

AGENCY NAME:
AGENCY CODE:

University of South Carolina Beaufort

H360

SECTION:

20D



Fiscal Year 2020-21 Agency Budget Plan

FORM A - BUDGET PLAN SUMMARY

**OPERATING
REQUESTS
(FORM B1)**

For FY 2020-21, my agency is (mark "X"):

- Requesting General Fund Appropriations.
 Requesting Federal/Other Authorization.
 Not requesting any changes.

**NON-RECURRING
REQUESTS
(FORM B2)**

For FY 2020-21, my agency is (mark "X"):

- Requesting Non-Recurring Appropriations.
 Requesting Non-Recurring Federal/Other Authorization.
 Not requesting any changes.

**CAPITAL
REQUESTS
(FORM C)**

For FY 2020-21, my agency is (mark "X"):

- Requesting funding for Capital Projects.
 Not requesting any changes.

**PROVISOS
(FORM D)**

For FY 2020-21, 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).
 Not requesting any proviso changes.

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

	<u>Name</u>	<u>Phone</u>	<u>Email</u>
PRIMARY CONTACT:	Kelly Epting	(803)777-8411	eptingk@mailbox.sc.edu
SECONDARY CONTACT:	Kevin Russell	(803)777-0781	russelkr@mailbox.sc.edu

I have reviewed and approved the enclosed FY 2020-21 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

	<u>Agency Director</u>	<u>Board or Commission Chair</u>
SIGN/DATE:		
TYPE/PRINT NAME:	Robert L. Caslen, President	John C. von Lehe, Jr., Chairman

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

Fiscal Year 2020-21 Budget Request Executive Summary

Agency Code: H360
 Agency Name: USC - Beaufort Campus
 Section: 20D

BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B1 - Recurring	Access and Affordability for In-State Students - Tuition Mitigation Funding	357,849				357,849					0.00
2	C - Capital	New Classroom Building	5,000,000				5,000,000					0.00
3	B1 - Recurring	Implement new concentration of Cybersecurity in the Undergraduate Computational Science (Csci) Program	500,000				500,000	2.00				2.00
4	C - Capital	Deferred Maintenance (1:1 Match)	1,000,000				1,000,000					0.00
5							0					0.00
6							0					0.00
7							0					0.00
8							0					0.00
9							0					0.00
10							0					0.00
11							0					0.00
12							0					0.00
13							0					0.00
14							0					0.00
15							0					0.00
16							0					0.00
17							0					0.00
18							0					0.00
19							0					0.00
20							0					0.00
21							0					0.00
22							0					0.00
23							0					0.00
24							0					0.00
25							0					0.00
26							0					0.00
27							0					0.00
28							0					0.00
29							0					0.00
30							0					0.00
TOTAL BUDGET REQUESTS			6,857,849	0	0	0	6,857,849	2.00	0.00	0.00	0.00	2.00

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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	1 <i>Provide the Agency Priority Ranking from the Executive Summary.</i>
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TITLE	Access and Affordability for In-State Students – Tuition Mitigation Funding <i>Provide a brief, descriptive title for this request.</i>
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AMOUNT	General: \$357,849 Federal: Other: Total: \$357,849 <i>What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.</i>
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NEW POSITIONS	0.0 <i>Please provide the total number of new positions needed for this request.</i>
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FACTORS ASSOCIATED WITH THE REQUEST	Mark “X” for all that apply:
	<input checked="" type="checkbox"/> Change in cost of providing current services to existing program audience
	<input type="checkbox"/> Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/> Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/> Non-mandated program change in service levels or areas
	<input type="checkbox"/> Proposed establishment of a new program or initiative
	<input type="checkbox"/> Loss of federal or other external financial support for existing program
	<input type="checkbox"/> Exhaustion of fund balances previously used to support program
	<input type="checkbox"/> IT Technology/Security related
	<input type="checkbox"/> Consulted DTO during development
<input type="checkbox"/> Related to a Non-Recurring request – If so, Priority #	

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

ACCOUNTABILITY OF FUNDS	<p>This request supports multiple Goals, Strategies and Objectives contained in the annual Accountability Report, but primarily Goals 1 and as they are related to Education, Training and Human Development.</p> <p>USC Beaufort is committed to the successful matriculation of students. As an access institution serving communities of varying demographics, USC Beaufort must provide a wide range of high quality and industry-recognized degree programs that also translate into opportunities for job placement. These funds will enable USC Beaufort to increase</p>
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STEM & Professional offerings to meet regional needs, enhance student experiential learning, career prep and work readiness success. These funds will also enable USC Beaufort to broaden its current offerings to further reflect the high demand academic regional interests, employment demands, and high economic impact.

