

| | | | |
|---------------------|--|-----------------|-----|
| AGENCY NAME: | University of South Carolina - Upstate | | |
| AGENCY CODE: | H340 | SECTION: | 20C |



**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 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 type="checkbox"/> | Requesting Non-Recurring Appropriations. |
| | <input type="checkbox"/> | Requesting Non-Recurring Federal/Other Authorization. |
| | <input checked="" type="checkbox"/> | Not requesting any changes. |

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

| | | |
|------------------------------|---|---|
| PROVISOS (FORM D) | For FY 2018-19, my agency is (mark "X"): | |
| | <input 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 checked="" 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: | Leslie Brunelli | (803) 777-1967 | LGBRUNEL@Mailbox.sc.edu |
| SECONDARY CONTACT: | Harry Bell | (803)777-4033 | HBELL@Mailbox.sc.edu |

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: | | |
| TYPE/PRINT NAME: | Harris Pastides, President | John C. von Lehe, Jr., Chairman |

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

Fiscal Year 2018-19 Budget Request Executive Summary

Agency Code: H340
 Agency Name: University of South Carolina - Upstate
 Section: 20C

| BUDGET REQUESTS | | | FUNDING | | | | | FTES | | | | |
|------------------------------|----------------|---|-------------------|----------|-----------|------------|-------------------|--------------|-------------|-------------|-------------|--------------|
| Priority | Request Type | Request Title | State | Federal | Earmarked | Restricted | Total | State | Federal | Earmarked | Restricted | Total |
| 1 | B1 - Recurring | Career Relevant Program Expansion and Start Ups | 1,730,000 | 0 | 0 | 0 | 1,730,000 | 15.00 | 0.00 | 0.00 | 0.00 | 15.00 |
| 2 | B1 - Recurring | Market Competitiveness - Salaries | 1,040,000 | 0 | 0 | 0 | 1,040,000 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3 | C - Capital | Smith Science Building Renovation | 8,000,000 | 0 | 0 | 0 | 8,000,000 | 0.00 | 0.00 | 0.00 | 0.00 | 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 | | | 10,770,000 | 0 | 0 | 0 | 10,770,000 | 15.00 | 0.00 | 0.00 | 0.00 | 15.00 |

| | | | |
|---------------------|--|-----------------|-----|
| AGENCY NAME: | University of South Carolina – Upstate | | |
| AGENCY CODE: | H340 | SECTION: | 20C |

FORM B1 – RECURRING OPERATING REQUEST

| | |
|------------------------|------------------------|
| AGENCY PRIORITY | 1 – Form #13177 |
|------------------------|------------------------|

Provide the Agency Priority Ranking from the Executive Summary.

| | |
|--------------|--|
| TITLE | Career Relevant Program Expansion and Start Ups |
|--------------|--|

Provide a brief, descriptive title for this request.

| | |
|---------------|--|
| AMOUNT | General: \$1,730,000 Federal: Other: Total: \$1,730,000 |
|---------------|--|

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 | 15.00 FTEs |
|----------------------|-------------------|

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 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 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 checked="" type="checkbox"/> | Healthy and Safe Families |
| | <input type="checkbox"/> | Maintaining Safety, Integrity, and Security |
| | <input checked="" type="checkbox"/> | Public Infrastructure and Economic Development |
| <input checked="" type="checkbox"/> | Government and Citizens | |

| | | | |
|---------------------|---|-----------------|------------|
| AGENCY NAME: | University of South Carolina – Upstate | | |
| AGENCY CODE: | H340 | SECTION: | 20C |

| | |
|--------------------------------|---|
| ACCOUNTABILITY OF FUNDS | <p>S.1.2 Respond to the workforce needs of the State of South Carolina 1.2.1 Develop / redesign undergraduate academic programs as necessary to respond to workforce needs in the Upstate and across South Carolina.</p> <p>Excellence is measured through regular reaffirmation of accreditation with the Southern Association of Colleges and Schools Commission on Colleges, along with program- and discipline-specific accreditation reviews. Factors associated with The University’s ability to attract, recruit, retain and educate students in today’s competitive higher education market are also detailed in the University’s annual Accountability Report</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?

