

Agency Certification and Transmittal Sheet

Code:

H06

Name:

Higher Education Tuition

Mission Statement:

- 1) To administer a state-funded tuition grants program for the State of South Carolina to assist eligible state residents with demonstrated financial need to attend certain qualified in-state independent colleges on a full-time enrollment basis; and,
- 2) To gain maximum usage from the available independent college facilities located throughout the state; and,
- 3) To assist in the education of our state citizenry by helping to offset the cost of attending a South Carolina independent college, just as the State does for our state residents attending in-state, public colleges; and,
- 4) To help in the preservation of our dual system of public and private higher education, which promotes healthy competition between the two sectors; and,
- 5) To save the State millions of tax dollars each year by attracting students into the independent college sector, thereby saving the automatic per student state subsidy that goes to all SC public college students regardless of financial need; and,
- 6) To give South Carolina residents a choice of attending a SC independent college, and to allow students to make their college-choice decisions based on their academic needs and not solely on the cost of the college.

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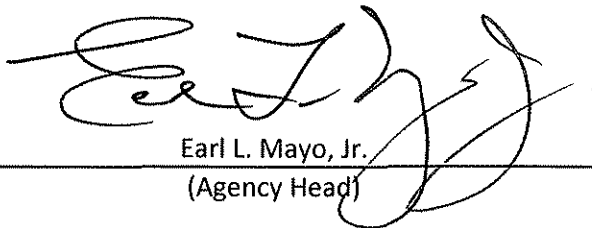
SEP 30 2011

Comptroller & Control Board
OFFICE OF STATE BUDGET

To the Office of State Budget

This, and accompanying statements, schedules, and explanatory sheets consisting of 17 pages constitute the operating budget estimates of this agency for all proposed expenditures for the 2012-2013 fiscal year.

All statements and explanations contained in the estimates submitted herewith are true and correct to the best of my knowledge.



Signed:

Earl L. Mayo, Jr.
(Agency Head)

Date:

28-Sep-11

FISCAL YEAR 2012-13 BUDGET PLAN

I. EXECUTIVE SUMMARY

A. **Agency Section/Code/Name:**

Section 7/H06/Higher Education Tuition Grants Commission

B. **Summary Description of Strategic or Long-Term Goals:**

To provide a tuition grant of sufficient amount to fully equalize the tuition difference between attending a South Carolina independent college and attending a South Carolina public college.

C. **2011-2012 Agency Recurring Base Appropriation:**

State	\$21,995,826
Federal	\$834,045
Other	\$4,501,615

D. **Number of Budget Categories:**

3

E. **Agency-wide Vacant FTEs**

Vacant FTEs as of July 31, 2011: 1

% Vacant 20%

F. **Efficiency Measures:**

- 1) Number of SC students receiving SC Tuition Grant assistance, thereby attending SC independent colleges and saving the automatic per student state subsidy they would have received had they attended SC public colleges; and,
- 2) Percentage of the public college-independent college "tuition gap" covered by the maximum SC Tuition Grant; and,
- 3) Percentage of independent college tuition covered by the SC Tuition Grant.

G. **Number of Provisos:**

1

IIA. OPERATING BUDGET PROGRAMS

Agency Section/Code/Name: Section 7/H06/Higher Education Tuition Grants Commission

SUMMARY OF OPERATING BUDGET PROGRAMS FOR FY 2012-13

OPERATING BUDGET PROGRAMS			FUNDING					FTEs			
Title	Activity Name	Activity No.	Non-Recurring State	Recurring State	Federal	Other	Total	State	Federal	Other	Total
Tuition Grants	Tuition Grants	316	7,766,604	25,288,001	0	3,948,115	37,002,720	5.00	0.00	0.00	5.00
Tuition Grants	South Carolina Student Legislature	317	0	0	0	0	0	0.00	0.00	0.00	0.00
Tuition Grants	Administration	318	0	260,896	0	0	260,896				0.00
							0				0.00
							0				0.00
							0				0.00
For additional rows, place cursor in this gray box and press "Ctrl" + "b". (You need to start in this gray box for each row needed or the formulas will not copy properly.)											
TOTAL OF ALL OPERATING BUDGET PROGRAMS			7,766,604	25,548,897	0	3,948,115	37,263,616	5.00	0.00	0.00	5.00

