

SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION

Meeting held at
Spartanburg Marriott, 299 N. Church Street
Spartanburg, SC 29306
April 5, 2018
2:00 p.m.

Minutes of the Meeting

April 5, 2018

DRAFT

Commissioners Attending

Mr. Tim Hofferth, Chair	Mr. Richard Jones	Mr. Charles Munns
Ms. Dianne Kuhl, Vice Chair	Mr. Kenneth Kirkland	Mr. Kim Phillips
Mr. Paul Batson	Ms. Allison Dean Love	Ms. Terry Seckinger
Mr. Devron Edwards	Dr. Louis Lynn	

Commission Members Absent

Dr. Bettie Rose Horne (excused)

Guests Attending

Ms. Beth Bell, Clemson University	Mr. Randy Johnson, S.C. Technical College System
Dr. Ralph Byington, Coastal Carolina University	Mr. Rick Petillo, Clemson University
Ms. Lynn Cherry, College of Charleston	Mr. Scott Poelker, Trident Technical College
Dr. Tena Crews, University of South Carolina	Dr. Jeff Priest, University of South Carolina Aiken
Mr. Tim Drueke, Winthrop University	Mr. Daniel Young, S.C. Department of Commerce
Mr. Henry Giles, Spartanburg Community College	
Dr. Tim Hardee, S.C. Technical College System	

Commission Staff Present

Mr. Jeff Schilz	Ms. Katie Philpott
Ms. Laura Belcher	Mr. Andrew Roof
Ms. Carrie Eberly	Mr. Keeran Sittampalam
Dr. John Lane	Dr. Karen Woodfaulk

Chairman Hofferth convened the meeting at 2:07 p.m. and welcomed all in attendance. It was confirmed that the meeting was being held in accordance with the Freedom of Information Act.

1. Introductions

Ms. Belcher introduced the guests in attendance.

2. Approval of Minutes

Tim Hofferth

A **motion** was made (Lynn), **seconded** (Kirkland), and **carried** to approve the minutes of the February 1, 2018, CHE meeting.

3. Presentation

There was no presentation.

4. Chairman's Report

Tim Hofferth

Chair Hofferth discussed with the Commission a meeting of board chairs from the state's public universities. He noted there was a great turnout with representatives from each sector attending. Furthermore, he expressed his satisfaction with the substantive discussion, which resulted from the robust and data-oriented presentations presented by the Commission. He stated that some board chairs have invited him and President Schilz to present these data analysis reports at their institutions. Commissioner Love and Commissioner Batson affirmed Chair Hofferth's report, citing numerous compliments they had received. Commissioner Munns acknowledged the successes of this initial meeting of the board chairs, but indicated his concern about the absence of the Chairs of the University of South Carolina and Clemson University. On this matter, Chair Hofferth responded that Mr. Smyth McKissick, Chair of Clemson University's Board of Trustees, had communicated beforehand his inability to attend and extended to him and President Schilz invitations for an individual discussion.

Chair Hofferth then transitioned to the subject of the Commission's town hall events, one of which he noted would be taking place later in the evening. He observed that people attending these events have consistently inquired of solutions to the pertinent issues in higher education proposed by the Commission. To these requests, he responds that before solutions can be formulated, all stakeholders must recognize a problem exists. To provide direction for addressing some deficiencies in higher education, Chair Hofferth briefly introduced the "Student Bill of Rights," to be discussed later in the day. He explained that the item broadly outlines major principles for increasing access, affordability, and excellence and reiterated that the document was created based on discussions at Town Hall meetings.

5. Vice Chair's Report

Dianne Kuhl

Vice Chair Kuhl reminded Commissioners of the Commission's communication policy. She emphasized that the Commission speaks through either the Chairman or the President. She stipulated that Commissioners could answer specific, immediate questions individually, but asked that they apprise President Schilz of anything relating to the agency's activities. Subsequently, she reminded the Commissioners that staff should be notified of requests via memo, and Ms. Belcher, who is monitoring the various projects undertaken by the Commission, should be notified as well.

