

## Improve our K-12 Student Performance

| Activity Number                                      |     | Agency Name                             | Activity Name                                                | Rationale                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Savings Amount    |
|------------------------------------------------------|-----|-----------------------------------------|--------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| <b>SAVINGS PROPOSALS</b>                             |     |                                         |                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                   |
| 797                                                  | H63 | State Department of Education           | Finance                                                      | The Finance and Operations Office provides financial, procurement, and human resources support for the State Department of Education. We believe this function can be performed at lower costs. Carry forward funds should be available to offset any reductions.                                                                                                                                                                                                                                                                                | 387,734           |
| 798                                                  | H63 | State Department of Education           | Administration                                               | This is a worthwhile yet lower priority function. We believe that this office can carry out its duties with reduced funds. Numerous other agencies carry out executive, legal, and public information duties with substantially fewer than 30 full-time staff members. We recommend reducing funds in this area and redirecting the savings to classrooms.                                                                                                                                                                                       | 162,709           |
|                                                      | H63 | State Department of Education           | Staff Reductions                                             | The recent budget cuts have reduced the amount of funding going to classrooms across our state. While we understand that eliminating jobs at the State Department of Education is a difficult decision to make, we believe that staff positions at DOE should be cut to allow more dollars to flow into the classroom—particularly when the average compensation for SDE administrators is over \$70,000. Reducing administrative staff by 15% will produce cost savings of over \$6.5 million.                                                  | 6,549,797         |
|                                                      | H63 | State Department of Education           | School Districts Consolidation                               | We have long advocated for school district consolidation. In 2003, the EOC released a report stating that, if districts would consolidate to reach a minimum population of 2,500 students, then S.C. could save nearly \$26 million in administrative costs. Forcing taxpayers in counties that meet this standard to pay for multiple school districts in counties that do not meet this standard is not fair. We recommend reducing funding by \$26 million over two years. The state will realize cost savings of \$13,000,000 in FY 2010-11. | 13,000,000        |
| 824                                                  | H67 | Educational Television Commission       | Agency Fundraising                                           | This funding goes toward agency fundraising to support ETV's programming services, and is a worthwhile program. We recommend reducing funding for this activity because we believe that the Commission can raise funds effectively without these general funds.                                                                                                                                                                                                                                                                                  | 33,320            |
| 854                                                  | H75 | School for the Deaf & the Blind         | Statewide Service Delivery (formerly Outreach)               | These funds support training for parents with a child who has a vision or hearing disability, and supports school districts, state agencies, and other public entities as they comply with federal mandates such as the ADA. This is a worthwhile function that falls outside the school's core mission. In lean budget years, funding should be focused on providing educational, residential, and vocational services to the school's K-12 and adult students.                                                                                 | 923,207           |
|                                                      |     |                                         |                                                              | <b>Cost Savings Subtotal</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>21,056,767</b> |
| <b>Making Tough Choices - Below the Line Savings</b> |     |                                         |                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                   |
| 1704                                                 | H27 | University of South Carolina - Columbia | Freshwater Initiative                                        | This activity has not been tied to student achievement. Schools wishing to take advantages of the services provided through this activity should do so using existing programmatic funding devoted to curriculum mastery. In a tight budget year, we recommend eliminating funding for this program.                                                                                                                                                                                                                                             | 287,880           |
| 693                                                  | H63 | State Department of Education           | Teacher Quality - ADEPT                                      | This is an ineffective professional development program that is not tied directly to raising student achievement. Additionally, the professional development offered by the ADEPT program is duplicative of other professional development models such as the Teacher Advancement Program—which is supported predominately by federal grants.                                                                                                                                                                                                    | 1,881,035         |
| 698                                                  | H63 | State Department of Education           | Career and Technology Education (CATE)- Modernize Technology | This program is a pass-through that provides Career and Technology Education equipment for school districts and Area Career Centers. While preparing students to enter the job market is an important function of our education system, we should delay providing new equipment until the budget situation improves.                                                                                                                                                                                                                             | 4,068,812         |

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| 700  | H63 | State Department of Education           | High Schools That Work and Making Middle Grades Work | High Schools That Work and Making Middle Grades Work are non-mandatory school assessment tools that examine whether students are prepared for the next level of education. Like last year, we recommend cutting funding for these programs because South Carolina has several other school-assessment programs and college preparatory courses and activities. We believe this money should be directed back to the classroom.                                                                                                                                                                                                                         | 1,756,516 |
| 712  | H63 | State Department of Education           | SAT Improvement                                      | We believe that, because this funding amount is relatively small, the State Department of Education can fund this program from its budget— <u>independent</u> of additional funding. Otherwise, we recommend eliminating this funding because it is too little money to be effective in all 85 school districts. Districts already fund SAT improvement efforts, so cutting this funding does not eliminate all SAT improvement efforts.                                                                                                                                                                                                               | 321,840   |
| 719  | H63 | State Department of Education           | Character Education Program                          | Last year, we supported the State Department of Education's recommendation to eliminate this funding, and we believe the circumstances surrounding this program have not changed over the past year. Although we believe that character education programs are important, the current funding level is not enough to be effective in all 85 school districts. Additionally, the Education and Economic Development Act mandates character education activities, which makes this activity <u>redundant</u> .                                                                                                                                           | 190,474   |
| 783  | H63 | State Department of Education           | Felton Lab                                           | The Felton Lab is located on the campus of S.C. State University, and serves 194 students in K-8. The school receives substantial funding in addition to the students' tuition payment of \$1,000 each. We support Felton Lab's mission, offering professional development to aspiring educators, but we believe the program's tuition revenue and special appropriations provide sufficient support. Additionally, other agency school districts at the Department of Juvenile Justice and the School for the Deaf and Blind do not receive similar special line items. This activity has been ranked as a low priority by past budget results teams. | 130,394   |
| 795  | H63 | State Department of Education           | Ombudsmen Services                                   | This line item funds a single employee at the Department of Education who fields complaints and concerns about the public education system. We recognize the importance of responding to constituent complaints; however, we believe this service could be effectively provided through the Department of Education's Office of Communications. This activity has been ranked as a low priority by past budget results teams.                                                                                                                                                                                                                          | 43,524    |
| 810  | H64 | Governor's School for Arts & Humanities | Library                                              | This funding supports 3 library staff for the residential and summer programs. The school receives \$5,865,000 in general funds—and charges student fees—for awareness, recruitment, and operations of its summer program. We believe this funding could be better spent toward the library program and that any shortfall should be made up by student fees.                                                                                                                                                                                                                                                                                          | 280,759   |
| 815  | H65 | Governor's School for Math & Science    | Statewide Outreach                                   | This program is at the Governor's School for Math & Science and provides professional development for K-12 teachers in science and math, which is duplicative of Department of Education efforts. These funds also support a summer science program for middle school students, that falls outside the core mission of the school, which is a residential school for 11th and 12th graders. The program also receives grant funds, so we suggest the school seek more grants or other funding to continue this outreach program.                                                                                                                       | 419,892   |
| 826  | H67 | Educational Television Commission       | Educational Radio                                    | ETV funds eight radio stations around the state: five news stations and three classical music/news stations. Not-for-profit educational radio fills an important gap left by the for-profit radio industry. However, when competing for scarce dollars, K-12 and public safety activities are higher priorities than educational radio. In fact, most of ETV's funding comes from private sources: ETV currently holds membership drives three times a year. ETV could increase the number of membership drives or sell more advertising to offset this funding loss.                                                                                  | 158,159   |
| 1593 | L12 | John de la Howe                         | Therapeutic Wilderness Camping                       | This activity teaches life skills through a one-year, full-time outdoor living experience. This year, there are only 13 boys enrolled in the program. While the intent of this program is worthy, in a tight budget year, we recommend that the agency seek alternative funding.                                                                                                                                                                                                                                                                                                                                                                       | 371,291   |

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| 1477 | P20 | Clemson PSA                         | Agricultural Education Teachers' Salaries                  | This line item is a pass-through to the K-12 school districts to fund Future Farmers of America teaching positions. According to the S.C. Department of Education, there are no other special teacher line items in the K-12 budget (including other vocational courses such as computer or business technology); therefore, it would be unfair to continue to support this special funding. While agricultural courses have merit, in tough budget years, our focus must be on funding core subject areas such as reading, writing, and math—which are required to receive a high school diploma. This activity has been ranked as a low priority by past budget results teams. | 304,199           |
| 1508 | P20 | Clemson PSA                         | 4-H and Agricultural & Natural Resource Programs for Youth | This is a low-priority activity that, if worthwhile, should be funded through vocational or Education and Economic Development Act funding.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 3,960,002         |
| 1271 | P28 | Dept of Parks, Recreation & Tourism | Interpretive & Resource Management                         | This activity provides technical assistance to the state's parks concerning park attendance, and provides educational programs to park visitors. Because this activity is not essential to raising student achievement, we believe schools wishing to take advantage of this activity's services should do so using existing programmatic funding devoted to curriculum mastery.                                                                                                                                                                                                                                                                                                 | 220,177           |
|      |     |                                     |                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                   |
|      |     |                                     |                                                            | <b>Below the Line Savings Subtotal</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>14,394,954</b> |
|      |     |                                     |                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                   |
|      |     |                                     |                                                            | <b>TOTAL GOAL AREA SAVINGS</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>35,451,721</b> |
|      |     |                                     |                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                   |

## Improve our Higher Education System and Cultural Resources

| Activity Number          |     | Agency Name                    | Activity Name                                                              | Rationale                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Savings Amount |
|--------------------------|-----|--------------------------------|----------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| <b>SAVINGS PROPOSALS</b> |     |                                |                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                |
| 285                      | H03 | Commission on Higher Education | Access and Equity                                                          | The Access & Equity program supports efforts to recruit and retain minority students. We support the program's goal, but we recommend reducing funding because we believe the Commission should focus on higher-priority funding areas.                                                                                                                                                                                                                                                                                                                                                                                             | 176,428        |
| 1690                     | H03 | Commission on Higher Education | Education and Economic Development (EEDA) funding for CHE and Institutions | This funding pays for a national consultant and a computerized course-articulation system to ensure students have a smooth transition between high school and college. The course-articulation efforts are worthwhile, but our state cannot afford consultant fees at a time when all resources need to be focused in the classroom. Eliminating the funding for the consultant results in \$1,189,452 in savings.                                                                                                                                                                                                                  | 1,249,643      |
| 324                      | H09 | The Citadel                    | Advertising/Marketing                                                      | Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has one of the highest in-state tuition rates in the region--and is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom. | 1,037,056      |
|                          | H09 | Citadel                        | Administration - 15% Reduction                                             | We recommend reducing administrative costs by consolidating administrative functions with nearby institutions.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 1,366,128      |
| 365                      | H12 | Clemson University             | Advertising/Marketing                                                      | Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region—which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom.             | 1,053,801      |
|                          | H12 | Clemson                        | Collaboration and Cooperation                                              | We recommend reducing administrative costs at our three research institutions by one percent and encourage these three universities to collaborate on ways to share programs or offer services with reduced funding. We selected these three research institutions because these universities are able to apply for federal research grants and they are eligible to receive funding for endowed chairs. In lean budget years—when Clemson is furloughing employees—we must reduce administrative overhead and direct funding to the classrooms.                                                                                    | 825,520        |
| 371                      | H15 | College of Charleston          | Advertising/Marketing                                                      | Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region—which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom.             | 1,889,733      |
|                          | H15 | College of Charleston          | Administration - 15% Reduction                                             | We recommend reducing administrative costs by consolidating administrative functions with nearby institutions.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 3,576,762      |
| 397                      | H17 | Coastal Carolina               | Advertising/Marketing                                                      | Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region—which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom.             | 1,062,347      |

