

AGENCY NAME:	University of Charleston		
AGENCY CODE:	H150	SECTION:	



Fiscal Year 2026-27 Agency Budget Plan

FORM A - BUDGET PLAN SUMMARY

OPERATING REQUESTS (FORM B1)	For FY 2026-27, my agency is (mark "X"): ☒ Requesting General Fund Appropriations. ☐ Requesting Federal/Other Authorization. ☐ Not requesting any changes.
NON-RECURRING REQUESTS (FORM B2)	For FY 2026-27, my agency is (mark "X"): ☐ Requesting Non-Recurring Appropriations. ☐ Requesting Non-Recurring Federal/Other Authorization. ☒ Not requesting any changes.
CAPITAL REQUESTS (FORM C)	For FY 2026-27, my agency is (mark "X"): ☒ Requesting funding for Capital Projects. ☐ Not requesting any changes.
PROVISOS (FORM D)	For FY 2026-27, my agency is (mark "X"): ☐ Requesting a new proviso and/or substantive changes to existing provisos. ☐ Only requesting technical proviso changes (such as date references). ☒ Not requesting any proviso changes.

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

	<u><i>Name</i></u>	<u><i>Phone</i></u>	<u><i>Email</i></u>
PRIMARY CONTACT:	Dawn Willan	843-953-6367	willande@cofc.edu
SECONDARY CONTACT:	John Loonan	843-953-1634	loonanjf@cofc.edu

I have reviewed and approved the enclosed FY 2026-27 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

	<u><i>Agency Director</i></u>	<u><i>Board or Commission Chair</i></u>
SIGN/DATE:	 10.6.2025	 10.6.2025
TYPE/PRINT NAME:	Andrew Hsu	Renee Romberger

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

Agency Name:	University Of Charleston
Agency Code:	H150
Section:	15

BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B1 - Recurring	Tuition Mitigation	4,556,620	0	0	0	4,556,620	0.00	0.00	0.00	0.00	0.00
2	B1 - Recurring	Biomedical Engineering Collaboration between the College of Charleston and MUSC	324,563	0	0	0	324,563	1.00	0.00	0.00	0.00	1.00
3	B1 - Recurring	Cancer Biology Collaboration between the College of Charleston and MUSC	216,375	0	0	0	216,375	1.00	0.00	0.00	0.00	1.00
4	C - Capital	Admissions Recruiting Center	20,000,000	0	0	0	20,000,000	0.00	0.00	0.00	0.00	0.00
5	C - Capital	New School of Business Building	20,000,000	0	0	0	20,000,000	0.00	0.00	0.00	0.00	0.00
TOTALS			45,097,558	0	0	0	45,097,558	2.00	0.00	0.00	0.00	2.00

Agency Name:	University Of Charleston		
Agency Code:	H150	Section:	15

FORM B1 – RECURRING OPERATING REQUEST

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

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

AMOUNT	General: \$4,556,620 Federal: \$0 Other: \$0 Total: \$4,556,620
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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
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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	Additional appropriation funds would support the strategies outlined in the Accountability Report. These funds would be directed to the College’s Education and General Fund (E&G) and would help offset the growing financial pressures caused by persistent inflation. Without this support, the College faces the near-term likelihood of raising in-state tuition rates simply to keep pace with the rising cost of operations—particularly personnel and essential non-personnel expenses that have been significantly affected by inflationary pressures.
	Continued investment is critical for the College to develop new programs and expand into emerging markets, ensuring strong enrollment and enhancing our ability to attract outstanding students, faculty, and staff. Our location in the heart of Charleston presents unique opportunities, but also challenges that add to operating costs. While inflation is the most significant factor, the historic nature of our campus also requires ongoing maintenance and upkeep of facilities to preserve both academic and student spaces. The successful use of these additional dollars will be evident in stable tuition rates for

South Carolina students, strengthened campus operations, steady enrollment growth with higher-quality students, and the creation of innovative academic programs that prepare graduates to meet the evolving workforce needs of the state.

