

SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION

1122 Lady Street, Suite 300
Columbia, SC 29201
12:00 p.m.

Minutes of the Meeting
January 5, 2017

Commissioners Attending

Mr. Tim Hofferth, Chair
Ms. Dianne Kuhl, Vice Chair
Mr. Paul Batson
Mr. Devron Edwards
Dr. Bettie Rose Horne
Mr. Kenneth Kirkland
Ms. Allison Dean Love
Dr. Louis Lynn
Mr. Charles Munns
Mr. Kim Phillips (phone)
Ms. Terrye Seckinger
Dr. Jennifer Settlemeyer

Commission Members Absent

Dr. Evans Whitaker

Staff Attending

Mr. Gary Glenn, Interim Executive Director
Dr. Argentini Anderson
Mr. Clay Barton
Ms. Laura Belcher
Ms. Carrie Eberly
Ms. Lane Goodwin
Ms. Monica Goodwin
Ms. Anna Grubic
Mr. Gerrick Hampton
Ms. Sarah Hearn
Ms. Devon Hollimon
Ms. Trena Houpp
Ms. Elizabeth Jablonski
Mr. Michael Jackson
Dr. John Lane
Mr. Rick Moul
Ms. Yolanda Myers
Mr. Frank Myers, Jr.
Mr. Morgan O'Donnell
Mr. Ed Patrick
Ms. Vickie Pratt
Ms. Tanya Rogers
Ms. Laverne Sanders
Ms. Peggy Simons
Ms. Tanya Weigold
Ms. Leslie Williams
Dr. Karen Woodfaulk

Guests Attending

Dr. Ansley Abraham, SREB Doctoral Scholars Program
Ms. Amber Barnes, USC Columbia
Ms. Beth Bell, Clemson University
Dr. Connie Book, The Citadel
Ms. Elizabeth Brown, Medical University of South Carolina
Dr. Fred Carter, Francis Marion University
Mr. James Clark, South Carolina State University
Ms. Bridgett Cotti-Rausch, USC Columbia
Dr. Tena Crews, USC Columbia
Dr. Steven Cutler, USC Columbia
Msgt. Steve David, South Carolina National Guard
Dr. Helen Doerpinghaus, USC Columbia
Mr. Jermaine Durham, SREB Doctoral Scholars Program
Dr. Frederick Evans, South Carolina State University
Dr. Kris Finnigan, USC Columbia
Mr. Derek Gruner, USC Columbia
Dr. Christine Hait, USC Columbia
Dr. Phillip Hall, Medical University of South Carolina
Ms. Lil Hayes, House Education and Public Works Committee
Dr. Melissa Heidari, USC Columbia
Mr. Michael Hughes, Executive Budget Office
Ms. Renee Jackson, Clemson University
Chief Msgt. Gary Jackson, South Carolina National Guard
Mr. Rick Kelly, USC Columbia
Ms. Angie Leidinger, Clemson University
Dr. Jed Lyons, USC Columbia
Dr. Brian McGee, College of Charleston
Ms. Erin McKie, SREB Doctoral Scholars Program
Mr. Rick Petillo, Clemson University
Ms. Carol Routh, Clemson University
Dr. Jeff Ruiz, Winthrop University
Dr. Matt Thatcher, USC Columbia
Dr. Nancy Tuten, USC Columbia
Dr. Brandi White, Medical University of South Carolina
Ms. Helen Zeigler, USC Columbia

Chairman Hofferth convened the meeting at 12:10 p.m. and welcomed all in attendance. It was confirmed that the meeting was being held in compliance with the Freedom of Information Act.

1. Introductions

Elizabeth Jablonski

Ms. Jablonski announced the names of the guests in attendance.

2. Approval of Minutes

Tim Hofferth

A **motion** was made (Lynn), **seconded** (Seckinger), and **carried** to approve the minutes of the December 5, 2016 CHE meeting.

3. Financial Indicator Matrix Training Session

Dr. Fred Carter

Before beginning his presentation on the Financial Indicator Matrix (**Attachment I**), Dr. Carter stated that he was not leading the session in order to speak for all of his colleagues. He clarified that he was speaking for himself and his Board of Trustees who fully supported the indicators. Dr. Carter's presentation included: 1) reasons the indicators held importance; 2) explanations of each item on the matrix; 3) what the Indicators were not intended to become upon implementation; and 4) suggestions for CHE to consider in other areas, i.e. forming personal liaisons with all institutions.