IIB. CAPITAL BUDGET/NON-RECURRING REQUESTS FOR FY 2012-13
Agency Section/Code/Name: Section 7/H06/Higher Education Tuition Grants Commission

SUMMARY OF CAPITAL BUDGET/NON-RECURRING REQUESTS FOR FY 2012-13

CAPITAL BUDGET/NON-RECURRING REQUESTS				Additional State Funds	Previously Authorized State Funds	Total Other Fund Sources	Project Total
Project No.*	Project Name	Activity Name	Activity No.				
N/A	None	None					0
							0
							0
							0
							0
For additional rows, place cursor in this gray box and press "Ctrl" + "c". (You need to start in this gray box for each row needed or the formulas will not copy properly.)							
TOTAL OF ALL CAPITAL BUDGET/NON-RECURRING REQUESTS				0	0	0	0

*if applicable

A. Summary description of programs and how they relate to the mission of the agency:

The "Administration" category provides personal services and operating expenses for the agency to administer the South Carolina Tuition Grants Program.

B. Budget Program Number and Name:

- I. Administration
 - Personal Service
 - Other Operating Expenses
 - Special Items: South Carolina Student Legislature

C. Agency Activity Number and Name:

Note: If more than one activity maps to this program; provide all activity numbers, names, and approximate funding amounts.

Activity Number	Activity Name	State Non-Recurring	State Recurring	Federal	Other	Total
318	Administration	0	194,002	0	0	194,002
317	South Carolina Student Legislature	0	0	0	0	0

D. Performance Measures:

N/A

E. Program Interaction:

N/A

F. Change Management:

No changes

G. Detailed Funding Information:

FY 2012-13 Cost Estimates:	State Non-Recurring	State Recurring	Federal	Other	Total
Number of FTEs*		5.00	0.00	0.00	5.00
Personal Service	\$0	\$181,886	\$0	\$0	\$181,886
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0
Program/Case Services	\$0	\$0	\$0	\$0	\$ 0
Pass-Through Funds	\$0	\$0	\$0	\$0	\$ 0
Other Operating Expenses	\$0	\$12,116	\$0	\$0	\$12,116
Total	\$ 0	\$194,002	\$ 0	\$ 0	\$194,002
* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.					

Is this budget category or program associated with a Capital Budget Priority? NO

If yes, state Capital Budget Priority Number and Project Name:.

Please List proviso numbers that relate to this budget category or programs funded by this category. N/A

H. Changes to the Appropriation:

Please explain any changes, to include re-alignments and funding or FTE increases requested in this year’s appropriation, as detailed below:

Funding:

Year	State Non-Recurring	State Recurring	Federal	Other (Earmarked or Restricted)
2011-2012 Act		\$193,319		
2012-2013 Act		\$194,002		
Difference		\$683		
% Difference		0.35%		

Explanation of Changes:

One agency position needed to be reclassified increasing the individual’s salary by \$683.

I. Revenue Estimates:

Please detail Sources of revenue for this program, identified by SAP fund number if a live SCEIS agency or the STARS number if a STARS agency. If several sources remit to a single subfund that cannot be split by source and appropriation or program, provide an estimate of the revenue dedicated to this program.

SAP Fund Number	Source Name	General Fund	Other State	Earmarked	Restricted	Federal
N/A						

If expenditures for this program are greater than known or estimated revenues and the intent is to bridge part of this shortfall by drawing down balances in agency accounts or reserves, indicate the accounts and amount of the current reserve or balance that will likely be used below.

Please detail the long-term sustainability of this program if cash reserves are needed to operate.

If there is federal fund or other fund spending authority requested above the revenue streams detailed above, please indicate the amount and explanation for each.

J. FTE Positions:

Please detail the number of FTE’s filled (F) by the program as of June 30 of each fiscal year, and the number authorized (A) by the Appropriations Act.

Fiscal Year	State	Other-Earmarked or Restricted	Federal	Total	Temporary, Temporary Grant, Time –limited
2012-2013 (A)	5.0	0	0	5.0	0
2011-2012 (A)	5.0	0	0	5.0	0
2010-2011 (F)	4.0	0	0	4.0	0
2010-2011 (A)	5.0	0	0	5.0	0
2009-2010 (F)	4.0	0	0	4.0	0
2009-2010 (A)	5.0	0	0	5.0	0
2008-2009 (F)	4.0	0	0	4.0	0
2008-2009 (A)	5.0	0	0	5.0	0
2007-2008 (F)	4.0	0	0	4.0	0
2007-2008 (A)	5.0	0	0	5.0	0

K. Detailed Justification for FTEs:

(1) Justification for New FTEs

(a) Justification:

(b) Future Impact on Operating Expenses or Facility Requirements:

(2) **Position Details:**

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

A. Summary description of programs and how they relate to the mission of the agency:

The “Tuition Grants” category provides the actual funds that the Commission provides to eligible South Carolinians to pay their tuition costs and is the core program of the agency.

