



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 January 8
DATE: December 19, 2014

Attached are items for your review and consideration at the January 8 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 January 8. 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.

9.05A Interim Capital Projects

- A. College of Charleston
 - i. 11 Glebe Street Renovation
 - *establish project*
 - ii. 2014-15 Maintenance Needs
 - *establish project*
- B. Horry-Georgetown Technical College
 - i. Construction of Advanced Manufacturing Center
 - *establish project*
 - ii. Conway Fire Station Acquisition
 - *increase budget (Purchase Property)*
- C. Piedmont Technical College
 - i. "B" Building Renovation
 - *establish project*
- D. Tri-County Technical College
 - i. Veterinary Technology Animal Care Facility
 - *establish project*

9.05B Quarterly Budget Report

(For Information, No Action Required)

9.05C FY 2013-14 Maintenance & Repair Appropriation Report

(For Information, No Action Required)

9.05D OHR Audit of Hire Above Minimum Delegation Authority for Period July 1, 2012 – June 30, 2014

(For Information, No Action Required)

9.05E Lists of Capital Projects & Leases Processed by Staff for November & December 2014

(For Information, No Action Required)

DESCRIPTION OF INTERIM CAPITAL PROJECTS FOR CONSIDERATION

January 8, 2014

COLLEGE OF CHARLESTON

PROJECT NAME: 11 Glebe Street Renovation
REQUESTED ACTION: Establish Project
REQUESTED ACTION AMOUNT: \$1,100,000
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>
Institutional Capital Project Funds	\$16,500	\$1,083,500	\$1,100,000
<i>Total</i>	<i>\$16,500</i>	<i>\$1,083,500</i>	<i>\$1,100,000</i>

DESCRIPTION:

The College requests approval to establish a project to renovate the historic house at 11 Glebe Street. The renovation will convert the 3,230 SF building from guest housing to academic support offices in an effort to better preserve the historic building and address E&G space shortages. Built in 1854, the building has significant structural and asbestos issues. The building is not currently on the College’s IT network or fire alarm system, therefore network cabling and fire sprinkler installation is necessary to make the building a secure and fully functional E&G facility. Renovations will slightly modify the interior to make it more functional as office space, make the building ADA accessible, and replace building systems. The renovated facility will house the School of Language, Culture, and World Affairs Dean and six staff members.

This project was not included in the institution’s FY 2014-15 CPIP year one because initial estimates were under the \$1M permanent improvement project (PIP) threshold. Significant structural and abatement work caused the project to exceed the \$1M threshold.

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.

COLLEGE OF CHARLESTON

PROJECT NAME: 2014-15 Maintenance Needs
REQUESTED ACTION: Establish Project
REQUESTED ACTION AMOUNT: \$1,356,075.45
INITIAL CHE APPROVAL DATE: N/A

Project Budget	Previous	Change	Revised
Professional Services Fees	\$0	\$26,284	\$26,284
Interior Building Renovations	\$0	\$82,948	\$82,948
Building Utilities Renovations	\$0	\$113,343	\$113,343
Exterior Building Renovations	\$0	\$900,000	\$900,000
Builders Risk Insurance	\$0	\$25,000	\$25,000
Other	\$0	\$73,500	\$73,500
Contingency	\$0	\$135,000.45	\$135,000.45
Total	\$0	\$1,356,075.45	\$1,356,075.45

Source of Funds	Previous	Change	Revised
Lottery Appropriation 2014-15*	\$0	\$244,704	\$244,704
Institutional Capital Project Funds	\$0	\$244,704	\$244,704
Lottery Appropriation 2012-13	\$0	\$866,667.45	\$866,667.45
Total	\$0	\$1,356,075.45	\$1,356,075.45

**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 College requests approval to establish a project to repair the JC Long roof and building envelope; conduct ultrasonic testing on electrical outside plant transformers, high voltage switches, and manhole elbows; inspect and clean pad mounted transformers and high voltage switches; repair sump pumps and square manhole cover; and repair elevators in Maybank, Cato, College Lodge, and the Education Center.

This project is being brought to the Committee and Commission for consideration because of the extensive scope of work and the use of both 2012-13 and 2014-15 Lottery Appropriations. The College requests that the 2013 and 2015 funds be combined so that the scope of work can be executed in a more timely and economic manner.

E&G MAINTENANCE NEEDS:

The project will alleviate a portion of the \$138,888,330 in existing maintenance needs 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.

HORRY-GEORGETOWN TECHNICAL COLLEGE

PROJECT NAME: Construction of Advanced Manufacturing Center
REQUESTED ACTION: Establish Project
REQUESTED ACTION AMOUNT: \$6,000,000
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>
College Funds	\$90,000	\$5,910,000	\$6,000,000
<i>Total</i>	<i>\$90,000</i>	<i>\$5,910,000</i>	<i>\$6,000,000</i>

DESCRIPTION:

The College requests approval to establish a project to construct a 30,000 SF metal building to house the Advanced Manufacturing Programs which include CNC/Machine Tool, Welding, Robotics, and Mechatronics programs. The College has outgrown its existing academic space for these programs and needs additional instructional space to support growing these programs to meet increased industry demands. The building will be constructed across the street from the College's Conway Campus on property that is being donated to the College by Horry County and has met all environmental standards (see current staff approval list).

Of the \$6M total proposed budget, \$2.5M has been allocated to equipment. The remaining \$3.5M is the estimated cost for building construction, including site development and architectural work. The building will require a slightly thicker concrete floor to accommodate equipment weight and material storage. Additional requirements include a truck loading bay, heavier electrical systems, and a commercial grade air handling and ventilation system for the welding area to meet OSHA and other safety requirements.

This project was included as priority number 4 in year two of the institution's FY 2014-15 CPIP. The donation of land has moved this project up the list.

E&G MAINTENANCE NEEDS:

N/A – New Construction

ANNUAL OPERATING COSTS/SAVINGS:

Utilities will require additional operating costs of \$60,000 in each of the three years following project completion.

RECOMMENDATION:

Staff recommends approval of this project as proposed.

HORRY-GEORGETOWN TECHNICAL COLLEGE

PROJECT NAME: Conway Fire Station Acquisition
REQUESTED ACTION: Increase Budget (*Purchase Property*)
REQUESTED ACTION AMOUNT: \$348,000
INITIAL CHE APPROVAL DATE: June 11, 2013

<u>Source of Funds</u>	<u>Phase I (Enviro. Study)</u>	<u>Phase II (Purchase Price)</u>	<u>Total Proposed Budget</u>
College Plant Funds	\$20,000	\$348,000	\$368,000
<i>Total</i>	<i>\$20,000</i>	<i>\$348,000</i>	<i>\$368,000</i>

DESCRIPTION:

The College requests approval to purchase a 5,000 SF Horry County Fire Station and the 2.5 acres of land it sits on located in the center of the College’s Conway Campus. The County wishes to relocate the fire station which will allow the College to use the facility to expand its maintenance/warehouse space. The College has outgrown its existing maintenance space and needs a larger footprint for these support services. As part of the acquisition, the College will close the road which intersects at one of its busiest vehicular/pedestrian areas of the campus. This will eliminate a serious safety concern. The College projects that less than \$50,000 in renovations will be necessary to fully utilize the facility.

E&G MAINTENANCE NEEDS:

N/A – Land/Building Acquisition

ANNUAL OPERATING COSTS/SAVINGS:

Utilities will require additional operating costs of \$3,000 in the first year, and \$12,000 in the second and third years following project completion.

RECOMMENDATION:

Staff recommends approval of this project as proposed.

PIEDMONT TECHNICAL COLLEGE

PROJECT NAME: "B" Building Renovation
REQUESTED ACTION: Establish Project
REQUESTED ACTION AMOUNT: \$2,238,000
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>
College Funds	\$30,000	\$2,208,000	\$2,238,000
<i>Total</i>	<i>\$30,000</i>	<i>\$2,208,000</i>	<i>\$2,238,000</i>

DESCRIPTION:

The College requests approval to establish a project to renovate Building "B" into a one-stop-shop for Student Support, Academics, and Continuing Education which includes financial aid, admissions, enrollment services, placement and academic testing, and advising and training. The 19,830 SF space design does not accommodate current demands. The proposed renovation includes approximately 3,150 SF of new construction and renovation of approximately 8,400 SF of existing space. Scope of work will also address building and energy codes.

