

Eighth Meeting
Higher Education Study Committee
SC Commission on Higher Education Conference Room and by Teleconference
June 5, 2008, 2:30 p.m.

AGENDA

- 1) Call to Order and Introductions**
- 2) Consideration of Minutes of the March 21, 2008, Retreat and April 4, 2008, Meeting**
See Attachments 1 and 2
- 3) Consideration of “Quick Start” Process for Recommended Action Plan Goals**
See Attachment 3
- 4) Consideration of Timeframe for Action Plan**
Four or Five Year Timeframe: Suggested July 1, 2009 to either 2013 or 2014
- 5) Scheduling Next Study Committee Meeting**
- 6) Information, Request for Concept Paper Distributed May 20**
See Attachment 4
- 7) Other Business**
- 8) Adjournment**

NOTE: Information relating to the Study Committee is accessible on-line at www.che.sc.gov by selecting the link on the left for “Higher Education Study Committee” or directly at <http://www.che.sc.gov/InfoCntr/HiEdStudyComm.htm>. As applicable, meeting materials will be made available online.

**Minutes of
HIGHER EDUCATION STUDY COMMITTEE
RETREAT
March 21, 2008, 9:45 a.m.
Lowcountry Graduate Center
Columbia, South Carolina**

In attendance:

Study Committee Members Present

Mr. Daniel Ravenel, *Chair*
Mr. Boone Aiken
Col. Claude Eichelberger
Representative Jerry Govan
Dr. Doris Helms
Mr. Scott Ludlow
Dr. Layton McCurdy
Mr. Bobby Marlowe
Dr. John Montgomery

CHE Staff

Dr. Garrison Walters, Executive Director
Ms. Julie Carullo
Mr. Gary Glenn
Dr. Gail Morrison
Ms. Beth Rogers
Dr. Karen Woodfaulk

Guests:

Ms. Julie Lybrand, House Education
& Public Works Committee
Dr. Bob Becker, Strom Thurmond Institute
Dr. Skip Godow, Lowcountry Graduate Center
Dr. Karl Hill, Clemson University
Ms. Beth McGinnis, Clemson University
Ms. Sandy Powers, College of Charleston

Chairman Ravenel welcomed all in attendance, all of whom introduced themselves.

Dr. Walters provided a brief overview of a paper which had been provided to HESC members entitled, *Connecting Report and Goals to a Plan*. Information included in this paper offered optional ways to think about the process of developing a statewide plan, briefly described what the goals of the plan might look like and how they might be constructed, and also briefly addressed the idea of return on educational investment.

Discussion took place relating to the goals. The following topics were discussed.

Goals generally – Do we have the right goals? A discussion ensued about the importance of the goals being stated in a straightforward manner and being constructed so as to be achievable and measurable.

Efficiency and Effectiveness - Should efficiency and effectiveness be a fourth goal of the statewide plan or should it be a sub-goal of one of the three already established?

Role of Comprehensive Institutions – Conversation centered on consideration of the comprehensives relative to the focus on research institutions. The need to give consideration to comprehensives equal to that afforded to the research institutions was discussed. Additionally, it was discussed that the comprehensives might play a major role in the increasing college enrollment aspect of the statewide plan and also play an important part by committing to producing a greater number of more qualified graduates who become K-12 teachers.

Enrollment – This topic was discussed relative to the capacity issue and focused on the role of the various sectors and institutions in their ability to increase enrollments.

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Centralized Authority - Is this necessary to address strong institutional independence in South Carolina and to promote much needed coordination and collaboration?

Dr. Walters recommended that the statewide plan adhere to the three previously established goals, including improvement in efficiency and effectiveness as an element of their foundation and including quality as an element of their focus.

Chairman Ravenel initiated conversation about defining the three established goals. With regard to Goal 1, Increased Education Levels, Dr. Walters suggested that the increase should be measured in percentage. He also stated that it will not be possible to determine that percentage until further work on the goals is accomplished. It was suggested that data contained in the *Foundations for the Future* report may be helpful in determining that percentage.