6. Interim President and Executive Director's Report

Jeff Schilz

President Schilz expressed his satisfaction with the meeting of public board chairs, and he furthermore stated that additional meetings to discuss schools' concerns would be held in the future. He informed the Commission of his and Dr. Karen Woodfaulk's testimony on the effect of the grade-point scale change before the Senate Education Committee on March 21, 2018. He shared that Mr. Morgan O'Donnell, CHE's Assistant Director of Finance, had accepted a position with the S.C. Department of Revenue and Fiscal Affairs Office. President Schilz also stated that he attended a recent meeting of the University Center of Greenville's (UCG) Board of Trustees. and briefly explained UCG's mission and functions

commending the organization for its efforts in expanding college access and affordability in the Greenville area. Speaking to the subject of Senator Hembree's legislation on lottery scholarship financing, Chair Hofferth asked how the \$20 million budget shortfall would be managed in the short-term. President Schilz answered that the legislature would most likely appropriate funds to cover the deficit. He asked Ms. Philpott, the Commission's government affairs manager, to present more information. She stated that the House established a lottery reserve trust fund (in its version of the budget) of approximately \$40 million to address the "Christmas Day Glitch," for which the state—may be compelled to pay, and funding for the scholarship shortfall. She noted the Senate Finance Committee, however, did not include such a trust fund in its version of the budget

7. Legislative Report

Ms. Philpott began the legislative report by comparing the budgets produced by various bodies. She explained that the Governor's budget included the Commission's two information technology (IT) requests: a one-time payment for a database upgrade and recurring funding for the agency's migration to the Division of Technology (DTO). She added that the Governor's budget also provided funding to subsidize cost increases in membership fees and tuition for the Southern Region Education Board (SREB) regional contract programs and a proviso that requires institutions to submit more thorough financial data to the Commission. Ms. Philpott continued by stating that the House excluded from its budget the Commission's new funding requests, and cut a portion of existing SREB funding. She explained that the Senate Finance Committee restored the SREB funding and funded the Commission's request for four prospective full-time personnel and both aforementioned IT requests. She indicated that the Senate Finance Committee budget funded the IT request through other means (i.e. the lottery) and the financial data reporting proviso varied slightly. President Schilz added the Senate Finance Committee included an approximately \$11 million funding increase to need-based grants, which was the top budget request for the Commission.

Commissioner Lynn inquired if the funds allocated for SREB contract programs were being used entirely, to which Dr. John Lane, CHE's Academic Affairs Director, answered in the negative. Chair Hofferth then asked Ms. Philpott about the future legislative schedule. Ms. Philpott noted the Senate would begin deliberating its version of the budget on the chamber floor the following Monday (April 9th), and she expects the conference committee to convene two or three weeks later.

Ms. Philpott then reported to the Commission of developments concerning legislation of particular interest. She explained the Higher Education Efficiency Act (H.4182) had not yet received its second reading due to ongoing deliberations and that the Senate's corresponding legislation (S. 542) had not advanced. Chair Hofferth, noting the bills have been iterated several times, requested Ms. Philpott explain the differences of the latest versions. Ms. Philpott summarized that the most recent iteration would more greatly reduce CHE's involvement in reviewing projects. She explained the consequences of the bill's amendment, which would prevent the Commission's review of projects at research and comprehensive universities not exceeding a \$5 million or \$3 million threshold, respectively; if a project were categorized as auxiliary, Ms. Philpott added, no expense threshold would be imposed. After the Commissioners briefly discussed the bill's potential for passage by the House, Chair Hofferth requested Ms. Philpott keep the Commission informed of the bill's advancement or any important developments appertaining.

Ms. Philpott shared information on other legislation: H.4931, which authorizes technical colleges to award applied baccalaureate degrees in manufacturing, received passage by the Senate Higher Education Subcommittee and awaits a hearing with the Senate Higher Education Committee; S. 1123, which proposes adjusting the grade scale in order to achieve concordance with scholarship requirements; and S. 937, which extends the State Technical College System's Board's governance of Denmark Technical College through January 2019, will be read by the House Higher Education Subcommittee the following

week. Chair Hofferth recalled a suggestion, made by Senator Peeler during the Senate’s budget hearings, for the Commission to develop legislation that would augment its authority and executive capabilities. He inquired if any action had been taken. Ms. Philpott responded that, while the agency didn’t draft any legislation, it shrewdly utilized its budget requests towards this design.

8. Committee Reports

8.01 Report of the Executive Committee

Tim Hofferth

Chair Hofferth deferred to Vice Chair Kuhl, who chaired the March 27, 2018, meeting of the Executive Committee in his absence. She stated the meeting was efficient, but had nothing more to report.

