

Act 286, Part 1B, Sec. 118.16, 2014

**118.16.** (SR: Non-recurring Revenue) (A) The source of revenue appropriated in subsection (B) is non-recurring revenue generated from the following sources:

- (1) \$68,370,147 from Fiscal Year 2012-13 Contingency Reserve Fund;
- (2) \$165,016,789 from Fiscal Year 2013-14 unobligated general fund revenue as certified by the Board of Economic Advisors; and
- (3) \$2,288,513 from Fiscal Year 2013-14 Capital Reserve Fund lapse.

This revenue is deemed to have occurred and is available for use in Fiscal Year 2014-15 after September 1, 2014, following the Comptroller General's close of the state's books on Fiscal Year 2013-14.

Any restrictions concerning specific utilization of these funds are lifted for the specified fiscal year. The above agency transfers shall occur no later than thirty days after the close of the books on Fiscal Year 2013-14 and shall be available for use in Fiscal Year 2014-15.

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(C) The funds provided in this act for the Higher Education Efficiency, Effectiveness and Accountability Review shall be utilized by a thirteen member steering committee to procure, execute, and oversee implementation of the South Carolina Higher Education Efficiency, Effectiveness and Accountability Review. The committee shall serve as the primary client for the vendor selected to complete the review. When selecting the vendor, the committee must follow the competitive bidding process as set forth in the State's Consolidated Procurement Code. Appointments to the committee shall include:

- (1) the Speaker of the House of Representatives or his designee;
- (2) the Chairman of the House Ways and Means Committee or his designee;
- (3) the Majority Leader of the House of Representatives or his designee;
- (4) The Minority Leader of the House of Representatives or his designee;
- (5) the President Pro Tempore of the Senate or his designee;
- (6) the Chairman of the Senate Finance Committee or his designee;
- (7) the Majority Leader of the Senate or his designee;
- (8) the Minority Leader of the Senate or his designee;
- (9) the Governor or her designee;
- (10) the Executive Director of the Commission on Higher Education; and
- (11) a college or university president, a college or university trustee and a college or university chief financial officer, each selected by a majority vote of the Commission on Higher Education.

The committee shall notify institutions of the amount of the funds to be transferred to the committee to complete the review, and institutions shall transfer the funds. However, the committee may not request an amount from an institution that exceeds the amount provided to it in this act for this purpose.

To the extent that there are direct costs associated with implementation of the vendors recommendations, funds not utilized by the committee for the review shall be used by institutions to implement the vendor's recommendations. Further, any funds transferred to the committee from institutions, but not utilized by the committee for the review, must be transferred back to the institutions and shall only be used by the institutions for implementing vendor recommendations.

The committee shall deliver the vendor's initial findings and recommendations to the Governor and the General Assembly by February 1, 2015. Each institution is strongly encouraged to implement the recommendations identified by the review. It is the intent of the General Assembly that any savings realized from these reviews shall be retained by each institution.

The Commission on Higher Education, on behalf of the committee, must survey each institution that is provided funds in this act for the Higher Education Efficiency, Effectiveness and Accountability Review to determine if the institution has already undergone, is currently undergoing, or has contracted to undergo an internal or external performance improvement audit, operating efficiency study, or similar

cost management review. The survey shall ascertain whether or not the review was internal or external, when the review was completed, when it will be completed (if ongoing), or when it anticipates it will begin (if already planned or contracted). The vendor name if an external review team or the composition of the review team, including their credentials, if internal, must be included, as must the scope of the review and its cost. For institutions where a review has been completed, it must report the findings, recommendations, or action items that were identified by the review team, if any, including estimated cost savings associated with the items. Further, a listing of findings, recommendations or action items of the review team that have already been implemented by the institution, including cost savings or efficiencies that have been realized as a result, must be documented. Findings or recommendations made by the review team, but not yet implemented by the institution, if any, must be explained by the institution. Survey results must be provided by the Commission on Higher Education to the committee no later than August 1, 2014. After public discussion of the survey responses, the committee shall select the institutions for the review. The existence of any such review, either completed or ongoing, does not guarantee an exemption for an institution from this review. Exemptions, if any, either for an entire institution or component thereof can only be granted by the committee.