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

These funds support approximately 10,600 students educated by the College of Charleston. The increase in appropriation, as mentioned above, would reside in our overall E&G fund where it is operationalized in all aspects of campus personnel and non-personnel operations. In other words, our business operations include a labor-intensive educational operation as well as a facilities maintenance operation. For our maintenance environment, we use the services of contractors and suppliers in addition to in-house staff.

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?

The College is requesting \$4,556,620 in Tuition Mitigation funds. This figure represents a preliminary estimate and will be further refined and fully documented in the College's Form H submission due on October 7. The College's location in downtown Charleston provides a unique setting for learning and scholarship. At the same time, the local cost environment imposes financial pressures that are not experienced to the same extent by other South Carolina institutions. This narrative outlines the major recurring operating cost drivers that shape the College's FY27 request.

Housing and Real Estate

Housing in Charleston remains among the most expensive in South Carolina. As of August 2025, the median home sale price reached approximately \$635,000, a 10.3 percent increase over the previous year (Redfin). The median listing price in July 2025 was \$650,000, with a listing price per square foot of \$377 (Realtor.com).

These prices are significantly higher than the statewide median, which in many counties falls closer to the \$300,000–\$400,000 range. Limited availability of land in the historic peninsula further increases the cost of facility expansion and capital projects.

Utilities and Environmental Compliance

Charleston's coastal infrastructure and dense urban footprint contribute to higher utility and compliance expenses. Costs for electricity, water, stormwater, and drainage are elevated by both demand growth and coastal regulations.

In addition, many College facilities are historic, requiring maintenance and renovation practices that conform to strict preservation standards. These requirements require specialized materials and processes that are more costly than conventional construction.

Insurance and Risk Management

Insurance costs in Charleston are consistently higher due to the city's exposure to flooding, storm surge, and hurricanes. Premiums for property, flood, and wind coverage are substantially greater than those in inland markets.

The College must also devote recurring funds to preparedness measures such as

JUSTIFICATION OF REQUEST

flood mitigation, resilient infrastructure, and backup systems to ensure continuity of operations. These expenses are unavoidable and integral to managing risk in a coastal setting.

Logistics and Infrastructure

The city's geography adds complexity to transportation and construction. Charleston's peninsula location and limited access routes increase freight and contractor costs.

Construction projects in the historic district also require additional approvals and oversight, extending timelines and raising budgets. These logistical realities create a structural cost premium relative to campuses in less constrained locations.

Inflation and HEPI

General inflation continues to affect institutional budgets. While consumer inflation has eased compared to recent highs, core operating costs—utilities, insurance, and supplies—remain elevated. The Higher Education Price Index (HEPI), which more closely reflects higher education cost structures, increased by 3.4 percent in FY2024 and is projected to rise by approximately 3.7 percent in FY2025 (Commonfund). These increases underscore the reality that recurring budget growth is required simply to maintain current operating levels.

In addition to traditional categories such as utilities and insurance, inflationary pressure is evident in several other critical areas of campus operations:

- **Technology and Cybersecurity:** Costs for enterprise software, cloud services, network infrastructure, and cybersecurity protections are rising steadily. Protecting institutional data, research, and student information requires continual investment in monitoring systems, compliance measures, and cyber insurance. These expenses are recurring and escalate annually.
- **Library and Academic Resources:** Subscriptions for digital journals, research databases, and specialized academic software increase faster than general inflation. The College must maintain access to these resources to ensure students and faculty remain competitive in teaching and scholarship.
- **Supplies and Services:** Essential operating contracts—including custodial services, dining, landscaping, and transportation—carry built-in annual escalations to reflect labor and material costs. Likewise, the price of basic supplies has continued to rise, with institutions paying more for goods that are indispensable to daily operations.

Taken together, these trends reinforce that even absent new initiatives, the College's budget must grow each year to preserve its purchasing power and sustain the quality of its academic and student support services.

