

Agency Name:
Agency Code:

Francis Marion University
H180

Section:

17



Fiscal Year FY 2025-2026
Agency Budget Plan

FORM A - BUDGET PLAN SUMMARY

**OPERATING
REQUESTS**
(FORM B1)

For FY 2025-2026, my agency is (mark "X"):	
<input checked="" type="checkbox"/>	Requesting General Fund Appropriations.
<input type="checkbox"/>	Requesting Federal/Other Authorization.
<input type="checkbox"/>	Not requesting any changes.

**NON-RECURRING
REQUESTS**
(FORM B2)

For FY 2025-2026, my agency is (mark "X"):	
<input checked="" type="checkbox"/>	Requesting Non-Recurring Appropriations.
<input type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization.
<input type="checkbox"/>	Not requesting any changes.

**CAPITAL
REQUESTS**
(FORM C)

For FY 2025-2026, my agency is (mark "X"):	
<input checked="" type="checkbox"/>	Requesting funding for Capital Projects.
<input type="checkbox"/>	Not requesting any changes.

PROVISOS
(FORM D)

For FY 2025-2026, my agency is (mark "X"):	
<input type="checkbox"/>	Requesting a new proviso and/or substantive changes to existing provisos.
<input type="checkbox"/>	Only requesting technical proviso changes (such as date references).
<input checked="" type="checkbox"/>	Not requesting any proviso changes.

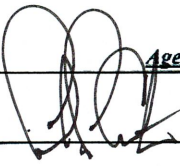
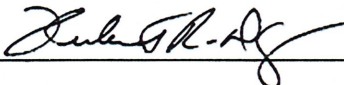
Please identify your agency's preferred contacts for this year's budget process.

**PRIMARY
CONTACT:**
**SECONDARY
CONTACT:**

<u>Name</u>	<u>Phone</u>	<u>Email</u>
Darryl Bridges	(843) 661-1201	dbridges@fmarion.edu
Eric Garris	(843) 661-1136	egarris@fmarion.edu

I have reviewed and approved the enclosed FY 2025-2026 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

SIGN/DATE:
**TYPE/PRINT
NAME:**

 Agency Director	 Board or Commission Chair
Luther F. Carter	H. Randall Dozier

This form must be signed by the agency head – not a delegate.

Agency Name:	Francis Marion University
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BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B1 - Recurring	Tuition Mitigation Support	4,122,000	0	0	0	4,122,000	0.00	0.00	0.00	0.00	0.00
2	C - Capital	Hyman Fine Arts Center Building Renovation	7,500,000	0	0	0	7,500,000	0.00	0.00	0.00	0.00	0.00
3	C - Capital	Leatherman Science Facility/ McNair Science Building Renovation	2,000,000	0	0	0	2,000,000	0.00	0.00	0.00	0.00	0.00
4	B2 - Non-Recurring	Highway 327 Crosswalks Project: Securing Safe Passage for FMU Students and Staff	750,000	0	0	0	750,000	0.00	0.00	0.00	0.00	0.00
TOTALS			14,372,000	0	0	0	14,372,000	0.00	0.00	0.00	0.00	0.00

Agency Name:	Francis Marion University		
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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	1
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Tuition Mitigation Support
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Provide a brief, descriptive title for this request.

AMOUNT	<p>General: \$4,122,000</p> <p>Federal: \$0</p> <p>Other: \$0</p> <p>Total: \$4,122,000</p>
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What is the net change in requested appropriations for FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	0.00
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark “X” for all that apply:	
	X	Change in cost of providing current services to existing program audience
		Change in case load/enrollment under existing program guidelines
		Non-mandated change in eligibility/enrollment for existing program
		Non-mandated program change in service levels or areas
		Proposed establishment of a new program or initiative
		Loss of federal or other external financial support for existing program
		Exhaustion of fund balances previously used to support program
		IT Technology/Security related
		HR/Personnel Related
		Consulted DTO during development
	Related to a Non-Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark “X” for primary applicable Statewide Enterprise Strategic Objective:	
	X	Education, Training, and Human Development
		Healthy and Safe Families
		Maintaining Safety, Integrity, and Security
		Public Infrastructure and Economic Development
	Government and Citizens	

ACCOUNTABILITY OF FUNDS	<p>This request supports Goal 1 of the University's FY24-25 Strategic Plan, as outlined in the 2024 Accountability Report, which focuses on providing high-quality education to students from South Carolina and the Pee Dee Region. It reaffirms the University's commitment to delivering a quality educational experience at an affordable cost. The allocation of these funds will be evaluated based on the University's ability to continue freezing tuition rates for FY25-26.</p>
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency’s accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF	<p>Freezing tuition rates provides significant benefits to both students and parents. Internally, the funds will be directed to support the University's instructional and operational needs, which are typically funded through tuition revenue.</p>
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FUNDS

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST

Francis Marion University remains steadfast in its commitment to providing high-quality education for South Carolinians at one of the most affordable rates in the state. Over the past seven years, tuition mitigation funding has allowed FMU to absorb increased operational costs without raising tuition for students and families. With inflation further driving up costs in the current economic environment, this funding is critical to maintaining affordability and accessibility while meeting the University's essential needs.

