



South Carolina Commission on Higher Education

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TO: Chairman John L. Finan and Members, S.C. Commission on Higher Education
FROM: Members of the Committee on Finance & Facilities
SUBJECT: Items for Consideration on November 6
DATE: October 31, 2014

Attached are items for your review and consideration at the November 6 Commission meeting. Please note the Committee on Finance and Facilities has not yet acted on these items but is scheduled to review and develop recommendations at its meeting scheduled for 9:30 a.m. on November 6. The Committee will bring its recommendations to the Commission for consideration at the Commission meeting. Staff recommendations are included for your information.

If you have any questions about a particular item, or if you need additional information, please contact Gary Glenn at (803) 737-2155.

6.05A Interim Capital Projects

- A. Clemson University
 - i. Advanced Technology Education Center Construction
 - *establish project*
 - ii. Football Operations Facility Construction
 - *establish project*
 - iii. Central Energy Facility Boiler Replacement
 - *establish project*
- B. University of South Carolina Columbia
 - i. Men's Basketball Office & Team Spaces Renovation
 - *establish project*
 - ii. South Tower Bathroom Renovations
 - *increase budget*
- C. Coastal Carolina University
 - i. University Place Acquisition
 - *increase budget (Purchase Property)*
 - ii. University Place Dining Hall
 - *establish project*
- D. Lander University
 - i. Pedestrian Plaza & Vehicular Access Enhancement
 - *increase budget*
- E. Midlands Technical College
 - i. Airport Property Purchase
 - *increase budget, revise scope (Purchase Property)*

6.05B Quarterly Budget Report

(For Information, No Action Required)

6.05C Lists of Capital Projects & Leases Processed by Staff for August & September 2014

(For Information, No Action Required)

DESCRIPTION OF INTERIM CAPITAL PROJECTS FOR CONSIDERATION

November 6, 2014

CLEMSON UNIVERSITY

PROJECT NAME: Advanced Technology Education Center Construction
REQUESTED ACTION: Establish Project
REQUESTED ACTION AMOUNT: \$12,600,000
INITIAL CHE APPROVAL DATE: N/A

<u>Source of Funds</u>	<u>Phase I (Pre-Design)</u>	<u>Phase II (Construction)</u>	<u>Total Proposed Budget</u>
Operating Revenue	\$210,000	(\$210,000)	\$0
State Institution Bonds	\$0	\$10,600,000	\$10,600,000
EDA Grant	\$0	\$2,000,000	\$2,000,000
<i>Total</i>	<i>\$210,000</i>	<i>\$12,390,000</i>	<i>\$12,600,000</i>

DESCRIPTION:

The University requests approval to establish a project to construct a new 24,000 SF Advanced Technology Education Center (ATEC) to house the Clemson University Center for Workforce Development (CUCWD), including federally funded programs of the National Science Foundation and the Department of Labor and Economic Development Administration concentrating on advanced manufacturing. The facility will provide opportunities for students, faculty, and industry partners to better collaborate, drive innovation, and enhance research in science, technology, engineering, and math (STEM) fields primarily focused in advanced manufacturing. Finally, it will provide incubator space for undergraduate students in the College of Engineering and Science, allowing them to gain valuable real world entrepreneurial and startup experience. This facility will stimulate economic growth by creating visualization and simulation digital learning tools that help solve workforce preparedness issues and provide additional opportunities for students. The ATEC is proposed to be constructed on the site of an old print shop on campus. Demolition of the print shop is factored into the total proposed budget.

The Phase I (pre-design) budget is requested at approximately 1.67% of the estimated project cost. The additional amount will allow the University to provide the pre-construction services of a Construction Manager-at-Risk during the pre-design phase of the project and will provide geotechnical investigations, surveys of the site, and the required LEED cost benefit analysis.

This project was referenced in the institution’s FY 2014-15 CPIP year one; however, the total proposed budget was unknown at the time of CPIP submission, therefore the project was not included in the FY 2014-15 CPIP year one approvals.

E&G MAINTENANCE NEEDS:

N/A – New Construction

ANNUAL OPERATING COSTS/SAVINGS:

Utilities and maintenance will require additional operating costs of \$139,920 in the first year, \$144,118 in the second year, and \$148,442 in the third year following project completion.

RECOMMENDATION:

Staff recommends approval of this project as proposed.

CLEMSON UNIVERSITY

PROJECT NAME: Football Operations Facility Construction
REQUESTED ACTION: Establish Project
REQUESTED ACTION AMOUNT: \$62,500,000
INITIAL CHE APPROVAL DATE: N/A

<u>Source of Funds</u>	<u>Phase I (Pre-Design)</u>	<u>Phase II (Construction)</u>	<u>Total Proposed Budget</u>
Private Gifts (Athletics)	\$1,500,000	\$0	\$1,500,000
Athletic Revenue Bonds	\$0	\$61,000,000	\$61,000,000
<i>Total</i>	<i>\$1,500,000</i>	<i>\$61,000,000</i>	<i>\$62,500,000</i>

DESCRIPTION:

The University requests approval to establish a project to construct a new 157,000 SF football operations facility to house all football operational functions. The facility will include coaches' offices, team meeting rooms, student-athlete and coach locker rooms, a weight room, training room, equipment room, and related spaces. The operations facility will be constructed near the indoor football practice facility and the outdoor practice fields which will bring all football activity into close proximity.

