

## Consideration of the Regulatory Relief Task Force Recommendations

The South Carolina Council of Presidents, working cooperatively with the South Carolina Commission on Higher Education, appointed the Task Force to identify issues and practices which add to the burden of higher education institutions. The Task Force's charge was to identify issues and develop specific recommendations for change which would not necessarily be costly to the state, but could result in improved effectiveness of the use of the institutions' resources. The emphasis of this report is on the improved effectiveness for mission-focused activities rather than on cost savings to the institution.

The CHE staff has received the report from the Task Force for Regulatory Relief. A committee consisting of institutional representatives has been working on the report for the past year. The members of the Committee are: Dr. Sally Horner, Chairman; Bob Connelly; Gary Hanson; Richard Kelly; Scott Ludlow; Don Peterson; Ronald Rhames; John Sutusky; and Dan Terhune.

There are 15 items in the report of which relief consideration from various agencies and the General Assembly is being requested. Only three of the 15 items pertain specifically to the Commission. Those are items #6, #10, and #14. In each of the three items, the Task Force Report is outlined followed by the CHE staff discussion and recommendations in bold and italic.

- Task Force Item 6 – Procurement Cap Increases – pages 2-3
- Task Force Item 10 – Single Audit Program for State Aid Funds – pages 4-5
- Task Force Item 14 – Repeal a Number of Items in Act 255 and 629 for Which Reporting Requirements are Duplicated Under Act 359, Performance-Based Funding – Pages 6-19

Although the other 12 items do not specifically pertain to the Commission, the staff concurs with the Task Force's recommendations.

Attached is a Master List of all 15 Issues Identified for Request for Regulatory Relief.

The Committee on Finance and Facilities is scheduled to meet at 9:45 a.m. in the large conference room prior to the Commission meeting and has not yet acted on these items. For your information, staff recommendations are included.

**PROCUREMENT CAP INCREASES:**

**For On-Campus Permanent Improvement Projects**

**ACTION:** Seek to modify the policies of the Budget and Control Board, Joint Bond Review Committee, and the Commission on Higher Education that address this issue.

**REFERENCES:**

**Manual for Planning and Execution of State Permanent Improvements**, Chapter 5 - "Procedures for Approval of Permanent Improvement Projects", published by S. C. Budget and Control Board Office of General Services

**RECOMMENDATION:**

In the **Manual for Planning and Execution of State Permanent Improvements**, Chapter 5 - "Procedures for Approval of Permanent Improvement Projects", section, make the changes as indicated by strikeout and bold type below.

Project Actions Requiring JBRC Staff Review

The Director of Research for the Joint Bond Review Committee (JBRC) has been delegated authority by the Committee to review permanent improvement projects with budget actions up to ~~\$250,000~~ **\$500,000** which require JBRC review. This includes projects established with budgets up to ~~\$250,000~~ **\$500,000** and budget increases up to \$250,000 for existing projects which have not been previously authorized by the General Assembly, already approved by JBRC as part of APIP, or delegated to Budget and Control Board staff....

Project Actions Requiring Joint Bond Review Committee Review

The Joint Bond Review Committee reviews all permanent improvement project requests with budget actions over ~~\$250,000~~ **\$500,000**. This includes project establishments over ~~\$250,000~~ **\$500,000** and budget increases for existing projects over ~~\$250,000~~ **\$500,000** which have not been previously authorized by the General Assembly,

already approved by JBRC as part of APIP, or delegated to Budget and Control Board staff.

### Project Actions Requiring Budget and Control Board Approval

....Project actions which must be approved by the Board include project establishments over ~~\$250,000~~ **\$500,000**, and budget increases for existing projects over ~~\$250,000~~ **\$500,000**, which have not been previously authorized by the General Assembly, already approved by the Board as part of APIP, or delegated to Budget and Control Board staff.....

### **BENEFIT/OUTCOME:**

The effect of the higher approval limits will reduce the cost and overall time needed to complete facilities construction and maintenance projects. With fewer numbers of required approvals for the S. C. Commission on Higher Education, the Joint Bond Review Committee, and the Budget and Control Board, projects can be initiated more quickly. The level of the Annual Permanent Improvement Programs will be raised so that it will highlight the more significant projects for state agencies.

### ***STAFF DISCUSSION:***

***In August 1998, the Commission adopted a revised Facilities Policies and Procedures Manual which includes Commission staff approval authority of up to \$500,000 or increases of no more than 10% of the total budget.***

### ***STAFF RECOMMENDATION:***

***No further Commission action is required.***

**SINGLE AUDIT PROGRAM FOR STATE AID FUNDS:  
Adopt a Single Audit Program Rather than the  
Conduction of Periodic Audits By CHC for State Aid Programs**

**ACTION:** Seek the assistance of the Commission on Higher Education to amend their regulations to permit the use of the scope of the Single Audit and CHE guidelines to satisfy the audit of State Aid programs.

