

**HIGHER EDUCATION SUBCOMMITTEE
SUMMARY OF RECOMMENDED PROVISO CHANGES
FOR FY 2009-10**

SECTION 6 - H03 - COMMISSION ON HIGHER EDUCATION

- 6.21 DELETE** (Higher Education Task Force) Directs CHE to use the funds appropriated for the Task Force on Higher Education Study Committee to establish a Higher Education Task Force and directs that the mission of the task force is to develop and recommend an evolving multi-year statewide strategic plan for higher education to meet the needs of the state that can be addressed by higher education. Directs that Higher Education Statewide Strategic Plan recommendations be submitted to the General Assembly by September 15, 2008.
WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund.
HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion.

~~6.21. (CHE: Higher Education Task Force) The funds appropriated to the Commission on Higher Education for the Task Force on Higher Education Study Committee shall be utilized to establish the Higher Education Task Force whose mission shall be to develop and recommend an evolving, multi-year statewide strategic plan for higher education in South Carolina to meet the needs of the state as can be addressed by higher education.~~

~~The task force shall consist of nine members appointed as follows: three by the Governor, one by the President Pro Tempore of the Senate, one by the Speaker of the House of Representatives, one by the Chairman of the Senate Finance Committee, one by the Chairman of the House Ways and Means Committee, one by the Chairman of the Senate Education Committee, and one by the Chairman of the House Education and Public Works Committee. The members appointed shall include persons knowledgeable in issues involving higher education to include, but not be limited to, higher education officials, K-12 education officials, and members of the business community. The task force shall elect its chairman from among its appointed members.~~

~~The task force shall review the current higher education mission and goals as set forth in Section 59-103-15 of the 1976 Code, taking into consideration the areas identified by the Governor's Task Force on Higher Education in their final report issued September 28, 2006, and shall also review all state-supported higher education scholarship and grant programs.~~

~~Upon completion of the review the task force shall develop and recommend a Statewide Higher Education Strategic Plan which shall include, but not be limited to, the following five aspects of higher education as recommended by the Governor's Task Force on Higher Education's final report:~~

- ~~(1) Institutional Missions and Academic Programs and Planning;~~
- ~~(2) Enrollment;~~
- ~~(3) Funding and Institutional Cost;~~
- ~~(4) Buildings, Facilities, and Information Technology; and~~
- ~~(5) Organization and Plan Implementation.~~

~~The Plan shall also include recommendations for all state-supported higher education scholarship and grant programs whether funded through the Education Lottery Account or through the State General Fund.~~

~~The task force shall submit recommendations for the Higher Education Statewide Strategic Plan to the General Assembly by September 15, 2008.~~

- 6.22 AMEND** (Need-Based Grant Allocation Methodology) Requires that allocation of public institutions' need-based grant funds be done using a methodology that considers state resident Pell Grant recipients such that each public institution receives a sufficient amount to provide a

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similar level of support per state resident Pell recipient when compared to tuition and required fees. Directs however, that no public institution receive less funds than they would have received under the allocation methodology used in FY 07-08.

WMC: AMEND proviso to delete directive that no public institution receive less funds than they would have received under the allocation methodology used in FY 07-08 and instead direct that no public institution shall receive a smaller proportion of funding than would be provided under the student allocation methodology used in past years. Fiscal Impact: No impact on the General Fund.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

6.22. (CHE: Need-Based Grant Allocation Methodology) Need-based grant funds for public institutions must be allocated using a methodology that considers state resident Pell Grant recipients such that each public institution shall receive an amount sufficient to provide a similar level of support per state resident Pell recipient when compared to tuition and required fees. However, no public institution shall receive ~~less~~ a smaller proportion of funding than would be provided under the student enrollment methodology used in ~~FY 2007-08~~ past years.

6.23 **AMEND** (Tuition Age) Suspends, for FY 08-09, the tuition free age limit for children of certain war veterans who may be admitted to any state-supported institution of higher learning or post high school technical education institution for eligible children who successfully appeal the Division of Veteran's Affairs on the grounds of a serious extenuating health condition.

WMC: AMEND proviso to change "2008-2009" to "2009-10." Fiscal Impact: No impact on the General Fund.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

6.23. (CHE: Tuition Age) For Fiscal Year ~~2008-2009~~ 2009-10, the age limitation for those children of certain war veterans who may be admitted to any state-supported college, university, or post high school technical education institution free of tuition is suspended for eligible children that successfully appeal the Division of Veterans Affairs on the grounds of a serious extenuating health condition.

