

AGENCY NAME:	Commission on Higher Education		
AGENCY CODE:	H030	SECTION:	11



**Fiscal Year 2018-19
Agency Budget Plan**

FORM A - BUDGET PLAN SUMMARY

OPERATING REQUESTS (FORM B1)	For FY 2018-19, my agency is (mark "X"):	
	<input checked="" type="checkbox"/>	Requesting General Fund Appropriations.
	<input checked="" type="checkbox"/>	Requesting Federal/Other Authorization.
	<input type="checkbox"/>	Not requesting any changes.

NON-RECURRING REQUESTS (FORM B2)	For FY 2018-19, my agency is (mark "X"):	
	<input checked="" type="checkbox"/>	Requesting Non-Recurring Appropriations.
	<input type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization.
	<input type="checkbox"/>	Not requesting any changes.

CAPITAL REQUESTS (FORM C)	For FY 2018-19, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting funding for Capital Projects.
	<input checked="" type="checkbox"/>	Not requesting any changes.

PROVISOS (FORM D)	For FY 2018-19, my agency is (mark "X"):	
	<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.

	<i>Name</i>	<i>Phone</i>	<i>Email</i>
PRIMARY CONTACT:	Morgan O'Donnell	803-737-3921	modonnell@che.sc.gov
SECONDARY CONTACT:	Katie Philpott	803-606-7496	kphilpott@che.sc.gov

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

	<i>Agency Director</i>	<i>Board or Commission Chair</i>
SIGN/DATE:	 9/15/2017	 9/15/2017
TYPE/PRINT NAME:	Mr. Jeffrey M. Schilz	Mr. Tim Hofferth

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

Fiscal Year 2018-19 Budget Request Executive Summary

Agency Code: H030
 Agency Name: Commission on Higher Education
 Section:

BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B1 - Recurring	Need-Based Grants	1,002,773				1,002,773					0.00
2	B1 - Recurring	Technology Needs and Information Security Initiatives	120,000				120,000					0.00
3	B2 - Non-Recurring	Non-Recurring Technology Upgrades	150,000				150,000					0.00
4	B1 - Recurring	Agency Operating Support for Core Mission Functions	1,147,016				1,147,016	12.00				12.00
5	B1 - Recurring	Legal Staffing	100,000				100,000					0.00
6	B1 - Recurring	SREB Contract Programs & Assessments	222,740				222,740					0.00
7	B1 - Recurring	State Electronic Library - PASCAL	1,500,000				1,500,000					0.00
8	B1 - Recurring	State Electronic Library - PASCAL Authorization			1,000,000		1,000,000					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			4,242,529	0	1,000,000	0	5,242,529	12.00	0.00	0.00	0.00	12.00

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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	1 – Form #13086
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Need-Based Grants
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$1,002,773 Federal: \$0.00 Other: \$0.00 Total: \$1,002,773
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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.

NEW POSITIONS	0
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark “X” for all that apply:	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input 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
	Related to a Non-Recurring request – If so, Priority # _____	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark “X” for primary applicable Statewide Enterprise Strategic Objective:	
	<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 checked="" type="checkbox"/>	Government and Citizens

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ACCOUNTABILITY OF FUNDS	<p>2.1.3</p> <p>Need-based grants increases access and the affordability of students to obtain a higher education degree in South Carolina.</p>
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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?

RECIPIENTS OF FUNDS	<p>The SC Need-Based Grant program was established in 1996 to provide financial assistance to residents who demonstrate a financial need at an eligible two- or four-year public institution. Need-based grants, which may be available to full-time students (up to a maximum of \$2,500) or part-time students (up to a maximum of \$1,250) at public institutions, are administered at the institutional level using funds allocated through CHE. To be eligible, students must be degree-seeking and enrolled in a minimum of six hours if part-time and twelve hours if full-time and must complete the Free Application for Federal Student Aid (FAFSA). Prior to 2007, available funds were allocated based on student enrollment. As a result of a statutory change, funds are now allocated to each public institution per a statutory provision that requires that funds be allocated based on a methodology that considers state resident Pell Grant recipients (a proxy for the level of need-eligible students at an institution) so that each public institution receives an amount sufficient to provide a similar level of support per state resident Pell recipient when compared to tuition and required fees. It is further provided in statute for that no institution shall receive a smaller proportion of funding than would be provided under the student enrollment methodology used in years prior to FY 2008-09.</p> <p>Per statute, a portion of the appropriated need-based grant funds are used to supplement the South Carolina Tuition Grants program which provides need-based support for students attending independent institutions. The funds are provided to the Tuition Grants program based on the independent institutions' share of headcount resident undergraduate enrollment in the past year.</p>
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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?