**REFERENCE:**

Various Code sections and regulations state that the Commission on Higher Education may audit the institutions.

**RECOMMENDATION:**

Amend *regulations 62-375, 62-380, 62-461*

**RATIONALE:**

Currently, the Commission on Higher Education conducts annual audits at the public higher education institutions of South Carolina for compliance with State aid programs, such as Palmetto Fellows Scholarships, Life Scholarships, and Need-Based grants. Soon the lottery tuition assistance program will be another major source of State aid. The compliance audits are in addition to the independent audits conducted annually by the State Auditor's Office or an independent certified Public Accounting (CPA) firm. The audit of federal funds at the senior colleges and universities are included in the State's Single Audit of Expenditure of Federal Awards. The 16 technical colleges' individual audits are conducted by CPA firms in accordance with the Single Audit Act Amendments of 1996, so they are not included in the State's Single Audit of Expenditure of Federal Awards.

The public higher education institutions propose that the compliance audits for state aid programs be included with the audits of the financial statements conducted by CPA firms. This follows the concept of the Single Audit enacted by the Federal government. Single audits of all federal programs are deemed to be more efficient for the auditees and the Federal government. This frees the grantees from being occupied for weeks with many sets of auditors. In accordance with the single audit concept, the independent auditor integrates the various compliance auditing requirements into the financial audit. Further, many auditees have a single internal control structure and the Single audit concept eliminates the duplication of several sets of auditors reviewing the same internal controls. The CHE can adapt its role to that of issuing audit guidelines and performing quality control reviews.

**BENEFIT/OUTCOME:**

Adoption of the Single Audit concept for State aid programs will conserve state resources.

***STAFF DISCUSSION:***

*Staff has reviewed the action item as well as the rationale presented by the Task Force for Regulatory Relief and concurs entirely with its position. In fact, the staff has already implemented the single audit program. Each institution is on a two-year schedule for data verification (audit). A maximum of one week is spent at each institution, and all the data verification is done that week. The current data verification audit consists of all student aid programs, the Mission Resource Requirement data, certain Academic Affairs program data, and other such data as required.*

***STAFF RECOMMENDATION:***

*Staff concurs with the Task Force on Regulatory Relief to adopt the single audit concept for state aid programs as well as other data to be audited.*

**REPEAL A NUMBER OF ITEMS IN ACT 255 AND 629 FOR WHICH  
REPORTING REQUIREMENTS ARE DUPLICATED UNDER ACT 359,  
PERFORMANCE-BASED FUNDING**

**ACTION:** Seek the concurrence and assistance of the Commission on Higher Education to attain legislative support to repeal the referenced legislation.

**REFERENCE:**

South Carolina Code Section 59-101-350

**RECOMMENDATION:**

Delete the Code Sections as follows:

~~SECTION 59-101-350. Commission on Higher Education annual report; submission of information by educational institutions for inclusion in report; alumni surveys.~~

~~(A) The Commission on Higher Education shall submit an annual report to the Governor and to the General Assembly. The annual report must be published prior to January fifteenth of each year and presented in a readable format so as to easily compare with peer institutions in South Carolina and other Southern Regional Education Board states the state's public, post-secondary institutions. Prior to publication, the Commission on Higher Education shall distribute a draft of the report to all public, post-secondary institutions and shall allow comment upon the draft report. The Commission on Higher Education shall develop and adopt a format for the report and shall ensure consistent reporting and collecting of the data in the report by the institutions.~~

~~(B) Each four-year, post-secondary institution shall submit to the commission the following information for inclusion in the report, with the South Carolina Department of Corrections' students identified and reported separately:~~

~~(1) the number and percentage of accredited programs and the number and percentage of programs eligible for accreditation;~~

~~(2) the number and percentage of undergraduate and graduate students who completed their degree program;~~

~~(3) the percent of lower division instructional courses taught by full-time faculty, part-time faculty, and graduate assistants;~~

~~(4) the percent and number of students enrolled in remedial courses and the number of students exiting remedial courses and successfully completing entry level curriculum courses;~~

~~(5) the percent of graduate and upper division undergraduate students participating in sponsored research programs;~~

~~(6) placement data on graduates;~~

~~(7) the percent change in the enrollment rate of students from minority groups and the change in the total number of minority students enrolled over the past five years;~~

~~(8) the percent of graduate students who received undergraduate degrees at the institution, within the State, within the United States, and from other nations;~~

~~(9) the number of full-time students who have transferred from a two-year, post-secondary institution and the number of full-time students who have transferred to two-year, post-secondary institutions;~~

~~(10) student scores on professional examinations with detailed information on state and national means, passing scores, and pass rates, as available, and with information on such scores over time, and the number of students taking each exam;~~

