

**South Carolina Commission on Higher Education
Committee on Access & Equity and Student Services
1122 Lady Street, Suite 300
Columbia, SC 29201**

**Minutes of the Meeting
Main Conference Room
October 3, 2019
2:30 p.m.**

Members Present

Dr. Bettie Rose Horne, Assistant Chair
Mr. Jim Battle
Dr. Cleveland Sellers
Dr. Mark Smith

Guests Attending

Mr. Trey Simon, President & CEO
Mr. Ray Jones, SC Student Loan Corporation
Dr. Charlie Spell, SC State University
Ms. Reinell Thomas-Myers, SC State University
LTC Allen Gleaton, SC Army National Guard
MSG Paul Mead, SC Army National Guard
SMSgt Steven David, SC Air National Guard

Staff Present

Dr. Rusty Monhollon
Dr. Karen Woodfaulk
Ms. Lorinda Copeland
Dr. Gerrick Hampton
Ms. DaVaris Hatten
Mr. Jesse Kimbrough
Mr. Frank Myers
Mr. Austin Ridge
Ms. Laverne Sanders
Ms. Bonnie Ward
Ms. Leslie Williams

1. Introductions and Approval of Minutes

Commissioner Bettie Rose Horne called the meeting to order at 2:30 p.m. Ms. Lorinda Copeland introduced the guests in attendance and confirmed that the meeting was held in accordance with the Freedom of Information Act.

A **motion** was made (Sellers), **seconded** (Smith), and **carried** to approve the minutes of August 1, 2019.

2. SC Program for the Recruitment and Retention of Minority Teachers (SC-PRRMT) FY2018-2019 Fourth Quarter Report (For Approval)

Dr. Karen Woodfaulk provided an overview of the areas to be examined in the SC-PRRMT's FY2018-19 Fourth Quarter Report. She explained that the Commission reviewed four primary items in the report:

1. Number of participants in SC-PRRMT's program based on the Expansion plan;
2. Praxis exam pass rate and students progress;
3. Review of the number of sites per the Proviso and;
4. Review of the SC-PRRMT budget.

Dr. Woodfaulk explained that funding for FY2018-19 was \$646,259 which includes the state appropriation and carry forward funds. She explained that SC-PRRMT supports non-traditional students and others who wish to enter the teaching profession. Dr. Woodfaulk reported that SC-PRRMT has made significant progress in reaching the Expansion Plan goals. The number of applicants has increased, thereby increasing the number of students in the program. Dr. Woodfaulk stated that SC-PRRMT had 66 applicants in FY2018-19, and 27 students were determined to be eligible in the past year. Presently, there are a total of 88 students participating in SC-PRRMT program which is the highest number of participants in the program since the 2013 SC-PRRMT Expansion Plan. The Praxis exam pass rate is 40% and is an improvement compared to previous years. The Fourth Quarter Report showed that SC-PRRMT increased the number of sites. According to the report, SC-PRRMT staff plans visits to Abbeville, Newberry, Edgefield, Laurens, McCormick Saluda, Colleton, Jasper, Kershaw, and Sumter counties during FY2019-20. Dr. Woodfaulk stated that CHE staff recommends approval of the SC-PRRMT Fourth Quarter Report and further recommends that CHE continue to monitor the effectiveness of this program as previously stated in the Proviso. She further stated that CHE staff recommends that SC-PRRMT's progress is monitored on a quarterly basis.

Commissioner James Battle asked how SC-PRRMT recruits applicants. Dr. Woodfaulk stated that a variety of methods are used in the recruitment process. Dr. Woodfaulk explained that SC-PRRMT uses South Carolina State University's (SCSU) community to promote awareness of the program and the teaching profession. She stated that SC-PRRMT staff visit with school district superintendents and school principals. If there is an interest and students are admitted to the program, participants are enrolled in coursework at SCSU. The courses are taught on the elementary or middle school campuses. Non-traditional students such as teaching assistants as well as traditional students take courses through distance education and in person to meet the requirements to enter the teacher education program at SCSU.

Commissioner Horne **moved** for approval of the SC-PRRMT FY2019-20 Quarter 4 Report. The motion **carried**.

3. SC National Guard College Assistance Program (SCNG CAP) Regulation Chapter 62
Statutory Authority: 1976 Code Section 59-114-75 Change Language – Full ROTC
Scholarships (For Approval)

Dr. Woodfaulk stated that CHE has worked in partnership with the SC National Guard in administration of SCNG CAP for over a decade. CHE, by statute, receives the funding for SCNG CAP that provides financial assistance to SC National Guard members pursuing higher education. She also introduced representatives from the SC National Guard who presented data and information regarding the program. She stated that a recommendation for a proposed change would be presented to the Committee for approval. Dr. Woodfaulk introduced Ms. Lorinda Copeland as the SCNG CAP Administrative Coordinator for CHE. Ms. Copeland presented a brief overview of the program which included CHE's statutory authority, the annual application and awards process and a 10-year summary of actual awards.

