

Agency Name:	Commission On Higher Education		
Agency Code:	H030	Section:	11



Fiscal Year FY 2024-2025

Agency Budget Plan

FORM A - BUDGET PLAN SUMMARY

OPERATING REQUESTS <i>(FORM B1)</i>	For FY 2024-2025, my agency is (mark "X"):	
	<input checked="" type="checkbox"/>	Requesting General Fund Appropriations.
	<input type="checkbox"/>	Requesting Federal/Other Authorization.
	<input type="checkbox"/>	Not requesting any changes.

NON-RECURRING REQUESTS <i>(FORM B2)</i>	For FY 2024-2025, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting Non-Recurring Appropriations.
	<input type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization.
	<input checked="" type="checkbox"/>	Not requesting any changes.


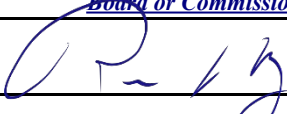
CAPITAL REQUESTS <i>(FORM C)</i>	For FY 2024-2025, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting funding for Capital Projects.
	<input checked="" type="checkbox"/>	Not requesting any changes.
	<input type="checkbox"/>	

PROVISOS <i>(FORM D)</i>	For FY 2024-2025, my agency is (mark "X"):	
	<input checked="" type="checkbox"/>	Requesting a new proviso and/or substantive changes to existing provisos.
	<input type="checkbox"/>	Only requesting technical proviso changes (such as date references).
	<input type="checkbox"/>	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:	Georges Tippens	(803) 856-0315	gtippens@che.sc.gov
SECONDARY CONTACT:	Yarley Steedly	(803) 869-0613	ystedly@che.sc.gov

I have reviewed and approved the enclosed FY 2024-2025 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

SIGN/DATE: TYPE/PRINT NAME:	<u>Agency Director</u>	<u>Board or Commission Chair</u>
	 21 September 2023	 September 21, 2023

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

Agency Name:	Commission On Higher Education
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BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B1 - Recurring	Statewide Electronic Library - PASCAL	1,500,000	0	0	0	1,500,000	0.00	0.00	0.00	0.00	0.00
TOTALS			1,500,000	0	0	0	1,500,000	0.00	0.00	0.00	0.00	0.00

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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	1
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Statewide Electronic Library - PASCAL
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Provide a brief, descriptive title for this request.

AMOUNT	<p>General: \$1,500,000</p> <p>Federal: \$0</p> <p>Other: \$0</p> <p>Total: \$1,500,000</p>
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What is the net change in requested appropriations for FY 2024-2025? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	0.00
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input 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 checked="" 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>CHE serves as the fiscal agent for PASCAL through a Memorandum of Understanding that is executed each fiscal year. This request is forwarded at the request of PASCAL.</p> <p>This request supports objective 2.1.1.</p>
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What specific strategy, as outlined in the most recent 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	<p>The state's nearly 240,000 higher education students, as well as faculty and staff at 56 public and independent institutions of higher education benefit from the use of these funds for the joint subscription to educational content in electronic formats and</p>
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procurement and support of library technology.

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

Program Value

Since 2004, PASCAL’s statewide electronic library core programs have generated nearly \$180 million in cost-avoidance. These savings have been generated primarily through savings on academic content via centrally licensed electronic journal and e-book package subscriptions that provide access to over 17,000 journals and 300,000 academic e-books, providing rapid delivery to the state’s inventory of 12 million print books housed in academic libraries around the state. As students and faculty continue to shift use from print to electronic books, shared technology provides opportunities to improve student outcomes and generate efficiencies. In addition, the software infrastructure needed to manage licensed collections of electronic resources continues to benefit the state’s academic libraries by providing collaborative effects and related efficiencies.

For students attending one of the 50 schools whose library budgets constitute less than 40% of total academic library expenditures, PASCAL resources constitute most—if not nearly all—of the academic resources available to them for the course of study. Library services support affordability of higher education and student retention and provides universal access via a statewide, enterprise-level approach to academic library services.

Recurring Funding Need

Recurring funds are needed to maintain the level of access and significant cost-avoidance for electronic journals, databases, and e-books that have been achieved. For the most part, electronic content is licensed annually or on a multi-year basis by libraries. Particularly for smaller public and independent colleges, consortium expansion of subscription-based services using one-time funding creates the potential for instability in the information base available to support pedagogy and research from year to year. Historically, the standing request for PASCAL funding in the Commission’s budget submission to the Governor and General Assembly has been \$1.5 million. The basis for the \$1.5 million request has been that it is balanced to support ongoing expenditures for library content (e-journals and e-books) and to support a portion of ongoing infrastructure costs necessary to support sharing collections (access via rapid-delivery and collection management programs).