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|     | H17 | Coastal Carolina                | Administration - 15% Reduction | We recommend reducing administrative costs by consolidating administrative functions with nearby institutions.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 2,010,689 |
| 425 | H18 | Francis Marion University       | Advertising/Marketing          | Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region—which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom. | 120,500   |
|     | H18 | Francis Marion University       | Administration - 15% Reduction | We recommend reducing administrative costs by consolidating administrative functions with nearby institutions.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 777,209   |
| 428 | H21 | Lander University               | Advertising/Marketing          | Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region—which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom. | 92,000    |
|     | H21 | Lander University               | Administration - 15% Reduction | We recommend reducing administrative costs by consolidating administrative functions with nearby institutions.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 503,907   |
| 445 | H24 | South Carolina State University | Advertising/Marketing          | Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region—which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom. | 1,654,082 |
|     | H24 | South Carolina State University | Administration - 15% Reduction | We recommend reducing administrative costs by consolidating administrative functions with nearby institutions.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 2,732,744 |
| 457 | H27 | USC Columbia                    | School of Medicine             | Like many states, our state's difficult financial position this year has forced us to make some equally difficult funding decisions. While this program is worthy, we recommend discontinuing the Child Abuse Response Program (CARP) due to the fact that it is similar to the financial and support services offered by the State Office of Victim Assistance (SOVA). Because of the laws regulating SOVA, everyone who would have benefitted from CARP is eligible for aid from SOVA.                                                                                                                                | 800,000   |
| 465 | H27 | USC Columbia                    | Advertising/Marketing          | Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region—which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom. | 1,415,239 |
|     | H27 | University of South Carolina    | Program Restructuring          | We propose consolidating the Institute for Archeology and Anthropology—currently located at USC-Columbia—into the Department of Archives and History (DAH). This function could be easily absorbed and housed at DAH as there is adequate physical space and the Institute is consistent with the overall mission of cultural preservation of DAH. Most of our neighboring states house their Archeology programs at their equivalent of our Department of Archives and History.                                                                                                                                        | 496,812   |

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|     | H27 | University of South Carolina | Collaboration and Cooperation               | We recommend reducing administrative costs at our three research institutions by one percent and encourage these three universities to collaborate on ways to share programs or offer services with reduced funding. We selected these three research institutions because these universities are able to apply for federal research grants and they are eligible to receive funding for endowed chairs. In lean budget years—when USC is furloughing employees—we must reduce administrative overhead and direct funding to the classrooms.                                                                            | 1,317,046 |
| 482 | H29 | USC Aiken                    | Advertising/Marketing                       | Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region—which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom. | 84,285    |
| 502 | H34 | USC Upstate                  | Advertising/Marketing                       | Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region—which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom. | 285,617   |
| 510 | H36 | USC Beaufort                 | Advertising/Marketing                       | Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region—which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom. | 233,120   |
| 520 | H37 | USC-Lancaster                | Advertising/Marketing                       | Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region—which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom. | 76,815    |
| 529 | H38 | USC-Salkehatchie             | Advertising/Marketing                       | Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region—which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom. | 72,815    |
| 529 | H38 | USC-Salkehatchie             | Pass Through Savings - Leadership Institute | While this local economic development program has merit, we do not believe it is wise to have multiple agencies performing independent development activities. The S.C. Department of Commerce conducts development activities across our state, and we believe the Department is best suited to handle the state's economic development responsibilities.                                                                                                                                                                                                                                                              | 100,460   |

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| 539 | H39 | USC Sumter                                           | Advertising/Marketing                       | Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region—which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom.   | 106,631    |
| 547 | H40 | USC - Union                                          | Advertising/Marketing                       | Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region - which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom. | 24,538     |
| 556 | H47 | Winthrop University                                  | Advertising/Marketing                       | Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region—which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom.   | 450,000    |
|     | H47 | Winthrop University                                  | Administration - 15% Reduction              | We recommend reducing administrative costs by consolidating administrative functions with nearby institutions.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 1,059,195  |
| 573 | H51 | MUSC                                                 | Advertising/Marketing                       | Although we recognize that advertising and marketing is important for colleges and universities, we firmly believe that these activities should not be funded by higher education institutions during the tough economic times we now face. S.C. has the highest in-state tuition in the region—which is among the highest in the nation. Therefore, we do not believe it is fair for students to bear the cost of funding the schools' advertising campaigns. At a time when many colleges are furloughing employees and laying off instructors, these funds could be better used to keep professors in the classroom.   | 851,115    |
|     | H51 | Medical University of South Carolina                 | Collaboration and Cooperation               | We recommend reducing administrative costs at our three research institutions by one percent and encourage these three universities to collaborate on ways to share programs or offer services with reduced funding. We selected these three research institutions because these universities are able to apply for federal research grants and they are eligible to receive funding for endowed chairs. In lean budget years—when MUSC is furloughing employees—we must reduce administrative overhead and direct funding to the classrooms.                                                                             | 700,389    |
|     | H59 | Board for Technical & Comprehensive Education        | Administration - Establishing Three Regions | By consolidating the administrative functions of the technical colleges at three regional centers, we can save over \$22 million.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 22,600,000 |
| 830 | H67 | Educational Television Commission                    | Making It Grow                              | We believe that funding "Making It Grow" is a low priority when compared to health care, law enforcement, K-12 education, and other critical state functions. We recommend eliminating this production and focusing remaining funds on the delivery of educational programming to students.                                                                                                                                                                                                                                                                                                                               | 188,681    |
| 865 | H79 | Consolidating Cultural Agencies - Archives & History | Administration                              | The State Library, State Museum, and Department of Archives and History have discussed sharing human resource functions, and we would like to see this discussion turn into action. By consolidating administrative functions, we will reduce each agency's state administration funds by 18%. We believe that consolidating administration functions will not compromise the mission of our cultural agencies.                                                                                                                                                                                                           | 164,606    |

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| 867                                                  | H87 | Consolidating Cultural Agencies - State Library                   | Administration                                         | The State Library, State Museum, and Department of Archives and History have discussed sharing human resource functions, and we would like to see this discussion turn into action. By consolidating administrative functions, we will reduce each agency's state administration funds by 18%. We believe that consolidating administration functions will not compromise the mission of our cultural agencies.                                                                                                                                                           | 90,121            |
| Multiple Activities                                  |     | Statewide                                                         | OM Maintenance                                         | We recommend reducing operations and maintenance by three percent for higher education institutions within a 25 mile radius of one other. These savings are based on the centralization of facilities management that will afford a reduction in overhead.                                                                                                                                                                                                                                                                                                                | 7,684,524         |
| Multiple Activities                                  |     | Statewide - Four-Year and Technical Higher Education Institutions | Administration                                         | As we have advocated in the past, we recommend that our state's higher education institutions share administrative responsibilities. Because most higher education institutions in South Carolina are located within 25 miles of one another, we think it makes no sense for each institution to have separate administrations. Our plan proposes to consolidate administrative responsibilities over two years.                                                                                                                                                          | 2,456,904         |
|                                                      |     |                                                                   |                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                   |
|                                                      |     |                                                                   |                                                        | <b>Cost Savings Subtotal</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>61,387,462</b> |
| <b>Making Tough Choices - Below the Line Savings</b> |     |                                                                   |                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                   |
| 280                                                  | H03 | Commission on Higher Education                                    | S.C. Alliance for Minority Participation               | This Higher Education Commission program is designed to increase the number of minorities pursuing doctoral degrees in science, technology, engineering, and math. We recommend continuing to fund the program at the current level, but we recommend shifting the funding source to lottery funds currently designated to go to historically black colleges. This activity has been ranked as a low priority by past budget results teams.                                                                                                                               | 238,254           |
| 282                                                  | H03 | Commission on Higher Education                                    | The University Center of Greenville                    | The University Center of Greenville is a consortium of public and private colleges and universities offering degree programs to the citizens of the Upstate and surrounding areas. We support the University Center's premise—providing high quality education through a public/private partnership—but we believe the seven institutions that comprise the Center can coordinate adequately to support this program from their existing funds without additional state revenue.                                                                                          | 86,406            |
| 283                                                  | H03 | Commission on Higher Education                                    | Pass Through Savings - University Center of Greenville | The University Center of Greenville is a consortium of public and private colleges and universities offering degree programs to the citizens of the Upstate and surrounding areas. We believe the seven institutions (one of which is private) that comprise the Center can coordinate adequately to support this program from their existing funds without additional state revenue.                                                                                                                                                                                     | 258,844           |
| 284                                                  | H03 | Commission on Higher Education                                    | Pass Through Savings - Lowcountry Graduate Center      | The Lowcountry Graduate Center is a consortium of four public colleges in the Charleston area that offer graduate degree programs, and we strongly support the graduate center's efforts; however, we believe that funding should come from the participating institutions now that the Center has been operating for eight years. Additionally, we recommend reducing these pass-through funds because the agency has no control over how the funds are spent and because pass-through funding diminishes governmental accountability.                                   | 1,032,244         |
| 290                                                  | H03 | Commission on Higher Education                                    | Arts Program Tuition Assistance                        | We recommend eliminating unnecessary funding for students attending the North Carolina School of the Arts because we have established the S.C. Governor's School for the Arts in Greenville.                                                                                                                                                                                                                                                                                                                                                                              | 7,813             |
| 293                                                  | H03 | Commission on Higher Education                                    | Youth Leadership Conference                            | While this program is worthy, we believe that expenditures should be focused toward the Commission on Higher Education's (CHE) core mission. We recommend that private sector support be sought for this activity.                                                                                                                                                                                                                                                                                                                                                        | 19,272            |
| 295                                                  | H03 | Commission on Higher Education                                    | Cutting Edge                                           | In the past, "Cutting Edge" funded several academic programs. Due to funding cuts, all programs other than research have been eliminated. The remaining funds support research by CHE on institutional effectiveness, planning, and assessment research, which is already conducted by higher education institutions in the process of renewing accreditation. Since the only remaining activity in this funding is duplicative of other activities, we recommend eliminating this funding. This activity has been ranked as a low priority by past budget results teams. | 112,888           |



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| 299  | H03 | Commission on Higher Education | Higher Education Assistance                             | The Higher Education Awareness Program (HEAP) provides grants to middle schools for college awareness materials. We recommend eliminating this program because HEAP duplicates career and postsecondary awareness efforts of the Education and Economic Development Act. Additionally, students can research college opportunities for free on CHE's web site ( <a href="http://www.che.sc.gov">www.che.sc.gov</a> ) and through the U.S. Department of Education ( <a href="http://www.college.gov">www.college.gov</a> ). This activity has been ranked as a low priority by past budget results teams.                                                   | 198,484   |
| 301  | H03 | Commission on Higher Education | African American Loan Program                           | This CHE program recruits black teachers to S.C. State University and Benedict College. We recognize this program's importance, but the current budgetary issues require us to limit this program to its current commitments. We recommend that enrollment in this program be capped at the 20 students currently enrolled in the program and be funded from lottery money currently directed to historically black colleges. This activity has been ranked as a low priority by past budget results teams.                                                                                                                                                 | 154,275   |
| 1546 | H03 | Commission on Higher Education | Think Tec/Fastrac                                       | This pass-through funds a 10-week course that teaches potential entrepreneurs how to start and grow businesses. While this program has worthy intentions, we believe this program is duplicative of the Department of Commerce's efforts to assist small businesses, such as the Small Business Ombudsman Office and the Business One Stop internet service, which offer free online information for prospective business owners. This activity has been ranked as a low priority by past budget results teams.                                                                                                                                             | 168,832   |
| 1547 | H03 | Commission on Higher Education | National Foundation of Teaching Entrepreneurship (NFTE) | In a tight budget year, resources should be focused on the CHE's core mission. Private sector support should be sought for this activity.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 196,318   |
| 1798 | H03 | Commission on Higher Education | Charleston Transition College Connection                | This funding supports a nonprofit corporation committed to helping students with significant mental disabilities transition from school to the workforce. Higher education currently receives close to 20 percent of the total state budget, ranking second in the Southeast in such spending. Nationwide, only six states dedicate a greater percentage of their state budget to higher education than S.C. This type of proviso may, once again, ultimately lead to increasing the tuition burden on students. If CHE believes that this program has merit, then it should fund the program out of its existing budget.                                   | 235,582   |
| 329  | H09 | Citadel                        | Student Services                                        | Student Services programs contribute to the students' well-being and intellectual, cultural, and social development outside the context of the formal instructional program. This line may also include admissions and registration activities. Most of the state's institutions of higher education fund this line item without any state general funds (Clemson, Lander, USC-Columbia, USC-Aiken, USC-Beaufort, USC-Lancaster, USC Sumter, USC-Union, USC-Upstate). All state universities should be able to fund their essential student services without state funds and prioritize the other non-instructional programs funded through this line item. | 1,100,000 |
| 1692 | H12 | Clemson University             | Call Me Mister                                          | This program seeks to address the shortage of African American male teachers in elementary schools around the state. While we appreciate this program's purpose, we believe the funding for this program should be redirected to more critical areas within our educational system. Additionally, in the past, the Call Me Mister program has found financial support from the federal government and from such organizations as BMW, DuPont, Michelin and the Charles Stewart Mott Foundation.                                                                                                                                                             | 1,300,000 |
| 374  | H15 | University of Charleston       | Public Service                                          | This program seeks to increase the number of faculty that are involved in economic and cultural development throughout the state. While we appreciate this program's efforts, we believe our state colleges should focus funding on classroom instruction and find alternative ways to fund service learning projects.                                                                                                                                                                                                                                                                                                                                      | 42,505    |
| 377  | H15 | University of Charleston       | Student Services                                        | Student Services programs contribute to the students' well-being and intellectual, cultural, and social development outside the context of the formal instructional program. This line may also include admissions and registration activities. Most of the state's institutions of higher education fund this line item without any state general funds (Clemson, Lander, USC-Columbia, USC-Aiken, USC-Beaufort, USC-Lancaster, USC Sumter, USC-Union, USC-Upstate). All state universities should be able to fund their essential student services without state funds and prioritize the other non-instructional programs funded through this line item. | 1,850,195 |

