AGENCY NAME:	**Coastal Carolina University**		
AGENCY CODE:	**H170**	**SECTION:**	**16**

Fiscal Year 2026-27
Agency Budget Plan

FORM A - BUDGET PLAN SUMMARY

OPERATING REQUESTS *(FORM B1)*	**For FY 2026-27, my agency is (mark "X"):**	
	X	Requesting General Fund Appropriations.
	X	Requesting Federal/Other Authorization.
		Not requesting any changes.

NON-RECURRING REQUESTS *(FORM B2)*	**For FY 2026-27, my agency is (mark "X"):**	
	X	Requesting Non-Recurring Appropriations.
		Requesting Non-Recurring Federal/Other Authorization.
		Not requesting any changes.

CAPITAL REQUESTS *(FORM C)*	**For FY 2026-27, my agency is (mark "X"):**	
	X	Requesting funding for Capital Projects.
		Not requesting any changes.

PROVISOS *(FORM D)*	**For FY 2026-27, my agency is (mark "X"):**	
		Requesting a new proviso and/or substantive changes to existing provisos.
		Only requesting technical proviso changes (such as date references).
	X	Not requesting any proviso changes.

Please identify your agency's preferred contacts for this year's budget process.

	Name	Phone	Email
PRIMARY CONTACT:	Alan M. West, VP for Finance & Administration/CFO	843-349-2227	awest@coastal.edu
SECONDARY CONTACT:	James J. Winebrake, University President	843-349-2001	winebrake@coastal.edu

I have reviewed and approved the enclosed FY 2026-27 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

	Agency Director	*Board or Commission Chair*
SIGN/DATE:	James Winebrake	Natasha M. Hanna
TYPE/PRINT NAME:	James J. Winebrake, University President	Natasha M. Hanna, Board of Trustees Chair

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

Agency Name:	Coastal Carolina University
Agency Code:	H170
Section:	16

BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B1 - Recurring	Tuition Mitigation Funding	3,080,814	0	0	0	3,080,814	0.00	0.00	0.00	0.00	0.00
2	B1 - Recurring	Teal Pathways Scholarship Assistance	1,750,000	0	0	0	1,750,000	0.00	0.00	0.00	0.00	0.00
3	B1 - Recurring	Teal Works Program	390,000	0	0	0	390,000	1.00	0.00	0.00	0.00	1.00
4	C - Capital	Waties Technology, Education, and Research Station	5,000,000	0	0	0	5,000,000	0.00	0.00	0.00	0.00	0.00
5	B2 - Non-Recurring	From Sea to Space: Underwater Autonomous Vehicle (UAV) to Support Satellite-Based Assessments of South Carolina's Coastal Resilience	1,350,000	0	0	0	1,350,000	0.00	0.00	0.00	0.00	0.00
6	C - Capital	Lib Jackson Student Union Annex II featuring a Career and Life Readiness Hub	34,000,000	0	0	0	34,000,000	0.00	0.00	0.00	0.00	0.00
7	B1 - Recurring	Other Funds Authorization Increase	0	0	41,000,000	0	41,000,000	0.00	0.00	49.00	0.00	49.00
TOTALS			45,570,814	0	41,000,000	0	86,570,814	1.00	0.00	49.00	0.00	50.00

Agency Name:	Coastal Carolina University		
Agency Code:	H170	Section:	16

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	**1**

Provide the Agency Priority Ranking from the Executive Summary.

TITLE	**Tuition Mitigation Funding**

Provide a brief, descriptive title for this request.

AMOUNT	**General: $3,080,814** **Federal: $0** **Other: $0** **Total: $3,080,814**

What is the net change in requested appropriations for FY 2026-2027? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	**0.00**

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

FACTORS ASSOCIATED WITH THE REQUEST

	Mark "X" for all that apply:
X	Change in cost of providing current services to existing program audience
	Change in case load/enrollment under existing program guidelines
	Non-mandated change in eligibility/enrollment for existing program
	Non-mandated program change in service levels or areas
	Proposed establishment of a new program or initiative
	Loss of federal or other external financial support for existing program
	Exhaustion of fund balances previously used to support program
	IT Technology/Security related
	HR/Personnel Related
	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:
X	Education, Training, and Human Development
	Healthy and Safe Families
	Maintaining Safety, Integrity, and Security
	Public Infrastructure and Economic Development
	Government and Citizens

ACCOUNTABILITY OF FUNDS

Strategy 3.1 - Ensure operational infrastructure to ensure continued long-term growth and success.

This request supports Strategy 3.1 by ensuring the operational infrastructure necessary to maintain affordability for South Carolina residents. Tuition mitigation preserves institutional capacity, prevents erosion of service quality, and sustains long-term growth by avoiding reductions in services or deferred investments.

Metrics to evaluate the use of funds include:

- Evaluation of affordability such as year-over-year tuition increases for in-state students, comparing scenarios with and without mitigation funding; enrollment trends among in-state students; retention and graduation rates, particularly if affordability is cited as a barrier.
- Budget impact analysis that assesses how mitigation funds offsets tuition revenue shortfalls and allows a continued level of service.
- Strategic plan alignment, demonstrating how affordability supports broader strategic outcomes like enrollment growth, student success, and post-college success.

What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF

General funds allocated to mitigate tuition increases for in-state students would be primarily directed toward sustaining a high-quality educational environment. These funds would support the recruitment and retention of qualified faculty and staff, ensuring they have the necessary resources to effectively engage with and guide

FUNDS	students toward becoming well-prepared, educated contributors and future leaders in South Carolina's workforce.

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

Coastal Carolina University remains steadfast in its commitment to keeping higher education affordable and accessible for South Carolina residents. To continue this mission while maintaining a safe, student-centered educational environment, the University respectfully requests an increase of $3,080,814 in recurring general fund appropriations.

This request directly supports our ongoing efforts to mitigate tuition increases for in-state students. The University Board of Trustees has frozen in-state tuition for six consecutive years and only increased tuition for out-of-state students a modest 1% during the current academic year. These decisions reflect our dedication to affordability, even as institutional costs continue to rise.

Despite cost-containment efforts, Coastal Carolina faces escalating financial demands. Rising expenses in areas such as employee salaries, retirement contributions, health insurance premiums, in addition to inflationary impacts, have placed increasing pressure on our operating budget. Additional recurring support from the state would allow us to sustain our strategic initiatives without compromising affordability or access.

To quantify this request, we applied the August 2025 Consumer Price Index increase of 2.9% to our FY2026 budget. Assuming no new academic programs or expansions in FY2027, a 2.9% increase in expenditures allocated solely to our in-state student population results in an additional cost of $3,080,814. This figure excludes federal and auxiliary expense increases, ensuring a focused and transparent calculation.

We appreciate your consideration of this request and your continued support of Coastal Carolina University's mission to serve South Carolina students with excellence and fiscal responsibility.