FMU has consistently maintained one of the lowest tuition rates statewide, a critical factor given that 94% of our students are South Carolina residents, with a significant portion being first-generation college students. Keeping tuition rates affordable ensures continued access and opportunity for students in the Pee Dee region and across the state.

The financial uncertainty faced by many families, particularly lower-income and first-generation students, makes this appropriation more necessary than ever. If these funds are not received, the University would face increased pressure to raise tuition to cover operational costs, potentially reducing access for many of these students. This would undermine FMU's mission to provide affordable, high-quality education.

No new positions are being requested with these funds; existing staff will continue to meet the needs of the University. If additional staff were necessary, they would be supported through separate requests based on specific programmatic needs.

The University also faces increased operating expenses due to inflation affecting the cost of goods, services, insurance, and utilities. For FY26, FMU projects a 3.4% increase in goods and services costs, an expected rise in HVAC and utility expenses, and an increase in salary and fringe benefit costs as that FMU must account for its share of cost-of-living wage adjustments and fringe benefit increases for its employees.

These rising costs, along with the increased maintenance expenses for aging infrastructure and heightened security and technology needs, place added pressure on the University's financial resources. This makes state funding essential to maintaining current operations and providing stability during a time of economic uncertainty, ensuring the institution continues to provide high-quality, affordable education to South Carolinians.

This appropriation, combined with private fundraising for needs-based support directed to first-generation students, will permit the University to meet its financial obligations, support its instructional and operational needs, and continue providing the necessary services for student success.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

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FORM B2 – NON-RECURRING OPERATING REQUEST

AGENCY PRIORITY

4

Provide the Agency Priority Ranking from the Executive Summary.

TITLE

Highway 327 Crosswalks Project: Securing Safe Passage for FMU Students and Staff

Provide a brief, descriptive title for this request.

AMOUNT

\$750,000

What is the net change in requested appropriations for FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.

FACTORS ASSOCIATED WITH THE REQUEST

Mark "X" for all that apply:

☐

Change in cost of providing current services to existing program audience

☐

Change in case load/enrollment under existing program guidelines

☐

Non-mandated change in eligibility/enrollment for existing program

☐

Non-mandated program change in service levels or areas

☐

Proposed establishment of a new program or initiative

☐

Loss of federal or other external financial support for existing program

☐

Exhaustion of fund balances previously used to support program

☐

IT Technology/Security related

☐

Consulted DTO during development

☐

HR/Personnel Related

☒

Request for Non-Recurring Appropriations

☐

Request for Federal/Other Authorization to spend existing funding

☐

Related to a Recurring request – If so, Priority #

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES

Mark "X" for primary applicable Statewide Enterprise Strategic Objective:

☐

Education, Training, and Human Development

☐

Healthy and Safe Families

☒

Maintaining Safety, Integrity, and Security

☐

Public Infrastructure and Economic Development

☐

Government and Citizens

ACCOUNTABILITY OF FUNDS

This funding request aligns with Objective IX of FMU’s Strategic Plan, which focuses on campus safety and development. The construction of crosswalks will enhance student and staff safety by providing secure passage across Highway 327, a four-lane state highway. This is a critical need as FMU expands on both sides of the highway. The project supports the University's efforts to maintain a safe, accessible campus environment while promoting overall growth. The effectiveness of this project will be measured by the successful completion of the crosswalks, and the reduced risk of potential pedestrian incidents.

What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency’s accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS

The University will coordinate with the South Carolina Department of Transportation (SCDOT) for project engineering for the expenditure. All competitive procurement practices will be followed with SCDOT overseeing the engineering, contracting, and construction management of the two pedestrian crosswalks on Highway 327. Funds will be allocated to contractors and vendors through established procurement processes to ensure both cost-effectiveness and quality. There are no direct grants or individual beneficiaries involved; the funds will be strictly used for the crosswalk construction.

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

<p>JUSTIFICATION OF REQUEST</p>	<p>Francis Marion University (FMU) is requesting \$750,000 in non-recurring funds to construct two pedestrian crosswalks across Highway 327, which bisects the campus. These crosswalks are critical for the safety of students, staff, and visitors who need to cross the highway to access athletics and other facilities located on the west side of the highway.</p> <p>In 2012, FMU constructed the Griffin Athletic Complex (GAC) on the west side of Highway 327. The Pee Dee Field Office of the Department of Natural Resources (DNR) and the Baptist Collegiate Ministry (BCM) building are adjacent to the Griffin Athletic Complex. Additionally, the Pee Dee Regional Office for SLED is under construction, and the FMU Forestry and Environment Science Building is being developed to the south of these facilities. These developments have significantly increased both foot and vehicular traffic between the east and west campuses, further heightening the need for safe pedestrian crossings.</p> <p>Each crosswalk will be equipped with advanced pedestrian safety crossings, designed to enhance visibility and safety for pedestrians, especially during peak traffic hours. These systems will use flashing lights and other advanced features to alert drivers when pedestrians are crossing, promoting safer interactions between vehicles and foot traffic. The construction of these crosswalks is a measure to reduce potential accidents and ensure the well-being of FMU’s campus community.</p> <p>The South Carolina Department of Transportation (SCDOT) has committed to engineering the project, providing contract work, and managing construction once funding is secured. Each crosswalk is estimated to cost \$375,000, bringing the total request to \$750,000.</p> <p>If the requested funds are not received, FMU students, staff, and visitors will continue to face significant safety risks while crossing Highway 327. The absence of these crosswalks may increase the likelihood of accidents, negatively impacting campus life and potentially leading to liability concerns for the University.</p>
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Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

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FORM C – CAPITAL REQUEST

AGENCY PRIORITY	2
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Hyman Fine Arts Center Building Renovation
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Provide a brief, descriptive title for this request.

