

MUSC

Budget Hearing

Healthcare Budget Subcommittee

House Ways and Means Committee

January 2013

Raymond S. Greenberg, MD, PhD

H51



Office of the President

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September 21, 2012

The Honorable Nikki R. Haley
Governor, State of South Carolina
1205 Pendleton Street
Columbia, South Carolina 29201

[Handwritten signature]

SEP 26 2012

Dear Governor Haley,

[Handwritten signature]
OFFICE OF STATE SHERIFF

Enclosed is the Fiscal Year 2013-14 budget package for the Medical University of South Carolina. Included with this transmittal letter are the executive summary, agency appropriations request, appropriations change request, non-recurring appropriations request, two proviso change request forms, and the proviso change request summary. We are not requesting any change to the authorized FTEs levels for FY2013-14.

We appreciate this opportunity to submit this request for our agency and your continued support of Higher Education in South Carolina.

Sincerely,

[Handwritten signature of Raymond S. Greenberg]
Raymond S. Greenberg, MD, PhD
President

Executive Summary

Agency: Medical University of South Carolina

Code: H51

Section: 23

Statewide Mission:

The Medical University of South Carolina (MUSC) is a public institution of higher learning the purpose of which is to preserve and optimize human life in South Carolina and beyond. The university provides an interprofessional environment for learning and discovery through education of health care professionals and biomedical scientists, research in the health sciences, and provision of comprehensive health care. The university is committed to fulfillment of its responsibilities:

- Educate students to become caring, compassionate, ethical, and proficient health care professionals and creative biomedical scientists.
- Promote teamwork competencies to be applied in a collaborative, interprofessional health care delivery and research setting.
- Recruit and develop dedicated, scholarly educators who inspire their students to lifelong learning in the service of human health.
- Offer educational opportunities to graduates, faculty and staff; to other biomedical scientists and practicing health professionals; and to the public.
- Seek and welcome students, scholars, and staff regardless of gender, race, age, nationality, religion, or disability, while emphasizing the benefits of diversity.
- Conduct research in the health sciences, advancing knowledge and encouraging new responses to health care needs including interprofessional delivery of health care.
- Provide excellence in patient care in an environment that is respectful of others, adaptive to change, accountable for outcomes, delivered by coordinated interprofessional teams, and attentive to the needs of underserved populations.
- Advance economic development by introducing new technology and fostering research links with industry and other academic institutions.
- Optimize the use of all resources, including financial support from the state and revenues generated from research, clinical operations, and philanthropy.
- Provide leadership to the state in efforts to promote health and prevent disease.
- Serve as a state resource in health policy, education, and related matters for other institutions and the general public.

As South Carolina's only comprehensive academic health center providing a full range of programs in the biomedical sciences, the Medical University of South Carolina is engaged in activities statewide. Its campus is located on more than 50 acres in the city of Charleston. More than 2,400 students in six colleges (Dental Medicine, Graduate Studies, Health Professions, Medicine, Nursing, and Pharmacy) study for degrees at the baccalaureate, masters, doctoral, and other professional levels. The University also provides residency training for over 500 graduate health professionals. The teaching staff is comprised of approximately 1,200 full-time and 150 part-time faculty.

Executive Summary

Number of Proviso Changes:

There are two proviso changes included in the package.

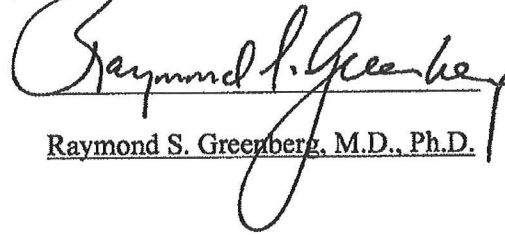
Agency Contacts/Telephone Numbers:

Contact:	Telephone:	Email:
Christine S. Brown, MS, CPA	(843) 792-2864	smallsch@musc.edu

Contact:	Telephone:	Email:
Patrick J. Wamsley	(843) 792-8908	wamsleyp@musc.edu

Agency Director Signature:

Print Name:


Raymond S. Greenberg, M.D., Ph.D.