Calculation:

	FY2026 Budget	FY2027 Projection	
Expenditures			
Salaries and Fringe	$ 204,997,922	$ 210,942,862	2.9%
Student Aid	$ 16,437,868	$ 16,914,566	2.9%
Services and Supplies	$ 63,012,019	$ 64,839,367	2.9%
Utilities	$ 9,780,785	$ 10,064,428	2.9%
Depreciation	$ 28,563,970	$ 29,392,325	2.9%
Debt Service	$ 5,794,263	$ 5,962,297	2.9%
TOTAL EXPENDITURES	**$ 328,586,827**	**$ 338,115,845**	**2.9%**

Increase in Expenses from Budget FY2026 to Projection FY2027	$ 9,529,018
Less: Increase in Auxiliary Expenses	$ (902,079)
Less: Increase in Federal Expenses	$ (609,000)
Less: Increase applied to out-of-state students (Pursuant to proviso 117.152)	$ (4,937,124)
Tuition Mitigation Request	**$ 3,080,814**

Coastal Carolina University is grateful for the State's commitment to higher education. We respectfully request continued financial support through recurring appropriations to help mitigate tuition increases and ensure that higher education remains both accessible and affordable for the citizens of South Carolina.

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:	Coastal Carolina University		
Agency Code:	H170	Section:	16

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	**2**

Provide the Agency Priority Ranking from the Executive Summary.

TITLE	**Teal Pathways Scholarship Assistance**

Provide a brief, descriptive title for this request.

AMOUNT	**General: $1,750,000** **Federal: $0** **Other: $0** **Total: $1,750,000**

What is the net change in requested appropriations for FY 2026-2027? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	**0.00**

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

FACTORS ASSOCIATED WITH THE REQUEST

Mark "X" for all that apply:

	Change in cost of providing current services to existing program audience
	Change in case load/enrollment under existing program guidelines
	Non-mandated change in eligibility/enrollment for existing program
	Non-mandated program change in service levels or areas
X	Proposed establishment of a new program or initiative
	Loss of federal or other external financial support for existing program
	Exhaustion of fund balances previously used to support program
	IT Technology/Security related
	HR/Personnel Related
	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:

X	Education, Training, and Human Development
	Healthy and Safe Families
	Maintaining Safety, Integrity, and Security
	Public Infrastructure and Economic Development
	Government and Citizens

ACCOUNTABILITY OF FUNDS

Strategy 1.1 - Provide innovative curricular and co-curricular pathways to improve graduation outcomes and post-college success.

This funding request directly supports Strategy 1.1 by:

- Removing financial barriers for in-state students, ensuring that students who begin their post-secondary journey at technical colleges can complete a four-year degree more affordably.
- Increasing graduation rates among non-traditional and rural learners, aligning with CCU's strategic goals for student success.
- Equipping graduates with advanced credentials that enhance employability and earning potential, contributing to stronger post-college outcomes.

What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS

Scholarship funds for the Teal Pathways program would be awarded to eligible students through the Office of Financial Aid and Scholarships. All disbursements would be managed in full compliance with federal and state regulations, as well as university policies governing financial aid administration.

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

Teal Pathways is a transformative 2+2 degree completion program designed to strengthen South Carolina's talent pipeline in high-demand fields such as healthcare, cybersecurity, and engineering. In collaboration with the state's technical colleges, this initiative enables students to begin their education at a technical college and seamlessly transfer to Coastal Carolina University to complete a four-year degree.

Complementing this is Teal Advance, the digital arm of the initiative, which offers fully online 2+2 programs tailored for technical college graduates, veterans, and working adults. Teal Advance expands access to CCU degrees in healthcare administration, business, education, and information technology, ensuring flexibility and affordability for learners across rural counties, military bases, and non-traditional settings.

Together, Teal Pathways and Teal Advance reinforce CCU's commitment to closing the skills gap, supporting career-ready graduates, and advancing economic mobility across South Carolina.

Program Goals

1. Expand Access to Higher Education

- Provide affordable and flexible pathways for underserved populations, including rural residents, veterans, and working adults.
- Leverage online platforms to reach learners beyond traditional campus boundaries.

2. Strengthen Workforce Readiness

- Align academic offerings with South Carolina's priority sectors: healthcare, IT, engineering, and education.
- Equip students with industry-relevant credentials and leadership skills.

3. Enhance Collaboration with Technical Colleges

- Build seamless transfer agreements and shared advising models.
- Foster joint curriculum development and articulation pathways.

4. Support Economic Development

- Address regional labor shortages by producing graduates in high-demand fields.
- Collaborate with SC employers to ensure graduates meet workforce needs.

The South Carolina Workforce Industry Needs Scholarship (SC WINS) has been instrumental in addressing workforce shortages across the state. Over the past five years, it has provided more than 40,000 South Carolinians with scholarship assistance to cover tuition and required fees at technical colleges, enabling them to earn postsecondary or industry credentials in high-demand careers.

Building on SC WINS' core mission, Coastal Carolina University's Teal Pathways degree completion program offers a natural progression to a four-year degree in those same high-demand fields—such as healthcare, cybersecurity, engineering, business, and education. Teal Pathways is designed to serve technical college graduates, ensuring they have a clear, affordable, and flexible path to academic and career advancement.

To ensure continuity of support and maximize the state's investment in SC WINS, CCU respectfully requests recurring state funding to provide scholarship assistance to students enrolled in the Teal Pathways program. This funding will:

- Extend the impact of SC WINS by supporting students beyond the technical college level.
- Strengthen South Carolina's workforce pipeline by producing career-ready graduates with advanced credentials.
- Promote access for rural learners and non-traditional students.
- Align with the state's strategic priorities for economic development, educational attainment, and workforce readiness.

Recipients of the SC WINS scholarship program can receive up to $5,000 per academic year. The University anticipates enrolling 175 juniors and 175 seniors annually. Using an award amount equivalent to the WINS scholarship program, $5,000 awarded to 350 SC students enrolled in Teal Pathways equates to $1,750,000 annually.

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:	Coastal Carolina University		
Agency Code:	H170	Section:	16

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	**3**

Provide the Agency Priority Ranking from the Executive Summary.

TITLE	**Teal Works Program**

Provide a brief, descriptive title for this request.

