



UNIVERSITY OF
South Carolina

BUDGET MODEL USER GUIDE

AUXILIARY UNITS

Updated FY2026

University of South Carolina
Budget Model User Guide
Auxiliary Units

I. Budget Model Overview

A. Introduction

The University of South Carolina Columbia introduced a redesigned budget model in FY2021 and implemented an updated version in FY2026. This data-driven framework for resource allocation is designed to foster entrepreneurial initiative, enhance operational efficiency, and improve transparency. While the model does not create or eliminate resources, it increases clarity and provides deeper insight into the University's internal economy. Under this approach, college-level budgets can grow, shrink, or remain stable based on unit activity, institutional priorities, and external influences.

B. Unit Categorization

Under the budget model methodology, each Columbia operating unit is categorized into one of four groups based on its capacity to drive revenue-generating activities. Primary units, including academic and auxiliary units, have the ability to influence revenue generation directly. In contrast, central support units have limited or no capacity to impact revenue.

| Unit Categories | Units Included |
|--------------------|--|
| Auxiliaries | Athletics, Housing, Parking, Student Health |
| Academic Units | All areas with Academic Deans are considered academic units except for Libraries, Honors College and Graduate School |
| Pass-Through Units | Units supported with state appropriations and self-generated funds |
| Support Units | All other Columbia campus areas not classified above (primarily administrative units) |

Within the Support Unit category—which includes areas such as HR, Finance, Facilities, IT, and others—units are further organized into cost pools based on the similarity of their activities. Each cost pool is assigned an allocation metric that serves as a proxy for the costs associated with the services provided by the support units in that pool. These expense allocations are applied exclusively to academic units. Refer to the chart below for details on the support unit cost pools and their corresponding allocation metrics.

| Cost Pool | Support Units Included | Allocation Metrics |
|--|--|-------------------------------|
| University Services & Operations | University Technology Services (DoIT), Financial Systems, General Fund, Admin & Finance, Law Enforcement, Business Affairs, Development, Communications, External Affairs, Postal Services | Total Direct Expenses |
| Facilities | Facility Services, Facilities Projects, Utilities | Net Assignable Square Footage |
| Student Services & Undergraduate Affairs | Honors College, Palmetto College, Enrollment Mgmt, Scholarships, Student Affairs, University 101, Health Services | UG Student FTE |
| Academic Affairs | Provost, Graduate School, University Press, OIRAA, Faculty Senate, International Programs, Evening/Weekend, Distributed Learning, Libraries, Koger Center | Student FTE + Faculty FTE |
| Research | Office of Research/Research Administration | Contract & Grant Revenue |
| Executive Affairs | President, Civil Rights & Title IX, Legal, Economic Engagement, Board of Trustees, System Affairs, Audit, Org. Excellence | Total FTE |
| Employee Services | HR, Finance, Staff Senate | Total Employee FTE |

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II. Unit Budgeting Guide FAQ

1. As an auxiliary unit, is my budget and/or budget process impacted by the updated budget model?

No. Since auxiliary units are self-supporting and also already pay for “overhead” provided by the Columbia campus central administration (i.e. direct charges, strategic transfers), there is no impact as a result of updates to the budget model.

2. Explain budgets loaded to non-"A" funds. What balancing rules exist for these fund types?

- Budgets are loaded to non-"A" funds using the budget as submitted in Anaplan during unit budget development.
- If budgets were not allocated from BUD000-%999 during budget development, then they will be loaded at the unit (not department) level.
- Non-"A" unrestricted funds are allowed to be budgeted with a change to fund balance and balanced using account 31000.
- Budget entries can be made to non-"A" unrestricted budgets; however, budgeted 3XXXX's will still only relate to "A" funds.

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III. Timeline and Governance

A. Governance

The budget model governance structure is built to provide increased transparency and collaboration in decision making to engage multiple levels of the University. The operational support teams provide foundational work related to populating the model, reviewing and developing policy, and training. Their work informs advisory committees related to support unit costs, curricular decisions and space. Ultimately, advisory committees then make recommendations to executive groups such as the Budget Update Group (BUG), the President, and the Board of Trustees. It is important to note that the governance structure is designed to include Deans, faculty and faculty senate as integral voices in the process.