Funded Program Name	Line	2012-2013 Appropriations (Actual)				2012-2014 Agency Request				Adjustments				Total	Total%
		GF	FF	RF	Total	GF	FF	RF	Total	GF%	GF	FF%	FF		
I. Education & General															
A. Unrestricted															
President		\$ 232,064	\$ -	\$ -	\$ 232,064	\$ 232,064	\$ -	\$ -	\$ 232,064	TRUE				\$ -	0.0%
Classified Positions		\$ 16,593,161	\$ 37,331,329	\$ -	\$ 53,924,490	\$ 38,591,329	\$ -	\$ -	\$ 38,591,329	TRUE				\$ 1,333,161	3.3%
Unclassified Positions		\$ 23,051,901	\$ 65,338,469	\$ -	\$ 88,390,370	\$ 68,438,469	\$ -	\$ -	\$ 68,438,469	TRUE				\$ 19,951,901	3.3%
Other Personal Services		\$ 11,046,639	\$ -	\$ -	\$ 11,046,639	\$ 11,046,639	\$ -	\$ -	\$ 11,046,639	TRUE				\$ -	0.0%
Other Operating		\$ -	\$ 256,425,866	\$ -	\$ 256,425,866	\$ 256,301,793	\$ -	\$ -	\$ 256,301,793	TRUE				\$ 124,073	0.1%
Diabetes Center		\$ 123,470	\$ -	\$ -	\$ 123,470	\$ 123,470	\$ -	\$ -	\$ 123,470	TRUE				\$ -	0.0%
Pharmacy Building Construction		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	TRUE				\$ -	0.0%
Hyperbaric Initiative		\$ 240,433	\$ -	\$ -	\$ 240,433	\$ 240,433	\$ -	\$ -	\$ 240,433	TRUE				\$ -	0.0%
Scholarships & Fellowships		\$ 40,177,150	\$ 1,265,274	\$ -	\$ 41,442,424	\$ 1,355,274	\$ -	\$ -	\$ 1,355,274	TRUE				\$ -	0.0%
Total		\$ 102,177,150	\$ 3,721,003,557	\$ -	\$ 3,823,180,707	\$ 3,717,420,424	\$ -	\$ -	\$ 3,717,420,424	TRUE				\$ 6,446,283	0.18%
B. Restricted															
Classified Positions		\$ -	\$ 10,932,495	\$ -	\$ 10,932,495	\$ 10,932,495	\$ -	\$ -	\$ 10,932,495	TRUE				\$ -	0.0%
Unrestricted Positions		\$ -	\$ 17,719,821	\$ -	\$ 17,719,821	\$ 17,719,821	\$ -	\$ -	\$ 17,719,821	TRUE				\$ -	0.0%
Unrestricted Positions		\$ -	\$ 22,508,159	\$ -	\$ 22,508,159	\$ 20,937,073	\$ -	\$ -	\$ 20,937,073	TRUE				\$ 1,571,086	0.0%
Other Personal Services		\$ -	\$ 5,733,265	\$ -	\$ 5,733,265	\$ 5,733,265	\$ -	\$ -	\$ 5,733,265	TRUE				\$ -	0.0%
Scholarships & Fellowships		\$ -	\$ 75,343,364	\$ -	\$ 75,343,364	\$ 68,684,479	\$ -	\$ -	\$ 68,684,479	TRUE				\$ 6,658,885	-1.1%
Total		\$ -	\$ 117,493,104	\$ -	\$ 117,493,104	\$ 13,428,102	\$ -	\$ -	\$ 13,428,102	TRUE				\$ 10,058,885	-8.5%
II. Auxiliary Enterprises															
Classified Positions		\$ -	\$ 1,508,874	\$ -	\$ 1,508,874	\$ 1,508,874	\$ -	\$ -	\$ 1,508,874	TRUE				\$ -	0.0%
Unrestricted Positions		\$ -	\$ 146,158	\$ -	\$ 146,158	\$ -	\$ -	\$ -	\$ -	TRUE				\$ -	0.0%
Other Personal Services		\$ -	\$ 594,500	\$ -	\$ 594,500	\$ 112,294	\$ -	\$ -	\$ 112,294	TRUE				\$ 482,206	-8.1%
Other Operating		\$ -	\$ 10,300,940	\$ -	\$ 10,300,940	\$ 11,447,851	\$ -	\$ -	\$ 11,447,851	TRUE				\$ 1,146,911	1.1%
Total		\$ -	\$ 12,445,472	\$ -	\$ 12,445,472	\$ 12,660,919	\$ -	\$ -	\$ 12,660,919	TRUE				\$ 1,705,045	1.4%
III. Employee Benefits															
Employer Contributions		\$ 13,744,001	\$ 25,763,869	\$ -	\$ 39,507,870	\$ 12,623,765	\$ 26,945,000	\$ -	\$ 39,571,765	TRUE				\$ 1,886,105	4.8%
Employee Pay Increase		\$ 3,200,000	\$ -	\$ -	\$ 3,200,000	\$ 3,200,000	\$ -	\$ -	\$ 3,200,000	TRUE				\$ -	0.0%
Total		\$ 16,944,001	\$ 25,763,869	\$ -	\$ 42,707,870	\$ 15,826,765	\$ 26,945,000	\$ -	\$ 42,771,765	TRUE				\$ 1,886,105	4.4%
IV. Nonrecurring Appropriations															
CR - Ashley Tower Renovation		\$ 62,861,241	\$ 4,421,601,578	\$ -	\$ 4,484,462,819	\$ 54,161,241	\$ 4,295,548,103	\$ -	\$ 4,349,709,344	TRUE				\$ 34,153,475	0.8%
CR - Deferred Maintenance		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	TRUE				\$ -	0.0%
Total		\$ 62,861,241	\$ 4,421,601,578	\$ -	\$ 4,484,462,819	\$ 54,161,241	\$ 4,295,548,103	\$ -	\$ 4,349,709,344	TRUE				\$ 34,153,475	0.8%
Agency Total															
IF NEEDED:															
New Recurring Items															
Funded Program Name															
Please Insert New Lines Above This Line															
Total															
New Nonrecurring Items															
Funded Program Name															
Please Insert New Lines Above This Line															
Total															
Total With New Items															