AMOUNT	**General: $390,000** **Federal: $0** **Other: $0** **Total: $390,000**

What is the net change in requested appropriations for FY 2026-2027? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	**1.00**

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

FACTORS ASSOCIATED WITH THE REQUEST

	Mark "X" for all that apply:
	Change in cost of providing current services to existing program audience
	Change in case load/enrollment under existing program guidelines
	Non-mandated change in eligibility/enrollment for existing program
	Non-mandated program change in service levels or areas
X	Proposed establishment of a new program or initiative
	Loss of federal or other external financial support for existing program
	Exhaustion of fund balances previously used to support program
	IT Technology/Security related
	HR/Personnel Related
	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:
X	Education, Training, and Human Development
	Healthy and Safe Families
	Maintaining Safety, Integrity, and Security
	Public Infrastructure and Economic Development
	Government and Citizens

ACCOUNTABILITY OF FUNDS

Strategy 1.1: Provide innovative curricular and co-curricular pathways to improve graduation outcomes and post-college success.

Strategy 2.1: Advance research, the arts, and civic engagement.

The Teal Works Program directly supports Strategy 1.1 by providing innovative co-curricular pathways that enhance graduation outcomes and post-college success. Through stipends, career development workshops, and employer engagement support, Teal Works removes financial barriers and equips students with the skills and experiences necessary to thrive in the workforce. Additionally, the program aligns with Strategy 2.1 by advancing civic engagement through partnerships with regional businesses, nonprofits, and government agencies, particularly in rural and underserved communities. By prioritizing internships in critical industries such as healthcare, education, information technology, advanced manufacturing, agribusiness, and hospitality/tourism, Teal Works strengthens the talent pipeline, supports local and regional economic development, and elevates CCU's role as a leader in preparing students to meet South Carolina's workforce needs.

The effectiveness of the internship program would be evaluated using a collection of key performance indicators such as:

- Number of internships completed
- Student participation rates, including demographic breakdowns (e.g., rural, underserved populations)
- Internship completion rates and post-internship employment outcomes
- Employer satisfaction and retention of interns

Feedback from students, employers, and faculty advisors would be collected, and insights would inform program adjustments and help ensure that internships remain relevant to South Carolina's evolving workforce needs.

What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS

Students would be the primary beneficiaries of appropriated funds dedicated to the Teal Works Program. Internship stipends would be allocated in accordance with established University policies to ensure equitable access and financial support for participants. Remaining funds designated for program administration—such as staffing, employer engagement, and career development activities—would also be expended following University policies and state procurement regulations.

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

Coastal Carolina University (CCU) proposes the creation of the Teal Works Program, an internship initiative designed to connect CCU students with meaningful professional experiences in high-demand workforce areas across Horry County and South Carolina. CCU Teal Works will provide stipends, career development training, and employer engagement support to increase access to internships, especially in rural and underserved regions of South Carolina.

The program will strengthen the talent pipeline, support local and regional economic development, and increase CCU's visibility as a leader in preparing students for South Carolina's workforce needs.

Program Objectives

- Expand Student Access to Internships – Provide stipends to remove financial barriers to participation.
- Support State Workforce Development Goals – Prioritize internships in industries of high demand in South Carolina (e.g., healthcare, education, information technology, advanced manufacturing, agribusiness, hospitality/tourism).
- Empower Rural Communities – Offer additional incentives for students interning in rural or economically distressed counties.
- Strengthen Employer Partnerships – Build sustainable collaborations with regional businesses, nonprofits, and government agencies to support workforce pipelines.
- Enhance Student Career Readiness – Combine internships with professional development workshops and reflection activities.

Program Structure

- Internship Stipends:
  - Base stipend: $3,000 per student (10–12 weeks, summer internship).
  - Rural placement bonus: $1,000 for internships located in rural or underserved counties.
- Professional Development: Students will complete pre- and post-internship workshops to build career readiness, professionalism, and leadership skills.
- Employer Engagement: CCU will collaborate with local and statewide employers to identify internships in fields of workforce demand.
- Program Administration: The Teal Works Program will be coordinated through CCU's Career Services, with support from a dedicated program coordinator.

Proposed Budget (Pilot Year: 75 Students)

Category	Cost Estimate
Student Stipends (75 x $3,000)	$225,000
Rural Incentive Bonuses (30 x $1,000)	$30,000
Program Coordinator (1 FTE + fringe)	$70,000
Professional Development Workshops	$15,000
Marketing, Outreach & Recruitment	$10,000
Employer Engagement & Partnership Development	$10,000
Travel Support for Students (esp. rural placements)	$20,000

Assessment & Reporting	$10,000
Total	**$390,000**

Funding Sources

Initial funding for this program is requested through appropriation to create a base budget for program launch. To ensure the effective implementation and sustainability of the Teal Works internship program, Coastal Carolina University requests funding for one additional full-time equivalent (FTE) staff member dedicated to program administration. This position is essential to manage the operational complexity of coordinating internships across multiple high-demand industries and geographic regions. Responsibilities would include overseeing stipend distribution, facilitating employer partnerships, tracking student participation and outcomes, and aligning program activities with state workforce development goals. As outlined in the University's program analysis and budget planning processes, centralized staffing is critical to maintaining compliance, ensuring data integrity, and supporting strategic reporting requirements.

Future funding for program expansion could be considered from:

- South Carolina workforce development and higher education grants.
- Philanthropic gifts from CCU alumni and regional foundations.
- Corporate sponsorships from employers benefiting from the program.
- Federal programs supporting rural development and experiential learning.

Anticipated Outcomes (Year 1)

- 75 CCU students placed in high-demand internships.
- At least 40% of placements in rural South Carolina communities.
- Strengthened employer partnerships across Horry County and the state.
- Improved student employability, retention, and post-graduate employment within South Carolina.

Long-Term Vision (Year 3–5)

The Teal Works Program is designed for growth. By Year 3–5, CCU will scale the program to 250+ students annually, supported through a combination of institutional, state, and private funding. This growth will position Teal Works as one of the premier experiential learning and workforce development initiatives in South Carolina.

The program will:

- Serve as a major talent pipeline for the state's high-need industries.
- Provide equitable access to experiential learning for a broad student population.
- Strengthen CCU's role as a regional driver of economic development and workforce readiness.

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:	Coastal Carolina University		
Agency Code:	H170	Section:	16

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	7

Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Other Funds Authorization Increase

Provide a brief, descriptive title for this request.

AMOUNT	General: $0 Federal: $0 Other: $41,000,000 Total: $41,000,000

What is the net change in requested appropriations for FY 2026-2027? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	49.00

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

FACTORS ASSOCIATED WITH THE REQUEST

Mark "X" for all that apply:	
X	Change in cost of providing current services to existing program audience
X	Change in case load/enrollment under existing program guidelines
	Non-mandated change in eligibility/enrollment for existing program
	Non-mandated program change in service levels or areas
	Proposed establishment of a new program or initiative
	Loss of federal or other external financial support for existing program
	Exhaustion of fund balances previously used to support program
	IT Technology/Security related
	HR/Personnel Related
	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:	
X	Education, Training, and Human Development
	Healthy and Safe Families
	Maintaining Safety, Integrity, and Security
	Public Infrastructure and Economic Development
	Government and Citizens

ACCOUNTABILITY OF FUNDS

Strategy 1.1 - Provide innovative curricular and co-curricular pathways to improve graduation outcomes and post-college success.