Conclusion

The College of Charleston's cost environment is shaped by structural factors linked to its location: high real estate values, elevated utility and compliance costs, above-average insurance premiums, and logistical challenges.

Combined with inflationary pressures reflected in HEPI, these factors demonstrate the necessity of recurring state support that grows in alignment with actual operating costs. Adequate funding is essential to sustain the College's mission and to ensure that it can continue providing high-quality education in a uniquely challenging cost environment.

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:	University Of Charleston		
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FORM B1 – RECURRING OPERATING REQUEST

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

TITLE	Biomedical Engineering Collaboration between the College of Charleston and MUSC
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$324,563 Federal: \$0 Other: \$0 Total: \$324,563
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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	1.00
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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:	
	☐	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:	
	☒	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	The College of Charleston is very committed to the economic and workforce development needs of the state of South Carolina. Under the leadership of President Andrew Hsu, over the past six years, the College has developed a number of work-force-specific degree programs in engineering, business and the health sciences. In addition, we are currently developing a 5-year strategic plan with our colleagues at the medical University of South Carolina designed to address workforce needs, in particular those related to improving the health of individuals and families across the state. The College of Charleston’s strategic plan, “Tradition and Transformation,” has a stated goal to “identify and develop signature undergraduate programs that will advance the profile of the university.” An undergraduate program in biomedical engineering designed in collaboration with colleagues at MUSC will certainly enhance the institutional reputation and support the economic development and workforce needs of the state of South Carolina.
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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 FUNDS

These funds will support the salary and benefits of a full or associate professor of biomedical engineering who will recruit and teach undergraduate majors at the College of Charleston. This individual would also collaborate with the biomedical engineering program at the Medical University of South Carolina (MUSC) on research projects and building a pipeline of CofC graduates into the biomedical engineering master's and PhD programs at MUSC.

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

As is the case nationally, recruiting a qualified pool of recent college graduates into master's and PhD programs in biomedical engineering is always a challenge. Close collaboration between these two institutions will allow CofC to develop an undergraduate program in biomedical engineering that will pipeline qualified students directly into graduate programs at MUSC. If funds are not received, full implementation of the undergraduate program in biomedical engineering will be delayed.

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:	University Of Charleston		
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FORM B1 – RECURRING OPERATING REQUEST

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

TITLE	Cancer Biology Collaboration between the College of Charleston and MUSC
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$216,375 Federal: \$0 Other: \$0 Total: \$216,375
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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	1.00
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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:	
	☐	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:	
	☒	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	The College of Charleston is very committed to the economic and workforce development needs of the state of South Carolina. Under the leadership of President Andrew Hsu, over the past six years, the College has developed a number of work-force-specific degree programs in engineering, business and the health sciences. In addition, we are currently developing a 5-year strategic plan with our colleagues at the medical University of South Carolina designed to address workforce needs, in particular those related to improving the health of individuals and families across the state. The College of Charleston’s strategic plan, “Tradition and Transformation,” has a stated goal to “identify and develop signature undergraduate programs that will advance the profile of the university.” An undergraduate program in cancer biology designed in collaboration with colleagues at MUSC will certainly enhance the institutional reputation and support the economic development and workforce needs of the state of South Carolina.
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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 FUNDS

These funds will support the salary and benefits of a full or associate professor of cancer biology who will recruit and teach undergraduate biology/cancer biology majors at the College of Charleston. This individual will also collaborate with faculty members in the cancer biology program in the Hollings Cancer Center at the Medical University of South Carolina on research projects and creation of a pipeline of CofC cancer biology graduates into the cancer biology master's and PhD programs at MUSC.