8.02 Report of Committee on Academic Affairs and Licensing

Terrye Seckinger

Commissioner Seckinger stated that the Committee on Academic Affairs and Licensing had no report; however, she noted the robustness of the recent meeting of the Advisory Committee on Academic Programs (ACAP). Additionally, she mentioned the Academic Degree Program Productivity report to be reviewed during the “Other Business” section of the meeting.

8.03 Report of Committee on Access & Equity and Student Services

Paul Batson

The Committee had no report.

8.04 Report of Committee on Finance and Facilities

Dianne Kuhl

CONSENT AGENDA

A. Interim Capital Projects

1. Central Carolina Technical College
 - A. Kershaw County Land Acquisition (Final)
2. Trident Technical College
 - A. Workforce Development Center – Acquisition of American LaFrance Property (Preliminary and Final)
3. Clemson University
 - A. Child Care Facility Construction – Establish Construction Budget (Phase II)
4. USC-Columbia
 - A. Speech and Hearing Upfit for the Department of Communication Sciences and Disorders – Revise Scope and Establish Construction Budget (Phase II)
 - B. Swearingen Roof Replacement – Establish Project (Phase I)
5. Medical University of South Carolina
 - A. Basic Science Building (BSB) Exterior Envelope Repairs – Establish Construction Budget (Phase II)
 - B. Storm Eye Institute Chiller Replacement – Establish Construction Budget (Phase II)
 - C. Hollings Cancer Center 3rd Floor Renovations – Establish Project (Phase I)

B. Lease Approval

1. USC-Columbia – Park 7 Lease Amendment for University Housing

Vice Chair Kuhl discussed the purposes, costs, and funding sources of the consent agenda’s eight proposed capital projects and one lease approval. After completing her overview of these items, she **motioned** on behalf of the Committee for the consent agenda’s approval, and as it did not require a second, was thereafter **passed** unanimously.

C. Other Business

1. List of Capital Projects and Leases Processed by Staff for March 2018
(For Information, No Action Required)

Vice Chair Kuhl presented the items to the Commission for information.

8.05 Report of Special Ad Hoc Subcommittee—Boards of Trustees Code of Conduct

Ken Kirkland

Commissioner Kirkland stated that no progress had been made in assessing boards' conduct, as the necessary reports have not yet been received from the Inspector General. He noted that legal counsel offered to write and transmit another letter requesting the reports, and he also mentioned that other means could be employed to obtain the materials. Chair Hofferth requested Commissioner Kirkland work with President Schilz and legal counsel to develop an effective path forward before the May Commission meeting.

8.06. Report of Special Ad Hoc Subcommittee--SCCORE

Chair Hofferth asked Commissioner Kirkland if there were any developments on SCCORE of which the Commission should be apprised; Commissioner Kirkland responded that no significant developments had occurred. President Schilz joined the discussion to clarify that no proposal for the program had been finalized and information was still being collected. He noted a letter he sent to the presidents and provosts at the state's public four-year universities that summarized the program's current status and announced his availability to whoever wished to discuss the prospective program. President Schilz informed the Commission of concerns that arose among institutional officials from the existence of a demonstration website, and he expressed hope that those concerns were alleviated by the information provided in the letter, including the fact that the demonstration website would no longer be active. He reaffirmed that nothing pertaining to SCCORE has been finalized and restated his openness to discuss concerns with those who should have them. Commissioner Kirkland concluded that the SCCORE program would receive no official action until it has undergone more robust development, whereupon it will be deliberated and sanctioned through the proper channels.

Commissioner Lynn inquired if the Advisory Committee on Academic Programs (ACAP) would be permitted another opportunity to examine the SCCORE program. President Schilz restated the program was not sufficiently developed for proposal—it is simply a concept for the time being. Commissioner Seckinger concurred with President Schilz, and she also indicated that schools' participation in the program is not compulsory.

Dr. Jeff Priest, Executive Vice Chancellor of Academic Affairs at the University of South Carolina Aiken, who attended the most recent ACAP meeting during which the SCCORE program was discussed, provided his input. He expressed his concerns with the aforementioned demonstration website and the miscommunication he believed characterized the program's development. Dr. Tena Crews, Associate Provost at the University of South Carolina, apprised the Commission of how several of her colleagues accessed the website. President Schilz reiterated its removal and offered his availability for a more thorough discussion of the program.

