

|              |                                            |          |    |
|--------------|--------------------------------------------|----------|----|
| Agency Name: | Higher Education Tuition Grants Commission |          |    |
| Agency Code: | H060                                       | Section: | 12 |



**Fiscal Year FY 2026-2027**

**Agency Budget Plan**

## **FORM A - BUDGET PLAN SUMMARY**

|                                                           |                                                   |                                                                           |
|-----------------------------------------------------------|---------------------------------------------------|---------------------------------------------------------------------------|
| <b>OPERATING<br/>REQUESTS</b><br><br><b>(FORM B1)</b>     | <b>For FY 2026-2027, my agency is (mark "X"):</b> |                                                                           |
|                                                           | <input checked="" type="checkbox"/>               | Requesting General Fund Appropriations.                                   |
|                                                           | <input type="checkbox"/>                          | Requesting Federal/Other Authorization.                                   |
|                                                           | <input type="checkbox"/>                          | Not requesting any changes.                                               |
| <b>NON-RECURRING<br/>REQUESTS</b><br><br><b>(FORM B2)</b> | <b>For FY 2026-2027, my agency is (mark "X"):</b> |                                                                           |
|                                                           | <input type="checkbox"/>                          | Requesting Non-Recurring Appropriations.                                  |
|                                                           | <input type="checkbox"/>                          | Requesting Non-Recurring Federal/Other Authorization.                     |
|                                                           | <input checked="" type="checkbox"/>               | Not requesting any changes.                                               |
| <b>CAPITAL<br/>REQUESTS</b><br><br><b>(FORM C)</b>        | <b>For FY 2026-2027, my agency is (mark "X"):</b> |                                                                           |
|                                                           | <input type="checkbox"/>                          | Requesting funding for Capital Projects.                                  |
|                                                           | <input checked="" type="checkbox"/>               | Not requesting any changes.                                               |
| <b>PROVISOS</b><br><br><b>(FORM D)</b>                    | <b>For FY 2026-2027, my agency is (mark "X"):</b> |                                                                           |
|                                                           | <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.

|                                                                  | <u>Name</u>       | <u>Phone</u>   | <u>Email</u>                |
|------------------------------------------------------------------|-------------------|----------------|-----------------------------|
| <b>PRIMARY<br/>CONTACT:</b><br><br><b>SECONDARY<br/>CONTACT:</b> | Katie Stevens     | (803) 896-1121 | katie@sctuitiongrants.org   |
|                                                                  | Zachary Christian | (803) 896-1122 | zachary@sctuitiongrants.org |

I have reviewed and approved the enclosed FY 2026-2027 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

|                             | <u>Agency Director</u>           | <u>Board or Commission Chair</u>          |
|-----------------------------|----------------------------------|-------------------------------------------|
| <b>SIGN/DATE:</b>           | <i>Katherine Stevens</i> 9/11/25 | <i>Boone J. Hopkins</i> 15 September 2025 |
| <b>TYPE/PRINT<br/>NAME:</b> | Katherine Stevens, Agency Head   | Boone J. Hopkins, Commission Chair        |

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

|              |                                            |
|--------------|--------------------------------------------|
| Agency Name: | Higher Education Tuition Grants Commission |
| Agency Code: | H060                                       |
| Section:     | 12                                         |

| BUDGET REQUESTS |                |                                         | FUNDING    |         |           |            |            | FTES  |         |           |            |       |
|-----------------|----------------|-----------------------------------------|------------|---------|-----------|------------|------------|-------|---------|-----------|------------|-------|
| Priority        | Request Type   | Request Title                           | State      | Federal | Earmarked | Restricted | Total      | State | Federal | Earmarked | Restricted | Total |
| 1               | B1 - Recurring | Tuition Grants                          | 10,000,000 | 0       | 0         | 0          | 10,000,000 | 0.00  | 0.00    | 0.00      | 0.00       | 0.00  |
| 2               | B1 - Recurring | Realign Classified Personnel Funding    | 95,000     | 0       | 0         | 0          | 95,000     | 0.00  | 0.00    | 0.00      | 0.00       | 0.00  |
| 3               | B1 - Recurring | Classified Personnel                    | 69,069     | 0       | 0         | 0          | 69,069     | 0.00  | 0.00    | 0.00      | 0.00       | 0.00  |
| 4               | B1 - Recurring | Increase in Information Technology Fees | 24,500     | 0       | 0         | 0          | 24,500     | 0.00  | 0.00    | 0.00      | 0.00       | 0.00  |
| TOTALS          |                |                                         | 10,188,569 | 0       | 0         | 0          | 10,188,569 | 0.00  | 0.00    | 0.00      | 0.00       | 0.00  |