The University contracted for a feasibility study for a football operations facility that identified programs in the conference. The study ranked Clemson 8th out of 14 schools that were part of the comparison. Major reasons for Clemson's ranking included a noncontiguous football building, lack of exclusive training and rehab space for football, food service, and condensed weight room space. The results showed that the current facilities were not sufficient and recommended a 45% increase in square footage for the new football building, which would place it more in line with comparable football facilities across the nation. The study determined it was equally important that the location of the building be adjacent to the current indoor and outdoor football practice facilities. Further, NCAA governance changes have been and will continue to affect both staff sizes and additional programming that the University can provide to its student-athletes. This new building will allow the Athletics Department to better serve the needs of its student-athletes now and will provide needed space in the future as additional governance changes take place.

The Phase I (pre-design) budget is requested at approximately 2.4% of the estimated project cost. The additional amount will allow the University to provide the pre-construction services of a Construction Manager-at-Risk during the pre-design phase of the project and will provide geotechnical investigations, surveys of the site, and the required LEED cost benefit analysis.

This project was referenced in the institution's FY 2014-15 CPIP year one; however, the total proposed budget was unknown at the time of CPIP submission, therefore the project was not included in the FY 2014-15 CPIP year one approvals.

E&G MAINTENANCE NEEDS:

N/A - Auxiliary

ANNUAL OPERATING COSTS/SAVINGS:

Utilities and maintenance will require additional operating costs of \$933,000 in the first year, \$960,990 in the second year, and \$989,820 in the third year following project completion.

RECOMMENDATION:

Staff recommends approval of this project as proposed.

CLEMSON UNIVERSITY

PROJECT NAME: Central Energy Facility Boiler Replacement
REQUESTED ACTION: Establish Project
REQUESTED ACTION AMOUNT: \$3,260,284
INITIAL CHE APPROVAL DATE: N/A

Source of Funds	Phase I (Pre-Design)	Phase II (Construction)	Total Proposed Budget
Lottery Appropriations 2014-15*	\$0	\$825,209	\$825,209
Maintenance & Stewardship Fund	\$48,900	\$2,386,175	\$2,435,075
Total	\$48,900	\$3,211,384	\$3,260,284

**Per lottery proviso 3.5, these funds are allocated for critical equipment repair and replacement and may only be distributed to an institution to the extent the funds are matched (1:1) by the institution. Matching funds exclude supplemental, capital reserve, lottery, or other non-recurring appropriated state funds.*

DESCRIPTION:

The University requests approval to establish a project to replace the boiler in the Central Energy Facility. The Central Energy Facility is the central boiler steam plant that provides thermal energy to heat more than 80 buildings on the main campus. This project is essential to enhancing plant reliability, providing redundancy, and reducing the University’s carbon footprint, as well as improving energy efficiency and meeting EPA emissions regulations. Work will include replacing the existing 1964 coal fired boiler with a high-efficiency boiler, fueled primarily by natural gas with fuel oil backup, and removing the fuel conveyance, storage and ash handling systems which were installed during original plant construction in 1948.

This project was included in the institution’s FY 2014-15 CPIP year one; however, the project has increased over the staff approval threshold of 10%; therefore it is being brought back to the Committee and Commission for consideration.

E&G MAINTENANCE NEEDS:

Based on Fall 2013 data, the Central Energy Facility has a current condition code of 54 with existing maintenance needs of \$22,314,094 over the next twenty years.

ANNUAL OPERATING COSTS/SAVINGS:

The project is not expected to generate additional operating costs at this time.

RECOMMENDATION:

Staff recommends approval of this project as proposed.

UNIVERSITY OF SOUTH CAROLINA COLUMBIA

PROJECT NAME: Men’s Basketball Office & Team Spaces Renovation
REQUESTED ACTION: Establish Project
REQUESTED ACTION AMOUNT: \$4,000,000
INITIAL CHE APPROVAL DATE: N/A

Source of Funds	Phase I (Pre-Design)	Phase II (Construction)	Total Proposed Budget
Athletic Operating Funds	\$60,000	\$3,940,000	\$4,000,000
Total	\$60,000	\$3,940,000	\$4,000,000

DESCRIPTION:

The University requests approval to establish a project to renovate approximately 35,000 SF in the lower level of the Carolina Coliseum to create a men’s basketball office suite and renovate team spaces which serve the men’s and women’s basketball programs as well as the volleyball program. The men’s basketball offices will relocate from the volleyball facility to the Coliseum on the ground floor. The exterior entrance and grounds immediately around the Park Street entry will be improved to better define the home of the men’s basketball program. The team spaces will accommodate all three programs by renovating the corridor between the Coliseum and Athletic Practice Facility, renovating locker rooms, and creating a shared weight room in proximity to all three programs with adjacent training rooms. Each program, in its current location, has limited reception and entry areas and requires the sharing of office space, making it difficult to strongly promote each program individually.

This project was not included in the institution’s FY 2014-15 CPIP year one because the lower level of the Coliseum emerged as a solution to this Athletic need after CPIP submission.

E&G MAINTENANCE NEEDS:

Based on Fall 2013 data, the Carolina Coliseum has a current condition code of 55 with existing maintenance needs of \$10,972,207 over the next twenty years.

ANNUAL OPERATING COSTS/SAVINGS:

The project is not expected to generate additional operating costs at this time.

