

New Program Proposal
Bachelor of Science and Artium Baccaulaureatus in Commercial Real Estate Finance
College of Charleston

Summary

The College of Charleston requests approval to offer a program leading to the Bachelor of Science and Artium Baccaulaureatus (A.B.) in Commercial Real Estate Finance to be implemented in the Fall of 2017. The following chart outlines the stages of approval for the proposal. The Advisory Committee for Academic Programs (ACAP) voted to recommend approval of the proposal. The full program proposal and support documents are attached.

Stages of Consideration	Date	Comments
Program Proposals Received	11/1/16 11/30/16	Not Applicable
Program Proposals Withdrawn	11/21/16 12/2/16	College of Charleston withdrew the proposals upon discussion with Academic Affairs staff about program content.
Program Proposal Received	12/16/16	Not Applicable
ACAP Consideration	1/26/17	<p>The College of Charleston’s representative introduced the proposal, explained that this is an applied finance major, that it is considered a finance degree, and noted the proposed program, if approved, is designed to work collaboratively with the Carter Center for Real Estate.</p> <p>ACAP members requested the following: (a) that the proposal focus more on the potential employment available in South Carolina; (b) that the name of the degree be used consistently throughout the proposal; and (c) that the institution consider whether or not two additional courses provided enough information for the applied finance aspect of the degree.</p> <p>The representative expressed that the existing finance curriculum provides students with sufficient exposure to the applied finance aspect of the degree.</p> <p>After remaining discussion, ACAP voted to approve the program proposal. Staff transmitted remaining comments and questions for additional clarity.</p>
Comments and suggestions from CHE staff sent to the institution	2/1/17	<p>Staff made the following remarks regarding the program proposal:</p> <ul style="list-style-type: none"> • The background information should include an explanation of the A.B. degree option; • Limit employment data to include only jobs that do not require students to acquire additional education; • The Carter Real Estate Center partnership should be further explored in terms of reallocated funds; and

Stages of Consideration	Date	Comments
		<ul style="list-style-type: none"> • The budget justification should explain that the faculty identified can manage the expected growth of the program. <p>Staff asked the following questions:</p> <ul style="list-style-type: none"> • Will the proposed degree program increase graduates' employment opportunities moreso than modifying the current concentration? • Can the addition of two commercial real estate finance courses sufficiently address the applied finance aspect of the commercial real estate finance degree? • Given the budget justification section, can the institution provide a rationale for estimated low implementation costs?
Revised Program Proposal Received	2/10/17	The revised proposal satisfactorily addressed the requested revisions.

Recommendation

The staff recommends the Committee on Academic Affairs and Licensing approve the program leading to the Bachelor of Science and Artium Baccaureatus in Commercial Real Estate Finance to be implemented in Fall 2017.

Background Information

State the nature and purpose of the proposed program, including target audience and centrality to institutional mission. (1500 characters)

The College of Charleston's mission statement emphasizes that we provide high quality business education within a liberal arts framework. Two central objectives are 1) to meet the growing educational demands in the Lowcountry, and 2) to provide extensive credit education programs for residents. Commercial real estate is a competitive and distinctly unique subsector of finance that represents over 30% of the U.S. macro economy. A Commercial Real Estate Finance major will provide students with the core theoretical knowledge in the areas of finance and data analysis, risk assessment, asset management, market analysis, finance securitization, law, historic preservation, community planning and development. The Lowcountry focus invites the inclusion of distinctly non-business, liberal arts electives as an important part of the curriculum. This differentiates the program from those offered by other schools and provides our graduates with a level of preparedness that is typically found only among seasoned commercial real estate professionals. This level of preparedness is not available for the current 100 real estate minors and concentration students. The proposed majors, a Bachelor of Science (B.S.) and an Artium Baccalaureatus (A.B.) are designed for students who know that they want to pursue commercial real estate as a career or continue on in a graduate school program that is related to real estate (MBA, law, or architecture, for example). The A.B. degree is a distinctive feature of the College and can be attached to any BA or BS major at the College with the exception of Classics as long as students complete the required courses in the major, achieve advanced proficiency in Latin or Ancient Greek and complete two courses in classical civilization from the list of approved courses.