|              |                                            |          |    |
|--------------|--------------------------------------------|----------|----|
| Agency Name: | Higher Education Tuition Grants Commission |          |    |
| Agency Code: | H060                                       | Section: | 12 |

**FORM B1 – RECURRING OPERATING REQUEST**

|                    |   |
|--------------------|---|
| AGENCY<br>PRIORITY | 1 |
|--------------------|---|

Provide the Agency Priority Ranking from the Executive Summary.

|       |                |
|-------|----------------|
| TITLE | Tuition Grants |
|-------|----------------|

Provide a brief, descriptive title for this request.

|        |                                                                                               |
|--------|-----------------------------------------------------------------------------------------------|
| AMOUNT | <p>General: \$10,000,000</p> <p>Federal: \$0</p> <p>Other: \$0</p> <p>Total: \$10,000,000</p> |
|--------|-----------------------------------------------------------------------------------------------|

What is the net change in requested appropriations for FY 2026-2027? This amount should correspond to the total for all funding sources on the Executive Summary.

|               |      |
|---------------|------|
| NEW POSITIONS | 0.00 |
|---------------|------|

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

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

|                                                    |                                                                           |                                                |
|----------------------------------------------------|---------------------------------------------------------------------------|------------------------------------------------|
| STATEWIDE<br>ENTERPRISE<br>STRATEGIC<br>OBJECTIVES | Mark “X” for primary applicable Statewide Enterprise Strategic Objective: |                                                |
|                                                    | <input checked="" type="checkbox"/>                                       | Education, Training, and Human Development     |
|                                                    | <input type="checkbox"/>                                                  | Healthy and Safe Families                      |
|                                                    | <input type="checkbox"/>                                                  | Maintaining Safety, Integrity, and Security    |
|                                                    | <input type="checkbox"/>                                                  | Public Infrastructure and Economic Development |
| <input type="checkbox"/>                           | Government and Citizens                                                   |                                                |

|                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ACCOUNTABILITY<br>OF FUNDS | <p>1.1, 1.2, 1.3, 1.4, 2.1, 2.2, 3.1</p> <p>These strategies are advanced as students receive sufficient funding to afford to pay college tuition. Additionally, the request advances these strategies by increasing the maximum and average Tuition Grant funds provided to eligible college students.</p> <p>Evaluation of funds occurs in the form of annual compliance audits at each institution enrolling eligible students. Agency management will continue to provide sound policies and procedures for managing program funds and will provide training, at least annually, to financial aid personnel who administer the program on behalf of their institutions.</p> |
|----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

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

Postsecondary students eligible for Program funds per Statute

*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

This is not a request to increase funds available for the program over the total appropriated during the FY26 year. Rather, the agency is requesting that the General Assembly considering moving \$10 million for the Tuition Grants Program from Lottery appropriations to recurring General Fund appropriations in FY27 and beyond. The Tuition Grant is funded by a combination of General Fund and Lottery revenues each year. General Fund allocations provide a more stable source of funding available at the beginning of each academic year, and also provide the agency with the opportunity to better plan for future disbursements and eligibility under the Program.

As a result of the State's significant increases in need-based college aid programs in recent years, the Tuition Grants Commission will have the ability to continue to provide funding to financially needy and academically capable students, not to exceed the Statutory maximum. For the Tuition Grants Program, the maximum award amount must not exceed the average appropriation for each full-time student enrolled in the state supported institutions of higher learning with four year undergraduate degree programs in the previous year (for FY27, that amount will be \$8,148).