| | |
|----------------------------|---|
| RECIPIENTS OF FUNDS | <p>Use of these funds benefits the University of South Carolina - Upstate student body and the faculty/administrative staff who serve them. Funds would not be allocated outside of the University, but would be used internally.</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?

| | |
|---------------------------------|---|
| JUSTIFICATION OF REQUEST | <p><u>\$1,730,000 - Career Relevant Program Expansion and Start Ups</u> USC Upstate is a leader in career-relevant, talent development for the Upstate and state at large. Greater than 94% percent of USC Upstate students come from counties in SC and greater than 85% remain in the state to live and work after graduation. [source SC CHE] This sets USC Upstate apart as a major supplier of white-collar talent for the Upstate. For SC to continue economic expansion, companies located in the state need support to achieve a competitive advantage through their people. USC Upstate supports both management and employees in achieving this advantage by providing programs to help fill the white-collar talent gaps that occur during company expansions. Companies prefer to build on the experience and loyalty of their employees to preserve their values and culture but to do that, employees must have the skill and competencies to take the next step in the performance continuum - from worker to management - and USC Upstate is uniquely positioned to serve in this role for companies in the Upstate.</p> <p>USC Upstate has a number of career- relevant programs with experiential learning components. These programs act as the foundation for talent management throughout the maturation, expansion, and life cycle of companies in the Upstate of South Carolina.</p> <p>A recent example of this is the Advanced Manufacturing Management Program in which USC Upstate is collaborating with manufacturers such as BMW to offer a unique 2+2 degree allowing students with an Associate of Applied Science in Mechatronics to pursue a Bachelor of Applied Science in Advanced Manufacturing Management.</p> |
|---------------------------------|---|

| | | | |
|---------------------|---|-----------------|------------|
| AGENCY NAME: | University of South Carolina – Upstate | | |
| AGENCY CODE: | H340 | SECTION: | 20C |

This program was crafted the program to meet the needs of the manufacturing base in the Upstate and beyond. Degree recipients will become uniquely qualified technical managers who are equipped for leadership positions in advanced manufacturing. The development of the program is a cooperative effort among USC Upstate, technical colleges in the Upstate, BMW Manufacturing Co., and other manufacturers to provide leadership skills and advancement opportunities for Mechatronics degree holders.

The mission of the degree is to prepare students with an AAS in Mechatronics for operational leadership positions in manufacturing. The Program Educational Objective is for graduates who have three to five years of manufacturing work experience to take the next step in that performance continuum and fill roles as Manufacturing Section Leader, Manufacturing Section Manager or Team Leader.

USC Upstate is working closely with industry partners to plan and develop key undergraduate and graduate academic programs that feed the regional needs in high demand business sectors. Funding will allow for the implementation and/or expansion of these critical programming needs.

Career Relevant Program Expansion and Start Ups
 Business Supply Chain (new)
 Business - Human Resources Management (new)
 Business – Health Care Management (new)
 Business Analytics (new – Master’s degree)
 Health Informatics
 Applied Sciences
 Advanced Manufacturing Management
 Engineering Technology Management
 Exercise and Sport Science

Fulfilling our obligation to respond to the region with these career-relevant programs requires hiring full-time faculty to teach in these areas. To that end, USC Upstate would hire Assistant Professors in Business for Supply Chain, HR Management, Health Care Management, and Business Analytics. In addition, Assistant professors to teach in the Applies Science areas of Health Sciences, Advanced Manufacturing Management, Engineering Technology Management, and Exercise and Sport Science.