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 Hollings Cancer Center at MUSC conducts cutting edge research and offers the most comprehensive protocols for cancer treatments in the state of South Carolina. As is the case nationally, recruiting a qualified pool of recent college graduates into master's and PhD programs in cancer biology is always a challenge. Close collaboration between these two institutions will allow CofC to develop an undergraduate program in cancer biology that will pipeline qualified students directly into graduate programs at MUSC. If funds are not received it will delay full implementation of the undergraduate program in cancer biology that underpins the collaboration and creation of the pipeline of appropriately trained graduates from the CofC into graduate programs at MUSC. In addition to this request, we are currently planning to use a vacant position to hire the first faculty member with expertise in cancer biology so that we can get the program started. Full implementation depends, however, on hiring a second faculty member.

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:	University Of Charleston		
Agency Code:	H150	Section:	15

FORM C – CAPITAL REQUEST

AGENCY PRIORITY	4
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Admissions Recruiting Center
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Provide a brief, descriptive title for this request.

AMOUNT	\$20,000,000
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How much is requested for this project in FY 2026-2027? This amount should correspond to the total for all funding sources on the Executive Summary.

CPIP PRIORITY	Priority 6 of 8 in 2027
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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	No approvals gave been obtained yet.
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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	No funds have been invested to date.
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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?

	This project will provide a new Admissions Recruitment Center, currently called New Visitor’s Center, to meet the demands of the increasing applications and visiting prospective students and families . The new space will be built on property the College already owns, in the heart of campus near Rivers Green where students congregate. Estimated size is 10,000 to 20,000sf, within a three-story building to better serve prospective students. Applications have increased 156% since 2019 (or 20,000 applications during this 5 year period), with current projections exceeding 32,000 for the second consecutive year. The College has experienced record-breaking interest that has led to unprecedented demand for campus visitors. Since 2019, the College has more than doubled the number of on campus visitors, surpassing 30,000 individuals in the last academic year. The current
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SUMMARY

Admissions and Tours facility is located in a repurposed 1970s-era residence hall dining facility and also split in another location due to growth and productivity. These accommodations no longer meet the needs of prospective students or their families.

To compete in the institutional market, recruitment of students and families is the first impression of the College of Charleston. The Admissions Recruitment Center will provide a warm and impressive introduction for prospective students and families. The new facility will showcase the campus and enhance our ability to compete with other leading universities. This new space will house offices, presentation space, restrooms, and counseling services for potential families of students.

There are no other alternatives as we have renovated and outgrown the current spaces.

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.

Agency Name:	University Of Charleston		
Agency Code:	H150	Section:	15

FORM C – CAPITAL REQUEST

AGENCY PRIORITY	5
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	New School of Business Building
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Provide a brief, descriptive title for this request.

AMOUNT	\$20,000,000
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How much is requested for this project in FY 2026-2027? This amount should correspond to the total for all funding sources on the Executive Summary.

CPIP PRIORITY	Priority 1 of 8 in 2027
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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	No approvals have been obtained yet.
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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	No funds have been invested to date.
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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?

	In the last five years, the School of Business has almost doubled the number of declared majors. With approximately 3,200 declared majors, the School of Business at the College of Charleston represents about one-third of the institution’s total undergraduate population. The current Business School facility on Liberty Street is outdated both in terms of available space and resources. The new 100,000-square-foot facility would provide sufficient space to accommodate anticipated growth for the foreseeable future, especially in the programs of accounting, management, marketing, and supply chain management. In addition to housing the majority of its undergraduate programs, the School of Business is home to one of the nation’s top full-time, one-year MBA programs. The College’s MBA program has routinely been recognized as having the best job-placement
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rate in the country. Building on that strong foundation, the School is also launching a new Executive Doctor of Business Administration (eDBA) program, one of the College's first doctoral degrees, which expands graduate opportunities for working professionals and further elevates the school's reputation and profile in the region and beyond.

SUMMARY

The new facility would be strategically located in Charleston's central business district. This move will bring our students even closer to the city's thriving business community, creating greater opportunities for internships, networking, and real-world engagement with local, regional, and global companies. The new project is expected to be supported, in part, by a not-yet publicly announced philanthropic gift. This gift will be transformative not only for the School of Business, but for the entire university.

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.

