

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
March 07, 2019

Commissioners Attending

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| Mr. Wes Hayes, Chair | Ms. Linda Dolny | Ms. Dianne Kuhl |
| Mr. Paul Batson | Mr. Edgar Dyer | Mr. Ben Satcher |
| Mr. Jim Battle* | Mr. Devron Edwards | Ms. Terrye Seckinger |
| Mr. Charles Dalton | Dr. Bettie Rose Horne | |

Commissioners Absent

Mr. Chuck Munns, Vice Chair

Guests Attending

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| Mr. Mark Bebensee, The Citadel | Mr. Tim Drucke, Winthrop University |
| Mr. Eric Bedingfield, Greenville Technical College | Mr. Jeremy King, Clemson University |
| Ms. Beth Bell, Clemson University | Dr. Peter King, Francis Marion University |
| Ms. Christine Brown, Medical University of South Carolina | President Keith Miller, Greenville Technical College |
| Dr. John Catalano, University of South Carolina Union | Mr. Derrick Magee, University of South Carolina |
| Mr. Dwight Cauthen, Silver Crescent LLC | Dr. Charlie Spell, S.C. State University |
| Mr. James Colbert, Lander University | Ms. Reinell Thomas-Myers, S.C. State University |
| Dr. Tena Crews, University of South Carolina* | Dr. Jermaine Whirl, Greenville Technical College |
| Ms. Amy Lazar Cumat, DeVry University | |
| Mr. Rob Dedman, University of South Carolina | |

*Attended by phone

Commission Staff Present

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| Mr. Mike LeFever | Ms. Julissa Nixon |
| Dr. Jennifer Almeda | Mr. Andrew Roof |
| Ms. Laura Belcher | Dr. Regine Rucker |
| Dr. Saundra Carr | Mr. Georges Tippens |
| Ms. Lane Goodwin | Mr. Kenny Turner |
| Dr. Samuel Grubbs | Ms. Emily Wells |
| Ms. DaVaris Hatten | Mr. Bryce Wilson |
| Dr. John Lane | Dr. Karen Woodfaulk |
| Mr. Rick Moul | Dr. Lishu Yin |
| Ms. Yolanda Myers | |

Chair Hayes convened the meeting at 12:22 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. Commissioner Horne motioned at 12:23 p.m. to enter executive session for the purpose of discussing legal and personnel matters. The motion was seconded by Commissioner Kuhl and was carried. The Commission exited executive session at 1:12 p.m. and resumed its regularly scheduled business.

2. Approval of Minutes

Wes Hayes

Chair Hayes then called for a motion to approve the minutes of the Commission's February 7th meeting. Commissioner Horne motioned and Commissioner Seckinger seconded to approve the set of minutes. The motion passed unanimously.

3. Chairman's Report

Wes Hayes

Chair Hayes expressed his belief that higher education in South Carolina is moving in a positive direction. He then welcomed newly confirmed Commissioner Edgar Dyer, who will serve as the 7th Congressional District's representative.

Chair Hayes announced that the state's budget for the upcoming fiscal year was moving through the General Assembly, adding that significant funds were provided to keep tuitions level at public colleges and universities.

4. & 5. Interim President and Executive Director's and Legislative Reports

Mike LeFever

Interim President and Executive Director Mike LeFever agreed with Chair Hayes about the general positivity within the higher education community. He informed the Commission that he and staff had been collaborating with the Senate Finance Committee to help establish a cap to the higher education trust fund and adjust merit scholarship requirements under S.298.

Mr. LeFever congratulated Chair Hayes and Commissioner Mark Smith for their Senate confirmation on February 27th, and he announced that Commissioners Dalton and Satcher would receive their confirmation hearing on March 27th.

Mr. LeFever informed the Commission that the House Ways & Means Committee approved their recommendations for the 2019-2020 fiscal year budget, which was submitted to the House of Representatives as H.4000. He stated the bill will be debated on the House Floor during the upcoming week (March 11-15). He noted that \$44 million were appropriated as recurring funds to colleges and universities, should they refrain from increasing tuition for the upcoming academic year.

Mr. LeFever announced that a page entitled Recommended Readings in Higher Education had been developed for the agency's website, and staff and Commissioners could suggest noteworthy articles and publications for inclusion on the page.

Mr. LeFever reviewed with Commissioners the CHE Priorities Progress report.

Transitioning to the Legislative Report, Mr. LeFever apprised the Commission of several pieces of noteworthy legislation. First, he discussed S.35, also known as the Constitutional Heritage Act, stating the bill passed the Senate and is currently being deliberated by the House Education & Public Works Committee. Next, he stated S. 283, the Higher Education Enterprise Act, remained with the Senate Higher Education Subcommittee, but he added the bill had been appended to S.298, a bill which Mr. LeFever announced was being committed to second reading by the Senate.