Notable discussions from the session were as follows: For the 10-Year Revenue Trend on slide 1, Commissioner Batson requested clarification regarding categories of "contributions" and "other" relating to tuition and fees, specifically that every institution reported financial statements in their own manner. He asked if CHE would choose the categories that institutions would be required to report, and from there, if CHE would create a worksheet for each institution to use for reporting that information. Mr. Glenn stated that the plan would be for each institution to have a "chapter" in a book, therefore each institution would follow the same method of reporting. For the 10-Year Trend of Institutional Subsidies to Athletics on slide 12, Commissioner Munns expressed concern that he did not see the ability to determine whether core education was supporting athletics, or athletics was supporting core education from the data. Dr. Carter suggested that CHE add a category called "Other Subsidies to Include Athletic Dollars" to the item. Mr. Glenn stated that through institutions reporting their 10-Year Revenue Trends (slide 1), the data Commissioner Munns was requesting would be present. For the 10-Year Trend of Accumulated Debt, Debt Services, and Excess Debt Services, discussion occurred regarding audit reports, and CHE's oversight of the reports. Commissioner Love then asked, regarding colleges' use of CFI, if the data collected through the Indicators would show that CFI was being used. Dr. Carter stated that some data would show CFI usage, but that the Indicators were intended to be a method of feeding data into trend models rather than simple reporting. Next, Commissioner Love questioned why Moody's was not incorporated in the Indicators. Dr. Carter explained that the Indicators were intended to build predictive models, which Moody's data would not provide, and from there, reasonable norms could be built to capture the attention of the Commission should there be anomalies. Commissioner Kuhl repeated a comment Dr. Carter made earlier in the session, which stated that the Indicators were "not so much about good or bad, or right or wrong, but about the predictive ability of the model".

Chairman Hofferth thanked Dr. Carter for his presence at the training session. A **motion** was made (Seckinger), **seconded** (Settlemyer), and **carried** to adjourn for lunch.

4. Executive Session

At 12:40 p.m., a **motion** was made (Kuhl), **seconded** (Love), and **carried** to go into Executive Session for the purpose of discussing legal and personnel matters.

At 1:15 p.m., a **motion** was made (Seckinger), **seconded** (Settlemyer), and **carried** to resume the regularly scheduled business meeting. No action resulted from Executive Session.

5. Presentation

SC Doctoral Scholars

The Founder and Director of the program, Dr. Ansley Abraham, provided a brief background on the program stating that the Southern Regional Education Board's Doctoral Scholars program provides an array of services and support to ensure students complete their PhD's. He added that the program has been in place in South Carolina for twenty-four years. . Other highlights from Dr. Abraham's introductory comments included that South Carolina was one of the first six states that originally committed to the program and that there was nearly a 90 percent graduation-retention rate for the program. Additionally, in contrast to the average 7.8 years it takes students to earn a PhD, Doctoral Scholars students finished in 4.8 years and 86 percent of students were currently or had previously been employed on a college campus since earning their PhD.

Ms. Bridgett Cotti-Rausch (USC- Marine Science), Ms. Erin McKie (USC- Darla Moore School of Business), and Ms. Elizabeth Brown (MUSC- Health and Rehabilitation Science) gave insightful and interesting presentations during which they discussed the research they were completing as student participants in the SC Doctoral Scholars Program.

6. Chairman's Report

Tim Hofferth

Chairman Hofferth reported that Commissioners Kuhl and Seckinger, along with himself, met with Senators Courson and Setzler between Christmas and the New Year's holidays. At this meeting, the Commissioners were able to identify important issues and introduce the Financial Indicator Matrix to the Senators. Commissioner Seckinger stated that she felt it was a highly positive and productive meeting and that the issues and ideas articulated to the Senators were met with agreement. Chairman Hofferth also reported that before lunch, he had spoken with Dr. Carter regarding his recommendation to assign Commissioners to individual institutions as their liaison. Chairman Hofferth echoed the importance of understanding what is going on at each institution and that visiting campuses would be to personally assess where building conditions currently stand. Commissioners Kirkland, Love, and Munns expressed their support of Dr. Carter's idea.