Agency Name:	University Of Charleston		
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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	\$1,782,454
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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	All programs and activities
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What programs or activities are supported by the General Funds identified?

SUMMARY	In the event of a 3% reduction in the general fund appropriation, the College of Charleston would first look to non-personnel areas for savings. This would include taking the reduction proportionally from our other operating expenses funded with state appropriations and the Lowcountry Graduate Center, which is a line item in the College's budget. In FY21 the College reduced its operating budget by \$12.5 million through a number of initiatives, which included but were not limited to a voluntary separation program, the elimination of unfilled positions, and across-the-board cuts. Considering the reductions already taken in FY21, and the larger enrollment the College has experienced the past couple of years, having to incur additional budget reductions would have a negative impact to critical student support services.
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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.

AGENCY COST SAVINGS PLANS	The College would review already lean operating budgets across the institution, looking to the individual department heads to identify the items within their areas that could be further reduced to have the least impact on the core mission of the College of Charleston.
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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?

Agency Name:	University Of Charleston		
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FORM F – REDUCING COST AND BURDEN TO BUSINESSES AND CITIZENS

TITLE	Reduction of Duplicative Oversight
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Provide a brief, descriptive title for this request.

EXPECTED SAVINGS TO BUSINESSES AND CITIZENS	Time/money, various depending on the project/program
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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:	
	☐	Repeal or revision of regulations.
	☐	Reduction of agency fees or fines to businesses or citizens.
	☒	Greater efficiency in agency services or reduction in compliance burden.
	☐	Other

METHOD OF CALCULATION	Time savings vary, but are calculated on actual days saved.
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Describe the method of calculation for determining the expected cost or time savings to businesses or citizens.

REDUCTION OF FEES OR FINES	N/A
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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	Similar oversight by various organizations.
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Which regulations does the agency intend to amend or delete? What is the enabling authority for the regulation?

SUMMARY	The College supports and values the regulatory and oversight processes that guide our operations and ensure accountability to the citizens of South Carolina. At the same time, prolonged or layered approval processes can unintentionally contribute to increased costs. In Charleston, where construction costs are already elevated and subject to inflationary escalation, even modest delays add significantly to the total cost of capital projects. These projects are supported by a mix of funding sources, including state appropriations, bonds, private philanthropy, and, in some cases, institutional resources. When costs rise due to delays—compounded by local requirements such as historical agency approvals—the College must redirect resources or identify additional revenue to cover the gap. This, in turn, increases pressure on operating budgets and can ultimately impact tuition as a revenue source. Streamlining the timing and coordination of approval processes—while maintaining the important oversight role of all governing bodies—would help mitigate cost escalations, reduce financial strain on students and families, and allow the College to deploy resources more effectively in support of academic and workforce needs.
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Provide an explanation of the proposal and its positive results on businesses or citizens. How will the request affect agency operations?

AGENCY NAME:	University of Charleston		
AGENCY CODE:	H150	SECTION:	

FORM H – TUITION MITIGATION (PROVISO 117.178)

TITLE	Tuition Mitigation Proviso 117.178
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AMOUNT	\$4,556,620
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What is the amount needed for Tuition Mitigation for FY27? 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, 2026 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 2026-27.