Appropriations Change Request

Agency: Medical University of South Carolina

Code: H51

Section: 23

A. Budget Program Number and Name

II. Auxiliary Enterprise

1. Personal Service

Classified Positions

Unclassified Positions

Other Personal Services

2. Other Operating Expenditures

3. Special Items

B. Service Delivery and Audience

This program provides a valued resource which allows students, faculty, and staff to park in the MUSC parking system. Revenue generated from parking fees paid by users of the system is essential to operating, maintaining and repairing the university's parking system and to retiring debt service associated with parking structures.

C. Performance Measurement and Evaluation

The parking program is measured by the number of customers served, efficient utilization of spaces, revenue generated, operating expense relative to results and customer surveys and responses.

D. Enabling Authority and Related Programs

This program was established by authority of MUSC with approval of the MUSC Board of Trustees. It is a stand-alone program. This program does not share staff or other resources with other programs.

E. Program Adequacy and Sustainability

This program operating and debt service expenses are borne by the university and affiliates that it serves.

F. Requested Appropriation Change

Mark all that apply:

New Initiative: _____ *Increase* X *Decrease* _____ *Reallocation* _____

- Earmarked Other Funds decreased \$1,019,309 to correctly reflect Auxiliary Services Personal Services expenditures
- Earmarked Other Funds increased \$2,158,220 due increase in parking rates to fund current operating costs.

G. Revenue Estimate

Provide detail on sources of revenue for any increased expenditures for this program, identified by SAP fund number (8-digit sub-fund).

Appropriations Change Request

SAP Fund Number	Source Name	General Fund	Earmarked (Other)	Restricted (Other)	Federal
3035-4505	Parking Fees		\$9,541,000		

Appropriations Change Request

Agency: Medical University of South Carolina

Code: H51

Section: 23

A. Budget Program Number and Name

- I. Education and General
 - i. Unrestricted
 - 1. Personal Service
 - Classified Positions
 - Unclassified Positions
 - Other Personal Services
 - 2. Other Operating Expenditures
 - 3. Special Items

B. Service Delivery and Audience

This program is essential for providing well trained health care professionals for the State of South Carolina's health professions and sciences' needs. The University continues to break ground collaborating on state, federal and global levels to meet instruction and research goals. Initiatives include the South Carolina College of Pharmacy program which is a dual campus initiative with the University of South Carolina for Pharmacy education needs; College of Health Profession – MHA Global program which works with international entities to provide instruction on the skills needed from a global perspective; and the SCRA Innovation center which collaborates with private industry to provide a state of the art research and business center to support medical and bioscience research.

