

R. Wes Hayes, Jr.
Chairman

L. Jeffrey Perez, Ph.D.
President & Executive Director



January 23, 2025

Members, Senate Education Committee
Members, House Education and Public Works Committee
Members, Senate Finance Committee
Members, House Ways and Means Committee

Dear Members:

Proviso 3.6 of the Fiscal Year 2023–24 General Appropriations Act tasked the South Carolina Commission on Higher Education (CHE) to allocate funds designated to address the state’s nursing educator shortage. As required by Proviso 3.6 of the Fiscal Year 2024–25 General Appropriations Act, please find a report on the progress of the nursing initiative detailing how the CHE allocated FY23-24 funds to supplement nursing faculty salaries and its partnership with the SC Student Loan Corporation to implement a forgivable tuition reimbursement program. I look forward to providing additional updates as the initiative progresses.

Sincerely,

A handwritten signature in blue ink, appearing to read "L. Jeffrey Perez".

L. Jeffrey Perez, Ph.D.
President and Executive Director



Overview

The General Assembly tasked the Commission on Higher Education (CHE) to allocate funding designated to address the state's nursing shortage. The relevant language from Proviso 3.6 included in the Fiscal Year (FY) 2023-24 General Appropriations Bill reads as follows:

Of the funds appropriated to the Commission on Higher Education for the Nursing Initiative, the commission shall use the funds to address the nursing shortage. Funds shall be allocated accordingly to the state's public colleges and universities, including technical colleges, that have accredited nursing programs accredited by a national accrediting agency recognized by the United States Department of Education.

The first \$5 million shall be used to provide bonuses or supplement the salaries of existing full-time faculty and the hourly rates of part-time faculty, or the salaries of clinical nursing faculty, which includes adjunct faculty. The funds shall be allocated to each public college or university, including technical colleges, based on the number of students enrolled in nursing programs. The second \$5 million shall be used to provide tuition reimbursement or scholarships for students enrolled in graduate-level nurse educator programs, Doctor of Nursing Practice, or Ph.D. programs. The scholarship recipients must agree to assume a faculty role in a state nursing program after graduation for a minimum of two years for each year they receive the scholarship.

Salary Supplements

Proviso 3.6 directed the CHE to allocate the first \$5 million based on the number of students enrolled in institutions with accredited nursing programs. In the summer of 2024, the CHE engaged with nursing education leadership to allocate the funds based on admitted student enrollment in nursing programs. Input from those discussions led to a determination to use a three-year average of admitted student enrollment methodology to mitigate the effects of the COVID-19 pandemic on student enrollment in individual programs.

In November 2024, the CHE requested each institution report on utilizing FY 2023-24 faculty salary supplements and data on faculty retention and vacancies. Institutions that did not fully utilize their faculty salary supplement allocation in FY 2023-24 may continue using those funds to supplement the salaries of eligible faculty in FY 2024-25. Appendix I provides information regarding each institution's allocation and fund utilization during FY 2023-24. Appendix II details the faculty retention data by institution.

Institutions report spending 94 percent of applicable funds on eligible nursing faculty. During the FY 2023-24 reporting cycle, Florence Darlington Technical College (FDTC) notified the Technical College System Office (SCTCS) and CHE of an institutional enrollment coding error that may have led to FDTC receiving more funds than the institution should have received. FDTC exercised fiscal precautions around these funds and has not allocated their full share pending a planned audit. CHE, SCTCS, and FDTC are currently auditing FDTC's admitted nursing student enrollment from Academic Years 2019-2024 to clarify the issue. In the event the audit finds that FDTC received a surplus of funding, FDTC will refund CHE the overage in the Spring of 2025, which will then be reallocated to all eligible institutions in FY 2025-26.

In FY 2023-24, 582 faculty received salary enhancements under the directives of the proviso. Institutions reported 91 percent retention of faculty receiving these funds. Institutions report to CHE continued gratitude to the General Assembly for this support and cite the importance of these funds in retaining highly effective faculty given the high demand in private practice settings for advanced nurse practitioners statewide.

Nursing Educator Loan Initiative

The CHE Board of Commissioners authorized CHE staff to establish a memorandum of understanding with the South Carolina Student Loan Corporation (SCSLC) during the December 1, 2022, board meeting. In FY 2022–23, the collaboration established the Nursing Educator Loan Initiative. The SCSLC utilized the architecture from an existing loan program, the “Better Outcomes, Less Debt” (BOLD) Program, for its baseline development of the nursing loan initiative. By utilizing the existing BOLD program architecture, the implementation time of the initiative was shortened, allowing nursing students to access the loan program during the 2023–24 Academic Year. Students may apply and receive the loan on a rolling, ongoing basis. In FY 2023–24, CHE continued collaboration with the Student Loan Corporation for the second \$5 million allocation to provide tuition reimbursement or student scholarships to graduate nursing students intending to pursue a career in nursing education in South Carolina.

The Nursing Educator Loan Initiative application became available for interested students in mid-August 2023. As of November 30, 2024, 53 borrowers enrolled in the program totaling \$832,144.59. In the spring of 2024, CHE and SCSLC collaborated to expand the program to existing nursing educators at public institutions in South Carolina. This expansion went live in December 2024. CHE and SCSLC expect continued program utilization based on institutional feedback from faculty, nursing administrators, and institutional human resources officers. To enhance long-term institutional staff and student awareness and understanding of the Nursing Educator Loan Initiative, the SCSLC is facilitating ongoing technical assistance and marketing advisory sessions with eligible institutions and distributing additional marketing material statewide. The SCSLC provides CHE with monthly reports regarding the applications and utilization of the loans. SCSLC and CHE meet regularly with industry and institutional partners regarding this portion of the proviso and are developing recommendations to submit to the General Assembly regarding any potential revisions to future provisos supporting graduate nursing educators and students.

