

## PLAN 2002

(The South Carolina Higher Education Funding Plan)  
for Fiscal Year 2002

The Commission on Higher Education and the four sectors of public higher education institutions present PLAN 2002, a \$150 million funding increase request which will be instrumental in ensuring the success of our climb toward excellence in higher education in South Carolina. This plan is for the fiscal year 2002.

Plan 2002 is a united effort of the entire public higher education community and constitutes its approved funding request to be presented to the General Assembly in January 2001. The \$150 million request is over and above the current FY 2001 state appropriations from both recurring and nonrecurring sources. The establishment and the maintenance of world-class status institutions in South Carolina will continue to enhance new and existing economic development, exemplary research efforts, and quality technology education as well as nurture and promote South Carolina's most essential resource, an educated and well-informed citizenry.

The three components of the funding plan are as follows and the actual appropriation will be allocated proportionately:

**Component 1: \$90 million for performance funding** - The funds will continue the effort established in 1996 under Act 329 and 37 performance indicators. With four 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.

**Component 2: \$30 million for technology infrastructure for the technical colleges, USC two-year regional, and the comprehensive teaching universities** - Our colleges and universities require resources for rapidly expanding technology infrastructure needs to mount effectively quality technology education programs:

- \$14.5 million for the 16 technical colleges
- \$14.5 million for the nine senior colleges and universities
- \$1 million for the five University of South Carolina two-year regional campuses

**Component 3: \$30 million to fund the Research Investment Fund** - A component of the Cutting Edge legislation, Act 629, these funds will be allocated proportionately to current research efforts which are approximately 90% for the research universities and 10% for the four-year institutions. These funds will enable the universities and colleges to expand their research efforts and compete more successfully at the national level in leveraging state dollars with federal and private funding.

**The staff recommends to the Committee on Business and Finance that Plan 2002 be recommended favorably to the Commission on behalf of the colleges and universities.**