C. Performance Measurement and Evaluation

Education and General Programs are measured as follows:

- 1. Instruction – As a tertiary and quaternary academic health care institution, the majority of our students are enrolled as first professional or graduate students. The graduation rates for the various professional colleges are greater than 90% and almost without exception the students must pass licensure exams to graduate or to enter their profession. Graduate students have no professional program certification and their time to graduation is dependent not on credit hours but upon the consent of their faculty advisory committee. In both events, their "employment" is usually to a more advanced educational/training environment outside of MUSC called residencies or fellowships.
- 2. Research – Amount of sponsored research and number of collaborative arrangements with other higher education institutions.
- 3. Public Service - Students' hours of and faculty participation in community service (e.g. MUSC Gives Back, diabetes initiatives, community dental initiatives), inclusion of student experiences in the community embedded in required courses, and staff community service efforts.

Appropriations Change Request

4. Academic Support - programs support instruction, research, and public service mission. Supports needs of students, faculty, and staff to ensure that they are able to operate effectively. Improve the value of the university by contributing to the student's emotional and physical well-being and to their intellectual, cultural, and social development.
5. Student Service – Student well-being is assessed by a variety of measurements; includes student exit interviews, alumni surveys, accreditation reports and on-site reviews.
6. Institutional Support - Adoption of Best Management Practices, assessing performance relative to peer and national benchmarks with the goal of improved efficiency and effectiveness, and meeting national accreditation standards (in Risk Management and Public Safety)
7. Operations & Maintenance of Plant – Campus safety reports, measure of maintenance to buildings, and reduction in deferred maintenance.
8. Scholarships & Fellowships - Awards of scholarships and fellowships and increase in awards.

D. Enabling Authority and Related Programs

This Education and General (E&G) program was established by the authority of MUSC Board of Trustees. The various departments work together to achieve the instruction, research, and public service mission of the University.

E. Program Adequacy and Sustainability

This program continues to excel despite major challenges presented by permanent reductions of state funds, reductions in endowment values, and increases in the costs of doing business. The continued excellence is largely due to leadership's direction, focusing on being more efficient and economical, and a dedicated staff that is committed to the University's mission. In cases where specialized funding has been available for capital projects, we have seen growth. On the other hand, inadequate funding for physical plant operations and maintenance continues to be a major challenge.

The routine operating and maintenance and capital renewal are inadequate to sustain our facilities over the long run. The routine operating and maintenance funding provided falls short of the MRR calculation and other benchmarks, and although renewal (deferred maintenance) funding has been provided over the last two years, the amount falls short of the need. Funding day to day maintenance and providing supplemental renewal funding for capital renewal will help to cut the cost of maintaining facilities over the long run.

Federal revenues have decreased recently due to reductions in federal stimulus grant funds.

Appropriations Change Request

F. Requested Appropriation Change

Mark all that apply:

New Initiative: _____ *Increase* _____ *Decrease* *X* *Reallocation* _____

- Unrestricted General Funds increased \$1,120,326 due to state mandated employee pay increase.
- Unrestricted Earmarked Other Funds increased \$1,233,000 due to Practice Plan revenue increase to fund current operating cost for personal services and other operating. Tuition projected to increase \$3,706,525(2% for FY13 and FY14) to cover current operating expense.
- Restricted Federal Funds projected to decrease \$10,656,885 due to ending of ARRA grants.

G. Revenue Estimate

Provide detail on sources of revenue for any increased expenditures for this program, identified by SAP fund number (8-digit sub-fund).