What specific strategy, as outlined in the FY 2019-20 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
 These funds will benefit the University of South Carolina Beaufort student body of approximately 2,000 and the faculty/administrative staff who serve them. The University only conducts a small percentage of its work through payment for services rendered by outside contractors, vendors, grantees, individual beneficiaries, etc. In those instances, the University adheres to all applicable State Procurement requirements.

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 top legislative and budget priority for the University of South Carolina System remains passing the Higher Education Opportunity Act (HEOA). Among other important provisions, HEOA would establish two dedicated funding streams for higher education for the principle purpose of increasing access and affordability for in-state students. The first ties the growth (or decline) in institutional funding to the growth (or decline) in the General Fund, and by extension, to the state's economy, the health of which is directly linked to a well-educated workforce. This new approach would provide predictable revenue (or proportional reductions) for colleges while allowing policymakers to maintain, but not necessarily increase, higher education spending as a share of the overall state budget. The second would dedicate a portion of new state sales tax revenue now being collected from out-of-state Internet retailers, investing at least \$125 million each year into higher education to be distributed among colleges based on their in-state enrollment. This important but modest new funding source for higher education, which does not require a tax increase or a reallocation from other important areas of state spending to provide, represents just 25% of total annual Internet sales tax collections, less than 4% of all sales tax collections and less than 1.5% of the State's total General Fund budget. Importantly, this new funding source would come with a new statutory requirement that colleges must freeze tuition for one year and cap tuition growth to a rate at or below inflation (as measured by the Higher Education Price Index (HEPI)) each year thereafter.

In the spirit of HEOA, , and out of a genuine desire to partner with the state to freeze tuition and required fees for in-state students next year, the UofSC System is requesting a modest increase in recurring funding of at least 6.0% for FY2021, which is equivalent to early projections of growth in state appropriation act revenue next year according to internal estimates informed by preliminary conversations with legislative budget experts and other analyses. These funds would enable the System to offset a portion of the rise in basic inflationary costs it faces including state mandated pension increases as well as an up to a 1% cost of living increase (COLA) for employees that may be mandated by the state next year.

Therefore, USC Beaufort respectfully requests \$357,849 in new recurring funds, an

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amount equivalent to a 6.0%, as is consistent with the provisions included in HEOA. Importantly, this funding would allow the University to freeze tuition and required fees for in-state residents next year by covering the following basic inflationary cost increases including state retirement (and assuming a state mandated COLA of no more than 1%):

- Estimated 1% retirement for USC Beaufort - \$110,000*
- Estimated health insurance for USC Beaufort - \$76,515
- Estimated required cost increases for basic operations including utilities and inflation of goods and services - \$98,000
- Possible 1% COLA pay package for USC Beaufort - \$130,644*

Total estimated inflationary and mandated cost increases - \$415,159
 (Estimates are preliminary and subject to change and do not include costs associated with important University excellence and/or other strategic initiatives.)

*Note: For every 1% COLA mandated by the State, the University’s net cost (after allocations) is approximately \$131,000. If the state were to mandate a 2% COLA similar to last year, the University would respectfully amend its budget submission by requesting an additional \$131,000 in order ensure our desired tuition freeze remains achievable. Absent appropriation of these additional funds to cover such a state mandate, the University would request flexibility from the state to limit its increase to in-state students, if any, to an amount necessary to account for the unfunded portion of mandates (to include retirement, health and/or COLA) not covered by the University’s final state appropriation.

Note: This retirement estimate represents USC Beaufort’s increased cost to implement year four of the state’s recent pension reform which is phasing-in an increase to the employer share of the state’s required pension contribution rate, which was 6.85% in FY2004 and will rise to 18.56% by FY2023 as required by state law.