B. Budget Program Number and Name:

- II. Tuition Grants
- Other Operating Expenses

C. Agency Activity Number and Name:

Note: If more than one activity maps to this program; provide all activity numbers, names, and approximate funding amounts.

Activity Number	Activity Name	State Non-Recurring	State Recurring	Federal	Other	Total
316	Administration	7,766,604	25,288,201	0	3,948,115	37,002,720
		0	0	0	0	0

D. Performance Measures:

Number of Grants Awarded:

- 2011-2012 – In process
- 2010-2011 – 14,451
- 2009-2010 – 14,200
- 2008-2009 – 12,801

Average Grant:

- 2011-2012 – In process
- 2010-2011 - \$2,356
- 2009-2010 - \$2,448
- 2008-2009 - \$3,006

Maximum Grant:

- 2011-2012 - \$2,600
- 2010-2011 - \$2,700
- 2009-2010 - \$2,800
- 2008-2009 - \$3,200

E. Program Interaction:

100% of agency staffing supports this Program. Shared resources includes the State Need-Based Grants Program which provides a portion of funding to Tuition Grants based on the number of full-time independent students as a percentage of all full-time students at all eligible colleges. Another shared resource is the funding from Lottery proceeds provided for student grants.

F. Change Management:

Mission and focus have not changed in the last five years. However, the number of eligible students has increased, while funding has not, which has cut into the program’s ability to assist students.

G. Detailed Funding Information:

FY 2012-13 Cost Estimates:	State Non-Recurring	State Recurring	Federal	Other	Total
Number of FTEs*		5.00	0.00	0.00	5.00
Personal Service	\$0	\$0	\$0	\$0	\$0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0
Program/Case Services	\$7,766,604	\$25,288,001	\$0	\$3,948,115	\$37,002,720
Pass-Through Funds	\$0	\$0	\$0	\$0	\$ 0
Other Operating Expenses	\$0	\$0	\$0	\$0	\$0
Total	\$7,766,604	\$25,288,001	\$ 0	\$3,948,115	\$37,002,720

* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.

Is this budget category or program associated with a Capital Budget Priority? NO
 If yes, state Capital Budget Priority Number and Project Name:.

Please List proviso numbers that relate to this budget category or programs funded by this category. N/A

H. Changes to the Appropriation:

Please explain any changes, to include re-alignments and funding or FTE increases requested in this year’s appropriation, as detailed below:

Funding:

Year	State Non-Recurring	State Recurring	Federal	Other (Earmarked or Restricted)
2011-2012 Act	\$7,766,604	\$21,736,438	\$834,045	\$4,501,605
2012-2013 Act	\$7,766,604	\$25,288,001	\$0	\$3,948,115
Difference	\$0	\$3,551,563	(\$834,045)	(\$553,490)
% Difference	0%	16%	-100%	-12%

Explanation of Changes:

The change in the “State Recurring” category is an agency request for an increase of \$3,551,563 in appropriations to provide an increase in the maximum grant of 0.9% (\$30 per student) to reflect the increase in the Higher Education Price Index (HEPI) for Fall 2010 combined with projected increases of 5% per year in eligible students.

The change in the “Federal” category reflects the loss beginning in FY2011-2012 (although still showing in the Appropriations Act) of all Federal funds under the Federal LEAP and SLEAP Programs as enacted by Congress in April 2011. There is no expectation that these Federal Programs will ever be funded again.

The changes in the “Other” category reflect reduced funding in the State Need-Based Grants Program and the private colleges’ share of those funds. Again the Appropriations Act for 2011-2012 reflects an amount of \$553,490 in excess of what the Tuition Grants Program actually received in 2011-2012.

I. Revenue Estimates:

Please detail Sources of revenue for this program, identified by SAP fund number if a live SCEIS agency or the STARS number if a STARS agency. If several sources remit to a single subfund that cannot be split by source and appropriation or program, provide an estimate of the revenue dedicated to this program.