At Chairman Ravenel's request, Dr. Bob Becker introduced himself, described his background, and provided a briefing on the work of the Strom Thurmond Institute. He then responded to Chairman Ravenel's invitation to comment on what the work of the HESC has developed to date, as well as on how South Carolina's institutions of higher education might play a key role in the economic development of the state.

Dr. Becker stated that the HESC's three goals have potential. He said the two variables which appear to be most prevalent within those goals appear to pertain to reducing the state's number of high school dropouts and increasing the number of people with bachelor's degrees. Conversation about those topics followed.

During the course of this conversation, emphasis was placed on the importance of convincing South Carolinians that higher education will increase their quality of life. Investment in a large higher education marketing plan was advocated. It was suggested that the implementation of a fifteen year Department of Revenue survey might help determine whether South Carolina is producing graduates who can compete in a global economy.

Dr. Walters then recommended that the group focus on elaborating the three goals.

Following a short break for lunch, the HESC agreed that the fourth goal "increased effectiveness and efficiency" should be included as a separate goal. The HESC then decided to break into working groups to analyze and refine goals 2 through 4. It was agreed upon that goal 1, with its applicability focused on K-16 or K-20, was acceptable as is.

The working groups consisted of the following individuals: Goal 2 - Dr. Helms, Representative Govan, Dr. Montgomery, Dr. Morrison, Ms. Carullo; Goal 3 - Mr. Ludlow, Col. Eichelberger, Ms. Lybrand, Mr. Glenn; and Goal 4 - Mr. Marlowe, Mr. Aiken, Dr. McCurdy, and Dr. Walters.

Discussion took place about return on educational investment. It was suggested that a concept paper be developed in order to help determine the best way to approach this topic. Recommendations of individuals to assist with this were Doug Woodward from U.S.C. and Harry Miley, the state's former chief economist. It was decided that CHE staff, together with a subcommittee of HESC members including, Mr. Ravenel, Col. Eichelberger, and Mr. Marlowe, would work on drafting a request for proposal for this concept paper and assist in evaluating responses to the request.

The working groups then met in different rooms for approximately one hour. Upon reconvening, a designee of each group reported on their activities. Summary information developed and reported on each of the goals is attached with these minutes. It was agreed that this work would serve as a first draft of the statewide plan.

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Conversation took place about the role of the CHE in the future in terms of encouraging and mandating collaboration and exercising its authorities. Dr. Walters suggested that it might be best to define where the CHE has the greatest value and focus on that. He offered to have CHE staff prepare a document on this topic for presentation to the HESC.

It was agreed upon that CHE staff would summarize the information developed at this retreat, after which it will be sent to the HESC members for their suggestions. Following any revisions after that review, it will be presented to the public institutions' presidents at a meeting to take place at the CHE offices in Columbia on April 4, 2008, beginning at 1:00 p.m. This information will also include the results of the work of the six Advisory Groups. After incorporating recommendations made by the presidents, this information will be delivered at public hearings around the state and then taken to the House and Senate Education Committees for their consideration. The timeline for these events will be revised and distributed to HESC members.

The meeting was adjourned at 5:10 p.m.

Minutes of
HIGHER EDUCATION STUDY COMMITTEE
April 4, 2008, 1:00 p.m.
Meeting with Public Institution Presidents/Representatives
SC Commission on Higher Education Offices
Columbia, South Carolina

In attendance:

Study Committee Members Present

Mr. Daniel Ravenel, *Chair*
Mr. Boone Aiken
Col. Claude Eichelberger
Representative Jerry Govan
Mr. Scott Ludlow
Dr. Layton McCurdy
Mr. Bobby Marlowe
Dr. John Montgomery

Study Committee Members Absent

Dr. Doris Helms

Presidents/Representatives Present

Research Universities:

Clemson University, Angie Leidinger
Medical University of SC, Dr. John Raymond
University of SC, Dr. Andrew Sorensen

Comprehensive Universities:

Citadel, Lt. Gen. John Rosa
College of Charleston, President George Benson
College of Charleston, Mr. Steve Osborne
Francis Marion University, Dr. Fred Carter
Lander University, Dr. Dan Ball
SC State University, Dr. Rita Teal
Winthrop University, Ms. Rebecca Masters
University of SC Aiken, Dr. Tom Hallman
University of SC Beaufort, Dr. Jane Upshaw
University of SC Upstate, Dr. John Stockwell
University of SC Sumter, Dr. Anthony Coyne