AMOUNT	\$7,500,000
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How much is requested for this project in FY FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.

CPIP PRIORITY	This request is included in the 2024 CPIP for the FY2025-26 plan year. Without state funding, the University will be forced to defer the project to later plan years in future CPIP submissions. The University remains hopeful that sufficient funding will be secured so this critical project can proceed as planned.
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Identify the project’s CPIP plan year and priority number, along with the first year in which the project was included in the agency’s CPIP. If not included in the agency’s CPIP, please provide an explanation. If the project involves a request for appropriated state funding, briefly describe the agency’s contingency plan in the event that state funding is not made available in the amount requested.

OTHER APPROVALS	The University will seek the necessary approvals to move forward with this capital project once the required funding is secured. These approvals will involve all relevant bodies to ensure the project's successful completion.
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What approvals have already been obtained? Are there additional approvals that must be secured in order for the project to succeed? (Institutional board, JBRC, SFAA, etc.)

LONG-TERM PLANNING AND SUSTAINABILITY	<p>The Peter D. Hyman Fine Arts Center has been a cornerstone of our university’s cultural, artistic, and academic endeavors since its construction in 1980. This instructional and performance facility accommodates the Art, Art Education, Theater, and Graphic Design instructional programs, offering faculty offices, classrooms, studios, shops, galleries, and performance spaces. In recognition of its namesake, Peter D. Hyman Sr., who played a pivotal role in founding the institution and served as the first chairman of the Francis Marion University Board of Trustees, we are committed to preserving and enhancing this vital building to extend its usefulness for several more decades.</p> <p>We are requesting funding for essential upgrades including:</p> <p>Modernization of Performance Spaces: Upgrading the theatre, music hall, and studios with state-of-the-art lighting, sound, and multimedia systems to support contemporary artistic performances and exhibitions.</p> <p>Facility Upgrades: Renovating classrooms, studios, and galleries to improve functionality and adaptability for diverse artistic disciplines.</p> <p>Life Safety and Compliance: Ensuring the buildings meet current fire, electrical, and accessibility standards.</p> <p>Infrastructure Enhancements: Replacing outdated mechanical systems to improve energy efficiency, air quality, and climate control throughout the building.</p> <p>These improvements are crucial for maintaining the Fine Arts Center’s role as a premier facility for the arts and education in the Pee Dee region and ensuring it continues to inspire creativity and innovation for future generations. There are currently no plans to request further capital or operating funds for this project in the immediate future. The University anticipates that the upgraded mechanical systems will result in operational cost savings, particularly in energy consumption, as well as a significant decrease in annual maintenance costs for the facility.</p>
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What other funds have already been invested in this project (source/type, amount, timeframe)? Will other capital and/or operating funds for this project be requested in the future? If so, how much, and in which fiscal years? Has a source for those funds been identified/secured? What is the agency’s expectation with regard to additional annual costs or savings associated with this capital improvement? What source of funds will be impacted by those costs or savings? What is the expected useful life of the capital improvement?

SUMMARY

The Peter D. Hyman Fine Arts Center, built in 1980, is essential to the University's Art, Art Education, Theater, and Graphic Design programs. To preserve its vital role and ensure it continues to educate future generations, we are seeking funding for critical upgrades.

This project includes the modernization of performance spaces by upgrading the theatre, music hall, and studio areas with state-of-the-art lighting, sound, and multimedia systems to support contemporary artistic performances. It also involves facility renovations aimed at improving classrooms, studios, and galleries to enhance adaptability for a variety of artistic disciplines. Additionally, infrastructure enhancements will replace outdated mechanical systems, improving energy efficiency, air quality, and climate control throughout the building. The upgrades will bring the facilities up to current fire, electrical, and accessibility codes, ensuring compliance with modern safety standards.

These improvements will enhance the building's functionality, reduce energy and maintenance costs, provide improvements for life safety and regulatory compliance, and ensure the Fine Arts Center continues to serve as a leading hub for the arts and education in the Pee Dee region.

The University does not anticipate requesting additional capital or operating funds for this project in the near future, as the improvements will result in long-term operational savings, particularly in energy costs and maintenance expenses.

Provide a summary of the project and explain why it is necessary. Please refer to the budget guidelines for appropriate questions and thoroughly answer all related items.

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FORM C – CAPITAL REQUEST

AGENCY PRIORITY	3
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Leatherman Science Facility/ McNair Science Building Renovation
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Provide a brief, descriptive title for this request.

AMOUNT	\$2,000,000
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How much is requested for this project in FY FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.