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| 447  | H24 | S.C. State University                 | Public Service                                   | S.C. State University offers free courses to the community on small business development. We realize that public service is one of the top missions of public institutions, but in a tight budget year, we believe our state colleges cannot afford to offer educational classes free-of-charge. Additionally, this program is duplicative of the S.C. Department of Commerce's efforts to assist small businesses through the Small Business Ombudsman Office and the Business One Stop, which offer free online information for prospective business owners. We recommend eliminating the program, as the college may be able to offer this class under the 1890 Research & Extension program, which receives federal funds. This activity has been ranked as a low priority by past budget results teams. | 176,855   |
| 449  | H24 | S.C. State University                 | Student Services                                 | Student Services programs contribute to the students' well-being and intellectual, cultural, and social development outside the context of the formal instructional program. This line may also include admissions and registration activities. Most of the state's institutions of higher education fund this line item without any state general funds (Clemson, Lander, USC-Columbia, USC-Aiken, USC-Beaufort, USC-Lancaster, USC Sumter, USC-Union, USC-Upstate). All state universities should be able to fund their essential student services without state funds and prioritize the other non-instructional programs funded through this line item.                                                                                                                                                  | 1,202,926 |
| 472  | H27 | University of South Carolina-Columbia | African American Professors Program              | The University of South Carolina provides tuition assistance to black students in the Ph.D program at USC's School of Education that are seeking to become professors. This program duplicates the SREB Doctoral Scholars Program and the S.C. Alliance for Minority Participation. We believe it is important to support educating more minority professors, but we recommend not funding this activity from general funds. Currently, there are 17 students receiving scholarships through this program. We recommend keeping our commitments to these students. We also recommend that enrollment in this program be capped and funded from lottery money currently directed to historically black colleges. This activity has been ranked as a low priority by past budget results teams.                | 178,805   |
| 473  | H27 | University of South Carolina          | Funding Source Change - NanoCenter               | While we appreciate this program's purpose of providing high-technology learning opportunities through courses, research, and outreach programs, we believe the University should seek federal funding and private endowments for department-chair positions.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 744,267   |
| 1558 | H27 | University of South Carolina-Columbia | Instruction: Graduate School, and University 101 | Funding for this program supports several graduate faculty positions and the University 101 program, which helps freshman get acclimated to college life. Since many freshman do not take this non-mandatory course, we believe USC should fund this program out of its general budget. No other college receives a special line item to fund a University 101 course, and we do not believe USC should be treated differently.                                                                                                                                                                                                                                                                                                                                                                              | 291,999   |
| 563  | H47 | Winthrop University                   | Student Services                                 | Student Services programs contribute to the students' well-being and intellectual, cultural, and social development outside the context of the formal instructional program. This line may also include admissions and registration activities. Most of the state's institutions of higher education fund this line item without any state general funds (Clemson, the Citadel, Lander, USC-Columbia, USC-Aiken, USC-Beaufort, USC-Lancaster, USC Sumter, USC-Union, USC-Upstate). All state universities should be able to fund their essential student services without state funds and prioritize the other non-instructional programs funded through this line item.                                                                                                                                     | 1,288,540 |
| 587  | H51 | Medical University of South Carolina  | Public Assistance                                | MUSC provides non-instructional services benefiting individuals and groups within the community. While this program is admirable, in a tight budget year, we can mitigate the impact on classroom instruction by reducing appropriations to non-instructional services. This program receives substantial federal and other funds. We recommend eliminating the General Fund appropriation.                                                                                                                                                                                                                                                                                                                                                                                                                  | 5,059,633 |

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| 590  | H51 | Medical University of South Carolina          | Student Services                                        | Student Services programs contribute to the students' well-being and intellectual, cultural, and social development outside the context of the formal instructional program. This line may also include admissions and registration activities. Most of the state's institutions of higher education fund this line item without any state general funds (Clemson, Lander, USC-Columbia, USC-Aiken, USC-Beaufort, USC-Lancaster, USC Sumter, USC-Union, USC-Upstate). All state universities should be able to fund their essential student services without state funds and prioritize the other non-instructional programs funded through this line item. | 1,814,842 |
| 1565 | H51 | Medical University of South Carolina          | Pass Through Savings, Part 1A - Rural Dentist Incentive | This line item is a pass-through from HHS to MUSC and Area Health Education Consortium (AHEC). This program, requested by neither HHS, MUSC, nor AHEC, provides funding to incentivize dentists to serve rural populations. We acknowledge the challenge in attracting dentists to practice in the state's rural areas, but this money amounts to a little more than \$5,000 per county. We do not believe such a small amount is enough to attract young students leaving dental school to practice in rural areas, and we recommend eliminating funding for this activity.                                                                                | 250,000   |
| 649  | H59 | Board for Technical & Comprehensive Education | Trident Tech-Culinary Arts                              | We recommend suspending funding for this program. While the program may merit state funding, it was added by the General Assembly without appropriate program review imposed upon other potential programs. This bypass is an example of failure by our higher education governance structure.                                                                                                                                                                                                                                                                                                                                                              | 589,559   |
| 668  | H59 | Board for Technical & Comprehensive Education | Community Service Programs                              | This program offers non-credit courses to community members at all 16 technical colleges. Participants pay for the courses, which are day-long community-focused seminars. General funds are used to pay a portion of the instructors' salaries. Because the program can be sustained by the \$3 million it generates annually, we recommended eliminating state funding for this program. This activity has been ranked as a low priority by past budget results teams.                                                                                                                                                                                    | 697,927   |
| 1710 | H59 | Board for Technical & Comprehensive Education | Florence-Darlington-SIMT                                | This program, created in the last 4 years, was originally intended to equip the new Southeastern Institute of Manufacturing and Technology (SIMT) with state-of-the-art technologies. SIMT charges companies a fee in return for manufacturer training and support. This year, the program will bring in an estimated \$450,000, and will ultimately be self-sustaining. The success of this public-private partnership should cover future equipment costs and make funding unnecessary in FY 2010-11.                                                                                                                                                     | 1,141,082 |
| 1825 | H59 | Board for Technical & Comprehensive Education | Apprenticeship                                          | This new activity, added in the last 4 years, supports business-led initiatives for a statewide registered-apprenticeship process. The technical college system last year created a statewide registered-apprenticeship program. Agencies inform us that program funding can be reduced by \$363,294 without impacting their ability to accomplish the program's mission. We recommend reducing funding for personnel, overhead, and travel costs.                                                                                                                                                                                                          | 744,880   |
| 876  | H91 | Arts Commission                               | Arts Education                                          | Like many states, our state's difficult financial position this year has forced us to make some equally difficult funding decisions. In this year's Executive Budget, we have proposed eliminating the Arts Commission. We recognize that artistic and cultural programs add great value to our state, but we simply cannot justify spending money on arts programs when law enforcement and core academic programs are facing steep budget cuts. We recommend transferring the Arts Commission's responsibility for grant administration to the State Department of Education.                                                                             | 569,174   |
| 877  | H91 | Arts Commission                               | Community Arts Development                              | Like many states, our state's difficult financial position this year has forced us to make some equally difficult funding decisions. In this year's Executive Budget, we have proposed eliminating the Arts Commission. We recognize that artistic and cultural programs add great value to our state, but we simply cannot justify spending money on arts programs when law enforcement and core academic programs are facing steep budget cuts. We recommend transferring the Arts Commission's responsibility for grant administration to the State Department of Education.                                                                             | 1,313,188 |

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|-----|-----|-----------------|--------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|
| 878 | H91 | Arts Commission | Artist Development | Like many states, our state's difficult financial position this year has forced us to make some equally difficult funding decisions. In this year's Executive Budget, we have proposed eliminating the Arts Commission. We recognize that artistic and cultural programs add great value to our state, but we simply cannot justify spending money on arts programs when law enforcement and core academic programs are facing steep budget cuts. We recommend transferring the Arts Commission's responsibility for grant administration to the State Department of Education.                                                                                                               | 135,673 |
| 880 | H91 | Arts Commission | Administration     | Like many states, our state's difficult financial position this year has forced us to make some equally difficult funding decisions. In this year's Executive Budget, we have proposed eliminating the Arts Commission. We recognize that artistic and cultural programs add great value to our state, but we simply cannot justify spending money on arts programs when law enforcement and core academic programs are facing steep budget cuts. We recommend transferring the Arts Commission's responsibility for grant administration to the State Department of Education.                                                                                                               | 435,950 |
| 881 | H95 | State Museum    | Collections        | Given that our state has cut over \$1.5 billion from the budget since the economic downturn, we are forced to eliminate all but the most necessary programs from the state's activities. Although we recognize the State Museum's value and popularity, this year we recommend eliminating state funding for the Museum. Cultural activities are obviously important, but the vast majority of this year's budget is directed to core governmental functions like public safety, education, and health care. We certainly do not advocate closing the Museum, and we believe the Museum can make up the cut in state funding through grants, private donations, or increased admittance fees. | 450,036 |
| 882 | H95 | State Museum    | Education          | Given that our state has cut over \$1.5 billion from the budget since the economic downturn, we are forced to eliminate all but the most necessary programs from the state's activities. Although we recognize the State Museum's value and popularity, this year we recommend eliminating state funding for the Museum. Cultural activities are obviously important, but the vast majority of this year's budget is directed to core governmental functions like public safety, education, and health care. We certainly do not advocate closing the Museum, and we believe the Museum can make up the cut in state funding through grants, private donations, or increased admittance fees. | 691,811 |
| 883 | H95 | State Museum    | Exhibits           | Given that our state has cut over \$1.5 billion from the budget since the economic downturn, we are forced to eliminate all but the most necessary programs from the state's activities. Although we recognize the State Museum's value and popularity, this year we recommend eliminating state funding for the Museum. Cultural activities are obviously important, but the vast majority of this year's budget is directed to core governmental functions like public safety, education, and health care. We certainly do not advocate closing the Museum, and we believe the Museum can make up the cut in state funding through grants, private donations, or increased admittance fees. | 599,178 |
| 884 | H95 | State Museum    | Operations         | Given that our state has cut over \$1.5 billion from the budget since the economic downturn, we are forced to eliminate all but the most necessary programs from the state's activities. Although we recognize the State Museum's value and popularity, this year we recommend eliminating state funding for the Museum. Cultural activities are obviously important, but the vast majority of this year's budget is directed to core governmental functions like public safety, education, and health care. We certainly do not advocate closing the Museum, and we believe the Museum can make up the cut in state funding through grants, private donations, or increased admittance fees. | 370,822 |
| 885 | H95 | State Museum    | Facilities         | Given that our state has cut over \$1.5 billion from the budget since the economic downturn, we are forced to eliminate all but the most necessary programs from the state's activities. Although we recognize the State Museum's value and popularity, this year we recommend eliminating state funding for the Museum. Cultural activities are obviously important, but the vast majority of this year's budget is directed to core governmental functions like public safety, education, and health care. We certainly do not advocate closing the Museum, and we believe the Museum can make up the cut in state funding through grants, private donations, or increased admittance fees. | 602,715 |