RECOMMENDATION:

Staff recommends approval of this project as proposed.

UNIVERSITY OF SOUTH CAROLINA COLUMBIA

PROJECT NAME: South Tower Bathroom Renovations
REQUESTED ACTION: Increase Budget
REQUESTED ACTION AMOUNT: \$600,000
INITIAL CHE APPROVAL DATE: June 23, 2014

Source of Funds	FY 2014-15 CPIP Year 1	Increase	Revised Budget
Housing Maintenance Reserve	\$3,200,000	\$600,000	\$3,800,000
Total	\$3,200,000	\$600,000	\$3,800,000

DESCRIPTION:

The University requests approval to increase the budget for Phase II (construction) to renovate South Tower’s 17 common student bathrooms, construct 17 single occupant accessible bathrooms within a portion of the existing living room on each floor, and renovate common restrooms on the lower level. Piping, exhaust, and ventilation systems will be replaced, and hazardous materials will be abated. Waterproofing will be installed at the floors and walls, and original shower, wall, and flooring tile finishes will be replaced. Other finishes including lighting, toilet partitions, and mirrors will also be replaced.

This project was included in the institution’s FY 2014-15 CPIP year one; however, the project has increased over the staff approval threshold of 10%; therefore it is being brought back to the Committee and Commission for consideration. The \$600,000 increase resulted from the addition of renovated areas to create the 17 accessible toilet/shower rooms. During Phase I (pre-design), it was determined that accessible facilities for the disabled could not be integrated within the existing toilet/shower room footprint without decreasing fixture counts below code required quantities. Thus the design evolved to include a new separate accessible toilet/shower room elsewhere on the 17 residential floors.

E&G MAINTENANCE NEEDS:

N/A – Auxiliary

ANNUAL OPERATING COSTS/SAVINGS:

The project is not expected to generate additional operating costs at this time.

RECOMMENDATION:

Staff recommends approval of this project as proposed.

COASTAL CAROLINA UNIVERSITY

PROJECT NAME: University Place Acquisition
REQUESTED ACTION: Increase Budget (Purchase Property)
REQUESTED ACTION AMOUNT: \$106,628,500
INITIAL CHE APPROVAL DATE: August 7, 2014

Source of Funds	Phase I (Enviro. Study)	Phase II (Purchase Price)	Total Proposed Budget
Revenue Bonds	\$0	\$106,500,000	\$106,500,000
Renovation Reserve/Plant Expansion	\$80,000	\$128,500	\$208,500
Total	\$80,000	\$106,628,500	\$106,708,500

DESCRIPTION:

The University requests approval to purchase property known as University Place consisting of 54.338 acres located half a mile from the main campus that includes 573 apartments with 2,079 beds and 11 activity/pool house/support/storage spaces. Currently, the University has a lease purchase arrangement for this facility with the Coastal Housing Foundation. The University pays 1.3 times debt service through 2042 with a \$1 purchase option which can be exercised in 2042. The University will cancel the current lease and release the outstanding JEDA bonds issued by the housing foundation. The debt service will be supported by the current operations of University Place. The overall savings to the University on the lease arrangement will be \$73M through 2042. Savings on debt service are estimated to be approximately \$23M due to the University's higher bond rating. These estimates are based on market data from August 2014. The final purchase price will be the amount required to defease the 2005 and 2009 bonds issued by the Coastal Carolina Student Housing Foundation. The \$106M max bond issue is a worst case scenario. By lowering the amount required to be paid through the lease, the University can utilize the housing revenue funds not paid as lease payments for renovations.

This project was not included in the institution's FY 2014-15 CPIP year one because the University had not determined that the procurement was feasible at the time of CPIP submission; however, renovations of University Place were included in the institution's FY 2014-15 CPIP years one through five.

E&G MAINTENANCE NEEDS:

N/A – Land/Building Acquisition

ANNUAL OPERATING COSTS/SAVINGS:

The project is not expected to generate additional operating costs. These costs are already included in the existing budget since the University currently leases the units.

RECOMMENDATION:

Staff recommends approval of this project as proposed.

COASTAL CAROLINA UNIVERSITY

PROJECT NAME: University Place Dining Hall
REQUESTED ACTION: Establish Project
REQUESTED ACTION AMOUNT: \$4,700,000
INITIAL CHE APPROVAL DATE: N/A

Source of Funds	Phase I (Pre-Design)	Phase II (Construction)	Total Proposed Budget
Gift (Student Housing Foundation)	\$70,500	\$4,629,500	\$4,700,000
Total	\$70,500	\$4,629,500	\$4,700,000

DESCRIPTION:

The University requests approval to establish a project to begin design of a dine-in food service facility at University Place. Establishment of this project will allow the University to determine whether it is more prudent to do a renovation/addition to current space or demolition/construction of a new structure. The facility will be based on Aramark’s “Fresh Food Company” design where food is prepped, cooked, and served all in front of customers.

The University needs an improved food service option at University Place. The residential hall houses approximately 2,100 students. There is currently a take-out option available, but this new dining hall will provide students with the additional option of dine-in food service as well as increased food selections.

E&G MAINTENANCE NEEDS:

N/A - Auxiliary

ANNUAL OPERATING COSTS/SAVINGS:

The project is not expected to generate additional operating costs. Operating costs will be the responsibility of the food service vendor.

RECOMMENDATION:

Staff recommends approval of this project as proposed.