E&G MAINTENANCE NEEDS:

Based on Fall 2013 data, Building "B" has a current condition code of 89 with existing maintenance needs of \$475,456 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.

TRIDENT TECHNICAL COLLEGE

PROJECT NAME: Veterinary Technology Animal Care Facility
REQUESTED ACTION: Establish Project
REQUESTED ACTION AMOUNT: \$1,750,000
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>
County Capital Appropriations	\$0	\$1,750,000	\$1,750,000
<i>Total</i>	<i>\$0</i>	<i>\$1,750,000</i>	<i>\$1,750,000</i>

DESCRIPTION:

The College requests approval to establish a project to demolish and replace the Care Facility at Halbert Hall. Halbert Hall houses the Veterinary Technology Program which is one of only two programs in the state. The Veterinary Technology Program has a 90% placement rate for its graduates.

Findings from a 2010 accreditation site visit by the American Veterinary Medical Association (AVMA) require the College to remediate problems with the Care Facility before the Fall 2016 semester in order to keep accreditation for the program. The Care Facility is a traditional dog kennel that houses the animals. It is a separate structure that is attached by a short walkway from Halbert Hall where the Veterinary Technology Program is operated. It functions as a part of the overall facility, but has its own four walls for hygiene purposes. The kennel component will be demolished and replaced. The 5,500 SF replacement facility will also house cats, have a place to bathe the animals, have a quarantine area, food storage, a laundry, and some other functionality that allows the College to better care for the animals.

This project was not included in the institution's FY 2014-15 CPIP year one because original estimates were under the \$1M permanent improvement project (PIP) threshold. The project was competitively bid and bids came back over \$1M. Two primary factors caused bids to exceed estimates: 1) general inflation in construction labor and materials over the planning period; 2) new hygiene standards requiring a much larger and sophisticated HVAC system than originally anticipated. The system must be capable of drying spaces that are washed out three times per day and must be non-recirculating to prevent spread of infectious airborne diseases. The original estimates did not contemplate the additional tonnage and ducting required to achieve proper hygienic conditions. Because the College has completed detail design, received approval from the Office of State Engineer (OSE) for design and engineering specs, and bid the work competitively; the project is being brought forward for consideration of phase II (construction).

E&G MAINTENANCE NEEDS:

Based on Fall 2013 data, Halbert Hall has a current condition code of 73 with existing maintenance needs of \$394,101 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.

Source	Activity	Expended in FY 2013-14	FY 2014-15 Budgeted					Expended Through			Balance
			Salary & Fringe	Operating	Major Contracts	Flow-Through	Scholarships	Total	12/31/2014	Target	
									Amount	% Expended	
CHE Operating and Programs											
State	CHE General Administration - Personnel	1,525,693	1,846,897					1,846,897.00	768,406.68	41.6%	1,078,490
State	CHE General Administration - Personnel (Carryover)	31,066	114,953					114,953.00	57,476.28	50.0%	57,477
State	CHE General Administration - Operational Support	359,558		359,558				359,558.00	179,913.74	50.0%	179,644
State	CHE General Administration (Carryover) (Search Committee Support)	7,026		7,500				7,500.00	2,724.54	36.3%	4,775
State	CHE LDS Continuation (Carryover)	88,953	32,295					32,295.00	1,307.95	4.1%	30,987
State	CHE General Administration (Carryover) (Building Security/Renovation)	150		12,000				12,000.00	7,449.98	62.1%	4,550
State	CHE General Administration (Carryover) (Data Security)	54,884	48,443	4,000				52,443.00	33,049.76	63.0%	19,393
State	CHE Professor of the Year (Carryover)	10,000						0.00	0.00	0.0%	0
State	CHE General Administration (Carryover)	0		261,976				261,976.46	0.00	0.0%	261,976
Lottery	Lottery Administration	203,852	217,078	42,922				260,000.00	64,406.10	24.8%	195,594
Lottery	Lottery Administration (Carryover)	3,887	56,148					56,148.27	56,148.27	100.0%	0
State	Licensing	47,016	47,972					47,972.00	23,985.84	50.0%	23,986
Revenue	Licensing	197,770	257,192					257,192.00	128,910.23	50.1%	128,282
Revenue	Licensing	38,720		49,135				49,135.00	24,411.42	49.7%	24,724
State	Education & Economic Development Act (EEDA)	1,159,153	207,087	123,868	849,621			1,180,576.00	717,241.66	60.8%	463,334
State	Education & Economic Development Act (EEDA) (Carryover)	12,830		21,423				21,423.18	21,423.18	100.0%	0
Revenue	Education & Economic Development Act (EEDA)	-						0.00	0.00	0.0%	0
EIA	Centers of Excellence (through SCDE to CHE per Proviso 1A.36)	887,526	38,165	6,945		1,092,416		1,137,526.00	917,169.28	80.6%	220,357
Federal	Improving Teacher Quality (ITQ)	925,908	24,466	29,897		822,516		876,879.00	443,346.62	50.6%	433,532
Federal	State Approving Agency (Veterans Education & Training)	272,495	259,472	39,208				298,680.00	132,502.73	44.4%	166,177
State	GEAR UP	177,201	5,171	26,602	145,428			177,201.00	93,812.73	52.9%	83,388
Federal	GEAR UP	2,711,780	271,713	111,445	272,151	2,788,291		3,443,600.00	1,341,714.38	39.0%	2,101,886
Revenue	College Goal Sunday	34,902		35,000				35,000.00	1,021.94	2.9%	33,978
Federal	College Access Challenge Grant	1,217,148	36,582	49,700	161,235	266,108	629,854	1,143,479.34	1,143,479.34	100.0%	0
Subtotal		9,967,517	3,463,634	1,181,180	1,428,435	4,969,331	629,854	11,672,434.25	6,159,902.64	52.8%	5,512,532
Other Agencies and Entities											
State	State Electronic Library (PASCAL) - CHE Operating Support	17,919		17,919				17,919.00	10,031.76	56.0%	7,887
State	State Electronic Library (PASCAL)	146,370				146,370		146,370.00	146,370.00	100.0%	0
Revenue	State Electronic Library (PASCAL)	2,277,438				2,686,577		2,686,577.00	1,670,631.31	62.2%	1,015,946
Lottery	State Electronic Library (PASCAL) (Carryover)	1,118,159				1,672,355		1,672,355.00	86,966.00	5.2%	1,585,389
Trust	SmartState® Administration (CHE Support) ¹	298,562	125,337	459,947				585,284.00	135,013.77	23.1%	450,270
Trust	SmartState Administration (Institution Support) ¹	300,000				300,000		300,000.00	300,000.00	100.0%	0
Trust	SmartState State Matching Funds ¹	9,031,004						0.00	0.00	0.0%	0
State	Univ. Center of Greenville - Greenville Technical College	594,390				594,390		594,390.00	297,194.00	50.0%	297,196
State	Univ. Center of Greenville - Operations	1,084,899				1,084,899		1,084,899.00	542,449.50	50.0%	542,450
State	Univ. Center of Greenville - Infrastructure Dev (Proviso 118.17)	200,000						0.00	0.00	0.0%	0
State	Lowcountry Graduate Center	785,099				785,099		785,099.00	392,549.00	50.0%	392,550
Other	Lowcountry Graduate Center (nonrecurring - Proviso 118.16)					300,000		300,000.00	300,000.00	100.0%	0
State	Academic Endowment	160,592				160,592		160,592.00	160,592.00	100.0%	0
State	EPSCoR	161,314				161,314		161,314.00	80,658.00	50.0%	80,656
State	Performance Funding (Distributed per Proviso 11.7)							0.00	0.00	0.0%	0
State	EPSCoR	1,118,016				1,118,016		1,118,016.00	559,008.00	50.0%	559,008
State	SC State University	279,504				279,504		279,504.00	139,752.00	50.0%	139,752
State	African American Loan Program (Distributed per Proviso 11.3)							0.00	0.00	0.0%	0
State	SC State University	87,924				87,924		87,924.00	43,962.00	50.0%	43,962
State	Benedict College	-				31,376		31,376.00	15,688.00	50.0%	15,688
State	Benedict College (Carryover)	-				31,376		31,376.00	31,376.00	100.0%	0
Other	Child Abuse Medical Response Program (Nonrecurring - Proviso 118.16)					225,000		225,000.00	225,000.00	100.0%	0
Lottery	Proviso 3.5 - Allocations for So. Methodist, Coker, and Clinton	-				227,799		227,798.58	227,798.58	100.0%	0
Lottery	2-Yr & 4-Yr Public Institutions Lottery Technology	9,576,816				7,395,202		7,395,201.67	6,066,134.00	82.0%	1,329,068
Lottery	2-Yr & 4-Yr Public Institutions Lottery Technology (Carryover)					1,465,255		1,465,255.00	1,465,255.00	100.0%	0
Lottery	Public 4-Yr & 2-Yr Institutions -- Maintenance Needs	22,584,883				5,239,938		5,239,938.18	732,690.00	14.0%	4,507,248
Lottery	Higher Education Excellence Enhancement Program (HEEEP)	3,978,053				4,307,095		4,307,095.38	2,153,551.38	50.0%	2,153,544
EIA	Teacher Recruitment (to CHE through SCDE & Distributed per Proviso 1A.8)							0.00	0.00	0.0%	0
EIA	CERRA	3,904,045				3,904,045		3,904,045.00	1,952,022.00	50.0%	1,952,023
EIA	SC State Univ. PRRMT					339,482		339,482.00	0.00	0.0%	339,482
Subtotal		58,044,468	125,337	477,866	0	32,543,608	0	33,146,810.81	17,734,692.30	53.5%	15,412,119