List the program objectives. (2000 characters)

- **Provide students with a comprehensive commercial real estate program with a liberal arts foundation.** In 2008, the real estate industry received much of the blame for the Great Recession. What became apparent was that many of the newer real estate professionals had no formal education and were unaware of the risks inherent in commercial mortgage lending, real estate investing, negotiating lease contracts, and understanding the dynamic nature of a real estate market that is necessary to complete valuation/strategic analysis of an investment. In Charleston, many of our graduates have informed us that having a business administration, economics, finance, or marketing degree did not sufficiently prepare them for employment in commercial real estate. They shared with us that the real estate minor/concentration did not provide sufficient knowledge to succeed in the Lowcountry market place.
- **Provide students with a professional degree that leads to employment directly after graduation.** The program provides students with skills and knowledge necessary to prepare them for a diversity of career paths in commercial real estate (e.g., entry-level positions in mortgage banking, institutional lending, asset management, real estate brokerage/leasing, acquisitions/dispositions, appraisal and development). The addition of this new major coincides with continued growth in commercial real estate jobs and compensation (<https://www.selectleaders.com/resources/job-barometer-q3-2016>). With the proposed port expansion, the Lowcountry is experiencing a high growth in demand for industrial and distribution facilities. In addition, the world ranking by *Condé Nast* has resulted in an increased demand for hotel projects as well as office developments. All of this attention on Charleston equates to a need for graduates that have a set of analytical skills necessary to analyze real estate investments and new developments.
- **Grow the educational and career opportunities for students attending the College of Charleston.** Enhanced preparation for specialized employment and graduate education will result from completion of this major. Together, these knowledge bases and skill sets will result in capable, ready-to-work graduates for the commercial real estate professional community.

Assessment of Need

Provide an assessment of the need for the program for the institution, the state, the region, and beyond, if applicable. (1500 characters)

Industry partners in Charleston state that a Commercial Real Estate Finance major is needed. We surveyed executives from local, regional and national firms with offices in Charleston (i.e. Greystar, CBRE, MG Valuation, MPV Properties, The Beach Company, and Colliers International, WestRock, Landmark Enterprises, NAI Avant, Wells Fargo) and found 97% of the respondents would prefer to hire a Commercial Real Estate Finance major over students with a real estate minor/concentration. To gauge student interest, 371 surveys were distributed to business school students and 61% indicated an interest in a Commercial Real Estate Finance major.

The commercial real estate sector is an important part of the Lowcountry economy as evidenced by the recent high growth in jobs and population. Currently, 47 people per day are moving into the region requiring increased real estate development or redevelopment and an increased need for entry level employees with an understanding of real estate. A Commercial Real Estate Finance major would allow students to demonstrate substantial knowledge of historic preservation, supply chain management or hotel real estate, important subsectors of our economy, while also mastering the importance of the financial aspects related to commercial real estate investment. The proposed major requires 18 credits of real estate courses and 6 credits of real estate related courses while the minor/concentration requires only 12 credits of real estate courses. The Finance major only has room for 6 credits in real estate and our employers have found that neither of these options are enough specialty for their needs.

Employment Opportunities

Is specific employment/workforce data available to support the proposed program?

- Yes
 No

Employment Opportunities			
Occupation	Expected Number of Jobs	Annual Employment Growth Projection (2014-2024)	Data Source
Securities, Commodities, and Financial Services Sales Agents	341,500	10%	www.bls.gov/ooh/sales/securities-commodities-and-financial-services-sales-agents.htm
Financial Analysts	277,600	12%	www.bls.gov/ooh/business-and-financial/financial-analysts.htm
Construction Managers	373,200	5%	www.bls.gov/ooh/management/construction-managers.htm

Real Estate Brokers and Sales Agents (Note, the available employment data does not allow disaggregation of commercial and non-commercial career paths)	421,300	3%	www.bls.gov/ooh/sales/real-estate-brokers-and-sales-agents.htm#tab-1
Property, Real Estate, and Community Association Managers (Note, the available employment data does not allow disaggregation of commercial and non-commercial career paths)	313,800	8%	www.bls.gov/ooh/management/property-real-estate-and-community-association-managers.htm
Loan Officers	303,200	8%	www.bls.gov/ooh/business-and-financial/loan-officers.htm
Appraisers and Assessors of Real Estate	85,800	8%	www.bls.gov/ooh/business-and-financial/appraisers-and-assessors-of-real-estate.htm

Provide additional information regarding anticipated employment opportunities for graduates. (1000 characters)

We do not include real estate related professions that involve graduate education (architecture, accounting and law). These professions are expecting 6-7% growth. Data presented at the 2015 Charleston Commercial Forecast (www.charlestonrealtors.com/commercial-division/commercial-market-forecast/) indicates real estate employment (real wage) growth from 2005-2014 was 17.4% (6%) in the Charleston MSA compared to 4.0% (4.5%) for the nation. In a recent national survey by SelectLeaders, 67% of employers predicted the current economy will continue to create new real estate jobs in 2016 and beyond.