Strategy 2.1 - Advance research, the arts, and civic engagement.

Strategy 3.1 - Ensure operational infrastructure to ensure continued long-term growth and success.

Strategy 3.2 - Grow University financial resources.

This request advances all strategies within CCU's strategic plan. Increased funding will support pathways that improve graduation outcomes and post-college success. It will also ensure that academic offerings remain relevant and accessible, reinforcing CCU's commitment to student success. Resources will be directed toward sustaining and expanding infrastructure that supports wellness and belonging. This includes investments in student services, campus engagement initiatives, and facilities that foster a collaborative campus community. The funding will enable CCU to advance research, the arts, and civic engagement, while also supporting strategic collaborations and regional economic development—extending the University's impact beyond campus. And the requested increase will strengthen operational infrastructure, ensuring financial sustainability. This spending authority increase is not only a response to enrollment growth—it is a strategic investment in the future of Coastal Carolina University, ensuring that we fulfill the vision of our strategic initiatives and continue to thrive as an institution.

Use of funds are evaluated by metrics including:

- Strategic alignment tracking such as mapping expenditures to specific goals like retention rates and graduation outcomes.
- Monitoring usage and effectiveness of student services, academic programs and campus engagement initiatives.
- Assessing utilization of campus facilities.
- Soliciting feedback from community stakeholders and partners, and measuring the University's economic impact on the county and state.

What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS

The proposed budget increase will provide essential funding to accommodate growth in personnel and support rising operational expenditures necessary to sustain institutional effectiveness. All funds will be administered in accordance with university policies and fully compliant with state procurement regulations.

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

Coastal Carolina University is making steady progress as we build on our strengths and broaden our impact. With strong support from state government, we are expanding educational opportunities, addressing critical regional needs, and delivering a transformative student experience. Interest in CCU continues to grow—regionally and beyond.

This fall, nearly 12,000 students call CCU home, including the largest freshman class in our history: 2,942 students selected from more than 25,000 applications. First-year enrollment has increased by 9.7%, and total University enrollment has grown by 6.2% compared to the previous academic year. Over the past five years, enrollment has risen more than 17%, reflecting the growing demand for a Coastal Carolina education.

As enrollment grows, so do the costs required to support our expanding student body. Expenditures have increased to ensure adequate resources and services, while employee cost-of-living adjustments, fringe benefits (including retirement and health insurance), and inflation-related operating costs have also risen.

In FY 2026, the University requested an increase in Other Funds spending of $31 million, which was largely not authorized. Looking ahead to the next academic year, we anticipate continued growth in student interest and corresponding increases in expenses. Therefore, the University respectfully requests an increase in spending authority of $41 million for FY 2027, aligning our anticipated spending with Other Funds budget authority.

Summary of FTE Requests

Coastal Carolina University is requesting 49.0 additional FTE positions in response to sustained student enrollment growth, ensuring the institution maintains its academic quality, operational efficiency, and student support standards.

Faculty-to-Student Ratio: The university's targeted faculty-to-student ratio is 16:1, a benchmark aligned with peer institutions and national standards for high-quality undergraduate education. However, the current ratio stands at 17:1, reflecting a shortfall in instructional capacity that directly impacts class sizes, faculty workload, and student engagement. Closing this gap requires targeted investment in faculty FTEs to restore balance and uphold Coastal's commitment to personalized, high-impact learning experiences.

Instructional and Academic Support: Beyond faculty, the additional FTEs will be allocated to essential instructional support roles that are increasingly strained due to enrollment pressures. For example, simulation learning technicians and coordinators are needed for nursing and health sciences programs, which require hands-on, technology-driven instruction to meet accreditation and licensure standards.

Non-Academic Support Functions: Additional non-academic support is needed in such areas as public safety and enrollment management. These essential support functions foster a secure campus environment and strategically guide student recruitment and retention, ensuring the conditions necessary for learning and institutional success.

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:	Coastal Carolina University		
Agency Code:	H170	Section:	16

FORM B2 – NON-RECURRING OPERATING REQUEST

AGENCY PRIORITY	5

Provide the Agency Priority Ranking from the Executive Summary.

TITLE	From Sea to Space: Underwater Autonomous Vehicle (UAV) to Support Satellite-Based Assessments of South Carolina's Coastal Resilience

Provide a brief, descriptive title for this request.

AMOUNT	$1,350,000

What is the net change in requested appropriations for FY 2026-2027? This amount should correspond to the total for all funding sources on the Executive Summary.

FACTORS ASSOCIATED WITH THE REQUEST

Mark "X" for all that apply:	
	Change in cost of providing current services to existing program audience
	Change in case load/enrollment under existing program guidelines
	Non-mandated change in eligibility/enrollment for existing program
	Non-mandated program change in service levels or areas
X	Proposed establishment of a new program or initiative
	Loss of federal or other external financial support for existing program
	Exhaustion of fund balances previously used to support program
	IT Technology/Security related
	Consulted DTO during development
	HR/Personnel Related
X	Request for Non-Recurring Appropriations
	Request for Federal/Other Authorization to spend existing funding
	Related to a Recurring request – If so, Priority #

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES

Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
X	Education, Training, and Human Development
	Healthy and Safe Families
	Maintaining Safety, Integrity, and Security
	Public Infrastructure and Economic Development
	Government and Citizens

ACCOUNTABILITY OF FUNDS

Strategy 2.1 - Advance research, the arts, and civic engagement.

From Sea to Space directly advances Strategy 2.1 in the following ways:

- Supports faculty-led research in marine science, climate resilience, and satellite imaging—fields with broad relevance and potential for research recognition.
- Gives students hands-on experience with autonomous systems, data analytics, and environmental modeling.
- Provides actionable data on environmental changes for local and state partners.

What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS

The requested non-recurring appropriation will be allocated to support two key components of Coastal Carolina University's environmental monitoring initiative: the acquisition of a state-of-the-art underwater autonomous vehicle (UAV) and the deployment of the ChantSat-1 satellite.

The Department of Marine Science will oversee the procurement of the UAV, following all university and state procurement regulations to ensure transparency, fiscal responsibility, and compliance. This vehicle will be used to collect high-resolution subsurface data critical to understanding and managing South Carolina's coastal and blackwater estuarine environments.

Simultaneously, a portion of the funds will be directed toward the launch and operational deployment of ChantSat-1, a university-developed satellite designed to capture surface-level environmental data. This satellite will work in tandem with the UAV to provide a comprehensive, real-time view of water conditions, enhancing research, conservation, and resilience planning.

	Together, these investments will support interdisciplinary research, student STEM training, and regional environmental stewardship—advancing CCU's strategic goals while ensuring all expenditures are managed in accordance with applicable policies and regulations.