SAP Fund Number	Source Name	General Fund	Other State	Earmarked	Restricted	Federal
N/A						

If expenditures for this program are greater than known or estimated revenues and the intent is to bridge part of this shortfall by drawing down balances in agency accounts or reserves, indicate the accounts and amount of the current reserve or balance that will likely be used below.

Please detail the long-term sustainability of this program if cash reserves are needed to operate.

If there is federal fund or other fund spending authority requested above the revenue streams detailed above, please indicate the amount and explanation for each.

J. FTE Positions:

Please detail the number of FTE's filled (F) by the program as of June 30 of each fiscal year, and the number authorized (A) by the Appropriations Act.

Fiscal Year	State	Other-Earmarked or Restricted	Federal	Total	Temporary, Temporary Grant, Time -limited
2012-2013 (A)	5.0	0	0	5.0	0
2011-2012 (A)	5.0	0	0	5.0	0
2010-2011 (F)	4.0	0	0	4.0	0
2010-2011 (A)	5.0	0	0	5.0	0
2009-2010 (F)	4.0	0	0	4.0	0
2009-2010 (A)	5.0	0	0	5.0	0
2008-2009 (F)	4.0	0	0	4.0	0
2008-2009 (A)	5.0	0	0	5.0	0
2007-2008 (F)	4.0	0	0	4.0	0
2007-2008 (A)	5.0	0	0	5.0	0

K. Detailed Justification for FTEs:

(1) Justification for New FTEs

(a) Justification:

(b) Future Impact on Operating Expenses or Facility Requirements:

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

A. Summary description of programs and how they relate to the mission of the agency:

The "Employee Benefits" category provides employee benefits to agency personnel.

B. Budget Program Number and Name:

III. Employee Benefits
Employer Contributions

C. Agency Activity Number and Name:

Note: If more than one activity maps to this program; provide all activity numbers, names, and approximate funding amounts.

Activity Number	Activity Name	State Non-Recurring	State Recurring	Federal	Other	Total
318	Administration	0	66,894	0	0	66,894
		0	0	0	0	0

D. Performance Measures:

N/A

E. Program Interaction:

N/A

F. Change Management:

N/A

G. Detailed Funding Information:

FY 2012-13 Cost Estimates:	State Non-Recurring	State Recurring	Federal	Other	Total
Number of FTEs*		5.00	0.00	0.00	5.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$66,894	\$0	\$0	\$66,894
Program/Case Services	\$0	\$0	\$0	\$0	\$ 0
Pass-Through Funds	\$0	\$0	\$0	\$0	\$ 0
Other Operating Expenses	\$0	\$0	\$0	\$0	\$ 0
Total	\$ 0	\$66,894	\$ 0	\$ 0	\$66,894

* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.

Is this budget category or program associated with a Capital Budget Priority? NO
If yes, state Capital Budget Priority Number and Project Name:.

Please List proviso numbers that relate to this budget category or programs funded by this category.

H. Changes to the Appropriation:

Please explain any changes, to include re-alignments and funding or FTE increases requested in this year’s appropriation, as detailed below:

Funding:

Year	State Non-Recurring	State Recurring	Federal	Other (Earmarked or Restricted)
2011-2012 Act		\$66,069		
2012-2013 Act		\$66,894		
Difference		\$825		
% Difference		1.2%		

Explanation of Changes:

FY2012-2013 increases in agency costs for each employee for health and retirement exceed existing appropriation.

I. Revenue Estimates:

Please detail Sources of revenue for this program, identified by SAP fund number if a live SCEIS agency or the STARS number if a STARS agency. If several sources remit to a single subfund that cannot be split by source and appropriation or program, provide an estimate of the revenue dedicated to this program.

SAP Fund Number	Source Name	General Fund	Other State	Earmarked	Restricted	Federal
N/A						

If expenditures for this program are greater than known or estimated revenues and the intent is to bridge part of this shortfall by drawing down balances in agency accounts or reserves, indicate the accounts and amount of the current reserve or balance that will likely be used below.

Please detail the long-term sustainability of this program if cash reserves are needed to operate.

If there is federal fund or other fund spending authority requested above the revenue streams detailed above, please indicate the amount and explanation for each.