6.24 **AMEND** (Mandatory Furlough) Authorizes agency heads for institutions of higher learning and the State Board for Technical and Comprehensive Education to institute an employee furlough program of not more than twenty working days in a fiscal year in which the general funds appropriated for that institution are less than the general funds appropriated in the prior fiscal year or whenever the General Assembly or Budget and Control Board implements a midyear across the board reduction. Directs that the furlough must include all employees in an institution regardless of source of funds, place of work, or tenure status and must include classified and unclassified positions as well as agency heads. Directs that during furlough, benefits that require employer and employee contributions are to be the responsibility of the institution if coverage would otherwise be interrupted and contributions that only require employee contributions are the responsibility of the employee. Directs that placement of an employee on furlough is not grievable or appealable under the State Employee Grievance Act. States that if an institution's reduction is due solely to the General Assembly transferring or deleting a program this provision does not apply. Directs that the implementation of a furlough program will be on an institution by institution basis.

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WMC: AMEND proviso to allow the furlough to be inclusive of all employees in an agency or within a designated department or program. Allow the furlough to also be implemented by pay band for classified employees and by pay rate for unclassified employees. Allow law enforcement, employees who provide direct patient or client care, and front-line employees who deliver direct customer services to be exempted. Require that the agency head be included if the furlough includes the entire agency. Require furlough days taken voluntarily to be counted toward required mandatory furlough days if an agency implements both voluntary and mandatory furloughs during the fiscal year. Authorize agencies to allocate an employee's reduction in pay over the balance of the fiscal year for payroll purposes if that employee is non-exempt under the Federal Fair Labor Standards Act. Direct agencies to report furlough information to the B&C Board Office of Human Resources as requested. Fiscal Impact: No impact on the General Fund.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

6.24. (CHE: Mandatory Furlough) In a fiscal year in which the general funds appropriated for an institution of higher learning are less than the general funds appropriated for that institution in the prior fiscal year, or whenever the General Assembly or the Budget and Control Board implements a midyear across-the-board budget reduction, agency heads for institutions of higher learning and the State Board for Technical and Comprehensive Education through policy and procedure for the Technical College System may institute employee furlough programs of not more than twenty working days in the fiscal year in which the deficit is projected to occur. The furlough must be inclusive of all employees in an agency or within a designated department or program regardless of source of funds, place of work, or tenure status, and must include employees in classified positions and unclassified positions as well as agency heads. A furlough program may also be implemented by pay band for classified employees and by pay rate for unclassified employees. Law enforcement, employees who provide direct patient or client care, and front-line employees who deliver direct customer services may be exempted from a mandatory furlough. If the furlough includes the entire agency, the furlough must include the agency head. Scheduling of furlough days, or portions of days, shall be at the discretion of the agency or individual institution. In the event that an agency implements both a voluntary furlough program and a mandatory furlough program during the fiscal year, furlough days taken voluntarily will count toward furlough days required by the mandatory furlough. During this furlough, affected employees shall be entitled to participate in the same state benefits as otherwise available to them except for receiving their salaries. As to those benefits which require employer and employee contributions, including but not limited to contributions to the South Carolina Retirement System or the optional retirement program, institutions will be responsible for making both employer and employee contributions during the time of the furlough if coverage would otherwise be interrupted; and as to those benefits which require only employee contributions, the employee remains solely responsible for making those contributions. Placement of an employee on furlough under this provision does not constitute a grievance or appeal under the State Employee Grievance Act. In the event an institution's reduction is due solely to the General Assembly transferring or deleting a program, this provision does not apply. The implementation of a furlough program authorized by this provision shall be on an institution by institution basis. Agencies may allocate the employee's reduction in pay over the balance of the fiscal year for payroll purposes regardless of the pay period within which the furlough occurs if that employee is non-exempt under the provisions of the federal Fair Labor Standards Act. State agencies shall

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report information regarding furloughs to the Office of Human Resources of the Budget and Control Board as requested.

- 6.25** **ADD** (University Center of Greenville Funding Plan) **WMC:** ADD new proviso to direct the Board of the University Center of Greenville to develop a plan by September 1st to address the University Center's annual operational funding needs. Direct that the plan be implemented to address FY 09-10 funding needs. Allow the plan to include a fee per credit hour assessed to institutions with students enrolled in the University Center. Direct that revenue collected from this source not exceed \$1,100,000 for the current fiscal year. Fiscal Impact: No impact on the General Fund.
HOU: ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

6.25. (CHE: University Center of Greenville Funding Plan) For the current fiscal year, the Board of the University Center of Greenville shall develop a plan by September 1, 2009, to address the annual operational funding needs of the University Center of Greenville. This plan shall be implemented to address the funding needs for Fiscal Year 2009-10. The plan may include a fee per credit hour assessed to institutions with students enrolled in the University Center of Greenville. Revenues collected shall not exceed \$1,100,000 for the current fiscal year.

