at least the historical and projected student enrollment of the applicant and building information to include: square footage, both total and broken down by usable space, capacity of each space based on recommended square footage per student, and the age and condition of each building, if applicable.

(E) Among eligible schools, preferred schools, and school projects screened above, the following criteria shall be considered:

(1) Sustained Academic Performance. The committee shall consider the academic performance record of the applicant school or district. Priority shall be given to schools and districts that have demonstrated sustained academic success, including performance on State assessments and overall school or district ratings. Schools that have earned an Unsatisfactory or Below Average rating and districts that are designated as underperforming as defined in Section 59-18-1615 in any of the previous two years shall receive significantly lower priority; and for charter schools that have an academic achievement rating of good on the most recent South Carolina School Report Card, are eligible to receive significantly higher priority funding from the committee.

(2) Areas and Populations of Critical Need. Priority shall be given to projects located in counties designated as Tier III or Tier IV by the Department of Revenue pursuant to Section 12- 6-3360, or as otherwise defined by criteria reflecting local property wealth per student, per capita income, poverty, or other relevant measures

of economic need. Priority shall be given to schools or districts in which more than two-thirds of the student population consists of students from high-need, underserved backgrounds or students receiving special education services.

(3) Charter School Institutional Strength (Charter Schools Only). For applications submitted by charter schools, the committee shall consider the institutional strength and operational track record of the applicant including: (a) the duration of the school's continuous operation under its current charter, with preference given to schools that have operated for more than four consecutive years at the time of application; (b) a recommendation from the school's authorizing sponsor confirming that the proposed project is consistent with the purposes of the charter and the Charter Schools Act; (c) a certification from the authorizing sponsor that the school is in compliance with its charter and that no formal action to revoke or not renew the charter has been made as of the time of application; and (d) the nonprofit status of the entity holding the charter and the entity serving as the school operator, with significant priority given to nonprofit operators over for-profit operators.

Additional priority shall be awarded to applicants that demonstrate the following:

(1) High Poverty Concentration. At least 60% of enrolled students qualify for free or reduced-price lunch under the National School Lunch Program, or at least 60% are identified as economically disadvantaged through direct certification, Medicaid eligibility, or an equivalent state-approved measure.

(2) Outstanding Academic Track Record. The applicant must demonstrate sustained, measurable academic performance, defined as meeting at least two of the following criteria over the most recent three consecutive school years:

(a) student proficiency rates in math and/or reading that meet or exceed the state average for comparable student populations;

(b) year-over-year academic growth scores in the top quartile for schools serving similar demographics;

(c) a school performance rating of "B" or higher, or equivalent, under the applicable state accountability system; and

(d) graduation rates of 90% or above for applicable grade configurations.

(4) School Safety: The committee shall incorporate the extent to which the proposed project addresses school safety, including the ability of the project to optimally use, close, consolidate, or replace existing facilities or consolidated districts in order to enhance student and staff safety and accommodate current and projected student enrollment.

(5) Project Viability. The committee shall evaluate the financial condition and long-term viability of the applicant and the proposed project. Criteria shall include the nature and scope of the proposed facilities project, the school's or district's demonstrated financial need for funding assistance, and the applicant's Debt Service Coverage Ratio as a potential indicator of the ability to service existing and

proposed debt obligations. Schools and districts that have significantly underperformed their enrollment targets shall receive lower priority.

(6) Community Analysis. The committee shall consider the availability of other possible facility options, including the use of existing district or public buildings, and the extent to which the proposed project represents the most efficient and effective use of available resources. Local support for the project, as expressed by resolutions of the governing body of the school district or, for charter schools, by the charter school governing board, shall also be considered.

(F) Funds may only be used for school buildings whose primary purpose must be for K-12 in-person classroom instruction, state-funded full-day 4K, or other public school secondary in person classroom instruction. School buildings shall not include unimproved real property, centralized district administration facilities, or other facilities, including those normally identified with interscholastic sports activities.

(G) Eligible costs for projects include preliminary engineering, traffic and revenue studies, environmental studies, right-of-way acquisition, construction, construction management, and facilities.

(H) The committee shall issue a report to the Governor, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee no later than June 30, 2027. The report shall include the districts and charter schools funded, the amount, and the purpose of the award.

(I) All unexpended funds appropriated for Capital Funding for Schools may be carried forward from the prior fiscal year into the current fiscal year to be expended for the same purposes by the department, school districts, and charter schools.