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	Funds will integrate a state-of-the-art underwater autonomous vehicle (UAV) with Coastal Carolina University's ChantSat-1 satellite imaging to provide a powerful and innovative approach to enhancing South Carolina's coastal and blackwater estuarine environments. The system will provide real-time, high-resolution data on water conditions—both at the surface and below—allowing us to track changes driven by storms, flooding, drought, and other natural events at spatial and temporal scales relevant for management and conservation. Coastal systems are vital to the state's economy and culture, supporting fisheries, ecotourism, and economic development. The data collected will enhance our ability to assess ecosystem resilience and provide early warnings for environmental stressors and associated local municipalities. The technology will also be integrated into interdisciplinary student STEM training to blend cutting edge science with transferrable skills and local workforce development. Lastly, this technology will help us better understand the habitats and movements of key species such as shrimp, crabs, oysters, red knots, red drum, sharks, turtles, dolphins, and whales—many of which are economically or ecologically significant and rely on these waters for some or part of the year. Program Goals • Partnership with university's satellite imaging system to enhance understanding of South Carolina's coastal and blackwater estuarine environments and aid in resiliency efforts. • Innovative interdisciplinary collaborations between faculty and students that equip students with industry relevant credentials and leadership skills. • Increased economic development through an enhanced understanding of blackwater rivers and how their plume discharges integrate with Coastal Carolina University's space program. Funds would specifically be utilized to purchase a UAV costing approximately $900,000 and ChantSat-1 deployment costing approximately $450,000.

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:	Coastal Carolina University		
Agency Code:	H170	Section:	16

FORM C – CAPITAL REQUEST

AGENCY PRIORITY	4

Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Waties Technology, Education, and Research Station

Provide a brief, descriptive title for this request.

AMOUNT	$5,000,000

How much is requested for this project in FY 2026-2027? This amount should correspond to the total for all funding sources on the Executive Summary.

CPIP PRIORITY	The project is priority 7 in year 2 (2026-2027) on the University's 2025 CPIP submission. The project was first submitted in the 2022 CPIP. In the event that state funding is not available for this project, the University will identify internal sources of funds to dedicate to the Waties Technology, Education, and Research Station.

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.

OTHER APPROVALS	The project must obtain approval by the University Board of Trustees, JBRC, and SFAA.

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.)

LONG-TERM PLANNING AND SUSTAINABILITY	**Other funds invested in the project:** The University has not invested funds in this project at this time. Capital needs in excess of any state funding received will be identified from internal sources. **Expected annual operating costs:** Annual operating costs are estimated at approximately $46,000. Operating costs – such as utilities, insurance, and maintenance – are included in the annual operating budget which is funded with Other Funds. **Expected useful life:** The expected useful life of campus buildings is 40 years.

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?

	The Waties Technology, Education, and Research Station will further Coastal Carolina University's collaboration with state partners on Waties Island, South Carolina. This research and education center will serve as a gateway to Waties Island and a hub for community and regional stakeholders. The Waties Technology, Education, and Research Station will also facilitate access to technical information regarding ongoing coastal resource management concerns, flood mitigation and emergency management. Finally, this state-of-the-art building will be a laboratory for students, state officials, and other stakeholders who seek to find and apply solutions to enhance South Carolina's coastline and wetlands. **Program Goals** • Enhanced collaboration with state partners (South Carolina Department of Natural Resources, South Carolina Department of Parks, Recreation, & Tourism, and South Carolina Department of Resiliency) to better understand South Carolina's coastal environments to aid in resiliency efforts, flood mitigation and emergency management.

- Innovative interdisciplinary collaborations between faculty and students that equip students with industry relevant credentials and leadership skills.
- Increased economic development through an improved understanding of South Carolina's coastal environment.

SUMMARY

Strategic Alignment

This project closely aligns with the Legacy Pillar of CCU's strategic plan by advancing research and driving tourism and economic development along South Carolina's coast.

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:	Coastal Carolina University		
Agency Code:	H170	Section:	16

FORM C – CAPITAL REQUEST

AGENCY PRIORITY

6

Provide the Agency Priority Ranking from the Executive Summary.

TITLE

Lib Jackson Student Union Annex II featuring a Career and Life Readiness Hub

Provide a brief, descriptive title for this request.

AMOUNT

$34,000,000

How much is requested for this project in FY 2026-2027? This amount should correspond to the total for all funding sources on the Executive Summary.

CPIP PRIORITY

This project is priority 1 in year 2 (2026-2027) on the University's 2025 CPIP submission. The project was first submitted in the 2016 CPIP. In the event that state funding is not available for this project, the University will identify internal sources of funds to commit to the expansion of the Lib Jackson Student Union.

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.

OTHER APPROVALS

The project must obtain approval by the University Board of Trustees, JBRC and SFAA.

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.)

LONG-TERM PLANNING AND SUSTAINABILITY

Other funds invested in the project:

The University has not invested funds in the project at this time. Capital needs in excess of any state funding received will be identified from internal sources.

Expected annual operating costs:

Annual operating costs anticipated as a result of expanding the Lib Jackson Student Union Annex are estimated at approximately $300,000. Operating costs - such as utilities, insurance, and maintenance - are included in the annual operating budget which is funded with Other Funds.

Expected useful life:

The expected useful life of campus buildings is 40 years.

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?

Coastal Carolina University requests state funding to construct a second annex to the Lib Jackson Student Union, encompassing approximately 50,000 square feet of new space. This expansion is designed to meet the evolving needs of our student body and to advance strategic goals related to student success, engagement, and career readiness.

The annex will feature multi-use event space with a total seating capacity of approximately 1,200 people, designed to accommodate large-scale events such as new student orientations, lectures, and community forums. The space will be modular, allowing it to be subdivided into smaller rooms to support student organization meetings, workshops, and academic programming. This addresses a critical space deficit on campus, where most classrooms are built for fewer than 50 students and few non-tiered spaces exist for groups of 100–150.

Embedded within the annex will be a Career and Life Readiness Hub, a centralized and student-

SUMMARY	facing initiative that integrates: • Career Services: Dedicated offices for career coaching, resume and interview preparation, internship coordination, and employer engagement. • Alumni Mentorship Lounge: A flexible space for alumni-student networking events, mentoring sessions, and career panels. • Veterans Affairs Suite: A welcoming and resource-rich environment for military-affiliated students, offering transition support, benefits advising, and tailored career pathways. • Workforce Development Zone: A collaborative area for employer partnerships, job fairs, and skill-building workshops aligned with regional labor market needs. This integrated model supports the university's mission to elevate student outcomes by bridging academic preparation with career development. **Strategic Alignment** The annex will serve as a living-learning environment that fosters community engagement and holistic student development. By co-locating career readiness and student life, the university will strengthen retention and improve four-year graduation rates through integrated support. The space will expand access to career pathways for first-generation and veteran students, offering tailored programming and mentorship that addresses their unique needs. It will also increase student engagement with scholarly, cultural, and professional events.