Impact

Prior year one-time Lottery funds have been transformative in building a first-rate library infrastructure for higher education in South Carolina. These gains should be consolidated and protected. Replacement of one-time funding with recurring funds for core subscriptions and infrastructure would stabilize content and delivery of library services for the 80% of the state’s student population at smaller institutions. It would also facilitate collection planning. Enhanced capability to plan would maximize the use of both state and institutional funds to make academic resources available to students. Recurring funding at the level historically requested by PASCAL through CHE would accomplish this by 1) ensuring access to core content for the 240,000 students at all institutions; 2) maintaining universal access to print content through shared management and delivery; 3) enabling libraries to extend efforts to support affordable learning initiatives aimed at reducing the costs of educational content, including textbooks. Recurring funds for core resources would also generate greater cost-avoidance efficiencies by facilitating improved leverage in license negotiation with publishers. This will facilitate maximal use of institutional funds as a match for the further expansion of affordable resources for students.

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 D – PROVISIO REVISION REQUEST

NUMBER	11.7
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Cite the proviso according to the renumbered list (or mark "NEW").

TITLE	Troop-to-Teachers
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Provide the title from the renumbered list or suggest a short title for any new request.

BUDGET PROGRAM	N/A - Program predates SCEIS
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Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST	No
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Is this request associated with a budget request you have submitted for FY 2024-2025? If so, cite it here.

REQUESTED ACTION	Delete
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Choose from: Add, Delete, Amend, or Codify.

OTHER AGENCIES AFFECTED	The Department of Education was a state-level partner for the Troop-to-Teachers program.
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Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION	<p>Troop-to-Teachers is a federal program run by Department of Defense in conjunction with state level partners. In South Carolina, the partnership involved Department of Education and the last time CHE received authority for the program was in FY 2002-03. The program is no longer funded at the federal level and is scheduled to sunset in 2025.</p> <p>Department of Defense is no longer offering additional grant application to states in support of the program.</p>
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Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

FISCAL IMPACT

None.

Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

**PROPOSED
PROVISO TEXT**

~~(CHE: Troop to Teachers) Members of the Armed Forces either active duty, retired, or separated who are admitted to and enrolled in the South Carolina Troop to Teachers Alternative Route to Certification program are entitled to pay in-state rates at participating state institutions for requisite program work.~~

Paste existing text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

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FORM D – PROVISO REVISION REQUEST

NUMBER	11.8
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Cite the proviso according to the renumbered list (or mark "NEW").

TITLE	Need-Based Grants for Foster Youth
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Provide the title from the renumbered list or suggest a short title for any new request.

BUDGET PROGRAM	9600.180000X000, 9802.100000X000
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Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST	N/A
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Is this request associated with a budget request you have submitted for FY 2024-2025? If so, cite it here.

REQUESTED ACTION	Amend
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Choose from: Add, Delete, Amend, or Codify.

OTHER AGENCIES AFFECTED	None.
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Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION	<p>The SC Need-Based grant maximum award amount increased for all eligible students from \$2,500 to \$3,500 via regulation in 2022. Amending the proviso language ensures that Foster Youth will receive the maximum need-based grant while also maintaining the additional \$2,000 available to them.</p>
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Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

FISCAL IMPACT

None.

Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

**PROPOSED
PROVISO TEXT**

11.8. (CHE: Need-Based Grants for Foster Youth) For the current academic year, youth in the custody of the Department of Social Services and attending a higher education institution in South Carolina are eligible for additional need-based grants funding of up to \$2,000 above the ~~\$2,500~~-maximum. Foster youth must apply for these funds no later than May first, of the preceding year. All other grants, both state and federal, for which these foster youth are eligible must be applied first to the cost of attendance prior to using the additional need-based grant funding. If the cost of attendance for a foster youth is met with other grants and scholarships, then no additional need-based grant may be used. The Department of Social Services, in cooperation with the Commission on Higher Education will track the numbers of recipients of this additional need-based grant to determine its effectiveness in encouraging more foster youth to pursue a secondary education. No more than \$100,000 may be expended from currently appropriated need-based grants funding for this additional assistance.

Paste existing text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

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FORM D – PROVISO REVISION REQUEST

NUMBER	117.157
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Cite the proviso according to the renumbered list (or mark "NEW").

TITLE	In-State Tuition Payment
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Provide the title from the renumbered list or suggest a short title for any new request.

BUDGET PROGRAM	N/A
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Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST	N/A
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Is this request associated with a budget request you have submitted for FY 2024-2025? If so, cite it here.

REQUESTED ACTION	Codify
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Choose from: Add, Delete, Amend, or Codify.