Source		Activity	Expended in FY 2013-14	FY 2014-15 Budgeted					Expended Through		Balance	
				Salary & Fringe	Operating	Major Contracts	Flow-Through	Scholarships	Total	12/31/2014		Target
										Amount		% Expended
State-Supported Student Scholarship and Grant Programs												
State	SREB Contract Program & Assessments		3,407,600					3,667,610	3,667,610.00	2,932,650.00	80.0%	734,960
State	SREB Contract Program & Assessments (Carryover)		147,400					102,150	102,150.00	102,150.00	100.0%	0
State	SREB Arts Program (NC School for the Arts)		7,177					7,177	7,177.00	0.00	0.0%	7,177
State	LIFE Scholarships		59,754,048					48,856,393	48,856,393.00	48,856,393.00	100.0%	0
Lottery	LIFE Scholarships		117,685,570					140,824,027	140,824,027.00	43,805,143.94	31.1%	97,018,883
Lottery	LIFE Scholarships (Carryover)		3,055,620					189,363	189,363.35	189,363.35	100.0%	0
State	Palmetto Fellows - Educational Endowment ²		12,000,000					12,000,000	12,000,000.00	12,000,000.00	100.0%	0
State	Palmetto Fellows Scholarships		8,439,310					8,439,310	8,439,310.00	8,439,310.00	100.0%	0
Lottery	Palmetto Fellows Scholarships		34,265,134					37,648,288	37,648,288.00	8,396,062.70	22.3%	29,252,225
Lottery	Palmetto Fellows Scholarships (Carryover)		778,343					2,646	2,646.25	2,646.25	100.0%	0
State	HOPE Scholarships		231,727					231,727	231,727.00	231,727.00	100.0%	0
Lottery	HOPE Scholarships		7,462,527					8,476,245	8,476,245.00	3,632,940.68	42.9%	4,843,304
Lottery	HOPE Scholarships (Carryover)		931,877					817,329	817,328.94	817,328.94	100.0%	0
State	Need-based Grants - Educational Endowment ²		12,000,000					12,000,000	12,000,000.00	12,000,000.00	100.0%	0
State	Charleston Transition Connection - Need-based Grants		179,178					179,178	179,178.00	60,920.00	34.0%	118,258
Other	Need-based Grants (Non-recurring - Proviso 118.16)							2,600,000	2,600,000.00	1,840,689.18	70.8%	759,311
Lottery	Need-based Grants		11,631,392					13,000,000	13,000,000.00	-180.00	0.0%	13,000,180
Lottery	Need-based Grants (Carryover)		1,302,791					1,368,608	1,368,607.95	0.00	0.0%	1,368,608
Lottery	Summer Semester Eligibility							1,718,902	1,718,902.00	0.00	0.0%	1,718,902
Lottery	Lottery Tuition Assistance (LTA) ³		1,517,201					2,455,000	2,455,000.00	1,343,733.75	54.7%	1,111,266
Lottery	Lottery Tuition Assistance (LTA) ³ (Carryover)		1,041,455					937,799	937,798.88	349,630.25	37.3%	588,169
State	National Guard College Assistance Program		89,930	77,325	12,643				89,968.00	57,220.51	63.6%	32,747
State	National Guard College Assistance Program (Carryover)				38				37.86	37.86	100.0%	0
Lottery	National Guard College Assistance Program		2,446,333					4,545,000	4,545,000.00	563,594.75	12.4%	3,981,405
Lottery	National Guard College Assistance Program (Carryover)							1,338,667	1,338,666.54	906,347.38	67.7%	432,319
Trust	National Guard Loan Repayment Trust ⁴		333,192					7,130	7,129.81	7,129.81	100.0%	0
Trust	DAYCO Scholarship ⁴		-					4,280	4,280.00	2,140.00	50.0%	2,140
Subtotal			278,707,806	77,325	12,681	0	0	301,416,829	301,506,834.58	146,536,979.35	48.6%	154,969,855
Grand Total All Funds and Programs			346,719,791	3,666,297	1,671,727	1,428,435	37,512,938	302,046,683	346,326,079.64	170,431,574.29	49.2%	175,894,505
State			103,813,618	2,184,452	540,590	995,049	4,449,484	85,381,395	93,550,970.00	88,749,835.42	94.9%	4,801,135
State Carryover			352,309	195,691	306,938	0	31,376	102,150	636,154.50	256,995.54	40.4%	379,159
Other - Non-recurring			-	0	0	0	525,000	2,600,000	3,125,000.00	2,365,689.18	75.7%	759,311
Revenue			2,548,830	257,192	84,135	0	2,686,577	0	3,027,904.00	1,824,974.90	60.3%	1,202,929
Lottery			211,351,762	217,078	42,922	0	17,170,034	208,667,462	226,097,495.81	66,985,875.88	29.6%	159,111,620
Lottery Carryover			8,232,132	56,148	0	0	3,137,610	4,654,412	7,848,170.18	3,873,685.44	49.4%	3,974,485
Smartstate			9,629,566	125,337	459,947	0	300,000	0	885,284.00	435,013.77	49.1%	450,270
National Guard Trust / DAYCO Trust			333,192	0	0	0	0	11,410	11,409.81	9,269.81	81.2%	2,140
EIA			5,131,053	38,165	6,945	0	5,335,943	0	5,381,053.00	2,869,191.28	53.3%	2,511,862
Federal			5,127,331	592,233	230,251	433,386	3,876,915	629,854	5,762,638.34	3,061,043.07	53.1%	2,701,595

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.



South Carolina Commission on Higher Education

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Mr. Hood Temple

Dr. Richard C. Sutton
Executive Director

DATE: December 1, 2014

TO: The Honorable Hugh K. Leatherman, President Pro Tempore and Chairman of SC Senate Finance Committee
The Honorable Brian White, Chairman, House Ways and Means Committee

FROM: Dr. Richard C. Sutton, Executive Director *RC Sutton*

SUBJECT: FY 2013-14 Maintenance & Repair SC Education Lottery Report

Per FY 2013-14 lottery proviso 3.5, the SC Commission on Higher Education (CHE) was charged with providing the Senate Finance Committee and House Ways and Means Committee with a report regarding 1) the utilization of FY 2013-14 maintenance and repair appropriation provided through the SC education lottery; 2) the amount spent in FY 2013-14 by each public institution of higher learning, by source of funds, on repair and maintenance projects generally; and 3) the amount of repair and maintenance deferred to a subsequent fiscal year by each institution and the reason for the deferral. Attached are three worksheets that capture this information as provided by the institutions.