Critical to the education of students in these career-relevant fields is the opportunity to have valuable experiential learning opportunities as part of their educational curriculum. Internships in companies and other agencies in these areas create graduates who are better equipped to meet the white-collar talent management needs of the region. To ensure those opportunities for our students and well-prepared employees for area business and industry, Internship Coordinators for the four main areas: Business, Health Informatics, Applies Sciences, and Exercise and Sport Science. Those coordinators will be housed in our Career Center.

| | | | |
|---------------------|---|-----------------|------------|
| AGENCY NAME: | University of South Carolina – Upstate | | |
| AGENCY CODE: | H340 | SECTION: | 20C |

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.

| | | | |
|---------------------|--|-----------------|-----|
| AGENCY NAME: | University of South Carolina – Upstate | | |
| AGENCY CODE: | H340 | SECTION: | 20C |

FORM B1 – RECURRING OPERATING REQUEST

| | |
|------------------------|--|
| AGENCY PRIORITY | 2 – Form #13178 <i>Provide the Agency Priority Ranking from the Executive Summary.</i> |
|------------------------|--|

| | |
|--------------|---|
| TITLE | Market Competitiveness - Salaries <i>Provide a brief, descriptive title for this request.</i> |
|--------------|---|

| | |
|---------------|--|
| AMOUNT | General: \$1,040,000 Federal: Other: Total: \$1,040,000 <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> |
|---------------|--|

| | |
|----------------------|--|
| NEW POSITIONS | 0.00 FTEs <i>Please provide the total number of new positions needed for this request.</i> |
|----------------------|--|

| | |
|---|---|
| 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 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 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 checked="" type="checkbox"/> Healthy and Safe Families |
| | <input type="checkbox"/> Maintaining Safety, Integrity, and Security |
| | <input checked="" type="checkbox"/> Public Infrastructure and Economic Development |
| <input checked="" type="checkbox"/> Government and Citizens | |

| | | | |
|---------------------|---|-----------------|------------|
| AGENCY NAME: | University of South Carolina – Upstate | | |
| AGENCY CODE: | H340 | SECTION: | 20C |

| | |
|--------------------------------|---|
| ACCOUNTABILITY OF FUNDS | <p>4.2.1 Ensure fair and competitive salaries for faculty and staff, addressing issues of salary compression.</p> <p>Excellence is measured through regular reaffirmation of accreditation with the Southern Association of Colleges and Schools Commission on Colleges, along with program- and discipline-specific accreditation reviews. Factors associated with The University’s ability to attract, recruit, retain and educate students in today’s competitive higher education market are also detailed in the University’s annual Accountability Report</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?

| | |
|----------------------------|---|
| RECIPIENTS OF FUNDS | <p>Use of these funds benefits the University of South Carolina - Upstate student body and the faculty/administrative staff who serve them. Funds would not be allocated outside of the University, but would be used internally.</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?

| | |
|---------------------------------|---|
| JUSTIFICATION OF REQUEST | <p>\$1,040,000 Market Competiveness</p> <p>USC Upstate needs the support of the legislature to ensure market competitiveness in the hiring and retention of highly competent, qualified employees. Since June 2016 Spartanburg county has added more than 4,300 jobs, and with 2.9 percent job growth; the county leads the Upstate, according to a report from the U.S. Bureau of Labor Statistics. The report showed job growth in Greenville was 1.1 percent; 1.9 percent in Charleston; 0.8 percent in Sumter; 2.9 percent in Myrtle Beach; 1.9 percent in Hilton Head and Bluffton; and 1.6 percent in Columbia over the past year. The state’s job growth was 1.7 percent over the past year, according to the report.</p> <p>Market growth in the Upstate is driving the demand for qualified employees and USC Upstate is uniquely positioned to fulfil industry needs by offering innovative programs aimed at raising the skills of a segment of the workforce that is ready to transition to management. To deliver on this commitment, USC Upstate needs the support of the legislature to ensure USC Upstate has the capacity to compete and retain qualified employees. We have also noticed that labor market inflation is being driven by market supply and demand in the region. Recent data published by SC CHE noted a significant gap in salaries for one workforce segment at USC Upstate. In the study, Upstate employees were significantly lower, approximately 1M with benefits included, compared to our SC peers. Given the unique geography of Upstate SC and the growth of industry along the I-85 corridor, USC Upstate competes for talent in both the private market and in the higher education market in the state and beyond.</p> <p>Source: Spartanburg Chamber of Commerce , US Bureau of Labor Statistics SC CHE database</p> |
|---------------------------------|---|

