

SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION

Meeting held at
1122 Lady Street, Suite 300
Columbia, S.C. 29201
12:00 p.m.

Minutes of the Meeting
August 2, 2018
DRAFT

Commissioners Attending

Mr. Ken Kirkland, Vice Chair
Mr. James Battle
Mr. Paul Batson
Ms. Linda Dolny

Dr. Bettie Rose Horne
Mr. Richard Jones
Ms. Dianne Kuhl
Mr. Ken Kirkland

Mr. Charles Munns
Mr. Kim Phillips

Commission Members Absent

Mr. Tim Hofferth (excused)
Mr. Devron Edwards (excused)
Ms. Terrye Seckinger (excused)

Guests Attending

Ms. Gloria Benjamin
Ms. Pat Black
Ms. Kathy Black
Mr. Mike Brennan
Mr. Allen Brown
Ms. Norma Lynn Brown
Mr. Tim Drueke, Winthrop University
Ms. Lil Hayes, House Education & Public Works
Mr. Ray Jones, S.C. Student Loan Corporation
Ms. Angie Leiding, Clemson University
Mr. Patrick Livingston
Mr. Audrey Lynn
Dr. Louis Lynn
Mr. Tyrone Lynn

Mr. Derek Meggie, University of South Carolina
Mr. Cam Reagin, University of South Carolina
Aiken
Dr. Hope Rivers, State Technical System
Ms. Carol Routh, Clemson University
Ms. Evelyn Sexton, Clemson University
Mr. Edward Shannon, S.C. Independent Colleges
& Universities
Mr. Trey Simon, S.C. Student Loan Corporation
Mr. Charlie Spell, South Carolina State University
Ms. Renell Thomas Myer, South Carolina State
University
Mr. Daren Timmons, University of South Carolina
Aiken

Commission Staff Present

Mr. Jeff Schilz
Ms. Anika Ali
Mr. Clay Barton
Ms. Laura Belcher
Dr. Saundra Carr
Ms. Lane Goodwin
Dr. John Lane
Ms. Yolanda Myers
Ms. Julissa Nixon
Ms. Katie Philpott

Mr. Ronald Pierre
Mr. Andrew Roof
Dr. Regine Rucker
Mr. Keeran Sittampalam
Mr. Jeff Thompson
Ms. Tanya Weigold
Mr. Bryce Wilson
Dr. Karen Woodfaulk
Dr. Lishu Yin

Vice Chair Kirkland convened the meeting at 12:03 p.m. and welcomed all in attendance. It was confirmed that the meeting was being held in accordance with the Freedom of Information Act. A motion

was made, seconded, and carried to go immediately into Executive Session to discuss legal and personnel matters. No motion resulted from the session. Regular business resumed at 12:56 p.m.

1. Introductions

Ms. Belcher introduced the guests in attendance.

2. Approval of Minutes

Ken Kirkland

A **motion** was made (Batson), **seconded** (Battle), and **carried** to approve the minutes of the June 7, 2018, meeting.

Vice Chair Kirkland welcomed the two latest additions to the Commission, Ms. Linda Dolny and Mr. Jim Battle, who replaced former Commissioners Love and Lynn as the Public Four-Year and Public Research representatives, respectively, and he asked the two to briefly introduce themselves. Afterwards, he invited former Commissioner Dr. Louis Lynn to join the Commission at the board table for a special recognition.

3. Presentation of Special Award

Once he was situated at the table, Commissioner Kuhl briefly praised Dr. Lynn for his service and introduced Governor McMaster, who commended Dr. Lynn for his numerous achievements and dedicated service and awarded him the Order of the Palmetto, the state's highest civilian honor. Dr. Lynn then expressed his gratitude at being afforded so many opportunities to serve the state and people of South Carolina, and he asked permission for Bishop Myers to say a prayer. Vice Chair Kirkland finally thanked Dr. Lynn for selecting CHE's headquarters as the site for his recognition ceremony, and as the affair concluded, he announced that the Commission would recess for five minutes.

4. Presentation

The meeting returned to order at 1:11 p.m.

President Schilz emphasized the need for South Carolinians to have a concentrated resource to inform their planning for post-secondary education. To address this need, President Schilz stated that CHE had been working to enhance GetSmartSC.com, a website previously created and unveiled at the February Commission meeting, and proceeded to give a demonstration of the site's new and improved capabilities. He noted that revisions to the website were made based on the feedback of focus groups composed separately of students, high school guidance counselors, and parents. President Schilz also highlighted that the website was built in concert with CHE staff by Midlands Technical College students who participated in a program administered by the school, wherein students could intern with an organization and receive payment from the school for a certain number of hours per week. He then proceeded to guide the Commissioners around the site and briefly demonstrated some of the features integrated into the site.