The first worksheet contains the list of maintenance needs projects using FY 2013-14 SC education lottery appropriations and the required 1:1 match. Please note that the majority of these projects are in Phase I (pre-design) as reflected in the expenditure column. The data indicate the due diligence necessary to ensure that the resources available are used wisely as they address those needs.

The second worksheet includes expenditures by source of funds made in support of repair and maintenance projects in FY 2013-14. You will note that the funding comes from myriad sources that carry various restrictions that must be considered in the planning and execution of projects and that the projects themselves involve considerations far beyond funding. These considerations include, but are not limited to, logistics, continued support for teaching and learning, operational efficiencies, and safety. And finally, the projects attempt to balance cost effectiveness with pedagogical requirements and student, faculty, and benefactor expectations.

The third worksheet includes the listing of repair and maintenance projects scheduled for FY 2013-14 that were deferred to a subsequent fiscal year and the reason for deferral. You will note that the reasons for deferral demonstrate the complexities of addressing maintenance needs in a disciplined way. Weighing each of the considerations noted above and deferring only when necessary ensures that the project maximizes resources, continues to address campus needs and priorities, and provides the best results for the State and the institution's students, faculty, and administrators.

If you have any questions, please do not hesitate to contact Mr. Gary Glenn, Director of Fiscal Affairs, at (803) 737-2155 or gglenn@che.sc.gov.

Attachments

C: Mr. Craig Parks, Senior Research and Budget Analyst, SC Senate Finance Committee
Ms. Blythe Littlefield, Budget Analyst, SC House Ways and Means Committee Chairman
Mr. Gary Glenn, Director of Fiscal Affairs
Ms. Julie Carullo, Director of External Affairs

Maintenance Needs Projects using FY 2013-14 Lottery Allocation and Match *

Institution	Date Approved by CHE	Project #	Project Name	Lottery Funds	Matching Funds	Source of Matching Funds	Project Total	Expenditures (as of Oct 29, 2014 SPBIS)	Scope of Work
Clemson	1/9/2014	9913	2013-14 Maintenance Needs	\$2,717,813	\$2,717,813	Maintenance & Stewardship Funds	\$5,435,626	\$0	Scope of work will include replacement and upgrades to portions of the 12,470-volt and 4,160-volt distribution systems in order to address deferred maintenance and reliability issues. Work will include the replacement of electrical switches that are no longer safe to operate, and replacement of deteriorated fuse coordination. Portions of the distribution systems and electrical infrastructure within buildings have long outlived their useful life and must be replaced or upgraded. Proper maintenance is presently a challenge due to outdated and obsolete components, significantly reducing the reliability of the campus wide electrical distribution system. Funding for this project will be leveraged with Project #9898 – Deferred Maintenance and Project #9909 – Deferred Maintenance 2012 funding for a combined total of \$16,130,444 to address electrical infrastructure replacement and upgrade needs on the University's medium voltage distribution system.
USC Columbia	11/18/2013	6052	Health Sciences Renovation	\$3,567,287	\$14,432,713	Institution Bonds	\$18,000,000	\$6,288,271	Lottery funds will be utilized to fund maintenance needs items including but not limited to HVAC, roof, and roof drains replacement; seismic retrofit; electrical upgrades, hazardous material abatement; window and door restoration; shot crete reinforcement; and restroom upgrades. This project will provide a new home for the School of Journalism and Mass Communications. The use of lottery funds to address maintenance items will reduce the amount of bonds required for funding.
USC Columbia	11/18/2013	6107	2013-14 Maintenance Needs	\$372,000	\$378,000	Institutional Capital Project Fund	\$750,000	\$320,393	Scope of work will include replacement of HVAC system, upgrades to the fire alarms and sprinkler systems, replacement of plumbing fixtures, elevator upgrades, repairs to the building envelope, and correction to exterior drainage around the perimeter of the building.
USC SOM	11/18/2013	6106	2013-14 Maintenance Needs	\$588,629	\$611,371	Institutional Capital Project Fund	\$1,200,000	\$0	Scope of work will include: Building #1, replacement of air handler unit controls and modification of exhaust system; Building #4, upgrade to mechanical system that supports facilities in the basement; Building #28, replacement of four mechanical units with steam heating coils in preparation for the phase out of steam supply; 15 Medical Park, renovations to bathrooms to upgrade worn and dated finishes, and improve ADA access.
MUSC	9/26/2013	9826	2013-14 Maintenance Needs	\$2,351,936	\$2,351,936	Indirect Cost Recoveries; Tuition	\$4,703,872	\$174,263	Scope of work will include replacement of two air handling units in the Clinical Sciences Building; two air handling units in the Hollings Cancer Center; and the west side hot water riser system in the Basic Science Building.
The Citadel	2/11/2014	9610	2013-14 Maintenance Needs	\$387,663	\$544,337	Citadel Deferred Maintenance Fund	\$932,000	\$197,243	Scope of work will include roof work on Bond Hall (area A&B), Central Warehouse, Duckett Hall, Jenkins Hall, and the Library (north end).
Coastal Carolina	10/23/2013	9601	2013-14 Maintenance Needs	\$390,953	\$509,047	Renovation Reserve/Plant Expansion	\$900,000	\$97,988	Scope of work will include repair to campus roads (Chanticleer Drive, Founders Drive, & Evergreen Lane) and a pedestrian bridge that is located in the middle of campus. The roads are in need of major repair due to heavy daily traffic, construction, etc. The wooden bridge that serves as a main pedestrian corridor through campus is falling into disrepair and needs to be replaced.
College of Charleston	12/10/2013	9653	2013-14 Maintenance Needs	\$825,970	\$825,970	College Fees	\$1,651,940	\$0	Scope of work will include renovation and repair of the exterior of 11 Glebe Street, 12 Glebe Street, 59 Coming Street, and the building envelope of the JC Long Building. 11 Glebe, 12 Glebe, and 59 Coming have historical landmark status and have not been significantly renovated since 1987. The JC Long Building, built in 1970, has a history of moisture intrusion problems stemming primarily from extensive roof and window leaks. Cosmetic damage to the building is extensive and some structural damage is assumed. Improperly protected brick veneer lintels are deteriorating, which will lead to eventual failure.
Francis Marion	1/14/2014	9569	2013-14 Maintenance Needs	\$494,624	\$494,624	FMU Capital/Maint. Reserve Fund	\$989,248	\$63,494	Scope of work will include soundproofing classrooms, upgrades to the HVAC systems, handicapped/automatic doors, interior restrooms, and elevators, as well as painting and replacement of floor coverings in high traffic areas in Founders Hall and Caughen Educational Media Center.
Lander	4/30/2014	9537	2013-14 Maintenance Needs	\$266,807	\$583,193	General University Plant Funds	\$850,000	\$0	Scope of work will include replacement of Genesis Hall (12,000 SF) and Barratt Hall (25,000 SF) roofs, as well as repair asphalt throughout the campus parking lots due to substantial asphalt deterioration.
SC State	12/23/2013	9652	2013-14 Maintenance Needs	\$518,277	\$518,277	Institutional Funds	\$1,036,554	\$668,853	Scope of work will include renovation/repair of campus gates at the two east entrances; stadium concourse drains; Press box and weight room roof top HVAC units; campus steam lines; broken and uneven sidewalks and resurfacing of Buckley Street; Belcher Hall flooring; Boiler Plant; roof repairs to Turner, Stanback, and Donma; and rooftop air handler on Turner "C".
USC Aiken	11/18/2013	9548	2013-14 Maintenance Needs	\$270,221	\$279,779	Institutional Capital Project Fund	\$550,000	\$9,299	Scope of work will include replacement of a 20 year old 225 ton chiller, a 125 gallon water heater, four chilled water valves, and upgrades to the energy management system in the Penland building; replacement of an 85 gallon water heater in the Gregg-Graniteville Library; and installation of instant water heaters in four laboratories in lieu of using large boilers to produce hot water in the Science building.
USC Beaufort	11/18/2013	9514	2013-14 Maintenance Needs	\$61,899	\$68,101	E&G Maintenance Reserves	\$130,000	\$2,700	Scope of work on the Historic Beaufort Campus will include painting the exterior of the Grayson House. Work on the Hilton Head Gateway Campus will include modifications to the HVAC and sprinkler systems serving the information technology equipment rooms; and replacement of lighting fixtures in the corridor and stairwell in the Hargray Building.
USC Upstate	11/18/2013	9544	2013-14 Maintenance Needs	\$355,543	\$359,457	Institutional Capital Project Funds; Parking Revenue	\$715,000	\$102,996	Scope of work will include replacement of laboratory exhaust fans in the Smith Science Building; replacement of the emergency generator in the Humanities and Performing Arts Center; conversion from incandescent bulbs and ballasts to more energy efficient bulbs that do not require ballasts on exterior pole lighting in parking lots and along sidewalks; installation of variable speed drive in existing air handler units in the Campus Life Center, Media Building, Hodge Center, and Library Building; repair and resurfacing of selected streets and parking lots to correct deteriorated pavement; sealing of gravel road to prevent erosion; installation of piping in the drainage swale, north of the intersection of North Campus Boulevard and Hodge Drive, to fill the ditch that has developed to prevent further erosion and to prevent eroded soil from filling the detention pond.
Winthrop	9/24/2013	9572	2013-14 Maintenance Needs	\$569,307	\$569,307	Institution Bonds	\$1,138,614	\$748,119	Scope of work will include roof replacements in the Music Conservatory, Johnson Hall - 1920 segment, 520 Cherry Road, and Byrnes Auditorium; water heating system replacement in Rutledge; repairs to rotten floors in the Kindergarten Building and Bancroft; repairs to water damage from former roof leaks including plaster, paint, and mold removal in McLaurin; repairs to the steam line in Thompson Café; replacement of campus lights; and repair/replacement of Roddev Apartment Building front porch.
USC Lancaster	11/18/2013	9514	2013-14 Maintenance Needs	\$66,878	\$118,122	Institutional Capital Project Funds; E&G Maintenance Reserves	\$185,000	\$0	Scope of work will address upgrades in the original section of the Medford Library Building. The second floor restrooms will be renovated to upgrade worn and dated finishes, improve ADA access, and install water efficient fixtures. Electrical fixtures will be upgraded to meet current illumination and energy standards. The elevator will also be upgraded. As funding allows, lighting will be upgraded in remaining rooms on the second floor.