LANDER UNIVERSITY

PROJECT NAME: Pedestrian Plaza & Vehicular Access Enhancement
REQUESTED ACTION: Increase Budget
REQUESTED ACTION AMOUNT: \$1,449,266
INITIAL CHE APPROVAL DATE: October 4, 2012

Source of Funds	Previous	Increase	Revised Budget
Renovation Reserve	\$2,585,000	\$949,266	\$3,534,266
Food Service Reserve	\$115,000	\$500,000	\$615,000
Total	\$2,700,000	\$1,449,266	\$4,149,266

DESCRIPTION:

The University requests approval to increase the budget to complete the Pedestrian Plaza and Vehicular Access Enhancement project. After the project was advertised, all bids exceeded the established construction budget by more than 10%, causing the University to refuse all bids. Coordinating efforts with the Office of State Engineer (OSE) and utilizing the approved budget, the project was divided into two phases. Phase one will consist of work to the vehicular access which will be executed during the academic school year, and phase two will consist of work to the pedestrian plaza which will be executed during the summer months of 2015. Factors contributing to the budget increase include additional A/E services to create two separate bid packages, additional inspection services, extended project timeline, and the resulting increase in the contractor's general conditions. Other contributors to the project cost increase are overall rise in construction costs, the inclusion of improved student outdoor seating, and special provisions to accommodate emergency vehicle access during the construction period.

E&G MAINTENANCE NEEDS:

N/A – Site Development

ANNUAL OPERATING COSTS/SAVINGS:

Electricity to operate the motors to drive the water feature pumps will require additional operating costs of \$1,500 per year following project completion.

RECOMMENDATION:

Staff recommends approval of this project as proposed.

MIDLANDS TECHNICAL COLLEGE

PROJECT NAME: Airport Property Purchase
REQUESTED ACTION: Increase Budget, Revise Scope (Purchase Property)
REQUESTED ACTION AMOUNT: \$366,000
INITIAL CHE APPROVAL DATE: June 20, 2012

Source of Funds	Phase I (Enviro. Study)	Phase II (Purchase Price)	Total Proposed Budget
Other (Local County)	\$20,000	\$366,000	\$386,000
Total	\$20,000	\$366,000	\$386,000

DESCRIPTION:

The College requests approval to purchase 7.19 acres of land located adjacent to the Airport Campus. The property is currently owned by the Columbia Metropolitan Airport and will be used for additional student parking. The property has no structures on it and will not require any modifications at this time.

E&G MAINTENANCE NEEDS:

N/A – Land Acquisition

ANNUAL OPERATING COSTS/SAVINGS:

The project is not expected to generate additional operating costs at this time.

RECOMMENDATION:

Staff recommends approval of this project as proposed.