~~(11) appropriate information relating to each institution's role and mission;~~

~~(12) any information required by the commission in order for it to measure and determine the institution's standard of achievement in regard to the performance indicators for quality academic success enumerated in Section 59-103-30.~~

~~(C) Each two-year, post-secondary institution shall submit to the commission the following information for inclusion in the report:~~

~~(1) the number and percentage of accredited programs and the number and percentage of programs eligible for accreditation;~~

~~(2) the number and percentage of undergraduate students who completed their degree program;~~

~~(3) the percent of courses taught by full-time faculty members, part-time faculty, and graduate assistants;~~

~~(4) placement rate on graduates;~~

~~(5) the percent change in the enrollment rate of students from minority groups, the number of minority students enrolled and the change in the total number of minority students enrolled over the past five years;~~

~~(6) the number of students who have transferred into a four-year, post-secondary institution and the number of students who have transferred from four-year, post-secondary institutions;~~

~~(7) appropriate information relating to the institution's role and mission;~~

~~(8) any information required by the commission in order for it to measure and determine the institution's standard of achievement in regard to the performance indicators for quality academic success enumerated in Section 59-103-30.~~

~~(D) The commission also shall develop with the cooperation of the public, post-secondary institutions, a uniform set of questions to be included in surveys to be used by each public, post-secondary institution in determining alumni satisfaction. The survey instruments must address the issues of overall satisfaction, satisfaction with major instruction, impact of general education, and current societal participation of alumni. Every two years the graduating class of three years prior must be surveyed by each institution using appropriate statistical techniques. Information from these surveys must be included every two years in the annual report as required herein.~~

~~(E) The commission shall make no funding decision, capital outlay decision, distribution or certification on behalf of any public, post-secondary institution that has not submitted the information required pursuant to this section.~~

~~(F) After discussions with the institutions, the Commission on Higher Education in consultation with the House Education and Public Works Committee and the Senate Education Committee shall develop the format for the higher education report as required herein.~~

~~(G) The Commission on Higher Education also is required in the annual report to report on the progress of institutions of higher education in implementing assessment programs, in their achievement of effectiveness goals, and on each institution's standard of achievement in regard to the performance indicators for academic success established in Section 59-103-30.~~

~~(H) The report required by this section must be filed in magnetic media form if the information is available in that form.~~

~~SECTION 59-104-650. Institutional effectiveness program.~~

(A) The goals for maintaining an effective system of quality assessment by institutions of higher learning in South Carolina are to:

(1) assure that a system for measuring institutional achievement in regard to the performance indicators for quality academic success as contained in Section 59-103-30 is in effect on every public college and university campus in this State;

(2) provide a vehicle for disseminating the results of these measurements to the constituents within the State;

(3) provide data relative to the effectiveness of each institution that can be used to initiate curriculum, programmatic, or policy changes within the institution necessary to meet the standards for these performance indicators.

(B) The process by which these goals must be attained is as follows:

(1) Each institution of higher learning is responsible for maintaining a system to measure institutional achievement in regard to the performance indicators for quality academic success in accord with provisions, procedures, and requirements developed by the Commission on Higher Education. The system for measuring such institutional achievement must include, but is not limited to, a description of criteria by which such institutional achievement is being assessed.

(2) As a part of South Carolina's statewide planning process, each institution shall provide the commission with an annual report on the results of its institutional achievement program.

(3) The commission shall prepare a report that must include results of institutional achievement, including student assessment programs. Information from private colleges and universities must be included for those institutions that voluntarily provide the information to the commission.

SECTION 59-104-660. State-supported institutions to establish procedures and programs to measure student achievement.

(A) All state-supported institutions of higher learning shall establish their own procedures and programs to measure student achievement which must include, but are not limited to, the performance indicators contained in Section 59-103-30(B)(6) and (7). The procedures and programs must be submitted to the Commission on Higher Education as part of the plan for measuring institutional achievement and must:

(1) derive from institutional initiatives, recognizing the diversity of South Carolina public colleges and universities, the tradition of institutional autonomy, and the capacity of faculty and administrators to identify their own problems and solve them creatively;

(2) be consistent with each institution's mission and educational objectives;

~~(3) involve faculty in setting the standards of achievement, selecting the measurement instruments, and analyzing the results;~~

~~(4) follow student progress through the curriculum, as appropriate;~~

~~(5) include follow-up of graduates.~~

~~(B) As part of their annual report on institutional achievement, all state-supported colleges and universities shall describe their progress in developing assessment programs and submit information on student achievement to the commission.~~

### **RATIONALE:**

Every opportunity should be taken to refine data collection and reporting processes to ensure that the public resources applied to data management and reporting are aligned with meaningful information without duplication or even marginal duplication of data. All data should be mission focused, which suggests that all data collected may not necessarily be the same for each sector of institutions.