Technical Colleges:

Aiken Technical College, Dr. Susan Winsor
Denmark Technical College, Dr. John Waddell
Northeastern Technical College, Dr. Dorr Depew
Orangeburg-Calhoun Technical College,
Dr. Ann Crook
Piedmont Technical College, Dr. Rayburn Brooks
Tri-County Technical College, Dr. Ronnie Booth
Williamsburg Technical College, Dr. Cleve Cox
S. C. Technical College System, Ms. Joren Bartlett

Graduate Centers:

Dr. Skip Godow

CHE Staff

Dr. Garrison Walters, Executive Director
Ms. Rita Allison
Ms. Laura Belcher
Ms. Julie Carullo
Mr. Gary Glenn
Dr. Lynn Kelley
Dr. Gail Morrison
Dr. Mike Raley
Ms. Beth Rogers
Ms. Karen Wham
Dr. Karen Woodfaulk

Guests:

Ms. Beth McGinnis, Clemson University
Ms. Robin Moseley, Senate Education Committee

Agenda Item 1, Call to Order and Introductions

Mr. Daniel Ravenel called the meeting to order at 1:15 p.m. All committee members, guests, and Commission on Higher Education staff in attendance introduced themselves and their names were recorded.

Agenda Item 2, Discussion, Study Committee Update and Proposed Timeline

Chairman Ravenel invited one person from each of the sectors to provide comments on the work of the HESC to date as well as on the proposed timeline for future activities. It was the general consensus of the group that the Presidents would like to have time to more thoroughly review the materials which had been distributed to them by e-mail on April 1, 2008. They agreed that each of their sectors would convene a meeting of their

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Presidents to consider this information, after which they would bring their comprehensive reaction to the HESC. President Ball will coordinate this effort on behalf of the comprehensive sector, and President Sorensen will coordinate on behalf of the research sector. President Ball also volunteered to serve on one of the to-be-formed task forces which will further consider the topic of state scholarships and grants. President Crook stated she would be attending a meeting of technical college presidents on April 14 and 15, at which time she would initiate discussion of the HESC's draft plan with the presidents from South Carolina.

In response to President Ball's question about whether the dates of this timeline were firm, Chairman Ravenel stated that they would have to be adhered to closely in order to comply with the time constraints mandated by the legislature. Chairman Ravenel then provided more detail on the progression of the timeline, a copy of which may be found in **Attachment I**.

President Ball expressed concern that raising the GPA requirement of Palmetto Fellows and Life Scholarship eligibility in order to release more money for Need-based Grants would place unfair responsibility on the Palmetto Fellows and Life Scholarship programs.

Agenda Item 3, Discussion, Goal Outlines

Before addressing this item, Mr. Ravenel called on the Chairs of the HESC Advisory Groups to review their reports

Agenda Item 4, Discussion, Advisory Group Reports

The Chairs of each the HESC Advisory Committees then provided brief descriptions on the recommendations they had developed. Details on each of those recommendations may be found in **Attachment I**.

Mr. Marlowe reported for the Organization and Plan Implementation Advisory Group. Following Mr. Marlowe's report the following comments were shared.

With regard to proposed recommendation 3, which suggests that the composition of the CHE be changed to allow that 6 of its Commissioners be elected by the General Assembly, Dr. Carter recommended that one candidate from each district be presented to the legislature for their approval. Discussion took place in which the possibility of striking residency requirements for Commissioners was proposed in order to develop a board which has true statewide interests. Mr. Marlowe asked that all Presidents and/or representatives in attendance provide the HESC with ideas on areas where the CHE's authority might be enhanced for the benefit of higher education.

In the place of Dr. Helms, who was unable to attend, Dr. Morrison reported on behalf of the Institutional Missions and Academic Programs and Planning Advisory Group. Following Dr. Morrison's report, the following comments were shared.

