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

Fiscal Year 2027-28
Agency Budget Plan

FORM A - BUDGET PLAN SUMMARY

	For FY 2027-28, my agency is (mark "X"):	
OPERATING REQUESTS *(FORM B1)*	X	Requesting General Fund Appropriations.
	X	Requesting Federal/Other Authorization.
		Not requesting any changes.

	For FY 2027-28, my agency is (mark "X"):	
NON-RECURRING REQUESTS *(FORM B2)*	X	Requesting Non-Recurring Appropriations.
		Requesting Non-Recurring Federal/Other Authorization.
		Not requesting any changes.

	For FY 2027-28, my agency is (mark "X"):	
CAPITAL REQUESTS *(FORM C)*		Requesting funding for Capital Projects.
	X	Not requesting any changes.

	For FY 2027-28, my agency is (mark "X"):	
PROVISOS *(FORM D)*	X	Requesting a new proviso and/or substantive changes to existing provisos.
		Only requesting technical proviso changes (such as date references).
		Not requesting any proviso changes.

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

	Name	*Phone*	*Email*
PRIMARY CONTACT:	Bryce Wilson	803-856-0555	bwilson@che.sc.gov
SECONDARY CONTACT:	Jeff Perez	803-322-2918	jperez@che.sc.gov

I have reviewed and approved the enclosed FY 2027-28 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

	Agency Director	*Board or Commission Chair*
SIGN/DATE:	9/22/2026	9/23/2026
TYPE/PRINT NAME:	L. Jeffrey Perez, Ph.D.	R. Wes Hayes, Jr.

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

Agency Name:	Commission On Higher Education
Agency Code:	H030
Section:	11

BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B2 - Non-Recurring	Enhanced Data Collection	750,000	0	0	0	750,000	0.00	0.00	0.00	0.00	0.00
2	B1 - Recurring	Service and Support	250,000	0	0	0	250,000	0.00	0.00	0.00	0.00	0.00
3	B1 - Recurring	Sustain Personnel Funding	146,091	0	0	0	146,091	0.00	0.00	0.00	0.00	0.00
4	B1 - Recurring	Increase Federal Spending Authority for the State Approving Agency	0	75,000	0	0	75,000	0.00	0.00	0.00	0.00	0.00
TOTALS			1,146,091	75,000	0	0	1,221,091	0.00	0.00	0.00	0.00	0.00

Agency Name:	Commission On Higher Education		
Agency Code:	H030	Section:	11

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY

2

Provide the Agency Priority Ranking from the Executive Summary.

TITLE

Service and Support

Provide a brief, descriptive title for this request.

AMOUNT

General: $250,000

Federal: $0

Other: $0

Total: $250,000

What is the net change in requested appropriations for FY 2027-2028? 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
	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
X	IT Technology/Security related
	HR/Personnel Related
	AI Related
X	Related to a Non-Recurring request – If so, Priority # 1

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

This request relates to the CHE's strategy 4.2 "Analyze impacts of higher education." CHE will evaluate the effective use of these funds by the number and quality of the reports it generates highlighting the impacts of higher education. The reduction in the amount of errors in the data submission process.

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

The Commission Higher Education is the recipients of the funds; the funds will be distributed to a third-party vendor from the small application state contract and the Department of Administration Division of Technology Operations.

FUNDS	

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST	CHE is seeking $250,000 in recurring funds to support the strategic leveraging of existing technology and agency-invested resources. These funds will be used to reduce manual processes through increased automation and technology-enabled efficiencies. A portion of the requested funding will support enhancements to end-user capabilities, improving the overall effectiveness and usability of existing systems. The funding will also support improvements to the agency's Extract, Translate, and Load (ETL) processes to facilitate more efficient, accurate, and timely data processing. These enhancements will help streamline data management activities and reduce the administrative burden associated with manual data processing. In addition, the requested funds will enable CHE to leverage specialized support from a third-party vendor and the Department of Administration, Division of Technology Operation, DTO. This support will strengthen the agency's ability to secure, manage, and maintain enhanced data collection capabilities. The funding will also provide resources necessary to improve support throughout the data submission process. The funds will improve operational efficiency, enhance data quality, and strengthen the agency's ability to effectively manage and process data. The requested $250,000 will provide recurring resources to advance automation, improve data processing capabilities, and establish sustainable efficiencies that support the agency's ongoing mission and operational requirements.

