

Proposed Commission on Higher Education Budget Request
for the 2005-06 Fiscal Year

As a part of the state’s budgeting process, the Governor has requested all agencies to submit their budget requests for the 2005-06 fiscal year to the Budget Division of the Budget & Control Board prior to September 10th of this year. The Commission has numerous financial needs as well as multiple opportunities for innovative and creative programs that could benefit the state. However, the state’s economy has not fully recovered, and the revenue projections for the state are not expected to include significant increases in revenue. Therefore, the Commission staff has taken a conservative approach in developing the following summary of items to be requested. Note that these requests represent only those activities considered as “Commission” activities. Those requests related to institutional operations or activities, even if they are funded through the Commission’s budget, will be considered separately after further review and consultation with the Funding Advisory Committee which consists of institutional finance officers.

<u>Priority Number</u>	<u>Item Description</u>	<u>Amount</u>
1	Auditor – These funds will be used to refill the auditor position which is currently vacant as a result of budget cuts. The purpose of the position is to insure that funds for various programs administered by the Commission are expended appropriately.	\$80,000
2	Program Review Funds – These funds will provide for the reinstatement of the Commission’s Academic Program Review Process whereby disciplines are selected on a rotating basis for quality review by external consultants. When implemented, this program will provide for every academic program not subject to specialized accreditation that is offered at public institutions in the state to be reviewed on a periodic basis.	250,000
3	Access & Equity Competitive Grants Program – These funds will provide for the expansion of the existing Grants Program whereby institutional Access & Equity programs submit competitive proposals for implementation of projects and/or activities that address priority issues affecting minority participation and achievement in higher education.	400,000
4	GEAR-UP – These funds will provide the increase necessary for the Commission to pursue continuation of the GEAR-UP program through an additional grant that will require a total of \$1 million in matching funds on an annual basis.	400,000

5	SREB – These funds will provide for the annual increase in SREB dues and contract program charges. Also included in this amount are the funds necessary for the second year phase in of funding for five additional veterinary slots originally provided in 2004.	300,000
6	Technology Funding – These funds will replace funding eliminated from the Commission’s budget as a result of budget reductions and internal resource reallocations in recent years. These funds will allow the Commission to remain current with respect to technology resources.	100,000

Proviso Requests

In addition to the above direct financial requests, the Commission will pursue the adoption of the following provisos. (provisos are those guiding directives included in the state budget that provide authority or direction to agencies for the use of funds included in the appropriations act.)

1. (Addition to existing Access & Equity proviso) Of the funds designated for the Access & Equity program, \$400,000 shall be used for a competitive grants program. (this language will provide the authority for the use of the above requested funds for a competitive grants program)

2. (New Proviso – Scholarship Administration) Of the funds appropriated herein for the Palmetto Fellows, LIFE, HOPE, Need-Based Grant, and Teacher Grant scholarship and financial assistance programs, the Commission is authorized to use one-half of one percent of the appropriated program funds to administer the respective programs, not to exceed an aggregate amount of \$500,000. (this language will provide the authority to use a portion of the appropriated program funds for administration of the respective programs.)

3. (New Proviso – Teacher Grants Program) In administering the Teacher Grants program, after grants have been awarded to all eligible certified teachers to upgrade existing content area skills or to obtain a Master's degree in the teacher's content area, excess funds may be used to award grants to candidates seeking to add certification as, or pursuing graduate degrees for, librarians, media specialists, guidance counselors, and principals and superintendents. (This language will provide the authority to utilize unused grant funds to benefit of other groups of education professionals)

Recommendation:

The Committee will consider this item at its scheduled 8:30 meeting on the 24th, and will announce its recommendation at the Commission meeting. The staff recommendation is provided for your convenience.

The staff recommends that the above budget request be approved and submitted to the Governor’s office for consideration in the development of the 2005-06 fiscal year Governor’s Budget Recommendation.