CPIP PRIORITY	Last year, FMU was appropriated \$7 million of a \$9 million request for essential renovations to the adjoined Hugh K. Leatherman Sr. Science Facility and Robert E. McNair Science Building, which have served our natural sciences and math programs since 1994 and 1972, respectively. This project is included in the 2024 CPIP for the FY 2025-26 year. If the additional \$2 million in appropriated funds is not received, the University will be forced to either scale back the project scope or explore alternative internal funding options to cover the shortfall.
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Identify the project's CPIP plan year and priority number, along with the first year in which the project was included in the agency's CPIP. If not included in the agency's CPIP, please provide an explanation. If the project involves a request for appropriated state funding, briefly describe the agency's contingency plan in the event that state funding is not made available in the amount requested.

OTHER APPROVALS	The University is in the process of seeking A1, phase 1 approval for this project. A phase 2 approval will be sought at the appropriate time.
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What approvals have already been obtained? Are there additional approvals that must be secured in order for the project to succeed? (Institutional board, JBRC, SFAA, etc.)

LONG-TERM PLANNING AND SUSTAINABILITY	These adjoined facilities are home to key departments such as Biology, Chemistry, Physics & Engineering, and Mathematics, as well as advanced research laboratories. The allocated funds will be used to address critical upgrades, including: Mechanical System Replacements: Upgrading outdated systems to improve energy efficiency, air quality, and climate control. Life Safety and Compliance: Ensuring the buildings meet current fire, electrical, and accessibility standards. Classroom Modernization: Updating classrooms with new furniture, collaboration technologies, and features that support contemporary teaching practices. Laboratory spaces: Labs will be updated with modern technology and equipment to fulfill the academic needs of the various programs. These improvements are essential to extend the useful life of the facilities by several decades. No additional funds have been invested in this project so far beyond the \$7 million in previously appropriated funds, and there are currently no plans to request further capital or operating funds for this project in the immediate future. The University anticipates that the upgraded mechanical systems will result in operational cost savings, particularly in energy consumption, as well as a significant decrease in annual maintenance costs for the facility.
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What other funds have already been invested in this project (source/type, amount, timeframe)? Will other capital and/or operating funds for this project be requested in the future? If so, how much, and in which fiscal years? Has a source for those funds been identified/secured? What is the agency's expectation with regard to additional annual costs or savings associated with this capital improvement? What source of funds will be impacted by those costs or savings? What is the expected useful life of the capital improvement?

	The Hugh K. Leatherman Sr. Science Facility and the Robert E. McNair Science
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SUMMARY

Building have served as core academic buildings for the natural sciences since 1994 and 1972, respectively, and need critical upgrades. These facilities house essential departments such as biology, chemistry, physics, mathematics, engineering, and advanced research laboratories, providing critical classroom, laboratory, and office spaces.

This project will provide the remaining funding for necessary upgrades, including the replacement of mechanical systems, improvements for life safety and regulatory compliance, and renovations to classrooms to support modern teaching methodologies, while extending the buildings' useful lifespan.

Mechanical upgrades: These improvements will enhance energy efficiency, air quality, and climate control, ensuring a more sustainable and comfortable learning environment.

Life safety enhancements: The upgrades will bring the facilities up to current fire, electrical, and accessibility codes, ensuring compliance with modern safety standards.

Classroom renovations: Classrooms will be updated with new furniture, collaboration technology, and other features that support contemporary teaching strategies, enhancing both the learning experience and instructional flexibility.

These upgrades are essential for maintaining the University's ability to provide high-quality education in the natural sciences, ensuring the buildings continue to meet the needs of students and faculty for years to come.

Provide a summary of the project and explain why it is necessary. Please refer to the budget guidelines for appropriate questions and thoroughly answer all related items.

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FORM E – AGENCY COST SAVINGS AND GENERAL FUND REDUCTION

CONTINGENCY PLAN

TITLE	Agency Cost Savings and General Fund Reduction Contingency Plan
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AMOUNT	\$1,045,662
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What is the General Fund 3% reduction amount? This amount should correspond to the reduction spreadsheet prepared by EBO.

ASSOCIATED FTE REDUCTIONS	None
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How many FTEs would be reduced in association with this General Fund reduction?

PROGRAM / ACTIVITY IMPACT	<p>The University would address the reduction by applying it to the operating budget within the I.A. E&G unrestricted general funds category. This would involve reducing operating expenditures, scaling back the scope of community engagement activities, reassessing and adjusting non-essential travel expenses, and delaying the hiring of certain positions.</p> <p>These measures would help mitigate the impact of the reduction while maintaining essential operations.</p>
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What programs or activities are supported by the General Funds identified?

SUMMARY	<p>The University would address a reduction in General Fund Appropriations by applying it to the operating budget within the I.A. E&G unrestricted funds category. This would involve reducing operating expenditures, scaling back community engagement activities, reassessing non-essential travel expenses, and delaying the hiring of certain positions.</p> <p>While every effort would be made to minimize the impact on instruction, academics, and student support services, there would likely be some indirect effects on service delivery. To offset the reduction, the University would need to rely more heavily on other revenue sources, such as tuition and fees. The method of calculation for anticipated reductions would focus on identifying non-essential or deferrable expenses within these categories, ensuring that the core mission of academic instruction remains as unaffected as possible.</p>
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Please provide a detailed summary of service delivery impact caused by a reduction in General Fund Appropriations and provide the method of calculation for anticipated reductions. Agencies should prioritize reduction in expenditures that have the least significant impact on service delivery.

