

South Carolina Commission on Higher Education

Finance and Facilities Committee Meeting

August 8, 2024

MEETING MINUTES

COMMITTEE ON FINANCE & FACILITIES

AUGUST 8, 2024

A meeting of the South Carolina Commission on Higher Education's Finance and Facilities Committee was held on August 8, 2024. This meeting was held in compliance with the Freedom of Information Act.

1. Call to Order

Commissioner Paul Batson, Chair, called the meeting to order at 10:30 a.m. Upon Chairman Batson's request, Scheri Eichelberger acknowledged Committee members, noted the establishment of a quorum, and introduced guest attendees.

Richland County government offices were closed on August 8, 2024, due to inclement weather, so this meeting was held virtually via Zoom only.

In addition to Chairman Batson, Committee members present for this meeting were Commissioners Patrick White, Vice-Chair; Jenni Bryson; Edgar Dyer; Dino Teppara; and Dr. Mitchell Zais.

Staff of the Commission on Higher Education (CHE) present for this meeting were Dr. Jeff Perez, President and Executive Director; Bryce Wilson; Christina Seale; Scheri Eichelberger; Yolanda Myers; Laura Belcher; Christopher Glenn; Monica Goodwin; Leslie Williams; Mark Swart; Shardai Figgures; Karen Woodfaulk; Kathryn Harris; Tanya Weigold; and Kristin Brooks.

2. Approval of Minutes

Chairman Batson called for approval of the June 6, 2024, meeting minutes. Commissioner Bryson motioned for approval, and Commissioner Zais seconded. The motion passed unanimously.

3. Chair's Report

Chairman Batson thanked everyone for attending the meeting. Chairman Batson noted that the agenda for this meeting was light and would mostly consist of information and discussion of the CHE's budget.

4. Discussion of Agency Budget

The following items were presented for information and discussion only:

- A. Year-End Budget Report
- B. Review of Year-End Cash Balances
- C. Outline of Proposed Fiscal Year 2025-26 Budget Request

Mr. Bryce Wilson, Director of the Office of Fiscal Affairs, presented information to the Committee regarding the agency's 4th quarter budget and year-end cash balances. This information included balances of scholarships, operating costs, flow through funds, and salary and fringe costs.

Committee members asked questions regarding whether the CHE had received instructions from the General Assembly regarding the balances of scholarships and when those balances would be returned. Mr. Wilson stated that the CHE was working with the General Assembly regarding this matter and would handle the matter as directed by the General Assembly.

Committee members asked questions about the Battelle Alliance and its role in making sure the funds were dispersed to the universities partnering in the alliance.

One Committee member voiced concerns about the CHE's satellite campus and inquired about the costs associated with it. Mr. Wilson stated that he would do a cost break-down and provide that information to the Committee.

The Committee stated that they were pleased with the way the information was provided and broken down for their information and ease of identifying budget items.

Upon conclusion of discussion regarding the CHE's 4th quarter budget and year-end cash balances, Dr. Perez and Mr. Wilson spoke about the CHE's proposed budget for Fiscal Year 2025-26. Specifically, Dr. Perez addressed the plan to request funding from the General Assembly for 7 of the 14 vacant positions the CHE currently had at the time of this meeting.

Further proposed requests for the Fiscal Year 2025-26 budget include aligning full-time employees with correct funding sources, moving Ascend funding under administration, the deletion of authority for programs that the CHE no longer oversees, and the request for PASCAL's fiscal year 2025-26 budget.

5. Other Business

A. Compliance Audits Updates (For information only)

Ms. Christina Seale, Compliance Audit Manager of Office of Fiscal Affairs, provided information to the Committee regarding compliance audits. Ms. Seale stated that the CHE outsourced its Lottery Scholarship and Grant Compliance Audits with the CPA firm, Cline Brandt Kochenower with 7 auditors dedicated to the audits.

Ms. Seale gave the following information regarding audits as of August 2, 2024:

- 24 audits had been completed,
- 4 audits were in their final stages,
- 12 audits were actively in progress, and
- 7 audits had not yet begun

Lastly, Ms. Seale stated that after the 47 audits are complete, the audits will be back on track for the regular 3-year cycle which will begin on July 1, 2025. The firm's audit reports are very similar to CHE's prior year audit reports. Currently the CPA firm has agreed to audit the following scholarships and grants: Palmetto Fellows, Palmetto Fellows Enhancement, LIFE, LIFE Enhancement, HOPE, Need Based Grant, Lottery Tuition Assistance Program, and National Guard College Assistance Program. Committee members agreed that the CPA firm should be used on a continuing basis.

B. Permanent Improvement Project Staff Approvals during June (For information only)

Ms. Scheri Eichelberger gave an update on staff authorized approvals for the month of June, of which there were 8 total.

When there were no more comments or remarks, Commissioner Bryson motioned for adjournment, and Commissioner Zais seconded.

The meeting adjourned at 11:58 a.m.