University of South Carolina economist Dr. Douglas Woodward found Charleston is the “state’s bright spot” citing the highly educated workforce, location of Boeing, port expansion and global tourism (<https://drewsineath.com/news/2011/12/09/charleston-rules-states-economy-s-c-near-top-in-nation-gradual-recovery-forecast/>). Tuillia reports Charleston is the second “hottest” real estate market in the country based on its solid job growth which was sixth in U.S. in 2015) (<https://www.trulia.com/blog/10-hot-real-estate-markets-to-watch-in-2016/>).

Provide supporting evidence of anticipated employment opportunities for graduates, including a statement that clearly articulates what the program prepares graduates to do, any documented citations that suggests a correlation between this program and future employment, and other relevant information. Please cite specific resources, as appropriate. (3000 characters)

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Note: Only complete this if the Employment Opportunities table and the section that follows the table on page 3 & 4 have not previously been completed.

Will the proposed program impact any existing degree programs and services at the institution (e.g., course offerings or enrollment)?

Yes

No

If yes, explain. (500 characters)

The proposed program may affect existing Business Administration majors in the first year of its implementation. Based on past experience and surveys, we anticipate some of our projected 35 students will be from this group. In addition, some students that are in other majors and currently are in the real estate concentration or minor programs may also choose more in-depth study and declare the Commercial Real Estate Finance major. After the first year, the impact on the Business Administration major is expected to be minimal.

List of Similar Programs in South Carolina

Program Name	Institution	Similarities	Differences
BSBA Major in Real Estate	University of South Carolina	Housed in a business school. Students are required to have a strong business curriculum as a foundation for the real estate major. The required course is Introduction to Real Estate and Urban Development (FINA 366) similar to our REAL 310.	<p>USC has a major that requires 12-15 credit hours in real estate classes. Only one course is required- FINA 366 course. All other real estate courses are electives with 3 from one subgroup (Real Estate Market Analysis, Real Estate Investment Fundamental, Real Estate Finance, Real Estate Appraisal, Urban Economics, or Geographies of American Cities) and one from another subgroup (Corporate Financial Analysis, Investment Analysis and Portfolio Management, or Financial Statement Analysis). In total, students take 4 real estate courses compared to 7 courses at the College of Charleston. The Geographies of American Cities elective is taught outside the business school. http://moore.sc.edu/academicprograms/undergraduate/majorsoffered/realestate/realestatecurriculum.asp</p> <p>The Commercial Real Estate Finance major at the College of Charleston also provides a strong finance foundation while incorporating related liberal arts classes into the electives option. We have five required courses and two elective courses that will enable a student to have a strong real estate finance foundation and pursue a diversity of careers by taking business or non-business electives.</p>
BS in Financial Management with a real estate emphasis	Clemson University	Housed in a business school. Some of the elective courses are similar to the required courses in the proposed major.	<p>The undergraduate program is a B.S. in Finance with a Real Estate emphasis that teaches students to provide advice on the acquisition, sale, or management of both commercial and residential real estate. The elective courses include Real Estate Investment FIN 4150, Real Estate Valuation FIN 4160, and Real Estate Finance FIN 4170. http://www.clemson.edu/degrees/financial-management</p> <p>Real Estate Finance and Real Estate Valuation are also required courses in the College of Charleston Commercial Real Estate Finance major (REAL 410 and REAL 390). Real Estate Investment Analysis (REAL 380) is an elective.</p> <p>Two additional required courses, Real Estate Market Analysis (REAL 376) and Real Estate Feasibility Analysis (REAL 419), in the College program will prepare students to critically analyze a market to determine the need for a development or redevelopment project. These courses are not offered at Clemson. The electives including an Internship, Hotel Management and Supply Chain Management as well as a long list of Liberal Arts courses (Urban Economics, Environmental Economics, Urban Design Studio, Architectural Design Studio, Urbanization and Urban Geography, Urban Policy, Urban Planning, Town and Country Planning, Land Use Law, Water Use Law, Independent Study on Historic Preservation, and Sustainable Urbanism) enable the real estate students to study related business and/or non-business subjects to become more specialized and knowledgeable. These electives are particularly relevant to students in Charleston, with its thriving tourism, port and historic preservation industries.</p>
Masters in Real Estate Development	Clemson University	Housed in the College of Architecture,	Clemson also has an excellent Master of Real Estate Development program that focuses on the development of sustainable communities and public-private partnerships. The 2016 graduates recently completed a technology-based project for the Upper Peninsula of Charleston. As detailed on their website, the program is designed for