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JUSTIFICATION OF REQUEST	<p>Tuition and fees at in-state four-year institutions increased by an approximate average of 2.69% in FY 2017-18 and the two-year universities increased by an approximate average of 3.92% in FY 2017-18, based on preliminary figures submitted from the institutions. This request is to increase the Need-based grants program 3.3%, which results in a dollar increase of \$1,002,773. The 3.3% is a mid-point of average tuition and fee increases over the past year for the four-year and two-year universities. Total Need-based grants allocation in FY 2017-18 (\$30,387,078) multiplied by the 3.3% tuition increase results in the \$1,002,773 request.</p> <p>Need-based grants funding will total the below if the \$1,002,773 request is received:</p> <ul style="list-style-type: none"> • Existing Education Endowment Funding (50% of \$24,000,000) - \$12,000,000 • Existing Recurring General Funds - \$850,000 • Existing Lottery Net Proceeds - \$17,537,078 • Requested Recurring General Funds - \$1,002,773 • <u>Total Funds Available for Need-based grants after request - \$31,389,851</u>
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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.

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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	2 – Form #13087
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Technology Needs and Information Security Initiatives
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$120,000 Federal: \$0.00 Other: \$0.00 Total: \$120,000
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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.

NEW POSITIONS	0
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark “X” for all that apply:	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input 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 checked="" type="checkbox"/>	IT Technology/Security related
	<input checked="" type="checkbox"/>	Consulted DTO during development
<input checked="" type="checkbox"/>	Related to a Non-Recurring request – If so, Priority # <u>3</u>	

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

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ACCOUNTABILITY OF FUNDS	<p>This funding request will support all the agency objectives.</p> <p>By receiving the requested funds on a recurring basis, and combining those with current budgeted dollars, we anticipate fulfilling the state-mandated requirements to ensure data security.</p>
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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?

RECIPIENTS OF FUNDS	<p>The SC Department of Administration will be primary recipients of these funds as the CHE is migrating its network to them.</p>
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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?

JUSTIFICATION OF REQUEST	<p>The CHE is seeking additional funds to support its data security, disaster recovery and initiatives to comply with State mandates regarding IT security. The CHE has a plan to migrate its network to the SC Department of Administration, Division of Technology (DTO) at an annual cost of \$197,000. The CHE has allocated \$77,000 of its current IT budget to offset the cost of the migration. The request is to add \$120,000 for the annual cost of migrating all of the technology resources to the SC Department of Administration, Division of Technology (DTO) to facilitate efforts to ensure security of data, network, and disaster recovery measures are in place. The activities performed include migrating all servers, managing all desktop and helpdesk support for all networking resources.</p>
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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.

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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	4 – Form #13089
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Agency Operating Support for Core Mission Functions
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$1,147,016 Federal: \$0 Other: \$0 Total: \$1,147,016
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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.

NEW POSITIONS	12
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark “X” for all that apply:	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input 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 checked="" 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 # _____	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark “X” for primary applicable Statewide Enterprise Strategic Objective:	
	<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 checked="" type="checkbox"/>	Government and Citizens	

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ACCOUNTABILITY OF FUNDS

This funding request will support all the agency objectives.

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?

RECIPIENTS OF FUNDS

Agency staffing and operation support.

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?

JUSTIFICATION OF REQUEST

CHE has completed a full vetting of its legislative responsibilities. This analysis resulted in the identification of 160 separate and distinct legislative mandates requiring action on the part of CHE. Current resources allow us to respond to 105 of those directives, to at least partially respond to 25 of those directives, and preclude us from responding at all to 30 of those directives. Further analysis determined that 21 legislative mandates could be deleted as they were no longer viable, were no longer the specific responsibility of CHE, or were in conflict with other statutes that had been added or amended over time; 116 directives were still appropriate as written; and the remaining 23 statutes required some degree of amending to clarify CHE responsibilities going forward. Our ability to fully comply with 9 of the statutes was directly related to our inability to resource the activity within our current level of appropriated support. Accordingly, CHE is seeking \$1,147,016 in additional recurring state funds for twelve new full-time positions and associated operating support to meet our responsibilities as prescribed by state statutes.

