

**SC Commission on Higher Education
Strategic Planning Retreat
The Inn at USC Wyndham Garden
1619 Pendleton St., Columbia, SC 29201**

**Meeting Minutes
August 13 – 14, 2015**

The South Carolina Commission on Higher Education (CHE) held a strategic planning retreat over the course of two days. The meeting was noticed and held in accordance with the Freedom of Information Act. The retreat began at 10:00 a.m. on Thursday, August 13, and adjourned at approximately 1:30 p.m. on Friday, August 14. The following provides summary minutes of the retreat discussion. No formal action of the Commission was taken.

Attendance

Commissioners Present:

John Finan, Chairman
Clark Parker
Jennifer Settlemyer
Tim Hofferth
Terrye Seckinger
Charles Munns
Bettie Rose Horne
Dianne Kuhl
Hood Temple
Louis Lynn
Allison Dean Love
Paul Batson
Evans Whitaker

Commission Staff Present:

Julie Carullo, Interim Executive Director
Beth Rogers, Executive Assistant

Other Attendees:

Cecelia Foxley, Assn. of Governing Boards
Amy Hill, Attorney (Aug. 14)
Mr. Mike LeFever, SC Independent
Colleges & Universities (Aug. 13)

Commissioners Absent:

Kim Phillips
(attended briefly by phone, Aug. 13)

Thursday, August 13

Chairman Finan opened the meeting with welcoming remarks at 10:00 a.m. He stated the agenda item regarding receipt of legal advice on active litigation was being postponed until the afternoon session due to an unexpected conflict in the attorney's schedule.

Commissioner Love provided a report on the status of the CHE Executive Director Search, stating that the search had thus far yielded 64 applicants, 8 of whom have been scheduled for interviews on August 26. She indicated that the committee has been pleased with the process which has yielded a qualified and diverse pool of applicants and that they expected to bring three to five candidates to the Commission. She invited Commissioners Seckinger, Hofferth, and Kuhl, who are serving on the committee with her, to comment. Following discussion about the search and process considerations for the Commission with respect to the anticipated finalists interviews, Commissioner Love suggested that further discussion regarding the process take place during executive session at the September meeting.

Chairman Finan briefed Commissioners on the status of the SC Higher Education Foundation (SCHEF) which had met earlier in the week on Tuesday. He reminded Commissioners of conversations that had occurred relating to exploring the continued relationship of CHE and the Foundation. He indicated that SCHEF members met in executive session and as a member of CHE he was not included in the session. Following the session, SCHEF members voted to donate property held by the Foundation and took other actions to minimize its budget and activities. Any other action regarding the Foundation was deferred until its next meeting in November. Chairman Finan requested that copies of the SCHEF financials, bylaws, and membership list be sent to Commissioners. Mr. Mike LeFever, a member of SCHEF, was asked to comment as he was in attendance at the meeting. Mr. LeFever commented that the Foundation desired to ramp down, holding one meeting annually in November and keeping alive with its cash assets enabling it to continue to operate at a reduced rate. Chairman Finan asked Commissioners to send him any recommendations they might have regarding nominations of SCHEF members as well as recommendations related to the Foundation's focus and mission so that he can report back to SCHEF. The benefit of having a sister organization like SCHEF was noted and Commissioners requested Ms. Carullo to research whether there are other similar organizations in the United States.

Following the agenda, Ms. Carullo provided information about her activities as Interim Executive Director as well as updates on pertinent 2015 legislation, the 2016 legislative schedule, and on various program activities as noted herein.

She commented briefly on staff activities, the status of the budget for which information would be provided at CHE's September meeting, meetings attended this summer including the SREB annual meeting and the SREB Commission on Accountability, and on upcoming meetings including the Chamber Forum on Education and Workforce Development and SC Workforce Leadership Team meeting. She then reported on the assessment to date of the need for directors and officers (D&O) liability insurance or other such coverage as may be needed in addition to the current liability coverage. She reviewed with Commissioners information compiled by

Mr. Glenn regarding other state agencies, noting he had not found that these agencies carried D&O insurance and that Ms. Athena Westernen of the Insurance Reserve Fund (IRF) had informed him she was not aware of state agencies that carried the coverage. Commissioners requested that the previously discussed assessment of the need for D&O be conducted as soon as possible by contacting companies for an assessment of risk exposure relative to current coverage and vetting such assessments with IRF so as to affirm whether or not CHE should seek to purchase D&O coverage, and if so, what type cost was involved. Ms. Carullo stated she would follow up with Mr. Glenn to request he proceed with follow up on the assessment and make available the results by the September meeting. Also during the course of her report, Commissioners discussed making a bond bill a priority for next legislative session, the need to establish a public relations person for CHE, and the development of a long term CHE strategic plan.

