COMMITTEE AMENDMENT AMENDED AND ADOPTED

February 27, 2014

**S. 266**

Introduced by Senators Gregory, Hayes, Davis, Sheheen, Lourie, Hembree and Fair

S. Printed 2/27/14--S.

Read the first time January 23, 2013.

**A** **JOINT RESOLUTION**

TO PROVIDE THAT UNTIL JUNE 30, 2016, THE COMMISSION ON HIGHER EDUCATION AND THE PRESIDENTS OF PUBLIC COLLEGES AND UNIVERSITIES SHALL SUPPORT THE EFFORTS OF THE GENERAL ASSEMBLY TO ESTABLISH ACCOUNTABILITY‑BASED FUNDING FOR PUBLIC COLLEGES AND UNIVERSITIES.

Amend Title To Conform

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. The General Assembly finds that:

(1) In recognition of the cultural, educational, and economic value of the public colleges and universities of this State, the General Assembly makes significant annual investments in these institutions.

(2) The people of South Carolina are supportive of these investments, provided that these institutions demonstrate that this commitment is resulting in tangible benefits for the State.

(3) Public colleges and universities may best demonstrate their responsible stewardship of these funds through their performance, as measured against objective benchmarks.

(4) Previous methods of allocating funds among public college and universities have proven inadequate, particularly the Mission Resource Requirements (MRR) funding model.

(5) A new method of allocating funds is required to ensure that public colleges and universities receive financial support from the State based upon the quality and effectiveness of the services they provide to South Carolina’s students, and that while aspects of the existing funding mechanism may merit further retention in a new model, the Mission Resource Requirements Funding Model may not be retained or used in whole or in part.

(6) If public colleges and universities are to receive state appropriations based upon their performance, then institutions that demonstrate responsible fiscal stewardship and effective management should be granted greater autonomy to conduct their affairs.

SECTION 2. The General Assembly intends to evaluate its method of annual appropriations to senior public colleges and universities and directs the Commission on Higher Education, in collaboration with the presidents of these institutions, to make recommendations to the General Assembly on a funding method that contains the following major features:

(1) organization of the senior public colleges and universities of this State and the selection of peer institutions and benchmarks for performance, based upon the Carnegie Classification of Institutions of Higher Education;

(2) evaluation criteria organized into categories that include, but are not limited to:

(a) completion;

(b) affordability and access;

(c) educational quality;

(d) economic development and institutional mission; and

(e) other categories as may be necessary;

(3) a five year transition to a new funding model that may preserve certain elements of the existing process in a streamlined and improved form; and

(4) a financial and regulatory incentive structure that promotes the objectives identified in this joint resolution by rewarding institutions for achieving their missions and state goals.

SECTION 3. Colleges under the jurisdiction of the State Board for Technical and Comprehensive Education as provided for in Section 59‑53‑20 are exempt from the provisions of this resolution.

SECTION 4. This joint resolution takes effect upon approval by the Governor and expires on June 30, 2016.

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