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:	Coastal Carolina University		
Agency Code:	H170	Section:	16

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

TITLE	CCU Cost Savings and General Funds Reduction Contingency Plan

AMOUNT	$1,116,633

What is the General Fund 3% reduction amount? This amount should correspond to the reduction spreadsheet prepared by EBO.

ASSOCIATED FTE REDUCTIONS	N/A

How many FTEs would be reduced in association with this General Fund reduction?

PROGRAM / ACTIVITY IMPACT	General Funds are primarily used to support faculty and staff salaries and benefits at Coastal Carolina University. However, student experience, success and safety remain our highest priorities. In the event that reduced state funding threatens student services or raises safety concerns, the university will identify and allocate Other Funds to offset the loss of General Funds. Every effort will be made to preserve the quality of education for our students and to uphold all strategic initiatives.

What programs or activities are supported by the General Funds identified?

SUMMARY	Coastal Carolina University's highest priority is to develop students who are both knowledgeable in their chosen fields and prepared to be productive, responsible, healthy citizens with a global perspective. To achieve this, CCU emphasizes high-quality teaching and engaged learning; faculty mentorship through research, creative activities, and internships; and a dynamic student-centered learning environment. In the event of reduced state funding, the University would implement strategic cost-saving measures that preserve these core priorities. This includes delaying the hiring of temporary staff during slower operational periods, postponing the filling of non-essential open positions, and conducting targeted reviews of departmental spending to identify inefficiencies. Additionally, CCU would explore reallocating other operating funds to offset reductions in General Fund appropriations, ensuring that the student experience and campus safety remain uncompromised while maintaining the integrity of its educational mission.

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	• The University defeased $34 million in General Obligation Bonds, providing an average interest savings of $646,000 per year until fiscal year 2030. • Refunding Revenue Bonds were issued to refund the balance of outstanding Higher Education Revenue Bonds. Refinancing the bonds resulted in average interest savings of $224,000 per year until fiscal year 2040. • The continued expansion of the University's central energy system has yielded substantial operational and financial benefits. By integrating facilities into the central chilled water loop, HVAC tonnage has been reduced by approximately 30%, resulting in average annual demand charge savings of $477,000. The next phase of this initiative involves transitioning two inefficient, stand-alone air-cooled chillers at Brittain Hall and the Wall Building to the central system. This upgrade will deliver both energy efficiency gains and maintenance cost reductions. Central systems utilize water-cooled chillers, which are typically up to 50% more efficient than air-cooled units, depending on system design and operating conditions. This efficiency translates into lower energy consumption, improved system reliability, and reduced long-term operational costs. Investing in additional central energy capacity not only enhances sustainability and resilience but also aligns with the University's strategic goals for cost-effective infrastructure modernization. • The University initiated a Remote Work & Flexible Scheduling Program in FY 2024. Improving employee retention at the institution remains a key driver behind this program offering. Employee exit data clearly demonstrates the value of this program. Retaining employees has a significant cost benefit to the institution through cost avoidance (e.g. lost productivity, recruitment efforts, advertising open positions, relocation, overtime/temporary salary adjustments, training, administrative effort). When applying a conservative cost of turnover percentage of 30% to the current average salary for classified personnel, the estimated cost of turnover savings was $128,479 in FY 2024 and $77,345 in FY 2025. It is anticipated this type of analysis will continue to be conducted annually. • The University is modernizing the travel and p-card processes. We are in the final testing phase with campus partners in implementing Emburse Enterprises to manage travel, p-card, and employee reimbursement processing. The move to Emburse Enterprises comes with a potential savings of 6,500+ hours per year/approximately $280,000 and the ability to redirect those efforts to more strategic efforts. • CCU is in the exploratory and initial implementation phases of onboarding a campus-wide AI ChatBot. This ChatBot will be branded in alignment with CCU’s brand standards to ensure a welcoming and consistent user experience. It will feature custom integrations with existing student-facing systems and be accessible across all major platforms, including web, mobile, mobile app, SMS, IVR, WhatsApp, and more, available to users 24/7/365. The platform also includes robust data analytics capabilities to monitor user engagement, as well as measure cost and time savings. We anticipate favorable outcomes in both operational efficiency and student experience. We’ve initiated a university-wide process mapping effort to identify operational inefficiencies and streamline workflows. This initiative is helping uncover gaps, redundancies, and opportunities for improvement across departments. Our goal is to enhance service delivery and support continuous improvement at every level.

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?

FORM F – REDUCING COST AND BURDEN TO BUSINESSES AND CITIZENS

TITLE

Tuition and Fee Savings to Students

Provide a brief, descriptive title for this request.

EXPECTED SAVINGS TO BUSINESSES AND CITIZENS

Coastal Carolina University remains committed to keeping tuition and fees affordable for our students. For the sixth consecutive year, the Board of Trustees has held in-state tuition flat for the 2025–2026 academic year.

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.
X	Reduction of agency fees or fines to businesses or citizens.
X	Greater efficiency in agency services or reduction in compliance burden.
	Other

METHOD OF CALCULATION

Full-Time In-State Rate Comparison per Semester	2024 - 2025	2025 - 2026	$ Change	% Change
Total Undergraduate Tuition and Required Fees	$5,820	$5,820	$0	0%
Housing Double Occupancy	$3,660	$3,770	$110	3.0%
Unlimited Meal Plan	$2,600	$2,600	$0	0.0%
Average Tuition, Room and Board	**$12,080**	**$12,190**	**$110**	**0.9%**

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

REDUCTION OF FEES OR FINES

Coastal Carolina University is committed to providing opportunities for all South Carolina residents to obtain a degree and offers admission to all qualified residents. **Chauncey's SC Promise** outlines how CCU is committed to serving South Carolina.

Tuition Promise - This program provides free tuition to South Carolina residents who graduate in the top 10% of their high school class and whose families earn less than $80,000 annually. Students participating in this program receive an automatic invitation to join the HTC Honors College.

Top 10 Promise - CCU guarantees admission to any South Carolina Resident who graduates in the top 10% of their high school class.

SC Student Promise - Any student who earns the South Carolina Palmetto LIFE Scholarship will be guaranteed admission to Coastal Carolina University. Applicants can be admitted either through regular admission or into the Coastal Excellence and Leadership (CEaL) program.

Transfer Promise - Transfer students who have earned an Associate of Arts, Associate of Science, or Associate in Applied Science from a South Carolina Technical College will be guaranteed admission provided they satisfy the non-academic review portion of the application. In addition, students who earn the Associate of Arts or Associate of Science degree from a South Carolina technical college will receive a minimum of 60 transfer credits and junior status when they enroll at CCU.