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| 886  | H95 | State Museum | Administration                                            | Given that our state has cut over \$1.5 billion from the budget since the economic downturn, we are forced to eliminate all but the most necessary programs from the state's activities. Although we recognize the State Museum's value and popularity, this year we recommend eliminating state funding for the Museum. Cultural activities are obviously important, but the vast majority of this year's budget is directed to core governmental functions like public safety, education, and health care. We certainly do not advocate closing the Museum, and we believe the Museum can make up the cut in state funding through grants, private donations, or increased admittance fees. | 470,973           |
| 1736 | H95 | State Museum | Pass Through Savings - Hall of Fame (Redirected from PRT) | In remaining consistent in our efforts to eliminate pass-through funding, we recommend eliminating this pass-through to the Myrtle Beach Chamber of Commerce to support the S.C. Hall of Fame. While it is important to recognize the accomplishments of inductees into the Hall of Fame, we should focus state funding in lean budget years on critical areas such as education, public safety and healthcare. The Myrtle Beach Chamber should seek corporate sponsorship or private funding to support this program.                                                                                                                                                                        | 19,850            |
|      |     |              |                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                   |
|      |     |              |                                                           | <b>Below the Line Savings Subtotal</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>26,842,597</b> |
|      |     |              |                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                   |
|      |     |              |                                                           | <b>TOTAL GOAL AREA SAVINGS</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>88,230,059</b> |
|      |     |              |                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                   |

## Improve the Conditions for Economic Growth

| Activity Number                                      |     | Agency Name                    | Activity Name                                              | Rationale                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Savings Amount   |
|------------------------------------------------------|-----|--------------------------------|------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| <b>SAVINGS PROPOSALS</b>                             |     |                                |                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                  |
| 239                                                  | F03 | Budget and Control Board       | Local Government Infrastructure Grants                     | We recommend combining this program with the Rural Infrastructure Fund within the Department of Commerce. After reviewing this program, we believe the program could reduce the number of full time employees from eight to four without significantly impairing this program's success. Our recommendation reduces the necessary amount of general funding to half the current level.                                                                                                                                                                                                                                                                                                                                                                                                                                    | 133,472          |
| 1215                                                 | P16 | Department of Agriculture      | Consumer Services - Petroleum Inspection & Testing Program | We recommend supporting this program from \$1.3 million of the gasoline tax pursuant to code section 12-28-2355, which states, "for the purpose of providing funds for inspecting, testing, and analyzing petroleum products and for general state purposes, there must be paid to the department a charge of one-fourth cent a gallon ..." For further explanation, please see text.                                                                                                                                                                                                                                                                                                                                                                                                                                     | 390,606          |
| 1274                                                 | P28 | PRT                            | Advertising-Media Placement of Production                  | The Department of Parks, Recreation, and Tourism (PRT) recommends cutting the budget for print advertisements in certain markets. PRT will continue to advertise in areas where the advertisements generate a reasonable return on the investment.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 314,920          |
| 1277                                                 | P28 | PRT                            | Tourism Sales & Marketing                                  | The agency requests flexibility from Proviso 89.96, which restricts its ability to adjust funding for the Santee Welcome Center. During tough budget times, PRT should have flexibility to reduce costs as it sees fit. Of the three welcome centers along I-95, the Santee Welcome Center receives the fewest visitors and books the fewest accommodation reservations annually.                                                                                                                                                                                                                                                                                                                                                                                                                                         | 195,000          |
| 1928                                                 | P28 | PRT                            | Film Office                                                | The film office has typically been staffed by six employees. However, because the film incentives have been eliminated this year, we recommend that the agency employ only two staff members to handle film industry requests and technical needs over the next year. Cutting funding for the other positions, resulting in cost savings of \$233,000.                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 233,000          |
| 1353                                                 | R28 | Department of Consumer Affairs | Administration                                             | We recommend moving the Human Affairs Commission and the Department of Consumer Affairs to the Secretary of State's Office.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 268,525          |
| 1306                                                 | U30 | Aeronautics Commission         | Airport Development                                        | These provisos, which we vetoed last year, transfer Aeronautics to the Budget and Control Board to prevent the Department of Commerce's (Commerce) attempt to save money by cutting pilots, relocating operations, and contracting with private companies for maintenance work. We recommend eliminating this proviso and allowing Aeronautics to implement whatever changes it sees fit and thereby realize the available cost savings.                                                                                                                                                                                                                                                                                                                                                                                  | 360,000          |
| Multiple Activities                                  |     | Higher Education Institutions  | Critical Needs Nursing Initiative                          | We recommend eliminating the Critical Needs Nursing Initiative, which we initially vetoed in 2007. This program, in which funds are transferred to various higher education institutions, was a piecemeal approach to addressing problems in higher education. We continue to believe the higher education system needs to examine and reduce the duplications in the system that needlessly consume state funds. According to the Office of State Budget, full implementation of this initiative costs at least \$35.9 million. Additionally, the Commission on Higher Education reports that the Act "was passed in the absence of careful consideration of verifiable data" and that "what we possess are very good, reliable supply statistics; what we lack are significant amounts and types of demand statistics." | 792,440          |
|                                                      |     |                                |                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                  |
|                                                      |     |                                |                                                            | <b>Cost Savings Subtotal</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>2,687,963</b> |
|                                                      |     |                                |                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                  |
| <b>Making Tough Choices - Below the Line Savings</b> |     |                                |                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                  |

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| 1559 | H27 | University of South Carolina-Columbia         | Hydrogen Fuel Cell Research                                | While we have supported this hydrogen research funding in the past, we believe that public money put toward such research efforts should be matched with significant private investment. Unfortunately, to date we have not seen this program draw down a lot of private investment. Given that this is a tight budget year, we recommend eliminating funding for this activity. This activity has been ranked as a low priority by past budget results teams.                                                                                                                                                                                  | 744,267   |
| 1703 | H27 | University of South Carolina-Columbia         | Technology Incubator                                       | This program at USC leases space to companies in the Technology Incubator to conduct research and start businesses. This program is a part of Innovista, which should receive private-sector support. Additionally, the Incubator receives funding from Richland and Lexington counties, three different colleges, and millions in private grants. We believe that this program can be sustained without these general funds.                                                                                                                                                                                                                   | 148,853   |
| 648  | H59 | Board for Technical & Comprehensive Education | Florence - Darlington Entrepreneurial Operations Equipment | The Technical & Comprehensive Education Board originally requested these funds to buy new equipment for the Southeastern Institute of Manufacturing Technology (SIMT). The SIMT is now up and running. We support SIMT's mission because it will spur economic development in the Pee Dee, but we believe the SIMT's success as a public-private partnership will cover future equipment costs. We recommend eliminating state funding from this self-sustaining program. This activity has been ranked as a low priority by past budget results teams.                                                                                         | 380,360   |
| 1216 | P16 | Department of Agriculture                     | Marketing and Promotions                                   | Through the S.C. Grown marketing campaign, the agency seeks to bring attention to agricultural products grown, processed, or manufactured in this state. We recommend eliminating this program because Clemson PSA conducts a similar program for about 1/3 of the cost.                                                                                                                                                                                                                                                                                                                                                                        | 1,148,533 |
| 1484 | P20 | Clemson PSA                                   | Rural Community Leadership Development                     | We recommend suspending this activity because it is outside Clemson PSA's core mission, and because the program's goal is duplicative of services provided through the S.C. Department of Commerce. Additionally, this activity has been ranked as a low priority by past budget results teams.                                                                                                                                                                                                                                                                                                                                                 | 349,778   |
| 1495 | P20 | Clemson PSA                                   | Agricultural Biotechnology                                 | Through this program, Clemson PSA collaborates with SC Bioengineering Alliance and the Department of Commerce to attract biotech companies to the state and assist in new company start ups. While we have advocated funding this activity in the past, the Department of Commerce is currently equipped to carry out these functions without additional funding in this tight budget year. This activity has been ranked as a low priority by past budget results teams.                                                                                                                                                                       | 2,240,124 |
| 1496 | P20 | Clemson PSA                                   | Risk Management Systems for Agricultural Firms             | This program, through which Clemson PSA provides economic analysis of agricultural firms, conducts market assessments, and educates farm owners on productive marketing strategies, duplicates existing efforts. The Department of Agriculture's programs assist farmers in exporting products to local, national, and international markets, as well as the various Commodity Board's activities to promote specific products.                                                                                                                                                                                                                 | 641,368   |
| 1502 | P20 | Clemson PSA                                   | Rural Community Economic Development                       | With this program, Clemson PSA seeks to enhance economic development in rural areas through workforce analysis, business development strategies, policy formation, surveys to enhance workforce preparedness, and business retention efforts. Economic development falls outside of what we consider to be Clemson PSA's core mission: agrisystems productivity and profitability. This rural development program duplicates services already provided by the Department of Commerce's Community and Rural Development program and Grants and Incentives program. This activity has been ranked as a low priority by past budget results teams. | 957,719   |
| 1224 | P21 | S.C. State PSA                                | Community Leadership and Economic Development              | S.C. State University's public service activity program provides leadership development and economic development programs in financially disadvantaged communities. While we recognize the laudable goals of this program, economic development does not fit within the core mission of S.C. State PSA: agrisystems productivity and profitability. As we recommended in past budgets, all rural and community economic development programs should be consolidated under the Department of Commerce, which already successfully conducts these activities. This activity has been ranked as a low priority by past budget results teams.       | 316,161   |

|      |     |                                |                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                            |                   |
|------|-----|--------------------------------|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| 1275 | P28 | Parks, Recreation and Tourism  | Advertising-Tourism Partnership Fund | We agree with the agency's recommendation to eliminate funding for this program. This program partners with local organizations to fund destination-specific marketing, and supports grants to smaller tourism groups and local festivals. We believe the businesses that benefit from this advertising should bear these advertising costs.                                                                                               | 1,961,361         |
| 1281 | P28 | Parks, Recreation and Tourism  | Regional Promotions                  | This program passes revenue through PRT to fund regional tourism promotions. Because PRT does not have flexibility in allocating these funds, and regional tourism districts have alternative revenue streams in the form of local grants and funding, we support the agency's recommendation to eliminate this program. This activity has been ranked as a low priority by past budget results teams.                                     | 1,375,000         |
| 1307 | P32 | Department of Commerce         | Pass Through Funds - Contributions   | This program is pass-through funding provided for public private partnerships as directed from the appropriations act. We recommend eliminating this funding because, like other pass-throughs, the agency has no control over how the funds are spent.                                                                                                                                                                                    | 135,000           |
| 1432 | R60 | Employment Security Commission | SC Occupational Information          | The S.C. Occupational Information System is a worthwhile system, but already receives \$385,600 from the EEDA. Additionally, other career information systems are available, such as Kuder career information system. The Kuder system is available for use in One-Stop Employment Offices, and school districts generally prefer the Kuder system to SCOIS. This activity has been ranked as a low priority by past budget results teams. | 512,778           |
|      |     |                                |                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                            |                   |
|      |     |                                |                                      | <b>Below the Line Savings Subtotal</b>                                                                                                                                                                                                                                                                                                                                                                                                     | <b>10,911,302</b> |
|      |     |                                |                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                            |                   |
|      |     |                                |                                      | <b>TOTAL GOAL AREA SAVINGS</b>                                                                                                                                                                                                                                                                                                                                                                                                             | <b>13,599,265</b> |
|      |     |                                |                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                            |                   |



