



CHE
10/04/2007
Agenda Item 4.02H

South Carolina Commission on Higher Education

Ad. VIII
Layton McCurdy, M.D., Chairman
Mr. Daniel Ravenel, Vice Chairman
Col. John T. Bowden, Jr.
Douglas R. Forbes, D.M.D.
Dr. Bettie Rose Horne
Dr. Raghu Korrapati
Dr. Louis B. Lynn
Ms. Cynthia C. Mosteller
Mr. James R. Sanders
Mr. Hood Temple
Mr. Randy Thomas
Mr. Neal J. Workman, Jr.
Dr. Mitchell Zais

Dr. Garrison Walters, Executive Director

October 4, 2007

MEMORANDUM

To: Dr. Layton R. McCurdy, Chairman, and Members, Commission on Higher Education

From: Dr. Bettie Rose Horne, Chair, Committee on Academic Affairs and Licensing, and Members *Beth Horne*

Consideration of Operating Budget for the South Carolina Centers of Economic Excellence Program Fiscal Year 2007-08

Background

Attached please find the operating budget approved by the S.C. Centers of Economic Excellence (CoEE) Review Board, at its August 20, 2007, quarterly meeting. The Review Board is charged with overseeing the CoEE program and with annually providing the Commission on Higher Education "a schedule by which applications for funding are received and awarded on a competitive basis" (S.C. 2-75-10). The Commission must also approve the program's annual operating budget ("all necessary funds for the prudent operation of the board... [S.C. 2-75-70]).

The CoEE program was funded with \$30 million from the South Carolina Education Lottery for fiscal year 2006-07. The Review Board awarded the full \$30 million dollars for the creation of the following six Centers of Economic Excellence:

Health Facilities Design & Testing	Clemson/MUSC	\$5 million
Tobacco-Related Malignancy	MUSC	5 million
Stroke	MUSC	5 million
Rehabilitation and Reconstruction Sciences	USC	5 million
Strategic Approaches to Electricity Production from Coal	USC	5 million
Senior SMART TM Center	USC/Clemson	5 million

To date, the Review Board has awarded \$149 million for the creation of 35 Centers of Economic Excellence and 62 specialized endowed professorships.

Recommendation

The Committee on Academic Affairs and Licensing commends favorably to the Commission the budget approved by the Centers of Economic Excellence Review Board for FY 2007-08.

**Summary of Operating Costs
FY 2006 - 2007
&
Proposed Operating Budget
FY 2007 - 2008**

Object of Expenditure	FY 2006 - 2007 Actual	FY 2007 - 2008 Proposed	Increase/ (Decrease)
Personnel	120,148	124,982	4,834
Contracted Services			
Auditing	25,000	40,000	15,000
Computers	72,381	79,620	7,238
Marketing	137,666	144,560	6,894
Other Contracted Services	4,042	4,446	404
Telephone	1,483	2,212	729
Subtotal Contracted Services	240,572	270,838	30,265
Supplies	3,974	4,371	397
Fixed Costs			
Dues/Membership	936	936	-
Equipment Lease	749	824	75
Facilities Rental	551	551	-
Liability Insurance	6,384	5,340	(1,044)
Office Rent	7,349	7,717	368
Subtotal Fixed Costs	15,969	15,368	(601)
Staff Travel	2,545	2,800	255
Equipment	7,364	2,000	(5,364)
Employer Contributions	22,680	28,704	6,024
Grand Total	413,252	449,063	35,811