In addition to holding in-state tuition flat for the 2025-2026 academic year, the University also offers promotional reduced tuition rates, including:

The Active-Duty Tuition Rate, allowing part-time students to pay $250 per credit hour and full-time students to pay $3,750 per semester, equating to 36% less than full-time in-state tuition. The discounted tuition rate is for undergraduate students serving on active duty, as a member of the National Guard or as a reservist.

The CCU Complete program, a flat $100 special tuition rate for eligible courses offered through CCU's online completion program for former Coastal Carolina students and current South Carolina residents with some college but no degree.

The CCU/South Carolina Technical System (SCTC) Graduate Tuition Partnership Program, offering SCTC personnel the opportunity to register for graduate-level coursework at a special discount of 40% less than in-state graduate tuition.

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	N/A

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

SUMMARY	Coastal Carolina University is committed to continuously evaluating its processes and practices to improve efficiency and keep tuition and fees affordable for our students. Freezing in-state tuition for the sixth consecutive year reflects our dedication to providing accessible higher education opportunities for South Carolina residents. Currently, CCU's in-state tuition rate is 4.3% below the average charged by other South Carolina four-year public universities with a similar mission. Key benefits to stable tuition rates include: 1. Enhanced affordability and financial predictability - Holding tuition flat for six years provides families with a stable cost structure, allowing them to plan more confidently for college expenses. This predictability reduces financial stress and helps students avoid unexpected debt burdens. 2. Reduced Student Loan Dependency - With tuition costs remaining steady, our students are less likely to rely heavily on loans, leading to lower overall student debt upon graduation. 3. Improved Student Outcomes - Financial stability can lead to better retention. Students who aren't burdened by rising costs are retained at a higher rate and more likely to graduate on time. Student retention is at an all-time high of 79.1%, based on preliminary Fall 2025 enrollment.

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

AGENCY NAME:	Coastal Carolina University		
AGENCY CODE:	H170	SECTION:	16

FORM H – TUITION MITIGATION (PROVISO 117.178)

TITLE	**Tuition Mitigation Proviso 117.178**

AMOUNT	**$3,080,814**

What is the amount needed for Tuition Mitigation for FY27? This amount should correspond to the priority 1 recurring budget request. Tuition Mitigation should ONLY include the state funding necessary to continue existing operations on July 1, 2026 with no in-state undergraduate tuition or mandatory fee increases. Tuition Mitigation should not include any new programs or expansion of existing academic programs that may be contemplated for Fiscal Year 2026-27.

EXPLANATION OF METHODOLOGY

To quantify this request, we applied the August 2025 Consumer Price Index (CPI) increase of 2.9% to our FY2026 budget. Assuming no new academic programs or expansions in FY2027, a 2.9% increase in expenditures allocated solely to our in-state student population results in an additional cost of $3,080,814. This figure excludes federal and auxiliary expense increases, ensuring a focused and transparent calculation.

	FY 2026 Budget	FY 2027 Projection
Expenditures		
Salaries and Fringe	$204,997,922	$210,942,862
Student Aid	16,437,868	16,914,566
Services and Supplies	63,012,019	64,839,367
Utilities	9,780,785	10,064,428
Depreciation	28,563,970	29,392,325
Debt Service	5,794,263	5,962,297
TOTAL EXPENDITURES	**$328,586,827**	**$338,115,845**

Expense Increase from FY2026 to FY2027	$9,529,018
Less: Increase in Auxiliary Expenses	(902,079)
Less: Increase in Federal Expenses	(609,000)
Less: Increased expenses applied to out-of-state students (Pursuant to proviso 117.152)	(4,937,124)
Tuition Mitigation Request	**$3,080,814**

FY 2027 Assumptions

- August 2025 CPI of 2.9% applied to FY 2026 budget.

Fall 2025 Undergraduate Students (Preliminary):
In-State: 4,245
Out-of-State: 7,070

To provide a second scenario, assuming a 2% general increase for classified and unclassified positions, no pension rate increase, a health insurance rate increase of 8% in calendar year 2027, and a 2.9% increase in other expenditures, an approximate $2.7 million increase in expenses in FY 2027 would result. This excludes the increased expenses applied to our out-of-state student population, as well as, federal and auxiliary expense increases.

	FY 2026 Budget	FY 2027 Projection
Expenditures		
Salaries and Fringe	$204,997,922	$209,851,660
Student Aid	16,437,868	16,914,566
Services and Supplies	63,012,019	64,839,367
Utilities	9,780,785	10,064,428
Depreciation	28,563,970	29,392,325
Debt Service	5,794,263	5,962,297
TOTAL EXPENDITURES	**$328,586,827**	**$337,024,644**

Expense Increase from FY2026 to FY2027	$8,437,817
Less: Increase in Auxiliary Expenses	(860,224)
Less: Increase in Federal Expenses	(607,463)
Less: Increased expenses applied to out-of-state students (Pursuant to proviso 117.152)	(4,291,926)
FY 2027 Expense Increase	**$2,678,204**

FY 2027 Assumptions

◦ Salary and Fringe expenses reflect a 2% COLA (allocated uniformly); no pension rate increase; 6 months @ 4.6% plus 6 months @ 8% health insurance rate increase (5-year average increase).

◦ August 2025 CPI of 2.9% applied to all other expense categories.

In general, **each one percent** increase in mandated personnel expenses has the following impact on the University's budget:

State-Mandated Increases:	**Amount**
State General Base Pay Increase	$1,379,769
Fringe on State General Base Pay Increase	$551,908
Pension Rate Increase	$1,395,324
Health Insurance Rate Increase	$157,204

The University follows statutory requirements to provide tuition and fee waivers to students who qualify for:

◦ Academic Common Market – (SC R. 62-609)
◦ Sister State Agreement – (59-112-70(B))
◦ Free Tuition for Children of Veterans/Firemen/Law Enforcement - (SC 59-111-20 and SC 59-111-110)
◦ Senior Citizen Waiver – (SC 59-111-320)

Additionally, educational fee waivers are offered to up to 8% of our in-state, undergraduate student body, pursuant to SC 59-101-620 and FY 2026 proviso 117.194. Out-of-state rates are also abated for qualifying students on scholarship, pursuant to SC 59-112-70. FY 2027 projections for state mandated waivers and institutional waivers and abatements are as follows:

State Mandated Waivers	**FY 2027 Projection**
Academic Common Market Waiver (SC R. 62-609)	$6,618,856
Sister State Agreements (SC 59-112-70(B))	173,894
Free Tuition for Children of Veterans/Firemen/Law Enforcement (SC 59-111-20 and SC 59-111-110)	3,217,651
Senior Citizen Waiver	376,655
Total State Mandated Waivers	**$10,387,056**
Institutional Waivers and Abatements	
Educational In-State Student Fee Waivers (SC 59-101-620)	$10,892,411
Undergraduate Out-of-State Abatements (SC 59-112-70)	
Educational Out-of-State Abatements	39,880,359
Athletic Out-of-State Abatements	3,931,991
Total Institutional Waivers and Abatements	**$54,704,761**

Please provide a detailed explanation of the methods used to estimate the FY27 tuition mitigation needs as well as the number of enrolled in-state and out-of-state undergraduates. What standard inflation factor is being used (HEPI, CPI, etc.)? What base budget items is the inflation factor applied to? What is the impact of tuition waivers and abatements, including the amount of foregone revenue, and its impact on the need for additional state funding.