- 6.26** **ADD** (Religious Activities) **HOU:** ADD new proviso to direct that for FY 09-10, state supported higher education institutions that receive Federal Stimulus Stabilization funds must continue to support, operate, and maintain existing religious programs, instruction, and facilities used for religious activities. Sponsor: Rep. Loftis.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

6.26. (CHE: Religious Activities) For Fiscal Year 2009-2010, state supported higher education institutions receiving Federal Stimulus Stabilization funds must continue to support, operate and maintain existing religious programs, instruction, and facilities used for religious activities.

- 6.ucc** **ADD** (Scholarships Funded From Unclaimed Capital Credits) **ADD** new proviso to allow businesses identified in Section 27-18-30(C) [PROPERTY PRESUMED ABANDONED; DEMAND FOR PAYMENT NOT REQUIRED] who have used unclaimed capital credits to contribute to a scholarship program at a higher education institution for the last five consecutive years to continue to fund scholarships awarded prior to the 2009-10 academic year. Direct that these funds are exempt from the provisions of Section 27-18-30(C) if the reporting requirements of Section 27-18-180 [REPORT OF UNCLAIMED PROPERTY; NOTICE TO APPARENT OWNER] are met.

6.ucc. (CHE: Scholarships Funded From Unclaimed Capital Credits) For the current fiscal year, businesses identified in Section 27-18-30(C) of the 1976 Code who have contributed to a scholarship program at an institution of higher education in South Carolina from unclaimed capital credits for the last five consecutive years may continue to fund the scholarships for those students who were awarded scholarships prior to the 2009-2010 academic year, and such funds are exempt from the provisions of Section 27-18-30(C) provided that the reporting requirements of Section 27-18-180 are met.

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SECTION 15 - H45 - UNIVERSITY OF SOUTH CAROLINA

- 15.7 DELETE NEW PROVISO** (Branch Campuses Study) **WMC:** ADD new proviso to direct USC to complete a study and report the fiscal impact of potentially closing USC's branch campuses. Require that the report include data that indicates the economic impact on adjacent geographic communities; resulting savings to the USC system and the State; impact on current and prospective students; and an implementation timeline. Direct that the report be submitted to the General Assembly by 1/1/10. Fiscal Impact: No impact on the General Fund.
HOU: ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.

~~*15.7. (USC: Branch Campuses Study) For Fiscal Year 2009-10, the University of South Carolina must complete a study and report on the fiscal impact of potential closing of the branch campuses. The report submitted must include the following: data indicating the economic impact on the adjacent geographic communities; data indicating the resulting savings to the university system and the State; impact on current and prospective students; and a timeline for implementation. The University of South Carolina shall submit the report to the General Assembly by January 1, 2010.*~~

SECTION 18 - H59 - STATE BOARD FOR TECHNICAL & COMPREHENSIVE EDUCATION

- 18.5 ADD** (Caterpillar Dealer Academy) **WMC:** ADD new proviso to authorize Florence-Darlington Technical College's area commission to waive the requirements of Chapter 112 of Title 59 [DETERMINATION OF RATES OF TUITION AND FEES] for student participants in the Caterpillar Dealer Academy operated by Florence-Darlington Technical College. Fiscal Impact: OSB indicates the State Board reports no impact on the General Fund. The out-of-state tuition revenue decrease associated with waived residency requirements would be offset by increased enrollment.
HOU: ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

~~*18.5. (TEC: Caterpillar Dealer Academy) The area commission for the Florence-Darlington Technical College may waive the requirements of Chapter 112 of Title 59 for student participants in the Caterpillar Dealer Academy operated by Florence-Darlington Technical College.*~~

- 18.6 ADD** (Financial and Human Resource Functions Consolidation Plan) **WMC:** ADD new proviso to direct the State Board for Technical and Comprehensive Education to develop a plan to consolidate financial and human resources functions, where possible, between like technical college institutions. Require that the plan, including an estimate of the cost savings, be submitted to the Chairmen of the Senate Finance and House Ways and Means Committees by December 31, 2009. Fiscal Impact: No impact on the General Fund.
HOU: ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

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18.6. (TEC: Financial and Human Resource Functions Consolidation Plan) The State Board for Technical and Comprehensive Education is directed to develop a plan to consolidate financial and human resources functions, where possible, between like institutions of the state's technical college system. This plan, including an estimate of the cost savings, must be submitted to the Chairman of the Senate Finance Committee and the House Ways and Means Committee no later than December 31, 2009.

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