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From: President Harris Pastides [mailto:president@sc.edu]  
Sent: Tuesday, June 22, 2010 11:12 AM  
To: "All Faculty and Staff "@smtp1.csd.sc.edu  
Subject: Budget Update

Dear Colleagues:

This time a year ago, I wrote to inform you of where the university stood financially and to apprise you of our budget for the year ahead, knowing full well that one calendar year likely would come and go with little relief from economic strife. I have tried to keep you informed throughout the year and now write to you again to provide a summary of our financial state of affairs and a look ahead at the new academic year. As I prepared this message I took great comfort in recalling the sacrifices, selflessness and willing spirit you have shown throughout this crisis. We cannot change the situation before us, but neither should we overlook the courage and perseverance it has taken to stay focused on our mission in the face of these challenges. Moreover, your efforts, time, patience, vision and good will have enabled us to break new ground, to advance new knowledge and to keep our university vibrant and productive.

The Executive Committee of the university's Board of Trustees met Friday and voted to recommend that the full board adopt the 2010-11 budget. This year's budget addresses the \$105 million in state funds that have been cut since 2008. Moreover, to protect the units affected by the governor's line-item vetoes late last week, we implemented emergency measures that will give us time to recalibrate and reallocate according to strategic priorities.

A tuition increase was necessary to partially offset the unprecedented cuts in state funding, as well as to address the effects of inflation in operating costs; e.g., utilities, library periodicals, and insurance. In addition, we have well-known deferred maintenance needs as well as health and safety requirements to be covered by a portion of the tuition increase. The tuition and required fee changes for the system campuses are 6 percent for Aiken, 9.5 percent for Beaufort and 5 percent for Upstate. For Lancaster, Salkehatchie, Sumter and Union, the increase is 6.5 percent for students with fewer than 75 credit hours and 5.4 percent for students with more than 75 credit hours. On the Columbia campus, tuition and fees will go up by 6.9 percent for undergraduate and graduate students.

We are sensitive to the hardships that our students and their families face, and remaining true to our mission has not been easy in the wake of such drastic cuts. However, I believe the increases are the fairest adjustment we could make while maintaining accessibility, affordability and our commitment to providing the highest quality education in this state. Our peer institutions across South Carolina and the Southeast have made these difficult decisions as well, and many have increased tuition by more than 10 percent.

The good news is that an increasing number of young men and women are noticing your work and are anxious to be our students. Since we issued letters of acceptance to potential first-year students earlier this year, they have responded by sending in their deposits in record

numbers. I see these deposits as investments and can think of no greater vote of confidence in this university.

The financial part of this message is about what we don't have, as far as state support. And while I am obligated to present to you a clear picture of this, I encourage us all to focus, also, on what we do have: a highly regarded university in a beautiful setting, an enthusiastic and inspirational student body, and a faculty that has demonstrated repeatedly its commitment to excellence in teaching, research and outreach.

I thank you for all that you do, and I look forward to an academic year filled with purpose and promise.

Sincerely,

Harris Pastides