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		Arts and Humanities	students to become professional leaders and innovators in the development of sustainable communities. Our undergraduate Commercial Real Estate Finance majors would excel if they wanted to work in the development side of the real estate profession in this program. http://aahsites.clemson.edu/drupal/?q=mred . In the future, the College of Charleston and Clemson University may want to discuss an articulation agreement with this program.
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Description of the Program

Projected Enrollment

Projected Enrollment				
Year	Fall		Spring	
	Headcount	Credit Hours	Headcount	Credit Hours
2017-18	35	525	35	525
2018-19	55	825	55	825
2019-20	75	1,125	75	1,125
2020-21	95	1,425	95	1,425
2021-22	120	1,800	120	1,800

Enrollment is initially expected to consist of 35 students with many of them switching from the B.S. in Business Administration with a concentration in Real Estate to the B.S. in Commercial Real Estate Finance. This anticipated number is reasonable based on the enrollment trends for Finance and Marketing majors in their first year of existence. The anticipated growth over the five years for Commercial Real Estate Finance is considered conservative.

Two tables below explain the trends for existing School of Business majors, minors, and concentrations. Notice that the Finance and Marketing majors started in the Fall of 2013 and Supply Chain Management began in the Fall of 2015. The Finance major increased enrollment from 29 students in Fall 2013 to an astounding 226 students in Spring 2016 without a decline in minor/concentration students. Similarly, the Marketing major increased enrollment from 24 students in Fall 2013 to 260 students in Spring 2016. We anticipate that the Commercial Real Estate Finance major will have a similar demand and growth pattern.

Notice that at the same time the Hospitality and Tourism Management major enrollment steadily increased, on average. The only existing majors that significantly declined in enrollment after implementation of the former new majors were Economics and Business Administration. BADM majors fell from 1,028 in Spring 2013 to 881 in Spring 2016. We anticipate that new major will only have a temporary impact on future enrollment for BADM. The Commercial Real Estate Finance major will attract students that have not already declared an area of expertise. The Economics enrollment decline is due to an increase in the mathematics prerequisites for this major.

Number of Declared Majors* in School of Business Undergraduate Programs

Semester/Year	Spring 2013	Fall 2013	Spring 2014	Fall 2014	Spring 2015	Fall 2015	Spring 2016
ACCT	247	222	268	250	255	224	237
BADM	1,028	863	997	808	892	805	881
ECON	142	103	107	75	92	87	77
FINC**	n/a	29	121	142	197	198	246
HTMT	284	233	302	256	300	288	319
INTB	235	212	262	228	257	214	228
MKTG**	n/a	24	129	150	203	221	260
SCIM***	n/a	n/a	n/a	n/a	n/a	41	62
SB TOTAL	1,936	1,686	2,166	1,909	2,196	2,078	2,310

Recent Trends of the Total Minor/Concentration Students in The School of Business

Month/Year	Aug-14	Sep-14	Jan-15	Feb-15	Mar-15	Oct-15	Jan-16	Feb-16	Apr-16
BADM	92	94	112	117	118	91	92	91	102
ECON	39	39	39	46	45	35	43	44	50
ENTR	77	84	93	94	93	100	101	103	94
FINC	50	52	67	75	68	79	69	69	65
GLAT	73	82	84	94	94	80	82	79	74
GLTR	n/a	n/a	n/a	n/a	n/a	3	2	1	1
HTMT	80	82	96	104	98	81	83	84	95
LCSR	34	41	54	51	51	58	54	57	60
MKTG	98	105	101	100	99	103	106	107	126
REAL	67	70	93	92	91	93	89	87	96
SB TOTAL	610	649	739	773	757	723	721	722	763

Besides the general institutional admission requirements, are there any separate or additional admission requirements for the proposed program?