COST SAVINGS

- The University defeased $34 million in General Obligation Bonds, providing an average interest savings of $646,000 per year until fiscal year 2030.

- Refunding Revenue Bonds were issued to refund the balance of outstanding Higher Education Revenue Bonds. Refinancing the bonds resulted in average interest savings of $224,000 per year until fiscal year 2040.

- The continued expansion of the University's central energy system has yielded substantial operational and financial benefits. By integrating facilities into the central chilled water loop, HVAC tonnage has been reduced by approximately 30%, resulting in average annual demand charge savings of $477,000. The next phase of this initiative involves transitioning two inefficient, stand-alone air-cooled chillers at Brittain Hall and the Wall Building to the central system. This upgrade will deliver both energy efficiency gains and maintenance cost reductions. Central systems utilize water-cooled chillers, which are typically up to 50% more efficient than air-cooled units, depending on system design and operating conditions. This efficiency translates into lower energy consumption, improved system reliability, and reduced long-term operational costs. Investing in additional central energy capacity not only enhances sustainability and resilience but also aligns with the University's strategic goals for cost-effective infrastructure modernization.

- The University is modernizing the travel and p-card processes. We are in the final testing phase with campus partners in implementing Emburse Enterprises to manage travel, p-card, and employee reimbursement processing. The move to Emburse Enterprises comes with a potential savings of 6,500+ hours per year/approximately $280,000 and the ability to redirect those efforts to more strategic efforts.

- CCU is in the exploratory and initial implementation phases of onboarding a campus-wide AI ChatBot. This ChatBot will be branded in alignment with CCU's brand standards to ensure a welcoming and consistent user experience. It will feature custom integrations with existing student-facing systems and be accessible across all major platforms, including web, mobile, mobile app, SMS, IVR, WhatsApp, and more, available to users 24/7/365. The platform also includes robust data analytics capabilities to monitor user engagement, as well as measure cost and time savings. We anticipate favorable outcomes in both operational efficiency and student experience.

- We've initiated a university-wide process mapping effort to identify operational inefficiencies and streamline workflows. This initiative is helping uncover gaps, redundancies, and opportunities for improvement across departments. Our goal is to enhance service delivery and support continuous improvement at every level.

Provide a detailed analysis of any cost savings measures taken since FY19 to offset undergraduate tuition and fee increases and attach quantifiable documentation. Please include documentation of actions taken by the board of trustees or board of visitors or by administration. Attach any cost savings studies that have been undertaken and provide an explanation of actions taken to implement these studies. Provide future quantifiable cost savings plans and expectations for implementation.

LOW ENROLLMENT

<u>Eliminated Undergraduate Programs</u>

Musical Theatre, B.A. – Fall 2018

Rationale: The program transitioned all its programs to a bachelor of fine arts in Theatre, including a concentration in Musical Theatre. The Musical Theatre B.A. was terminated as part of that reorganization.

Gerontology, UG Certificate – Summer 2022

Rationale: This program was terminated due to low enrollment.

Applied Ethics, UG Certificate – Fall 2022

Rationale: This program was terminated due to low enrollment.

Public Health, B.S. specialization: Pre-Health Professions – Fall 2022

Rationale: The department implemented a pre-health professions minor, which was available to its majors, and students in other majors as well. This specialization was terminated, and students directed to the minor.

Sociology, B.A. specializations: Criminology, Health and Aging, Social Justice, General – Fall 2023

Rationale: The department implemented minors in each of these areas. Interested students in any major, including Sociology majors and students in the new Criminal Justice major, can take a minor. This increases the accessibility of these areas of study.

American Studies, UG Certificate – Fall 2024

Rationale: This program was terminated due to low enrollment.

Public Health, B.S. specializations: Community Health, Dietetics, Health Administration, Health Literacy – Fall 2024

Rationale: During AY 2022-2023, the Public Health program underwent accreditation review by the Council on Education for Public Health (CEPH), and was successful. However, the accrediting body recommended that the program remove the concentrations.

Communication and Media, B.A. specializations: Communication Studies, Public Relations/Integrated Communication, Interactive Journalism, Sports Communication, Health Communication – Fall 2025

Rationale: The department transitioned the Public Relations/Integrated Communication, Sports Communication, and the Interactive Journalism specializations into two new degree programs (Journalism and Sports Media and Public Relations and Strategic Communication). The Communication major and Communication Studies concentration was reorganized into the new Communication and Media major. The Health Communication specialization was terminated as part of the reorganization.

Provide a list of any undergraduate programs, academic or other, that have been reduced or eliminated since FY19. Please document the reasons for the reduction or elimination. If the institution has, or is expected to have, a decline in in-state undergraduate student enrollment, provide analysis on how the institution will ensure the corresponding reduction in tuition will not lead to requests for additional state funding.

UNOBLIGATED FUND BALANCE

The University's Unrestricted Balance as of June 30, 2025 was $88,465,627.

	FY2025
E&G and Auxiliary (Institutional) Funds (General Assembly Restricted)	$84,497,544
State Scholarship and Grant Funds (General Assembly Restricted)	$111,256
Federal Scholarship and Grant Funds (Federal Government Restricted)	$186,234
Other Funds Primarily from Component Units for Program and Scholarship Support (Donor Restricted)	$3,670,593
Unrestricted Fund Balance	**$88,465,627**
Unrestricted Fund Balance as a % of University's Budget	20%

Government Finance Officers Association (GFOA) recommends, as a minimum, that governmental agencies maintain an unrestricted budgetary fund balance of no less than 60 days of the operating budget. CCU's unrestricted fund balance would fund budgeted operations for 75 days, which allows the University to meet ongoing operating demands until its largest sources of revenue, student tuition and housing rents, are collected for the Fall semester.

Provide the institution's unobligated fund balance for the most recently completed fiscal year. Attach documentation showing this balance disaggregated to identify amounts that are restricted in their use by external authorities (General Assembly, Federal Government, donors, etc.) and those that are not subject to such restrictions. Provide an explanation of the amount the institution considers to be an appropriate unrestricted fund balance as a percentage of its operating budget and the percentage of the institution's operating budget that the fund balance represents.