This is similar to the request made for FY2020 for which the state awarded more than \$18 million in new recurring funding across the entire System. With those funds available to help cover the cost of mandated increases USC Beaufort was able along with the three comprehensive universities to completely freeze tuition growth to 0.0% as did the four Palmetto College campuses (including Online). The entire UofSC System is grateful for this support without which this tuition mitigation would not have been possible.

The State of South Carolina needs—and the HEOA provides—a comprehensive legislative package to restore state investment and create a sustainable funding model for higher education that:

- Develops a new funding model that rewards institutions for educating South Carolinians;
- Resumes reliable state investments in assets and infrastructure through capital bond bills or other dedicated sources;
- Removes burdensome and duplicative bureaucratic red tape;
- Increases state investment in need-based aid programs that increases opportunity for students from low-income families.

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The HEOA does each of these and in doing so establishes a system that keeps tuition increases in check.

This new funding model is important because in 2000 higher education funding was 14.6% of the state budget, by 2008 it had fallen to less than 12% and, despite state revenue having increased by more than \$3.5 billion since the end of the Great Recession, funding for higher education has continued to decline, representing just 7.6% of the state budget today. In fact, the key finding of a recent Legislative Audit Council report is that since FY2001 funding for higher education has been reduced by half and that the state has underfunded higher education by a cumulative \$4 billion in statutorily required funding over that 17-year period.

Working together we began to reverse that trend last year. The progress must continue and this budget request, while modest, when coupled with the thoughtful and long-term reforms contemplated under HEOA will work in concert to advance access, affordability and excellence in public higher education across South Carolina.

The UofSC System agrees with Governor McMaster, who recently wrote: “I hope that this one-year tuition freeze will serve as the first step toward a ***comprehensive overhaul of higher education funding and tuition reform.***” The UofSC System genuinely believes that HEOA represents that reform and we look forward to working with the Governor and the General Assembly to secure its passage this legislative session.

Higher education is the key to our state’s future economic and overall prosperity. Our state needs 70,000 additional baccalaureate degree holders above current graduation rates to meet the needs of business and industry by 2030. As the state’s largest education provider, the UofSC System is meeting those needs for highly educated, in-demand and employable graduates in high need areas. With appropriate investment and partnership from the state, South Carolina can have the most cost-efficient and cost-effective higher education sector in the country.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	3 <i>Provide the Agency Priority Ranking from the Executive Summary.</i>
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TITLE	Implement new concentration of Cybersecurity in the Undergraduate Computational Science (CSci) Program. <i>Provide a brief, descriptive title for this request.</i>
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AMOUNT	General: \$500,000 Federal: Other: Total: \$500,000 <i>What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.</i>
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NEW POSITIONS	2.0 <i>Please provide the total number of new positions needed for this request.</i>
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FACTORS ASSOCIATED WITH THE REQUEST	Mark “X” for all that apply:
	<input checked="" type="checkbox"/> Change in cost of providing current services to existing program audience
	<input checked="" type="checkbox"/> Change in case load/enrollment under existing program guidelines
	<input checked="" type="checkbox"/> Non-mandated change in eligibility/enrollment for existing program
	<input checked="" type="checkbox"/> Non-mandated program change in service levels or areas
	<input checked="" type="checkbox"/> Proposed establishment of a new program or initiative
	<input type="checkbox"/> Loss of federal or other external financial support for existing program
	<input type="checkbox"/> Exhaustion of fund balances previously used to support program
	<input type="checkbox"/> IT Technology/Security related
	<input type="checkbox"/> Consulted DTO during development
<input type="checkbox"/> Related to a Non-Recurring request – If so, Priority #	

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

ACCOUNTABILITY OF FUNDS	G 2 Expand and enhance the rigorous, experiential academic environment S 2.1 Strengthen and develop academic opportunities to meet the needs of a dynamic and changing world. USCB is committed to the successful matriculation of students in degree programs that fulfill regional workforce demands. These funds will enable USCB to broaden its current Computational Science Baccalaureate degree to offer a concentration in Cybersecurity. Research indicates that in the US the cybersecurity workforce gap will widen to 1.5
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million job openings by 2019. By adding this offering as a concentration to the existing CSci program will enable USCB can more quickly and efficiently adapt the existing curriculum to offer this high-demand credential with minimal additional administrative and faculty overhead.