Yes

No

If yes, explain. (1000 characters)

Are there any special articulation agreements for the proposed program?

Yes

No

If yes, identify. (1000 characters)

Curriculum

Course Name	Credit Hours	Course Name	Credit Hours
Fall		Spring	
MATH 105 or MATH 120* Calculus	3	MATH 104 or MATH 250	3
F YE First Year Experience	3-4	HISTORY	3-4
ENGL 110 Introduction to Academic Writing	3-4	HUMANITIES	3-4
SCIENCE and LAB	3-4	SCIENCE and LAB	3-4
HUMANITIES	3-4	LANGUAGE	3-4
Total Semester Hours	15-19	Total Semester Hours	15-19
Fall		Spring	
ACCT 203 Financial Accounting	3	ACCT 204 Managerial Accounting	3
ECON 200 Principles of Microeconomics	3	ECON 201 Principles of Macroeconomics	3
DSCI 232 Business Statistics	3	BLAW 205 Legal Environment of Business	3
LANGUAGE	3-4	DSCI 304 Production and Operations Management	3-4
HISTORY	3-4	LANGUAGE	3-4
Total Semester Hours	15-17	Total Semester Hours	15-17
Fall		Spring	
MGMT 301 Management and Organizational Behavior	3	REAL Elective	3
MKTG 302 Marketing Concepts	3	REAL 376 Real Estate Market Analysis	3
FINC 303 Business Finance	3	DSCI 320 Management Information Systems	3
REAL 310 Principles of Real Estate	3-4	REAL 410 Real Estate Finance	3-4
LANGUAGE	3-4	HUMANITIES	3-4
Total Semester Hours	15-17	Total Semester Hours	15-17
Fall		Spring	
REAL 390 Real Estate Valuation Analysis	3	General Elective	3
REAL Elective	3	REAL 419 Real Estate Feasibility Analysis	3
General Elective	3	General Elective	3-4
General Elective	3-4	General Elective	3-4
		HUMANITIES	3-4
Total Semester Hours	12-13	Total Semester Hours	15-18

*MATH 101 is a prerequisite to these courses. The proposed program will provide students with a Commercial Real Estate Finance major critical path sheet explaining the prerequisites and co-requisites for each course. Some students will not need to take MATH 101 because of a passing score on the math placement test, a math AP score for this course of 3 or 4, or college credit associated with dual enrollment. For freshmen who need to take MATH 101, the program will advise them to take MATH 104 or MATH 250 either in the summer term or in the Spring semester of their freshmen year. A humanities course can be moved to their senior year.

Course Descriptions for New Courses

Course Name	Description
REAL 390 Real Estate Valuation Analysis (3)	This course focuses on the theory and practice of property valuation. Students are introduced to the fundamental valuation concepts and will gain experience by completing a real estate valuation of an income-producing property. Students will employ various real estate software and databases to complete their valuation. (Prerequisite(s): Junior standing; ACCT 203, 204, ECON 200, 201, MATH 104 or 250; DSCI 320, FINC 303, and REAL 310, or permission of the instructor).
REAL 419 Real Estate Feasibility Analysis: (3)	This capstone course provides an opportunity for students to synthesize the knowledge gained in their previous core business (Accounting, Finance, Marketing, Human Resources, management and Operations Management) and real estate coursework to ascertain the feasibility of a potential real estate development or redevelopment project. (Prerequisite(s): DSCI 304, REAL 310, REAL 376, and REAL 390. One course, REAL 410, can be taken concurrently with REAL 419.

Given that real estate is a capital-intensive asset, finance is embedded in all of the required real estate courses for the Commercial Real Estate Finance major. In addition, FINC 303, an introductory course on finance is required. The Real Estate Principles (REAL 310) course takes the basic finance learned in FINC 303 and applies it to owning real estate. The Real Estate Markets Analysis (REAL 376) course expands the discussion and looks at the financial markets in more detail as the availability of capital certainly impacts the supply and demand for real estate. The Real Estate Finance (REAL 410) course specifically examines the use of financing and students study the various sources of financing available from Wall Street to Main Street. The proposed new courses apply what the students have learned in their other courses to real estate projects. In the Real Estate Valuation Analysis (REAL 390) course, the students will be studying a commercial investment property that is already fully leased up and occupied. The students will need to examine the availability of finance/capital for their assigned property type. And, finally, in the Real Estate Feasibility Analysis (REAL 419) course, students will be analyzing the finance/capital sources available for a new development or redevelopment. Often these types of projects involve different sources of financial capital. In addition, many of the electives available for the students to choose are finance courses if a student decides to pursue the career path of Wall Street or institutional investment.

