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Agenda item 3.02.d

**Commission on
Higher Education**

Rayburn Barton
Executive Director

February 1, 2001

MEMORANDUM

To: Mr. Dalton B. Floyd, Jr., Chairman, and Members, Commission on Higher Education

From: Ms. Dianne Chinnes, Chairman, Committee on Academic Affairs and Licensing *DC/amm*

**Consideration of a Proposal to Establish an Integrated
South Carolina Information Technology Institute**

Background

During the 2000 legislative session, the General Assembly appropriated \$4 million dollars to be used to establish a statewide higher education center for information technology. In response to the call for proposals issued in September by the Commission, three proposals were received. At its December meeting, the Commission determined that a single cooperative proposal should be constructed from the three competing proposals submitted by USC-Columbia on behalf of the research sector, the College of Charleston, and Midlands Technical College on behalf of the technical college system. The Commission also approved six criteria to be followed in developing the integrated proposal as follows:

1. The center will be housed at USC-Columbia, which will also serve as fiscal agent, in the College of Engineering.
2. The center will be governed by a Board of Directors on which will be equitably represented the proposing entities...as well as other appropriate representatives such as the Department of Commerce, the Commission on Higher Education, the State Board for Technical and Comprehensive Education, the Budget & Control Board's Office of Information Resources, relevant business and industry representatives, and other higher education institutions such that balanced geographic and sector representation are ensured.

3. The center's program of work will be outlined in terms of both short-term and long-term goals and objectives on the assumption that recurring funding at approximately the same level (\$4 million) as well as external grant funds will be sought to advance the work of the center.
4. The center's initial year budget shall be allocated as follows and a detailed budget provided as to how funds will be expended within the categories noted:
 - a. Infrastructure development as described in research sector proposal: \$2.75 million
 - b. Funds to the technical college to reinforce and establish infrastructure capacity in distance delivery: \$1.00 million
 - c. Funds to College of Charleston to enhance program capacity and support in areas identified as priority areas by market research \$0.25 million

Total:	<u>\$4.00 million</u>
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5. The Center proposal shall display a summary budget for years two and three.
6. To the required relevant elements, sections should be added 1) that clearly describe the organizational and the governance structures of the proposed center; 2) that display a timeline for achieving the short-term and long-term purposes and objectives of the center as identified under the "Justification" section; 3) and the budgets.

The proposal was received in the Commission's offices on January 10, 2001. It was reviewed by the Committee on Academic Affairs and Licensing at its meeting on January 16 and is available upon request.

Discussion

The proposal to create a South Carolina Information Technology Institute (ITI) meets criteria 1, 4, and 5.

The ITI will be housed in the College of Engineering and Information Technology at USC-Columbia, which will serve as fiscal agent for the Institute (Criterion 1). The chair of USC's Department of Computer Science and Engineering will serve as Director of the Institute. Other academic units involved include the College of Engineering and Science at Clemson, the Office of Information Technology at MUSC, the Schools of Science and Math and of Business and Economics at the College of Charleston, and Midlands Technical College and the SC Technical College System.

The funding for the first year will be used primarily for infrastructure development and in lesser amounts for program enhancement and development (Criterion 4). The specific items to be funded are detailed on pages 9-10 of the proposal and on the budget page. These include Internet 2 connections for the three research universities; an infrastructure upgrade for the Sumwalt building at USC; enhancement of existing technology facilities and networks and development of new ones at the College of Charleston; and telecommunications infrastructure support for the technical colleges. With respect to program development, funds are included at USC for a software experimentation laboratory, new faculty start-up funds, and pilot programs in software engineering; at College of Charleston for program enhancement and development, partnerships and technology transfer in multiple technologies involving computer science, software engineering, mathematics, web-based instruction and others; and the development of products and processes for distance learning management as well as solutions to connectivity issues at the technical colleges.

The summary budget displayed for years two and three (criterion 5) projects distribution of the same dollar amounts to the different institutions as in year one but no specificity by category of expenditures is provided.

Perhaps because of the submission deadline required for the integrated proposal, criteria 2, 3 and 6 have not yet been fully addressed. The proposal indicates that the institutionally representative Board of Directors that is to provide oversight for the Institute (criterion 2) will be appointed after the first year; that is, there will be no governing body during the first year. Even allowing for the fact that the budget decisions for year one, which is half over, have already been made, issues of collaboration and coordination, particularly in program development and the offering of training, are immediate and ongoing. At the least, a Board of Directors should be constituted at the earliest opportunity to:

- oversee the development of a mission statement and long-term as well as short-term goals (criterion 3) and objectives for the Institute;
- develop a timeline for achieving the goals and objectives (criterion 6) for the Institute;
- develop the organizational and governance structures (criterion 6) which will ensure that the Institute is indeed integrated in its focus and activities rather than merely a conduit for funding discrete and possibly related but not necessarily integrated or coordinated activities; and
- especially given the current funding climate, if continued funding is to be achieved, develop an outcomes-based assessment and evaluation plan centered around clearly stated goals and objectives.