The current level of funding, whether comprised of General Fund or Lottery allocations, is sufficient to fully fund the Maximum Grant for the FY27 academic year. The agency is simply requesting the General Assembly to consider moving \$10 million in available funding from Lottery to General Fund appropriations.

**FUTURE IMPACT:** There are only two sources of funds available for funding the Tuition Grants Program; recurring state appropriations and lottery funds. The impact of adopting this request would be to allow for a more stable source of (recurring) funds that both allow grant funds to be fully disbursed to students during the Fall and Spring semesters and allow the agency to better plan for future disbursement cycles and even potentially increase the number of students qualifying for the Tuition Grant by continuing to expand existing eligibility criteria. The impact of not honoring the request is that Maximum Grants may not be increased, therefore reducing the value of the grant for eligible students. In some cases, student loan debt levels may increase as students search for ways to make up the difference. Another impact of continuing to provide this funding through Lottery instead of General Fund is that grant disbursements could be delayed as a result of the quarterly disbursement of lottery funds to the agency.

*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.*

|              |                                            |          |    |
|--------------|--------------------------------------------|----------|----|
| Agency Name: | Higher Education Tuition Grants Commission |          |    |
| Agency Code: | H060                                       | Section: | 12 |

**FORM B1 – RECURRING OPERATING REQUEST**

|                    |   |
|--------------------|---|
| AGENCY<br>PRIORITY | 2 |
|--------------------|---|

*Provide the Agency Priority Ranking from the Executive Summary.*

|       |                                      |
|-------|--------------------------------------|
| TITLE | Realign Classified Personnel Funding |
|-------|--------------------------------------|

*Provide a brief, descriptive title for this request.*

|        |                                                                                                |
|--------|------------------------------------------------------------------------------------------------|
| AMOUNT | <b>General: \$95,000</b><br><b>Federal: \$0</b><br><b>Other: \$0</b><br><b>Total: \$95,000</b> |
|--------|------------------------------------------------------------------------------------------------|

*What is the net change in requested appropriations for FY 2026-2027? This amount should correspond to the total for all funding sources on the Executive Summary.*

|               |      |
|---------------|------|
| NEW POSITIONS | 0.00 |
|---------------|------|

*Please provide the total number of new positions needed for this request.*

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

|                                                    |                                                                           |                                                |
|----------------------------------------------------|---------------------------------------------------------------------------|------------------------------------------------|
| STATEWIDE<br>ENTERPRISE<br>STRATEGIC<br>OBJECTIVES | Mark “X” for primary applicable Statewide Enterprise Strategic Objective: |                                                |
|                                                    | <input checked="" type="checkbox"/>                                       | Education, Training, and Human Development     |
|                                                    | <input type="checkbox"/>                                                  | Healthy and Safe Families                      |
|                                                    | <input type="checkbox"/>                                                  | Maintaining Safety, Integrity, and Security    |
|                                                    | <input type="checkbox"/>                                                  | Public Infrastructure and Economic Development |
| <input type="checkbox"/>                           | Government and Citizens                                                   |                                                |

|                            |                                                                                                                                                                                                                                                                            |
|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ACCOUNTABILITY<br>OF FUNDS | 1.1, 1.2, 1.3, 1.4, 2.1, 2.2, 3.1<br><br>These funds are used to directly support the administration of the Tuition Grants program, including employee compliance with statute, program policies, and data and information security, as outlined in each agency objective. |
|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

*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 | Agency Personnel |
|---------------|------------------|

**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**

Our agency is requesting \$95,000 in recurring general funds to support well-deserved pay raises for our dedicated staff. For the past several years, we have relied on carry-forward funds to cover shortages in the personnel budget, but this is not a sustainable long-term solution. Realigning our classified budget to reflect actual expenditures will establish a more accurate and stable baseline. Investing in our employees is essential to retaining experienced, high-quality staff and reducing costly turnover, which ultimately saves the state money. These funds will allow the agency to recognize the hard work and commitment of our team, while ensuring we remain competitive in attracting and keeping the talent needed to serve South Carolina students and families effectively.