I. Agency Administration: Personal Services and Other Operating Expenses:

	Personal Services	Employer Contributions	Other Operating Expenses
1 Program Manager III	\$102,580	\$33,086	\$1,000
1 Program Manager II	\$84,309	\$28,023	\$1,000
8 Program Manager I	\$554,312	\$190,890	\$8,000
1 Acct./Fiscal Analyst III	\$56,947	\$20,441	\$1,000
1 Program Coordinator I	\$46,799	\$17,629	\$1,000

Midpoint salaries for the pay bands of each position was assumed. The Employer Contributions Rate Table as provided by the Executive Budget Office was used as the

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	<p>basis for employer contributions.</p> <p>Requested funds will support the agency in re-establishing mission functions to enhance and facilitate statewide higher education coordination of initiatives. Existing funds do not enable the agency to fully support its mandated mission.</p>
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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.

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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	5 – Form #13090
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Legal Staffing
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$100,000 Federal: \$0 Other: \$0 Total: \$100,000
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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.

NEW POSITIONS	0
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark “X” for all that apply:	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input checked="" 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 # _____	

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

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ACCOUNTABILITY OF FUNDS	<p>All</p> <p>Legal staffing will provide direct support to all divisions and programs of CHE.</p>
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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?

RECIPIENTS OF FUNDS	<p>The funds will be used to contract support for agency legal services. Law firms as approved through the SC Attorney General will be used.</p>
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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?

JUSTIFICATION OF REQUEST	<p>CHE is seeking funds to support our needs for legal advice and support. CHE does not have a general counsel on staff and has recently contracted for assistance. Hiring a full-time General Counsel is cost prohibitive and would exceed the \$100,000 request. CHE will seek approval of the requested \$100,000 for the purposes of receiving assistance in all legal matters to include the vetting of statutory and regulatory responsibilities, review and development of policies and procedures, and regulatory review of processes in carrying out agency functions. The need for dedicated legal services has increased in recent years with the increasing complexity of the higher education landscape. Initiatives and administrative functions carried out by CHE will be improved by having dedicated access to legal advice and services.</p>
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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.

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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	6 – Form #13091
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	SREB Contract Programs & Assessments
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$222,740 Federal: \$0 Other: \$0 Total: \$222,740
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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.

NEW POSITIONS	0
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark “X” for all that apply:	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input 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
	Related to a Non-Recurring request – If so, Priority # _____	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark “X” for primary applicable Statewide Enterprise Strategic Objective:	
	<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

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ACCOUNTABILITY OF FUNDS	<p>2.1.3</p> <p>These funds allow the State to offer in-state students access to degree programs currently not offered in South Carolina. It is more affordable to the State to enter into SREB agreements with neighboring states than to create these programs in South Carolina.</p>
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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?

RECIPIENTS OF FUNDS	<p>South Carolina (SC) participates as a member state in SREB by paying member assessments to support core programs and services of SREB available to the 16 member states. Additionally, SC funds participation in select programs for residents of SC. The program funds predominately support our participation in higher education contract programs in veterinary medicine and optometry that offer students pursuing these degrees admission to schools in another participating state for the price of in-state tuition and fees at public institutions and for reduced tuition at private institutions. Participating states pay schools through SREB to maintain spots in their professional programs and save the expense of building and staffing these schools. Through the contract programs, SC serves 24 optometry students and 104 veterinary students each year with 16 slots in Optometry available at the Southern College of Optometry; 8 slots in Optometry available at the University of Alabama-Birmingham; 20 slots in Veterinary Medicine available at Mississippi State University; 16 slots in Veterinary Medicine available at Tuskegee University; and 68 slots in Veterinary Medicine available at the University of Georgia. As a member SREB state, SC postsecondary students are afforded access to many undergraduate and graduate programs not available in SC at in-state rates through SREB's Academic Common Market program.</p>
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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?