The Task Force does not recommend that Act 359 be changed, however. We received input from institutional representatives who had been directly involved in performance-based funding, and we discussed at some length the ramifications of changing any of the three Acts involved which are perceived as focusing on institutional accountability, and determined that Act 359 is the most useful in the way of information and accountability. After several years of adjustments, a new set of reporting requirements would be more onerous than the current system, which has been thoughtfully created with broad-based input at this point. Therefore, no recommendation to alter Act 359 is made in this report.

Only two items in Act 255 that are not included in Act 359: (5) the percent of graduate and upper division undergraduate students participating in sponsored research programs and, (8) the percent of graduate students who received undergraduate degrees at the institution, within the State, within the United States, and from other nations. Both of these reports are very time-consuming and the information does not appear to be utilized for any purpose.

The following are the only two elements required by Act 255 are not reported under Act 359 for Senior Colleges and Universities:

Item(5) the percent of graduate and upper division undergraduate students participating in sponsored research programs, and

Item (8) the percent of graduate students who received undergraduate degrees at the institution, within the State, within the United States, and from other sources.

There has yet to be any demonstrated use of the information other information in a report. There are only three indicators for the Technical Colleges in Act 255 that are not captured electronically by CHE. The three indicators are Licensure Results, Alumni

Survey Results and the Number of Sections Taught by Full and Part-time Faculty. The following rationale applies to the Technical College reporting requirements:

### **Repeal of Act 255 -**

- 1) Licensure Results – This data is required in both Act 255 and 359. Since the inception of Act 359, we have used the reporting methodology developed in Act 255 to report and score the indicator in Act 359. The data is reported under Act 255, is used in the annual CHE performance funding report, but is only scored in Act 359. Given this duplication, we should move licensure reporting to Act 359 and eliminate Act 255.

Alumni Survey Results – These data do not appear to be used in a meaningful way by CHE staff or the colleges. They are not scored in Act 255, and in the past two years, results from all of the questions asked have not been included in the annual performance funding report document. The Alumni Survey requirement of SC Legislative Act 255 should either be eliminated or extensively revised so that the information collected could be used to meet other reporting and/or information needs of the technical colleges. The current research methodology stipulated by the Commission on Higher Education forces colleges to survey its graduates on a biennial basis, asks questions that may not be relevant or useful to the individual college, surveys alumni three years after graduation and requires a 20 percent response rate for the data to be considered valid.

- 2) The length of time after graduation that is stipulated by this requirement is unrealistic based on the movement patterns of typical 2-year college graduates. And because graduates move within this time frame, the 20% response rate requirement may force some institutions to use more resources than would be required if the timeline were shortened. A shorter timeline for contacting graduates (within 12 months from graduation for example) would ensure a better response rate, would possibly reduce the amount of resources used to respond to this requirement, would better fit the migration pattern of 2-year college graduates, and would encourage colleges to include additional questions that would assist with other internal reporting needs such as academic program evaluations. Currently, some institutions conduct the CHE survey along with an internal alumni survey to support program involved in the academic program review process. Collection of these data using the current methodology wastes valuable resources at the institution and serves no useful function for either CHE Staff or the legislature. Each technical college has developed a methodology for collecting alumni data that supports their internal institutional effectiveness programs.
- 3) Number of Sections Taught by Full -and Part-time Faculty – While this is not a specific Act 359 data element, a series of data is collected in Act 359 under Indicator 3 – Classroom Quality that attempt to get at the same issue. These include: (1) average lower division class size, (2) % of undergraduate courses  $\geq$  50, (3) % of

undergraduate courses  $\geq 100$ , (4) FTE students to FTE faculty and (5) Ratio of Full-time faculty to other full time employees.

**Repeal of Act 629** In the early years of the assessment and institutional effectiveness movement Act 629 provided an opportunity for Institutional Effectiveness Coordinators at the 33 public institutions to share assessment methodologies and strategies and to compare their findings. Oversight of the legislation by CHE staff resulted in: (1) an annual assessment plan for each indicator being prepared/updated and submitted to the Commission staff, (2) a summary report being submitted by the college and (3) CHE staff providing a response to each institution regarding the quality of the assessment program and report they had implemented. This is no longer the case. Additional points in this regard are:

- At a conference held by the SC Higher Education Assessment Network, in the mid-1990's, several members of the SC General Assembly indicated that they often did not have the opportunity to read these reports prior to casting their votes on education related issues.
- It has been at least three years since any feedback was provided to the colleges with regard to the content and quality of the assessment programs now taking place on each campus. The annual assessment plan is no longer submitted to CHE. And finally, college summary reports are posted on their web site and the URL is submitted to CHE so that anyone interested in reading the report can have access to the it.
- If these reports are not used to meet the informational needs of either CHE staff or the SC Legislature, then continuing to produce them is not an effective use of state resources. Each college is aware of the SACS Criteria and realizes that compliance with the institutional effectiveness component is critical to their obtaining reaffirmation. The Commission on Colleges should be charged with reviewing compliance with institutional effectiveness criteria.