Source		Activity	Expended in FY 2013-14	FY 2014-15 Budgeted					Expended Through		Balance	
				Salary & Fringe	Operating	Major Contracts	Flow-Through	Scholarships	Total	9/30/2014		Target
										Amount		% Expended
CHE Operating and Programs												
State	CHE General Administration - Personnel		1,525,693	1,846,897					1,846,897	463,083	25.1%	1,383,814
State	CHE General Administration - Personnel (Carryover)		31,066	114,953					114,953	28,027	24.4%	86,926
State	CHE General Administration - Operational Support		359,558		359,558				359,558	131,268	36.5%	228,290
State	CHE General Administration (Carryover) (Search Committee Support)		7,026		7,500				7,500	894	11.9%	6,606
State	CHE LDS Continuation (Carryover)		88,953	32,295					32,295	0	0.0%	32,295
State	CHE General Administration (Carryover) (Building Security/Renovation)		150		12,000				12,000	7,450	62.1%	4,550
State	CHE General Administration (Carryover) (Data Security)		54,884	48,443	4,000				52,443	10,252	19.5%	42,191
State	CHE Professor of the Year (Carryover)		10,000		15,000				15,000	0	0.0%	15,000
State	CHE General Administration (Carryover)		0		246,976				246,976	0	0.0%	246,976
Lottery	Lottery Administration		203,852	217,078	42,922				260,000	28,346	10.9%	231,654
Lottery	Lottery Administration (Carryover)		3,887	56,148					56,148	47,674	84.9%	8,474
State	Licensing		47,016	47,972					47,972	13,992	29.2%	33,980
Revenue	Licensing		197,770	246,398					246,398	75,484	30.6%	170,914
Revenue	Licensing		38,720		59,929				59,929	15,425	25.7%	44,504
State	Education & Economic Development Act (EEDA)		1,159,153	207,087	123,868	849,621			1,180,576	632,367	53.6%	548,209
State	Education & Economic Development Act (EEDA) (Carryover)		12,830		21,423				21,423	21,423	100.0%	0
Revenue	Education & Economic Development Act (EEDA)		-						0	0	0.0%	0
EIA	Centers of Excellence (through SCDE to CHE per Proviso 1A.37)		887,526	38,165	6,945		1,092,416		1,137,526	18,121	1.6%	1,119,405
Federal	Improving Teacher Quality (ITQ)		925,908	24,466	29,897		708,323		762,686	10,947	1.4%	751,739
Federal	State Approving Agency (Veterans Education & Training)		272,495	259,472	38,594				298,066	78,720	26.4%	219,346
State	GEAR UP		177,201	5,171	26,602	145,428			177,201	93,801	52.9%	83,400
Federal	GEAR UP		2,711,780	338,553	213,938	406,248	2,484,861		3,443,600	975,396	28.3%	2,468,204
Revenue	College Goal Sunday		34,902		35,000				35,000	833	2.4%	34,167
Federal	College Access Challenge Grant		1,217,148	22,246	15,000	685,157	421,077		1,143,479	302,807	26.5%	840,672
Subtotal			9,967,517	3,505,344	1,259,153	2,086,454	4,706,676	0	11,557,627	2,956,310	25.6%	8,601,316
Other Agencies and Entities												
State	State Electronic Library (PASCAL) - CHE Operating Support		17,919		17,919				17,919	5,997	33.5%	11,922
State	State Electronic Library (PASCAL)		146,370				146,370		146,370	146,370	100.0%	0
Revenue	State Electronic Library (PASCAL)		2,277,438				2,686,577		2,686,577	1,401,725	52.2%	1,284,852
Lottery	State Electronic Library (PASCAL) (Carryover)		1,118,159				1,672,355		1,672,355	0	0.0%	1,672,355
Trust	SmartState Administration (CHE Support) ¹		298,562	125,337	459,947				585,284	46,278	7.9%	539,006
Trust	SmartState Administration (Institution Support) ¹		300,000				300,000		300,000	200,000	66.7%	100,000
Trust	SmartState State Matching Funds ¹		9,031,004				0		0	0	0.0%	0
State	Univ. Center of Greenville - Greenville Technical College		594,390				594,390		594,390	297,194	50.0%	297,196
State	Univ. Center of Greenville - Operations		1,084,899				1,084,899		1,084,899	542,450	50.0%	542,450
State	Univ. Center of Greenville - Infrastructure Dev (Proviso 118.17)		200,000				0		0	0	0.0%	0
State	Lowcountry Graduate Center		785,099				785,099		785,099	392,549	50.0%	392,550
Other	Lowcountry Graduate Center (nonrecurring - Proviso 118.16)						300,000		300,000	0	0.0%	300,000
State	Academic Endowment		160,592				160,592		160,592	0	0.0%	160,592
State	EPSCoR		161,314				161,314		161,314	80,658	50.0%	80,656
State	Performance Funding (Distributed per Proviso 11.8)								0	0	0.0%	0
State	EPSCoR		1,118,016				1,118,016		1,118,016	559,008	50.0%	559,008
State	SC State University		279,504				279,504		279,504	139,752	50.0%	139,752
State	African American Loan Program (Distributed per Proviso 11.4)						0		0	0	0.0%	0
State	SC State University		87,924				87,924		87,924	43,962	50.0%	43,962
State	Benedict College		-				31,376		31,376	0	0.0%	31,376
State	Benedict College (Carryover)		-				31,376		31,376	0	0.0%	31,376
Other	Child Abuse Medical Response Program (Nonrecurring - Proviso 118.16)						225,000		225,000	225,000	100.0%	0
Lottery	Allocations to So. Methodist, Coker, and Clinton (Proviso 3.5)						227,799		227,799	0	0.0%	227,799
Lottery	2-Yr & 4-Yr Public Institutions Lottery Technology		9,576,816				7,395,202		7,395,202	0	0.0%	7,395,202
Lottery	2-Yr & 4-Yr Public Institutions Lottery Technology (Carryover)						1,465,255		1,465,255	0	0.0%	1,465,255
Lottery	Public 4-Yr & 2-Yr Institutions -- Maintenance Needs		22,584,883				5,239,938		5,239,938	0	0.0%	5,239,938
Lottery	Higher Education Excellence Enhancement Program (HEEEP)		3,978,053				4,307,095		4,307,095	0	0.0%	4,307,095
EIA	Teacher Recruitment (to CHE through SCDE & Distributed per Proviso 1A.9)						0		0	0	0.0%	0
EIA	CERRA		3,904,045				3,904,045		3,904,045	976,011	25.0%	2,928,034
EIA	SC State Univ. PRRMT		339,482				339,482		339,482	0	0.0%	339,482
Subtotal			58,044,468	125,337	477,866	0	32,543,608	0	33,146,811	5,056,953	15.3%	28,089,858