Faculty

Faculty and Administrative Personnel				
Rank	Full-or Part-time	Courses Taught or To be Taught, Including Term, Course Number & Title, Credit Hours	Academic Degrees and Coursework Relevant to Courses Taught, Including Institution and Major	Other Qualifications and Comments (i.e., explain role and/or changes in assignment)
Professor and Director of the Program	Full-time	REAL 376: Real Estate Market Analysis, Fall and Spring, 3 REAL 419: Real Estate Feasibility, Fall and Spring, 3	PhD, Real Estate and Urban Land Economics, School of Business, University of Wisconsin-Madison	Designated as a Counselor of Real Estate Fellow of the Royal Institution of Chartered Surveyors Board member of numerous national and international commercial real estate professional associations

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Identify the physical facilities needed to support the program and the institution's plan for meeting the requirements, including new facilities or modifications to existing facilities. (1000 characters)

The Commercial Real Estate Finance major will be housed within the School of Business existing facilities. No additional space is required at this time.

Financial Support

Estimated New Costs by Year						
Category	1 st	2 nd	3 rd	4 th	5 th	Total
Program Administration	0	0	0	0	0	0
Faculty & Staff Salaries	174,200	174,200	174,200	174,200	174,200	871,000
Graduate Assistants						
Equipment						
Facilities						
Supplies and Materials	0	0	0	0	0	0
Library Resources						
Other*						
Total Uses of Funds	174,200	174,200	174,200	174,200	174,200	871,000
Sources of Financing						
Category	1 st	2 nd	3 rd	4 th	5 th	Total
Tuition Funding	629,580	989,340	1,349,100	1,708,860	2,158,560	6,835,440
Program-Specific Fees						
State Funding (i.e., Special State Appropriation)*	0	0	0	0	0	0
Reallocation of Existing Funds*	398,200	398,200	398,200	398,200	398,200	1,991,000
Federal Funding*						
Other Funding*	0	0	0	0	0	0
Total	1,027,780	1,387,540	1,747,300	2,107,060	2,556,760	8,826,440
Net Total (i.e., Sources of Financing Minus Estimated New Costs)	853,580	1,213,340	1,573,100	1,932,860	2,382,560	7,955,440

The Table above only has one new cost associated with the proposed major – an Assistant Professor line with a base salary of \$130,000 and benefits estimated at 34.5% of the salary. We have not included in our analysis any raises nor inflation for the estimated tuition funding. The director’s salary and benefits as well as the other Assistant Professor are maintained at the existing levels and are currently paid for with state funds already allocated to our Finance Department budget. In addition, the current department and Carter Real Estate Center budgets have sufficient resources to support the program so no new additional costs are shown. With regard to sources of funding, the above chart projects tuition funding assuming that 35% of the estimated credit hours are from out-of-state students paying \$1091 per credit hour. In-state students provide the remainder of the tuition and are assumed to pay \$335 per credit hour. All students are assumed to be taking a 30-credit load (15 credit hours per term). This calculation recognizes that some students take 18 hours a term, others take 12 hours a term and some students take summer school. This forecast is conservative given that over 50% of the business students over the past five years were out of state residents and the number of majors over the past three years for finance and marketing has increased tenfold to over 250 students. The interest in the Commercial Real Estate Finance major exceeds that of finance and marketing at this stage based on early indicators from student surveys and expressed interest. Reallocated funds are from a private donor associated with the Carter Real Estate Center and the state operating accounts already in place. The Center is fully endowed and investment returns from the endowment will be used to help support the proposed major

including the funding of an administrative assistant, faculty and student travel, conference and other meeting registrations and event programming for the students and the commercial real estate professional community.

Note to CHE Staff: We made an error on the original budget for the “Other” costs. There should have been no number there.