Chair Hofferth, noting time constraints, concluded the discussion and thanked everyone for their perspectives. Due to those time constraints and to ensure that more imperative matters received adequate discussion, he requested someone motion to reverse the items enumerated under the "Other Business" section of the agenda. A **motion** was made (Seckinger), **seconded** (Kuhl), and **approved** unanimously.

9. Other Business

- A. Academic Degree Program Productivity
- B. Student Bill of Rights

Chair Hofferth introduced a “Student Bill of Rights,” which he described as a set of guiding principles pertaining to access, affordability, and excellence. He then read aloud and explained to the Commission the tenets proposed in the document. Following the summary, Commissioner Lynn expressed concern with the time provided to review the document; he stated the Commissioners needed more time to evaluate. Commissioner Love agreed with Commissioner Lynn: sufficient time to review the document was not provided, and the omission of students and universities from its development hampered its effectiveness. After elaborating her concerns with the proposed “Student Bill of Rights,” she explained that the Commission, in her opinion, was not prepared to approve it at the present meeting. Vice Chair Kuhl responded to Commissioner Love’s points, stating the proposed document addresses the requests for solutions heard at the town hall events, though the name might be inappropriate. Commissioner Love requested to respond; Chair Hofferth, however, stressed the importance of hearing each Commissioner’s opinion. He asked Commissioner Munns for his impression of the proposed document. Commissioner Munns expressed that the “Student Bill of Rights” seems premature and needs more robust deliberation; therefore, he proposed submitting it to a committee. He emphasized, though, that he did not object to the principles proposed in the document. Commissioner Batson agreed with a number of Commissioner Munns’ points, who suggested assigning a committee the task of improving the document. He then expressed concern about the document’s title. Commissioner Phillips expressed enthusiastic support, as he believed it clearly articulated the Commission’s concerns with current affairs in higher education. Commissioner Edwards concurred with Commissioner Phillips’ evaluation. Commissioner Jones, attempting to characterize the document from the institutional perspective, thought the document was rough in its current form; he believed it should be crafted to resemble a suggestion rather than a mandate.

Commissioner Lynn challenged the proposed “Student Bill of Rights” on grounds of Freedom of Information Act (FOIA) compliance, specifically referred to the timing of the revised document. Chair Hofferth asserted the document’s compliance with FOIA, as the salient content remained unchanged from the original to the revised version: the only difference between the two was the addition of background information to the latter.

Commissioner Seckinger stated that she viewed the document as a set of principles, which prompted Commissioner Munns to express his concerns with its proscriptive, authoritarian tone. Commissioner Seckinger admitted that titling the document “Student Bill of Rights” might not be precise, but she affirmed the principles’ alignment with the Commission’s mission and goals. Vice Chair Kuhl asked the body if it would approve the “Student Bill of Rights” conceptually, with the stipulation that it be revised.

Commissioner Batson seemed amenable to this proposal, though he needed clarification of what a revision would entail. A discussion ensued of how the “Student Bill of Rights” would be revised: Commissioner Munns reiterated his opinion that the document had a directive tone not congruent with the agency’s role as a coordinating body. Chair Hofferth and Vice Chair Kuhl responded and emphasized the agency’s duty to provide recommendations to the legislature, and that they perceived the document’s character as recommendatory, though Vice Chair Kuhl believed the language could be revised. Commissioner Jones suggested that the language be revised and softened. Commissioner Lynn **motioned** to table the proposal until a later date, and Commissioner Love **seconded**. Commissioners Love, Lynn, and Munns voted in favor of the motion, and the other seven Commissioners in attendance voted against the motion. The motion did not pass. Following this vote and some discussion, Commissioner Batson

motioned to approve the proposed document conceptually, and he included a provision for the Chair to assemble a subcommittee tasked with its revision; Commissioner Seckinger **seconded** his motion. The motion was approved by all, except Commissioners Love and Lynn, who both abstained because of insufficient information and time to review the proposal.

10. Public Comment

There was no public comment.

11. End of Business Meeting

A **motion** was made, **seconded**, and **carried** to adjourn the meeting at 5:37 p.m.