SAP Fund Number	Source Name	General Fund	Earmarked (Other)	Restricted (Other)	Federal
5055 - 2822	Health Services Research and Dev grant				\$135,486,847
5055 - 2802	Health Services Research and Dev grant IDC				\$37,434,307
3035 - 4534	Fee-Staff Practice		\$66,500,000		
3035 - 5001	Tuition and Student Fee		\$84,019,657		

Appropriations Change Request

Agency: Medical University of South Carolina

Code: H51

Section: 23

A. Budget Program Number and Name

- III. Employee Benefits
C. State Employee Contribution

B. Service Delivery and Audience

This program provides a valued resource to maintain MUSC employees health and retirement benefits. Revenue is generated from E&G sources, Auxiliary Service, and state funds.

C. Performance Measurement and Evaluation

Maintaining adequate employee benefits is the measure for this program.

D. Enabling Authority and Related Programs

This program was established by authorized by the general Assembly

E. Program Adequacy and Sustainability

F. Requested Appropriation Change

Mark all that apply:

New Initiative: _____ *Increase* X *Decrease* _____ *Reallocation* _____

- General Funds increased \$348,954 due to employee pay increase allocated to this program. The decrease of \$1,469,280 represents funds received from the state that were reallocated to personal services and employer contributions.
- Earmarked Other Funds Other Operating increased \$558,717 due related personal services expenditures in the E&G program (\$267,000), and the change was made to allocate the correct amount of employer contributions for Auxiliary Services (\$291,717).

G. Revenue Estimate

Provide detail on sources of revenue for any increased expenditures for this program, identified by SAP fund number (8-digit sub-fund).

SAP Fund Number	Source Name	General Fund	Earmarked (Other)	Restricted (Other)	Federal
3035-4505	Parking Fees		\$291,717		
3035 - 4534	Fee-Staff Practice		\$267,000		

Note: The amounts above are included in the program revenues for E&G Unrestricted and Auxiliary Services..

Capital or Non-Recurring Appropriations Request

Agency: Medical University of South Carolina

Code: H51

Section: 23

A. **Project Name:** College of Pharmacy Building Construction

B. **Statement of Need:** The College of Pharmacy has been in very poor space for over 40 years now, with unacceptable functionality and physical building condition. The College has never been the recipient of State capital bond funds to address its long-standing space needs. The most recent space analysis showed that new construction is the preferred alternative for addressing the College's academic, clinical, and research needs. Most recent accreditations have been successful because of the promise of a new building.

C. **Budget Program Number and Name:**

Note: If more than one budget program, sub-program, element, or sub-element maps to this project provide all program numbers, names, and approximate funding amounts.

Program Number	Program Name	State Non-Recurring Funds	State Recurring Funds	Federal Funds	Other Funds	Total Funds
574	Instruction: College of Pharmacy	\$38,000,000	\$0	\$0	\$4,000,000	\$42,000,000

D. **Project Description:**

Note: In addition to a basic description, include whether or not this is a capital or non-capital project. If non-capital, explain how this non-recurring appropriation will be spent on non-recurring activities.

This project is a capital project that would result in approximately 83,000 gross square feet of space to house most of the College of Pharmacy's academic, research, and clinical needs. This new building for the College will be comprised of a lobby-reception area, lecture halls and classrooms, teaching laboratories, clinical practice and teaching areas, research labs, administrative/faculty offices and support, building support, as well as much needed student life areas. Additional instructional and research space will be accommodated in the new Drug Discovery Building. Approximately 5,000 assignable square feet of offices will need to be retained in existing College space until a future new academic building is constructed to the north of the Drug Discovery Building in the former campus G Lot.

Capital or Non-Recurring Appropriations Request

E. Funding:

Total Previously Expenditures
New Approved
Request \$38,000,000 Funds _____ to Date _____

Identify the source(s) of funds for this appropriation (general fund, surplus, federal funding, local match, etc.):

New Request: State Appropriations and/or Capital Improvement Bonds

Balance: Private Funding

F. Projection of additional future operating costs:

Will additional annual operating costs be absorbed into your existing budget? No. If so, what resources will lose funding to facilitate this?

If not, will additional funds be needed in the future? Yes.

Identify the source of additional funds: State Appropriations

What other approvals are required in order to access any or all of these funds?

This project will require CHE, JBRC and Budget and Control Board approval.

Has all or part of this project been previously submitted for approval before the JBRC or Budget and Control Board? No.

