



June 28, 2005

MEMORANDUM

TO: Dr. Layton McCurdy, Chair, and Members,
Commission on Higher Education

FROM: Rosemary Byerly, Chair, and Members,
Committee on Finance and Facilities

SUBJECT: Consideration of Finance and Facilities Committee Recommendations

At its meeting on June 27 the Finance and Facilities Committee approved items for consideration by the full Commission on July 7. However, due to the holiday schedule and a light agenda, the July 7 meeting has been cancelled. Therefore, we are asking the Commission to consider these items by mail ballot.

The Committee is requesting your review and consideration of Agenda items 3.04.A – D. Agenda Item 3.04.C is a pass-through item for review and submission to the Budget and Control Board, and 3.04.D is an information item. Detailed descriptions of the agenda items and Committee recommendations are attached. All of the items were thoroughly discussed and approved unanimously by the Committee. However, we believe a brief summary of the Committee's discussion of Capital Funding Goals and Projects (3.04.C) may be of interest to you.

The recommendation is to revise the set of criteria and the process CHE uses to rate and score institutions' requests for Capital Improvement Bonds. The proposed revisions were presented with the recommendation of the Facilities Advisory Committee (FAC) which represents all SC public institutions. The proposed revisions would facilitate CHE's ranking of capital projects on a statewide basis.

Dr. John Sutusky (MUSC), who served as Chair of the FAC subcommittee for this project, briefly described the process used by the FAC to develop the proposed criteria. The subcommittee, which included representatives from each sector, began its work in March 2005. Subcommittee recommendations were presented, discussed, and approved by the full FAC in April. Dr. Sutusky emphasized that although few institutions would score well on every criterion, the FAC believes the proposed criteria are fair and reasonable for all institutions "across the board."

The Finance and Facilities Committee requested, and received, assurance that all institutions were represented on the FAC. The Committee was also assured that all institutions had opportunity for input and comment prior to submission of the proposed criteria and process.

The Committee on Finance and Facilities commended the institutions for addressing a difficult issue and working together to develop an agreeable compromise.

We hope the information on the Committee's deliberations is useful to you. However, if you have questions or if you need additional information as you consider the recommendations, please do not hesitate to contact me or Lynn Metcalf at (803) 737-2265.

For your convenience, we have included a mail ballot and a postage-paid envelope. Please return your ballot to the CHE offices by Monday, July 11.

MAIL BALLOT

<u>Agenda Item</u>	<u>Approve</u>	<u>Do Not Approve</u>
<u>3.04.A</u> Consideration of Interim Capital Project	<input type="checkbox"/>	<input type="checkbox"/>
<u>3.04.B</u> Capital Funding Goals and Priorities	<input type="checkbox"/>	<input type="checkbox"/>
<u>3.04.C</u> Deferred Maintenance Bonds Authorized by Act 187 (for submission to the Joint Bond Review Committee and the Budget and Control Board for approval)	<input type="checkbox"/>	<input type="checkbox"/>