OTHER AGENCIES AFFECTED	Public Institutions of Higher Learning
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Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION	<p>Public Law 117-68 added Chapter 35 beneficiaries as covered individuals to 38 USC 3679(c). If institutions were to charge out-of-state tuition rates to Chapter 35 beneficiaries, then the State Approving Agency would not be able to approve their programs. The result is veterans would not be able to use their GI Bill benefits at institutions of higher learning. Codification recommendation aligns proviso 117.141 with federal law and brings South Carolina into compliance.</p>
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Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

FISCAL IMPACT

N/A

Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

**PROPOSED
PROVISO TEXT**

N/A

Paste existing text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

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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	\$1,236,604
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What is the General Fund 3% reduction amount? This amount should correspond to the reduction spreadsheet prepared by EBO.

ASSOCIATED FTE REDUCTIONS	Approximately 3 - 4 FTEs
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How many FTEs would be reduced in association with this General Fund reduction?

PROGRAM / ACTIVITY IMPACT	<p>All programs of the agency, with the exception of federal programs and our licensing work, would be affected by a three-percent reduction of General Funds. This would include offices of the President and Executive Director, Internal Operations and Administration, Academic Affairs, Student Services, Fiscal Affairs, Data-Management & IT, and Strategic Initiatives and Engagement.</p> <p>The CHE would apply the three-percent reduction across the board, which would affect passthrough funds to other entities and stakeholders, including the \$24 million in the agency's budget that provides need-based grants and Palmetto Fellows scholarships to South Carolina students, and funds for the agency's operations. In anticipation of possible budget reductions, CHE has reduced its recurring operational costs, including reducing physical space, and reworking technology business costs, including phone and printer services. The agency also has also reworked position descriptions upon employee turnover to optimize its work.</p>
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What programs or activities are supported by the General Funds identified?

SUMMARY	<p>The General Funds reduction applied to agency operations would primarily affect personnel costs and directly reduce the number of staff available to carry out the mission of the CHE as outlined in the agency's Accountability Report. The offices of President and Executive Director, Internal Operations and Administration, Academic Affairs, Student Services, Fiscal Affairs, Data-Management & IT, and Strategic Initiatives and Engagement would all be impacted by the reduction of approximately three to four FTEs. To accommodate this reduction, the agency would not fill vacant positions due to retirement or other employee turnover.</p>
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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

The agency has and continues to look at cost saving measures. Three years ago, the agency divested approximately 50 percent of its leased space by moving to a hybrid telework model. This produced approximately \$72,000 in annual savings. The agency has sought a lease for additional space, but that is due to the filling vacant FTEs and receiving authorization for an additional 8 FTEs. The agency is currently migrating its database from an antiquated system to a new, more widely adopted system. This will result in annual cost savings greater than \$50,000 as the agency will no longer need to contract with specialized consultants familiar with the current database's architecture. The agency is also procuring new IT systems to make employee work more efficient and effective. This will allow staff to focus on other important work to fulfill the agency's statutory mission and reduce the need to hire additional staff in addition to providing efficiencies for students, families, and the agency's institutional partners.

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?

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FORM F – REDUCING COST AND BURDEN TO BUSINESSES AND CITIZENS

TITLE	Updated Data System, Online Portals, and Revamped Regulations
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Provide a brief, descriptive title for this request.

EXPECTED SAVINGS TO BUSINESSES AND CITIZENS	> \$100,000 on a recurring basis
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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 style="text-align: center;">X</td> <td>Repeal or revision of regulations.</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td>Reduction of agency fees or fines to businesses or citizens.</td> </tr> <tr> <td style="text-align: center;">X</td> <td>Greater efficiency in agency services or reduction in compliance burden.</td> </tr> <tr> <td style="text-align: center;">X</td> <td>Other</td> </tr> </table>	X	Repeal or revision of regulations.	<input type="checkbox"/>	Reduction of agency fees or fines to businesses or citizens.	X	Greater efficiency in agency services or reduction in compliance burden.	X	Other
X	Repeal or revision of regulations.								
<input type="checkbox"/>	Reduction of agency fees or fines to businesses or citizens.								
X	Greater efficiency in agency services or reduction in compliance burden.								
X	Other								

METHOD OF CALCULATION	Annual salary and benefits for one FTE and time savings for businesses, the public, and other public officials.
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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	Not applicable.
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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?

REDUCTION OF REGULATION	Licensing Regulations: 62-1 et seq.
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Which regulations does the agency intend to amend or delete? What is the enabling authority for the regulation?

SUMMARY	<p>The agency is undertaking multiple initiatives to reduce the burden on the public, businesses, and other governmental officials. This includes upgrading its data management system, which will provide dashboards of higher education data for public and governmental consumption without the need to perform intensive queries, thereby saving internal staff time and delivering results more seamlessly. Providing online portals for constituents, which allows for submitting online applications and requesting services, such as transcripts, electronically. The agency is also in the process of amending its licensing regulations to streamline them and make them more effective and informative for the public and institutions the agency licenses.</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?