What specific strategy, as outlined in the FY 2018-19 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

These funds will benefit the current University of South Carolina Beaufort student body of approximately 2,100 and the region that it serves. Globally, it's projected that by 2021 cybercrime will cost the world \$6 trillion annually with an expected 3.5 million unfilled cybersecurity positions. USCB will utilize these funds to create a significant impact on the local, regional and national economy by establishing this academic concentration to graduate students who can help reduce the critical talent gap for Cybersecurity professional.

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 University of South Carolina Beaufort's mission is to respond to regional needs, draw upon regional strengths, and prepare graduates to contribute locally, national, and internationally with its mission of teaching, research and service. USCB requests these funds on behalf of our students in response to significant regional and student demand and needs and allow USCB to:

- Enhance its role as an access institution
- Enhance student opportunities and success
- Add or expand programs in response to regional academic and economic need reducing the need for students to transfer to other institutions in order to obtain degrees in Cybersecurity.
- Expand an existing CSci program to help meet a national need to provide professional credentialing in Cybersecurity.

USCB operates under Federal regulations and within a South Carolina Higher Education Business Model that requires enrollment growth to maintain financial stability. The lack of a State higher education funding formula based on enrollments of South Carolina residents has limited USCB's ability to provide appropriate staffing and support necessary for these increased enrollments. Currently, USCB receives the lowest state funding per SC resident in the state. These requested funds of \$500,000 would be used to address expansion and enhancement of its current Computational Science program to provide professional credentialing in Cybersecurity. These funds would provide 1 new faculty initially and funds to expand and maintain the technology network laboratory and workstation resources required for a comprehensive cybersecurity education. An additional new faculty member would be added as needed to address program enrollment demand. Enrollment growth at USCB has averaged almost 10% per year since the university began granting baccalaureate degrees in 2004 and it is expected that the enrollment in fall 2020 will be 2,500. This growth has put significant demand on USCB's existing faculty resources to maintain existing high-demand programs leaving the need to establish new faculty lines to build the expanded concentration of Cybersecurity in the CSci program. The remainder of the funds would be used to

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	<p>establish a dedicated laboratory space for Cybersecurity education. This lab is critical to providing hands-on learning experience to our students and has many unique requirements in order to provide the appropriate learning environment.</p> <p>If no or insufficient new funds are available to meet this budget request, then the University of South Carolina Beaufort campus may be forced to delay the establishment and growth of the Cybersecurity concentration in the CSci program or be forced to explore possible tuition impacts.</p>
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Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

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FORM C – CAPITAL REQUEST

AGENCY PRIORITY	2 <i>Provide the Agency Priority Ranking from the Executive Summary.</i>
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TITLE	New Classroom Building <i>Provide a brief, descriptive title for this request.</i>
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AMOUNT	\$5,000,000 <i>How much is requested for this project in FY 2019-20? This amount should correspond to the total for all funding sources on the Executive Summary.</i>
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CPIP PRIORITY	2019 CPIP, Plan Year 2021, Priority 1 of 2. This project has been included in the CPIP since 2006. <i>Identify the project’s CPIP plan year and priority number, along with the first year in which the project was included in the agency’s CPIP. If not included in the agency’s CPIP, please provide an explanation. If the project involves a request for appropriated state funding, briefly describe the agency’s contingency plan in the event that state funding is not made available in the amount requested.</i>
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OTHER APPROVALS	No approvals have been obtained at this time. When all funding for the project has been identified and is available, establishment of the project will require approval by the University Board of Trustees, the Commission on Higher Education, the Joint Bond Review Committee, and the State Fiscal Accountability Authority. <i>What approvals have already been obtained? Are there additional approvals that must be secured in order for the project to succeed? (Institutional board, JBRC, SFAA, etc.)</i>
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LONG-TERM PLANNING AND SUSTAINABILITY	Total estimated cost is \$25 million. No funds have been invested in this project. Facility operating costs are estimated at \$450,000 annually and would be requested from the State beginning at the facility in service date projected to be FY21. The expected useful life of the new facility would be 50 years. While this amount will still not allow for the project to be constructed at this time, it will allow for this project to remain a university priority and an active part of the discussion regarding the university’s future and the achievement of its strategic plan. <i>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?</i>
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SUMMARY

Description: USCB will construct a new Academic Building consisting of approximately 48,500 square feet of floor space. This facility will be adjacent to our Science and Technology building and will be part of the central academic core of the USCB's Bluffton Campus. This new facility will include approximately 12 classrooms, one 40 seat computer classroom, 40 faculty offices, and administrative workspace of 15 work stations.