Maintenance Needs Projects using FY 2013-14 Lottery Allocation and Match *

Institution	Date Approved by CHE	Project #	Project Name	Lottery Funds	Matching Funds	Source of Matching Funds	Project Total	Expenditures (as of Oct 29, 2014 SPBRS)	Scope of Work
USC Salkehatchie	11/18/2013	9522	2013-14 Maintenance Needs	\$56,797	\$63,203	Institutional Capital Project Funds	\$120,000	\$76,115	Scope of work on the Allendale Campus will include replacement of the 20 year old mechanical system and painting of the walls and floors in the Conference Center; and replacement of carpet in one room and toilet partitions in the four public restrooms in the Central Classroom Building. Scope of work on the Walterboro Campus will include replacement of toilet partitions in the four public restrooms in the Main Building.
USC Sumter	11/18/2013	9518	2013-14 Maintenance Needs	\$106,232	\$108,768	Institutional Capital Project Funds; E&G Maintenance Reserves	\$215,000	\$0	Scope of work will include replacement of windows in the Arts and Letters Building; replacement of existing campus identification and directional signs; and exterior painting of the Arts and Letters Building, Science Building, Business Administration Building, and the Student Union Building.
USC Union	11/18/2013	9509	2013-14 Maintenance Needs	\$26,047	\$48,953	Institutional Funds	\$75,000	\$0	Scope of work will include replacement of the boiler in the Main Building. The existing boiler is 22 years old and in poor condition.
Grand Total				\$13,994,883	\$25,582,971		\$39,577,854		

*Per lottery proviso 3.5, these funds are allocated for repair and maintenance 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.

**Expenditures in FY 2013-14 on Maintenance and Repairs,
by Source of Funds***

<u>Institution</u>	<u>Expenditures in FY 2013-2014</u>	<u>Source of Funds</u>
Clemson	\$2,951,729.30	Athletic Repair and Maintenance Funds
	\$587,393.95	Foundation Funds
	\$4,857,572.06	Housing/Dining Repair and Maintenance Funds
	\$20,882,748.09	Institutional Repair and Maintenance Funds
	\$1,390,114.28	Parking Repair and Maintenance Funds
	\$1,987,622.37	State Appropriated Funds
Total	<u>\$32,657,180.05</u>	
USC Columbia	\$1,136,344.84	Athletic Operating Funds
	\$566,752.00	Auxiliary Funds
	\$1,153,506.59	E&G Maintenance Reserve
	\$4,772,920.74	Housing Maintenance Reserve
	\$1,482,634.71	Institutional Capital Project Fund
	\$960,990.07	Institutional Funds
	\$994,276.84	Johnson Controls Inc. Performance Contract Savings
	\$59,037.00	Parking Revenues
	\$21,344,123.00	Revenue Bonds
	\$6,548,209.00	State Appropriated Funds
Total	<u>\$39,018,794.79</u>	
MUSC	\$1,850,838.56	College of Medicine (COM) Funds
	\$182,133.78	Department Funds
	\$206,899.25	Grant
	\$34,086.95	Hospital Revenue
	\$1,006,337.47	Indirect Cost Recovery
	\$5,331,139.48	Institution Bonds
	\$2,113,708.51	Institutional Capital Project Funds
	\$799,864.69	Parking Revenue
	\$4,856,706.96	State Appropriated Funds
	\$745,231.04	Tuition
Total	<u>\$17,126,946.67</u>	
The Citadel	\$1,319,728.82	Auxiliary Maintenance Reserves
	\$328,252.91	E&G Maintenance Reserves
	\$417,406.55	Gifts
	\$2,169,557.52	State Appropriated Funds
Total	<u>\$4,234,945.80</u>	
Coastal Carolina	\$868,175.82	Institution Bonds
	\$3,110,075.91	Renovation/Reserve Plant Expansion
	\$790,688.17	State Appropriated Funds
Total	<u>\$4,768,939.90</u>	
College of Charleston	\$3,857,700.00	Auxiliary
	\$4,388,128.00	E&G/College Fees
	\$313,524.00	State Appropriated Funds
Total	<u>\$8,559,352.00</u>	
Francis Marion	\$288,829.44	Building Maintenance
	\$223,896.82	FMU Capital/Maintenance Reserve
	\$516,442.70	Institutional General Fund
	\$105,242.39	Maintenance, Replacement, & Repair
	\$899,679.88	State Appropriated Funds
Total	<u>\$2,034,091.23</u>	