J. FTE Positions:

Please detail the number of FTE’s filled (F) by the program as of June 30 of each fiscal year, and the number authorized (A) by the Appropriations Act.

Fiscal Year	State	Other-Earmarked or Restricted	Federal	Total	Temporary, Temporary Grant, Time -limited
2012-2013 (A)	5.0	0	0	5.0	0
2011-2012 (A)	5.0	0	0	5.0	0
2010-2011 (F)	4.0	0	0	4.0	0
2010-2011 (A)	5.0	0	0	5.0	0
2009-2010 (F)	4.0	0	0	4.0	0
2009-2010 (A)	5.0	0	0	5.0	0
2008-2009 (F)	4.0	0	0	4.0	0
2008-2009 (A)	5.0	0	0	5.0	0
2007-2008 (F)	4.0	0	0	4.0	0
2007-2008 (A)	5.0	0	0	5.0	0

K. Detailed Justification for FTEs:

(1) Justification for New FTEs

(a) Justification:

(b) Future Impact on Operating Expenses or Facility Requirements:

(2) **Position Details:**

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
Number of FTEs	0.00	0.00	0.00	0.00	0.00
Personal Service	\$0	\$0	\$0	\$0	\$ 0
Employer Contributions	\$0	\$0	\$0	\$0	\$ 0

A. Proviso Number

Using the renumbered 2012-13 proviso base provided on the OSB website indicate the proviso number (*If new indicate "New #1", "New #2", etc.*):

H66 – Lottery Expenditure Account; Section 2.3

B. Appropriation

Related budget category, program, or non-recurring request (*Leave blank if not associated with funding priority*):

Tuition Grants

C. Agency Interest

Is this proviso agency-specific, a general proviso that affects the agency, or a proviso from another agency's section that has had consequences?

A general proviso that affects the agency.

D. Action

(Indicate Keep, Amend, Delete, or Add):

Keep

E. Title

Descriptive Proviso Title:

H66 – Lottery Expenditure Account

F. Summary

Summary of Existing or New Proviso:

Proviso provides primarily funding for students for Tuition Grants and provides a small allowance for administrative expenses.

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

(If request to delete proviso is due to codification, note the section of the Code of Laws where the language has been codified):

No change.

H. Explanation of how this proviso directs the expenditure or appropriation of funds, and why this direction is necessary

Provides funding to students to pay their tuition and a small amount for administration of the program.

I. Justification

Refer to the instructions for the correct question to answer in this space, based on the action you selected

This proviso is recurring and cannot be codified due to the nature of the state educational lottery.

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

Renewed funding at \$7,766,604 has no fiscal additional impact.

K. Text of New Proviso with Underline or Entire Existing Proviso Text with Strikeover and Underline

N/A

(INSERT PROVISO FROM FY 2012-13 RENUMBERED PROVISO BASE HERE)

Federal Aid Justification

0

Summary

Award Title	<input type="text" value="None"/>				
CFDA Number/Title	<input type="text"/>	→	If "Other", identify:	<input type="text"/>	
Award Number (Federal)	<input type="text"/>	Start Date	<input type="text"/>	Federal Agency	<input type="text"/>
Award Number (State)	<input type="text"/>	End Date	<input type="text"/>	Federal Subagency	<input type="text"/>
Award Period	<input type="text"/>	→			If "Other", explain: <input type="text"/>

Financial

Total Award Amount	<input type="text" value="\$ -"/>	Amount Available in FY 2012-13	<input type="text" value="\$ -"/>
State Match Required?	<input type="text"/>	If "Yes", describe, and provide SAP Fund Number(s) of funding sources	<input type="text"/>
Local Match Required?	<input type="text"/>	If "Yes", describe	<input type="text"/>
Assistance Type	<input type="text"/>	If "Other", explain	<input type="text"/>
Is administrative and/or indirect cost recovery permitted? If so, explain:	<input type="text"/>		
Will funds be passed-through to other entities? If so, what types of entities, and how will funds be distributed?	<input type="text" value="Answer and elaboration here."/>		

Federal Aid Justification

0

Questions

How is the use of these funds essential to your agency's mission?

Text.

What budgetary, compliance, and programmatic obligations will the state incur (now or in the future) through the receipt of these funds?

Text.

What outcome and/or performance measures will you track and/or report on in association with this award?

Text.

What is the name and title of the individual in your agency who is responsible for the success of this program?

Text.