In summary, the proposal represents an exciting beginning for an intensified focus on strengthening the state's information technology work force. It is clearly focused on an area of great need with the majority of funds directed to institutionally-specific infrastructure needs; this is an important foundation to build to enhance the state's capacity to develop and deliver the degree programs and training needed by the IT workforce. It is to be hoped, indeed even expected, that increased collaboration and integration not only in research but also in program delivery and development will be logical extensions of this initial investment in infrastructure.

Recommendation

The Committee recommends that the Commission approve the South Carolina Information Technology Institute for immediate implementation, provided that the Board of Directors is appointed at the earliest opportunity and completes development of the elements described above by June 30, 2001.

F. Presentation of Commendation of Excellence Awards in Business Administration

- Bachelor of Science in Industrial Management, Clemson
- Master of Science in Industrial Management, Clemson
- Doctor of Philosophy in Industrial Management, Clemson
- Master on International Business Studies, USC-Columbia
- International Master of Business Administration, USC-Columbia
- Professional Master of Business Administration, USC-Columbia

Commendation of Excellence Awards in Business Administration were presented to the programs listed above as recommended by the Commission's external consultants in business administration. Present to receive these awards were the following:

Representing Clemson University:

Dr. David W. Grigsby, Associate Dean of the College of Business & Public Affairs

Dr. Terry Leap, Chair, Dept. of Management

Dr. Larry LaForge, Alumni Professor of Management

Dr. Michael Crino, Alumni Professor of Management

Dr. Mark McKnew, Associate Dean of the Graduate School

Representing USC's Darla Moore School of Business:

Dr. Rodney Roenfeldt, Associate Dean for Academic Affairs

Dr. Bob Markland, Associate Dean for Administration

Mr. Paul Yazel, Managing Director, MBA Programs

Mr. Pat Hanly, Managing Director, International Programs

Dr. Jerry Odom, Provost

G. Presentation of Commendation of Excellence Awards in the Foreign Languages

- Bachelor of Arts in Classics, College of Charleston
- Bachelor of Arts in French, College of Charleston
- Bachelor of Arts in German, College of Charleston
- Bachelor of Arts in Spanish, College of Charleston
- Master of Arts in Foreign Language Interpretation and Translation, College of Charleston
- Certificate in Bilingual Legal Interpreting, College of Charleston

Commendation of Excellence Awards in Foreign Languages were presented to the College of Charleston with the following representatives present:

Dr. Andrew Abrams, Provost

Dr. Sam Hines, Dean, School of the Humanities and Social Sciences

Dr. Earl Rickerson, Head, Division of Classical and Modern Languages

Dr. Frank Morris, Department of Classics

Dr. Andrew Sobiesuo, Department of Hispanic Studies

Dr. Jeffrey Foster, Department of French

Dr. Thomas Baginski, Department of German
Dr. Virginia Benmaman, Program in Bilingual Legal Interpreting
Ms. Marcia White, College Relations

**3.03 Report of the Committee on Access, Equity
& Student Services**

Ms. Sue Cole

A. Public Hearing: Palmetto Fellows Scholarship Program Regulations

The proposed regulations for the Palmetto Fellows Scholarship Program (ATT III.a) were published in the State Register on Oct. 27, 2000 to allow for a 30-day public comment period and were approved by the Commission at the December 7 meeting. The requisite time has passed and there have been no public comments and neither are there today. Since there were no public comments, the **motion** (Cole) was made, **seconded**, and **carried** to approve the regulations as they were presented in ATT III.a and forward them to the General Assembly for appropriate action.

B. Public Hearing: South Carolina Need-based Grant Program Regulations

The proposed regulations for the South Carolina Need-based Grant Program (ATT III.b) were published in the State Register on Oct. 27, 2000 to allow for a 30-day public comment period and were approved by the Commission at the December 7 meeting. The requisite time has passed and there have been no public comments and neither are there today. Since there were no public comments, the **motion** (Cole) was made, **seconded**, and **carried** to approve the regulations as they were presented in ATT III.b and forward them to the General Assembly for appropriate action.

The public hearing was then closed.

3.04 Committee on Finance and Facilities

-Ms. Rosemary Byerly

A. Consideration of MGT Recommendations

Ms. Byerly asked that Recommendation 7 (Introduce legislation to remove the requirement that the public colleges and universities pay sales tax) be removed from the list for consideration. After discussion in Committee, it was decided to defer Recommendation 7 until further investigation and study can be done and will be addressed at a later time. That is so-noted in the list below.

Recommendation 1: Change the student/faculty ratios at the remedial and undergraduate levels for the two-year, teaching, and research sectors so that the ratios are the same as those for the technical college sector. **Fiscal Impact: \$ 39,784,808 increase** Staff recommends deferral. ***Committee Deferred**

Recommendation 2: Modify Steps 4 and 5 (Libraries and Student Services) by using student headcount data instead of full-time equivalent students for all calculations in the steps. **Fiscal Impact: \$6,599,165 increase** Staff recommends approval.