## Improve the Health and Protection of our Children and Adults

| Activity Number          |     | Agency Name                                             | Activity Name                       | Rationale                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Savings Amount |
|--------------------------|-----|---------------------------------------------------------|-------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| <b>SAVINGS PROPOSALS</b> |     |                                                         |                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                |
| 1645                     | D17 | Continuum of Care (Governor's Office - OEPP)            | Procurement Services                | We can capture these administrative savings from restructuring. For further information, see the text.                                                                                                                                                                                                                                                                                                                                                                                                                                      | 78,434         |
| 838                      | H73 | Vocational Rehabilitation                               | Administrative Savings              | By merging the Vocational Rehabilitation Department and the Commission for the Blind, we can realize efficiencies and lower costs without adversely affecting the quality of service provided by both agencies, as recommended by a 2002 LAC report. Both agencies agree that they have similar primary missions and that a merger of administrative functions is appropriate. For further explanation, please see text.                                                                                                                    | 464,065        |
| 1841                     | J02 | Department of Health and Human Services                 | Children's Health Insurance Program | Due to a lack of funds, and with more than 40 percent of the children in our state already receiving Medicaid benefits, we recommend an enrollment cap for the expanded CHIP program starting July 1, 2010. An enrollment cap would allow us to establish a certain number of eligibility slots for children: as some children leave the program, new children are enrolled to take their place. In previous executive budgets, we have recommended capping the CHIP program. By doing so this year, the state is able to save \$1,743,541. | 1,743,541      |
| 949                      | J04 | Department of Health and Environmental Control - Health | Administration                      | We can capture these administrative savings from restructuring our health agencies. For further information, see the text.                                                                                                                                                                                                                                                                                                                                                                                                                  | 4,501,147      |
| 949                      | J04 | Department of Health and Environmental Control          | Administration                      | We can capture these administrative savings from restructuring our environmental agencies. For further information, see the text.                                                                                                                                                                                                                                                                                                                                                                                                           | 1,000,000      |
|                          | J04 | Department of Health and Environmental Control          | Collections                         | The Legislative Audit Council (LAC) recommends increasing the rate of collections by 10 percent. This increase can be achieved by verifying income for reduced fee patients, implementing a uniform billing and collection policy for health districts, and participating in the Department of Revenue's programs for debt collection in health service programs.                                                                                                                                                                           | 180,000        |
| 1010                     | J12 | Department of Mental Health                             | Administration                      | We can capture these administrative savings from restructuring. For further information, see the text.                                                                                                                                                                                                                                                                                                                                                                                                                                      | 5,563,376      |
|                          | J12 | Department of Mental Health                             | Collections                         | Increase Rate of Collections by 10 percent per LAC Report recommendations. This can be done by verifying income for reduced fee patients, using Setoff Debt and GEAR programs, and having community mental health centers utilize the lien process against estates similar to the process within DMH headquarters.                                                                                                                                                                                                                          | 840,000        |
| 1033                     | J16 | Department of Disabilities and Special Needs            | Administration                      | We can capture these administrative savings from restructuring. For further information, see the text.                                                                                                                                                                                                                                                                                                                                                                                                                                      | 2,052,701      |
| 1040                     | J20 | Department of Alcohol and Other Drug Abuse Services     | Administration                      | We can capture these administrative savings from restructuring. For further information, see the text.                                                                                                                                                                                                                                                                                                                                                                                                                                      | 360,654        |
| 1109                     | L04 | Department of Social Services                           | Contract / Pass Through Funds       | The agency recommends cutting this pass-through, and we agree. In 2008, we vetoed this proviso because it created the illusion of a competitive process, which in reality would likely steer money to two nonprofits, Heritage Community Services and Campaign to Prevent Teen Pregnancy. As we have stated in the past, we do not believe government should pick winners and losers among non-profit organizations. This activity has been ranked as a low priority by past budget results teams.                                          | 1,151,520      |
| 1126                     | L24 | Commission for the Blind                                | Vocational Rehabilitation Services  | We recommend transferring the training programs to a newly established S.C. Center of the Blind. This same training programs can be accomplished at a reduced cost outside of the public sector.                                                                                                                                                                                                                                                                                                                                            | 150,000        |
| 1133                     | L24 | Commission for the Blind                                | Administrative Savings              | By merging the Vocational Rehabilitation Department and the Commission for the Blind, we can realize efficiencies and lower costs without adversely affecting the quality of service provided by both agencies as recommended by a 2002 LAC report. Both agencies agree that they have similar primary missions and that a merger of administrative functions is appropriate. For further explanation, please see text.                                                                                                                     | 184,866        |
| 1141                     | L36 | Commission on Human Affairs                             | Administration                      | We recommend moving the Human Affairs Commission and the Department of Consumer Affairs to the Secretary of State's Office.                                                                                                                                                                                                                                                                                                                                                                                                                 | 217,835        |

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|------------------------------------------------------|-----|------------------------------------------------|--------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| 1154                                                 | L46 | Commission on Minority Affairs                 | Administration (Overhead Cost)                   | The Department of Social Services, the Employment Security Commission, and the Department of Education each provides services to the Commission on Minority Affairs' clients, in addition to efforts by several non-profit organizations. We recommend that the Commission on Minority Affairs consolidate some of its administrative responsibilities with these other agencies, thereby saving over \$100,000.                                                                                                                                                                                                                                                                          | 102,058           |
|                                                      |     |                                                |                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                   |
|                                                      |     |                                                |                                                  | <b>Cost Savings Subtotal</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>18,590,197</b> |
|                                                      |     |                                                |                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                   |
| <b>Making Tough Choices - Below the Line Savings</b> |     |                                                |                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                   |
| 109                                                  | E04 | Lieutenant Governor's Office                   | Local Provider Salary Supplement                 | This funding provides salary supplements to non-state employees working for the local aging service providers. We recommend diverting salary supplements to non-state aging employees to the Long Term Ombudsman.                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 80,340            |
| 1535                                                 | E04 | Lieutenant Governor                            | State Level Activity Geriatric Physician Program | This program funds loan forgiveness for doctors who agree to practice geriatrics in South Carolina for at least 5 years. While we believe this is a worthy goal, and recognize S.C. is the only state to give this type of incentive, we recommend that the program seek alternate funding. For example, the American Geriatric Society supports the National Health Service Corps Loan Repayment Program, which recruits health professionals to provide primary health services in areas that lack adequate medical care. In return, the federal government offers to forgive the doctors' student loans. This activity has been ranked as a low priority by past budget results teams. | 140,000           |
| 1657                                                 | E04 | Lieutenant Governor                            | Silver Haired Legislature                        | In past years, this activity was funded by private donations. In addition, this group often lobbies the Legislature for programs that they believe benefit our state's senior population. We issued an executive order during our first year prohibiting cabinet agencies from hiring lobbyists and recommended eliminating all state-funded lobbyists because we do not believe that taxpayer funds should be used to advocate for more public funds.                                                                                                                                                                                                                                    | 15,000            |
| 1560                                                 | H27 | University of South Carolina - Columbia Campus | Palmetto Poison Control Initiative               | The Palmetto Poison Center (PPC) serves as the regional poison control center and is the only poison control resource in the State. The PPC is a cooperative effort of Palmetto Richland Memorial Hospital and the USC College of Pharmacy, which provides free services to the public and health professionals. Although this is a worthwhile program, it should be run by one of the state's health agencies, not a state university.                                                                                                                                                                                                                                                   | 186,066           |
| 1814                                                 | H51 | Medical University of South Carolina           | Hypertension Initiative                          | DHEC's Bureau of Community Health and Chronic Disease Prevention is part of a network of chronic disease prevention programs aimed at improving the health of our communities across South Carolina. Additionally, SC was one of 20 states which received funding for a new five-year cycle for a Capacity Building Heart Disease and Stroke Program. This activity duplicates these efforts and should therefore be eliminated.                                                                                                                                                                                                                                                          | 512,741           |
| 596                                                  | H53 | Area Health Education Consortium               | Health Careers Program                           | This program, formerly known as the Student Development and Diversity Program, is a well-intended statewide program to get more students interested in health professions. For three years, the Duke Endowment has funded more than half of the initiative. However, AHEC has difficulty collecting the pertinent data to determine whether or not the program is successful. Additionally, this program is less critical than other, core health services competing for scarce taxpayer dollars and should therefore be eliminated.                                                                                                                                                      | 264,229           |
| 602                                                  | H53 | Area Health Education Consortium               | Recruitment - Nursing Recruitment Center         | The agency recommends cutting this activity, and we agree. The Nursing Recruitment Center was originally initiated to address the shortage of nursing professionals. However, some of this money has been used to sponsor a conference. These funds are not large enough to make a difference in recruiting, and we cannot afford to spend our limited dollars on conferences. This activity has been ranked as a low priority by past budget results teams.                                                                                                                                                                                                                              | 36,007            |

|      |     |                                                 |                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                   |
|------|-----|-------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| 609  | H53 | Consortium of Community Teaching Hospitals-AHEC | Instruction-Graduate Doctor Education Residency Training Programs (excluding Family Medicine Residency Training Programs) | Because the agency ranked this program as a low priority in the past, we recommend eliminating this program. This program falls outside the Consortium's core mission, which is to recruit primary care physicians. In this residency training program, the physicians are more likely to become "specialists" instead of primary care physicians.                                                                                                                                                                                                                                                                                                            | 2,501,651         |
| 1708 | H53 | Consortium of Community Teaching Hospitals      | Infrastructure Development                                                                                                | This activity funds salaries for eight regional coordinators, lease payments for four regional facilities, and services to health care providers and students in all 46 counties. While this program's purpose—to encourage clinical experiences in rural and underserved community settings—is laudable, we propose eliminating this funding. We recommend that the agency combine efforts and seeking private funds. For example, in the past, the Duke Endowment has funded this activity. This activity has been ranked as a low priority by past budget results teams.                                                                                   | 393,974           |
| 924  | J02 | Health & Human Services                         | Family Planning Services Administration                                                                                   | Medicaid Adolescent Pregnancy Prevention Services (MAPPS) is available to all at-risk Medicaid youths, through community or school-based programs that have contracts with HHS. Currently, there are 30 MAPPS providers throughout South Carolina, with an average allocation of a little more than \$3,300 per provider. However, HHS recommends eliminating this pass through—the agency has little control over how this money is spent. We agree with the agency's assessment and further reiterate that government should not choose winners and losers among non-profits. This activity has been ranked as a low priority by past budget results teams. | 43,766            |
| 969  | J04 | Health and Environmental Control                | Palmetto Aids Life Support                                                                                                | This line item is a pass-through appropriation to Palmetto AIDS Life Support. DHEC recommends cutting the funding for this program, and we agree. Unfortunately, the state provides no direction on how these funds are to be used—and there is no accountability after they are spent. Furthermore, South Carolina currently receives more than \$47 million dollars annually from the federal programs (Ryan White Program, Centers for Disease Control and Prevention, Office of Minority Health) and \$5 million from other state sources to combat AIDS. This activity has been ranked as a low priority by past budget results teams.                   | 34,856            |
| 1153 | L46 | Minority Affairs                                | Research                                                                                                                  | The purpose of this division at the Minority Affairs Commission is to conduct research of minority populations. However, this activity duplicates services currently provided by the SC Office of Research and Statistics. This activity has been ranked as a low priority by past budget results teams.                                                                                                                                                                                                                                                                                                                                                      | 85,938            |
| 1222 | P21 | S C State PSA                                   | Nutrition, Education, Diet and Health                                                                                     | S.C. State University's public service activity program provides low-income families with nutrition education that promotes healthy living and allows the opportunity to assess and detect obesity. Our administration has been very vocal in support for health and exercise programs and recognizes the important service provided by this program. However, we recommend eliminating this program because it duplicates DHEC's obesity awareness campaign (SCCOPE), which fosters statewide efforts to promote healthy lifestyles. This activity has been ranked as a low priority by past budget results teams.                                           | 159,026           |
|      |     |                                                 |                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                   |
|      |     |                                                 |                                                                                                                           | <b>Below the Line Savings Subtotal</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>4,453,594</b>  |
|      |     |                                                 |                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                   |
|      |     |                                                 |                                                                                                                           | <b>TOTAL GOAL AREA SAVINGS</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>23,043,791</b> |
|      |     |                                                 |                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                   |