EXPLANATION OF METHODOLOGY	This request reflects the additional state funding required to maintain current operations and account for necessary cost escalations such as inflation, salary adjustments, and increased operational expenses. The methodology uses a combination of inflationary indices, contractual obligations, and historical data to estimate unavoidable cost escalations across multiple categories. • Salary Adjustments: A projected state-mandated 1% increase in cost-of-living adjustment (COLA) for permanent employees would increase labor costs by approximately \$1.3 million. When fringe benefits are included, the total projected cost rises to \$1.9 million. • Other Recurring Expenses: This request also includes anticipated increases in several key operational areas critical to the College's daily functions. Each of these areas faces rising costs due to inflationary pressures: 1. Utilities: Costs for electricity, heating, cooling, and water are expected to rise by approximately 4%, driven by increases in utility provider rates and inflation in the energy sector. These costs have consistently trended upward, making them a significant portion of the operational budget. Despite efforts to implement energy-efficient solutions, such as LED lighting and HVAC upgrades, the net savings are not sufficient to fully offset the projected rate increases. 2. Facility Maintenance: Routine building maintenance and repair costs are also expected to increase. The College of Charleston's coastal, urban location contributes significantly to these costs. The proximity to the coast leads to faster deterioration of buildings and infrastructure, while its historical presence requires specialized maintenance to preserve the integrity of its historic structures. These factors, combined with rising costs of construction materials, make facility upkeep more expensive. 3. Capital Renewal and Capital Projects: The College has faced ongoing deferred maintenance issues, particularly for its historic buildings, which are subject to strict preservation standards that increase the cost of both routine repairs and larger capital projects. Additionally, the campus's coastal location exposes it to heightened weather-related risks, which adds to the cost of infrastructure improvements and maintenance.
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4. **Leases:** The College relies on leased properties for classroom, office space, and additional facilities. Leases are subject to market rate increases, and we project that lease costs will increase by 2.9% due to rising demand for commercial real estate in urban settings. Additionally, many of these leases include **contractually obligated increases** that automatically escalate costs on an annual basis. These increases are built into the terms of the leases and are a key factor contributing to the overall rise in operational expenses for the College.
5. **Technology Infrastructure:** The College's IT infrastructure continues to require upgrades and maintenance to support the increasing reliance on digital learning platforms and cybersecurity. Projected increases of approximately \$710,000 are driven by rising costs for cloud storage, software licenses, and cybersecurity tools. These are essential investments to ensure that students and faculty have access to reliable and secure online education platforms.

Methodology and Estimations:

1. **Inflation Factor (HEPI & CPI-U), Contractual Increases, and Historical Data:**

The College used a combination of the Higher Education Price Index (HEPI), the Consumer Price Index for All Urban Consumers (CPI-U), and historical data from the College to estimate budget needs for FY27. HEPI is applied to key operational categories like supplies, maintenance costs, and travel expenses. This combined approach ensures that cost escalations are aligned with both external inflationary pressures and the College's historical cost increases.

2. **Other Recurring Expenses:**

This request also includes other operational expenses subject to inflation and service demands, such as:

- **Public Safety Officer Salaries:** The College budgeted for mandated Public Safety Officer step increases. These increases are necessary to address the heightened security needs of an urban campus setting and to maintain a stable and effective public safety workforce.
- **Contracted Services:** The College relies on external vendors for cleaning, waste management, and other essential services. For example, costs for custodial services are projected to rise by 2.9%, largely due to inflation and higher labor costs from vendors who are adjusting to increasing wages in their industries. Other contracted services were estimated to increase using the HEPI rate.
- **Campus Security and Emergency Preparedness:** Investments in additional security personnel, surveillance equipment, and emergency preparedness are critical to ensuring the safety of students, faculty, and staff. Security-related costs are estimated to increase also using the HEPI increase, which is in line with industry trends and technology improvements.

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**COLLEGE OF CHARLESTON
TUTION MITIGATION REQUEST
FOR THE FISCAL YEAR ENDED JUNE 30, 2027**

Faculty Tenure/Promotions	\$	261,892	Based on historical data
Public Safety Step Increases		12,500	Based on historical data
Fringe Benefits		1,404,190	Based on historical data
Library		155,000	FY26 budgeted increase
Supplies		337,920	HEPI 3.7%
Custodial Services		95,920	CPI-U August = 2.9%
Information Technoloty		710,000	Based on historical data
Utilities		224,407	Facilities Management estimate
Services		214,344	HEPI 3.7%
Travel		84,526	HEPI 3.7%
Leases		146,582	Actual projection
Insurance		56,350	CPI-U August = 2.9%
Scholarships		650,000	Enrollment Management estimate
Other Fixed Costs		123,398	HEPI 3.7%
Other		79,590	HEPI 3.7%
Total	\$	4,556,620	
1% COLA w/fringe,	\$	1,888,200	
net of partial state funding			

Please provide a detailed explanation of the methods used to estimate the FY27 tuition mitigation needs as well as the number of enrolled in-state and out-of-state undergraduates. 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.