<div> <div>AGENCY COST SAVINGS PLANS</div> </div>	<div> <p>The University reviews operations to identify savings opportunities and extraneous costs are phased out whenever possible. Savings that are identified are used to maintain student affordability by offsetting increases in fixed or essential costs and providing essential support for the student body. These efficiency measures are evidenced by the reduction of the number of university employee FTEs (primarily staff positions) by 5% during the past six years.</p> </div>
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What measures does the agency plan to implement to reduce its costs and operating expenses by more than \$50,000? Provide a summary of the measures taken and the estimated amount of savings. How does the agency plan to repurpose the savings?

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FORM F – REDUCING COST AND BURDEN TO BUSINESSES AND CITIZENS

TITLE	<div>Comprehensive Initiatives for Workforce Development, Student Success, and Financial Accessibility</div> <div>Provide a brief, descriptive title for this request.</div>
<div>EXPECTED SAVINGS TO BUSINESSES AND CITIZENS</div>	<div> <div>Overview of Recent and Planned University Initiatives</div> <div> <div> 1. Academic Program Reductions or EliminationsFrancis Marion University has made strategic adjustments to its academic offerings to ensure operational efficiency and meet regional needs. The following outlines key program reductions and consolidations: </div> <div> <div>Program Consolidations:</div> <ul style="list-style-type: none"> In the 2019-2020 academic year, FMU consolidated the Music Industry and Theatre Arts programs into a single Performing Arts program with concentrations in Music Industry or Theatre Arts. This consolidation was driven by shared resources and student overlap, ultimately benefiting both programs and streamlining resources. The BS in Art Education was moved from the School of Education to the Visual Arts program, aligning it with other secondary education programs within the Department of Fine Arts. This restructuring meets a critical regional need for art educators and uses resources more efficiently. In Spring 2018, FMU consolidated the BA/BS in Economics and the BBA in Economics due to significant curricular overlap. The School of Business now promotes the BBA in Economics as the primary offering. </div> <div> <div>Program Eliminations:</div> <ul style="list-style-type: none"> Middle Grades Education and Mass Communications/Sports Information were eliminated in 2022. Middle Grades Education students can now pursue an add-on certification while earning their Elementary Education degree, reallocating resources to areas of need without requiring additional faculty hires. The BS Physics and BS Biology Environmental Science tracks were eliminated in Summer 2022, replaced by new BS Environmental Science and BA Environmental Studies programs to better meet environmental science needs. German program (Spring 2017) </div> <div> <div>2. Academic Programs Added or ExpandedFMU continues to develop and expand academic programs in response to regional and state workforce demands. The following new programs have been implemented in recent years:</div> <div> <div>New Programs:</div> <ul style="list-style-type: none"> Criminal Justice, BA/BS (Fall 2024) Autism Studies, BS (Fall 2024) Doctor of Occupational Therapy, OTD (Fall 2024) Doctor of Psychology, Psy-D (Spring 2024) Montessori Early Childhood Education, MED (Fall 2023) Montessori Elementary Education, MED (Fall 2023) Mass Communication, BS (Fall 2022) Environmental Studies, BA (Fall 2022) Environmental Science, BS (Fall 2022) Elementary Education Accelerated Program, MAT (Fall 2022) Early Childhood Education Accelerated Program, MAT (Fall 2022) Multi-Categorical Special Education, MAT (Fall 2022) Psychiatric Nurse Practitioner, MSN (Fall 2020) Mechanical Engineering, BS (Fall 2019) Teaching and Learning, MED (Spring 2019) Master of Speech-Language Pathology, MSLP (Fall 2018) Doctor of Nursing Practice, DNP (Spring 2018) Master of Applied Psychology in Applied Behavioral Analysis (Fall 2017) </div> <div> <div>New Tracks and Other Academic Credentials:</div> <ul style="list-style-type: none"> Interprofessional Certificate (Fall 2024) Psychiatric Nurse Practitioner Certificate (Fall 2024) Sociology, Criminology and Deviance Track, BS/BA (Fall 2024) Elementary Education, Non-Certification Track, BS (Spring 2024) Early Childhood Education, Non-Certification Track, BS (Spring 2024) </div> </div> </div> </div>