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JUSTIFICATION OF REQUEST	<p>The contract rate for the optometry program is increasing 2.67% from FY 2017-18, while the veterinary medicine rate is increasing 2.76%. The doctoral scholars program fee is increasing \$25,000 from FY 2017-18 and the membership fee is increasing \$3,036. These increases will result in a \$222,740 deficit if there is no change to the appropriation. General funds are being requested. However, funding for this increase could occur through an increase in lottery funds as an alternative. If the funding is not made available, then the number of students who would be offered participation in this program would be reduced. The number of students offered enrollment in the optometry and veterinary programs would have to be reduced by approximately 7-12 students out of the current slot of 126 students in order to ensure there is no deficit in this program.</p>
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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.

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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	7 – Form #13092
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	State Electronic Library - PASCAL
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$1,500,000 Federal: \$0.00 Other: \$0.00 Total: \$1,500,000
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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.

NEW POSITIONS	0
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark “X” for all that apply:	
	<input type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input 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 checked="" 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 # _____	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark “X” for primary applicable Statewide Enterprise Strategic Objective:	
	<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	

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ACCOUNTABILITY OF FUNDS	<p>CHE serves as the fiscal agent for PASCAL through a Memorandum of Understanding that is executed each fiscal year. This request is forwarded at the request of PASCAL.</p> <p>This request supports objective 2.1.1.</p> <p>While CHE believes the PASCAL programs bring value to S.C. Higher Education, it does not evaluate the merit of any budget requested submitted by PASCAL.</p>
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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?

RECIPIENTS OF FUNDS	<p>Funds will be used in support of joint procurement of electronic and shared library resources. The State Electronic Library, PASCAL, is a consortium of 56 South Carolina higher education academic libraries working with their parent institutions and state agency partners. PASCAL provides timely and universal access to information resources and library services through creative use of technology, central licensing, and collaborative action in order to support a highly productive knowledge environment for the State's nearly 285,000 higher education students, as well as faculty and staff. Content is selected on the basis of pedagogic and research priorities as identified by members. Technology procurement is based on competitive state processes in order to efficiently support access to information required by member libraries.</p>
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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?

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JUSTIFICATION OF REQUEST

Program Value

Since 2004, PASCAL's statewide electronic library core (statewide) programs have generated over \$100 million in cost-avoidance, (comparing the PASCAL prices to prices for all PASCAL purchases to the list prices, had all academic institutions purchased materials independently.) These savings have been generated primarily through savings on centrally licensed electronic resources and providing rapid delivery to the state's inventory of 12 million print book housed in academic libraries around the state. As students and faculty shift use from print to electronic books, print collection use is changing and there are opportunities to generate deeper efficiencies through collaborative management of print collections to reduce the duplication of material and effort. Also the software infrastructure needed to manage licensed collections of electronic resources is substantially different than that used to circulate print materials. The state's libraries are facing a significant need to retool this infrastructure.

Use of Lottery Funds

The State Procurement office is managing an RFP for a shared Library Service Platform on behalf of the consortium. This system will replace multiple aging institutional Integrated Library Systems (ILS) designed to handle print materials with a common state-of-the art system designed to manage the hybrid digital and print environment. Through the General Assembly's support PASCAL has accumulated sufficient one-time funding to manage the up-front costs for the necessary systems modernization for virtually all of the state's higher education libraries. This solution would provide all institutions of higher education with a common platform for managing print and electronic resources and facilitate efficiencies in the management of both print and electronic collections. The estimated one-time costs for the LSP are \$3 million for software licenses and migration costs. Additional one-time funds support multiyear licenses for ebooks and are allocated to acquire resources that can be permanently acquired through purchase.

Recurring Funding Need

Recurring funds are needed to maintain the level ubiquitous access and significant cost-avoidance for electronic journals, databases and ebooks that we have achieved. Historically, the standing request for PASCAL funding in its budget submission to the Governor and legislature has been \$1.5 million, recurring state dollars. The basis for the \$1.5 million request has been that it is balanced to support ongoing expenditures for library content (e-journals and e-books) and to support ongoing infrastructure costs to support the sharing collections (access via rapid-delivery and collection management programs).