Justification: This facility is needed to provide additional classroom space, with accompanying faculty offices for our growing student population. Since opening in Fall 2004, enrollment has increased 62%. USCB's Bluffton campus currently has only 18 general purpose classrooms. As documented in USCB's Facilities Master Plan prepared in 2010 USCB has both immediate classroom space needs and a major future classroom space deficit. This space deficit is projected to worsen and, without additional classrooms, become unmanageable over the next five years. Additionally, many faculty currently share office space and this deficit is also projected to worsen.

The latest SC Commission on Higher Education Facilities Utilization report based on Fall 2013 data ranks USCB as the second lowest among all four year public teaching institutions in the State relative to the quantity of assignable square feet of academic space per full time equivalent (FTE) student. USCB is only one of three schools in that same category that meet the SC CHE standard. Additionally, USCB's Fall 2015 enrollment increased by 13.% in FTE students. Fall 2016 saw a 1.26% increase in headcount and a 2.43% increase in FTE. USCB increased FTE enrollment by 3.46% in Fall 2017 and had a headcount enrollment of 2077 up 3.49%. Fall 18 headcount was 2093 and the preliminary Fall 19 Headcount is 2078.

Total Estimated Cost of Project \$25,000,000

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.

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FORM C – CAPITAL REQUEST

AGENCY PRIORITY	4 <i>Provide the Agency Priority Ranking from the Executive Summary.</i>
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TITLE	Deferred Maintenance (1:1 Match) <i>Provide a brief, descriptive title for this request.</i>
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AMOUNT	\$1,000,000 <i>How much is requested for this project in FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.</i>
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CPIP PRIORITY	This initiative to share maintenance expenditures is not identified in CPIP. <i>Identify the project's CPIP plan year and priority number, along with the first year in which the project was included in the agency's CPIP. If not included in the agency's CPIP, please provide an explanation. If the project involves a request for appropriated state funding, briefly describe the agency's contingency plan in the event that state funding is not made available in the amount requested.</i>
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OTHER APPROVALS	To the extent necessary by policy or regulation, approvals from the University Institutional Board, CHE, JBRC and SFAA must be secured. <i>What approvals have already been obtained? Are there additional approvals that must be secured in order for the project to succeed? (Institutional board, JBRC, SFAA, etc.)</i>
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LONG-TERM PLANNING AND SUSTAINABILITY	The University prioritizes and addresses deferred maintenance issues annually from institutional funds. If the state does not provide additional funds for this purpose, available funds will be leveraged to address those maintenance needs deemed most critical. <i>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?</i>
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SUMMARY	<p>Maintenance is a continued cost of ensuring the learning infrastructure is managed in a manner to maximize the educational use while maintaining a strong sense of stewardship for the assets and available resources. We are proposing a match on a 1:1 basis whereby USC Beaufort would use any proceeds received to address a variety of deferred or appropriate critical repair and related maintenance, and or address any other critical equipment, and systems repair. Key focus is upon using funds on life and safety maintenance matters to maintain an efficient and effective operation of USC Beaufort’s educational missions.</p> <p>Appropriated funds would only be utilized for capital renewal, maintenance, and repairs of E&G facilities and would not be used for new construction. Matching funds by the university would exclude supplemental, capital reserve, lottery, and or non-recurring state funds appropriated to USC Columbia for a specific use in the current fiscal year.</p> <p>The strategic use of this 1:1 match will act as a catalyst to address:</p> <ol style="list-style-type: none"> 1. Critical repairs 2. Maintain State University assets at a more optimal operating basis 3. Maximize existing educational space for instruction and guidance 4. Support new and or growing number of jobs through the use of repair and maintenance services companies and or component manufacturers.
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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.