The original intent of the Act 629 report was to document institutional improvement. Act 359 has taken the role of measuring institutional improvement, for all practical purposes.

**BENEFIT/OUTCOME:**

Indirect, though not readily measured, cost savings. The change improves the ability of an institution or agency to concentrate on mission-focused issues and the most relevant accountability measures.

## **CHE STAFF RESPONSE**

***Summary Response: The CHE Staff does NOT support the Committee's recommendation to change Act 255 regulations. It is noted that the Committee did not request any changes to Act 629 requirements, and the CHE Staff agrees.***

***In all of the above examples of Act 255 requirements cited by the Committee, the CHE Staff believes that Act 255 supplements but does not supplant the accountability requirements of Act 359. In other words, the data required by Act 255 is necessary to carry out the scoring process required in Performance Funding or is necessary to assure other oversight requirements of the Commission.***

***The Staff does NOT recommend modifying Performance Funding by either legislative action or Commission regulatory changes as this would go against the Commission's desire for allowing Performance Funding time to work without further modifications. Additionally, through maintaining the reports generated from requirements of former Acts 255, 629, and through the current Act 359 requirements, the Commission is named as the reporting agent for the institutions for required Accountability Reports to the Budget and Control Board.***

***Lastly, no duplicative reporting is currently required for the institutions regardless of the initial Act that required the data. That is, data from any and all sources, e.g., federal and state mandates, laws and directives, at CHE is used in Performance Funding to assure non-duplicative effort by the institutions. If duplication is occurring the CHE staff would be glad to work with the institutions to work on the issue. Lastly, legislator's do continue to add to Act 255 requirements (through Act 629) as evidenced by last year's additions to Act 255 requirements (which are not cited in the above document).***

***In summary, for these above reasons and those delineated in the full response section of the attached CHE staff document (pages 14-19) entitled Attachment Detailing Each Committee Recommendation Regarding Act 255/629 and CHE Staff Response By Item, the CHE Staff does not concur with the Task Force recommendations.***

### **STAFF RECOMMENDATION:**

***The CHE staff does not recommend the repeal of "a number of items in Act 255 and 629 for which reporting requirements are duplicated under Act 359, Performance-Based Funding" as recommended by the Regulatory Relief Committee.***

## CHE Staff Document

### ATTACHMENT DETAILING EACH COMMITTEE RECOMMENDATION REGARDING ACT 255/629 AND 359, AND CHE STAFF RESPONSE BY ITEM.

In order to thoroughly respond to the Committee, full and complete CHE Staff responses for each of the Committee's concerns and recommendations for modification of Act 255 are delineated here.

1) As to the Committee's charge that "The following are the only two elements required by Act 255 (which are) not reported under Act 359 for Senior Colleges and Universities: Item(5) the percent of graduate and upper division undergraduate students participating in sponsored research programs, and Item (8) the percent of graduate students who received undergraduate degrees at the institution, within the State, within the United States, and from other sources. There has yet to be any demonstrated use of the information other information in a report" The Staff respectfully disagrees with this response.

- A. As to the requirement for institutions to report "the percent of graduate and upper division undergraduate students participating in sponsored research programs", this requires institutions to be vigilant in assuring opportunities for undergraduate students to take part in sponsored research. It would be ill-advised to eliminate this requirement at this time for two major reasons 1) the 2002 Strategic Plan for Higher Education cites its importance particularly in producing future researchers. [**Goal 2. Invest in Research for Economic Development and for a Better Quality of Life** (Support for Research) and specifically in Objective D. (To) Create programs to strengthen the quality of teaching and learning as the foundation for the state's future scholars and researchers.] CHE staff believe it is particularly critical at this time for this State's future economic well-being to lay the "foundation" for future scholars and researchers, and institutions have a responsibility to do so.

The CHE Staff is aware that "sponsored" research does not include "all" research but only that which is funded externally. However, it is important for undergraduate students to understand what a research project that is funded by "soft" money means and how it is obtained and works. That a state and a nation as well as private enterprise directs research dollars for goals deemed critical to the funder allows students to better understand research and funding realities in long range planning for funding. That this "soft" money from sponsored research is granted specifically to solve problems deemed important by the funding agent is important for undergraduate students who assist faculty in undergraduate sponsored research to thoroughly understand if they have an interest in careers in academic research.

Engaging undergraduate students in sponsored research under a highly qualified faculty member also working in the same area of research, assures that higher education nurtures an environment which will produce future scholars to continue in research fields deemed critical to the State.

Reason 2: It is important for students contemplating entering an institution specifically to engage in undergraduate research to be able to easily see and compare S.C. institutions on this criteria as a part of their admissions' decisions.