	<ul style="list-style-type: none"> • English, Creative Writing Track, BA (Fall 2023) • Management Information Systems, Systems Management and Systems Design Tracks, BBA (Fall 2021) • Engineering Tech, Mechanical Engineering Option, BS (Fall 2021) • Marketing, Digital Marketing Track, BBA (Fall 2021) • Chemistry, Forensic Science, BS (Fall 2020) • Biology, Pre-Professional Studies Option, BS (Fall 2019) • Healthcare Informatics, BS (Fall 2018) • History, Secondary Education, BS (Fall 2018)
	<p>Future and Proposed Programs:</p> <ul style="list-style-type: none"> • Physician Assistant Studies, MS (Fall 2026) • Forestry, BS (Fall 2026) • Social Work, BSW • Physical Therapy, DPT • Professional and Technical Writing, MA <p>These programs reflect FMU's commitment to preparing students for high-demand fields, supporting economic growth and workforce development in the region.</p>
	<p>3. Clinical and Community Services InitiativesFMU has expanded its clinical and community engagement initiatives, providing essential services to the community while creating hands-on learning opportunities for students:</p> <ul style="list-style-type: none"> • Speech-Language Pathology Clinic and Behavioral Health Clinic: These clinics offer low-cost services such as speech therapy and autism treatment while serving as critical training facilities for graduate students. Plans are in place to expand behavioral health services through the Floyd Medical Building, and FMU is considering establishing an Occupational Therapy clinic as the program becomes operational. • FMU Downtown Evening College: This program offers low-cost courses aimed at community engagement. • Partnerships with Hope Health and ACS Technologies: FMU has entered into partnerships to offer on-site MBA courses to employees at Hope Health and ACS Technologies, demonstrating the University's commitment to serving the community and local businesses through accessible education. <p>4. Graduate Program RevisionsFMU continues to refine its graduate programs to increase accessibility and meet the region's educational needs:</p> <ul style="list-style-type: none"> • Education and Business Program Revisions: The shift to online instruction in both the Education and Business graduate programs has enhanced accessibility while streamlining curricular requirements. • Post-Master's Certificate in Psychiatric Mental Health Nurse Practitioner (PMHNP): This new certificate program, launched in Fall 2024, will meet the growing demand for mental health services in the region by providing advanced training for MSN-prepared registered nurses. <p>Through these initiatives, FMU remains dedicated to operational efficiency, student success, and addressing regional workforce needs.</p>

What is the expected savings to South Carolina's businesses and citizens that is generated by this proposal? The savings could be related to time or money.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:
	<input type="checkbox"/> Repeal or revision of regulations.
	<input type="checkbox"/> Reduction of agency fees or fines to businesses or citizens.
	<input type="checkbox"/> Greater efficiency in agency services or reduction in compliance burden.
	<input checked="" type="checkbox"/> Other
METHOD OF CALCULATION	N/A
	Describe the method of calculation for determining the expected cost or time savings to businesses or citizens.
REDUCTION OF FEES OR FINES	N/A
	Which fees or fines does the agency intend to reduce? What was the fine or fee revenue for the previous fiscal year? What was the associated program expenditure for the previous fiscal year? What is the enabling authority for the issuance of the fee or fine?
REDUCTION OF REGULATION	N/A
	Which regulations does the agency intend to amend or delete? What is the enabling authority for the regulation?

Francis Marion University has undertaken multiple initiatives aimed at reducing the financial burden on students and families while enhancing the overall educational experience. These efforts include consolidating and eliminating low-demand academic programs, expanding scholarship and financial aid opportunities, and introducing new support services to improve student success.

Additionally, FMU is establishing and proposing new academic programs tailored to regional employment needs, and offering experiential learning clinics. Economic development in the Pee Dee region, including the growth of projects like the new AESC electric vehicle battery plant, requires a strong and dynamic university to meet workforce and educational demands.

These measures have a positive impact on both businesses and citizens by aligning academic offerings with local workforce demands, fostering student success, and making higher education more accessible and affordable. For the University, these initiatives enhance its ability to manage costs while maintaining high academic standards and mitigating tuition increases. As a result, the University remains a critical driver of economic growth and workforce development in the region, benefiting both students and the broader community.

SUMMARY

Provide an explanation of the proposal and its positive results on businesses or citizens. How will the request affect agency operations?

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FORM H – TUITION MITIGATION (PROVISO 117.187)

TITLE	Tuition Mitigation Proviso 117.187
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AMOUNT	\$4,122,000
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What is the amount needed for Tuition Mitigation for FY26? This amount should correspond to the priority 1 recurring budget request. Tuition Mitigation should ONLY include the state funding necessary to continue existing operations on July 1, 2025 with no in-state undergraduate tuition or mandatory fee increases. Tuition Mitigation should not include any new programs or expansion of existing academic programs that may be contemplated for Fiscal Year 2025-26.

EXPLANATION OF METHODOLOGY	<p>For FY26, Francis Marion University estimates the following tuition mitigation needs based on projected cost increases across various budget categories. The projections take into account rising costs across various operational areas, including employee compensation, utilities, infrastructure maintenance, and technology replacement/upgrades.</p> <p>Salaries and Benefits The University share of a potential 3% increase state-mandate salary increases would total approximately \$635,000. Additionally, projected health insurance costs, based on current trends, are estimated to increase by \$250,000, bringing the total need for Salaries and Benefits to \$885,000.</p> <p>Utilities The projected increase in Electricity (Duke Energy) expenses is \$360,000, reflecting the rising cost of energy in the region. Water and sewer services provided by the City of Florence are estimated to cost an additional \$100,000, while fuel costs are projected to increase by \$50,000. This brings the total projected utility cost increase to \$510,000.</p> <p>Goods & Services The University anticipates an increase in goods and services costs, applying a 3.4% inflation factor based on the Higher Education Price Index (HEPI). This rise reflects general inflationary pressures affecting operational expenses, supplies, and essential services that support FMU's daily functions. The total for Goods & Services increase is projected at \$300,000 for FY26.</p>
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Infrastructure Maintenance

Maintaining FMU's aging campus infrastructure is a major budgetary concern, particularly given the increased need for repairs due to hazardous weather in a region vulnerable to hurricanes. Projected costs associated with increased maintenance costs due to aging infrastructure, HVAC contract cost escalations, crosswalk maintenance, and storm damage remediation are estimated at \$935,000.