| | | | |
|---------------------|---|-----------------|------------|
| AGENCY NAME: | University of South Carolina – Upstate | | |
| AGENCY CODE: | H340 | SECTION: | 20C |

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.

| | | | |
|---------------------|--|-----------------|-----|
| AGENCY NAME: | University of South Carolina – Upstate | | |
| AGENCY CODE: | H340 | SECTION: | 20C |

FORM C – CAPITAL REQUEST

| | |
|------------------------|--|
| AGENCY PRIORITY | 3 – Form #13179 <i>Provide the Agency Priority Ranking from the Executive Summary.</i> |
|------------------------|--|

| | |
|--------------|---|
| TITLE | Smith Science Building Renovation <i>Provide a brief, descriptive title for this request.</i> |
|--------------|---|

| | |
|---------------|---|
| AMOUNT | \$8,000,000 <i>How much is requested for this project in FY 2018-19? This amount should correspond to the total for all funding sources on the Executive Summary.</i> |
|---------------|---|

| | |
|----------------------|---|
| CPIP PRIORITY | <p>The Smith Science Building Renovation is USC Upstate’s top priority.</p> <p>Plan year 2019 and it was added to the CPIP list in 2018 when Upstate made the decision to remove the new Information Resource Center as the top priority.</p> <p><i>Alternative Considered: Periodic repair/replacement of equipment are made as needed. We have considered replacing fume hoods a few at a time but are concerned about impact to the HVAC system if we piecemeal replacement. Classes are now scheduled based on limited availability of class specific lab requirements. Upstate will continue to update labs on a case-by-case basis as funding allows with self-contained hoods since the current mechanical system will not support additional hoods.</i></p> <p><i>Identify the project’s CPIP plan year and priority number, along with the first year in which the project was included in the agency’s CPIP. If not included in the agency’s CPIP, please provide an explanation. If the project involves a request for appropriated state funding, briefly describe the agency’s contingency plan in the event that state funding is not made available in the amount requested.</i></p> |
|----------------------|---|

| | |
|------------------------|--|
| OTHER APPROVALS | <p>No additional funds have been obtained. Funds and approval to proceed with design and construction requires approval from the USC BOT, State CHE, JBRC, and SFAA.</p> <p><i>What approvals have already been obtained? Are there additional approvals that must be secured in order for the project to succeed? (Institutional board, JBRC, SFAA, etc.)</i></p> |
|------------------------|--|

| | |
|--|---|
| LONG-TERM PLANNING AND SUSTAINABILITY | <p>\$300,000 per year is anticipated and would be funded from operating expenses.</p> |
|--|---|

| | | | |
|---------------------|---|-----------------|------------|
| AGENCY NAME: | University of South Carolina – Upstate | | |
| AGENCY CODE: | H340 | SECTION: | 20C |

What other funds have already been invested in this project (source/type, amount, timeframe)? Will other capital and/or operating funds for this project be requested in the future? If so, how much, and in which fiscal years? Has a source for those funds been identified/secured? What is the agency's expectation with regard to additional annual costs or savings associated with this capital improvement? What source of funds will be impacted by those costs or savings? What is the expected useful life of the capital improvement?