**Expenditures in FY 2013-14 on Maintenance and Repairs,
by Source of Funds***

<u>Institution</u>	<u>Expenditures in FY 2013-2014</u>	<u>Source of Funds</u>
Lander	\$115,000.00	Food Service Capital Improvements
	\$927,002.00	Housing Renovation Reserves
	\$670,760.00	Institutional Maintenance Reserve
	\$244,235.00	State Appropriated Funds
Total	\$1,956,997.00	
SC State	\$509,215.00	Institutional Maintenance Reserve
	\$808,788.00	Title III Deferred Maintenance Funds
Total	\$1,318,003.00	
USC Aiken	\$750.00	Institutional Capital Project Fund
	\$35,159.00	State Appropriated Funds
Total	\$35,909.00	
USC Beaufort	\$21,968.00	E&G Maintenance Reserves
	\$559,689.00	State Appropriated Funds
Total	\$581,657.00	
USC Upstate	\$1,371,877.00	Institution Bonds
	\$943,905.00	State Appropriated Funds
Total	\$2,315,782.00	
Winthrop	\$144,747.00	College of Education Funds
	\$170,628.00	Insurance proceeds
	\$292,540.73	Institutional Bonds
	\$106,303.00	Maintenance
	\$750,000.00	State Appropriated Funds
Total	\$1,464,218.73	
USC Regional Campuses	\$576,559.11	State Appropriated Funds
Total	\$576,559.11	
Aiken TC	\$422,158.00	Institutional Funds
	\$206,855.00	State Appropriated Funds
Total	\$629,013.00	
Central Carolina TC	\$166,404.00	College Capital Project Funds
Total	\$166,404.00	
Denmark TC	\$27,000.00	Local Funds
	\$268,880.26	Plant Funds
	\$208,863.00	State Appropriated Funds
Total	\$504,743.26	
Florence-Darlington TC	\$582,705.53	Institutional Maintenance Reserve
Total	\$582,705.53	
Greenville TC	\$127,161.64	Grant
	\$620,646.61	Local Funds
	\$475,640.25	State Appropriated Funds
Total	\$1,223,448.50	
Horry-Georgetown TC	\$4,079,098.00	Institutional Maintenance Reserve
	\$2,183,331.00	Penny Tax/College Funds
Total	\$6,262,429.00	
Midlands TC	\$1,058,645.00	County Funds
Total	\$1,058,645.00	
Northeastern TC	\$66,035.00	Local Funds
	\$432,238.00	State Appropriated Funds
Total	\$498,273.00	

**Expenditures in FY 2013-14 on Maintenance and Repairs,
by Source of Funds***

<u>Institution</u>	<u>Expenditures in FY 2013-2014</u>	<u>Source of Funds</u>
Orangeburg-Calhoun TC	\$287,704.00	Local Funds
Total	\$287,704.00	
Piedmont TC	\$2,367,513.00	College Funds
	\$1,148,735.00	State Appropriated Funds
Total	\$3,516,248.00	
Spartanburg CC	\$744,445.39	College Funds
	\$267,421.51	State Appropriated Funds
Total	\$1,011,866.90	
TC of the Lowcountry	\$171,916.00	Deferred Maintenance Funds
	\$54,417.00	Local Funds
Total	\$226,333.00	
Tri-County TC	\$363,663.00	Capital Project Fees
	\$1,764,944.75	County Capital Appropriations
Total	\$2,128,607.75	
Trident TC	\$1,222,524.00	Internal - Capital Project Fund
	\$1,406,757.00	Internal - Operating Fund
Total	\$2,629,281.00	
Williamsburg TC	\$40,787.00	Local/Institutional
	\$8,000.00	Local/Special
Total	\$48,787.00	
York TC	\$343,303.64	College Capital Reserve Funds
	\$693,533.56	County Funds
	\$197,935.28	State Deferred Maintenance Funds
Total	\$1,234,772.48	
Grand Total	\$138,658,637.70	

*Maintenance and repairs are activities directed toward keeping facilities in an acceptable condition. Activities include preventative maintenance; replacement of parts, systems, or components (renewal); and other activities needed to preserve or maintain the asset.

Deferred FY 2013-14 Repair and Maintenance*

Institution	Project #	Project Name	Approval Type (Internal or State PIP)	Approved Budget	Expenditures in FY 2013-2014	Source of Funds	Scope of Work	Reason for Deferral
Clemson		None						
USC Columbia	H27-Z114	2014 Leconte College Classroom Enhancements	Internal	\$400,000	\$0	Institutional Funds; ICPF	Renovations will include new interior finishes, new furnishings, upgrade/installation of multimedia equipment, and minor mechanical/electrical modifications.	Work was deferred due to the amount of construction projects in the area and providing the availability of laydown space for contractors.
	H27-Z156	Bates House Exterior Repairs	Internal	\$500,000	\$14,596	Housing Maintenance Reserve	Repairs to exterior to include new sealant around windows, sealant at mortar cracks, sealant at control and expansion joints, adding weep holes to evacuate moisture from the wall cavity and correcting flashing, with other wall penetrations being sealed.	Work was deferred to Summer of 2015 so entire scope can be accomplished while students are not living in rooms.
MUSC	9822	Walton Research Bldg Flrs 2,3,6,7	State PIP	\$7,215,977	\$10,684	COM Clinical Reserve	Renovate 4 floors in the Walton Research Building	Currently re-evaluating space needs
	51306	TG Replace Steam with Hot Water Reheat	Internal	\$665,000	\$13	Indirect Cost Recovery, Tuition	Replace steam reheat coils T-G Building 7 & 8 floors	Schedule issues with other projects
	51319	BSB 7th Flr Pathology Tissue Prep Lab	Internal	\$525,000	\$1,125	COM Department Revenue	Renovate 1,750 SF on BSB 7 for new tissue prep lab	Currently re-evaluating space needs
	51320	BSB 7th Flr Noise Exposure	Internal	\$400,000	\$6,930	COM Department Revenue	Renovate 850 SF on BSB 7 for noise exposure lab	Currently re-evaluating space needs
The Citadel	Pending	Coward Hall RCR/Corp Squad Air Handler Units	Internal	\$250,000	\$0	Auxiliary Maintenance Reserve	Replace Air Handler Units in Coward RCRR & Sqd Rm	Lack of personnel
	IH-298	Deas Hall Structural Repairs	Internal	\$225,000	\$0	Institutional Capital Project Fund	Repair structural issues at Deas Hall	Lack of personnel
	Pending	Ground Fire System Water Tank Replacement	Internal	\$350,000	\$0	Citadel Deferred Maintenance	Replace the ground fire system water tank	Lack of funds
	Pending	Public Safety Building-New	Internal	\$600,000	\$0	Citadel Deferred Maintenance	Build a new Public Safety building	Lack of funds/personnel
	IH-349	Quarters One Window Repl	Internal	\$100,000	\$0	Citadel Deferred Maintenance	Replace windows at Quarters One	Lack of personnel
Coastal Carolina	9548	Smith Science Renovations Phase II	State PIP	\$4,100,000	\$165,089	ICPF/ Renovation Reserve/ Plant Expansion	HVAC and electrical upgrades, roof replacement, plumbing and exterior upgrades	Repairs are planned to coincide with another science building opening for the least disruption as possible of scheduled classes for students and faculty.
	N/A	Ingle & Eaglin Hall Renovation	State PIP	\$5,000,000	\$0	Auxiliary Funds	HVAC and electrical upgrades	Buildings are scheduled to be taken off line at intervals in accordance with the 20 year maintenance plan.
	N/A	UP Housing (\$325,000 times 45 buildings)	State PIP	\$14,625,000	\$0	Auxiliary Funds	Flooring, painting, plumbing, appliances	Buildings are scheduled to be taken off line at intervals in accordance with the 20 year maintenance plan.
	N/A	Hackler Golf Course Cart Path Replacement	Internal	\$265,000	\$0	Renovation Reserve/ Plant Expansion	Replace the cart path that is in serious need of repair for safety purposes.	The golf course is currently involved with tree removal that contributed to this needed repair. When this is complete, and the type of material is identified, then work can be scheduled.
College of Charleston	9651	2012 Deferred Maintenance	State	\$880,383	None	FY2013 Lottery Funds and Match	Correction of deferred maintenance in JC Long Building envelope and roof	Project was planned and approved at the state level, however the work was deferred until FY2015 so that proper planning could take place and personnel available.
	9653	2013-14 Maintenance Needs	State	\$1,651,940	None	FY2014 Lottery Funds and Match	Exterior repairs at 12 Glebe and 12 Bull (historic houses)	Project was planned and approved at the state level, however the work was deferred until FY2015 so that proper planning could take place and personnel available.
	9650	Simons Center for the Arts Renovation	State	\$42,947,200	None	State Appropriation, Revenue Bonds, Institutional Reserve	Phase II of the complete renovation of the Simons Center for the Arts (80% of total project). Phase I was accounted for on "Active Maintenance and Repair Work and Projects" page of this report.	The original cost estimate was incomplete so the construction portion was deferred so that further investigation and A&E planning could be conducted and a new cost estimate generated. We hope to seek phase II approval FY15 or FY16.
Francis Marion		None						
Lander		None						
SC State		None						
USC Aiken		None						
USC Beaufort		None						
USC Upstate		None						
Winthrop		None						
USC Lancaster		None						
USC Salkehatchie		None						
USC Sumter		None						
USC Union		None						
Aiken TC		None						
Central Carolina TC		None						
Denmark TC		Renovate Barnwell Warehouse Workforce Development	State	\$1,482,000	\$0	Special funding	Renovate Warehouse for Work Force Development	Funding is still needed