Continuing, Mr. LeFever stated H.3759, the House version of the Education Omnibus Bill, passed the House and was referred to the Senate Education Committee, while the Senate’s version, S.419, remained in the Senate Education Committee. He informed the Commission that the Tucker Hipps Transparency Act, which seeks to extend perpetually the initial legislation, passed the House and was committed to the Senate Education Committee. He stated H.3639—which concerns veterans, dependents, and vocational rehabilitation services—had passed both the House and Senate and awaits the Governor’s approval. Similarly, he announced that H. 3697, which waives the 25% course completion requirement for students of closed institutions, had been passed by both the House and Senate and awaits the Governor’s approval. Lastly, he noted H.3936, which would permit Palmetto Fellows Scholarship recipients to use their award at two-year institutions, was currently in its second reading by the House.

6. Committee Reports

6.01 Report of the Executive Committee

Wes Hayes

The Committee had no report.

6.02 Report of Committee on Academic Affairs and Licensing

Terrye Seckinger

CONSENT AGENDA

A. Program Proposals

1. University of South Carolina Columbia, M.Ed., Applied Behavior Analysis
2. University of South Carolina Columbia, M.S., Adapted Physical Education
3. Greenville Technical College, B.A.S., Advanced Manufacturing Technology
4. Francis Marion University, B.S., Mechanical Engineering
5. Francis Marion University, M.S.N., Psychiatric Mental Health Nurse Practitioner
6. Clemson University, Agricultural Education Teacher Certificate
7. The Citadel, B.S., Cyber Operations
8. The Citadel, B.S., Education
9. The Citadel, B.S., Tactical Strength and Conditioning
10. The Citadel, B.S.B.A., Finance
11. The Citadel, B.S.B.A., Supply Chain Management
12. The Citadel, M.A.T., Teaching
13. The Citadel, M.Ed., Higher Education Leadership

B. Consideration of The Citadel, The Center for Performance, Readiness, Resiliency and Recovery (CPR3)

C. Annual Report on Admission Standards for First-Time Entering Freshmen, Fall 2017

Approval Rate: 50%, August 2018 – December 2018¹; 56%, July 2016 – Mid-May 2018²

¹Most recent completed cycle. ²Reported to Senate Oversight Committee.

Commissioner Seckinger presented the merits of and the needs addressed by the proposed academic programs. Regarding item 6.02.A.8. The Citadel, B.S., Education, Commissioner Dolny asked for clarification on the difference between the proposed program and traditional education degrees. Mr. Bebensee, interim provost at The Citadel, answered that the proposed program insisted students receive two majors: one in their field of study and another in the pedagogical aspects of education. Chair Hayes inquired if item 6.02.A.9. The Citadel, B.S., Tactical Strength and Conditioning was oriented primarily towards providing individuals with the resources to condition themselves or to instruct others. Mr. Bebensee informed him that the program means to educate students in the instruction and conditioning of others.

Commissioner Seckinger endorsed The Citadel’s Center for Performance, Readiness, Resiliency and Recovery, explaining to the Commission that the Center focused on holistically aiding first responders and military personnel in dealing with their service-related traumas. She noted the Center will be the nation’s first.

The consent agenda, which was brought forward as a motion from the committee and therefore did not require a second, passed unanimously.

B. Report on Program Modifications, October 19, 2018 – January 23, 2019

(For Information, no action required)

C. Notification of Change of Ownership – DeVry University

(For Information, no action required)

D. Consideration of Additional Success Measures

(Discussion, no action required)

To elaborate on the information items provided to the Commission by the Committee on Academic Affairs and Licensing, Commissioner Seckinger enlisted the assistance of Dr. John Lane. Hearing no questions, Chair Hayes initiated a discussion of additional success measures, a subject matter which Commissioner Horne expressed interest in at the previous Commission meeting. Dr. Lane explained three metrics used to evaluate student success: (1), transfer and job placement rates; (2), student achievement and engagement; and (3), gainful employment.

6.03 Report of Committee on Access & Equity and Student Services

Paul Batson

CONSENT AGENDA

A. SC Program for the Recruitment and Retention of Minority Teachers (SC-PRRMT) FY 2017-2018 Quarter I and Quarter II Reports

Commissioner Batson, chair of the Committee on Access & Equity and Student Services, informed the Commission that the SC-PRRMT program had grown since its inception in 2013 from two to eight operation sites throughout the state and from 27 to 88 participants.