Technology

Technology infrastructure is critical to the University's operations and academic success. This amount will cover the replacement of aging hardware, classroom modernization, and expansion of internet bandwidth capacity to meet growing demand, as well as upgrades to library technology. Additional cost categories include increases in the Colleague ERP system and related software, along with projected costs for remote and on-campus instructional systems bringing the total estimated technology increase to \$685,000.

Security

Security continues to be a priority for FMU, especially with the growing need to protect the campus against cyber threats and ensure the physical safety of students, staff, and visitors. Given the growing cyber threats to confidential stakeholder data, FMU has projected \$170,000 for cybersecurity improvements, including the cost of a second firewall and virtual security operations center (SOC). There is an increased need for Campus public safety upgrades, such as equipment replacement and enhanced camera deployment across three campuses. These costs are projected to require an additional \$175,000, bringing the total for security-related expenses to \$345,000.

Other Costs

Additional operational costs include transportation expenses for students, employees, and student-athlete charter bus expenses, which are projected at \$225,000. Additionally, insurance and administrative costs, including liability, medical malpractice, and coverage for new buildings, are projected at \$237,000. This brings the total for other miscellaneous costs to \$462,000.

Impact of Tuition Waivers and Abatements

FMU has consistently maintained one of the lowest tuition rates statewide, a critical factor given that 94% of our students are South Carolina residents, with a

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significant portion being first-generation college students. Keeping tuition rates affordable ensures continued access and opportunity for students in the Pee Dee region and across the state.

The tuition waivers and abatements offered by FMU for the 2023-2024 fiscal year totaled approximately \$2.9 million. Abatements for non-resident students and athletes amounted to \$2 million while state-mandated waivers for veterans and line of duty waivers were approximately \$845,000. Lastly, 4% waivers totaled approximately \$74,000. While these programs represent foregone revenue, they are vital for student retention and access, as well as state-mandated in some cases. The University’s tuition mitigation request is not seeking to offset tuition waivers or abatements.

Conclusion

In total, FMU’s projected tuition mitigation need for FY26 is \$4,122,000. This funding is essential to offset rising operational costs while maintaining the University's commitment to delivering high-quality education at an affordable price for South Carolina residents. By proactively addressing these budgetary pressures, FMU aims to sustain its role as a key provider of accessible higher education in the region.

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Francis Marion University Tuition Mitigation Request Detail

Request Detail	Amount
Salaries and Benefits	
FMU share of estimated State raises at 3%	635,000
FMU share of projected Health Insurance increases (based on current year)	250,000
Total for Salaries and Benefits	885,000
Utilities	
Electricity (Duke Energy)	360,000
Water/Sewer (City of Florence)	100,000
Fuel	50,000
Total for Utilities	510,000
Infrastructure Maintenance	
HVAC contract and additional services increase	225,000
Additional maintenance costs for aging infrastructure, crosswalk maintenance	525,000
Storm Impact (anticipated storm and hazardous weather costs and remediation)	185,000
Total for Infrastructure Maintenance	935,000
Goods & Services	
Increase in Goods and Services Costs (HEPI 3.4% inflation factor)	300,000
Total for Goods & Services	300,000
Technology	
Replacement of aging hardware, classroom modernization, and bandwidth expansion	200,000
Colleague ERP Increase and supporting administrative and recruiting software	210,000
Remote and on-site instructional systems	150,000
Library Technology and Digital Resources	125,000
Total for Technology	685,000
Security	
Cybersecurity Improvements (Cybersecurity Costs, 2nd firewall, virtual SOC)	170,000
Campus Security (equipment replacement, camera deployment)	175,000
Total for Security	345,000
Other Costs	
Transportation (employees, students, and student-athletes)	225,000
Insurance & Administrative (liability, medical malpractice, new buildings)	237,000
Total for Other Costs	462,000
Grand Total	4,122,000

Please provide a detailed explanation of the methods used to estimate the FY26 tuition mitigation needs. What standard inflation factor is being used (HEPI, CPI, etc.)? What base budget items is the inflation factor applied to? What is the impact of tuition waivers and abatements, including the amount of foregone revenue, and its impact on the need for additional state funding.

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COST SAVINGS

Since FY19, FMU has taken several cost-saving measures to maintain affordable undergraduate tuition and fees while ensuring academic quality. One strategy has been the consolidation and elimination of academic programs, which has resulted in more efficient resource allocation and operational cost savings. For example, FMU merged the Music Industry and Theatre Arts programs into a single Performing Arts program with concentrations in both areas. Similarly, the BA/BS in Economics was consolidated with the BBA in Economics, reducing redundancy. The elimination of low-enrollment programs such as Middle Grades Education and Mass Communications/Sports Information allowed the University to reallocate resources to areas with higher demand, ensuring more efficient use of faculty and operational support.

The University reviews operations to identify savings opportunities, phasing out extraneous costs wherever possible. Identified savings have been reinvested to maintain student affordability by offsetting increases in fixed costs and providing essential support for students. These efficiency measures have been demonstrated by a 5% reduction in university employee FTEs, primarily in staff positions, over the past six years.

In addition to academic changes, FMU has implemented operational cost-saving measures, including energy efficiency projects and the renegotiation of service contracts to reduce operating costs or prevent cost increases. These efforts have contributed to maintaining the affordability of undergraduate education at FMU. Moving forward, the University will continue to analyze program offerings and explore opportunities for further savings to ensure that tuition and fee increases are minimized, while maintaining a high standard of education for South Carolinians.