*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.*

|              |                                            |          |    |
|--------------|--------------------------------------------|----------|----|
| Agency Name: | Higher Education Tuition Grants Commission |          |    |
| Agency Code: | H060                                       | Section: | 12 |

**FORM B1 – RECURRING OPERATING REQUEST**

|                    |   |
|--------------------|---|
| AGENCY<br>PRIORITY | 3 |
|--------------------|---|

*Provide the Agency Priority Ranking from the Executive Summary.*

|       |                      |
|-------|----------------------|
| TITLE | Classified Personnel |
|-------|----------------------|

*Provide a brief, descriptive title for this request.*

|        |                                                                                                |
|--------|------------------------------------------------------------------------------------------------|
| AMOUNT | <b>General: \$69,069</b><br><b>Federal: \$0</b><br><b>Other: \$0</b><br><b>Total: \$69,069</b> |
|--------|------------------------------------------------------------------------------------------------|

*What is the net change in requested appropriations for FY 2026-2027? This amount should correspond to the total for all funding sources on the Executive Summary.*

|               |      |
|---------------|------|
| NEW POSITIONS | 0.00 |
|---------------|------|

*Please provide the total number of new positions needed for this request.*

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

|                                                    |                                                                           |                                                |
|----------------------------------------------------|---------------------------------------------------------------------------|------------------------------------------------|
| STATEWIDE<br>ENTERPRISE<br>STRATEGIC<br>OBJECTIVES | Mark “X” for primary applicable Statewide Enterprise Strategic Objective: |                                                |
|                                                    | <input checked="" type="checkbox"/>                                       | Education, Training, and Human Development     |
|                                                    | <input type="checkbox"/>                                                  | Healthy and Safe Families                      |
|                                                    | <input type="checkbox"/>                                                  | Maintaining Safety, Integrity, and Security    |
|                                                    | <input type="checkbox"/>                                                  | Public Infrastructure and Economic Development |
| <input type="checkbox"/>                           | Government and Citizens                                                   |                                                |

|                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ACCOUNTABILITY<br>OF FUNDS | 1.1, 1.2, 1.3, 1.4, 2.1, 2.2, 3.1<br><br>The Tuition Grants Commission has maintained an unfunded, vacant FTE position since 2003 when the Agency's longtime Computer Programmer retired. Our agency is responsible for administering and disbursing over \$57 million in student grants based on financial need annually, supporting nearly 13,000 students across 21 private colleges and universities. Our mission ensures that students have access to the resources necessary to pursue the higher education institution of their choice, driving workforce development and economic mobility across the state. Despite the magnitude of this work, our agency currently operates with only four full-time staff members, creating significant operational strain. This staffing level limits our ability to efficiently manage program administration, compliance oversight, stakeholder engagement, and customer service, which are all essential to fulfilling our mission. More specific information is outlined in the Justification of Request section below. |
|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

*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?*

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|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| RECIPIENTS OF FUNDS                                                                                                                                                                                                                                                                                             | Agency Personnel                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <i>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?</i>                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| JUSTIFICATION OF REQUEST                                                                                                                                                                                                                                                                                        | <p>Funding this vacant FTE position is critical for several reasons, including, but not limited to:</p> <p>-Regulatory &amp; Compliance Demands: Financial aid administration requires strict adherence to state and federal regulations. Limited staff capacity heightens the risk of compliance issues that could impact funding availability and student access. A dedicated FTE would help mitigate risk by ensuring administrative functions are addressed, freeing up time for other staff to ensure adherence to policies and timely reporting.</p> <p>-Student &amp; Institutional Support: As student enrollment fluctuates and financial aid needs grow, institutional engagement becomes more demanding. An additional FTE would allow us to provide proactive support to colleges and universities, ensuring smooth disbursement processes and equitable access for students. Additional staffing will also allow the agency to continue to grow critical partnerships with other agencies, such as the growing FAFSA Completion Status Information Portal, which provides high school counselors the ability to view student-level FAFSA Completion information at no cost to the high school - this partnership with the SC Department of Education began in January 2025 and the pilot high schools saw an increase of FAFSA completion of greater than 2% over the statewide average. Further support of this initiative, which was highlighted during agency testimony through the House Government Efficiency and Legislative Oversight Subcommittee hearings this past spring, will provide greater benefit to the State while aligning with Governor McMaster's higher education and workforce priorities.</p> <p>-Long-Term Sustainability: Without additional staffing, the agency’s operational sustainability is at risk. Overburdened employees face burnout, which could lead to staff turnover, further exacerbating inefficiencies. Approving this funding request would strengthen continuity, safeguarding the long-term effectiveness of the agency.</p> <p>The agency received public support for funding and filling our Vacant FTE from the Higher Education and Cultural Affairs Subcommittee of the House Government Efficiency and Legislative Oversight Committee. The Subcommittee has documented its support of our agency obtaining funding for a new position as a Recommendation in its Executive Summary of its review of our agency.</p> |
| <i>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.</i> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |



|              |                                            |          |    |
|--------------|--------------------------------------------|----------|----|
| Agency Name: | Higher Education Tuition Grants Commission |          |    |
| Agency Code: | H060                                       | Section: | 12 |

**FORM B1 – RECURRING OPERATING REQUEST**

|                    |   |
|--------------------|---|
| AGENCY<br>PRIORITY | 4 |
|--------------------|---|

*Provide the Agency Priority Ranking from the Executive Summary.*

|       |                                         |
|-------|-----------------------------------------|
| TITLE | Increase in Information Technology Fees |
|-------|-----------------------------------------|

*Provide a brief, descriptive title for this request.*

|        |                                                                                |
|--------|--------------------------------------------------------------------------------|
| AMOUNT | General: \$24,500<br><br>Federal: \$0<br><br>Other: \$0<br><br>Total: \$24,500 |
|--------|--------------------------------------------------------------------------------|

*What is the net change in requested appropriations for FY 2026-2027? This amount should correspond to the total for all funding sources on the Executive Summary.*

|               |      |
|---------------|------|
| NEW POSITIONS | 0.00 |
|---------------|------|

*Please provide the total number of new positions needed for this request.*

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

|                                                    |                                                                           |                                                |
|----------------------------------------------------|---------------------------------------------------------------------------|------------------------------------------------|
| STATEWIDE<br>ENTERPRISE<br>STRATEGIC<br>OBJECTIVES | Mark “X” for primary applicable Statewide Enterprise Strategic Objective: |                                                |
|                                                    | <input checked="" type="checkbox"/>                                       | Education, Training, and Human Development     |
|                                                    | <input type="checkbox"/>                                                  | Healthy and Safe Families                      |
|                                                    | <input type="checkbox"/>                                                  | Maintaining Safety, Integrity, and Security    |
|                                                    | <input type="checkbox"/>                                                  | Public Infrastructure and Economic Development |
| <input type="checkbox"/>                           | Government and Citizens                                                   |                                                |

|                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ACCOUNTABILITY<br>OF FUNDS | 1.1, 1.2, 1.3, 1.4, 2.1, 2.2<br><br>The SC Department of Administration has recently informed all agencies participating in enterprise-level Information Technology shared services, including the Tuition Grants Commission, of significant increases related to the services being provided. These include end user services, desktop support, firewall configuration and support, data recovery services, router support, and internet service. The Department of Administration is providing the agency with monthly credits during FY26 to cover the increased charges; however, beginning with FY27, there will no longer be credits available to offset the new charges. |
|----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

*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?*

|  |                                                                    |
|--|--------------------------------------------------------------------|
|  | SC Department of Administration, Division of Technology Operations |
|--|--------------------------------------------------------------------|

**RECIPIENTS OF  
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**

The Tuition Grants Commission is requesting an additional \$24,500 in recurring dollars to cover an increase in the fees paid by the agency to Admin's Division of Technology Operations. These increases are being applied to all IT Shared Services agencies. The agency is required to use shared services, pursuant to Executive Order 2022-03, and is therefore responsible for covering all related charges to continue the use of these services, which are critical to agency operations, program administration, and data security for South Carolina residents whose sensitive information is held by the agency and protected by DTO's servers and other hardware capabilities.

