

**South Carolina Commission on Higher Education  
Executive Director's Report  
6 June 2013**

Thank you, Dr. Horne. As I'd mentioned last month, many of my days during this honeymoon period have been devoted to meetings and forging relationships and getting to know people.

Respected leaders of our general assembly, state agencies, and civic organizations have shared their thoughts about how we all might work together to help move SC forward.

I have also been conducting my own unscientifically selected focus groups with people I randomly meet on the street, on park benches, in the grocery store--anywhere I can find South Carolinians who have an interest in talking about the education of their children and grandchildren.

Most of them care deeply about these issues. I love talking to people about higher education, particularly those who pay part of our bills.

All of these nice people, from the highest leaders of government to the lowliest of our citizens, have not hesitated to tell me how to do my job.

Since I have never held this particular position before, I welcome the opinions of those who are in similar circumstances.

Being the head of a state's higher education agency has been likened to being the captain of the school's javelin team: You win the coin toss, and elect to receive.

Slings and arrows come with this job. I get that. In a number of conversations, however, I have been told that SC has too many college-educated citizens. This was news to me.

I did not realize that my job here would be so easy. I did not have to produce more college graduates, instead I had to make fewer of them.

Fortunately, a knight on a white horse is riding to our rescue. I am pleased to report that General John Finan is expected to be confirmed today as the Commission's chair, and we look forward to welcoming him back at our August meeting.

Commissioner Rodney Smolla recently announced his resignation from the presidency of Furman University. This appointment to represent the state's independent colleges is required by statute to be filled by a sitting president from one of those institutions. We appreciate Rod's service to CHE and wish him well in his future pursuits.

Commissioner Jennifer Settlemyer has rejoined us after her tour of duty abroad with the SC National Guard. Please join me in again recognizing her service to our country.

Our search for a new director of academic affairs has been vigorously launched. We already have more than fifty applications. We have set a priority deadline of July 1 to initiate the screening process. We hope to be nearing the end of this review in August and will update you at that time.

I have met individually with nearly two-thirds of the Commission staff, covering the divisions of academic affairs and student services. These are talented, dedicated people who serve you. They serve our institutions, our faculty, and students well.

My challenge is to ensure that their abilities are aligned with their responsibilities in a constellation that supports efficiency, effectiveness, and quality.

Next week I will meet with all of the technical college presidents during their summer meeting. I will also have the opportunity to conduct campus visits to Trident Tech & the College of Charleston.

Many state legislatures in the southeast have wrapped up their business, even as ours staggers to the finish line and needs an extra furlong to complete its race. Funding for higher education is recovering in several of our neighboring states.

State appropriations have increased by 6.4% in Georgia, by 8.5% in Maryland, by 6.9% in Mississippi, and by 3.3% in Virginia (with an additional 6% increase in student aid).

West Virginia is one of the few outliers with a decrease of nearly 7%, and Louisiana approved a 10% tuition increase for in-state undergraduates.

Julie will give us an update in a minute on the outlook for South Carolina's higher education budget, but we're currently anticipating somewhere between a 2% and 5% increase in appropriations for the upcoming year (\$14 to \$45 million), depending on how the House and the Senate reconcile their differences.

Pursuant to Title 59, Chapter 103, Article I, Section 35, of the South Carolina Code of Laws, the Commission is required to receive annual budget requests from the institutions.

The Commission is further obligated to submit "the budget request for the public higher education system" to the Governor and appropriate standing committees of the General Assembly.

The law also requires that any supplemental appropriations requests must first be submitted to the Commission.

As your law-abiding representative, I assume that you will want me to execute my duties in faithful adherence to these state statutes.

We have therefore developed a roadmap for this process over the next six months to guide the Commission's work in advancing a sound higher education platform.

This month I will issue a request to the presidents for FY15 budget information from their institutions. In this current cycle, I expect to recommend that few, if any, institutional requests be denied. CHE staff will, however, identify certain projects and initiatives that we will recommend as statewide priorities.

Toward that end, in my budget instructions to the presidents in advance of our next Commission meeting in August, I will ask that they pay particular attention to those campus initiatives that demonstrate collaboration among our institutions.

It's no secret that collaboration has been the hallmark of my career in higher education for the last thirty years. I've championed that approach in every state I've worked in, and I've seen it succeed in each of them. We all benefit when state resources are directed toward shared solutions to the challenges we face.

I will be particularly encouraging of proposals that foster collaborations in such critical areas as:

- P-20 integration across all levels of the educational spectrum
- Shared technology initiatives
- Shared resource use and capital investment, and
- Joint academic programming, among others.

Preliminary institutional budget plans will be due to CHE on August 1, so that on August 14-15 we can have informed discussion of institutional budget and planning presentations by the presidents.

At our September 5 meeting CHE staff will have completed its budget review and you, as Commissioners, will make your recommendations.

Final institutional budget submissions will be due to CHE in mid-September. We expect that agency budget requests will be due to the Governor in late September.

I propose that we hold a strategic planning retreat October 2-3 (in conjunction with the regular CHE meeting to be held at MUSC).

November 7 will be devoted to adoption of CHE's legislative agenda.

The December 5 CHE meeting will focus on approval of many of our required legislative reports.

It's an ambitious schedule, but I think we will be able to manage it with your support. We can discuss this roadmap further at your convenience, and it can of course be adjusted as we move forward.

South Carolina lost one of its great ambassadors this week.

Although a native of Kentucky, Finis Horne was a recipient of the Order of the Palmetto, this state's highest civilian honor.

Coach Finis was one of the most decent people I have ever met. He was a smart man, who had the good sense to marry Bettie Rose and stay with her for more than fifty years. Their twin daughters—Sabra Keefe and Nina Peterson—are here with us today, and they are a testament to his legacy.

He was a builder—of programs, of teams, of individuals, and of winning traditions. He was an educator in the truest meaning of the word, teaching lessons that would serve his student-athletes well in their lives and careers.

The qualities of civility, integrity, and kindness that defined his life will be our guideposts as we pursue our work to make South Carolina a better and more educated place.

Thank you, Madam Chair. That concludes my report.