



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
 (803)734-0640 • RFA.SC.GOV/IMPACTS

Bill Number: H. 3793 Signed by Governor on April 24, 2017
Author: Crawford
Subject: Higher Ed Mission and Goals
Requestor: House of Representatives
RFA Analyst(s): Walling
Impact Date: August 2, 2017

Estimate of Fiscal Impact

	FY 2017-18	FY 2018-19	FY 2019-20
State Expenditure			
General Fund	\$0	\$0	\$0
Other and Federal	\$0	Undetermined	Undetermined
Full-Time Equivalent Position(s)	0.00	Undetermined	Undetermined
State Revenue	\$0		
General Fund	\$0	\$0	\$0
Other and Federal	\$0	Undetermined	Undetermined
Local Expenditure	\$0	\$0	\$0
Local Revenue	\$0	\$0	\$0

Fiscal Impact Summary

This bill will not have a fiscal impact on the General Fund or Federal Funds. The Other Funds revenue and expenditure impact of this bill is undetermined given the permissive nature of the degree authorizations and the required approval of each program by the Commission on Higher Education. Specific Other Funds revenue and expenditure estimates by institution, if available, are analyzed in the following section of this statement.

Explanation of Fiscal Impact

Signed by Governor on April 24, 2017

State Expenditure and Revenue

This bill authorizes South Carolina State University to offer Bachelor of Science degrees in Mechanical and Electrical Engineering. Further, the bill authorizes doctoral programs in nursing practice at Francis Marion University and the University of South Carolina Aiken, education administration at Coastal Carolina University, and computer and information science at the College of Charleston. The Commission on Higher Education must approve these degree programs. The bill specifies further that the doctoral programs are allowed only so long as new state general funds are not appropriated for their operations.

South Carolina State University. The Revenue and Fiscal Affairs Office has not received a response to our inquiries on the fiscal impact of this bill from the university. However, we anticipate that additional Other Funds tuition and fee revenue will offset the increased Other Funds educational and general expenditures should the university offer the authorized bachelor

degrees in mechanical and electrical engineering. This will result in an overall positive impact on the university's Other Funds. We anticipate that the earliest expected implementation of these authorized degree programs will be in FY 2018-19. This bill will not have a fiscal impact on the General Fund or Federal Funds of the university.

Francis Marion University. The university anticipates 24 students enrolling in the doctoral degree program in nursing practice. This level of enrollment will generate \$574,633 of additional Other Funds revenue based on estimated tuition and fees of \$23,943 for the one-year program. This revenue will offset additional Other Funds expenditures of \$303,209.

Estimated recurring expenditures of the doctoral program consist of \$273,209 in salary and fringe for a total of 2.5 FTEs to include one department chair position, 0.5 adjunct faculty, and one administrative assistant. Other Funds operating expenditures will increase also by \$25,000 for administrative and student curriculum supplies. The university expects non-recurring Other Funds expenditures of \$5,000 for office setup costs for new faculty and staff. Revenue exceeding the direct program expenses will be used for indirect administrative costs in support of the program. This bill will not have a fiscal impact on the General Fund or Federal Funds of the university.

University of South Carolina Aiken. While the university has not provided RFA with any enrollment estimates for the authorized doctoral degree in nursing practice, we anticipate that should the university offer a doctoral program the additional Other Funds tuition and fee revenue will offset the increased Other Funds educational and general expenditures. This will result in an overall positive impact on the university's Other Funds. The university reports that the earliest expected implementation of a doctoral program in nursing practice will be in FY 2019-20. This bill will not have a fiscal impact on the General Fund or Federal Funds of the university.

Coastal Carolina University. The university anticipates that additional Other Funds revenue generated from the doctoral program in education administration will total \$430,585 including revenue from direct and indirect sources in FY 2018-19. The university estimates direct Other Fund revenue of \$130,585 from application fees and tuition based on an estimated thirteen students enrolling in the program and paying approximately \$10,045 in tuition and fees annually. Indirectly, the university expects an additional \$300,000 in Other Funds revenue from tuition and fees. This estimated indirect revenue is based on an increased popularity of the university's educational program, which is expected to increase the current undergraduate and graduate enrollment of 1,025 students by 3 percent, or thirty students, per year.

Anticipated Other Fund expenditures include salary and employer fringe costs of \$117,191 for a professor (0.75 FTEs), a program coordinator (0.25 FTEs), and an administrative assistant (0.25 FTEs). Also anticipated are recurring Other Funds expenses of \$10,000 for operating supplies. One-time faculty and staff set-up costs for computers and other supplies will generate a non-recurring expenditure of \$5,000 in FY 2018-19. This bill will not have a fiscal impact on the General Fund or Federal Funds of the university.

College of Charleston. The college expects \$105,000 of Other Funds revenue from additional tuition and fees based on an estimated ten to twelve students enrolled in the computer and

information science doctoral degree program once fully implemented. The college anticipates additional funding from philanthropic support, research awards, and increased tuition and fee revenue resulting from enrollment increases in associated undergraduate and graduate programs.

The college estimates additional recurring Other Funds expenditures of \$508,540 in FY 2019-20. Anticipated additional expenditures include \$123,300 for the salary and employer fringe of one assistant professor of Computer Science (1.0 FTE); other operating of \$25,000 for travel, start-up, software, and hardware; \$15,000 in other operating for stipend for doctoral program faculty director; and \$345,240 of other operating for graduate assistantships. This bill will not impact the General Fund or Federal Funds. Furthermore, the university indicates that the earliest expected implementation of this computer and information science degree program will be in FY 2019-20.

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director