With regard to the proposed recommendation 7, which advocates addressing the absence of higher education institutions in certain areas of the state, especially along the I-95 corridor, Dr. Carter cautioned against targeting specific areas. He stated that an impoverished area does not necessarily mean that it does not have institutional coverage. Dr. Booth recommended that better communication take place between faculty members throughout the state with regard to articulation. Dr. Hallman stated that another important aspect is to make sure greater definition is given to each of the three sectors. He noted that the comprehensive institutions should get more recognition and a better marketing plan should be developed for all institutions. Dr. Winsor advocated that the perspective of recommendation 7 should be totally reworked. She stated that the issue is not that of program availability, but rather the lack of a population ready for and able to get to higher education. Dr. Carter stated that higher education opportunities are present along the I-95 corridor, but the lack of adequate preparation and financial resources prevents students from pursuing higher education. Dr. Upshaw stated that getting students to the level where they are eligible to attend and succeed is

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the issue, not gaps in coverage and programs. She noted that there are institutions in South Carolina who are currently working to get students to that level.

Dr. McCurdy reported on behalf of the Enrollment Advisory Group. Following Dr. McCurdy's report, the following comments were shared.

With regard to proposed recommendation 4, which advocates creating a tax credit incentive program for non-residents who remain in the state after completing their degrees, Dr. Carter commented that although no fiscal impact statements have been done on any of the advisory group recommendations, the recommendations would most likely not be of financial benefit to institutions. He stated further that he believed that the legislature would not be in favor of the tax credit proposal and that the proposal gives the impression that the HESC is apologizing for bringing more out-of-state students into South Carolina. Dr. Booth suggested we need a mind-set change and that it seems the recommendations are only "nibbling around the edges". He suggested asking students what they think about an educational model for the state. Dr. McCurdy initiated conversation about adult students who have the potential to enroll in institutions of higher education after some remediation. Dr. Hallman stated that collaborative work on this issue needs to take place between K-12 and higher education. He also stated that recommendation 5, which recommends creating a surcharge for students taking excessive coursework, is unnecessary. Dr. Winsor stated that these recommendations do not display a connection to activities under the EEDA legislation. She recommended that tax rebates be linked to critical education categories. Dr. Booth noted that the recommendations do not address fundamental topics of what the problem is and what we are doing about it. He noted that there must be a willingness on the part of all those involved in developing them to make sure the changes are made, and that the influence of strong business men and women in developing the recommendations is needed. Dr. Brooks commented on the adult literacy program in Georgia in which a \$500 college scholarship is provided to people who complete their GED. In response to Chairman Ravenel's question about whether technical colleges should drive enrollment increases as opposed to the comprehensive and research institutions, Dr. Carter replied that the comprehensive institutions should be able to provide funded remedial support and that flexibility should exist.

Mr. Scott Ludlow reported on behalf of the Funding and Institutional Costs Advisory Group. Following Mr. Ludlow's report, the following comments were shared.

It was indicated that recommendation 3 which pertains to the development of an inclusive funding formula, was a skillful skirting of the issue, and was suggested that the problem with funding is that the MRR has not been fully implemented and that it should be strictly adhered to. Dr. Hallman noted that the average FTE expenditure in South Carolina is lower than neighboring states and that this must be addressed when dealing with the overall issue of funding. In response to Dr. McCurdy's statement that higher education in South Carolina might be well served if all components spoke with a solid voice with regard to funding, Dr. Hallman suggested that perhaps a better plan could be developed over the next 10-20 years. Dr. Carter stated that recommendation 1 which pertains to the development of a multi-year integrated planning and budgetary process, will not work in this state as higher education has not been high on the legislature's list of funding priorities. He stated further that the argument must be made for a dedicated source of funding for higher education which will at least address base needs from year to year. With such a source in place, the development of a multi-year budget plan may become more possible.

Mr. Ravenel emphasized the importance of getting the legislature to recognize that higher education is an engine to improve the overall condition of South Carolinians.