## Improve the Quality of our Natural Resources

| Activity Number                                      |     | Agency Name                     | Activity Name                                      | Rationale                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Savings Amount   |
|------------------------------------------------------|-----|---------------------------------|----------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| <b>SAVINGS PROPOSALS</b>                             |     |                                 |                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                  |
| 1206                                                 | P12 | Forestry Commission             | Agency Consolidation                               | Among our restructuring recommendations, we propose consolidating DHEC functions, the Department of Natural Resources (DNR), and the Forestry Commission into the newly formed Department of Environment and Natural Resources. Details on total administrative savings, please see text.                                                                                                                                                                                                                                                                                                                                                              | 453,440          |
| 1478                                                 | P20 | Clemson PSA                     | Administration                                     | Clemson PSA should be able to reduce administrative staff as a result of fewer responsibilities. Proviso 35.4 authorizes Clemson PSA to spend up to \$75,000 on the Dairy Day Exhibition. Although we appreciate this exhibition's contribution to the agricultural industry, we recommend eliminating this proviso. Given the current budgetary circumstances, we believe Clemson should redirect the Dairy Day funds back to the classroom.                                                                                                                                                                                                          | 195,000          |
| 1503                                                 | P20 | Clemson PSA                     | Livestock-Poultry Health Programs: Meat Inspection | This activity should be transferred to DHEC, thereby saving an estimated half of its current general fund needs.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 474,836          |
| 1236                                                 | P24 | Department of Natural Resources | Agency Consolidation                               | Among our restructuring recommendations, we propose consolidating DHEC functions, the Department of Natural Resources (DNR), and the Forestry Commission into the newly formed Department of Environment and Natural Resources. Details on total administrative savings, please see text.                                                                                                                                                                                                                                                                                                                                                              | 957,607          |
| 1237                                                 | P24 | Department of Natural Resources | Provide Public Information                         | DNR funds provide public information as required by the Administrative Procedures Act, and funds news releases, publications, public speaking, and the creation of the ETV S.C. Wildlife Show. We recommend continuing funding for information required by the APA. However, in a tough budget year, we recommend eliminating funds not tied to APA mandated information--roughly 25% of this activity's funding. Additionally, this activity has been ranked as a low priority by past budget results teams.                                                                                                                                          | 95,801           |
|                                                      |     |                                 |                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                  |
|                                                      |     |                                 |                                                    | <b>Cost Savings Subtotal</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>2,176,684</b> |
|                                                      |     |                                 |                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                  |
| <b>Making Tough Choices - Below the Line Savings</b> |     |                                 |                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                  |
| 214                                                  | F03 | Budget and Control Board        | Geodetic Network                                   | The Budget and Control Board works with the State Department of Transportation to update state maps and boundaries for GPS users and surveyors. Boundary projects include local mapping projects for counties and the South Carolina-North Carolina Joint Boundary Commission. Due to our current budgetary concerns, we believe our counties should bear the expense of funding the remaining mapping projects or otherwise suspend the projects until such time as sufficient revenue is available. Regarding the NC-SC boundary mapping, we believe we should suspend the program for this year.                                                    | 955,197          |
| 993                                                  | J04 | DHEC                            | Emergency Medical Services                         | This program allocates funds, through DHEC, to county and regional emergency service providers to improve and upgrade emergency medical systems. We support DHEC's recommendation to eliminate this pass-through, and we recommend service providers postpone any non-essential system improvements for one year. In lieu of general funds, counties and EMS providers may request county funds as needed. Additionally, local jurisdictions receive nearly \$49 million annually through Homeland Security Grant Programs, which could be used to replace this funding. This activity has been ranked as a low priority by past budget results teams. | 1,157,279        |
| 1194                                                 | P12 | Forestry Commission             | Enforcement - Timber Theft and Fraud               | We recommend consolidating forestry-specific law enforcement, dedicated to timber fraud and theft, with DNR law enforcement. DNR officers are capable of performing this function, along with their current responsibilities, without any additional general funds.                                                                                                                                                                                                                                                                                                                                                                                    | 247,360          |

|      |     |                     |                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           |
|------|-----|---------------------|------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| 1196 | P12 | Forestry Commission | Forest Management Assistance                                     | This program provides direct assistance to public and private landowners for woodland development and management. Given the state's current fiscal situation, and because private forestry consultants provide similar services, we believe the individuals or entities that benefit from this service should fund this service without the aid of state funds. Any non-core government activity that can be handled by the private sector generally should be handled by the private sector. Critical needs in other budget areas take precedence over the state's contribution to this program. Finally, this activity was ranked a low priority by previous budget results teams.  | 1,000,000 |
| 1198 | P12 | Forestry Commission | Forest Renewal Program Financial Assistance                      | We recommend discontinuing the Forest Management Assistance subsidy, which pays for a portion of replanting the first 100 acres of private lands. Planning services from the Forestry Commission will continue to provide significant assistance in expertise for private landowners.                                                                                                                                                                                                                                                                                                                                                                                                 | 200,000   |
| 1205 | P12 | Forestry Commission | Outreach                                                         | This program informs citizens about the state's forest resources services. Forestry commission personnel design and conduct forestry educational classes for teachers and school groups. While teaching our students about the state's natural resources is important, in tough budget times, we believe that critical needs in other budget areas take precedence over the state's contribution to this activity. Additionally, the Environmental Protection Agency awards \$2-\$3 million dollars annually in Environmental Education grants. We recommend the agency apply for this federal funding. This activity has been ranked as a low priority by past budget results teams. | 50,426    |
| 1480 | P20 | Clemson PSA         | Television, Web, and Print Productions                           | We have previously recommended reducing funding for this program, and we recommend eliminating funding for this program altogether.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 1,294,726 |
| 1482 | P20 | Clemson PSA         | Horticultural Crops                                              | We have already reduced funding for the portion of this activity that goes towards turf-grass research. We recommend eliminating funding for this program altogether. This activity conducts research and educational activities concerning vineyards, vegetables, herbs, and fruit. Additionally, some of the funding goes to research disease and pest management practices, pesticide use, and crop production. In light of the challenges our state is facing, crop research is not a sufficiently high priority this year.                                                                                                                                                       | 3,695,497 |
| 1487 | P20 | Clemson PSA         | Natural Resources and Environmental Research and Education       | This Clemson PSA program focuses on research and education programs that address the impact of land use on our state's water resources. Currently, CPSA and DHEC coordinate research and together regulate water-use. Because DHEC receives substantial funding to oversee water quality and use, we believe DHEC is presently equipped to manage our water resources without assistance from CPSA. This activity has been ranked as a low priority by past budget results teams.                                                                                                                                                                                                     | 1,400,679 |
| 1488 | P20 | Clemson PSA         | Natural Resources and Environmental Research and Education       | Clemson PSA performs research and educational services relating to agriculture, forestry, wildlife habitat conditions in the Southeast, and the effects of climate change on coastal communities. Although we recognize this research is valuable, we recommend reducing state funding for this program. In such a tight budget year, we believe state funding should focus on core functions of government like public safety. Cutting this line item will not eliminate Clemson PSA's research funding, which exceeds \$9 million (not counting this line item).                                                                                                                    | 1,292,395 |
| 1489 | P20 | Clemson PSA         | Sustainable Agricultural Production Systems; Nutraceutical Crops | This program provides research and education programs about the health benefits of nutraceutical crops, which are crops primarily incorporated into pharmaceutical products like vitamin supplements. We believe this program should be eliminated because it duplicates similar research and education programs currently available from the United States Department of Agriculture. Currently, the USDA Agricultural Research Service Division conducts readily-available research on nutraceutical crops. This activity has been ranked as a low priority by past budget results teams.                                                                                           | 230,806   |
| 1490 | P20 | Clemson PSA         | Sustainable Agricultural Production Systems; Organic Crops       | Clemson PSA conducts research and educational programs about the benefits and methods of organic farming. We recommend eliminating this funding because this program duplicates the USDA's National Organic Program and the EPA's Organic Farming Program. This activity has been ranked as a low priority by past budget results teams.                                                                                                                                                                                                                                                                                                                                              | 129,427   |

|      |     |                                 |                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |           |
|------|-----|---------------------------------|---------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| 1491 | P20 | Clemson PSA                     | Reducing the Impact of Animal Agriculture on the Environment  | We have previously recommended reducing funding for this program. This year, we recommend eliminating funding altogether. This line provides statewide research and educational programs for animal agriculture producers in an effort to reduce the environmental impact of animal waste. We believe the industries and individuals that benefit from this program should support the program through fees.                                                                                                                                                                                                                                                                   | 286,591   |
| 1497 | P20 | Clemson PSA                     | Integrated Pest Management (IPM) for Agriculture and Forestry | Clemson PSA conducts research and educational programs for farmers and landscapers to adopt alternative pest management systems. We recommend eliminating state funding for this program because alternative fundings sources, like federal or private grants, could go to support this program. For example, the USDA's Pest Management Alternatives Grant Program awarded Clemson \$113,432 in 2008. Additionally, the individuals or businesses that benefit from this research could be required to pay a fee for the service. The program also receives \$259,168 in federal funding, which has no state matching requirement.                                            | 1,000,424 |
| 1498 | P20 | Clemson PSA                     | Sustainable Forestry                                          | Clemson PSA provides "best management" forestry programs, but the Forestry Commission already provides similar sustainable forestry programs. We recommend integrating all forestry programs under the Forestry Commission.                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 1,551,891 |
| 1507 | P20 | Clemson PSA                     | Regulatory and Public Service Programs: Pesticide Regulation  | Clemson PSA regulates pesticides, pesticide licensure, and agroterrorism. We propose moving the licensure responsibilities to LLR, not only to allow the program to be self-sufficient, but the agency is better suited to oversee licensing of professions. Additionally, the pesticide regulation responsibilities would be transferred to DHEC, the endangered species protection program to DNR, and the agroterrorism responsibilities to SLED. The related federal funding would be allocated pro rata to the appropriate agencies.                                                                                                                                      | 180,094   |
| 1514 | P20 | Clemson PSA                     | Sustainable Agricultural Productions Systems                  | This Clemson PSA program conducts research and educational programs for farmers. The research focuses on new technology and management systems to improve crop yield and resistance to disease and pests. This program duplicates readily-available research on agronomic crops that is conducted by the U.S. Department of Agriculture, Agricultural Research Service, Plant and Physiology and Genetics Research Division. This activity has been ranked as a low priority by past budget results teams.                                                                                                                                                                     | 3,430,945 |
| 1515 | P20 | Clemson PSA                     | Pesticide Applicator Licenses                                 | The pesticide licensure program should be self-sufficient, as are most licensed professions under LLR. By providing license applications and license renewal online through LLR and extending renewal cycles to the maximum feasible period, this program can achieve self-sufficiency within two years. This amount represents half of the general funds appropriated for this activity.                                                                                                                                                                                                                                                                                      | 342,309   |
| 1221 | P21 | SC State PSA                    | Sustainable Agriculture                                       | This SC State University PSA program assists minority owners of small farms develop effective farming and management practices. While this program provides a worthy service, we believe that the USDA's Small Farms programs and grants provide owners of small farms with sufficient training and support. Additionally, the USDA Center for Minority Farmers opened in September 2004. The Center has become a one-stop help program for minority farmers, limited resource farmers, community based organizations and others. In a tough budget year, we recommend eliminating this funding. This activity has been ranked as a low priority by past budget results teams. | 923,792   |
| 1238 | P24 | Department of Natural Resources | Outreach and Education Services                               | This program funds staff at DNR to teach about animal and wildlife conservation in state schools. In lean budget years, we should focus state funding toward core education subject areas, such as reading and math. Additionally, many privately and federally funded programs provide teachers and students with similar educational materials. We recommend eliminating state funding, in part because the state's matching funds necessary to receive a federal grant of \$164,375 do not come from general fund revenue, and thus the grant will not be affected by a budgetary cut. This activity has been ranked as a low priority by past budget results teams.        | 297,810   |