| | |
|----------------|--|
| SUMMARY | <p>Horace C Smith Science Building Renovation:</p> <p>Scope of Work: Replace/update the mechanical and exhaust systems, which are central to lab operations. These labs support teaching experiential learning required in all sciences. Existing lab benches, tables, and fume hoods will all be updated/upgraded in the renovation. The current lab stations are not conducive for the level of lab experimentation that is now required in undergraduate education.</p> <p>Justification: HVAC, fume hoods and millwork are original to the building and are in need of replacement. Additional teaching laboratory space, (17,000 sqft), is needed in order to accommodate increasing numbers of students taking courses in the Division of Natural Sciences and Engineering. Each semester we provide labs not only for our ~400 biology and chemistry majors but also for pre-nursing, physical education, and exercise and sport science majors.</p> <p>Alternative Considered: Periodic repair or replacement of equipment is made as needed. We have considered replacing fume hoods but are concerned about impact to the HVAC system if we piecemeal the replacements. Classes are scheduled and designed based on limited availability of class specific lab requirements.</p> |
|----------------|--|

Provide a summary of the project and explain why it is necessary. Please refer to the budget guidelines for appropriate questions and thoroughly answer all related items.

| | | | |
|---------------------|--|-----------------|-----|
| AGENCY NAME: | University of South Carolina – Upstate | | |
| AGENCY CODE: | H340 | SECTION: | 20C |

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

| | |
|--------------|---|
| TITLE | Agency Cost Savings and General Fund Reduction Contingency Plan – USC Upstate |
|--------------|---|

| | |
|---------------|--|
| AMOUNT | \$342,981 <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> |
|---------------|--|

| | |
|----------------------------------|---|
| ASSOCIATED FTE REDUCTIONS | .75 FTE <i>How many FTEs would be reduced in association with this General Fund reduction?</i> |
|----------------------------------|---|

| | |
|--------------------------------|--|
| PROGRAM/ACTIVITY IMPACT | Education and General Unrestricted (I.A) and associated Employee Benefits (II). The Campus’ primary mission of providing instructional services to students would be impacted. However, the campus would make every effort to minimize the impact on Instructional services. Both academic and service units are funded from the Campus’ general fund, which is comprised almost exclusively from State General Fund and student tuition and fee revenue. <i>What programs or activities are supported by the General Funds identified?</i> |
|--------------------------------|--|

| | | | |
|---------------------|---|-----------------|------------|
| AGENCY NAME: | University of South Carolina – Upstate | | |
| AGENCY CODE: | H340 | SECTION: | 20C |

| | |
|----------------|--|
| SUMMARY | <p>While a 3% cut across appropriation proposal seems equitable in theory, the funds are not distributed equitably on the front end. Upstate has less funding (appropriations) per student than other comprehensives and therefore any cuts will cause a disproportional strain operationally compared to other comprehensive institutions in the state.</p> <p>\$110,000 - Reduction in space lease at River Street in downtown Greenville. USC Upstate will reduce our footprint in Greenville. This reduction in space will make it difficult to bring needed programs for degree completion and direct connect into the Greenville market. As the for-profit schools are closing or withdrawing in the market, it further expands the need for public universities to meet the needs of the non-traditional student populations.</p> <p>\$91,903 – Reduce Support for Campus Maintenance/Renewal Projects – USC Upstate has made efforts in recent years to do more to address its aging facilities and infrastructure. This would reduce the available funding for maintenance/renewal projects and fleet replacements, and put greater burden on related systems in subsequent years. With the decrease of deferred maintenance funds from the State, this could have dire impact on the condition of campus buildings and infrastructure.</p> <p>\$50,000 – Reduce adjunct faculty across academic departments. This will increase the class sizes and faculty/student ratios.</p> <p>\$91,078 – Hold on replacement of a faculty position where we have a planned retirement. Upstate has a number of faculty retiring this year. The plan would be to hold on a replacement until funding is restored. This will negatively impact class size and faculty/student ratios.</p> |
|----------------|--|