Detail the lifecycle cost of the funded project below

Year	Capital	Operating	Total	State; Non-Recurring	General; Recurring	Federal	Other (Earmarked/Restricted)	Additional FTEs needed
1	\$42,000,000	\$1,189,560	\$43,189,560	\$38,000,000	\$1,189,560	\$0	\$0	7
2	\$0	\$1,213,561	\$1,213,561	\$0	\$1,213,561	\$0	\$0	0
3	\$0	\$1,237,832	\$1,237,832	\$0	\$1,237,832	\$0	\$0	0
4	\$0	\$1,262,589	\$1,262,589	\$0	\$1,262,589	\$0	\$0	0
5	\$0	\$1,287,841	\$1,287,841	\$0	\$1,287,841	\$0	\$0	0
6+	\$0	\$1,313,598	\$1,313,598	\$0	\$1,313,598	\$0	\$0	0

Capital or Non-Recurring Appropriations Request

Agency: Medical University of South Carolina

Code: H51

Section: 23

A. Project Name: Deferred Capital Renewal 2013-2014

B. Statement of Need: MUSC has identified over \$100 million of the most obvious deferred capital renewal needs for the University. The value of the University facilities and their condition and age suggest that a \$26 million annual investment is needed to maintain overall status quo and another annual investment of \$5 million is needed to bring the facility to a good condition as defined APPA. An annual investment of \$18.5 million is needed to maintain status quo condition of critical systems (mechanical, electrical, plumbing, exterior façade, roofs, conveying and infrastructure outside buildings). In the spirit of the Governor's request to limit requests to address the most urgent needs, we are asking for the \$18.5 million needed to maintain status quo condition for critical systems. The most urgent needs for 2013-2014 totaling \$18.5 million will be identified based on priority as we get closer to this coming fiscal year.

C. Budget Program Number and Name:

Note: If more than one budget program, sub-program, element, or sub-element maps to this project provide all program numbers, names, and approximate funding amounts.

Program Number	Program Name	State Non-Recurring Funds	State Recurring Funds	Federal Funds	Other Funds	Total Funds
591	Operations & Maintenance of Plant	\$18,500,000				\$18,500,000

D. Project Description:

Note: In addition to a basic description, include whether or not this is a capital or non-capital project. If non-capital, explain how this non-recurring appropriation will be spent on non-recurring activities.

This is a capital project that will consist of several projects to address basic critical facility renewal needs required to maintain an acceptable working environment within existing facilities for our students, faculty, staff, patients and visitors. The alternatives of replacing facilities through leasing or constructing new would be more expensive. The facilities affected by executing these projects are expected to continue to serve the University throughout the service life of the investment. In each case, executing these projects will result in cost avoidance as deterioration resulting from delay is increasingly

Capital or Non-Recurring Appropriations Request

progressive in nature. MUSC has identified over \$100 million of the most obvious deferred capital renewal needs for the University, and the most urgent renewal projects to be executed as a part of this \$18.5 million request will be determined as we get closer to the start of the 2013-2014 fiscal year.

E. Funding

Total		Previously	Expenditures
New		Approved	
Request	\$18,500,000	Funds	to Date

Identify the source(s) of funds for this appropriation (general fund, surplus, federal funding, local match, etc.):

New Request: State Appropriations and/or Capital Improvement Bonds

F. Projection of additional future operating costs:

Will additional annual operating costs be absorbed into your existing budget? Yes. If so, what resources will lose funding to facilitate this? None. We are already maintaining these systems. It is likely that there will be associated operating cost savings that can be used to address other currently unmet maintenance needs.

If not, will additional funds be needed in the future? N/A

Identify the source of additional funds: N/A

What other approvals are required in order to access any or all of these funds?

Specific projects will be submitted for approval in accordance with State guidelines.

Has all or part of this project been previously submitted for approval before the JBRC or Budget and Control Board? No.

Detail the lifecycle cost of the funded project below:

Year	Capital	Operating	Total	State; Non-Recurring	General; Recurring	Federal	Other (Earmarked/Restricted)	Additional FTEs needed
1	\$18,500,000			\$18,500,000				
2								
3								
4								
5								
6+								

Capital or Non-Recurring Appropriations Request

Agency: Medical University of South Carolina

Code: H51

Section: 23

A. **Project Name:** H51-9732, College of Dental Medicine Building Construction

B. **Statement of Need:** This project was the number one priority for MUSC's CPIP for the past several years. Five years ago, \$30 million was approved in bond anticipation notes by the State Treasurer's Office, in anticipation of capital improvement bonds to offset this temporary financing strategy. The project is completed, so the need to follow through with this offset is immediate. This building is essential to providing instruction and patient care at the State of South Carolina's only College of Dental Medicine.