Source	Activity	Expended in FY 2013-14	FY 2014-15 Budgeted					Expended Through		Balance	
			Salary & Fringe	Operating	Major Contracts	Flow-Through	Scholarships	Total	9/30/2014		Target
									Amount		% Expended
State-Supported Student Scholarship and Grant Programs											
State	SREB Contract Program & Assessments ⁴	3,407,600					3,667,610	3,667,610	399,400	10.9%	3,268,210
State	SREB Contract Program & Assessments (Carryover)	147,400					102,150	102,150	102,150	100.0%	0
State	SREB Arts Program (NC School for the Arts)	7,177					7,177	7,177	0	0.0%	7,177
State	LIFE Scholarships	59,754,048					48,856,393	48,856,393	18,903,727	38.7%	29,952,666
Lottery	LIFE Scholarships	117,685,570					140,824,027	140,824,027	-7	0.0%	140,824,034
Lottery	LIFE Scholarships (Carryover)	3,055,620					189,363	189,363	0	0.0%	189,363
State	Palmetto Fellows - Educational Endowment ²	12,000,000					12,000,000	12,000,000	3,641,856	30.3%	8,358,144
State	Palmetto Fellows Scholarships	8,439,310					8,439,310	8,439,310	10,000	0.1%	8,429,310
Lottery	Palmetto Fellows Scholarships	34,265,134					37,648,288	37,648,288	0	0.0%	37,648,288
Lottery	Palmetto Fellows Scholarships (Carryover)	778,343					2,646	2,646	0	0.0%	2,646
State	HOPE Scholarships	231,727					231,727	231,727	231,727	100.0%	0
Lottery	HOPE Scholarships	7,462,527					8,476,245	8,476,245	792,688	9.4%	7,683,557
Lottery	HOPE Scholarships (Carryover)	931,877					817,329	817,329	0	0.0%	817,329
State	Need-based Grants - Educational Endowment ²	12,000,000					12,000,000	12,000,000	6,665,229	55.5%	5,334,771
State	Charleston Transition Connection - Need-based Grants	179,178					179,178	179,178	31,170	17.4%	148,008
Lottery	Need-based Grants	11,631,392					13,000,000	13,000,000	-180	0.0%	13,000,180
Other	Need-based Grants (Non-recurring - Proviso 118.16)						2,600,000	2,600,000	0	0.0%	2,600,000
Lottery	Need-based Grants (Carryover)	1,302,791					1,368,608	1,368,608	0	0.0%	1,368,608
Lottery	Summer Semester Eligibility						1,718,902	1,718,902	0	0.0%	1,718,902
Lottery	Lottery Tuition Assistance (LTA) ³	1,517,201					2,455,000	2,455,000	0	0.0%	2,455,000
Lottery	Lottery Tuition Assistance (LTA) ³ (Carryover)	1,041,455					937,799	937,799	16,617	1.8%	921,182
State	National Guard College Assistance Program	89,930	77,325	12,643				89,968	31,172	34.6%	58,796
State	National Guard College Assistance Program (Carryover)			38				38	38	100.0%	0
Lottery	National Guard College Assistance Program	2,446,333					4,545,000	4,545,000	130,431	2.9%	4,414,569
Lottery	National Guard College Assistance Program (Carryover)						1,338,667	1,338,667	114,791	8.6%	1,223,875
Trust	National Guard Loan Repayment Trust ⁴	333,192					7,130	7,130	-7,875	-110.5%	15,005
Trust	DAYCO Scholarship ⁴	-					4,280	4,280	0	0.0%	4,280
Subtotal		278,707,806	77,325	12,681	0	0	301,416,829	301,506,835	31,062,934	10.3%	270,443,900
Grand Total All Funds and Programs		346,719,791	3,708,007	1,749,699	2,086,454	37,250,284	301,416,829	346,211,272	39,076,198	11.3%	307,135,075
	State	103,813,618	2,184,452	540,590	995,049	4,449,484	85,381,395	93,550,970	33,456,731	35.8%	60,094,239
	State Carryover	352,309	195,691	306,938	0	31,376	102,150	636,155	170,233	26.8%	465,921
	Other - Non-recurring	-	0	0	0	525,000	2,600,000	3,125,000	225,000	7.2%	2,900,000
	Revenue	2,548,830	246,398	94,929	0	2,686,577	0	3,027,904	1,493,467	49.3%	1,534,437
	Lottery	211,351,762	217,078	42,922	0	17,170,034	208,667,462	226,097,496	951,278	0.4%	225,146,218
	Lottery Carryover	8,232,132	56,148	0	0	3,137,610	4,654,412	7,848,170	179,083	2.3%	7,669,087
	Smartstate	9,629,566	125,337	459,947	0	300,000	0	885,284	246,278	27.8%	639,006
	National Guard Trust / DAYCO Trust	333,192	0	0	0	0	11,410	11,410	-7,875	-69.0%	19,285
	EIA	5,131,053	38,165	6,945	0	5,335,943	0	5,381,053	994,132	18.5%	4,386,921
	Federal	5,127,331	644,737	297,429	1,091,405	3,614,260	0	5,647,831	1,367,870	24.2%	4,279,961

Notes:

- 1) Funds represent administrative support authorization included in the FY 2014-15 Appropriation Act. SmartState matching funds are added as endowed chair's matches are perfected. No new funds have been appropriated for SmartState since FY 2008-09.
- 2) The Education Endowment was initially established with Barnwell Nuclear Fee Revenues but is now supported solely with State General Funds. Per SC Code of Laws, Section 48-46-30(F), the Endowment is to be funded at least at the 1999-2000 levels. Higher education funds from the endowment are divided per statute equally between Palmetto Fellows and Need-Based Grants.
- 3) CHE and the Technical College System Office share administrative responsibilities for LTA. As of a proviso change effective with FY 2011-12, the appropriation for LTA is shared between CHE and the SC Technical College System Office. The CHE portion supports LTA grants at USC 2-Yr Campuses and Spartanburg Methodist College (Independent 2-Yr)
- 4) The National Guard Trust and Dayco Scholarships are budgeted as awards are made.