COST SAVINGS

Cost-Saving Initiatives (Benchmark: FY19; Initiated in FY21):

The College of Charleston has undertaken several cost-saving initiatives since FY19, with significant actions starting in FY21. However, while these efforts provided relief at the time, the College has now surpassed the savings achieved in FY21 due to state-mandated increases and other mandatory escalations. These measures include:

1. Voluntary Separation Program (VSP):

In FY21, the College implemented the Voluntary Separation Program (VSP), allowing eligible employees to retire or resign voluntarily. This resulted in significant salary savings, totaling approximately \$4.2 million. While the reduction in long-term staffing costs helped temporarily, the College has since surpassed the savings from FY21 due to increased operational demands and mandated salary increases.

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	2. Reduction in Adjunct and Temporary Staff: The College reduced adjunct and temporary staff by 10% in FY21, resulting in a net savings of approximately \$0.9 million. While many of these positions have since been reinstated due to increased student demand, the temporary reduction helped alleviate budget pressures at the time. 3. Operating Budget Reductions: Departmental operating budgets were reduced by 1.5% across the board in FY21, saving approximately \$3.1 million. However, the College has since faced mandated increases that have exceeded these cost savings, requiring additional state support to maintain current operations. 4. Closing of North Campus: The North Campus was closed to reduce operational costs. One significant source of savings came from eliminating the lease expense. Operational costs such as utilities, repairs, and cleaning were also eliminated. 5. Other Cost-Saving Initiatives: The College has implemented a series of energy efficiency initiatives, including the modernization of HVAC systems and the installation of LED lighting. While these measures have effectively reduced overall utility consumption, they offer only a limited long-term mitigation of escalating energy costs. 6. Future Savings Plans: The College continues to explore additional savings opportunities, including enhanced technology solutions and process automation. These initiatives are designed to improve efficiency while maintaining service levels across departments.
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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.

LOW ENROLLMENT	The following undergraduate programs have been eliminated since 2019: • Global Trade Minor (2020) low enrollment • Comparative Literature Minor (2021) low enrollment • Business Language Minor in French (2022) low enrollment • Physical Education, Teacher Education Concentration, B.S. (2023) low enrollment and over allocation of resources to maintain program • Coaching Minor (2024) low enrollment, and the fact that a coaching credential is not required for related occupations or career tracks • Legal Studies Concentration in the Professional Studies major (2024) low enrollment and the concentration does not align well with other School of Business programs
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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.

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UNOBLIGATED FUND BALANCE	Unobligated Fund Balance for FY25: For the most recently completed fiscal year, the College of Charleston’s unobligated fund balance totals \$36.8 million. The entire balance is unrestricted and can be used at the College’s discretion to cover operational needs. These funds serve as a crucial financial reserve to manage unexpected costs, revenue shortfalls, or emergencies. Having unrestricted funds ensures the College can remain financially flexible and responsive to unforeseen challenges, such as natural disasters or significant infrastructure repairs. Appropriate Unrestricted Fund Balance: The College maintains that a prudent level of unrestricted fund balance is approximately 10% of its total E&G gross revenue budget. This percentage provides the necessary financial buffer to ensure long-term financial stability and flexibility in the face of fluctuating revenues or unexpected expenditures. Given the College's coastal location, which presents increased risks from hurricanes and flooding, as well as the costs associated with maintaining its historic infrastructure, it is essential to maintain an appropriate level of unrestricted funds. These funds enable the College to address potential emergency repairs, infrastructure needs, and other unforeseen expenses, ensuring the institution’s operational continuity and financial resilience.
	<i>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.</i>