Representative Govan stated that there has been some negligence on the part of the General Assembly in the past in terms of higher education. Competition for funding exists between K-12 and higher education and the emphasis has traditionally gone to K-12. Lottery funding has only provided partial assistance to higher education funding. Disparities exist in higher education funding in terms of the distribution of funds to the various sectors. Growth in the budgets of the comprehensive and technical institutions has been minimal in comparison to those of the research institutions. The General Assembly has been reactionary in they have provided funds for special projects when approached by various entities. The real issue is to set priorities and

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move beyond the needs of individual institutions to consider addressing higher education need in such a way that it will be beneficial to the state as a whole. Representative Govan concluded by stating that the citizens of the state want solutions to higher education issues and still perceive that an education is a ticket to a better life.

President Ball noted that, though the three sectors don't often agree, they did show unified support of a bond bill last year, though the legislature did not support it. Representative Govan replied that there is a core base of support in the legislature, though it currently in the minority. He noted that there will be a large population of newly elected legislators when the General Assembly comes back in session in January 2009 and a newly elected Governor in 2010. This should provide a good opportunity for the birth of change.

Dr. Montgomery reported for the Buildings, Facilities and Information Technology Advisory Group. In a brief overview of this groups' work, he stated that deferred maintenance of buildings and facilities is a huge problem which must be dealt with in order to provide for increased capacity as enrollments increase. Working collaboratively on facilities and technology needs will be of great assistance in dealing with issues of growth, not only in terms of instructional needs but also to those pertaining to the administrative aspects related to higher education.

Representative Govan reported for the State Scholarships and Grants Advisory Group. He reviewed the eight questions addressed by the group and the recommendations they developed.

Comments during the course of this presentation included a question from President Brooks about whether the group had considered the topic of cost per credit hour. Dr. John Raymond stated that the majority of MUSC students are ineligible for any type of state aid and he asked if the advisory had considered that as a topic. Ms. Rebecca Masters, who attended the meeting for President DiGiorgio of Winthrop University, stated that Dr. DiGiorgio had concerns about recommendation 4 which pertains to increasing the GPA requirements for continued eligibility for the Palmettos Fellows and LIFE scholarships. She expressed that an increase may be counter-productive and advocated for allowing students two years to maintain their GPAs to allow for adjustments of becoming accustomed to college during freshman year. She suggested that penalizing these students to possibly provide for need-based was ill-advised. Dr. Carter agreed with the idea of allowing students two years to maintain their GPA's. In light of scarce resources, it was suggested that children of families with incomes above a certain level should not be eligible for LIFE and HOPE scholarships and that there be a means test for scholarship eligibility. Dr. Ball suggested that perhaps the standards to initially receive the scholarships should be raised as opposed to raising the standards to retain it. Dr. Carter suggested lowering the SAT requirement for scholarship eligibility. Dr. Crook requested that the Presidents have an opportunity to look at all the numbers of the various scholarship distribution scenarios.

Mr. Ravenel then invited additional comments on the four overarching goals. Dr. Brooks stated that he takes issue with Goal 4 which pertains to increasing efficiency and effectiveness. He stated that institutions are already working very hard with the resources they have available. He stated that a structural issue which needs to be addressed is the fact that South Carolina's tuition rates are so much higher than those of neighboring states.

Agenda Item 5, Other Business

Mr. Ravenel stated that this meeting had provided an opportunity for the beginning of good dialogue. He asked that each sector call their respective meetings as soon as possible, and added that he would do his best to be present at some, if not all, of those meetings.

Agenda Item 6, Adjournment

The meeting was adjourned at 3:45 p.m.

“Quick Start” Process for Advancing Recommended Action Plan Goals

June 2, 2008

In order to develop the details of the goals that have been developed by the Study Committee to date, the implementation of a Quick Start process that would assign a task force to each goal is recommended. Since the goals are different, the structure and charge would be slightly different for each. The following suggestions for these task forces and the timeline for developing recommendations follow.

1. Goal #2 (Research and Innovation)

- a. Small planning group ASAP
 - i. 3 from Research Universities (provost/ research vice presidents – Chair from this group)
 - ii. 2 from Technical Colleges (1 president and 1 Tech System Office)
 - iii. 2 from Comprehensive Teaching Universities
 - iv. 1 from New Carolina; 1 from Chamber of Commerce
 - v. CHE *ex officio*
- b. Charge them to come up with a full draft by **July 11**.

