Below is a summary of actions taken by the South Carolina General Assembly during the 2009 legislative session that affects the College of Charleston. General Fund revenue projections (recurring) available to the S.C. General Assembly to write the FY 2009-2010 Appropriations Bill were approximately $5.7 billion. Historic declines in revenue to the state since July 2008 reflect more than $1 billion decrease in available General Fund dollars to write a budget. Higher Ed funding dropped significantly in the past year and is roughly $74 million less than the 2006 level of funding required by Washington to qualify for the State Stabilization Funds. Higher Ed was spared cuts going into the FY2009-10 since that would jeopardize the state's eligibility to receive stimulus dollars. The Federal Government requires that 82% of the funds be used to support K-12 Education and Higher Education funding formulas. This is a victory for all colleges and universities in one of the most difficult budget years the state has ever faced. From the State Stabilization Funds, K-12 Education received $187 million, Higher Education received $100 million, and $61 million was directed to law enforcement and other state agencies. Governor Sanford filed a lawsuit to block the state from receiving $700 million in stimulus funds over the next two years since the General Assembly refused to use the funds to pay down debt. The State Supreme Court ruled against the Governor.

The College of Charleston received a total of $4.6 million (non-recurring) in new appropriations from stimulus dollars. This amount should remain the same for FY 2010-11. In previous years, the College of Charleston received state appropriated dollars for various "below the line" programs that have been deleted as a result of severe budget cuts. Reductions to the initial appropriation of $1.3 million added to further reductions of 22.6% or $7,498,725 brings the total budget cuts to $8.8 million for FY2008-09. Recurring base funding for FY 2009-10 is $26,054,537 and reductions to the base funding should be considered as permanent reductions for future budgets.

The General Assembly shortened the legislative year by furloughing 7 weeks. This action had a profound effect on the number of bills considered by the House and Senate that resulted in 66 new bills for 2009 compared to an average of 222 in previous years. Regulatory relief legislation (H.3365) for four year colleges and research institutions passed the House and will be considered by the Senate in January 2010.

The General Assembly did not place restrictions on institutions increasing tuition and fees.
A. FY 2009-10 Appropriation Issues

1. Recurring Funding

The College of Charleston received $26,054,537 in recurring funding for FY 2009-10. The following list outlines specific funding allocations. “Below the line” programs that received special appropriations from the state have been deleted in the budget as a result of state budget cuts. This does not mean that all of the programs have been discontinued.

Total FY 2009-10
Formula Funding $26,054,537
Lowcountry Graduate Center 1,075,672

The College of Charleston continues to receive an appropriation of $1,150,000 from the State Technology Infrastructure Fund of $12 million. This funding is appropriated from the state lottery proceeds for all of the state’s four year teaching universities and two year colleges and technical colleges. The College of Charleston is the largest beneficiary of this fund. Lottery revenue for FY 2008-09 was $260,722,729 and projections for FY 2009-10 are $255 million.

Total FY 2009-10
Technology Infrastructure Fund 1,150,000

2. New Non-recurring Funding

The state appropriated $4,692,447 in non-recurring funding for FY 2009-10. Funding was based on SC receiving $700 million in State Stabilization Funds over the next two years.

Total FY 2009-10
ARRA Federal Stimulus 4,692,447

3. Miscellaneous Statewide Appropriations

The following programs were funded for FY 2009-10. The College participates in these programs and will receive a portion of each fund.

Total FY 2009-10
Electronic Library (PASCAL) 176,812
GEAR-UP 415,510
Access and Equity 551,553
EPSCOR 55,254
Academic Endowment Initiative 326,942
SCAMP 248,278
EEDA 1,330,632
4. State Scholarships

State funding for merit based scholarships were fully funded for anticipated growth based on Budget Office growth estimates due to sufficient carry forward funds. There were no changes to the scholarship programs regarding enhancements. Programs were funded at last year’s level with Palmetto Fellows at $42 million, LIFE at $156 million, HOPE at $7.8 million, Need-based at $23.6 million, and Lottery Tuition Assistance at $47 million. Need-based scholarships received an additional $1.5 million in non-recurring funds through special legislation.

A freshman recipient is awarded $5,000 for the LIFE Scholarship, $3,800 for Hope, $6,700 for Palmetto Fellows, and a maximum award of $2,500 for the Need-based Scholarship. For FY 2006-07 the College had 3,730 students receiving a state funded scholarship with a total award of $16,518,383. For FY 2007-08 the College had 4,277 students receiving a state funded scholarship with a total award of $18,048,290.

For FY 2008-09, the Charleston of Charleston has 3,956 students receiving a state funded scholarship with a total award of $16,765,511.

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<th>Total FY2009-10</th>
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<tr>
<td>Need-based grants</td>
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<td>HOPE</td>
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<td>Palmetto Fellows</td>
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<td>LIFE</td>
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It should be noted that 93 additional students at the College receive the SC Teaching Fellows Scholarship through EIA funds for a total of $515,063. The General Assembly did not fund any new freshmen Teaching Fellows Scholarship’s for FY 2009-10.

5. State Employee Health Insurance

State employees were held harmless again this year with regards to increases in health insurance premiums.

6. Reductions in State Funding

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<th>Total FY 2009-10</th>
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<td>Reductions to Initial Appropriation</td>
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<td>C of C Appropriated Funding</td>
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<td>Lowcountry Graduate Center</td>
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B. Legislation

1. New Provisors in Appropriations Act  H.3560 (*Temporary legislation effective 7-1-09*)

- Proviso 6.27 allows businesses who have unclaimed capital credits and that have contributed to a scholarship program at a higher education institution for the last five consecutive years to continue to fund scholarships awarded prior to 2009-10 academic year.
- Proviso 89.116 requires quarterly reporting on Home Page of all programs financed with stimulus money.
- Proviso 89.118 relates to accountability, oversight, and collection of data by the Comptroller General and State Treasurer of all programs financed by stimulus money.
- Proviso 89.121 relates to the Printed Report Requirement and directs agencies to file reports electronically for one year.
- Proviso 89.125 relates to reporting of fines and fees. Each state agency must provide and release to the public via website, the chairman of Ways and Means, and the chairman of Senate Finance by September 1, a report of aggregate amounts of fines and fees for the prior fiscal year.
- Proviso 89.126 relates to requirements for submission of information by agencies for an information technology inventory.
- Proviso 89.133 & 89.134 *encourages* agencies to first consider TERI and contract employees with implementation of mandatory furloughs or Reduction in Force policies.
- Proviso 90.19 directs $1.5 million in additional funding to the Needs Based Grant Program.

2. Permanent Legislation

*Full text for the following legislation can be viewed by going to www.scstatehouse.net.*

H.3378 relates to implementation of furloughs and provides flexibility for state agencies.

S.116 relates to the Consolidated Procurement Code and provides assistance and opportunity to the state’s small businesses as providers and vendors of goods and services and allows vendor preferences to residents.

S.232 relates to the state energy policy and requires state agencies to consider and implement cost effective energy, water, wastewater conservation measures and comply with audit and report requirements by the state energy office.

S.593 allows individuals with a CWP (Concealed Weapon Permit) to carry their gun on a school campus provided the weapon remains in a locked compartment of their vehicle.