Budget Justification

Provide a brief explanation for the other new costs and any special sources of financing (state funding, reallocation of existing funds, federal funding, or other funding) identified in the Financial Support table. (1000 characters)

Note: Institutions need to complete this budget justification *only* if any other new costs, state funding, reallocation of existing funds, federal funding, or other funding are included in the Financial Support table.

As shown in the prior section detailing the list of faculty and instructors, the proposed budget includes a new cost for the vacant Assistant Professor of Real Estate position for Fall 2017. In terms of being able to support the program in the future as it grows, we anticipate that additional adjunct faculty/instructors could be hired to teach some of the introductory course (Real Estate Principles) to free up permanent faculty to teach additional sections of required upper level classes to insure our students graduate on time.

Evaluation and Assessment

Programmatic Assessment: Provide an outline of how the proposed program will be evaluated, including any plans to track employment. Identify assessment tools or software used in the evaluation. Explain how assessment data will be used. (3000 characters)

Provide students with a strong liberal arts foundation as part of a comprehensive commercial real estate finance program.

The following table presents a detailed mapping of specific program-level learning goals, onto the proposed program’s curriculum.

	Commercial Real Estate Finance Major Core Courses						Commercial Real Estate Finance Major Electives			
	REAL 310	REAL 376	REAL 389	REAL 410	REAL 418	REAL 360	REAL 380	REAL 420	REAL 444	REAL 499
Computational sophistication by completing valuation and financial feasibility experiential or case study assignments for real estate development projects	I	R	R	R	D	R	R	--	R	D
Ability to identify social, ethical and global issues	I	I	I	I	D	R	R	R	R	D
Effective oral and written communication skills as they explain how important real estate issues	R	R	--	--	D	--	R	--	D	D

Effective application of theoretical knowledge within an experiential learning environment	R	R	R	--	D	R	R	R	D	--
Critical thinking when providing development/redevelopment solutions to complex real estate issues	I	R	R	--	D	D	D	D	D	--
Notes: I=Introduced; R=Reinforced; D=Demonstrated.										

Grow the educational and career opportunities for students attending the College of Charleston.

Program-level student learning outcomes will be assessed in a manner that is consistent with standards set forth by the Southern Association of Colleges and Schools (SACSCOC) and Association to Advance Collegiate Schools of Business (AACSB) accreditation bodies. Currently, the School of Business has a well-established approach to program assessment that has been evaluated by SACSCOC and AACSB. This process will be extended to include the proposed major. The Department of Finance and the School of Business Assessment Committee will assess program-level student learning outcomes each year. Similar to every other undergraduate program in the School of Business, assessment methods will include both direct and indirect measures. Examples include in-class assessment instruments (e.g., rubrics on communication and presentation skills, projects, course-embedded assessment, etc.); graduating student surveys; and feedback from internship and/or permanent employers; and the ETS Major Field Test for national benchmarking. The evaluation and assessment accounts for diversity in individual student learning styles. Research shows that students believe their learning is improved when they have a chance to develop a skill outside of the traditional lecture setting (Lambert, Tant, and Watson, 2008). Lambert et al. (2008) found that students were willing to come to class more prepared for computer laboratory sessions because they valued the applied setting. A measure of program success is students' ability to pass the popular ARGUS Certificate program prior to graduation.

Provide students with a professional degree that leads to full employment directly after graduation.

The proposed program plans to administer post-graduation surveys online to track graduates' job placement periodically.

Will the proposed program seek program-specific accreditation?

- Yes
- No

If yes, provide the institution's plans to seek accreditation, including the expected timeline for accreditation. (500 characters)

Will the proposed program lead to licensure or certification?

- Yes
- No

If yes, explain how the program will prepare students for licensure or certification. (500 characters)

According to the State of SC Licensing commission, if a student has a four-year baccalaureate degree with a real estate major, the student does not have to take the pre-licensing course for any license type, or meet the experience requirements for broker qualifications. If a student chooses to go into this sector of the field, he/she can benefit significantly by not taking the pre-licensing courses. However, many of our students will likely not go in to commercial brokerage or sales but will be appraisers, lenders, developers, property managers, investment managers, investors and/or go on to graduate work to be either planners or lawyers.

Teacher or School Professional Preparation Programs

Is the proposed program a teacher or school professional preparation program?

- Yes
 No

If yes, complete the following components.

Area of Certification

Please attach a document addressing the South Carolina Department of Education Requirements and SPA or Other National Specialized and/or Professional Association Standards.