INFORMATION ITEM

**Capital Projects & Leases Processed by Staff
October 2014**

Date Approved	Project #	Institution	Project Name	Action Category	Budget Change	Revised Budget	Original Approval Date	Revised Building Condition Survey With Close-out
Maintenance Needs Projects using FY 2013-14 Lottery Allocation and Match								
10/27/2014	New	MUSC	2014-15 Maintenance Needs ¹	establish project	\$0	\$1,982,690	-	-
10/27/2014	New	The Citadel	2014-15 Maintenance Needs ¹	establish project	\$0	\$800,000	-	-
10/27/2014	New	Lander	2014-15 Maintenance Needs ¹	establish project	\$0	\$292,719	-	-
Routine Staff Approvals								
9/19/2014	9585	Coastal Carolina	Parking/Pedway Construction ²	change source of funds	\$0	\$4,000,000	4/18/2011	-
9/26/2014	9608	The Citadel	Deferred Maintenance 2012 ³	increase budget	\$10,433	\$2,056,043	12/6/2012	-
10/17/2014	New	TC of the Lowcountry	114 Elliott Street Purchase ⁴	establish project	\$0	\$20,000	-	-
10/27/2014	6094	USC Columbia	Deferred Maintenance ⁵	revise scope	\$0	\$9,115,505	11/9/2011	-
10/27/2014	6100	USC Columbia	Deferred Maintenance 2012 ⁶	revise scope	\$0	\$4,989,385	10/29/2012	-
10/27/2014	6106	USC Columbia	2013-14 Maintenance Needs SOM ⁷	revise scope	\$0	\$1,200,000	11/18/2013	-
10/27/2014	9518	USC Sumter	2013-14 Maintenance Needs ⁸	revise scope	\$0	\$215,000	11/18/2013	-
10/27/2014	New	USC Lancaster	Repair & Renewal for Science Labs & Nursing Simulation ⁹	establish project	\$0	\$495,000	-	-
10/27/2014	New	Central Carolina TC	Industrial Technology Building Renovation ⁹	establish project	\$0	\$750,000	-	-
10/27/2014	New	Central Carolina TC	Kershaw Campus Expansion ⁹	establish project	\$0	\$1,500,000	-	-
Close-Outs								
9/19/2014	6015	USC Columbia	Band Hall and Dance Facility Construction	decrease budget, close project	(\$58,857)	\$9,670,143	4/7/2005	-
9/19/2014	6029	USC Columbia	Honors Residence Hall Construction	decrease budget, close project	(\$31,492)	\$47,568,508	6/2/2005	-
9/19/2014	6048	USC Columbia	Preston College HVAC Renovation	decrease budget, close project	(\$809,135)	\$2,815,865	12/12/2007	-
9/19/2014	6062	USC Columbia	Woodrow College Window Upgrades/Life Safety Improvements	decrease budget, close project	(\$86,768)	\$2,013,232	12/24/2008	-
9/26/2014	9605	The Citadel	Daniel Library Building Envelope Renovation	decrease budget, close project	(\$10,433)	\$896,315	10/27/2010	-
10/17/2014	6003	York TC	1841 Baskins Road Property Acquisition	decrease budget, close project	(\$9,940)	\$170,341	7/23/2009	-
10/17/2014	6004	York TC	521 Garrison Road Property Acquisition	decrease budget, close project	(\$9,490)	\$286,851	7/23/2009	-

¹See supporting narrative.

²Change source of funds to increase 2006 Institution Bonds by \$103,844.68 and decrease Renovation Reserve/Plant Expansion funds by \$103,844.68, as well as add \$1,500,000 in Institutional Capital Project Funds and decrease One Cent Sales Tax

³Transfer \$10,433.29 in Gifts from close out of project #9605.

⁴Establish Phase I environmental study and building condition assessment on .54 acres of land and a 1,614 SF building contiguous to campus. Property supports the College's long term expansion needs, but not any specific program at this time. TCL's Area Commission has instructed the administration to pursue purchase of contiguous properties whenever they become available.

⁵Revise scope to add Williams-Brice Nursing roof replacement, Jones PSC roof replacement, and Russell House HVAC maintenance.

⁶Revise scope to add Wardlaw College & Drayton HVAC equipment & roof replacement, 1321 Pendleton Street roof replacement, and Baruch generator replacement.

⁷Revise scope to add replacement of air handling unit in the B1 classroom of Building #1, and upgrade the fire alarm system in 15 Medical Park.

⁸Revise scope to address the deteriorated parking lot serving the east side of campus. The parking lot has roots growing through the asphalt surface in numerous places creating trip hazards. Circulation will also be reconfigured to reduce frequent non-student vehicular flow from cutting through the parking lot.

⁹Project is funded with State-Appropriated funds. These funds supersede CHE approval authority; therefore, the project is staff approved.

MEDICAL UNIVERSITY OF SOUTH CAROLINA

PROJECT NAME: 2014-15 Maintenance Needs
REQUESTED ACTION: Establish Project
REQUESTED ACTION AMOUNT: \$1,982,690
INITIAL CHE APPROVAL DATE: N/A

Project Budget	Previous	Change	Revised
Professional Services Fees	\$0	\$100,000	\$100,000
Building Utilities Renovations	\$0	\$1,782,690	\$1,782,690
Contingency	\$0	\$100,000	\$100,000
Total	\$0	\$1,982,690	\$1,982,690

Source of Funds	Previous	Change	Revised
Lottery Appropriation 2014-15*	\$0	\$732,690	\$732,690
Indirect Cost Recovery	\$0	\$1,250,000	\$1,250,000
Total	\$0	\$1,982,690	\$1,982,690

**Per lottery proviso 3.5, these funds are allocated for critical equipment repair and replacement and may only be distributed to an institution to the extent the funds are matched (1:1) by the institution. Matching funds exclude supplemental, capital reserve, lottery, or other non-recurring appropriated state funds. Because these funds are appropriated, under the PIP definition for higher education projects, a permanent improvement project must be established. Since these projects are considered legislatively authorized and the matching funds are legislatively mandated, CHE has delegated staff the authority to process submitted projects if the projects are set up to conform to the lottery proviso.*

DESCRIPTION:

The University requests approval to establish a project to replace the roof drain system in the Basic Science Building. This roof drain system is over 40 years old, has significant deterioration, is a recurring maintenance problem, and is beyond its useful life. A significant amount of research would be impacted by a complete failure of the system.

