

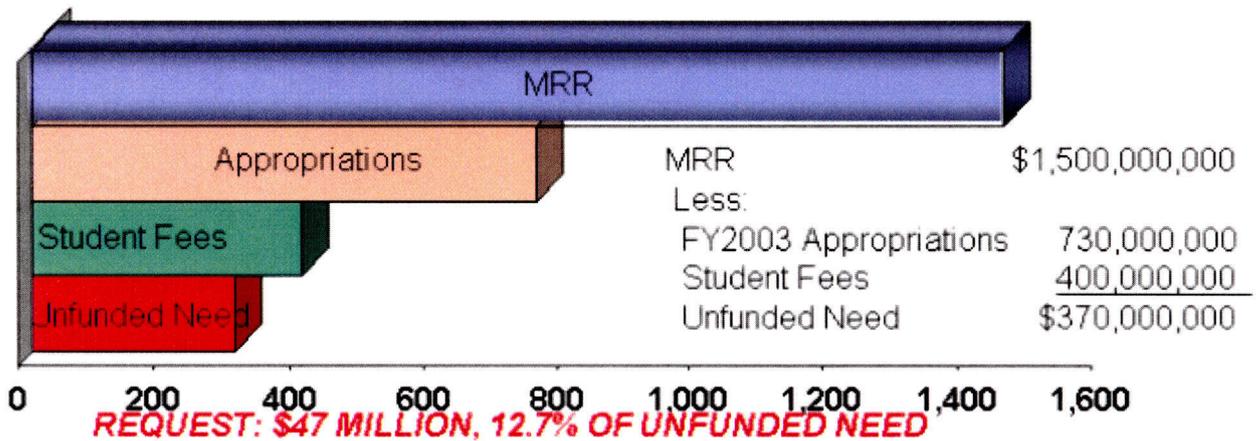
HIGHER EDUCATION OPERATING FUND BUDGET REPORT FOR FISCAL YEAR 2004

(S. C. Commission on Higher Education
Operating Fund Budgetary Needs of Higher Education)

Each year, the S. C. Commission on Higher Education presents a budget request to the Governor and the General Assembly on behalf of the state's 33 public institutions of higher education. This budget request is a request for the operating funds of the institutions. Requests for specific items (commonly referred to as below-the-line items) and capital items are not included in this plan but are submitted separately. Therefore, discussions within this text will be limited to the request for operating funds.

The FY 2004 request on behalf of the institutions is \$47 million.

Illustrated graphically are the total needs of the colleges and universities, the amount funded, the unfunded amount, and the calculated fiscal year 2004 request. Since 1997, the Commission has used a Mission Resource Requirement (MRR) to determine those needs.



Plan 2004 is on behalf of the entire public higher education community and constitutes its approved funding request to be presented to the General Assembly in January 2003. The \$47 million request is over and above the current FY 2003 state appropriations, after application of last year's budget reductions of \$70 million. The establishment and the maintenance of world-class status institutions in South Carolina will continue to enhance new and existing economic development and exemplary research efforts as well as nurture and promote South Carolina's most essential resource, an educated and well-informed citizenry.

Also, **Plan 2004** will continue the effort established in 1996 under Act 329 and 37 performance indicators. With six years of performance funding implementation and experience, South Carolina continues to set the standard for performance funding in this country. These funds are absolutely essential to reward high-achieving institutions and to sustain improvements achieved by other institutions.