



# South Carolina State University

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## **An Open Letter from the President of SC State University**

**May 1, 2014**

Over the past several months, you have been inundated with various news stories that have painted a very dismal picture of SC State University's financial condition. The university's Board of Trustees and I have been committed to being totally transparent and to keeping you informed about this institution's financial status.

In recent weeks, the board and this administration solicited the support of South Carolina Governor Nikki Haley and the S.C. General Assembly to provide funding to the university that would allow us to pay seriously past due bills and put the university on stable financial footing so that it can move forward. We asked the state of South Carolina for \$13 million.

On yesterday, April 30, the governor and the state's Budget and Control Board acted on that request. I want to take just a moment to tell you about the solution that was offered by the state and how this will impact the future of the university.

First, let me reassure you that South Carolina State University will not close. At the Budget and Control Board meeting, the sentiment among the lawmakers present was that our illustrious university is too important to the past, present, and future of this state, and that it should not close.

Second, lawmakers are clear that their first obligation is to provide the quality education promised to our students and to their parents who have entrusted their children to the institution.

On Wednesday, members of the Budget and Control Board approved a resolution that would extend a loan in the amount of \$6 million to the university. While this loan falls short of the amount we requested, the governor and board submit that these monies will enable us to immediately pay vendors who provide essential services to the university, mainly food services and facilities and maintenance. The proposal further states that additional funds needed by the university must come as the result of a state appropriation that must be approved by the state legislature.

What does this \$6 million loan mean for SC State's financial status?

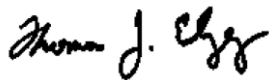
1. The university can now pay its most seriously past due bills and maintain essential meal and maintenance services without the threat that they will be discontinued.
2. The university is now able to report this financial support to our accreditation agency, the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC), which recently placed the university on warning due to compliance concerns around governance and financial stability. The proposed loan and any subsequent funds from the state may prove to the SACSCOC that the university is well on its way to long-term financial stability and that the state of South Carolina supports us.
3. While a \$6 million loan provides a much needed “lifeline,” the university continues to carry a debt that could adversely affect future budgets.

At this point, our plan of action is simple. This university will continue to operate in a manner that advances our mission to provide access to a quality education to deserving students. This administration will move quickly to comply with the terms of the loan extended, so that funds can be accessed as soon as possible. We will also immediately resume the appropriate dialogue and engage lawmakers to request the remaining money needed by the university.

Finally, South Carolina State University is MOVING FORWARD. While much remains to be done to make certain we are on solid financial ground, I am confident about a successful outcome. The quality of our academic programs has not been compromised, our Board of Trustees and I are unified, and we are focused on a vision that will strengthen this university and elevate it to a place of renewed prominence in higher education.

I want to thank you, our students, parents, faculty, staff, alumni everywhere, and the citizens of the Greater Orangeburg community for your continued support. I am also extremely grateful to the members of the Orangeburg Ministerial Alliance, Orangeburg Mayor Michael Butler and our local elected officials, the members of South Carolina’s Legislative Black Caucus and other members of the General Assembly who support us. You are the reasons why....WE ARE SC STATE!

With warmest regards,

A handwritten signature in black ink, reading "Thomas J. Elzey". The signature is written in a cursive, flowing style.

Thomas J. Elzey  
President