Act 255 is the only piece of legislation that requires colleges and universities to report their actions in this areas to the Commission or to the public.

For the reasons stated above, the CHE Staff does not recommend deleting this requirement at this time.

- B. Secondly, in response to the Committee's recommendation to eliminate the requirement to report "the percent of graduate students who received undergraduate degrees at the institution, within the State, within the United States, and from other sources. There has yet to be any demonstrated use of the information other (than) information in a report." The Commission Staff also must respectfully disagree. This report is necessary to monitor several academic quality issues at our colleges and universities.

First, it is critical that academic programs at the graduate level have both in-state and out-of-state students who have undergraduate degrees from other institutions. This assures that the academic program remains robust at the graduate level which requires that academic diversity in thought helps produce enhanced quality in a graduate program.

Secondly, as is often required by academic standards in career advancement, students must receive degrees from different institutions in order to meet the traditional definition of excellence to enter the professorate. To have multiple experiences of receiving degrees at different institutions throughout the nation assures that faculty within academe understand the value of both national advances in their program area and institutional priorities for the program area.

Lastly, it is critical to monitor institutional comparisons in this area to assure that South Carolina students who cannot or do not wish to leave South Carolina for their degrees, have ample opportunity to receive them within the State at as high of academic quality as their out-of-state colleagues. They will be more able to apply "cutting edge" ideas to the benefit of South Carolina and their own academic careers.

Again, Act 255 is the only regulation which allows the CHE to monitor this "mix" of in-state and out-of-state undergraduate degree students who continue in graduate programs at South Carolina institutions.

As to the charge that these reports are costly and burdensome, they should not be. Identifying which S.C. undergraduate students are continuing in South Carolina

institutions is a matter of crossing undergraduate degree completion files by social security numbers or some other student identifier with graduate enrollment files. Most institutions have programmed this so that the output report is routine and automatic. If the institutions would like to submit the required information to CHE through CHEMIS, then CHE would generate this report.

2) As to the Committee's charge that " There are only three indicators for the Technical Colleges in Act 255 that are not captured electronically by CHE. The three indicators are Licensure Results, Alumni Survey Results and the Number of Sections Taught by Full and Part-time Faculty." And the subsequent recommendation to delete the requirements of these, the CHE Staff does NOT support this recommendation for the following reasons.

A. Licensure Results: Since the inception of Act 359, we have used the reporting methodology developed in Act 255 to report and score this Indicator in Act 359. This is a primary example of data from one Act being used in another. No real difference would ensue by eliminating the requirement of Act 255 and moving it to Act 359 . Again, the CHE Staff does not find this as sufficient reason to change the current mechanism which works quite well.

B. Alumni Survey: The Commission Staff strongly recommends that this requirement not be changed or modified. Act 255 is the only place that the institutions must report in a comparable fashion to the CHE on the satisfaction of their alumni with the institutions programs and whether they believe they were prepared the world of work by the institution from which they graduated. In fact, CHE Staff believes that institutions have not paid *enough* attention to this requirement to be able to tell the public whether graduates with certificates or degrees are being employed in the area of the certificate or degree, or, for example, if graduates with RN degrees are in fact being employed in the nursing field, or teachers in the teaching field. Given, for example, that 1/3 of the new teachers in the nation leave the teaching profession within the first 3- 5 years of their employment in their field-teaching, it is a concern to the citizens and to current students what alumni have to say about the institution's preparation of, in this example, new teachers. The CHE Staff understands well the burden and the complexity of tracking alumni. However, this is a critical area that institutions must be accountable. Other states also recognize "alumni evaluations" as an important part of their accountability systems, and increasingly accreditation bodies are requiring institutions to demonstrate their resolve and outcomes in this area as a part of the accreditation process. The citizens and the Commission need assurances that graduates are prepared for the world of work and for further educational opportunities. One of the most acceptable ways to do this is to ask them directly through surveying.

The current research methodology stipulated by the Commission on Higher Education does require colleges to survey their graduates every two years, to ask a set of standardized questions that ARE relevant to the citizens of the State and 20 percent response rate for the data to be considered valid which is well

within the range of most of the colleges. The two-year, graduates of 3 years prior is stipulated in law. That the questions be uniform is also required by law. The questions themselves were devised with broad institutional representation. And although the CHE Staff is open to possible revisions to the questions, one should keep in mind that with currently questions research both at the CHE level, at the institutional level or for the general public interested in such, can be longitudinal in nature as long as the questions remain the same. Therefore, changing questions should not be lightly undertaken, but CHE Staff is most certainly willing to work with institutions to review their request for changes.