***Committee Approved**

Recommendation 3: Modify Steps 4 and 6 by the introduction of economies of scale factors. *Fiscal Impact: \$1,448,294 increase* Staff recommends approval.

***Committee Approved**

Recommendation 4: Modify Step 9 of the MRR calculation by modifying policy to permit institutions to retain the first 10 percent of revenues over target revenues for resident students. *Fiscal Impact: \$1,124,952 increase* Staff recommends approval.

***Committee Approved**

Recommendation 5: Modify Step 9 of the MRR calculation by indexing targeted revenues for resident students to the percent of the MRR that is funded, and permit institutions to retain any amounts that would provide funding up to 100 percent of the MRR calculation.

Fiscal Impact: \$54,750,161 increase Staff recommends approval.

***Committee Approved**

Recommendation 6: Modify Step 9 of the MRR calculation so that no more than 100 percent of actual graduate student revenues are deducted from the MRR calculation of resource need. *Fiscal Impact: \$59,338,435 increase* Staff recommends approval.

***Committee Approved**

Recommendation 7: Introduce legislation to remove the requirement that the public colleges and universities pay sales tax. Staff recommends Recommendation 7 be tabled for current period. ***Committee Deferred**

Recommendation 8: Provide additional waivers for the use of the colleges and universities. Staff recommends Recommendation 8 be tabled for current period.

***Committee Tabled**

Recommendation 9: Require consistent reporting of certain revenues and expenditures on the IPEDS financial surveys. Staff recommends approval. ***Committee Approved**

On behalf of the Committee on Finance and Facilities, a motion (Byerly) was made, **seconded**, and **carried** to approve, as presented today, Recommendations 1-9, excluding Recommendation 7. (Recommendations 1, 7 and 8 tabled for the current period.)

B. Consideration of Allocation Plan 2002

This was removed from the Committee Agenda and was not discussed today, but will be discussed on March 1. More study is to be done in Advisory Committee meeting in February and brought back to the Commission at its March meeting. (ATT III)

C. Consideration of Interim Facilities Projects

1. MUSC – Hollings Cancer Center Expansion
2. Clemson – Lease Renewal, Clemson Res. Park
3. MUSC – Lease of 771 Parking Spaces
4. MUSC – Lease Warehouse Space
5. Technical College of the Lowcountry – Lease New Facility in Southern Beaufort/Jasper County

Number 5 was removed from the agenda and will not be considered today. Numbers 1 through 4 are detailed in ATT IV. On behalf of the Committee, a **motion** (Byerly) was made, **seconded**, and **carried** to approve Projects 1-4 as presented in ATT IV.

**3.05 Report of Committee on Planning, Assessment
and Performance Funding**

- Gen. Tom Olsen

A. Consideration of 1D Goal for the Technical College of the Low Country

The Commission approved, at its last meeting, the strategic planning goals for indicator 1D, except for one goal for the Technical College of the Low Country. Issues regarding this goal have now been resolved and the Committee has approved the goal as submitted by TCLC to increase its course offerings in its service area. (ATT V.a) On behalf of the Committee, a **motion** (Olsen) was made, **seconded** and **carried** to approve the goal as submitted for TCLC for indicator 1D/1E.

B. Consideration of Revised Mission Statements for Greenville Technical College and York Technical College

Institutions are asked to submit revisions to their mission statements to the Commission on Higher Education for approval. The Committee reviewed revised mission statements from Greenville Technical College and York Technical college at its last meeting. Details of those revisions are ATT V.b. On behalf of the Committee, a **motion** (Olsen) was made, **seconded**, and **carried** to approve the revisions as presented.

C. Consideration of Revision of Indicators Measured and Scored for Annual Performance Funding Assessment

The Planning and Assessment Committee has been discussing revisions to the indicators to be used in the annual performance rating process. These discussions have involved the Committee, institutional representatives and Commission staff. Based on those discussions and the recommendations of Dr. Peter Ewell, consultant, the Committee recommends several changes outlined in ATT V.c.

On behalf of the Planning & Assessment Committee, a **motion** (Olsen) was made, **seconded**, and **carried** to approve the indicators listed in Attachment V.c ... "to be used in determining annual performance scores beginning with the Spring 2002 performance rating process, with the understanding for some indicators revised measured will need to be developed and that all indicators, whether directly used in the scoring process or not, are subject to assessment to determine compliance with standards."

6. Report of the Executive Director

Rayburn Barton

- ♦ **Legislative Update** – The Commission Budget presentation has been made to the appropriate committees in the House and we have met with Representative Townsend's committee and discussed a wide range of higher education topics. As yet a date has not been set for presentation on the Senate side.