7. Vice Chair's Report

Dianne Kuhl

Vice Chair Kuhl drew special attention to the number of cameras in the room, as the new video streaming capability was in use during the meeting. She then reported that CHE was moving forward with an initiative to revamp the website to be more user-friendly and interactive for universities, students, and the public. She shared that part of the vision for the new website included inviting each university to create promotional videos, which would be put on the website for students to view; a way to see and to compare cost of attendance among our colleges and universities; and presenting the data already on the CHE website in a more accessible manner. Mr. Glenn stated that a timeline was not finalized but that the logistics were being established.

8. Interim Executive Director's Report

Gary Glenn

Regarding staffing, Mr. Glenn introduced Mr. Ed Patrick, the new Chief Financial Officer and Director of Fiscal Affairs. Mr. Patrick was previously with South Carolina State University as the institution's CFO and was instrumental in helping SCSU with its recovery, including accreditation issues through the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC). Additionally, while there, he created a positive relationship with many agencies and individuals in state government.

Mr. Glenn discussed three documents, which he had provided to the Commissioners. The first document discussed a decrease in lottery tuition awards from \$1,200 to \$1,140 for the Spring semester, and explained why the award money had decreased by sixty dollars. He indicated his intent to continue to work with the data in conjunction with the Technical College System to determine why the initial projected award amounts did not hold for the Spring semester. The second and third documents were both letters addressed to Ms. Molly Spearman, the State Superintendent of Education, from Dr. Susan Winsor of the Tech System and Mr. Glenn, respectively. Both letters discussed standards collectively established by the Tech System and CHE to determine college readiness. The readiness standards would determine whether remedial/developmental courses were necessary if the student enrolled at one of our 16 technical colleges. Mr. Glenn stressed that the standards set would not affect college acceptance requirements. Students who scored a 22 on the Mathematics

portion of the ACT and/or a 19 on the English portion would be placed into college level courses at their institution without further testing. Mr. Glenn explained that the South Carolina Department of Education had concerns about the standards set, but that the Education Oversight Committee was pleased with the work accomplished between CHE and the Tech System to reach the standards. Discussion occurred regarding skill decay, to which Mr. Glenn stated that was addressed through setting a one-year time frame for allowing the scores for the ACT to count toward college readiness.

Mr. Glenn read the budget request highlights to the Commissioners and then informed the Commissioners that CHE would be looking at potential reforms to state-funded scholarship criteria due to the new ten-point grading scale implemented by the K-12 Education sector. He ended his report by celebrating the technology improvements made to the conference room and the recent partnership with McAlister Communications to update the CHE 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 Seckinger stated that Mr. Glenn's work with the Tech System and Ms. Spearman was a perfect example of CHE serving its purpose as a coordinating body to set a benchmark or standard.

CONSENT AGENDA

A. Program Proposals

1. University of South Carolina – Columbia, M.S., Information Security
2. University of South Carolina – Columbia, Pharm.D.
3. Medical University of South Carolina, Pharm.D.
4. College of Charleston, M.A., Community Planning, Policy, and Design

B. Consideration of Revisions to the *Policies and Procedures for Academic Degree Program*

Commissioner Seckinger presented the consent agenda to the full Commission as a **motion** from her committee and explained the favorable review received for each item. Regarding agenda item 9.02.B., she explained that the revisions would include a rubric for review and determination of programs recommended for termination. The consent agenda **passed** unanimously.