Conclusion

The CHE continues to receive institutional requests to express sincere gratitude to the General Assembly for its continued support of Proviso 3.6 and its commitment to addressing the nursing shortage. The funding allocations significantly support retention efforts at South Carolina’s institutions of skilled nursing faculty and support graduate nursing students pursuing careers in education. The CHE remains steadfast in its efforts to ensure the effective utilization of these funds and stands ready to answer any further questions or provide additional information as needed.

Appendix I – Institutional FY23 Allocation and Expenditures

Institution	Allocated Funds	Expenditures and Encumbrances of Nursing Initiatives Funds for Eligible Faculty for Each Program	Remaining Funds without FY22-24 Rollover	Percent Expended (Rounded to nearest whole number)
Aiken Technical College	\$76,409.00	\$76,409.00	\$ -	100%
Central Carolina Technical College	\$99,222.00	\$99,222.00	\$ -	100%
Clemson University	\$393,919	\$393,919.00	\$ -	100%
Coastal Carolina University	\$12,891.00	\$12,891.00	\$ -	100%
Florence-Darlington Technical College*	\$326,026.00	\$68,187.73	\$257,838.27	21%
Francis Marion University	\$317,861.00	\$317,861.00	\$ -	100%
Greenville Technical College	\$179,967.00	\$194,256.09	\$ -	100%
Horry-Georgetown Technical College	\$202,116.00	\$170,157.00	\$31,959.00	84%
Lander University	\$281,415.00	\$281,415.00	\$ -	100%
Midlands Technical College	\$195,162.00	\$195,162.00	\$ -	100%
MUSC College of Nursing	\$327,510.00	\$325,756.00	\$1,754.00	99%
Orangeburg-Calhoun Technical College	\$104,808.00	\$104,808.00	\$ -	100%
Piedmont Technical College	\$84,768.00	\$72,052.80	\$12,715.20	85%
Spartanburg Community College	\$45,978.00	\$45,859.00	\$119.00	100%
Technical College of the Lowcountry	\$51,056.00	\$56,295.70	\$ -	110%
The Citadel	\$31,915.00	\$31,915.00	\$ -	100%
Tri-County Technical College	\$190,397.00	\$190,397.00	\$ -	100%

Institution	Allocated Funds	Expenditures and Encumbrances of Nursing Initiatives Funds for Eligible Faculty for Each Program	Remaining Funds without FY22-24 Rollover	Percent Expended (Rounded to nearest whole number)
Trident Technical College	\$378,918.00	\$355,035.58	\$23,882.42	94%
Univ South Carolina-Columbia	\$810,963.00	\$835,942.15	\$ 0.10	100%
University of South Carolina Aiken	\$250,125.00	\$250,125.00	\$ -	100%
University of South Carolina Beaufort	\$75,002.00	\$75,002.00	\$ -	100%
University of South Carolina Upstate	\$497,672.00	\$477,500.49	\$20,171.51	96%
York Technical College	\$65,900.00	\$65,900.00	\$ -	100%
Total	\$5,000,000.00	\$4,696,068.54	\$348,439.50	94%

Appendix II – FY 23-24 Faculty Retention

Institution	Total Number of Nursing Educators Receiving Salary Stipend	Total Number of Nursing Educators Receiving Stipends Who Were Retained Year Over Year	Year-Over-Year Full-Time Faculty Retention Rate (Rounded to nearest whole number)	Year-Over-Year Part-Time and Adjunct Faculty Retention (Rounded to nearest whole number)	Current Full-Time Faculty Vacancies	Current Part-Time and Adjunct Faculty Vacancies	Current Clinical Faculty Vacancies
Aiken Technical College	12	11	91%	100%	0	2	0
Central Carolina Technical College	29	24	92%	56%	0	3	0
Clemson University	46	44	96%	N/A	3	N/A	N/A
Coastal Carolina University	3	3	100%	100%	1	0	0
Florence-Darlington Technical College	12	11	90%	100%	1	0	0
Francis Marion University	34	33	100%	95%	1	0	0
Greenville Technical College	46	38	72%	95%	0	0	0
Horry-Georgetown Technical College	32	20	77%	27%	1	0	N/A
Lander University	26	25	94%	47%	1	3	1
Midlands Technical College	29	21	75%	71%	2	0	2
MUSC College of Nursing	40	36	90%	100%	2	N/A	2
Orangeburg-Calhoun Technical College	31	27	100%	75%	0	4	N/A
Piedmont Technical College	9	8	89%	N/A	1	N/A	N/A

Institution	Total Number of Nursing Educators Receiving Salary Stipend	Total Number of Nursing Educators Receiving Salary Stipends Who Were Retained Year Over Year	Year-Over-Year Full-Time Faculty Retention Rate (Rounded to nearest whole number)	Year-Over-Year Part-Time and Adjunct Faculty Retention (Rounded to nearest whole number)	Current Full-Time Faculty Vacancies	Current Part-Time and Adjunct Faculty Vacancies	Current Clinical Faculty Vacancies
Spartanburg Community College	13	11	88%	80%	1	0	0
Technical College of the Lowcountry	6	6	100%	90%	0	2	0
The Citadel	10	10	100%	100%	0	0	1
Tri-County Technical College	23	23	90%	88%	2	5	N/A
Trident Technical College	33	32	97%	100%	0	0	0
University of South Carolina Columbia	62	60	97%		12	0	6
University of South Carolina Aiken	20	16	81%	75%	0	0	0
University of South Carolina Beaufort	20	13	90%	50%	0	0	2
University of South Carolina Upstate	37	35	95%	100%	2	0	N/A
York Technical College	9	6	86%	N/A	1	0	0
Total	582	513	91%	82%	31	19	14