Lt. Colonel Allen Gleaton provided an analysis of the 10-year actual awards. He explained that overall, interest in joining the military has declined in recent years. Also, he stated that the younger generation is concerned with how the military will benefit them. Lt. Colonel Gleaton stated that changes have been made with processes and messaging which has had a positive impact on the number of SCNG CAP applications. Commissioner Horne asked what was done differently. He responded that recruitment levels were high after 9/11 and has subsequently declined. However, recruitment has increased in recent years and is heading back in the right direction. Commissioner Smith asked about the projected application numbers for AY2019-20. Lt. Colonel Gleaton responded that the projected numbers are based on the number of applications. However, some service members may not receive SCNG CAP due to various reasons including meeting eligibility requirements. Commissioner Horne asked what percentage of approved applicants use SCNG CAP. Lt. Colonel Gleaton responded over 90%. MSG Paul Mead responded that that he agreed the percentage is over 90%.

Commissioner Battle asked about the amount of expenses covered by SCNG CAP. Lt. Colonel Gleaton responded that SCNG CAP is a benefit to help decrease the cost of attendance. Commissioner Battle also asked if service members were eligible for other benefits while in the military. Lt. Colonel Gleaton responded yes. However, he stated that the Post 9/11 GI Bill now provides a smaller benefit to eligible Guardsmen. Dr. Woodfaulk stated that SCNG CAP recipients can receive federal and state aid up to cost of attendance. Lt. Colonel Gleaton stated that, depending on the institution, if military tuition reduction is available, SCNG CAP, an ROTC Scholarship and Federal Tuition Assistance (FTA) will almost cover 100% of the cost of attendance. He also stated that SCNG CAP is an instrumental tool for recruitment and retention in the SC National Guard. Commissioner Horne asked if AY2012-13 was the year that funds were not available for the spring semester. Dr. Woodfaulk responded yes. She explained that an application process is now in place so that the number of eligible SCNG CAP members can be monitored.

Lt. Colonel Gleaton provided an overview of the education demographics for the SC Air and Army National Guards. He highlighted the large population of service members in the Air and Army Guard who are high school diploma and equivalent recipients. Lt. Colonel Gleaton stated that this group will be targeted to expand opportunities for them in South Carolina. Commissioner Horne asked if awards reflected the philosophy of increasing opportunities for this group. Lt. Colonel Gleaton responded that the focus recruitment groups are high school

seniors, high school diploma or equivalent recipients, and those with some college. Lt. Colonel Gleaton stated that opportunities to obtain certificates need to increase. The goal is to promote the certificate level which aligns with some of the Military Occupational Specialty (MOS) codes in the Guard. The opportunity to obtain workforce certificates will help recruitment goals and offer an educational benefit to those who do not desire traditional education pathways.

Lt. Colonel Gleaton provided an overview of the proposed statutory changes (removal of the 130 attempted credit hour maximum and increasing the maximum lifetime award to \$24,000) and the proposed regulatory changes (include less than one-year certificates as an eligible program of study and SCNG CAP eligibility for ROTC scholarship recipients). Dr. Woodfaulk stated that the Commission had approved the removal of the 130 attempted credit hour maximum and that the next step was the statutory change. She also stated that the Office of the Adjutant General had provided endorsement and support of the change to move forward with the removal of the 130 attempted credit hour maximum. The statutory change to increase the maximum lifetime award from \$18,000 to \$24,000 would require a fiscal impact study before presenting to the Committee. Commissioner Smith asked if the statutory change for removal of the 130 attempted credit hour maximum had to be pursued. Dr. Woodfaulk responded yes. Commissioner Smith asked if there would be a limit and asked about the rationale. Dr. Woodfaulk explained how military credit hours impacts the 130 attempted credit hour maximum. Once the credit hour maximum is reached, service members can no longer receive SCNG CAP assistance. Lt. Colonel Gleaton added that service members may receive college equivalency credits for military training. Training hours may not translate to the academic degree but is counted in the 130 attempted credit hour maximum. Commissioner Battle asked if the funds for the maximum increase would come from the General Assembly. He also asked if the increase needed Commission approval. Dr. Woodfaulk responded yes and explained that SCNG CAP is funded through lottery funds. Lt. Colonel Gleaton stated that the current regulation does not allow service members to enroll in certificate programs that are less than one-year. Also, continuing education programs are not eligible. The inclusion of less than one-year certificate programs to include continuing education would expand career opportunities for service members.

Lt. Colonel Gleaton explained that ROTC scholarship recipients are not eligible for SCNG CAP due to the statutory definition of a full Reserve Officer Training Corps (ROTC) Scholarship. He explained that ROTC Scholarships are not full scholarships. The Scholarship awards funds for tuition and fees or room and board costs, not both. He stated that the Judge Advocate General for the United States Army has authorized the use of state funds for ROTC Scholarship recipients. The proposed definition for a full ROTC Scholarship will allow ROTC Scholarship recipients to receive the SCNG CAP up to the cost of attendance. Lt. Colonel Gleaton further explained that the benefit to the SC National Guard is the retention of officers in South Carolina. Lt. Colonel Gleaton presented and explained the economic impact of the proposed change for the next four years. Commissioner Battle asked why the number of spring recipients was greater than the number of fall recipients. Lt. Colonel Gleaton responded that there are a limited number of ROTC Scholarships (full year and half-year). He stated that the number of recipients of ROTC Scholarships are higher in the spring.