9.03 Report of Committee on Access & Equity and Student Services

Jennifer Settlemyer

CONSENT AGENDA

A. Public Hearing on Regulatory Amendments for the 2017-18 Academic Year

1. South Carolina Determination of Rates of Tuition and Fees (SC Residency)
2. South Carolina National Guard College Assistance Program (SCNG CAP)
3. Tuition Waiver for Residents Sixty-Years of Age and Over

The committee had three items to present for public hearing. Commissioner Settlemyer confirmed that there were no prior written requests to provide comments before the Commission. Dr. Brian McGee from the College of Charleston requested and was permitted to express his institution's concern regarding agenda item 9.03.B., Tuition Waivers for Residents Sixty-Years of Age and Over. The institution did not oppose the regulation as

framed, but offered caution as the burden of the program did not affect each institution in the same manner. As the registration fee at the College of Charleston had not changed since the 1980's, the fee did not cover the cost of providing a free tuition for the 462 individuals using the waiver at the College of Charleston. Commissioner Batson asked Dr. McGee to quantify the foregone tuition on a semester basis. Dr. McGee estimated around \$1,500 per course per individual. Discussion continued regarding the College of Charleston's concerns, and Dr. McGee's comments were heard in their entirety. Commissioner Settlemyer stated that the law stood and that the only amendment to the item was the removal of the language stating that full time employees could not take part in the program.

Chairman Hofferth made a **motion** to close the public hearing, which was **seconded** by Commissioner Seckinger, and **carried**. Commissioner Settlemyer stated that the consent agenda was brought forth as a **motion** from her committee. The items were then **approved** unanimously.

9.04 Report of Committee on Finance and Facilities

Dianne Kuhl

Commissioner Kuhl reported two items for information. The first item involved schedules for committee times. The change in CHE meeting times was originally formalized in order to accommodate Finance and Facilities meetings, which traditionally take place prior to the full Commission meetings. Therefore, the morning of the commission meetings had been dedicated to that specific committee. Due to the nature of the work in the Finance and Facilities Committee, combined with the upcoming implementation of the Financial Indicator Matrix, it was established that it would be nearly impossible to schedule other committee meetings prior to CHE meetings. Chairman Hofferth added that there would be Finance & Facilities Committee meetings that might be of interest to other Commissioners not on that committee, therefore ensuring meeting duplication did not occur prior to CHE meetings would be beneficial and would not force commissioners to not prioritize one committee over another.

Commissioner Kuhl also presented a Moody's report, which provided statistical evidence of the looming higher education crisis. The report revised its higher education outlook from "negative" to "stable" largely based on expected revenue growth of three percent as opposed to seven percent prior to the nation-wide recession. Pockets of stress for approximately twenty percent of private and public universities, especially smaller regional public universities, were anticipated, as well as a shift returning to a "negative" outlook for higher education by mid-2018. Commissioner Kuhl stated that it was important to have facts to back up CHE's discussions of a negative outlook for higher education.

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

Ken Kirkland

Commissioner Kirkland reported that due to mitigating circumstances, the committee was unable to meet in December, but hoped to have information to present at the February CHE meeting. He was engaging legal counsel and had a meeting scheduled the following week to confirm the baseline of what was accepted legally and statutorily within the subcommittee. Commissioner Lynn asked if the subcommittee was primarily aimed at the research institutions. It was clarified that the discussion regarding the research institutions took place prior to the forming of the subcommittee. The subcommittee's purpose would be to suggest guidelines of best practice for all institutions across the state without targeting any single institution in the process.

9.06 Report of Special Ad Hoc Subcommittee—Public Agenda

Allison Dean Love

Commissioner Love reported that the working draft of the public agenda was completed and that she had met with representatives from the South Carolina Department of Workforce and Employment, the South Carolina Department of Education, and members of the House of Representatives. She asked Commissioners to review the working document, add comments, and return the comments to Dr. Anderson. The subcommittee had a meeting set to take place immediately upon adjournment of the CHE meeting, which she asked members not on the subcommittee to attend at their will. Commissioner Love stated that she wanted the process of creating the public agenda to be as collaborative as possible.

10. Other Business

For other business, Commissioner Seckinger congratulated the Clemson University football team on their upcoming appearance in the College Football National Championship and declared that at the February CHE meeting, the Tigers would be celebrating their second National Championship title, [to which she was correct].

11. End of Business Meeting

A **motion** was made (Kuhl), **seconded** (Settlemyer), and **carried** to adjourn the meeting at 4:00 p.m.

Respectfully submitted,
Sarah R. Hearn
Sarah R. Hearn
Recording Secretary

Attachment (I)

**Attachment is not included in this mailing, but will be filed with the permanent record of these minutes and are available for review upon request.*