The questions are reproduced below because the Staff feels that they are very relevant to the issues of evaluating the educational experience at a college or university by a graduate of that same institution. Until a better methodology than the nationally recognized methodology of Alumni Surveys is accepted in a national venue, the Commission Staff does NOT support changing the only requirement we have to notify the public of comparisons between institutions regarding the following critical evaluations by their alumni.

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The 9 standardized questions that the CHE requires of all colleges and universities in the State to ask every two years for alumni who graduated three years prior are:

**1. How long did it take you to obtain your first full-time job after graduation?**

- |                             |                                      |
|-----------------------------|--------------------------------------|
| a. Prior to leaving college | e. 7 to 12 months                    |
| b. Less than one month      | f. Over 12 months                    |
| c. 1 to 3 months            | g. Have not obtained a full-time job |
| d. 4 to 6 months            | h. Did not seek a full-time job      |

**2. Indicate which single category best describes your current status.**

- |   |                             |
|---|-----------------------------|
| a. Continuing my education full-time    | f. Serving in Armed Forces  |
| b. Employed and continuing my education | g. Caring for a home/family |
| c. Employed full-time                   | h. Unemployed seeking work  |
| d. Employed part-time                   | i. Unemployed seeking work  |
| e. Self-employed                        | j. Other                    |

**3. Indicate the relationship between the your college major and your first full-time job after graduation:**

- |                       |                 |
|-----------------------|-----------------|
| a. Highly related     | d. Not related  |
| b. Moderately related | e. Not employed |
| c. Slightly related   |                 |

**4. Indicate the relationship between your college major and your current full-time job.**

- |                       |                 |
|-----------------------|-----------------|
| a. Highly related     | d. Not related  |
| b. Moderately related | e. Not employed |
| c. Slightly related   |                 |

**5. Indicate the location of the student's first job after graduation:**

- a. South Carolina
- b. Southeast, outside of South Carolina
- c. Outside the Southeast
- d. Not employed

**6. Indicate your level of satisfaction with your**

- a. MAJOR Program of Study
- b. INSTRUCTION in the major
- c. GENERAL EDUCATION program of study (non-major requirements)
- d. INSTRUCTION in general education

**e. OVERALL ACADEMIC EXPERIENCE**

**7. How frequently involved are you in each of the following activities (on or off the job):**

- a. Career-related advanced education or training
- b. "Lifelong learning"/personal enrichment studies outside career area(s)
- c. Professional or service organizations
- d. Volunteer, public or community service
- e. Social/recreational organization
- f. Support or participation in the arts

**8. The college experience influenced my participation in the above activities:**

- a. Career-related advanced education or training
- b. "Lifelong learning"/personal enrichment studies outside career area(s)
- c. Professional or service organizations
- d. Volunteer, public or community service
- e. Social/recreational organization
- f. Support or participation in the arts

**9. I have voted in \_\_\_ of the elections since leaving college:**

All      Most      Some      Few      None

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C. Number of Sections Taught by Full -and Part-time Faculty. Lastly the committee states that

“While this is not a specific Act 359 data element, a series of data is collected in Act 359 under Indicator 3 – Classroom Quality that attempt to get at the same issue.” Again, the CHE Staff respectfully disagrees.

Indicator 3 looks at such things as the size of classes, the comparison of full time faculty to other full time employees. The concern expressed by the public at various times that this indicator addresses is to look at the number of full time faculty in comparison to other employees to measure whether an institution is over- hiring administrators and staff while not hiring sufficient faculty (a public concern regarding “top heavy” institutions). Whereas Act 255 is concerned with the number of part-time faculty compared only to the number of full-time faculty since full-time faculty help assure the continuity, stability and quality for programs and for the students in those programs.

This report is of particular importance to the Commission to maintain in Act 255 considering the impending issue of faculty retirements (the graying of the faculty) and increased reliance of institutions on part-time faculty. On Indicator 3, Classroom Quality, Act 359 the institutions do quite well demonstrating to the public they are not ‘top heavy’; whereas in Act 255 they show increasing reliance on part-time faculty. This is an area of great concern to the Commission Staff and needs to be open to public scrutiny, while also allowing all institutions to present their needs in funding to remedy the increasing trend of hiring part-time faculty. Reporting for full-time faculty and part-time faculty is required in several CHE areas, the federal IPEDS report of fall staff reinstated this year and required every 2 years, for Indicator 2D Faculty Salaries of full-time faculty and Indicator 8C4 which requires reporting of all faculty who teach at least one class.

The recommendations of the Relief Committee were thoroughly and seriously reviewed by the Commission Staff and although we are mindful of the burden of Act 255, we also believe that this is an acceptable burden with regard to the reporting responsibilities of the institutions to the citizens of the State and to its representatives in critical areas of the State’s concern. Again, the Staff wishes to stress that “duplication of effort” which was a main complaint of the committee is a valid one and staff will always work with institutions to assure this is not the case or if it is, there is sufficient reason (such as different federal directives or state directives that require the same data to be submitted in different formats) that make it so. CHE Staff will always make every effort to assist in streamlining accountability reporting requirements without weakening the intent of the accountability initiative.

