

**Remarks by the South Carolina Commission on Higher Education
Richard C. Sutton, Executive Director
25 March 2014**

**Charleston University Act Ad Hoc Committee
South Carolina House Ways & Means Committee**

**The Honorable Jim Merrill, Chair
The Honorable Chip Limehouse
The Honorable Kenny Bingham
The Honorable Murrell Smith**

**The Honorable Gilda Cobb-Hunter
The Honorable Leon Stavrinakis
The Honorable Mike Anthony**

Good Morning, Mr. Chairman and Members of the Committee.

Thank you for the invitation to appear before you this morning. I appreciate the opportunity to provide some information that may be helpful as you continue your conversations on House Bill 4632 that proposes to merge two public institutions of higher education in Charleston.

At the outset, let me state for the record that the Commission on Higher Education has not taken a position on this recently introduced legislative proposal. We have not been asked by the General Assembly or by the universities to bring forward any staff assessments or board recommendations at this point.

However, it is important to note that the merger of the College of Charleston and the Medical University of South Carolina (MUSC) as proposed in HB 4632 would have a significant impact on the structure and delivery of higher education across the Palmetto State.

Although public discussions thus far have focused largely on potential benefits or drawbacks in the Lowcountry, any merger or restructuring of these two institutions, as you have already acknowledged, would have major implications far beyond the Charleston region.

We understand that this is only one of many conversations you will have as you examine these issues, but we encourage you to engage in a broad examination and independent analysis of the statewide consequences that a merger might entail.

CHE would welcome the opportunity to assist you in what we strongly believe is a critical step in the legislative review process.

Much of the focus of your deliberations thus far has centered on the economic development impacts of creating a comprehensive research university in Charleston.

We don't dispute that these are powerful drivers, but there may be alternative ways to respond to them.

Before advocating any particular solution, we encourage a full review of all possible options with a thorough analysis of their costs and benefits.

In addition, the leadership dynamics of the Lowcountry are in some transition. MUSC is searching for a new president, and the College of Charleston has just named its new chief executive. Change in Charleston may seem like an oxymoron, but it is happening.

Mayor Joe Riley told you last week that we all need to work on a plan that looks 25 years out, and he was exactly right. This is what CHE does for the state's higher educational system every day.

My assignment this morning, as your invitation has been explained to me, is not to discuss the particular merits or demerits of HB 4632, but rather to provide some baseline information about the Commission's role and authority for our public higher education system and how we manage change and innovation in our enterprise.

As you know, the Commission serves as our state's coordinating board for higher education. We are tasked with assuring a balance between student and taxpayer interests, the state's economic development needs, and institutional aspirations.

In doing so, we act as an advocate for the value of higher education in South Carolina, a critical investor in both our public and private institutions, and as an oversight entity on your behalf.

We carry out our mission through statewide planning; program approval authority; and working with institutions to promote quality, access and efficiency in our system while balancing advocacy, stewardship and accountability.

We have responsibilities to oversee academic program quality; maintain funding and data/accountability systems; approve capital projects; promote collaboration; oversee statewide student financial aid programs; and improve access to and success in higher education.

Of the responsibilities I have listed, overseeing academic program quality, which encompasses our legislative responsibility to approve institutional missions and academic programs, is the most relevant for today's discussion.

Section 59-103-45 obligates the Commission to "review and approve each institutional mission statement to ensure it is within the overall mission of that particular type of institution as stipulated by Section 59-103-15 and is within the overall mission of the state."

Consequently, any merger, consolidation, affiliation, or other arrangement which alters the mission of any public postsecondary institution in South Carolina must be reviewed and approved by the Commission on Higher Education in accordance with existing law.

In 1996, the General Assembly set forth in Section 59-103-15 of the SC Code of Laws the mission and goals of higher education and provided clarity about the types of institutions within our higher education system and their statewide roles.

The 1996 legislation identified a statewide aspirational mission for higher education "*to be a global leader in providing a coordinated, comprehensive system of excellence in education by providing instruction, research, and life-long learning opportunities which are focused on economic development and benefit the State of South Carolina.*"

The identified goals to be achieved include:

- High academic quality;
- Affordable and accessible education;
- Instructional excellence;
- Coordination and cooperation with public [K-12] education;
- Cooperation among the General Assembly, CHE, institutions and the business community;
- Economic growth; and
- Clearly defined missions.

The statutes further identify the primary mission and focus for four distinct sectors of institutions in our state that include:

- Research Institutions;
- Four-Year Colleges and Universities;
- Two-year branches of the University of South Carolina; and the
- State Technical and Comprehensive Education System

The statewide missions of the four types of institutions are broad in nature, but they captured the Commission's existing framework and system over the years for delineating public institutions in carrying out our role in approving their programs and ensuring a coordinated system.