The consent agenda, which was brought forward as a motion from the committee and therefore did not require a second, passed unanimously.

B. SREB Doctoral Scholars

(For Information, no action required)

C. College Transition Need-based Grant Program FY 2018-2019

(For Information, no action required)

D. Palmetto Fellows Scholarship Program 2017-2018 Summary

(For Information, no action required)

E. Tucker Hipps Transparency Act (Act 259, Section 59-101-210 of the SC Code of Laws)

(For Information, no action required)

He then invited Dr. Karen Woodfaulk to elaborate for Commissioners the items provided for informative purposes. Regarding item 6.03.C. College Transition Need-based Grant Program, Commissioner Dolny inquired which schools participated in the program. Dr. Woodfaulk responded that participating institutions included Clemson University, the University of South Carolina, Coastal Carolina University, and Winthrop. Regarding item 6.03.D. Palmetto Fellows Scholarship Program 2017-2018 Summary, Dr. Woodfaulk commented that approximately 92% of Palmetto Fellows Scholarship recipients were retained within the state. Chair Hayes asked what impact transitioning from the 7-point grading scale to the 10-point grading scale would have on all

merit-based scholarships. Dr. Woodfaulk replied that scholarship qualification criteria were still being reviewed for adjustment, as the sufficient funding of merit-based scholarships depends on the number who are eligible.

6.04 Report of Committee on Finance and Facilities

Dianne Kuhl

CONSENT AGENDA

A. Lease Approval

1. Medical University of South Carolina
 - A. 165 Cannon Street Surface Lot Spaces (5 Years)
-New Lease

Commissioner Kuhl noted the brevity of the Committee on Finance and Facilities' meeting earlier in the day. She introduced the one item proposed on the consent agenda: a lease by the Medical University of South Carolina (MUSC) of 167 surface-level parking spots.

B. Other Business

1. Capital Projects & Leases Processed by Staff, February 2019

She briefly discussed two projects—one at Orangeburg-Calhoun Technical College and the other at MUSC—approved by staff during the preceding month, and she commended the institutions for completing the projects under budget.

Lastly, she described the steps taken by the Committee on Finance & Facilities to better align its meeting calendar and procedures, at the suggestion of institutional representatives, with the Joint Bond Review Committee (JBRC) and the State Fiscal Accountability Authority (SFAA).

6.05 Report of the Search Committee for the next President & Executive Director

Commissioner Kuhl, chair of the Search Committee for the next President & Executive Director, apprised the Commission of her committee's recent actions to advance the search process. After thanking Commissioners and staff for their contributions to developing preferred-candidate profiles, she announced that a job posting had been created and would be posted to the state's job portal on Monday, March 11, 2019. Furthermore, she stated that a press release will be disseminated to various media to announce the Commission is officially seeking candidates to apply for the position. Lastly, she confirmed that proper procedures had been followed to secure from the Department of Administration consent to use an external search firm, which she stipulated would be reserved for last-resort scenarios.

At 2:26 p.m., Chair Hayes called for a five-minute break before the Commission began discussing S.298.

7. Discussion on S.298, Higher Education Opportunity Act, and Other Legislation

At 2:33 p.m., Chair Hayes resumed the meeting and asked Mr. LeFever to begin and lead the discussion on S.298. Mr. LeFever provided the Commissioners a summary of the legislation as it stood after being passed by the Senate Finance Committee and committed to the Senate Floor for second reading. He then briefly reviewed the bill's origins, which he noted came at the tail end of the previous legislative session.

Mr. LeFever described the bill's provisions section-by-section, and noted the various revisions made as the bill transitioned from Senate Finance Higher Education Subcommittee to the full Senate Finance Committee. The bill, he stated, would institute base-level funding and proportionally adjust the funding of higher education with the rate of change in general funds. Commissioner Kuhl asked if base-level funding would be determined by

institutions' student populations. Mr. LeFever responded that this was not the case but did confirm funds for the Higher Education Trust Fund would be determined by that metric.

Mr. LeFever then explained for the Commissioners the Higher Education Opportunity Trust Fund, which he stated would be a stand-alone fund specifically for higher education. He stated the Trust would be exempt from mid-year budget cuts, and further explained that 10% of its funds would be allocated for need-based scholarships, with the remaining 90% allocated to institutions. Any one institution, he said, would receive funds from the Trust based on a division of its enrollment of full-time undergraduate South Carolina students by the total population of the same from all institutions. Commissioner Seckinger asked if the South Carolina General Assembly defined "South Carolina student." Mr. LeFever answered that the General Assembly defined "South Carolina student" as geographic residency. Commissioner Seckinger further asked if this definition had been qualified by a time requirement, which Mr. LeFever cited was one year. Mr. LeFever summarized the funding formula, stating that the more in-state, full-time undergraduate students an institution has, the greater the funds from the Trust it will receive.