2. Goal #3 (Workforce Training and Educational Services)

- a. Small planning group ASAP
 - i. 3 Technical Colleges (2 presidents and 1 Tech System Office – Chair from this group)
 - ii. 2 Research Universities (MUSC, graduate school dean)
 - iii. 2 Comprehensive Teaching Universities
 - iv. 1 New Carolina; 1 Chamber of Commerce
 - v. CHE *ex officio*
- b. Charge them with developing a strategy framework by **July 11**.
- c. Charge them with developing a review process for completing the framework.

3. Goal #1 (Education Levels)

- a. Small planning group ASAP
 - i. 3 Research Universities
 - ii. 3 Comprehensive Teaching Universities (Chair from this group)
 - iii. 3 Technical Colleges (2 presidents and 1 Tech System Office)
 - iv. 1 Independent Institutions
 - v. 1 New Carolina; 1 Chamber of Commerce
 - vi. CHE *ex officio*
- b. Charge them with developing a strategy framework by **July 11**.
- c. Charge them with developing a review process for completing the framework.

4. Goal 4 (Effectiveness and Efficiency)

- a. Small planning group ASAP
 - i. 1 CHE to chair (Walters)
 - ii. 3 Research Universities
 - iii. 4 Comprehensive Teaching Universities
 - iv. 4 Technical Colleges (3 presidents, 1 Tech System Office)
- b. Charge them with developing a strategy framework by **July 11**.
- c. Charge them with developing a review process for completing the framework, including how to determine the resources needed to complete the plan.



South Carolina Commission on Higher Education

Layton McCurdy, M.D., Chairman
 Mr. Daniel Ravenel, Vice Chairman
 Doug R. Forbes, D.M.D.
 Dr. Bettie Rose Horne
 Mr. Kenneth W. Jackson
 Dr. Raghu Korrapati
 Dr. Louis B. Lynn
 Ms. Cynthia C. Mosteller
 Mr. James Sanders
 Mr. Hood Temple
 Mr. Randy Thomas
 Mr. Kenneth B. Wingate
 Mr. Neal J. Workman, Jr.
 Dr. Mitchell Zais

NOTE: The request was distributed by email on May 20, 2008 per timeline below.

Dr. Garrison Walters, Executive Director

Request for Concept Paper

May 20, 2008

The Commission on Higher Education (CHE), on behalf of the Higher Education Study Committee (HESC), is soliciting concept papers on the topic of *Return on Educational Investment (ROEI)*. Specifically, the HESC seeks an analysis showing the economic benefit that would accrue to the State of South Carolina if it were to meet its proposed four goals of: 1) increasing educational levels; 2) increasing measures of research and innovation; 3) increasing workforce training and educational services; and 4) improving the efficiency and effectiveness of the state's public colleges and universities.

Although the four goals are set, specific numbers, methods, and resources are yet to be determined. This means that the concept paper should describe two phases of work.

In the initial phase, the contractor would describe the variables to be employed in the analysis. These would include, but not limited to, increased direct income earned by more educated individuals and business attraction and retention from increased research, innovation, training, and educational services. In addition, the analysis should describe reduced cost variables such as lower levels of incarceration, and reduced social services. The analysis, to the extent possible, should be based on existing, tested economic models.

In the second phase, the contractor will take the information from the HESC's completed plan and use it to calculate a preliminary ROEI over the designated time period (four or five years). The CHE will then provide information on the expected cost of providing the resources necessary to complete the plan so that the contractor can prepare a final ROEI analysis.

If you are interested in submitting a concept paper for consideration, please include details for the proposed analysis as requested above along with an estimate of the costs for completing the analysis in the timeline as indicated below.

Please submit information **no later than Wednesday, June 3, 2008**, to the attention of Ms. Julie Carullo, South Carolina Commission on Higher Education. Submissions may be made electronically to jcarullo@che.sc.gov or by mail, 1333 Main Street, Suite 200, Columbia, SC 29201.

Proposed Timeline

Estimated Dates	Action
5-20-08	Request for information for concept paper released
6-3-08	Requested proposals due
7-15-08	Phase I of ROEI analysis due
8-8-08	Information on plan details available
	Information on required resources available
9-1-08	Final analysis due