For example, the statute (with the exception of one doctoral program already offered) limited our four-year colleges to offering baccalaureate degrees and selected masters degrees, and only recently (2012) was amended to enable consideration of a single, discipline-specific doctoral degree.

Prior to the 1996 law, the Commission had always restricted doctoral programs at colleges other than research institutions because of the expense and resources necessary to mount these programs and to ensure that affordable, quality educational offerings for our students at all levels can be sustained.

Restricting programs to particular institutions doesn't mean, however, that we haven't worked with institutions and communities to find collaborative approaches for providing needed program access. The development of consortia such as the University Center of Greenville or the Lowcountry Graduate Center served to address community needs.

Since 1996, we have considered and approved many changes advanced by institutions to their mission statements.

During that time, only one institution—USC Beaufort—sought to change its institutional sector or type. In 2001/02, USC Beaufort requested that the Commission consider a change in its mission from a two-year campus of USC to a four-year institution within the USC System. The Commission evaluated the proposal carefully using criteria that took into consideration the compelling needs that warranted such a change and whether the quality of the institution's planning including

financial, academic, enrollment, performance, and funding projections ensured its viability and academic strength equal to or greater than our other four-year campuses.

After due consideration and study complete with several public hearings, CHE staff recommended, and the Commission approved the transition of USC Beaufort to four-year status. Of course, the institution also required approval of Southern Association of Colleges and Schools Commission on Colleges (i.e., SACSCOC, our regional accrediting body) to move forward under its new mission.

CHE, as mentioned, is also tasked by statute with the approval of academic programs.

In this area for public institutions, the Commission has always been and will continue to be concerned about coordination of resources statewide and unnecessary duplication. We have paid particular attention over the years in considering high cost undergraduate and graduate programs given the significant investments required to implement and sustain these types of programs, the need to ensure quality offerings for students, and the constrained resources in South Carolina to support the state's public colleges and universities.

Prior to approving programs, CHE staff carefully consider existing capacity, an institution's ability to support the program, workforce demands, state needs, and opportunities for collaboration.

We appreciate the General Assembly's interest and engagement in the optimal structure and design of higher education in South Carolina. As the statutory coordinating board for higher education in our state, the Commission serves you and all of our citizens as the honest broker in studying these issues, carrying out its authority, and making recommendations that take into account statewide implications.

We stand ready to assist you and look forward to the opportunity to do so as you deliberate the Charleston University Act. Thank you for your time and attention this morning. I'll be happy to answer any questions.

SECTION 59-103-15. Higher education mission and goals.

(A)(1) The General Assembly has determined that the mission for higher education in South Carolina is to be a global leader in providing a coordinated, comprehensive system of excellence in education by providing instruction, research, and life-long learning opportunities which are focused on economic development and benefit the State of South Carolina.

(2) The goals to be achieved through this mission are:

- a) high academic quality;
- b) affordable and accessible education;
- c) instructional excellence;
- d) coordination and cooperation with public education;
- e) cooperation among the General Assembly, Commission on Higher Education, Council of Presidents of State Institutions, institutions of higher learning, and the business community;
- f) economic growth;
- g) clearly defined missions.

(B) The General Assembly has determined that the primary mission or focus for each type of institution of higher learning or other post-secondary school in this State is as follows:

(1) Research institutions

- a) college-level baccalaureate education, master's, professional, and doctor of philosophy degrees which lead to continued education or employment;
- b) research through the use of government, corporate, nonprofit-organization grants, or state resources, or both;
- c) public service to the State and the local community;

(2) Four-year colleges and universities

- a) college-level baccalaureate education and selected master's degrees which lead to employment or continued education, or both, except for doctoral degrees currently being offered;
- b) doctoral degree in Marine Science approved by the Commission on Higher Education;
- c) limited and specialized research;
- d) public service to the State and the local community;

(3) Two-year institutions--branches of the University of South Carolina

- a) college-level pre-baccalaureate education necessary to confer associates' degrees which lead to continued education at a four-year or research institution;
- b) public service to the State and the local community;

(4) State technical and comprehensive education system

- a) all post-secondary vocational, technical, and occupational diploma and associate degree programs leading directly to employment or maintenance of employment and associate degree programs which enable students to gain access to other post-secondary education;
- b) up-to-date and appropriate occupational and technical training for adults;
- c) special school programs that provide training for prospective employees for prospective and existing industry in order to enhance the economic development of South Carolina;
- d) public service to the State and the local community;
- e) continue to remain technical, vocational, or occupational colleges with a mission as stated in item (4) and primarily focused on technical education and the economic development of the State.