Commissioner Kuhl drew attention to the summary literature, which stated institutions, regardless of any changes in their student body compositions, would receive no less funds than the year prior. She asked if institutions would receive funding consistent with their initially qualifying in-state student population should their in-state student population shrink in subsequent years. Mr. LeFever clarified that the hypothetical institution would receive funds equaling previous years but would not be eligible for an increase.

Commissioner Dyer asked how the funds saved by elevating the requirements for merit-based scholarships would be spent. Mr. LeFever clarified that elevating scholarships standards would not so much be a savings as a cost avoidance.

Mr. LeFever stated the Higher Education Opportunity Trust Fund would be funded by sales tax collected from intrastate online transactions. Upon reaching \$125 million dollars, he stated the fund would begin paying institutions. Commissioner Dolny asked when the Trust was projected to reach that benchmark. Mr. LeFever answered that projections currently place the benchmark two years out and added that institutions will only receive funds if they do not increase tuition above the higher education price index (HEPI). Furthermore, he stated this tuition stipulation applied only to undergraduate students.

Commissioner Seckinger expressed concern over the bill's omission of mandatory course fees.

Mr. LeFever further explained the bill would repeal the requirement that the General Fund automatically appropriate funds to cover merit-based scholarships. Chair Hayes added that merit-based scholarships have become a larger expense year-over-year, and the general funds diverted to cover them could have been applied to higher education.

Lastly, Mr. LeFever described that S.298's language respecting the Commission's role in the capital project review process was struck and replaced with language from Senator Talley's S.283, the Higher Education Enterprise Act. As an aside, Mr. LeFever remarked that S.283 was still a living bill and was being considered by the Senate. Commissioner Seckinger inquired who would provide oversight of institutions' construction, land acquisitions, and leases. Mr. LeFever responded that Senator Leatherman, during a Senate Finance Committee meeting, stated that JBRC and SFAA would assume oversight roles.

Commissioner Kuhl and Seckinger both expressed concern for accountability issues that could arise from reduced oversight. Commissioner Satcher asked Mr. LeFever to clarify if the Commission was only excluded from involvement in auxiliary projects. Mr. LeFever stated the Commission would remain involved in the Comprehensive Permanent Improvement Plan (CPIP) process. Additionally, Mr. LeFever stated that under this new capital project process, institutions would be required to submit each year to the General Assembly reports

of their construction and land purchases. Commissioner Kuhl thought it important to mention that the University of South Carolina Columbia and Clemson University were the state's only two public institutions that did not use student dollars to fund their auxiliaries. Commissioner Seckinger drew attention to a matter stricken from S.283: The Commission's review of maintenance repair renovation. She emphasized that the Commission is the only entity with a state-wide scope of these matters. Mr. Tippens clarified revised cost thresholds set by S.283 to qualify the Commission to review projects.

The Commission discussed a provision within S.298 that calls for the Commission to collaborate with SFAA in developing financial literacy programs accessible to public and private college students. Commissioners Seckinger and Kuhl highlighted the Commission's newly developed Palmetto Calculator, stating it should be promoted to help students and families financially plan for college. Commissioner Dolny expressed concern for the cost to research, purchase, and implement a new financial literacy system. Mr. LeFever clarified that the program would be funded by the interest earned from loans issued by the South Carolina Student Loan Corporation, not the General Fund.

Chair Hayes stated the best time for the Commission to provide input on S.298 would be during its review at the subcommittee level. Mr. LeFever stated the Commission's input had been given to the Senate Finance Higher Education Subcommittee, which favorably recommended the legislation. He noted another opportunity for the Commission to express its opinion of the legislation would be available when the bill is taken up by the House Ways & Means Committee.

8. Other Business

Chair Hayes announced that Governor McMaster had appointed Mr. Patrick White of Fort Mill to represent the 5th Congressional District, filling the seat left vacant after the departure of former Commissioner Kim Phillips. Chair Hayes also announced that Ms. Dianne Kuhl, 4th Congressional District, had been replaced with the appointment of Ms. Julie Godshall Brown of Greenville.

Chair Hayes, Commissioners, staff, and guests thanked Commissioner Kuhl for her leadership and service with a standing ovation, as she stated the March 7th meeting would be her last.

11. End of Business Meeting

With a motion (Satcher), second (Kuhl), and unanimous vote, Chair Hayes adjourned the meeting at 3:57 p.m.