E&G MAINTENANCE NEEDS REDUCTION:

Based on Fall 2013 data, the Basic Science Building has a roof drainage system rating of 3 out of 5 with existing maintenance needs of \$34,725,351 over the next twenty years.

ANNUAL OPERATING COSTS/SAVINGS:

The project is not expected to generate additional operating costs at this time.

THE CITADEL

PROJECT NAME: 2014-15 Maintenance Needs
REQUESTED ACTION: Establish Project
REQUESTED ACTION AMOUNT: \$800,000
INITIAL CHE APPROVAL DATE: N/A

Project Budget	Previous	Change	Revised
Professional Services Fees	\$0	\$41,190	\$41,190
Exterior Building Renovations	\$0	\$718,810	\$718,810
Contingency	\$0	\$40,000	\$40,000
Total	\$0	\$800,000	\$800,000

Source of Funds	Previous	Change	Revised
Lottery Appropriation 2014-15*	\$0	\$112,541	\$112,541
Institutional Capital Project Funds	\$0	\$687,459	\$687,459
Total	\$0	\$800,000	\$800,000

**Per lottery proviso 3.5, these funds are allocated for critical equipment repair and replacement and may only be distributed to an institution to the extent the funds are matched (1:1) by the institution. Matching funds exclude supplemental, capital reserve, lottery, or other non-recurring appropriated state funds. Because these funds are appropriated, under the PIP definition for higher education projects, a permanent improvement project must be established. Since these projects are considered legislatively authorized and the matching funds are legislatively mandated, CHE has delegated staff the authority to process submitted projects if the projects are set up to conform to the lottery proviso.*

DESCRIPTION:

The University requests approval to establish a project to repair the exterior stucco finish and replace all windows & aluminum storefront systems in Jenkins Hall. New glazing will be energy efficient insulated glass with Low E coating.

E&G MAINTENANCE NEEDS REDUCTION:

Based on Fall 2013 data, Jenkins Hall has an exterior wall system rating of 2.125 out of 5 and a window system rating of 3 out of 5 with existing maintenance needs of \$1,529,642 over the next twenty years.

ANNUAL OPERATING COSTS/SAVINGS:

The project is not expected to generate additional operating costs at this time.

LANDER UNIVERSITY

PROJECT NAME: 2014-15 Maintenance Needs
REQUESTED ACTION: Establish Project
REQUESTED ACTION AMOUNT: \$292,719
INITIAL CHE APPROVAL DATE: N/A

Project Budget	Previous	Change	Revised
Professional Services Fees	\$0	\$21,500	\$21,500
Site Development	\$0	\$196,869	\$196,869
Utilities Renovations	\$0	\$24,350	\$24,350
Contingency	\$0	\$50,000	\$50,000
Total	\$0	\$292,719	\$292,719

Source of Funds	Previous	Change	Revised
Lottery Appropriation 2014-15*	\$0	\$77,469	\$77,469
Renovation Reserve Fund	\$0	\$77,469	\$77,469
Housing Reserve Fund	\$0	\$137,781	\$137,781
Total	\$0	\$292,719	\$292,719

**Per lottery proviso 3.5, these funds are allocated for critical equipment repair and replacement and may only be distributed to an institution to the extent the funds are matched (1:1) by the institution. Matching funds exclude supplemental, capital reserve, lottery, or other non-recurring appropriated state funds. Because these funds are appropriated, under the PIP definition for higher education projects, a permanent improvement project must be established. Since these projects are considered legislatively authorized and the matching funds are legislatively mandated, CHE has delegated staff the authority to process submitted projects if the projects are set up to conform to the lottery proviso.*

DESCRIPTION:

The University requests approval to establish a project to repair a pedestrian route from Brookside, Thomason, and the new student housing complex to the center of campus. The route was originally constructed as a maintenance and service vehicle access to the mechanical systems of the PEES Building. The entire concrete access area is cracking and buckling, and the structural integrity of the deck is showing signs of failure. There is substantial settling along the perimeter while the interior concrete slabs are buckling, shifting, and resulting in un-even surfaces. With construction of the newest housing complex, this area will now be travel by nearly 600 students daily. The University is concerned this area has become a high-risk zone for students potentially slipping, tripping, or falling and becoming injured. Repairs to this area will re-designate it as a student walk-way and will also provide the proper load rating for Emergency Vehicle/Fire Truck accessibility.

E&G MAINTENANCE NEEDS REDUCTION:

The project will alleviate a portion of the University’s total existing infrastructure maintenance needs of \$2,628,604 over the next twenty years.

ANNUAL OPERATING COSTS/SAVINGS:

The project is not expected to generate additional operating costs at this time.