

December 16, 2010

The Honorable W. Greg Ryberg  
313 Gressette Building  
Columbia, SC 29201

Dear Senator Ryberg:

Enclosed for your information is the Annual Actuarial Valuation of the South Carolina Tuition Prepayment Program (SCTPP) Fund as of June 30, 2010.

**As the actuarial analysis states, the Fund's deficit as of June 30, 2010 was \$52,954,690 and the Fund is projected to run out of assets in FY 2018.**

In order for the Program to pay contract owners their benefits, remedial action must be taken by the General Assembly. Earlier this year, I sent a letter detailing some various options along with timetables for consideration by the Legislature for addressing this issue. Suggested remedial actions are also outlined on Pages 2 and 3 of the Valuation.

Please let us know if you have any questions regarding this matter.

Yours very truly,

Converse A. Chellis III, CPA  
State Treasurer

CAC/afw  
Enclosure