C. **Budget Program Number and Name:**

Note: If more than one budget program, sub-program, element, or sub-element maps to this project provide all program numbers, names, and approximate funding amounts.

Program Number	Program Name	State Non-Recurring Funds	State Recurring Funds	Federal Funds	Other Funds	Total Funds
577	Instruction: College of Dental Medicine	\$30,000,000	\$0	\$0	\$0	\$30,000,000

D. **Project Description:**

Note: In addition to a basic description, include whether or not this is a capital or non-capital project. If non-capital, explain how this non-recurring appropriation will be spent on non-recurring activities.

This is a capital project that constructed an 117,993 gsf Dental Clinics Building for the College of Dental Medicine. This facility houses all of the patient clinical activities for the College. The building consists of a lobby-reception areas, cashier, clinical practice and teaching areas, operating suites, central sterilization, supplies/dispensing, machine shop, and mechanical/electrical areas. The College will continue to maintain the faculty and administrative support offices, student service areas, general lecture halls in existing space within the Basic Science Building.

Capital or Non-Recurring Appropriations Request

E. Funding

Total		Previously		Expenditures	
New		Approved			
Request	<u>\$30,000,000</u>	Funds	<u>\$20,800,000</u>	to Date	<u>\$60,000,000</u>

Identify the source(s) of funds for this appropriation (general fund, surplus, federal funding, local match, etc.):

New Request: Capital Improvement Bonds and/or State Appropriations are needed to offset the Bond Anticipation Notes.

Previously Approved Funds: Capital Improvement Bonds = \$6,300,000; State Appropriations = \$14,500,000.

F. Projection of additional future operating costs:

Will additional annual operating costs be absorbed into your existing budget? Yes. If so, what resources will lose funding to facilitate this? None. We have been operating the building for three years.

If not, will additional funds be needed in the future? N/A

Identify the source of additional funds: N/A

What other approvals are required in order to access any or all of these funds? None. Has all or part of this project been previously submitted for approval before the JBRC or Budget and Control Board? Yes. The complete project was approved by JBRC and Budget and Control Board prior to design and construction.

Detail the lifecycle cost of the funded project below N/A

Year	Capital	Operating	Total	State; Non- Recurring	General; Recurring	Federal	Other (Earmarked/ Restricted)	Additional FTEs needed
1								
2								
3								
4								
5								
6+								

Proviso Change Request Form

Agency: Medical University of South Carolina

Code: H51

Section: 23

A. Proviso Number

101.7

B. Appropriation

C. Agency Interest

This proviso is from another agency's section and has had consequences for our agency.

D. Requested Action

Amend to exempt for higher education, lump sum agencies.

E. Title

Budget & Control Board: Vacant Positions

F. Summary

Permits the Budget & Control Board to delete positions that have remained vacant for more than twelve months.

G. Explanation of Amendment to/or Deletion of Existing Proviso

Due to the complexities of filling positions in an academic setting, this proviso complicates the hiring process.

H. Fiscal Impact (Include impact on each source of funds – state, federal, and other)

Proviso Change Request Form

I. Proposed Proviso Text

Paste FY 2012-13 text below, then bold and underline insertions, strikethrough deletions. If new, type below.

101.7. (BCB: Vacant Positions) In the event that any permanent position in an agency remains vacant for more than twelve months the position may be deleted by the Budget and Control Board. **Lump sum, higher education agencies are exempt from this proviso.**

Proviso Change Request Form

Agency: Medical University of South Carolina

Code: H51

Section: 23

A. Proviso Number

117.15

B. Appropriation

C. Agency Interest

This proviso is from another agency's section and has had consequences for our agency.

D. Requested Action

Amend to exempt for higher education, lump sum agencies.

