



# **The South Carolina Technical College System**

## **System Update and Initiatives**

January 7, 2010

## Our Mission

The mission of the South Carolina Technical College System is to provide learning opportunities that promote the economic and workforce development of the state.

	2000	Currently After 9.04%
 <b>FTE Enrollment:</b>	39,036	64,065
 <b>Average Tuition and Fees:</b>	\$1,290	\$3,456
 <b>State Appropriations:</b>	\$171,310,188	\$108,925,854
 <b>State Appropriations per FTE:</b>	\$4,389	\$1,700

# Funding Resources for System - 2009

- 20% State Appropriations – Fund Salaries/Benefits
- 9% Local Funds – Fund Facilities and Ground
- 33% Tuition and Fees/Auxiliary and Other  
Miscellaneous Sources – Fund Operations,  
Salaries/Benefits, Facilities and Grounds
- 35% Federal Student Aid and Scholarships
- 3% Federal and State Grants and Contracts

# America Recovery and Reinvestment Act of 2009

- **State Stabilization Funds**  
Approximately \$44 million over two years
- **Weatherization Funds**  
\$1.47m for six weatherization training centers  
(Midlands, Piedmont, York, Trident, Lowcountry, Horry-Georgetown)
- **Quickjobs Carolina**  
\$4m for Quickjobs training programs
- ***National Broadband Funds***  
*Applied for funds to expand broadband capacity and build infrastructure*

# Challenges

## Budget:

- Over 35% decrease in State Appropriations since July 1, 2008.

## Enrollment:

- Enrollment is increasing across the System. Up over 17% on average for Fall 2009.

## Operations:

- 17 independent IT systems which do not communicate.
- 17 independent procurement functions which does not take advantage of buying power of 17 versus 1.

# State Board Special Committees

- 1) Funding Formula Committee
  - Study Current Allocation Formula
  - Analyze Differential Tuition
  
- 2) Costs and Efficiencies Committee
  - Analyze Costs and Efficiencies across the System
  - Look for consolidation efforts with HR, Payroll, ERP Systems, Procurement

# Funding Formula Study Committee

## Objectives:

1. Review current funding allocation formula
2. Review current tuition models



# Costs and Efficiencies Study Committee

The purpose of the study committee is to take a comprehensive and unbiased look at our 16 colleges and System Office to determine where savings can be obtained through costs efficiencies, consolidations, continuous improvements, and partnerships. Additionally, the group will address the budget proviso mandate being considered by the General Assembly:

*(Financial and Human Resource Functions Consolidation Plan) The State Board for Technical and Comprehensive Education is directed to develop a plan to consolidate financial and human resources functions, where possible, between like institutions of the state's technical college system. This plan, including an estimate of the cost savings, must be submitted to the Chairman of the Senate Finance Committee and the House Ways and Means Committee no later than December 31, 2009.*

# Costs and Efficiencies Phase I Projects

## Procurement

### *Recommendation:*

*System Office Staff will work with Materials Management to establish a System wide Procurement Authority for procurement of goods and services for the Technical College System.*

### *Costs Savings:*

Computers, Office Supplies, Books, Lab Materials and Supplies, Equipment, Copiers.

Negotiate State Contracts as one System (17 entities) for further price breaks.

Minimum \$500,000 - \$1,500,000 System Wide Savings once fully implemented.

# Costs and Efficiencies Phase I Projects

## Datatel Consortium

### *Recommendations:*

*System Office staff will work with Colleges and ERP providers (Datatel and Banner) to establish a consolidated platform prototype for purposes of costs savings with the anticipation that all colleges will migrate to the platform if true costs savings are demonstrated if applicable to their college.*

*System Office staff will work with Colleges and ERP providers (Datatel and Banner) to establish an Enterprise Training Consortium with a costs sharing model between colleges and System Office.*

# Costs and Efficiencies Phase I Projects

## Datatel Consortium

### *Costs Savings:*

Training: Investment of funds for training in a Enterprise Training Consortium will save approximately \$400k.

Platform Prototype: Consolidation of IT platforms for several schools. Costs savings will be reduction in IT equipment, maintenance and license fees will become one, and costs sharing to migrate to SQL server.

Ex: Williamsburg pays the same amount for maintenance and license fees as York. Common platform will reduce these costs as it the system would be consolidated.

# Costs and Efficiencies Phase I Projects

## Financial Aid

### *Recommendation:*

System Office Staff will develop a system wide RFP for outsourcing Financial Aid. Colleges would have the option to join the contract if applicable to their college.

### *Costs Savings:*

Consolidation of back office functions of Financial Aid.

Negotiate statewide contract with greater price breaks as one entity.

# Costs and Efficiencies Phase I Projects

## Human Resources/Payroll

### *Recommendation:*

*Complete a Total Costs Ownership Study for the following functions: human resources functions: benefits, leave, EEO and reporting, payroll processing, and time and attendance for the Technical College System.*

### *Costs Savings:*

The study would determine costs savings for the System and would ensure that we are in compliance with the proviso in the Appropriations Act of 2009.

# Other Costs and Efficiencies Projects

## Energy Costs:

- Complete an energy audit of each college to determine costs saving ideas.
- Create an energy consortium amongst the colleges to share best practices on energy ideas and savings.
- Look for grant opportunities for assistance with energy efficiencies.

## Bookstores:

- Complete a review of current on-line bookstores. As technology is changing so must our bookstores.
- Establish a prototype on virtual bookstores to determine cost savings and efficiencies.

## Web Portal and Email Hosting Consolidation:

- Complete a review of current web portals and email across the System.
- Establish a prototype for consolidation of web portal and email to determine cost savings and efficiencies.

# Administrative Efficiencies Act

- 1) Administrative relief for real property and leasing
- 2) Increase in procurement authority and increase in levels of procurements for small purchases and indefinite delivery contracts
- 3) Increase in levels for capital projects and relief from multi step approval process
- 4) Administrative relief from human resources regulations
- 5) Administrative relief from state surplus

# Questions