

South Carolina Commission on Higher Education

Finance and Facilities Committee Board Meeting

September 03, 2020

DRAFT MINUTES

COMMITTEE ON FINANCE & FACILITIES

SEPTEMBER 03, 2020

TIME 11:00 A.M.

COMMISSION ON HIGHER EDUCATION

Committee Members

Mr. Charles Dalton, Chair
Ms. Linda Dolny, Vice Chair
Mr. Paul Batson
Mr. Edgar Dyer
Mr. Patrick White

Staff

Dr. Rusty Monhollon
Ms. Yolanda Myers
Ms. Shakara Smith
Mr. Georges Tippens
Mr. Bryce Wilson

Guests

Carol Routh
John Morris
Stacey Bowie
Jessica Booth
Teresa Cooke
Shelia Smith
Debbie Walker
Carey Page
Christy Brandon
Carla McIntyre
Glenn Easterby
Derek Gruner
John Catalano
Craig Parks
Justin Oates

Clemson University
College of Charleston
Lander University
Midlands Technical College
Midlands Technical College
Midlands Technical College
Midlands Technical College
Midlands Technical College
State Tech System Office
The Citadel
The Citadel
University of South Carolina
University of South Carolina
University of South Carolina
Winthrop University

For the record, notification of the meeting was made to the public as required by the Freedom of Information Act.

1. Call to Order

Chair Dalton called the meeting to order at 11:10 a.m. and noted the establishment of a quorum of committee members.

2. Approval of Minutes

A motion was made (Dyer), seconded (Dolny) and carried to approve the minutes of the July 30, 2020 Finance and Facilities Committee meeting.

3. Chair's Report

Chair Dalton welcomed everyone in attendance and thanked the committee and institutions for their work. He then moved into three permanent improvement project approvals.

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4. Permanent Improvement Project Approvals

The following projects were presented:

- A. Midlands Technical College
 - i. Midlands – Airport Learning Resource Center Improvements
 - Establish Phase I

Commissioner Dalton asked Mr. Tippens to describe the project. Mr. Tippens explained that Midlands Technical College sought recommendation of the CHE to begin Phase I of a project to renovate its Learning Resource Center, a 11,275-square foot space in the college’s 75,000-square feet academic center building. The ask is for \$37, 500 based on a budget of \$2.5 million to be funded by the college’s annual appropriations from Richland and Lexington counties. College staff then shared an overview of the project. Commissioners inquired about the number of students on campus and the length of time before the project would enter Phase II, which college staff responded that there are approximately 5,500 students and the project would progress to Phase II within six to eight months. Commissioners next inquired about the college’s current enrollment status. College staff stated that enrollment is down approximately one percent compared with Fall 2019; however, prior to the pandemic, the college was projecting an enrollment increase. Chair Dalton then asked for a motion to approve Phase I of the project, which was made (Batson) and seconded (Dolny). The Committee carried the motion to approve the project.

- ii. Midlands – Center for QuickJobs Training and Workforce Development
 - Establish Phase II Construction Budget

Mr. Tippens explained that Midlands Technical College sought recommendation of the CHE to begin the construction phase of a project that will demolish two facilities on its Beltline campus and replace them with a 56,500-square foot new facility, which will house their Business and QuickJob programs. Midlands staff further described the project citing mechanical issues and disruptions with the existing buildings. Staff then added that institutional resources will be used to fund the project, but they also intend to issue a \$10 million bond that will be serviced with county appropriations. The Commissioners also asked whether the project was justified by current demand, noting that Phase I was initially approved more than two years ago, and asked whether the pandemic or other factors may have affected the need of the project. College staff confirmed that the project was justified by current enrollment. Chair Dalton then asked for a motion to approve Phase II of the project, which was made (Batson) and seconded (White). The Committee carried the motion to approve the project.

- B. USC – Columbia
 - i. Taylor House Maintenance Renovation
 - Establish Phase II Construction Budget

Mr. Tippens explained that USC sought recommendation of the CHE to begin the Phase II construction stage of a project to perform interior renovations on the Taylor House, a 14,000-square foot, 112-year-old building. He stated that USC has private donations to cover 70 percent of the funding and the remainder to be funded by institutional capital project funds. He shared that the space will primarily be used to house the Rule of Law program. University of South Carolina staff provided an overview of the planned use of the facility, noting that it will primarily be used as office space but that the Rule of Law program could also hold small

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symposia or professional development events in the space. The Commissioners asked about the funding of the project, specifically USC-Columbia's intent to use institutional capital project funds. The Commissioners noted that USC- Columbia staff stated in the attached documentation that it plans to fully expend its institutional capital project fund balance; the Commissioners were interested if that means that USC-Columbia will raise student fees in the near future to finance additional projects. USC-Columbia staff stated that at this time they are unaware of any plans to raise student fees but could not speak for future decisions. Commissioners then asked about the necessity of the project, which college staff explained the several factors considered before presenting the project to the Commission. Chair Dalton then asked for a motion to approve Phase II of the project, which was made (Dyer) and seconded (Dolny). The Committee carried the motion to approve the project.

5. Proposed Review Standards for Permanent Improvement Project Submittals

Chair Dalton thanked Commissioner Dolny and the ad hoc committee for their work in drafting the policy and procedures manual. He then asked if there were any comments before the policy is presented to the full Commission. Mr. Tippens explained he made two revisions to the policy based on discussion from the previous meeting. He stated Commissioner Dalton requested an addition under the Institutional Data section which would include CHE working with institutions to receive their master plans. He then mentioned that the second amendment was regarding the Committee Priorities section, which would ensure that if new space is being added or acquired, it is supported by current demand and there is a statewide need. He explained that the policy will be effective for institutional submissions due by October 30, 2020. Commissioner Batson then shared his support of the policy and asked if the institutional data will be available to Commissioners in their data packets. Mr. Tippens stated that a new dashboard will be created and provided prior to Commissioners prior to each meeting. Chair Dalton asked for a motion to adopt the new policy standards and that they become a part of the official policy manual, which was made (Batson) and seconded (White). The Committee carried the motion to approve the motion.

6. Other Business

A. Permanent Improvement Project Staff Approvals for August

Mr. Tippens reported that he approved ten projects with six being close-out projects and four were increasing the budgets. He explained that two projects had money funded by legislative appropriation. He further explained that one project was for The Citadel's Byrd Hall renovation, which they received a \$2.5 million appropriation to enter the construction phase on the project. He next described the Technical College of the Low Country project, which was presented to the Commission in March, but because of COVID-19 it was not presented to the Joint Board Review Committee (JBRC). He stated that the college retracted the original request to the Commission and submitted a new proposal for \$3.5 million to be funded and supported by legislative appropriation. He explained that the other two approved project increases were from USC, which he recommended approval of transferred funds from projects with budget availability.

Adjournment

Being no other business before the Committee, Chair Dalton adjourned the meeting at Noon.