



PRELIMINARY REPORT OF THE REAFFIRMATION COMMITTEE

Statement Regarding the Report

The Board of Trustees of the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) is responsible for making the final determination on reaffirmation of accreditation based on the findings contained in this committee report, the institution's response to issues contained in the report, other assessments relevant to the review, and application of the Commission's policies and procedures. Final interpretation of the Principles of Accreditation and final action on the accreditation status of the institution rest with SACSCOC Board of Trustees.

Name of the Institution: **University of South Carolina - Aiken**

Date of the Review: **November 5-6, 2020**

SACSCOC Staff Member: **Dr. Denise Y. Young**

Chair of the Committee: **Dr. William R. Fannin - CHAIR**
Professor of Management
The University of Texas Permian Basin
Odessa, TX

Section 13: Financial and Physical Resources

- 13.1 **The institution has sound financial resources and a demonstrated, stable financial base to support the mission of the institution and the scope of its programs and services.**

(Financial resources) [CR]

Compliance

The institution's financial statements are regularly sent to the institution's Board of Trustees and were audited by the Elliott Davis, LLC, an independent member firm of Moore North America, which is itself a regional member of Moore Global Network Limited (MGNL). The engagement is performed following auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States. For the year 2019, the institution received a clean, unmodified opinion from Elliott Davis, LLC, the independent certified public accounting firm.

Financial statements for FY2013-FY2020 were provided. For FY2020 the COVID-19 impact was \$1.1million in refunds and \$743 thousand in mitigation costs (PPE, sanitation, testing, and contact tracing). Federal CARES funding for Student Emergency Aid \$1,532,706 and CARES Institutional Aid \$1,532,706 were awarded to the institution to help offset unexpected expenses related to the COVID-19 and the significant changes to educational delivery.

For FY2013 to FY2019 the institution's state appropriations increased by 29%. For FY2019, the institution received \$647 thousand in additional state appropriation revenues because of increased tuition mitigation funding as well as employer contributions allocation. For FY2020 tuition and fees revenue net of scholarship allowance decreased by \$1.3 million due to an increase in scholarship discounts and allowances, primarily because of CARES relief. There was no increase in tuition for FY2020. Also, in FY2020, new operating funding and fringe benefit funding was provided to support a portion of state employee retirement contributions and health insurance increases. The University system campuses received critical capital project funding of \$36.8 million for 2020. The institution's portion of that funding was \$3.5 million.

The institution is a state-supported higher education institution that is closely tied to the State of South Carolina. The State finished the 2020 fiscal year on a positive note with full funding of the State's Rainy-Day Fund at 5% of the prior year's General Fund Revenues and fully funded the Capital Reserve Account is at 2% above the prior year's General Fund Revenues. The state experienced a revenue surplus of more than \$672 million despite the impact of COVIC-19. Individual income tax payments and sales taxes remain strong in the COVID-19 environment.

The institution evidenced financial stability with strong state support, modest tuition increases, and support of capital projects.