

South Carolina Commission on Higher Education

Finance and Facilities Committee Board Meeting

August 5, 2021

DRAFT MINUTES

COMMITTEE ON FINANCE & FACILITIES

AUGUST 5, 2021

COMMISSION ON HIGHER EDUCATION

Committee Members

Mr. Charles Dalton, Chair
Mrs. Linda Dolny
Mr. Paul Batson
Mr. Patrick White

Staff

Dr. Rusty Monhollon
Mr. Georges Tippens
Mr. Bryce Wilson
Mr. James Vant

Excused Absence

Ms. Linda Dolny

Other Commissioners

Mr. Hugh Mobley

Guests

Michael Keeney
Carol Routh
Julianne Cooke
Darryl Bridges
Benjamin Blanks
Brad Taylor
Jessica McLees
James Grigg
Chris Johnson
Justin Oates
Victoria Cowell
Christy Brandon
Harold Hawley
Doug Hannah

The Citadel
Clemson University
Coastal Carolina University
Francis Marion University
Francis Marion University
Medical University of South Carolina
University of South Carolina Upstate
Winthrop University
Winthrop University
Winthrop University
South Carolina Technical College System
South Carolina Technical College System
Horry-Georgetown Technical College
POND

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 11:00 a.m. and noted the establishment of a quorum of committee members. Chair Dalton also mentioned that Vice Chair Dolny had an excused absence.

2. Approval of Minutes

*After a reminder from Commissioner Batson near the meeting's end, Chair Dalton requested a motion to approve the minutes, which was made and seconded.

3. Chair's Report

Chair Dalton welcomed everyone in attendance and expressed excitement to see everyone in person at the commission meeting on August 11th and 12th.

4. Permanent Improvement Project Approvals

The following projects were presented:

A. The Citadel

- i. Boat Center Redevelopment
 - Change Source of Funds (Phase II)

The Citadel sought a recommendation from the Committee on Finance and Facilities to change the source of funds for its boat center redevelopment project. According to Citadel staff, the donor stipulated creation of a reserve to fund ongoing dredging maintenance. Commissioner Batson inquired why the donor wanted to put money into maintenance. The Citadel indicated that the purpose of the change is to create a long-term fund for the maintenance of the facility. When asked how the funding source change request would affect other projects at the Citadel, staff noted that the auxiliary profit clearing fund has sufficient funds to meet the institution's needs even after funding the Boat Center Redevelopment project approximately \$1,000,000.

Commissioner Dolny – Moved to Approve
Commissioner Batson – Seconded

B. Francis Marion University

- i. Smith University Center Renovations/Improvements
 - Establish Project (Phase I)

Francis Marion University sought a recommendation from the Committee on Finance and Facilities to establish a project for renovations/improvements to the Smith University Center. According to the university, the improvements to the Smith University Center will provide up-to-date facilities for student-athletes, students, and members of the faculty/staff for athletic, recreation, training, and therapeutic purposes. The university anticipates that the improvements and addition will enhance recruitment and retention of students/athletes as well as faculty/staff and enhance the fan experience and add usable square footage on an existing part of the facility that is not being used. The university mentioned that during the pandemic, staff relooked at priorities and determined that this project would provide greater benefit to the university community than the previously approved Griffin Athletics Complex project. Commissioner Batson asked about Griffin Athletic Complex's location compared to the Smith University Center. The university stated that the Smith University Center is located on the main campus, and that Griffin Athletic Complex is located across the way. Commissioner Batson also inquired about the proposed bond refinance for the construction phase. University staff stated that students are charged an athletic and activity fee that generates over \$800,000, which is sufficient to pay for increased debt service. When asked about timing, the university staff stated they intend to bring the Phase II request at the end of the year or by the Commission's January 2022 meeting.

Commissioner White – Moved to Approve
Commissioner Batson – Seconded

C. Horry-Georgetown Technical College

- i. Acquisition of Property to Expand the Diesel Engine Training Facility
 - Establish Budget (Phase I)

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Horry-Georgetown Technical College sought a recommendation from the Committee on Finance and Facilities to acquire approximately 13,700 square feet of light industrial/commercial warehouse space located on 1.5 acres of land in a Business Park located about 1.0 miles from the College's Conway campus. The college gave an overview of the property, noting that the building on the property is in excellent condition. College staff anticipate some building renovations, costing less than \$400,000, including supplementing the existing HVAC system, modifying the loading docks, and possibly expanding electrical service. Staff noted that its diesel engine program has extensive demand and a waitlist. By acquiring this property, the college will be able to increase its training program and accommodate all interested students. College staff stated that the college has zero debt and would not raise any tuition or fees in any way associated with this project. Commissioner Batson inquired what would happen to the current facility used by the diesel manufacturing program. College staff stated that the current facility will be utilized by other college programs.

Commissioner Batson – Moved to Approve
Commissioner Dolny – Seconded

D. Winthrop University

- i. Joynes Hall Interior Renovation
- Increase Budget (Phase II)

Winthrop University sought a recommendation from the Commission on Higher Education to increase the budget for Joynes Hall interior renovation. University staff provided an overview of the project, noting that the renovation will relocate offices of Alumni Relations and Advancement in addition to addressing building accessibility needs. Commissioner Dalton asked if the current alumni center is a standalone building, to which university staff stated that the alumni center currently shares space with the administration building. Commissioner Batson inquired if the donor is one individual or multiple individuals, to which university staff indicated that it is one donor. Commissioner Dalton asked about the financial and revenue impact of closing the inn. The university stated that the inn provides revenue however it needs renovation and maintenance, the investment in which will be costly. As a result, university staff stated it was more cost effective to collaborate with nearby hotels to house board members than to invest in keeping the inn open to function.

Commissioner White – Moved to Approve
Commissioner Dolny – Seconded

5. Other Business

A. Tuition Revenue

- i. Chair Dalton explained that the Committee will begin a task force on reviewing how the institutions were allocating revenue received from tuition, at the request from Commissioner Dyer. Chair Dalton opened the invitation for those wanting to be involved with the task force to please make the Committee aware. This task force will be headed by Commissioner Dyer.

B. Permanent Improvement Project Staff Approvals

James Vant gave an overview of the projects staff approved during June and July 2021 as an informational item.

C. CHE Third Quarter Budget Analysis

Mr. Wilson provided a recap of the Commission's year-end Budget report for fiscal year 2021.

Adjournment

Being no other business before the Committee, Chair Dalton adjourned the meeting at 12:07 p.m.