E. Title

General Provisions: Personal Service Reconciliation FTEs

F. Summary

Directs the Budget & Control Board to supervise and manage unfunded number of state FTEs in order to provide control over the number of employees and provides guidelines for the Budget & Control Board to follow.

G. Explanation of Amendment to/or Deletion of Existing Proviso

This exercise does not add any value for lump sum agencies.

H. Fiscal Impact (Include impact on each source of funds – state, federal, and other)

Proviso Change Request Form

I. Proposed Proviso Text

Paste FY 2012-13 text below, then bold and underline insertions, strikethrough deletions. If new, type below.

L117.15. (GP: Personal Service Reconciliation, FTEs) In order to provide the necessary control over the number of employees, the Budget and Control Board is hereby directed to maintain close supervision over the number of state employees, and to require specifically the following:

1. That no state agency exceed the total authorized number of full-time equivalent positions and those funded from state sources as provided in each section of this act except by majority vote of the Budget and Control Board.

2. That the Budget and Control Board shall maintain and make, as necessary, periodic adjustments thereto, an official record of the total number of authorized full-time equivalent positions by agency for state and total funding sources.

(a) That within thirty (30) days of the passage of the Appropriation Act or by August first, whichever comes later, each agency of the State must have established on the Budget and Control Board records all positions authorized in the Act. After that date, the Board shall delete any non-established positions immediately from the official record of authorized full-time equivalent positions. No positions shall be established by the board in excess of the total number of authorized full-time equivalent positions. Each agency may, upon notification to the Budget and Control Board, change the funding source of state FTE positions established on the Budget and Control Board records as necessary to expend federal and other sources of personal service funds to conserve or stay within the state appropriated personal service funds. No agency shall change funding sources that will cause the agency to exceed the authorized number of state or total full-time equivalent positions. Each agency may transfer FTEs between programs as needed to accomplish the agency mission.

(b) That by September thirtieth, the board shall prepare a personal service analysis, by agency, which shows the number of established positions for the fiscal year and the amount of funds required, by source of funds, to support the FTE's for the fiscal year at a funding level of one hundred percent. The board shall then reconcile each agency's personal service detail with the agency's personal service appropriation as contained in the Act adjusted for any pay increases and any other factors necessary to reflect the agency's personal service funding level. The board shall provide a copy of each agency's personal service reconciliation to the Senate Finance and House Ways and Means Committees.

(c) That any position which is shown by the reconciliation to be unfunded or significantly underfunded may be deleted at the direction of the Budget and Control Board.

3. That full-time equivalent (FTE) positions shall be determined under the following guidelines:

(a) The annual work hours for each FTE shall be the agency's full-time standard annual work hours.

(b) The state FTE shall be derived by multiplying the state percentage of budgeted funds for each position by the FTE for that position.

(c) All institutions of higher education shall use a value of 0.75 FTE for each position determined to be full-time faculty with a duration of nine (9) months.

The FTE method of accounting shall be utilized for all authorized positions.

4. That the number of positions authorized in this act shall be reduced in the following circumstances:

(a) Upon request by an agency.

(b) When anticipated federal funds are not made available.

(c) When the Budget and Control Board, through study or analysis, becomes aware of any unjustifiable excess of positions in any state agency.

5. That the Budget and Control Board shall annually reconcile personal service funds with full-time employee count. Unfunded positions will be eliminated no later than January fifteenth of the current fiscal year unless specifically exempted elsewhere in this act or by the Budget and Control Board. The Budget and Control Board must report the full-time employee count and unfunded position status to the Senate Finance Committee and the Ways and Means Committee by February first of the current fiscal year.

6. That no new permanent positions in state government shall be funded by appropriations in acts supplemental to this act but temporary positions may be so funded.

7. That the provisions of this section shall not apply to personnel exempt from the State Classification and Compensation Plan under item I of Section 8-11-260 of the 1976 Code.

The Governor, in making his appropriation recommendations to the Ways and Means Committee, must provide that the level of personal service appropriation recommended for each agency is at least ninety-seven percent of the funds required to meet one hundred percent of the funds needed for the full-time equivalents positions recommended by the Governor (exclusive of new positions). **Lump sum, higher education agencies are exempt from this proviso.**

Proviso Change Request Form

Agency
Medical University of South Carolina

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