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:	Commission On Higher Education		
Agency Code:	H030	Section:	11

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	**3**

Provide the Agency Priority Ranking from the Executive Summary.

TITLE	**Sustain Personnel Funding**

Provide a brief, descriptive title for this request.

AMOUNT	**General: $146,091** **Federal: $0** **Other: $0** **Total: $146,091**

What is the net change in requested appropriations for FY 2027-2028? 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
	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
X	HR/Personnel Related
	AI Related
	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	This funding will help to further the mission of the SC Commission on Higher Education and the state's Statewide Enterprise Strategic Objective of Education, Training and Human Development: Improve education infrastructure to elevate the levels of educational preparedness of every South Carolinian to lead a healthy and productive life, including success in a job or career and in the community.

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	CHE current FTEs.

FUNDS	

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	The CHE is requesting $146,091.00 in recurring personnel funding to support existing personnel and the anticipated expense of providing salary increases according to state salary increase regulations and position reclassifications as warranted by changes in the job description. In FY26, the CHE gave 11 pay increases for additional duties and responsibilities, pay for performance, and promotions. The CHE foresees a similar trend continuing in FY27 and FY28, which is the purpose of this request. The request for $146,051.00 is based on the average total amount of salary increases for FY24, FY25, and FY26.

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:	Commission On Higher Education		
Agency Code:	H030	Section:	11

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY

4

Provide the Agency Priority Ranking from the Executive Summary.

TITLE

Increase Federal Spending Authority for the State Approving Agency

Provide a brief, descriptive title for this request.

AMOUNT

General: $0

Federal: $75,000

Other: $0

Total: $75,000

What is the net change in requested appropriations for FY 2027-2028? 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
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
	AI Related
	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

Approval of this request will further the mission of the Commission on Higher Education's strategy, 3.2, to promote higher education's value to the state's economic growth and human capital development.

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

CHE's State Approving Agency

FUNDS	

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	Each year the State Approving Agency receives funding from the U.S. Department of Veteran Affairs. The funding was increased due to an influx in workload that has consecutively increased each year. The CHE's State Approving Agency is comprised of a staff of three people. This staff travels to institutions to ensure the use of federal funds given to these institutions for veterans is being used appropriately, as mandated by the GI Bill. An increase in spending authority will allow the State Approving Agency to continue carrying out the work it does to assist veterans in adding to the value of economic growth through receiving higher education credentials.

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:	Commission On Higher Education		
Agency Code:	H030	Section:	11

FORM B2 – NON-RECURRING OPERATING REQUEST

AGENCY PRIORITY

1

Provide the Agency Priority Ranking from the Executive Summary.

TITLE

Enhanced Data Collection

Provide a brief, descriptive title for this request.

AMOUNT

$750,000

What is the net change in requested appropriations for FY 2027-2028? 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
	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
X	IT Technology/Security related
	AI Related
	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 # 2

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

This request relates to the CHE's strategy 4.2 "Analyze impacts of higher education." CHE will evaluate the effective use of these funds by the number and quality of the reports it generates highlighting the impacts of higher education. The amount of on time and accurate invoices that are received.

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 Commission Higher Education is the recipients of the funds; the funds will be distributed to a third-party vendor from the small application state contract and the Department of Administration Division of Technology Operations.

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	The current data collection Extract, Translate and Load, ETL process was implemented in 2010 as the automated tool used to securely upload data into the legacy DB2 (AS400 database). The current ETL system requires significant manual effort to gather, validate, reconcile, and prepare information for reporting purposes, and has a limited data collection capacity. As reporting requirements continue to increase in complexity, existing processes create challenges related to data consistency, reporting timelines, quality assurance, and operational efficiency. A modernized ETL platform will streamline the collection and processing of institutional data through automation, applying standardized validation rules, improving data governance, and creating a centralized reporting environment. This investment will reduce administrative burden, improve data reliability, streamline the scholarship invoicing process, and provide stakeholders with timely access to accurate data. This request is supported by DTO.