At this time, the CHE Staff feels that any further modifications of these accountability reporting requirements, will reduce the amount, and limit the scope of information available to the Legislature, to students and their parents, and to the general public for use in informed decision-making.

## Master List of Issues Identified for Request for Regulatory Relief

*Some of the issues would require changes in policies and procedures by one or more state agencies. These are identified with the letter “A”. Others will require changes in legislation, and are identified by the letter “L”. Agency issues are further identified, where applicable, by the initials of the appropriate agency. If issues cannot be resolved through agency policies and procedures, the Council of Presidents may choose to also propose these issues to the legislation for action.*

	<u>Issue</u>	<u>Page</u>
<p><b>A</b> <u>OIR</u></p>	<p>1. <b>Telecommunications Lines and Services:</b> Allow institutions to negotiate directly with vendors for telecommunication services, allowing purchases from a competitive vendor who offers a price at least ten percent lower than a state contract price, consistent with other state procurement regulations.</p>	<p>4</p>
<p><b>A</b> <i>B&amp;C B</i></p>	<p>2. <b>Telecommunications Towers:</b> Change the current arrangement of Budget and Control Board coordination of tower and antenna operations so that the institution housing the tower receives revenue as incentive.</p>	<p>6</p>
<p><b>A</b> <i>B&amp;C B</i></p>	<p>3. <b>Annual Information Technology (IT) Budget Plan:</b> Exclude higher education from the annual reporting and limit higher education reporting to administrative applications through an ad hoc process.</p>	<p>7</p>
<p><b>L</b></p>	<p>4. <b>Procurement Cap Increases:</b> For procurement, leases and lease purchases, raise current caps of \$1,500, \$5,000, \$10,000, and \$25,000 to \$5,000, \$10,00, \$25,000, and \$50,000, respectively.</p>	<p>9</p>
<p><b>L</b></p>	<p>5. <b>Procurement Definitions:</b> Change the definitions for the terms of certain on-campus permanent improvement projects.</p>	<p>11</p>
<p><b>A</b> <i>B&amp;C B</i> <i>JBRC</i> <i>CHE</i></p>	<p>6. <b>Procurement Cap Increases:</b> Raise the approval limits for certain on-campus permanent improvement projects by the South Carolina Commission on Higher Education, the Joint Bond Review Committee, and the Budget and Control Board; from \$250,000 to \$500,000.</p>	<p>23</p>

## MASTER LIST OF ISSUES (continued)

	<u>Issue</u>	<u>Page</u>
<i>L</i> <i>A</i> <i>B&amp;C B</i>	7. <b>Private Development of Facilities on State Land:</b> Allow private development of facilities on land owned by institutions of higher education to offer long-term leases to meet space needs which are directly related to the mission of the institution.	25
<i>A</i> <i>MMO</i>	8. <b>Federal Government Contracts:</b> Allow institutions to purchase from federal government approved contract lists, in the same manner that they are now allowed to purchase from the state government approved contract list.	26
<i>A</i> <i>State Auditor's Office</i>	9. <b>Annual Audits:</b> Allow individual institutions of higher education to negotiate for annual audits to be performed by a firm selected from a list of reputable auditing firms, pre-approved by the state auditor's office. This would place the peer review process with the selected auditor rather than State Auditor's Office, improving the use of time and resources for both the State Auditor's Office and the contracting auditing firm.	28
<i>A</i> <i>CHE</i>	10. <b>Single Audit Program for State Aid Funds:</b> Adopt a statewide single audit program rather than conducting audits of individual institutions by CHE for state aid programs.	30
<i>A</i> <i>B&amp;C B</i>	11. <b>Disposal of Surplus Property:</b> Allow disposal at the local level rather than require that surplus be transported to Columbia.	31
<i>L</i>	12. <b>Election Day Closing:</b> Exempt higher education institutions from the required closing on general election day.	34
<i>L</i> <i>A</i> <i>B&amp;C B</i> <i>HR</i>	13. <b>Personnel FTE Slot Authorizations:</b> Relieve constraints on Budget and Control Board management that limit the number of personnel positions, delegate to Higher Education Agencies authority to balance state-funded and other-funded positions within the total FTE authorized by the Budget & Control Board, and allow the Higher Education Agencies, as lump sum agencies, to manage other-funded FTE slots within the constraints of their operating budgets.	35
<i>L</i>	14. <b>Repeal a number of items in Act 255 and 629 for which reporting requirements are duplicated under Act 359, Performance-Based Funding.</b>	37
<i>L</i>	15. <b>Discontinue the requirement of Attorney General approval for retaining Associate Counsel.</b>	44