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>Reductions of any kind have significant impact on USC Upstate’s ability to provide a high quality education appropriate to a baccalaureate institution.</p> <p>Upstate’s plan would reduce space, maintenance funds, part time faculty and delay hiring a replacement of one full time employee. The proposed decrease in funding areas is less disruptive operationally in the short-term but long-term cuts will diminish our ability to serve the Upstate region and erode our effectiveness in achieving our mission.</p> |
|----------------------------------|--|

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?

| | | | |
|---------------------|--|-----------------|-----|
| AGENCY NAME: | University of South Carolina – Upstate | | |
| AGENCY CODE: | H340 | SECTION: | 20C |

FORM F – REDUCING COST AND BURDEN TO BUSINESSES AND CITIZENS

TITLE Reducing Cost and Burden to Businesses and Citizens – USC Upstate

Provide a brief, descriptive title for this request.

EXPECTED SAVINGS TO BUSINESSES AND CITIZENS USC Upstate has implemented programs and taken steps over the last several years designed to assist students in obtaining a degree in a timely manner and to minimize the overall cost of obtaining a quality education. Providing a quality workforce to the businesses within the State is a vital aspect of continuous economic development. The savings to citizens and business of the state are incalculable. The economic impact of the University on the State of South Carolina is significant and highlights are provided further below.

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

Mark “X” for all that apply:

- Repeal or revision of regulations.
- Reduction of agency fees or fines to businesses or citizens.
- Greater efficiency in agency services or reduction in compliance burden.
- Other

METHOD OF CALCULATION

TABLE 5 – ECONOMIC IMPACT SUMMARY: USC-UPSTATE

| | Value Added | Income | Employment | Output |
|-----------------------------------|-----------------|-----------------|------------|-----------------|
| Total Alumni Impact | \$94.4 million | \$51.1 million | 1,317 | \$168.9 million |
| Economic Spillover Effects | \$120.6 million | \$65.8 million | 1,703 | \$216.6 million |
| USC Expenditure Effects | \$65.7 million | \$45.1 million | 1,976 | \$121.0 million |
| Totals | \$280.7 million | \$161.9 million | 4,996 | \$506.5 million |

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

REDUCTION OF FEES OR FINES The only published State of South Carolina regulations USC Upstate has are those contained in Chapter 119 dealing with motor vehicle registration, parking, obeying traffic signs and adhering to posted speed limits while on campus. These regulations were promulgated under the authority of Section 59-117-40 of the S.C. Code of Laws. All tuition, fees and fines are reviewed annually before being presented to the Board of Trustees for their consideration and approval. These tuition and fees are contained in the annual budget and are related to providing instructional services to enrolled students. There are a few fines contained in that schedule which all relate to parking.

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?

| | | | |
|---------------------|---|-----------------|------------|
| AGENCY NAME: | University of South Carolina – Upstate | | |
| AGENCY CODE: | H340 | SECTION: | 20C |

| | |
|--------------------------------|---|
| REDUCTION OF REGULATION | <p>The University’s regulations do not pertain to business operations. Nor do they pertain to the citizens of the State in general. The University has taken steps over the last several years to assist students in obtaining a career relevant baccalaureate degree in a timely manner and to minimize the overall cost of obtaining a quality education.</p> |
|--------------------------------|---|

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

| | |
|----------------|---|
| SUMMARY | <p>The University has implemented programs and taken steps over the last several years designed to introduce career- relevant programs aimed at assisting adults in completion of baccalaureate degrees, which are tied directly to job and career growth. An example is Engineering Technology Management; this 2+2 program provides a means for students with an associate degree in <u>an Engineering Technology Management</u> to earn a Bachelor's degree that adds management skills to their technical training. The working adult is the target audience of the ETM program. The structure of the program allows working adults to attend full-time or part-time with a mix of course delivery in the evening and via distance learning.</p> <p>Offering career relevant academic programming to South Carolinians supports the progression from blue collar jobs to white collar management – in other words “growing our own talent within the state”. This talent fuels the economy of South Carolina.</p> |
|----------------|---|

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