

**Executive Director's Report to the Commission  
2 October 2014**

Thank you, Gen. Finan.

I want to thank you all once again for your participation and engagement in last month's strategic planning retreat.

It was a thoughtful and productive discussion over two days in a delightful campus setting.

We again thank Clemson University for its kind hospitality. We'll return to the major outcomes of the retreat in just a few minutes.

Following the Commission's one action item at the retreat—to approve a revised mission statement for the College of Charleston—there was some subsequent confusion about what the Commission did or didn't do.

To help set the record straight, we created a two-page bulleted summary of the basic facts, which we circulated to you previously.

We are sharing that document with legislators and Governor's office staff during one-on-one meetings to talk through any concerns or misunderstandings they might have about your decision.

Scheduling appointments with legislators at this time of year is not easy, but our conversations thus far have been positive and constructive.

We are also using these occasions to explore several of the larger challenges facing higher education in the upcoming biennium.

This fall's preliminary enrollment data, which Camille Brown has gathered from most of our institutions, show several similarities to last year's report.

USC Columbia, Aiken, Beaufort, and Upstate continue to add more students, while six of our seven other four-year universities saw flat or declining numbers.

Most of the technical colleges are reporting declines of various severity, with an estimated total drop across the system of 1.5%.

None of this is dramatic, nor is it terribly surprising. There are many reasons to expect these trends to continue steadily for the next decade or longer.

Changes in enrollment profiles are just one of many factors that may come before the new Higher Education Efficiency Study Committee, which will hold its first meeting next week.

All appointees to the 13-member group have now been identified (four by the House leadership, four by the Senate leadership, four CHE representatives, and one from the Governor's office).

I have spoken by phone with each of the three individuals you voted to the study committee in August—Trustee David Wilkins, President Fred Carter, and CFO Ed Walton—first to thank them for agreeing to serve, and second to discuss their respective philosophies and perspectives on the role and scope of the efficiency study.

The four of us share an interest in examining opportunities for systemic, statewide efficiencies, rather than a more narrow focus on institutional best practices.

This approach is consistent with your new strategic planning goal to align the state's higher education resources with current and future needs.

Speaking of finances, after a slower start than expected this summer, our search for a new director of fiscal affairs is in full swing.

The priority deadline for applications closed Tuesday, and we have more than fifty screened and qualified applicants.

The search committee, chaired by Steve Osborne, will be meeting soon to begin its review of this pool, so we're hopeful for a successful conclusion to the search later this fall.

Once our session concludes this morning, I will head to Atlanta for the first meeting of the new SREB Higher Education Affordability Commission.

Given the importance of the topic to this body, I am pleased to have been selected to represent South Carolina on this group of state leaders.

In light of the different ways in which the 16 SREB states have variously attempted to deal with affordability challenges, this may be quite a lively investigation.

With that, Mr. Chairman, I conclude my report.