Impact

Recurring funding at the level historically requested by PASCAL through CHE would 1)

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	<p>ensure access to core content for the 285,000 FTE at all institutions; 2) support ongoing costs for the central delivery architectures and central systems and 3) maximize information resources available to students and faculty at all South Carolina institutions, particularly those served by smaller public and independent institutions.</p> <p>Recurring funds will enable PASCAL project staff, working together with the colleges and universities, to predict better program funding each year which will lead to improved planning for the sharing of physical resources and most importantly provide a better vantage For the most part, electronic content is licensed by libraries on a subscription basis. Particularly for smaller public and independent colleges, consortium expansion of subscription-based services using onetime funding creates the potential for instability in the information base available to support pedagogy and research from year to year. Recurring funds for core subscriptions would facilitate better planning and maximize the use of institutional funds as match for the further expansion of resources available to students</p>
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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.

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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	8 – Form #13093
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	State Electronic Library – PASCAL Authorization
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$0.00 Federal: \$0.00 Other: \$1,000,000 Total: \$1,000,000
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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.

NEW POSITIONS	0
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark “X” for all that apply:	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input 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
	Related to a Non-Recurring request – If so, Priority # _____	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark “X” for primary applicable Statewide Enterprise Strategic Objective:	
	<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

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ACCOUNTABILITY OF FUNDS	<p>CHE serves as the fiscal agent for PASCAL through a Memorandum of Understanding that is executed each fiscal year. This request is forwarded at the request of PASCAL.</p> <p>This request supports objective 2.1.1.</p> <p>While CHE believes the PASCAL programs bring value to S.C. Higher Education, it does not evaluate the merit of any budget requested submitted by PASCAL.</p>
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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?

RECIPIENTS OF FUNDS	<p>Over the next two years the consortium will be expanding its role in providing collaborative operations management for member libraries. The projected increase for this activity is \$2 million. The drivers for this will be two-fold: 1) the ongoing maintenance and operating costs of the Shared Library Service Platform (SLSP) and 2) the increased focus on common-collection building using pooled resources. The expansion represents an increase capacity to leverage efficiencies on behalf of member libraries through consolidation and collaboration. The State Electronic Library, PASCAL, is a consortium of 56 South Carolina higher education academic libraries working with their parent institutions and state agency partners. PASCAL provides timely and universal access to information resources and library services through creative use of technology, central licensing, and collaborative action in order to support a highly productive knowledge environment for the State's nearly 285,000 higher education students, as well as faculty and staff. Content is selected on the basis of pedagogic and research priorities as identified by members. Technology procurement is based on competitive state processes in order to efficiently support access to information required by member libraries.</p>
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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?

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JUSTIFICATION OF REQUEST	<p>Program Value</p> <p>Since 2004, PASCAL’s statewide electronic library core (statewide) programs have generated over \$100 million in cost-avoidance, (comparing the PASCAL prices to prices for all PASCAL purchases to the list prices, had all academic institutions purchased materials independently.) These savings have been generated primarily through savings on centrally licensed electronic resources and providing rapid delivery to the state’s inventory of 12 million print book housed in academic libraries around the state. As students and faculty shift use from print to electronic books, print collection use is changing and there are opportunities to generate deeper efficiencies through collaborative management of print collections to reduce the duplication of material and effort. Also the software infrastructure needed to manage licensed collections of electronic resources is substantially different than that used to circulate print materials. The state’s libraries are facing a significant need to retool this infrastructure.</p> <p>Purchasing of STEM and/or a historical archive package of general utility necessitates the need for additional authorization. In addition, over the next two years the need exists to increase authorization with the drivers being: 1) the ongoing maintenance and operating costs of the Shared Library Service Platform (SLSP) and 2) the increased focus on common-collection building using pooled resources.</p>
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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.

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AGENCY CODE:	H030	SECTION:	11

FORM B2 – NON-RECURRING OPERATING REQUEST

AGENCY PRIORITY	3 – Form #13088 <i>Provide the Agency Priority Ranking from the Executive Summary.</i>
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TITLE	Non-Recurring Technology Upgrades <i>Provide a brief, descriptive title for this request.</i>
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AMOUNT	\$150,000 <i>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.</i>
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FACTORS ASSOCIATED WITH THE REQUEST	Mark “X” for all that apply:	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input 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 checked="" type="checkbox"/>	Consulted DTO during development
	<input checked="" type="checkbox"/>	Request for Non-Recurring Appropriations
	<input checked="" type="checkbox"/>	Request for Federal/Other Authorization to spend existing funding
<input checked="" type="checkbox"/>	Related to a Recurring request – If so, Priority # <u> 2 </u>	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark “X” for primary applicable Statewide Enterprise Strategic Objective:	
	<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	

ACCOUNTABILITY OF FUNDS	This funding request will support all the agency objectives.
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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?