Ms. Carullo provided an update on the Charleston School of Law, stating staff had received information requested earlier in the summer in light of press releases about the school's status and also more recently the school's annual report. She noted that staff was in the process of reviewing the information, that no applications relating to the school had been received, and that she and Chairman Finan had been asked this week by Mr. Kevin Hall and Mr. Peter Goplerud for a meeting. There was a brief discussion during which it was suggested that it was not appropriate for the Chairman to meet and that counsel should join staff in the requested meeting.

Ms. Carullo then apprised members of a student complaint that had been filed with with the Administrative Law Court related to a licensed institution and a matter staff did not review as it

was in litigation. She noted that CHE's counsel on retainer would be assisting staff with this matter. Ms. Carullo then briefed Commissioners on the status of the SC National Guard College Assistance Program and also on the implementation of legislation providing in-state tuition and fees to certain covered veterans. On the latter, she noted that staff under Dr. Woodfaulk's leadership conducted a webinar on the legislation and continue to work with institutions in addressing questions arising with its implementation. She also noted that staff has worked with legislative staff and its counsel in addressing questions about interpretation of the legislation.

Dr. Cecelia Foxley, who had been introduced earlier in the meeting as the facilitator, began her session on Board and Higher Education Governance with each commissioner discussing their purpose for service and information about their backgrounds.

At approximately 3:15 p.m., Attorney Andrew Lindemann arrived and the retreat went into Executive Session for the purpose of receiving legal advice regarding the three active lawsuits involving the Commission.

The Commission returned from Executive Session at approximately 4:30 and continued its discussion with Dr. Foxley. The meeting adjourned for the day at approximately 5:30 p.m. whereupon Commissioners proceeded to a reception during which Dr. Harris Pastides provided brief remarks. Dinner and informal conversations followed.

Friday, August 14

Commissioners reconvened the retreat sessions at 8:30 a.m. on August 14. Dr. Foxley began the session in follow up from the previous day with remarks from Commissioner Temple. Chairman Finan then introduced Attorney Amy Hill, CHE counsel from Sowell, Gray, Stepp and Laffitte, who provided a general review of the CHE's statutes and authorities. During the course of Ms. Hill's review, it was requested that copies of the statutes relating to CHE be provided to Commissioners. Also requested was a list of the appointed members for the various external committees for which the Commission is responsible for making or recommending appointments.

Commissioners discussed with Ms. Hill the need for clarification of whether CHE's statutes define it as a coordinating or a governing board. The statutory framework and legislative process was discussed. It was recommended that a white paper interpreting the CHE's statutory authority be drafted for the purposes of informing the Commission and use in upcoming meetings of the House Education and Public Works ad hoc committee that will be focused on higher education governance. The process for completing that work was included and it was noted that the Governmental and Administrative Affairs Committee, in conjunction with legal counsel, would work on the suggested white paper.

Dr. Foxley then continued discussions with the Commission regarding Board and Higher Education Governance, providing her recommendations summarized from information brought forth from the previous day's discussions. She commented on the importance of minimizing emphasis on the words governing and coordinating; 2) getting to know the institutional presidents and board of trustee chairs personally; 3) preparing for issues such as a bond bill; 4) determining the main strengths required of the new CHE Executive Director and linking that information to the role of the CHE, and 5) reinstating CHE activities that have not been conducted in several years.

Discussion followed about the need to develop a strategic plan and the ongoing executive director search. With regard to the CHE Executive Director Search Committee, Dr. Foxley emphasized the importance that the entire Commission fully support the Search Committee and

its selections. She also recommended that the full Commission meet with the final 3-5 candidates, projecting a positive and supportive tone.

Dr. Foxley also discussed with Commissioners the CHE's committee structure and organization, commenting that it appeared to be a good structure and that it was critical to have good staff leadership for each committee. She recommended that a five-year strategic plan be developed once the new Executive Director was in place and the CHE statutes had been clarified. She also suggested that the Commission have periodic mini-retreats for discussion after CHE meetings. Commissioners also discussed with Dr. Foxley the committee process and importance of supporting the work of its committees.

Commissioners discussed with Dr. Foxley a near term plan that included: 1) hiring an Executive Director and getting that person on board within 2-4 months; 2) having the Governmental and Administrative Affairs committee develop the white paper on CHE's statutes and authority that could be used in the upcoming hearings process and in informing work plan; 3) collecting information from the institutions with regard to capital needs and being ready to answer the legislature's questions about bond bill priorities; 4) reinvigorating the Presidents' Council and meetings with Trustee Chairs; and 5) conducting a self-assessment of the Commission. Brief discussion followed about when to do a self-assessment of the Commission. A recommendation was made that it be prepared and presented one year from the date of this retreat and prior to the next CHE retreat in 2016. It was commented that it was critical to meet more often to discuss strategy and planning. Dr. Foxley recommended that September of 2016 was a good target time to have a strategic plan ready.

In response to questions about when it might be best to bring back Dr. Foxley to evaluate progress, it was suggested that the Commission bring back Dr. Foxley (or another consultant) at the time the Commission knows it is ready to do so.

The retreat meeting concluded at approximately 1:30 p.m.

Respectfully submitted,

Beth B. Rogers
Recording Secretary