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:	Commission On Higher Education		
Agency Code:	H030	Section:	11

FORM D – PROVISO REVISION REQUEST

NUMBER	117.149
	Cite the proviso according to the renumbered list (or mark "NEW").
TITLE	GP: In-State Tuition Payment
	Provide the title from the renumbered list or suggest a short title for any new request.
BUDGET PROGRAM	Part 1B Section 117-X900 – General Provisions
	Identify the associated budget program(s) by name and budget section.
RELATED BUDGET REQUEST	N/A
	Is this request associated with a budget request you have submitted for FY 2027-2028? If so, cite it here.
REQUESTED ACTION	Amend
	Choose from: Add, Delete, Amend, or Codify.
OTHER AGENCIES AFFECTED	Public Higher Education institutions would be impacted through tuition revenue. However, if not amended, federal funding could be negatively impacted.
	Which other agencies would be affected by the recommended action? How?
SUMMARY & EXPLANATION	Proviso 117.149 in its current state allows for recipients of Chapter 35 educational, post 9/11, benefits to receive in-state tuition. CHE is requesting that proviso 117.149 be amended to include a newly added classification of veterans and dependents using post 9/11 education benefits. Chapter 1606 was added in 2025, making all chapters now eligible (30, 31,33, 35 and 1606) for in-state tuition charges. The current proviso adds Chapter 35 to those already in state law. CHE is requesting that Chapter 1606 be added to the existing proviso. Not granting in-state tuition to these chapters places S.C at risk of losing all federal educational benefits. Chapter 1606 was added through Federal law in 2025. Adding Chapter 1606 to the existing proviso will ensure that all eligible classes of covered individuals granted instate tuition charges through Federal law are now covered, and S.C is compliant.

Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

FISCAL IMPACT

N/A

Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

PROPOSED PROVISO TEXT

117.149.(GP: In state Tuition Payment) For the current fiscal year, an individual enrolled in a public institution of higher learning who receives educational assistance under Chapter 35, Title 38, **or Chapter 1606 of Title 10** of the United States Code, is entitled to pay in state tuition and fees, while living in the State, without regard to the length of time the individual has resided in the State.

Paste existing text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

Agency Name:	Commission On Higher Education		
Agency Code:	H030	Section:	11

FORM D – PROVISO REVISION REQUEST

NUMBER	117.164
	Cite the proviso according to the renumbered list (or mark "NEW").
TITLE	Scholarship Projections
	Provide the title from the renumbered list or suggest a short title for any new request.
BUDGET PROGRAM	Part 1B Section 117-X900 – General Provisions
	Identify the associated budget program(s) by name and budget section.
RELATED BUDGET REQUEST	No
	Is this request associated with a budget request you have submitted for FY 2027-2028? If so, cite it here.
REQUESTED ACTION	Amend
	Choose from: Add, Delete, Amend, or Codify.
OTHER AGENCIES AFFECTED	SC Revenue and Fiscal Affairs (RFA)
	Which other agencies would be affected by the recommended action? How?
SUMMARY & EXPLANATION	In order to refine the accuracy of the scholarship projections methodology, the agency seeks to use Fall scholarship data that is not available until November 1 each year. Given the time needed to run the methodology and to allow adequate time for RFA to review the methodology, the CHE requests that the date by which the agency must submit the scholarship projections to the Governor, Senate Finance and the House Ways and Means be adjusted to December 15th.

Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

FISCAL IMPACT

None

Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

PROPOSED PROVISO TEXT

117.164. (GP: Scholarship Projections) With the funds appropriated to the Commission on Higher Education, by December ~~1st~~ **15th** of the current fiscal year, the commission shall submit their projected funding requirements for the LIFE, HOPE, and Palmetto Fellows Scholarships to the Governor, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee. Prior to their submission, the commission shall obtain a letter from the Executive Director of the Office of Revenue and Fiscal Affairs affirming that he has reviewed the projections and underlying assumptions and has concluded that they are reasonable.

