



STATE OF SOUTH CAROLINA

OFFICE OF THE STATE AUDITOR
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COLUMBIA
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EDGAR A. VAUGHN, JR., CPA
STATE AUDITOR

August 11, 1980

Chief Executive Officers
South Carolina State Agencies

Dear Chief Executive Officer:

As you are aware, the State Budget and Control Board will begin hearings on agency Five Year Plans/Budget Requests on August 18, 1980. The format of the hearings is as follows:

1. One third of the time allotted each agency may be used by the agency at its discretion for a general presentation or to call any specific item to the attention of the Board.
2. The second third of the time allotted should be devoted to responding to specific questions raised during the review of the agency's plan. These questions are enclosed with this letter.
3. The last third of the time allotted will be for questions and answers which the Board or other participants in the hearings may have.

Enclosed is an agenda which contains the date, time, and length of the presentation each agency has been given. Your cooperation in assisting the Board to maintain this agenda as scheduled will be appreciated.

Sincerely yours,

Edgar A. Vaughn, Jr.
State Auditor

EAVjr:cm
Enclosure

AGENDA
BUDGET AND CONTROL BOARD
PLAN/BUDGET REQUEST REVIEW PROCESS

ABC Hearing Room
219 Edgar A. Brown Building

AUGUST 18, 1:30 p.m. (Monday)

Formal opening of the Review Process-Overview Session

1. Opening Statement - Governor Riley
2. Background Review of the Planning Budgeting Process
3. Review of the State's Financial Outlook
4. Review of Procedural Issues
5. Federal Funds Outlook
6. Review of Statewide Budget Issues and Major Expenditure Areas

AUGUST 19 (Tuesday)

<u>TIME</u>	<u>MINUTES</u>	<u>AGENCY</u>
9:30 - 10:00	30	Archives and History
10:00 - 10:30	30	Museum Commission
10:45 - 11:45	60	Higher Education Commission
11:45 - 12:30	45	State Board for Technical & Comprehensive Educ.
12:30 - 2:00	90	BUDGET AND CONTROL BOARD MEETING
2:00 - 3:15	75	Department of Education
3:30 - 4:15	45	Educational Television Commission

AUGUST 20 (Wednesday)

9:30 - 9:45	15	Higher Education Tuition Grants Commission
9:45 - 10:15	30	State Library
10:30 - 11:00	30	School for the Deaf and Blind
11:00 - 11:15	15	Election Commission
11:15 - 11:45	30	Commission on Aging
2:00 - 3:00	60	Judicial Department
3:00 - 3:30	30	Department of Labor
3:45 - 4:15	30	Children's Bureau

AUGUST 21 (Thursday)

9:30 - 10:15	45	Vocational Rehabilitation Department
10:15 - 11:30	75	Health and Environmental Control
11:45 - 1:00	75	Mental Health

BUDGET AND CONTROL BOARD
PLAN/BUDGET REQUEST REVIEW PROCESS

AUGUST 25 (Monday)

<u>TIME</u>	<u>MINUTES</u>	<u>AGENCY</u>
1:30 - 2:00	30	Forestry Commission
2:00 - 2:30	30	Clemson University PSA
2:30 - 2:45	15	Water Resources
2:45 - 3:15	30	Wildlife and Marine Resources
3:30 - 4:15	45	Parks, Recreation and Tourism
4:15 - 5:00	45	Youth Services

AUGUST 26 (Tuesday)

9:30 - 10:00	30	Development Board
10:00 - 11:15	75	Mental Retardation
11:30 - 12:00	30	Juvenile Placement and Aftercare
2:00 - 3:15	75	Department of Corrections
3:30 - 4:15	45	Probation, Parole and Pardon Board

AUGUST 27 (Wednesday)

9:30 - 10:30	60	Alcohol and Drug Abuse
10:30 - 11:45	75	Department of Social Services
11:45 - 12:00	15	Nursing Home Administrators
2:00 - 5:00		BOARD WORK SESSION

AUGUST 28 (Thursday)

CONTINUED BOARD WORK SESSION (if needed)

SEPTEMBER 2 (Tuesday)

DEVELOPMENT OF PROGRAM ALLOCATIONS

SEPTEMBER 4 (Thursday) - if needed

FINALIZATION OF PROGRAM ALLOCATIONS

STATE BUDGET & CONTROL BOARD
FY 1981-82 PLAN/BUDGET REQUEST HEARINGS

AGENCY NAME: HIGHER EDUCATION

ISSUES TO BE ADDRESSED:

1. Addition of New Positions - The State is already obligated to fund 46 USC Medical School positions formerly funded from federal sources. The requests of colleges and universities would require the state to provide funding for approximately 360 additional new positions (excluding those for Technical and Comprehensive Education) if funding is approved at the full formula level. Please justify.
2. Tuition - Tuition costs at several institutions have risen far above levels prevailing at comparable SREB institutions. Please explore the causes of this trend. Discuss also the relationship between tuition and debt service for institutional bonds. How does the state's handling of this relationship differ from the procedure of other states?
3. The State has agreed to assume \$2.7 million additional funding responsibility for the USC Medical School in 1981-82. Please comment on future anticipated funding requirements for this entity. Are there alternatives, such as a merging of the two medical institutions or reliance on residency programs, which could reduce the cost to the state without reducing quality of anticipated medical service availability and delivery in the future?
4. Over the past three decades, state expenditures for higher education as a percentage of total state expenditures have increased steadily. With the expectation that enrollments are now leveling off and may actually decline in the late 1980's, may we expect to see a stabilization of state expenditures in this area? Please comment on enrollment trends as well as anticipated funding needs for higher education.
5. What would be the benefits of granting autonomy to the 4-year branch campuses of USC? The disadvantages? Similarly, can a valid argument be made that USC's two-year regional institutions are the most cost-effective alternative for delivering higher education to the public? Could we not improve both quality and cost-efficiency by consolidating these into nearby 4-year satellite institutions. Is the Commission considering any master plan which could accomplish such an objective?
6. What alternatives could be considered for the use of college or university campuses for the provision of academic courses currently offered by TEC in communities where both types of institutions exist? What cost savings could be realized?