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RECIPIENTS OF FUNDS	Vendors would be receiving a portion of these funds for upgrades to CHE’s database, end-user capabilities and maintenance.
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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?

JUSTIFICATION OF REQUEST	<p>CHE is seeking \$150,000 in non-recurring funds to support upgrades to CHE’s database, end-user capabilities and continue improvements to the agency’s data warehouse to provide and facilitate more efficient processing of data. In addition, the requested funds will enable CHE to upgrade its data warehouse to enhance data collections capabilities to mitigate errors from institutions when uploading data to the CHE. This request is included as part of CHE’s FY 2018-19 information technology plan submission to the SC Department of Administration, Division of Technology (DTO).</p>
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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. Does this non-recurring appropriation request create an annualization or need for recurring funds?

AGENCY NAME:	Commission on Higher Education		
AGENCY CODE:	H030	SECTION:	11

FORM D – PROVISO REVISION REQUEST

NUMBER	11.20
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Cite the proviso according to the renumbered list for FY 2018-19 (or mark "NEW").

TITLE	Auxiliary Project Approval (Veto Action Pending)
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Provide the title from the FY 2017-18 Appropriations Act or suggest a short title for any new request.

BUDGET PROGRAM	I. Administration
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Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST	No
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Is this request associated with a budget request you have submitted for FY 2018-19? If so, cite it here.

REQUESTED ACTION	Delete
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Choose from: Add, Delete, Amend, or Codify.

OTHER AGENCIES AFFECTED	This proviso has an impact for every institution that submits a permanent improvement project through the Commission on Higher Education
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Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION	<p>The CHE requests the deletion of Proviso 11.20, which is currently vetoed by the Governor at the time of this budget submission.</p> <p>This proviso would remove 80 percent of the capital project proposals currently vetted by the CHE from its review process, including all athletic, auxiliary and renovation projects.</p> <p>Following the completion of its SWOT (Strength, Weakness, Opportunity, and Threat) analysis, the Commission began to vet the capital projects submitted by the state's 33 colleges and universities in a more thorough manner. Previous to this, any review that was performed was cursory - at best - with no capital project submitted by an institution having been denied by the CHE in decades.</p> <p>Since the refocused CHE has started to assert itself, and its statutory role, in the capital project approval process by asking the tough questions before the shovels hit the dirt, we can point to at least three instances where the state and its students, families and taxpayers have benefited from the more rigorous review process.</p>
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Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

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FISCAL IMPACT	<p>The CHE is committed to working with the state’s institutions to advance projects in the capital project review process that are financially sustainable and do not shift an unnecessary burden onto the students, families and taxpayers of our state. Over the last decade over \$3.7 billion in capital projects have been approved on the public campuses across South Carolina – a decade which included the worst economy in at least two generations. At the same time our state ranks 1st in the southeast, and 8th nationally, in cost of attendance at our public colleges and universities. Another study ranks South Carolina as the 7th least affordable state in nation in higher education. We believe that any decision regarding higher education – not just capital projects – must take into account these sobering statistics in the decision making process.</p>
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Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

PROPOSED PROVISO TEXT	<p>Delete Proviso</p> <p>*11.20. (CHE: Auxiliary Project Approval) For FY 2017-18, the provisions of Section 2-47-40(B) of the 1976 Code, as it relates to comments and recommendation of the Commission on Higher Education, shall be suspended for institutions of higher education auxiliary, athletic, maintenance and renovation permanent improvement projects. Institutions of higher education shall submit auxiliary, athletic, maintenance and renovation project proposals, through the Department of Administration’s Executive Budget Office, directly to the Joint Bond Review Committee and State Fiscal Accountability Authority and shall not submit such project proposals through the Commission on Higher Education for comments and recommendations.</p>
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Paste FY 2017-18 text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

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FORM D – PROVISIO REVISION REQUEST

NUMBER	3.3
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Cite the proviso according to the renumbered list for FY 2018-19 (or mark "NEW").

TITLE	FY 2017-18 Lottery Funding
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Provide the title from the FY 2017-18 Appropriations Act or suggest a short title for any new request.