Deferred FY 2013-14 Repair and Maintenance*

Institution	Project #	Project Name	Approval Type (Internal or State PIP)	Approved Budget	Expenditures in FY 2013-2014	Source of Funds	Scope of Work	Reason for Deferral
Florence-Darlington TC	N/A	Upgrade interior of Hartsville Site	Internal	\$43,617			Paint interior of Hartsville Site & replace VCT & carpet	Change in priority. Decided to "possibly" build a new Site, may still be done in 2015or next summer
	N/A	Upgrade interior of HSC	Internal	\$115,000			Paint interior hallway at HSC	Scheduling conflict with classes
	N/A	Upgrade Mullins Site	Internal	\$18,925			Paint interior of Mullins Site & replace VCT & carpet	Scheduling conflict with classes
	N/A	Upgrade Lake City Site	Internal	\$67,600			Pressure wash exterior, patch parking lot & replace locks	Lack of Funding/Change in Priority
	N/A	Upgrade Marion Auto Body Shop	Internal	\$10,000			Upgrade lighting & repaint interior	Need design for roof & scheduling conflict
	N/A	Upgrade SIMT	Internal	\$200,225			Repair/patch roof, paint interior and restrip/seal parking lot	Scheduling conflict with classes
	N/A	Upgrade Cosmetology Parking Lot	Internal	\$10,000				Scheduling conflict with classes
	N/A	Redo Bldg 200 concrete flooring	Internal	\$37,935			Remove paint & polish floor in Rms 201, 203 205	Being evaluated - Lack of Funding
	N/A	Bldg 300 mold remediation/upgrade interior	Internal	\$19,606			Reviewing initial finding, determine specs for bidding	Being evaluated - Lack of Funding
	N/A	Bldg 400 mold remediation	Internal	\$11,000			Reviewing initial finding, determine specs for bidding	Lack of Funding/Change in Priority
	N/A	Bldg 600 roof repairs	Internal	\$10,000			Ongoing repairs when needed, ie., leaks	Lack of Funding/Change in Priority
	N/A	Fire Alarm Upgrade for Bldgs 400, 5000 & 7000	Internal	\$200,000			ON HOLD	Part of 10 Year MASTER PLAN
	N/A	Main Campus Parking lot upgrade	Internal	\$462,000			ON HOLD - Part of 10 YR MASTER PLAN	Lack of Funding/Change in Priority
	N/A	AEDs for Off-Site Campus	Internal	\$37,500			Ongoing	Lack of Funding/Change in Priority
	N/A	Bldg 400 roof repair/patch & mold	Internal	\$150,000			Design package at SEO/MMO for review	Lack of Funding/Change in Priority
	N/A	Replace/upgrade Elevator in Bldg 5000	Internal	\$200,000			Estimated A/E fee & construction cost	Lack of Funding/Change in Priority
N/A	Upgrade Restrooms to ADA Regulations	Internal	\$348,400			A/E estimate @\$80/sq ft @4,355 sq ft - Bldgs 100 - 7000	Lack of Funding/Change in Priority	
N/A	Add security locks for classrooms @\$692 each (132 total doors for Bldgs 100 thru 7000)	Internal	\$91,344			Phase I - Bldg 5000/7000 - 80 doors x \$692 = \$55,360	Lack of Funding/Change in Priority	
Greenville TC		None						
Horry-Georgetown TC	N/A	Conway Bldg 1000 Elevator	Internal	\$80,000	\$0	Institutional Maintenance Reserve	Complete replacement of elevator	Postponed to better align institutional priorities. Will add elevator repairs to a more comprehensive project to be completed next fiscal year.
Midlands TC		None						
Northeastern TC		None						
Orangeburg-Calhoun TC		None						
Piedmont TC		None						
Spartanburg CC		None						
TC of the Lowcountry	N/A	Mungin Center Parking Lot Repaving	Internal	\$95,400			Repave parking lot w/ 2" thick asphalt	Hold due to low traffic volume
	N/A	Building 15/16 Parking Lot Repaving	Internal	\$73,800			Repave parking lot w/ 2" thick asphalt	Hold due to possible full building renovation
	N/A	Roof Replacement Building #6	Internal	\$31,200			Scrap gravel and re-roof w/ new modified torch down roof	
Tri-County TC	N/A	Fulp Hall Cooling Tower Replacement	Internal	\$100,000	\$0		Replacement of Cooling Tower	Cooling tower replacement is being combined with a larger project
	N/A	Fulp Hall Restroom Renovations	Internal	\$200,000	\$0		Replacement of fixtures and restroom partitions	Priority Change, did not have project ready to implement by start of summer.
	N/A	Fulp Hall Interior Renovations	Internal	\$200,000	\$0		Painting, flooring and ceiling replacement	Priority change, project was not ready to implement by summer semester
	N/A	Oconee Hall Interior Renovations	Internal	\$90,000	\$0		Adjunct office space and IT server closet additions	Project not ready to implement by summer semester, currently being planned for next summer
Trident TC		None						
Williamsburg TC		None						
York TC	6051	Bldg. S&T Fume Hood Repair	State PIP	\$529,437	\$10,360	State Deferred Maintenance Funds	Older fume hoods had cards and parts replaced so that they could be calibrated on a regular basis to regulate air flow in the future.	Fume hoods had been operating beyond their 10 year period but as one unit broke the College decided to update and repair all units so they could be calibrated in the future and avoid downtime.
	6051	Emergency Exit Light Replacement	State PIP	\$529,437	\$11,564	State Deferred Maintenance Funds	Replace old and outdated emergency exit light with LED lights.	Emergency lights were operating okay and college continued to replace one for one, so College deferred to later date when we have staff time to replace them across the campus with more efficient and current fixtures.
	6076	Building D Chiller Replacement	State PIP	\$288,882	\$176,011	State Deferred Maintenance Funds	Replace 30 year old chiller with new modular chiller for increased efficiency. Add new pumping.	Chiller continued to operate beyond its normal life expectancy so college chose to defer to a later replacement year.

*Deferred maintenance and repairs include the part of facilities maintenance activities that are postponed to align institutional priorities or plans; to achieve maximum benefit/savings through a more comprehensive project; or due to a lack of available funding that can be used toward such needs.

**NICKI R. HALEY, CHAIR
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December 10, 2014

**Ms. Marian Jones
Human Resources Manager
SC Commission on Higher Education
Columbia, South Carolina 29201**

Dear Ms. Jones:

The results of the audit of your delegated transactions from July 1, 2012 to June 30, 2014 are attached. Thank you for your assistance during the audit.

Should you have any questions regarding your agency's audit results, please feel free to contact me at 803-896-5087.

Sincerely,

**Chrissy Carraway
Human Resources Division**

Enclosure

c: Dr. Richard Sutton

HIRE ABOVE MINIMUM DELEGATION AUTHORITY
Higher Education Commission
December 10, 2014

- I. **Audit Period Covered:** July 1, 2012 – June 30, 2014
- II. **Auditors:**
- III. **Delegated Hire Above Minimum Actions:** Printouts on file with OHR
7/1/12 - 6/30/14
Number Hired Above Minimum: 3
Number of Actions Audited: 3
- IV. **Sampling Size:** 100 %
- V. **Purpose of Audit:**
1. To determine if internal procedures are established for the review and documentation of delegated hire above minimum actions.
 2. To determine if the agency maintains an approved copy of the hire above minimum delegation agreement and all other correspondence related to its hire above minimum delegation program.
 3. To determine whether hire above minimum documentation is filed for ease of retrieval and review.
 4. To determine whether proper documentation exists for each hire above minimum action, to include:
 - A completed employment application with salary history and dates of employment
 - Position title, class code and slot to include internal title, if used
 - Pay band and salary range
 - Proposed salary above minimum
 - Agency average salary, internal title average salary
 - Statewide average salary, if applicable
 - Justification statement to include not only that the applicant exceeds the minimum requirements, but also a description of why the salary is needed to hire the individual (e.g., market, recruiting/retention difficulties, most qualified and little time needed for training, etc.)
 - Hire date
 - Authorized signature and date of approval

5. To determine whether actions are approved prior to the hire date of the applicant.
6. To determine whether actions are true new hires, or whether another action code, such as promotion, demotion, or transfer is appropriate.
7. To determine whether recommendations from previous audits have been implemented.