Paste existing text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

Agency Name:	Commission On Higher Education		
Agency Code:	H030	Section:	11

FORM D – PROVISO REVISION REQUEST

NUMBER	3.6 (N)
	Cite the proviso according to the renumbered list (or mark "NEW").
TITLE	LEA: FY 2026-27 Lottery Funding
	Provide the title from the renumbered list or suggest a short title for any new request.
BUDGET PROGRAM	Lottery Administration
	Identify the associated budget program(s) by name and budget section.
RELATED BUDGET REQUEST	N/A
	Is this request associated with a budget request you have submitted for FY 2027-2028? If so, cite it here.
REQUESTED ACTION	Amend
	Choose from: Add, Delete, Amend, or Codify.
OTHER AGENCIES AFFECTED	Institutions of Higher Education
	Which other agencies would be affected by the recommended action? How?

The Commission on Higher Education requests amendments to the College Transition Program (CTP) Scholarship proviso (Section N) to align the proviso with the current administration of CTP Scholarship funding, support the continued expansion of CTP opportunities across South Carolina by providing startup funding to two-and four-year public and independent institutions to develop new CTP programs, provide funding continuity for students currently participating in CTPs, and preserve previously appropriated CTP Scholarship funds for their intended purposes.

Administration of CTP Scholarship and Need-Based Grant Funding:

CHE requests an amendment to clarify the administration and use of CTP Scholarship funding when funds appropriated for CTP Need-Based Grants pursuant to Proviso 11.10 have been fully exhausted. Current proviso language provides individual CTPs discretion to allocate a portion of their "aggregate funding" for need-based grants. However, CHE does not allocate an aggregate amount of CTP Scholarship funding to individual institutions. CTP Scholarship funding is administered using a student award model, with eligible South Carolina resident students receiving scholarship awards based on enrollment and eligibility and subject to the award limitations established in the proviso. The requested amendment removes the reference to institutional "aggregate funding" and authorizes CHE to utilize a portion of the current fiscal year's CTP Scholarship appropriation for need-based grants to eligible CTP students only after funding provided pursuant to Proviso 11.10 has been fully exhausted. Carryforward funds from prior fiscal years would not be available for this purpose.

This amendment aligns the proviso with CHE's administration of CTP Scholarship funding while also distinguishing between funds appropriated for the current fiscal year and funds carried forward from prior fiscal years. The change does not alter CTP Scholarship eligibility or award limits and does not request additional funding.

CTP Program Expansion and Start-Up Funding:

SUMMARY & EXPLANATION	CHE requests to amend language to authorize the use of unexpended or carryforward funds for start-up funding for future CTPs. This adjustment would promote program growth, sustainability, and expanded access for students across the state. Start-up funding would be capped at $90,000 per program. Estimated Start-Up Costs (per program): • Staff resources (time/effort) – $25,000 • Campus programming (curriculum, software, fees, etc.) – $35,000 • Facility and accessibility modifications (e.g. classroom adaptations, residence hall adjustments, furnishings, equipment, etc.) – $25,000 • Communications, community outreach, etc. – $5,000 Reasonable Cap: $90,000 Accessibility: The SC Department of Education's Office of Special Services has identified approximately 1,000 students each year who exit South Carolina public high schools and may qualify for a CTP experience. Existing CTP programs are at capacity and developing new programs in additional geographic regions will ensure more equitable access for these students. Affordability: The lowest residential CTP program in South Carolina currently costs $28,000 per academic year, which exceeds the existing level of CTP funding. Start-up support would help institutions offset initial implementation costs, reducing the financial burden passed on to students and families. While these programs typically require ongoing institutional and state support, start-up funding provides a foundation to keep costs more manageable and expand access. **Scholarship Continuity and Teach-Out Protection:** CHE requests authorization to use available CTP Scholarship carryforward funds to provide teach-out protection for existing scholarship recipients in the event that the annual appropriation for CTP Scholarships is reduced or eliminated. College Transition Programs are multi-year postsecondary programs, and students and families make enrollment and financial decisions with the expectation that eligible students will have the opportunity to continue their programs in subsequent academic years. A reduction or elimination of the annual CTP Scholarship appropriation could create an unexpected financial barrier for students who have already enrolled in a CTP and are progressing toward program completion. The requested amendment would authorize CHE to use available CTP Scholarship carryforward funds to continue scholarship awards for students who received a CTP Scholarship in a prior academic year and continue to meet applicable eligibility and renewal requirements. Scholarship awards would remain subject to the annual and lifetime award limitations established in the proviso and the availability of carryforward funds. This amendment would provide an orderly mechanism to protect students already participating in CTPs without creating an obligation for an additional state appropriation. Instead, CHE would utilize funds previously appropriated for CTP Scholarships to support eligible students through the remainder of their period of scholarship eligibility, or until available carryforward funds are exhausted.

Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

FISCAL IMPACT	There is no additional fiscal impact associated with the proposed amendments, as the changes pertain to the administration and authorized use of current fiscal year appropriations and existing carryforward funding balances.

Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

PROPOSED PROVISO TEXT

3.6. (LEA: FY 2026-27 Lottery Funding) (A) There is appropriated from the Education Lottery Account for the following education purposes and programs...

(N) Of the funds appropriated to the Commission on Higher Education for College Transition Scholarships, the commission shall provide scholarships to South Carolina resident students enrolled at a **two- or four-year** public **or independent** institution of higher education in an established College Transition Program (CTP) that serves students with intellectual disabilities. The commission, in consultation with the CTPs, shall develop guidelines establishing scholarship eligibility, retention, and/or renewal requirements in accordance with this paragraph. Scholarships shall be awarded to each South Carolina resident student enrolled in an established **two- or four-year** public **or independent** CTP in an amount of at least $2,500 per semester, not to exceed $15,000 per academic year (including summer semester), and no student may receive a scholarship for more than eight semesters in total. In addition, the limitations of Proviso 11.10 notwithstanding, **the Commission may utilize a portion of the funds** appropriated **for College Transition Programs for the current fiscal year** ~~individual CTPs shall have the discretion to allocate a portion of their aggregate funding provided pursuant to this provision~~ for need-based grants to eligible students **enrolled in established two- or four-year public or independent CTPs.** This **authority** ~~discretion~~ **may be exercised** ~~is allowable~~ only to the extent that ~~the~~ funding for need-based grants for eligible CTP students provided pursuant to Proviso 11.10 has first been fully exhausted. **Funds carried forward from prior fiscal years shall not be used for this purpose.** The commission, in cooperation with the CTPs, shall collect and report the number of scholarship recipients and other information determined necessary to evaluate the effectiveness of these scholarships in assisting students with intellectual disabilities in college transition programs. The commission shall provide this report to the Governor, the Chairman of the House Education and Public Works Committee, the Chairman of the Senate Education Committee, the Chairman of the House Ways and Means Committee, and the Chairman of the Senate Finance Committee no later than September 30. Unexpended funds may be carried forward and used for the same purpose, except that (1) up to $250,000 may be used by the CTP consortium (known as The South Carolina Inclusive Post-Secondary Education Consortium) to be used collaboratively by the consortium to promote better awareness of CTP programs statewide as an option for youth with intellectual disabilities after high school through dedicated support for activities such as, but not necessarily limited to, student recruitment, development and maintenance of a consortium website and associated materials, and the provision of strategic informational events for prospective students and families across the State; and **2) the commission may use unexpended or carryforward funds to expand College Transition Programs in South Carolina by providing start-up funding, not to exceed $90,000 per program, for the development of new CTPs on additional campuses. Such funding shall be used to support the development and implementation of new programs seeking federal designation as an approved CTP serving South Carolina residents. Criteria to award startup funds shall be determined by the commission. In any fiscal year in which the amount appropriated for College Transition Program Scholarships is reduced or eliminated, the Commission is authorized to use available carryforward funds from prior appropriations for College Transition Program Scholarships to continue scholarship awards for students who received a College Transition Program Scholarship in a prior academic year, provided the students continue to meet applicable scholarship eligibility and renewal requirements. Such students may continue to receive scholarship funding, subject to the award limitations established in this provision, for the remainder of their period of eligibility or until available carryforward funds are exhausted, whichever occurs first. Notwithstanding the absence or reduction of a current fiscal year appropriation for College Transition Program Scholarships, any unexpended funds carried forward from prior appropriations for College Transition Program Scholarships shall remain available to the Commission and may continue to be expended for the purposes authorized pursuant to this provision until such funds are exhausted. The absence of a new appropriation for College Transition Program Scholarships shall not affect the Commission's authority to retain, carry forward, and expend such funds in accordance with this provision.**