*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.*

|              |                                            |          |    |
|--------------|--------------------------------------------|----------|----|
| Agency Name: | Higher Education Tuition Grants Commission |          |    |
| Agency Code: | H060                                       | Section: | 12 |

**FORM E – AGENCY COST SAVINGS AND GENERAL FUND REDUCTION  
CONTINGENCY PLAN**

|              |                                                                 |
|--------------|-----------------------------------------------------------------|
| <b>TITLE</b> | Agency Cost Savings and General Fund Reduction Contingency Plan |
|--------------|-----------------------------------------------------------------|

|               |           |
|---------------|-----------|
| <b>AMOUNT</b> | \$852,651 |
|---------------|-----------|

*What is the General Fund 3% reduction amount? This amount should correspond to the reduction spreadsheet prepared by EBO.*

|                                  |      |
|----------------------------------|------|
| <b>ASSOCIATED FTE REDUCTIONS</b> | None |
|----------------------------------|------|

*How many FTEs would be reduced in association with this General Fund reduction?*

|                                      |                        |
|--------------------------------------|------------------------|
| <b>PROGRAM /<br/>ACTIVITY IMPACT</b> | Tuition Grants Program |
|--------------------------------------|------------------------|

*What programs or activities are supported by the General Funds identified?*

|                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>SUMMARY</b> | <p>A reduction of \$852,651 in general funds would reduce Tuition Grants by \$65 for nearly 13,000 South Carolina students. While \$65 may appear modest, for many low-income students this support helps pay for essentials like textbooks, transportation, or a week’s worth of groceries. Students with limited family resources would be forced to make up the difference through additional borrowing, if loan eligibility remains, or by taking on extra work hours that can detract from their studies. For those already at the borrowing cap, it may mean difficult choices about staying enrolled. Beyond the individual impact, the reduction compounds South Carolina’s broader challenge with student loan indebtedness and undermines the state’s investment in building a skilled, educated workforce.</p> |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

*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.*

## **AGENCY COST SAVINGS PLANS**

With annual operating costs consistently less than 1.5% of the overall budget, there is no single measure available that would generate \$50,000 or more in reductions without undermining core operations. However, we continually monitor monthly and annual expenditures and pursue efficiencies wherever possible. Examples include:

1. Digitization of forms and documents used by students and other stakeholders, improving efficiency while reducing printing costs.
2. Electronic notifications of application and eligibility status, which saves thousands of dollars each year in postage.
3. Virtual meetings and training sessions with college officials and other partners when appropriate, lowering travel expenses.
4. Strategic investment in IT training for staff, which eliminated the need for an outside IT contractor and saves up to \$15,000 annually.

These measures reflect our ongoing commitment to reducing costs and maximizing the resources available to students.

*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?*

|              |                                            |          |    |
|--------------|--------------------------------------------|----------|----|
| Agency Name: | Higher Education Tuition Grants Commission |          |    |
| Agency Code: | H060                                       | Section: | 12 |

## FORM F – REDUCING COST AND BURDEN TO BUSINESSES AND CITIZENS

|       |                |
|-------|----------------|
| TITLE | Tuition Grants |
|-------|----------------|

Provide a brief, descriptive title for this request.

|                                             |                                                                                                                                    |
|---------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|
| EXPECTED SAVINGS TO BUSINESSES AND CITIZENS | At this time, the Tuition Grants Commission does not have any recommendations to reduce cost or burden to businesses and citizens. |
|---------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|

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 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 | Agency does not assess fees or fines to any customers and does not generate fee revenue of any kind |
|----------------------------|-----------------------------------------------------------------------------------------------------|

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 | Agency does not intend to amend or delete any regulations |
|-------------------------|-----------------------------------------------------------|

Which regulations does the agency intend to amend or delete? What is the enabling authority for the regulation?

|         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|---------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SUMMARY | <p>A previous recommendation concerning the requirement for students to complete an affidavit of eligibility annually has proven to be unsustainable without a statutory change.</p> <p>The agency does not assess fees or fines which could be reduced, as there is no fee to apply for the Tuition Grants Program. As long as the agency can maintain its relationship with the Federal Department of Education which allows it to access electronic FAFSA (Free Application for Federal Student Aid) applications of South Carolina residents, there will be no fee assessed to apply for the Tuition Grant.</p> <p>The agency currently operates on less than 1.5% of its overall budget and implements cost controls and efficiency in administration as standard practice.</p> |
|---------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

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