President Schilz invited institutional representatives to review the site and provide suggestions for its improvement.

Vice Chair Kirkland asked President Schilz if the site would include a feature similar to a "help desk" so students could have specific concerns addressed. President Schilz confirmed that integrating this type of feature had already been considered and is a goal. Commissioner Kuhl inquired if beta-testing had been conducted on computers with substandard internet service. Mr. Ronald Pierre, CHE's web developer, answered that none of the images included on the site were large enough to cause slow loading.

5. Chair's Report

Ken Kirkland

Vice Chair Kirkland requested Commissioners be diligent in responding to emails sent by staff regarding the two-day strategic planning session, and he noted the agenda for the session would be disseminated towards the end of the following week. After that quick announcement, he briefly recapped for the Commission the town hall tour on college access and affordability, which concluded in mid-June. He described several common topics of discussion at the town halls: skyrocketing tuition and fee charges; declining state appropriations and how schools are asked to do more with less; the interconnectedness on various levels of the state's higher education system; the "right-sizing" of universities, their greater commitment to contain costs; and the developing Student Bill of Rights. Concluding his report, Vice Chair Kirkland asked President Schilz if he had any information to provide the Commission.

6. Vice Chair's Report

Ken Kirkland

See above.

7. Interim President and Executive Director's Report

Jeff Schilz

President Schilz reported that Ms. Monica Goodwin, CHE's Chief Information Office, coordinated two meetings of institutional data representatives to ensure that all institutions were aware of important dates for the upcoming Fall data submissions. He then apprised Commissioners of newly onboarded staff: Ms. Anika Ali, Ms. Whitney Jeff, and Mr. Jeff Thompson. He also commended Dr. John Lane, director of the Division on Academic Affairs and Licensing, for his participation in an education and business summit in Greenville. Lastly, President Schilz informed the Commission that he recently convened a meeting of institutions' CFOs to form a revenue analysis work group, whose purpose is to deliberate and determine the revenue variables to be integrated into the cost-to-educate equation.

8. Legislative Report

Katie Philpott

Ms. Philpott began her report by informing the Commissioners that the General Assembly passed the budget for Fiscal Year 2018-2019 and that the Governor subsequently signed the budget into law with various vetoes. She then provided Commissioners a spreadsheet detailing the budget's appropriations to CHE, noting that changes in allocations from preliminary budgets to the finalized version were clearly highlighted in orange. She emphasized that two items of recurring appropriations were removed from the General Fund and transferred to the lottery. After briefly reviewing these materials, Ms. Philpott gave Commissioners an itemized list of lottery items, and it showed that state scholarships, need-based grants, and lottery tuition assistance (LTAP) all received increased funding. Finally, she noted that institutions generally received a significant increase in funding.

Continuing her report, she drew Commissioners attention to Proviso 117.8(B), which was partially vetoed by the Governor and would permit institutions to retain, expend, and carry forward all revenues designated as "Other Funds," or any funds that are not state or federal funds; furthermore, she explained that tuition composes a significant amount of institutions' "Other Funds."

Commissioner Munns inquired if the whole Proviso was new, which Ms. Philpott denied, stating that only Section B. had been recently added. Vice Chair Kirkland then asked Ms. Philpott about the legislature's timeline in addressing the Governor's partial veto of the Proviso; she responded that the legislature is anticipated to return sometime in September, but as this return date is unconfirmed, the body may postpone such activity until the new session commences in January. Regarding the Proviso, Commissioner Munns suggested that the Commission's public position should concentrate on the dubious

transparency permitted by the legislation. Lastly, Commissioner Kuhl asked Ms. Philpott to clarify if the Proviso would give institutions a means of circumventing the capital projects approval process.

Ms. Philpott informed the Commissioners that the agency disseminated to institutions notice of all relevant provisos of which they should be aware. She especially noted that CHE was directed by Proviso 11.23A to communicate to the institutions the definition of antisemitism as described by the General Assembly. After she confirmed the agency was in compliance with the directive of the Proviso, Commissioner Horne expressed deep concern with the rigor undertaken to vet the definition, and further, with the apparent lack of broader input considered in the adoption of the Proviso. Ms. Philpott then addressed a second proviso that would make effective in coming years an increased income tax credit for tuition; the tax credit would increase from \$350 to \$1500 at technical schools and from \$850 to \$1500 at four-year institutions. Commissioner Munns stated the CHE should take action to inform families and students, and he asked that information about the tax credit be included in the agency's external newsletter. President Schilz stated this item would be included in the upcoming newsletter. Commissioner Batson asked that the information be integrated into the new GetSmartSC website.