|      |     |                               |                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                   |
|------|-----|-------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| 1272 | P28 | Parks, Recreation and Tourism | Recreation & Grants - PRT combined the Recreation & Planning aspect of Recreation, Planning & Engineering with Community & Economic Development to form Tourism & Recreation Development Office | This program works to enhance tourism-related economic development efforts, provides PRT-related support to local communities, and performs planning and research for park development and facilitates federal grants for local projects. Activity receives over \$5 million in funding, of which only \$670,591 is state funding (remainder is federal and "other"). The \$670,591 goes toward FTE's and other administrative costs associated with administering the various grants and conducting research. The state funds are not part of any federal matching requirements, and PRT can use federal funds for administrative costs. | 670,591           |
|      |     |                               |                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                   |
|      |     |                               |                                                                                                                                                                                                 | <b>Below the Line Savings Subtotal</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>20,338,239</b> |
|      |     |                               |                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                   |
|      |     |                               |                                                                                                                                                                                                 | <b>TOTAL GOAL AREA SAVINGS</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>22,514,923</b> |

| <b>Improve the Safety of People and Property</b>     |     |                                                     |                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                           |                       |
|------------------------------------------------------|-----|-----------------------------------------------------|---------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| <b>Activity Number</b>                               |     | <b>Agency Name</b>                                  | <b>Activity Name</b>            | <b>Rationale</b>                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>Savings Amount</b> |
| <b>SAVINGS PROPOSALS</b>                             |     |                                                     |                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                           |                       |
| 1058                                                 | K05 | Department of Public Safety                         | Highway and Traffic Enforcement | We recommend eliminating Proviso 49.1, which prevents the Department of Public Safety (DPS) from charging a fee for providing traffic control at football games and other special events. DPS spends \$983,133 per year providing these services, but is not allowed to recover these costs.                                                                                                                                              | 983,133               |
| 1058                                                 | K05 | Department of Public Safety                         | Highway and Traffic Enforcement | We recommend changing the oil in state vehicles every 5,000 miles (per the manufacturer's recommendation) instead of every 3,000 miles (as recommended by oil-change shops). The state of Arizona has implemented this recommendation, and realized cost savings. If S.C. were to do so, we would realize cost savings of \$46,630.                                                                                                       | 46,630                |
| 1158                                                 | N04 | Department of Corrections                           | Vehicle Maintenance             | We recommend shifting a portion of funding for vehicle maintenance provided by the Department of Corrections from recurring general fund sources to other fund sources. As we phased out the general fund subsidy to agencies several years ago for security services provided by the Department of Public Safety, we believe that agencies which benefit from this activity should pay the Department of Corrections for these services. | 500,000               |
| 1177                                                 | N08 | Department of Probation, Parole & Pardon Services   | Parole Board                    | We recommend combining the parole boards at the Department of Juvenile Justice (DJJ) and the Department of Probation, Parole and Pardon Services (DPPP). The parole board at DPPP has seven members and a general fund budget of \$709,292 (including board support services). The DJJ parole board, with 10 members and a general fund budget of \$753,208, hears far fewer cases per year.                                              | 160,951               |
| 1179                                                 | N08 | Department of Probation, Parole and Pardon Services | Core Administration             | Reducing administrative costs through the consolidation of the Department of Corrections and the Department of Probation, Parole and Pardon Services will produce a cost savings. For further explanation, please see text.                                                                                                                                                                                                               | 584,828               |
| 1178                                                 | N09 | Department of Probation, Parole & Pardon Services   | Parole Board                    | We recommend combining the parole boards at the Department of Juvenile Justice (DJJ) and the Department of Probation, Parole and Pardon Services (DPPP). The parole board at DPPP has seven members and a general fund budget of \$709,292 (including board support services). The DJJ parole board, with 10 members and a general fund budget of \$753,208, hears far fewer cases per year.                                              | 45,093                |
| 1190                                                 | N12 | Department of Juvenile Justice                      | Parole Board                    | We recommend combining the parole boards at the Department of Juvenile Justice (DJJ) and the Department of Probation, Parole and Pardon Services (DPPP). The parole board at DPPP has seven members and a general fund budget of \$709,292 (including board support services). The DJJ parole board, with 10 members and a general fund budget of \$753,208, hears far fewer cases per year.                                              | 218,956               |
|                                                      |     |                                                     |                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                           |                       |
|                                                      |     |                                                     |                                 | <b>Cost Savings Subtotal</b>                                                                                                                                                                                                                                                                                                                                                                                                              | <b>2,539,591</b>      |
|                                                      |     |                                                     |                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                           |                       |
| <b>Making Tough Choices - Below the Line Savings</b> |     |                                                     |                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                           |                       |
| 182                                                  | E24 | Adjutant General's Office                           | Public Information              | This program helps to disseminate emergency and disaster-related information to the public. We recommend suspending general funding for this activity because other state agencies and the media provide similar information. This activity has been ranked as a low priority by past budget results teams.                                                                                                                               | 66,803                |



|     |     |                           |                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                  |
|-----|-----|---------------------------|-----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| 194 | E24 | Adjutant General          | Funeral Caisson       | The caisson unit performs funerals for military personnel and law enforcement officers killed in line of duty, and provides military history education for civic events. Because the unit's personnel are volunteers, funding provides mainly for upkeep of horses and the unit's transportation. In the past, the Director of the Department of Corrections has offered to house the eight member caisson team at the Wateree Correctional Institute Prison Farm outside of Camden. This facility can absorb a great deal, if not all, of the expenses associated with the care of the horses. As we have mentioned in previous vetoes of this activity, we are hopeful that through this type of creative thinking, state funding for the caisson can be shifted to other pressing priorities without diminishing the benefits of this special program. This activity has been ranked as a low priority by past budget results teams. | 105,479          |
| 196 | E24 | Adjutant General's Office | Operations & Training | This program facilitates communication between National Guard personnel, the State Emergency Operations Center, and local officials for operations and training for emergency/disaster operations. We recommend suspending general funds for this activity because this activity is redundant of existing Adjutant General's Office operations and training efforts.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 20,111           |
|     |     |                           |                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                  |
|     |     |                           |                       | <b>Below the Line Savings Subtotal</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>192,393</b>   |
|     |     |                           |                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                  |
|     |     |                           |                       | <b>TOTAL GOAL AREA SAVINGS</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>2,731,984</b> |
|     |     |                           |                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                  |

## Improve the Efficiencies and Effectiveness of Central State Government Support and Other Governmental Services

| Activity Number          |     | Agency Name                                    | Activity Name                                            | Rationale                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Savings Amount |
|--------------------------|-----|------------------------------------------------|----------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| <b>SAVINGS PROPOSALS</b> |     |                                                |                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                |
| 1                        | A01 | Senate                                         | Legislative Policy Setting                               | We have long advocated shortening the legislative session, as many other states have already done. Shortening the session from 66 legislative days to 33 legislative days, as Senators Darrell Jackson, Greg Ryberg, Chip Campsen, Phil Shoopman, and Tom Davis have proposed, will result in a total cost savings of \$668,100.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 182,000        |
| 2                        | A05 | House of Representatives                       | Legislative Policy Setting                               | We have long advocated shortening the legislative session, as many other states have already done. Shortening the session from 66 legislative days to 33 legislative days, as Senators Darrell Jackson, Greg Ryberg, Chip Campsen, Phil Shoopman, and Tom Davis have proposed, will result in a total cost savings of \$668,100.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 486,100        |
| 80                       | E04 | Lieutenant Governor's Office                   | Executive Operations of the Lieutenant Governor's Office | To be clear, we are not eliminating funding for the Lt. Governor's Office. As we have said previously, we believe Lt. Governor Bob Peeler set a good example when he refused his Security Detail. Given our current budgetary circumstances, we believe Lt. Governor Peeler's is the correct approach.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 112,173        |
| 159                      | E23 | Appellate/Indigent Defense                     | Merger                                                   | By capturing the administrative savings resulting from the consolidation of the Offices of Appellate and Indigent Defense that occurred during the FY 2005-06 legislative session, we can produce cost savings of \$268,701                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 273,361        |
| 232                      | F03 | Budget and Control Board                       | Change Procurement Protest Laws                          | We recommend reviewing the bid protest process and determining solutions to make the protests less time-consuming and disruptive to agency operations. Creating a hierarchy of protests, so that not all are handled in the same manner, will allow agencies to continue awarding contracts for protests at certain priority levels. Further, this hierarchy will allow for quick analysis as to which protests warrant further consideration. Assessing a protest filing fee—which will be refunded if the protest is upheld—will encourage vendors to protest only when there is sufficient cause. This recommendation will produce first year cost savings of \$150,000                                                                                                                                                                                                                                             | 150,000        |
| 270                      | F03 | Budget and Control Board                       | Reduce the Board-wide Allocation                         | The fees that the Budget and Control Board divisions and offices pay for central administration increased dramatically earlier this decade, likely as a way to counteract mid-year budget cuts. In FY 2001, the fees totaled just under \$1.1 million, but that number doubled after FY 2002 and jumped again to over \$3 million in FY 2003. After topping out at \$3.2 million in FY 2005, the number has averaged around \$2.9 million the past two years. If every division within the Budget and Control Board—excluding the Retirement System—can find a way to reduce their own charges by a similar five percent, the total annual savings to the agencies and taxpayers of South Carolina would be approximately \$95 million. This process should start with the Executive Director reducing the Board-wide allocation by a minimum 5 percent. This reduction would produce first year savings of \$145,000. | 145,000        |
| 949                      | J04 | Department of Health and Environmental Control | Reduce the DB2 system processing cost to DHEC.           | The GEAR Report suggests, in Recommendation # 32, that the Department of Health and Environmental Control (DHEC) processing costs for the DB2 database can be reduced to the costs proposed to DHEC by IBM. We support this recommendation because we believe DHEC should be allowed to work directly with the vendor and that other state agencies that use the current DB2 database should be allowed to choose whether to continue with their current arrangements or use more efficient arrangements. DHEC is currently paying \$1.7 million per year to the state data center for DB2 processing. IBM has proposed that, for \$1 million in one-time costs, DHEC could get the same services for \$79,000 per year, resulting in cost savings of \$600,000 in FY 2010-2011.                                                                                                                                       | 1,000,000      |
|                          | R44 | Department of Revenue                          | Lease Savings                                            | The Department of Revenue, the State Museum, and the Confederate Relic Room are together housed at the former Columbia Mill. Currently, these agencies lease space at this state-owned building from the Budget and Control Board for \$12 per square foot. Because we believe that these agencies could operate and maintain their office space for less money, we recommend turning this building over to these agencies. This recommendation will result in total cost savings of \$558,700.                                                                                                                                                                                                                                                                                                                                                                                                                        | 558,700        |