Recommendation:

CHE Staff commends favorably to the Committee on Access & Equity and Student Services to add a definition of a full Reserve Officer Training Corps (ROTC) Scholarship for clarification to

section 62-253 (F) of the SCNG CAP regulation. If approved by the Committee on Access & Equity and Student Services and the Commission on Higher Education, the proposed regulation will be submitted to the SC General Assembly during the 2020 legislative session for approval under the Administrative Procedures Act.

The Committee **moved** (Battle), **seconded** (Smith) and **carried** to approve.

Residency Regulation: Determination of Rates of Tuition and Fees Statutory Authority 1976 Code Section 59-112-100 - Add language to include Chapter 31 Vocation Rehabilitation *(For Approval)*

Dr. Gerrick Hampton stated that CHE staff is presenting two regulation changes. He explained that the first change is the clarification to the definition of an independent student. Currently, for someone to meet the threshold of independency for residency purposes students must be able to provide at least 51% of their own support that equates to the cost of attendance at their institution. Students can use financial aid, income, and commercial loans to meet the threshold. Additional language is being added to the regulation to allow for the use of student and private loans towards meeting the cost of attendance.

In addition, amendments to the regulation are required to align with federal law. The additional language to the regulation allows individuals using vocational educational benefits, Chapter 31, to receive in-state tuition rate if they are domiciled in the state.

Commissioner Mark Smith **motioned** to approve the proposed amendments to the regulation for the Determination of Rates of Tuition and Fees. If approved by the Commission on Higher Education, the proposed regulation will be submitted to the SC General Assembly during the 2020 legislative session for approval under the Administrative Procedures Act.

4. Other Business

Update – SC Student Loan Borrowers: Debt versus Default Analysis *(For Information, No Action Required)*

Mr. Ray Jones, Vice President of the SC Student Loan Corporation, reviewed the Corporation's portfolio of student loan borrowers. He stated that the majority of the Corporation's borrowers defaulted on small balance loans of less than \$10,000–20,000. He stated that 46% of the borrowers' defaulted loans were less than \$10,000 and 72% of the borrowers' defaulted loans were less than \$20,000. He stated that 36% of the borrowers did not complete college past their freshmen year and 58% of sophomores defaulted on their loans. Mr. Jones stated that the Corporation is creating awareness programs for potential borrowers and families.

Mr. Jones presented to the Committee the Corporation's student loan online tool, called the College Planning Center. The College Planning Center offers resources to South Carolina students and families. Mr. Jones explained that the calculator tool is completely configured to assist individual families. He explained that the college comparison cost tool offers the costs and field of study and other information about tuition at all South Carolina institutions. The Center offers a tool for free scholarship searches and a calendar of events for SAT/ACT testing, test preps, etc. Also, the College Planning Center offers a calculator tool to determine how much the

loan would cost over time. Mr. Jones stated that the Corporation assists students with completing the FAFSA and registering for SAT and ACT testing.

Commissioner Horne asked Mr. Jones what was being asked of the Committee. He replied that he was providing for information purposes only to the Committee and the Corporation is seeking any avenues that are available to promote the resources that the Corporation provides on the SCSL's website.

Mr. Jones explained that from a default prevention standpoint, there are two bills that the General Assembly will consider in January 2020. House Bill 4576 and Senate Bill 298 which is the Higher Education Opportunity Act. The bills discuss the creation of a default prevention plan in the state of SC and the use of funds to allow institutions to participate in the default prevention plan. Mr. Jones requested any guidance that CHE may offer to support the bills would be of great help. He explained that the SCSL default prevention group that would have utilized funds from 2014–2017 did not have access to those funds. He explained that the funds were not approved for the last two years. However, regardless of the outcome of the Bills this session, SCSL is planning to open their default prevention program starting in January 2020. Mr. Jones stated that by providing the default prevention program, SCSL will offer the opportunity for the colleges and universities in South Carolina to conduct outreach activities to reduce student loan default rates. He stated the student loan default rates for 2019 are high. Commissioner Horne asked Dr. Woodfaulk how CHE could assist SCSL in their efforts to provide the resources he spoke about. Dr. Woodfaulk stated that CHE could provide links to SCSL's college planning tool and default prevention resources on CHE's website.

In addition, Dr. Woodfaulk stated that, as requested by the Committee, CHE held a roundtable with financial aid officers and others in early Spring. The EdMange tool was one of the programs that the institutions requested to bring back for their use. She stated that the institutions were successful in using the EdManage program in default prevention efforts. Mr. Jones stated that if the bills are passed in the next legislative session, funds can be provided for the EdManage program.

5. Adjournment

There being no additional items before the Committee, Commissioner Horne requested a motion for adjournment. A **motion** (Sellers) was made, **seconded** (Battle), and **carried** to adjourn the meeting.

Respectfully Submitted,

Laverne Sanders