9. Committee Reports

9.01 Report of the Executive Committee

Tim Hofferth

The Committee had no report.

9.02 Report of Committee on Academic Affairs and Licensing

Terrye Seckinger

Commissioner Munns spoke instead of Commissioner Seckinger, who was absent, to inform the Commission that the Committee on Academic Affairs and Licensing's next meeting would be held on Thursday, August 30, 2018.

9.03 Report of Committee on Access & Equity and Student Services

Paul Batson

CONSENT AGENDA

A. Consideration of S.C. Student Loan Corporation FY2018-2019 Administrative Budget Request S.C. Teachers Loan Program

B. S.C. Program for the Recruitment and Retention of Minority Teachers Quarterly Report (Quarter 3)

C. Palmetto Fellow Year-Round Application Process – Changes to Regulations

Commissioner Batson briefly overviewed the items advanced by the Committee for approval under the consent agenda. Regarding item 9.03.A, he noted a change to the program's budget during the previous year which allowed third-party servicing of issued student loans; he added that such funding was not used, as a servicer was never identified, and therefore will be carried forward to the current fiscal year. Lastly, Commissioner Batson discussed item 9.03.C, stating that the regulatory change would eliminate the limited application window for the Palmetto Fellows Scholarship, instead permitting it to be applied for year-round. President Schilz added that this change to the regulations was prompted by requests from enrollment managers and vice presidents at the institutions. The consent agenda, which was brought forward as a motion from the committee and therefore did not require a second, **passed** unanimously.

9.04 Report of Committee on Finance and Facilities

Dianne Kuhl

CONSENT AGENDA

A. Interim Capital Projects

1. The Citadel
 - A. Bastin Hall—School of Business
 - Increase Budget
2. Northeastern Technical College
 - A. Cheraw Campus Renovation
 - Increase Budget, Revise Scope, and Change Project Name
3. Piedmont Technical College
 - A. PTC Newberry County Campus—Land/Building Donation
 - Increase Budget
4. Greenville Technical College
 - A. Greenville-Benson Campus Amphitheater and Student Plaza
 - Establish Construction Budget (Phase II)

Commissioner Kuhl discussed the purposes, costs, and funding sources of the consent agenda’s four proposed capital projects. She noted that the project proposed under item 9.04.A.1.a was delayed because of a \$5 million increase in construction costs, which she stated were attributable to the school’s coastal location, where construction costs have increased significantly in recent years. Another project of particular note according to Commissioner Kuhl was 9.04.A.2.a, Northeastern Technical College’s NETC-Cheraw Campus Renovation, and she proceeded to describe to the Commission the project and its special circumstances. She stated that, while the institution was planning for the originally proposed building construction, it discovered that renovation would be a more effective alternative; however, since the funds were solely approved for use in the construction of the previously proposed building, the institution would need to have fund use reauthorized, a process which it was unaware it would need to undertake. Commissioner Kuhl explained that the school’s proposed renovations were concentrated on fulfilling the needs of a segment of its home region’s population that is neither employed nor looking. 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, it was thereafter **passed** unanimously.

B. Other Business

1. List of Capital Projects and Leases Processed by Staff for June & July 2018
(For Information)

Vice Chair Kuhl presented the item for information purposes only.

Commissioner Batson commended Commissioner Kuhl for her efforts to ensure project 9.04.A.2.a would be brought before the Commission at the present meeting. Commissioner Kuhl praised the Joint Bond Review Committee (JBRC) and the Department of Administration, thanking them for their cooperation in finding a way to facilitate the project’s continuation along the appropriate approval process.

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

Ken Kirkland

Vice Chair Kirkland noted he had been in contact with legal counsel to discuss pathways forward regarding boards of trustees’ conduct. He added that suggested approaches would be discussed during the two-day strategic planning session.

9.06. Report of Special Ad Hoc Subcommittee--SCCORE

Vice Chair Kirkland asked President Schilz to apprise the Commission of the latest activity concerning SCCORE. President Schilz informed the group that he had engaged five or six schools to establish a work group to further deliberate the proposed program.

10. Other Business

Commissioner Munns emphasized the need to establish a methodology for implementing and evaluating actionable items from the upcoming two-day strategic planning session.

Commissioner Horne called attention to the lack of representation of minorities, aside from women, among the Commission's board members. She urged the Commission to advocate for the appointment of minorities to the presently vacant board seats, and it was the sense of the group that minorities should be represented.

11. Public Comment

There was no public comment.

12. End of Business Meeting

A **motion** was made, **seconded**, and **carried** to adjourn the meeting at 3:22 p.m.