|                     |  |                                  |                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |            |
|---------------------|--|----------------------------------|---------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| Multiple Activities |  | All Agencies with TERI employees |                                             | The second class of TERI participants hit the five-year mark this past calendar year. We recommend that the agencies do not hire the majority of these employees back—as many agencies already plan to do—and disburse job duties among remaining employees, while also hiring new individuals who will be trained for the long-run.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 5,556,729  |
| Multiple Activities |  | All Agencies                     | Two Day Statewide Furlough                  | By implementing a two-day furlough for all state employees, we can achieve over \$12 million in savings.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 12,793,234 |
| Multiple Activities |  | All Agencies                     | Central Travel Office                       | We propose establishing a Central Travel Office, which will put us in line with federal government and other state travel guidelines. This office will be responsible for the purchase of bulk airline travel and mandate that agencies do not exceed the newly established cap for hotel/motel purchases. The savings will be realized within each agency for the purchasing of cheaper airline tickets and the new limitation for reimbursement in lodging.                                                                                                                                                                                                                                                                                                                                                                                       | 6,573,666  |
| Multiple Activities |  | Multiple Agencies                | Nightly Custodial Services                  | The Facilities Management Office of the General Services Division currently provides daytime custodial services five days a week for most buildings that it manages. The Facilities Management Office reports that it would be more efficient and cost effective to clean offices at night when they are not occupied, resulting in first year cost savings of \$988,357. These savings were also proposed by the GEAR Report (Recommendation #12).                                                                                                                                                                                                                                                                                                                                                                                                 | 988,357    |
| Multiple Activities |  | Budget and Control Board         | Procurement Office                          | During the Agency Budget Summit in October of 2008, many agency heads requested that the Procurement Office at the Budget and Control Board waive the MMO and ITMO fees during FY 2009-10. We believe it is wise to suspend the MMO and ITMO fees during FY 2010-11 as well.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 1,163,594  |
| Multiple Activities |  | All Agencies                     | EIP-State Health Plan                       | GEAR Commission Recommendation #55 encourages State Health Plan members to fill routine prescription maintenance-drugs through mail-order pharmacies. Since it is less costly to fill prescriptions via mail order than in a retail setting, there are greater discounts on prescription drugs for the state and the plan members. If a member chooses to continue to purchase prescription maintenance-drugs from a retail pharmacy, then we recommend requiring the member to pay 50 percent of the drug cost after the third refill. According to the state's Pharmacy Benefits Manager, our state health plan uses mail orders for maintenance drugs less frequently than programs in other states.                                                                                                                                             | 4,908,065  |
| Multiple Activities |  | Multiple Agencies                | Reduce SCEIS Operating Funds                | The South Carolina Enterprise Information System (SCEIS) is a business process system for state agencies and will replace a number of existing operations and programs. Funding for the operation of SCEIS is provided by direct appropriation to the state Chief Information Officer (CIO). Once SCEIS comes online, all of these old systems will be turned off, and almost all of the functions will be assumed by the CIO. Once SCEIS applications come online, existing appropriations for replaced applications should be returned to the state treasury. Agencies are coming online intermittently, and this line reflects savings of over \$17 million.                                                                                                                                                                                     | 17,521,264 |
| Multiple Activities |  | Multiple Agencies                | Consolidate Columbia Maintenance Facilities | The GEAR Report (Recommendation # 8) suggests consolidating the seven repair facilities located in Columbia into no more than three. Implementing this recommendation will produce cost savings of \$2.1 million in FY 2010-2011.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 360,000    |
| Multiple Activities |  | All Agencies                     | 5 day/30 Day Fleet Bid Structure            | Currently, the state bid calls for payment within 30 days of delivery. However, in the private sector, a dealer is required to pay off his floor plan source within five days of delivery or that dealer will be "out of trust." Moreover, floor plan interest charges are significant, especially if allowed to run for the full 30 days allowed for payment. As the average floor plan cost is \$200 per vehicle, a dealer, knowing that he can be paid in a timely manner, can lower his bid by 30 days of floor plan expense. Therefore, we recommend modifying the state bid structure to provide for two bid prices: one for payment within five days of delivery and one for payment within 30 days of delivery. We estimate that the five day payment will occur with half of the vehicles purchased equals an annual savings of \$200,000. | 200,000    |

|                                                      |     |                                 |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                   |
|------------------------------------------------------|-----|---------------------------------|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| Multiple Activities                                  |     | Budget and Control Board        | State Fleet management     | We suggest adopting Recommendations #4 and #5 from the GEAR Report. Recommendation #4 suggests that vehicle acquisition bids should be revised to ensure lowest price-including rebates throughout the year. Recommendation #5 suggests modifying the bid structure to provide flexible bid prices. These changes will attract more bids and allow the state to benefit from competition. Implementation of Recommendations #4 and #5 will produce first-year savings of \$2,000,000.                                                                                                                                                                                                                                                              | 2,000,000         |
| Multiple Activities                                  |     | All Agencies                    | Travel                     | We recommend a 15 percent reduction in travel budgets for all agencies. Some of this funding could be recouped if the General Assembly would consider adjusting the gas per diem, which was raised to 50.5 cents/mile in 2008 when gas prices were roughly \$3.79/gallon. The current per diem rate remains at 50.5 cents/mile, even though gas is averaging \$2.49/gallon in South Carolina.                                                                                                                                                                                                                                                                                                                                                      | 969,718           |
| Multiple Activities                                  |     | State Agencies and Universities | Lobbyists                  | We have long advocated eliminating taxpayer-funded lobbying. Twenty-eight state agencies and higher education institutions employ registered lobbyists, paying them not only lobbying fees, but also among the highest state salaries within their respective agencies. This unfortunate arrangement has helped spur the astronomical growth in state spending in recent years, forcing more difficult cuts in tough budget years. By eliminating funding for agency lobbyists, we can realize immediate savings from lobbying fees, Columbia office space, and lobbyist salaries, but more importantly, we can realize future savings when state spending decisions are based on merit—not on which agencies hire the best lobbyists.             | 2,784,880         |
| Multiple Activities                                  |     | All Agencies                    | Insurance Reserve Fund     | As a result of implementing the GEAR committee's Recommendation #15, the Insurance Reserve Fund (IRF) opened the bidding for the property reinsurance broker contract to private brokers, which saved the state \$2.1 million. The new broker was able to obtain reinsurance on the secondary market, which saved an additional \$1.7 million. While we applaud the IRF for implementing this recommendation, these savings should be passed on to state agencies, which the IRF has not done to date.                                                                                                                                                                                                                                             | 3,794,714         |
| Multiple Activities                                  |     | All CRP Agencies                | CVRP Surcharge             | GEAR Report Recommendation #6 suggests lowering the Commercial Vehicle Repair Program surcharge from 16 percent to a maximum of 13 percent, with a maximum cap of \$75.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 115,000           |
| Multiple Activities                                  |     | All agencies                    | Cell phone/pager use       | In June 2008, the LAC issued a report of state agency usage of cell phones and other wireless communication devices. This report found state agencies spent over \$7 million on cell phones, \$790,000 on pagers, and \$68,000 on satellite phones in FY 2005-06. Unfortunately, many agencies waste thousands per year on cell phones and other devices because the agencies' policies are inefficient or because the agencies fail to adequately monitor employees' usage. The LAC made recommendations that will reduce the state's total expenditures on cell phones and other devices. We recommend implementing the LAC report's recommendations.                                                                                            | 777,253           |
|                                                      |     |                                 |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                   |
|                                                      |     |                                 |                            | <b>Cost Savings Subtotal</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>63,413,808</b> |
|                                                      |     |                                 |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                   |
| <b>Making Tough Choices - Below the Line Savings</b> |     |                                 |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                   |
| 1660                                                 | E23 | Commission on Indigent Defense  | Criminal Domestic Violence | In 1993, Indigent Defense was established as a way for the state to help offset counties' expenses in death penalty cases. Since that time, growth in this program has far outpaced the growth in the number of death penalty cases in South Carolina. The role of the Indigent Defense Commission has morphed into one in which the state funds an ever-increasing portion of what had traditionally been—and should continue to be—the counties' responsibility. This additional funding also sends a problematic message. This state has the unfortunate distinction of being near the top of the nation in domestic-violence-related deaths; given this fact, it seems odd that we dedicate substantial funds toward defending these offenses. | 757,184           |

|      |     |                                |                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                  |
|------|-----|--------------------------------|-----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| 1791 | E23 | Commission on Indigent Defense | DUI Defense of Indigents          | In 1993, Indigent Defense was established as a way for the state to help offset counties' expenses in death penalty cases. Since that time, growth in this program has far outpaced the growth in the number of death penalty cases in South Carolina. The role of the Indigent Defense Commission has morphed into one in which the state funds an ever-increasing portion of what had traditionally been -- and should continue to be -- the counties' responsibility. This additional funding also sends a problematic message. This state has the unfortunate distinction of being near the top of the nation in DUI-related deaths; given this fact, it seems odd that we dedicate substantial funds toward defending these offenses.                                                 | 437,186          |
| 205  | E28 | Election Commission            | Distribution to Subdivisions      | We recommend eliminating the state salary supplement of up to \$1,500 for County Registration Board Members. We believe local governments should be responsible for compensating county election officers.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 449,017          |
| 215  | F03 | Budget and Control Board       | Training and Development Services | This program can achieve self-sufficiency through reliance on other funds. Several services offered by the Budget and Control Board are supplemented by general fund dollars, but provide direct services to agencies. Any of these areas, especially those that have market competition, should price their services to be self-sufficient. If the cost charged to the agency were more transparent and truly reflected the cost of the service provided, the agency would be able to make a business decision to use that service or not.                                                                                                                                                                                                                                                | 331,084          |
| 217  | F03 | Budget and Control Board       | Recruitment Services              | The Budget and Control Board performs staff recruitment and workforce planning activities for state agencies. We recommend allowing the agencies to perform their own recruitment and planning activities.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 84,463           |
| 218  | F03 | Budget and Control Board       | Workforce Planning                | The Budget and Control Board performs staff recruitment and workforce planning activities for state agencies. We recommend allowing the agencies to perform their own recruitment and planning activities.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 36,909           |
| 219  | F03 | Budget and Control Board       | Human Resource Consulting         | This activity funds human resource consulting services for state agencies. Given the hiring freezes in place at most state agencies, not to mention the reductions in force, we do not believe human resource consulting services should be a high priority this year.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 1,760,096        |
| 223  | F03 | Budget and Control Board       | Facilities Management             | Currently, Facilities Management has 47 vacant positions. We recommend cutting the funding for these positions for the next fiscal year.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 1,645,653        |
| 229  | F03 | Budget and Control Board       | Parking Services                  | The Budget and Control Board oversees the state's parking facilities. This program is funded by parking fee revenue and an appropriation of general funds. We believe this service can be performed more cost-effectively by the private sector. We recommend that the state enter into a lease agreement with private investors to operate and maintain the state parking facilities. Entering into a lease agreement will not only allow the state to eliminate this line in the budget, but will also save the state future costs of capital improvements to parking facilities. Additionally, the state will receive an up-front payment from investors, which can be directed toward other state needs. This activity has been ranked as a low priority by past budget results teams. | 159,781          |
| 1435 | S60 | Procurement Review Panel       | Administration                    | In order to streamline administrative procedure functions, eliminate duplication of effort, and provide further coordination of resources, we recommend transferring the authority and responsibilities of the Procurement Review Panel to the Administrative Law Judge (ALJ) Division. The Procurement Review Panel receives a limited number of protests each year—only 11 in the last two years—and the ALJ Division can easily assume these functions.                                                                                                                                                                                                                                                                                                                                 | 14,127           |
| 1436 | S60 | Procurement Review Panel       | Hearings                          | In order to streamline administrative procedure functions, eliminate duplication of effort, and provide further coordination of resources, we recommend transferring the authority and responsibilities of the Procurement Review Panel to the Administrative Law Judge (ALJ) Division. The Procurement Review Panel receives a limited number of protests each year—only 11 in the last two years—and the ALJ Division can easily assume these functions.                                                                                                                                                                                                                                                                                                                                 | 71,241           |
|      |     |                                |                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                  |
|      |     |                                |                                   | <b>Below the Line Savings Subtotal</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>5,746,741</b> |

|  |  |  |  |                                                  |                    |
|--|--|--|--|--------------------------------------------------|--------------------|
|  |  |  |  |                                                  |                    |
|  |  |  |  | <b>TOTAL GOAL AREA SAVINGS</b>                   | <b>69,160,549</b>  |
|  |  |  |  |                                                  |                    |
|  |  |  |  |                                                  |                    |
|  |  |  |  | <b>Total Cost Savings</b>                        | <b>171,852,472</b> |
|  |  |  |  |                                                  |                    |
|  |  |  |  | <b>Total Below the Line Savings</b>              | <b>82,879,820</b>  |
|  |  |  |  |                                                  |                    |
|  |  |  |  | <b>Total FY 2010-11 Executive Budget Savings</b> | <b>254,732,292</b> |
|  |  |  |  |                                                  |                    |