Provide a detailed analysis of any cost savings measures taken since FY19 to offset undergraduate tuition and fee increases and attach quantifiable documentation. Please include documentation of actions taken by the board of trustees or board of visitors or by administration. Attach any cost savings studies that have been undertaken and provide an explanation of actions taken to implement these studies. Provide future quantifiable cost savings plans and expectations for implementation.

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<p>LOW ENROLLMENT</p>	<p>Since FY19, Francis Marion University has strategically consolidated and eliminated several undergraduate programs to streamline operations, reduce costs, and ensure that resources are used efficiently while maintaining high academic standards and student support. These changes were made in tandem with the addition of new programs specifically designed to meet regional workforce needs.</p> <p>Program Consolidations have been a key part of these efforts. For example, during the 2019-2020 academic year, FMU consolidated the Music Industry and Theatre Arts programs into a single Performing Arts program with concentrations in both areas. This change was driven by shared resources and overlapping student interests, allowing the University to optimize faculty and equipment needs while still offering robust academic opportunities. Additionally, the Bachelor of Science in Art Education was moved from the School of Education to the Visual Arts program, aligning it with other secondary education programs. This shift resulted in a more efficient use of resources while continuing to meet the critical need for art educators in the region. In Spring 2018, FMU also consolidated the BA/BS in Economics with the BBA in Economics, due to significant curricular overlap. This allowed the University to focus on the BBA in Economics as the primary offering, reducing administrative and instructional costs.</p> <p>Program Eliminations have also contributed to cost-saving measures. In 2022, FMU eliminated the Middle Grades Education and Mass Communications/Sports Information programs due to low enrollment and student interest. The resources previously allocated to these programs have been reallocated to areas of higher demand, without the need for additional faculty hires. For students pursuing Middle Grades Education, FMU offers an add-on certification that can be earned alongside an Elementary Education degree, ensuring that students still have a pathway to this certification while reducing program-specific overhead. Additionally, the BS Physics and BS Biology Environmental Science tracks were eliminated in Summer 2022 and replaced with more relevant programs in Environmental Science (BS) and Environmental Studies (BA).</p> <p>While these consolidations and eliminations improved efficiency, the University simultaneously introduced new academic programs aimed at</p>
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	<p>meeting regional workforce needs. This balanced approach allowed FMU to better align resources with emerging demands in the job market while ensuring that its overall academic offerings remained relevant and responsive to student and societal needs.</p> <p>By implementing these changes, FMU has continued to enhance its program offerings, ensuring that both student interests and workforce requirements are met.</p>
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Provide a list of any undergraduate programs, academic or other, that have been reduced or eliminated since FY19. Please document the reasons for the reduction or elimination. If the institution has, or is expected to have, a decline in in-state undergraduate student enrollment, provide analysis on how the institution will ensure the corresponding reduction in tuition will not lead to requests for additional state funding.

UNOBLIGATED FUND BALANCE	<p>For FY24, Francis Marion University's undesignated fund balance was \$6,123,992, representing 8.1% of the University's annual operating budget of \$75,346,105.</p> <p>The FMU Capital & Maintenance Reserve Fund, allocated for planned and unplanned maintenance, small capital needs, and other identified expenses, had a balance of \$13,084,629 for FY24. The University considers this reserve fund to be sufficient, given the rising costs of maintaining and repairing campus infrastructure.</p> <p>These reserve funds coupled with other undesignated fund balances totals \$21,235,898, or 22% of the \$96M annual operating budget.</p> <p>Federal fund balances are restricted by specific federal guidelines and programs, and as such, have been excluded from this report. Similarly, state appropriations allocated for specific capital or deferred maintenance projects are also excluded.</p> <p>The University considers these fund balances to be both appropriate and prudent, especially considering recent years' disruptions caused by unexpected events. By maintaining these fund balances, FMU can address unforeseen financial challenges without needing immediate emergency support from the State of South Carolina for critical operations, such as payroll and utility payments. These resources provide the institution with the flexibility to sustain key academic services during emergencies, ensuring continuity and resilience in its operations.</p>
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In summary, these fund balances are essential to ensuring FMU's financial stability and its ability to respond to unforeseen challenges, while supporting the institution's ongoing maintenance needs and securing the continuous delivery of essential services.

Francis Marion University Fund Balance Review	FY 24		
	Undesignated Fund Balance	Annual Operating Budget	Percent
General Funds	6,123,992	75,346,105	8.1%
FMU Capital & Maintenance Reserve Fund	13,084,629	2,752,509	475.4%
Other Funds (Auxiliary, Other FMU Designated, Restricted & Federal Funds)	2,027,278	18,240,542	11.1%
Total	21,235,898	96,339,157	22.0%

Provide the institution's unobligated fund balance for the most recently completed fiscal year. Attach documentation showing this balance disaggregated to identify amounts that are restricted in their use by external authorities (General Assembly, Federal Government, donors, etc.) and those that are not subject to such restrictions. Provide an explanation of the amount the institution considers to be an appropriate unrestricted fund balance as a percentage of its operating budget and the percentage of the institution's operating budget that the fund balance represents.