Paste existing text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

Agency Name:	Commission On Higher Education		
Agency Code:	H030	Section:	11

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

TITLE	Agency Cost Savings and General Fund Reduction Contingency Plan
AMOUNT	$1,302,406 *What is the General Fund 3% reduction amount? This amount should correspond to the reduction spreadsheet prepared by EBO.*
ASSOCIATED FTE REDUCTIONS	Approximately 3 – 4 FTEs *How many FTEs would be reduced in association with this General Fund reduction?*
PROGRAM / ACTIVITY IMPACT	The short-term plan would be to offset the 3% reduction with funds carried over from FY 2025-26 under Proviso 117.23 which authorizes agencies to carry forward up to 10% of general fund appropriations. However, a 3% general fund reduction that extends beyond the current fiscal year would need to be offset by a reduction in recurring expenditures. All programs of the agency, with the exception of federal programs and our licensing work, would be affected by a three percent reduction of General Funds. This would include offices of the President and Executive Director, Academic Affairs and Licensing, Student Affairs, Fiscal Affairs and Operations, and Information Technology and Data Analysis. The CHE would apply the three percent reduction across the board, which would affect passthrough funds ($35,152,487) to other entities and stakeholders, including the $24 million in the agency's budget that provides need-based grants and Palmetto Fellows scholarships to South Carolina students, and funds for the agency operations ($7,005,496). The only passthrough funds not affected would be the Southern Regional Educational Board's $6,585,183 which are exempt from budget cuts via Proviso 11.5. Therefore, the effect of a 3% budget reduction on the agency's operating costs would be approximately $407,720. *What programs or activities are supported by the General Funds identified?*
SUMMARY	The General Funds reduction applied to agency operations would primarily affect personnel costs and directly reduce the number of staff available to carry out the mission of the CHE as outlined in the agency's Accountability Report. The offices of the President and Executive Director, Academic Affairs and Licensing, Student Affairs, Fiscal Affairs and Operations, and Information Technology and Data Analysis would all be impacted by the FTE reductions. To accommodate this reduction, the agency may not fill vacant positions due to retirement or other employee turnover.

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 agency has and continues to look at cost saving measures. The agency is currently migrating its database from an antiquated system to a new, more widely adopted system. This will result in annual cost savings greater than $50,000 as the agency will no longer need to contract with specialized consultants familiar with the current database's architecture. The agency is also procuring new IT systems to make employee work more efficient and effective. This will allow staff to focus on other important work to fulfill the agency's statutory mission and reduce the need to hire additional staff in addition to providing efficiencies for students, families, and the agency's institutional partners. In addition, the agency will be conducting a space utilization study and technology efficiency study in the next year which might lead to increased efficiency and cost savings.

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:	Commission On Higher Education		
Agency Code:	H030	Section:	11

FORM F – REDUCING COST AND BURDEN TO BUSINESSES AND CITIZENS

TITLE	Updated data system, electronic payments, online portals

Provide a brief, descriptive title for this request.

EXPECTED SAVINGS TO BUSINESSES AND CITIZENS	>$100,000 on a recurring basis

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.
X	Greater efficiency in agency services or reduction in compliance burden.
X	Other

METHOD OF CALCULATION	Annual salary and benefits for one FTE and time savings for businesses, the public and other public officials.

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

REDUCTION OF FEES OR FINES	N/A

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	The agency is undertaking multiple initiatives to reduce the burden on the public, businesses, and other governmental officials. The CHE has recently instituted the option to accept ACH and credit card payments as a convenience and service to the public and institutions. Currently, the option to pay via credit card or ACH is only for institutions paying licensing fees or participation fees for SARA (State Authorization Reciprocity Agreements), but the use may be expanded in the future. Another initiative recently completed is a substantial upgrade to the agency's data management system, which provides dashboards of higher education data for public and governmental consumption without the need to perform intensive queries, thereby saving internal staff time and delivering results more seamlessly. The agency is currently working with DTO on researching technology solutions as recommended in a recent technology utilization study. In addition to automated internal processing tools, the agency is researching and requesting non-recurring funds to implement online portals for constituents, which will allow for submitting online applications and requesting services, such as transcripts and scholarship applications, electronically.

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