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

TITLE	Agency Cost Savings and General Fund Reduction Contingency Plan
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AMOUNT	\$178,924 <i>What is the General Fund 3% reduction amount (minimum based on the FY 2019-20 recurring appropriations)? This amount should correspond to the reduction spreadsheet prepared by EBO.</i>
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ASSOCIATED FTE REDUCTIONS	Current plans do not include FTE reductions <i>How many FTEs would be reduced in association with this General Fund reduction?</i>
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PROGRAM/ACTIVITY IMPACT	Education and General Unrestricted (I.A) and associated Employee Benefits (II). The Campus’ primary mission of providing instructional services to students would be impacted. However, the campus would make every effort to minimize the impact on Instructional services. Both academic and service units are funded from the Campus’ general fund, which is comprised almost exclusively from State General Fund and student tuition and fee revenue. <i>What programs or activities are supported by the General Funds identified?</i>
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SUMMARY	USCB would evaluate the following for reductions: <ul style="list-style-type: none"> 1. Reduce travel and support for faculty and staff professional development. 2. Reduce number of academic class sections and increase class size. 3. Reduce Library operating hours. 4. Reduce temporary and student employee hours campus-wide. 5. Reduce marketing, promotion and recruitment activities. 6. Reduce cell phone users/usage campus-wide. 7. Reduce supplies. <p>USCB receives the one of the two lowest State appropriation per resident FTE in the Comprehensive sector and an across the board reduction would add to this situation. Because USCB has limited staffing in most areas, this 3% reduction would not be managed through the elimination of FTE positions. In many cases, major functions are staffed by only one FTE employee. USCB has recently made efforts to restore limited levels of travel and support for faculty and staff professional development. Professional development for staff is critical to staying current on federal, state, and other mandatory changes, in addition to remaining educated about current research and trends that support their role in the University. Faculty professional development is also key to facilitating the tenure and promotion process as well as ensuring high quality instruction and delivery options for our students and their success. Reduced professional development for faculty and staff, increased class size, reduced library hours, reduced temporary and student employee hours campus-wide will negatively impact efforts at improved retention and</p>
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graduation. Many temporary and student workers provided needed tutoring and other academic support services. Reduced marketing, promotion and recruitment activities could also negatively impact enrollments and the diversity of our student population.

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

As a developing baccalaureate institution that receives one of the two lowest state appropriations per resident FTE, USCB has been extremely frugal in control of expenses. Reductions of any kind have significant impact on the institution’s ability to provide a high-quality education appropriate to a baccalaureate institution. In addition to the Chiller Plant Modernization effort that was implemented and designed to save approximately \$85,000 annually, USCB has cost savings associated with copy machine lease changes both through the change in vendor and the change to capital leases. USCB should begin to see additional benefit from these changes during FY 19-20. With limited staffing and the dependence on enrollment growth, practical permanent reductions are difficult to identify. USCB has eliminated one senior level administrative position by combining the vacant CFO and CIO positions into one position. The campus seeks to find more efficient ways of functioning, utilizing improved technologies and other business practices where appropriate. Any realized savings will be redirected at improving the academic opportunities for students, student success, and enhanced student development activities.

What measures does the agency plan to implement to reduce its costs and operating expenses by more than \$50,000? Provide a summary of the measures taken and the estimated amount of savings. How does the agency plan to repurpose the savings?

AGENCY NAME:	University of South Carolina Beaufort		
AGENCY CODE:	H360	SECTION:	20D

FORM F – REDUCING COST AND BURDEN TO BUSINESSES AND CITIZENS

TITLE	Reducing Cost and Burden to Citizens - USCB
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Provide a brief, descriptive title for this request.

EXPECTED SAVINGS TO BUSINESSES AND CITIZENS	USCB continues to have the lowest tuition for comparable baccalaureate institutions in the state. USCB is focused on efforts aimed at making students successful and to minimize the overall cost of obtaining a quality education. Providing a quality workforce to the businesses within the State is a vital aspect of continuous economic development. The savings to citizens and business of the state are incalculable. The economic impact of the University on the State of South Carolina is significant and highlights are provided further below.
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What is the expected savings to South Carolina’s businesses and citizens that is generated by this proposal? The savings could be related to time or money.