BUDGET PROGRAM	I. Administration
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Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST	Not Applicable
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Is this request associated with a budget request you have submitted for FY 2018-19? If so, cite it here.

REQUESTED ACTION	Amend
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Choose from: Add, Delete, Amend, or Codify.

OTHER AGENCIES AFFECTED	All institutions and technical colleges are affected by the grading scale and the fiscal impact of scholarship funding as a result of the change.
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Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION	<p>In spring 2016, the State Board of Education adopted an updated uniform grading policy, moving from a seven-point scale to a ten-point scale. As a result of this change, there is estimated to be a significant financial impact in the scholarship programs of Palmetto Fellows, LIFE and HOPE scholarship programs, which could reach \$88M over the next four years.</p> <p>The CHE is requesting that the General Assembly continue to fully fund the scholarship programs through the lottery expenditure account.</p>
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Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

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FISCAL IMPACT	<p>The fiscal impact totals an increase of \$88,301,060 from the Class of 2017 students enrolled in institutions through the Class of 2020 students. This results from \$8,427,309 in Palmetto Fellows, and \$79,873,751 in LIFE and HOPE.</p> <p>The CHE will continue to work with the Revenue and Fiscal Affairs Office and the General Assembly to provide the projection of expenditures for FY 2018-19 throughout the budgetary cycle.</p>
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Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

PROPOSED PROVISO TEXT	<p>Fiscal Year 2017-18 net lottery proceeds and investment earnings in excess of the certified net lottery proceeds and investment earnings for this period are appropriated and must be used to ensure that all LIFE, HOPE, and Palmetto Fellows Scholarships for Fiscal Year 2017-18 are fully funded.</p> <p>If the lottery revenue received for Fiscal Year 2017-18 is less than the amounts appropriated, the projects and programs receiving appropriations for any such year shall have their appropriations reduced on a pro rata basis, except that a reduction must not be applied to the funding of LIFE, HOPE, and Palmetto Fellows Scholarships.</p>
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Paste FY 2017-18 text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

AGENCY NAME:	
AGENCY CODE:	SECTION:

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

TITLE	Agency Cost Savings and General Fund Reduction Contingency Plan
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AMOUNT	\$123,183 <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>
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ASSOCIATED FTE REDUCTIONS	Approximately two FTEs. <i>How many FTEs would be reduced in association with this General Fund reduction?</i>
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PROGRAM/ACTIVITY IMPACT	<p>All programs of the agency, with the exception of federal programs, would be affected by a 3% reduction of General Funds. This would include the divisions of Academic Affairs, Student Services and Fiscal Affairs.</p> <p>The following program categories as presented in the Appropriations Act are supported by the General Funds that would be reduced:</p> <p><u>Budget Line Item</u></p> <p>I. Administration</p> <ul style="list-style-type: none"> • Executive Director • Classified Positions • Other Personal Services • Other Operating Expenses <p>II. Other Agencies and Entities</p> <ul style="list-style-type: none"> • State Electronic Library <p>III. Licensing</p> <ul style="list-style-type: none"> • Classified Positions <p>V. CHE Grant & Other Higher Education Collaboration</p> <ul style="list-style-type: none"> • EEDA • GEAR UP <p>VI. Employee Benefits</p> <ul style="list-style-type: none"> • Employer Contributions
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What programs or activities are supported by the General Funds identified?

AGENCY NAME:

AGENCY CODE:

SECTION:

SUMMARY

Budget Line Item	Adjustments of			
	Current GF Appropriation	Scholarships/Flow Through Funds	GF Subject to 3% Cut	Proposed GF Reduction
I. Administration				
Executive Director	\$ 170,572	\$ -	\$ 170,572	\$ 5,117
Classified Positions	\$ 1,419,490	\$ -	\$ 1,419,490	\$ 42,585
Other Personal Services	\$ 60,765	\$ -	\$ 60,765	\$ 1,823
Other Operating Expenses	\$ 285,520	\$ -	\$ 285,520	\$ 8,566
II. Other Agencies and Entities				
Greenville TC - University Center	\$ 594,390	\$ (594,390)	\$ -	\$ -
University Center of Greenville - Operations	\$ 1,084,899	\$ (1,084,899)	\$ -	\$ -
Academic Endowment	\$ 160,592	\$ (160,592)	\$ -	\$ -
EPSCoR	\$ 161,314	\$ (161,314)	\$ -	\$ -
African American Loan Program	\$ 119,300	\$ (119,300)	\$ -	\$ -
Performance Funding	\$ 1,397,520	\$ (1,397,520)	\$ -	\$ -
State Electronic Library	\$ 164,289	\$ -	\$ 164,289	\$ 4,929
III. Licensing				
Classified Positions	\$ 47,972	\$ -	\$ 47,972	\$ 1,439
V. CHE Grant & Other Higher Education Collaboration				
EEDA	\$ 1,180,576	\$ -	\$ 1,180,576	\$ 35,417
GEAR UP	\$ 177,201	\$ -	\$ 177,201	\$ 5,316
VI. Employee Benefits				
Employer Contributions	\$ 599,706	\$ -	\$ 599,706	\$ 17,991
VII. Scholarships & Assistance				
National Guard Tuition	\$ 89,968	\$ (89,968)	\$ -	\$ -
SREB Contract Program & Assessments	\$ 3,785,183	\$ (3,785,183)	\$ -	\$ -
Educational Endowment	\$ 24,000,000	\$ (24,000,000)	\$ -	\$ -
Needs Based Grants	\$ 850,000	\$ (850,000)	\$ -	\$ -
Total General Funds	\$ 36,349,257	\$ (32,243,166)	\$ 4,106,091	\$ 123,183

The General Funds reduced are primarily personnel related and would directly reduce the amount of staff available to carry out the mission of CHE as outlined in the Accountability Report. The Academic Affairs, Student Services and Fiscal Affairs divisions would all be impacted by the

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reduction of approximately two FTEs. This reduction of FTEs would be achieved through not filling positions as they become vacant due to retirements or other reasons. The feasibility of mandatory furloughs in the first year of the 3% reduction would be researched to determine if that is an option in case there are not sufficient retirements within the first year. Travel and conference attendance would be limited to that which is only deemed essential by the Executive Director of the agency.

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	<p>In the beginning of FY 2017-18, the CHE migrated its human resource functions to the Department of Administration. As a result, there was a reduction of one FTE associated with these functions. The difference in costs savings from the reduction of the FTE along with the recurring costs charged by the Department of Administration results in a net savings.</p> <p>The CHE is also migrating the SCCHE network including support and hardware to the Division of Technology Operations (DTO) under the Department of Administration. There will be cost savings for this measure. Along with cost savings, this migration will increase data security, mitigate risk and ensure proper disaster recovery plans are in place.</p> <p>The combination of these two initiatives results in over \$50,000 in cost savings to the agency.</p>
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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?

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FORM F – REDUCING COST AND BURDEN TO BUSINESSES AND CITIZENS

TITLE	Agency Cost Savings – Technology and Human Resources
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Provide a brief, descriptive title for this request.

EXPECTED SAVINGS TO BUSINESSES AND CITIZENS	Over \$50,000 on a recurring basis.
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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.

FACTORS ASSOCIATED WITH THE REQUEST	<p>Mark “X” for all that apply:</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
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METHOD OF CALCULATION	Costs were calculated based on actual payroll incurred for FTE positions and anticipated estimates provided by service providers.
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Describe the method of calculation for determining the expected cost or time savings to businesses or citizens.

REDUCTION OF FEES OR FINES	Not Applicable
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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?

REDUCTION OF REGULATION	Not Applicable
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Which regulations does the agency intend to amend or delete? What is the enabling authority for the regulation?

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SUMMARY	<p>Towards the beginning of FY 2017-18, the CHE migrated its human resource functions to the Department of Administration. As a result, there was a reduction of one FTE associated with these functions. The difference in costs savings from the reduction of the FTE along with the recurring costs charged by the Department of Administration results in a net savings.</p> <p>The CHE is also migrating the SCCHE network including support and hardware to the Division of Technology Operations (DTO) under the Department of Administration. There will be cost savings for this measure. Along with cost savings, this migration will increase data security, mitigate risk and ensure proper disaster recovery plans are in place.</p> <p>The combination of these two initiatives results in over \$50,000 in cost savings to the agency.</p>
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Provide an explanation of the proposal and its positive results on businesses or citizens. How will the request affect agency operations?