VI. Findings:

1. The agency was able to produce its copy of the hire above minimum delegation agreement.
2. This section summarizes the documentation for each hire above minimum action. There were a total of 3 hire above minimum actions audited.
 - Completed Application Including Employment Dates -100% or 3 out of the 3 actions audited had a completed application including employment dates.
 - Title/Class (including internal title) - 100% or 3 out of the 3 actions audited had the title/class.
 - Pay Band/Salary Range -100% or 3 out of the 3 actions audited had the pay band and salary range.
 - Proposed Salary Above Minimum - 100% or 3 out of the 3 actions audited had the proposed salary and percentage above minimum.
 - Average Salary Data - 100% or 3 out of the 3 actions audited had average salary data.
 - Justification Statement of HAM - 100% or 3 out of the 3 actions audited had an adequate justification statement.
 - Approval Date on or Prior to Hire Date - 100% or 3 out of the 3 actions audited had the approval date on or prior to the hire date.
 - Authorized Signature & Approval Date - 100% or 3 out of the 3 actions audited had an authorized signature and/or approval date.
 - New hires coded appropriately - 100% or 3 out of the 3 actions audited were coded correctly as a new hires.

VII. Recommendations:

- ^ Completed Application including Employment Dates - No Recommendations.
- ^ Title/Class (including internal title) - No Recommendations.
- ^ Pay Band/Salary Range -No Recommendations.
- ^ Proposed Salary Above Minimum - No Recommendations.
- ^ Average Salary Data No Recommendations.
- ^ Justification Statement of HAM - No Recommendations.
- ^ Approval Date on or prior to Hire Date No Recommendations.

- A Authorized Signature & Approval Date - No Recommendations.
- A Did Employee Come from Other State Agency - No Recommendations.
- A Delegation Contract on File - No Recommendations.

VII. Summary:

It appears that the decisions made by the agency during this audit period regarding Hire Above Minimum actions are sound. The agency is in compliance with the Hire Above Minimum delegation agreement. Suggest that the agency utilize a consistent documentation form moving forward to further strengthen their internal process. Excellent Audit Results.

INFORMATION ITEM

Capital Projects & Leases Processed by Staff								
November 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 2014-15 Lottery Allocation and Match								
11/12/2014	New	Winthrop	2014-15 Maintenance Needs ¹	establish project	\$0	\$340,226	-	-
Routine Staff Approvals								
10/31/2014	9915	Clemson	West Campus Energy Plant Construction ²	establish construction budget	\$10,308,025	\$10,465,000	2/10/2014	-
11/18/2014	6101	USC Columbia	Coker Seventh Floor Laboratory Renovation ³	change source of funds	\$0	\$1,150,000	1/3/2013	-
11/18/2014	9509	USC Union	2013-14 Maintenance Needs ⁴	increase budget	\$23,000	\$98,000	11/18/2013	-
11/25/2014	New	The Citadel	Mechanical Engineering Fabrication Shop ⁵	establish project	\$0	\$250,000	-	-
11/25/2014	6094	Horry-Georgetown TC	Acquisition of Land ⁶	revise scope	\$0	\$20,000	7/2/2014	-
11/25/2014	6095	TC of the Lowcountry	114 Elliott Street Purchase ⁷	increase budget, revise scope	\$228,000	\$248,000	10/17/2014	-
Close-Outs								
11/18/2014	9507	USC Union	Deferred Maintenance	decrease budget, close project	(\$814)	\$53,003	12/2/2011	-
11/18/2014	9508	USC Union	Deferred Maintenance 2012	decrease budget, close project	(\$47,291)	\$69,710	10/29/2012	-
11/25/2014	9939	Midlands TC	Ceiling Systems Replacement	close project	\$0	\$200,000	5/5/2005	-
¹ See supporting narrative. ² Approved by CHE on May 1, 2014 as part of FY2014-15 CPIP year one. ³ Change source of funds to apply awarded grant funding. ⁴ Increase budget to allow work to proceed. ⁵ Project is funded with State-Appropriated funds. These funds supersede CHE approval authority; therefore, the project is staff approved. ⁶ Revise scope to accept land donation of 3.5 acres from Horry County. ⁷ Increase budget and revise scope to purchase property.								

Capital Projects & Leases Processed by Staff

December 2014

Date Approved	Project #	Institution	Project Name	Action Category	Budget Change	Revised Budget	Original Approval Date	Revised Building Condition Survey With Close-out
Routine Staff Approvals								
12/3/2014	New	College of Charleston	Lesesne House Renovation ¹	establish project	\$0	\$42,000	-	-
12/3/2014	6060	Horry-Georgetown TC	Grand Strand Culinary Arts Building Construction ²	change source of funds	\$0	\$15,000,000	-	-
12/9/2014	New	Greenville TC	East Faris Road Land Acquisition ³	establish project	\$0	\$20,000	-	-
Close-Outs								
12/3/2014	6065	Greenville TC	Deferred Maintenance 2012	close project	\$0	\$882,812	-	-
12/3/2014	6078	Greenville TC	Technical Resource Center Renovation ⁴	decrease budget, close project	(\$114,095)	\$35,905	-	-
12/3/2014	6092	Greenville TC	Building 602 Roof Replacement ⁵	decrease budget, close project	(\$66,000)	\$0	-	-
12/9/2014	6086	Spartanburg CC	Cherokee Blanton Property Acquisition	decrease budget, close project	(\$7,489)	\$452,511	-	-
12/9/2014	6087	Spartanburg CC	Cherokee Degner Property Acquisition	decrease budget, close project	(\$8,881)	\$361,119	-	-
12/12/2014	9651	College of Charleston	2012 Deferred Maintenance ⁶	decrease budget, close project	(\$866,667)	\$13,716	-	-

¹Approved by CHE on May 1, 2014 as part of FY2014-15 CPIP year one.

²Change source of funds to add \$1,750,000 in State Appropriations and \$1,656,886 from an Economic Development Administration (EDA) Grant. College Funds will be decreased by \$3,406,886.

³Establish phase I environmental study on 4.092 acres of land located adjacent to the north entrance of the Barton Campus. The land will be used for future expansion of parking.

⁴Programming has changed. The roof replacement will be done under a non-PIP project, and the auditorium renovation is on hold pending further review of the existing space.

⁵Possible future programming of this building is unknown at this time.

⁶Close project and transfer funds to 2014-15 Maintenance Needs project so that scope of work can be executed in a more timely and economic manner.

WINTHROP UNIVERSITY

PROJECT NAME: 2014-15 Maintenance Needs
REQUESTED ACTION: Establish Project
REQUESTED ACTION AMOUNT: \$340,226
INITIAL CHE APPROVAL DATE: N/A

Project Budget	Previous	Change	Revised
Interior Building Renovations	\$0	\$150,000	\$150,000
Building Utilities Renovations	\$0	\$150,000	\$150,000
Roofing	\$0	\$40,226	\$40,226
Total	\$0	\$340,226	\$340,226

Source of Funds	Previous	Change	Revised
Lottery Appropriation 2014-15*	\$0	\$170,113	\$170,113
Institution Bonds	\$0	\$170,113	\$170,113
Total	\$0	\$340,226	\$340,226

**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 address maintenance in multiple E&G buildings. Scope of work will focus on maintenance of HVAC systems, electrical, building envelopes, roof systems, waterproofing, fire alarms, structural issues, and infrastructure.

E&G MAINTENANCE NEEDS REDUCTION:

The project will alleviate a portion of the \$72,186,760 in existing maintenance needs over the next twenty years.

ANNUAL OPERATING COSTS/SAVINGS:

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