FACTORS ASSOCIATED WITH THE REQUEST	<p>Mark “X” for all that apply:</p> <table border="1"> <tr> <td><input type="checkbox"/></td> <td>Repeal or revision of regulations.</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Reduction of agency fees or fines to businesses or citizens.</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Greater efficiency in agency services or reduction in compliance burden.</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>Other</td> </tr> </table>	<input type="checkbox"/>	Repeal or revision of regulations.	<input type="checkbox"/>	Reduction of agency fees or fines to businesses or citizens.	<input type="checkbox"/>	Greater efficiency in agency services or reduction in compliance burden.	<input checked="" type="checkbox"/>	Other
<input type="checkbox"/>	Repeal or revision of regulations.								
<input type="checkbox"/>	Reduction of agency fees or fines to businesses or citizens.								
<input type="checkbox"/>	Greater efficiency in agency services or reduction in compliance burden.								
<input checked="" type="checkbox"/>	Other								

METHOD OF CALCULATION	<p>Highlights of a recent study found that USC:</p> <ul style="list-style-type: none"> • Has a total economic impact (all 8 campuses statewide) of approximately \$5.5 billion when measured in terms of annual state output. • Supports over 60,000 job statewide. • Returns \$219 million annually to the state in tax revenue. <p>Other findings and the complete study can be found at: http://southcarolina.edu/documents/dor_usc_impact_fd1_2017.pdf</p>
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Describe the method of calculation for determining the expected cost or time savings to businesses or citizens.

REDUCTION OF FEES OR FINES	<p>The only published State of South Carolina regulations USC has are those contained in Chapter 119 dealing with motor vehicle registration, parking, obeying traffic signs and adhering to posted speed limits while on campus. These regulations were promulgated under the authority of Section 59-117-40 of the S.C. Code of Laws. All tuition, fees and fines are reviewed annually before being presented to the Board of Trustees for their consideration and approval. These tuition and fees are contained in the annual budget and are related to providing instructional services to enrolled students. There are a few fines contained in that schedule which all relate to parking.</p>
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Which fees or fines does the agency intend to reduce? What was the fine or fee revenue for the previous fiscal year? What was the associated program expenditure for the previous fiscal year? What is the enabling authority for the issuance of the fee or fine?

AGENCY NAME:	University of South Carolina Beaufort		
AGENCY CODE:	H360	SECTION:	20D

REDUCTION OF REGULATION	<p>The University's regulations do not pertain to business operations. Nor do they pertain to the citizens of the State in general. The University has taken steps over the last several years to assist students in obtaining a degree in a timely manner and to minimize the overall cost of obtaining a quality education. See summarized highlights below.</p>
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Which regulations does the agency intend to amend or delete? What is the enabling authority for the regulation?

SUMMARY	<p>USCB continues to have the lowest in-state tuition among the comprehensive institutions in the state. USCB continues to hold tuition and other fees to the minimum necessary to function and provide a high-quality educational experience for our students. USCB has implemented measures designed to improve student success and timely graduation.</p> <p>The USCB Hilton Head campus location within the town limits of Hilton Head Island opened during the Fall of 2018. The vast majority of the funding for the facility came from the Town of Hilton Head and Beaufort County. The partnership with the Town of Hilton Head and Beaufort County for the new location is viewed as a significant vital economic stimulus activity.</p> <p>USCB efforts to reinvigorate the Beaufort campus location have impacted local businesses in Beaufort beginning Fall 2018. More students, faculty and staff in that location are providing an additional economic boost to that location. A public/private partnership between B-JHEC and 303 Associates to provide student housing with 92 beds in Beaufort is a result of this initiative. A second housing facility was initiated for Fall 2019.</p> <p>USCB continuously piggybacks on USC Columbia and USC System contracts and services to minimize costs thus reducing costs to students.</p> <p>USCB participates in the USC System improvements including the recent implementation of Banner which is an enterprise student information system. Key features include integrated admissions, financial aid, registration, and student account system processes. Banner implementation is a major customer service upgrade to the previous cumbersome and inefficient legacy system. Additionally, the USC System implemented an enterprise financial management system and an enterprise human resources/payroll system.</p>
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Provide an explanation of the proposal and its positive results on businesses or citizens. How will the request affect agency operations?