

SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION
1333 Main Street, Suite 200
Columbia, SC 29201

Minutes of the Meeting

December 6, 2007

10:30 a.m.

Commission Members Attending

Dr. Layton McCurdy, Chairman
Dr. Doug Forbes
Dr. Bettie Rose Horne
Dr. Raghu Korrapati
Dr. Louis Lynn
Ms. Cynthia Mosteller
Mr. Daniel Ravenel
Mr. Jim Sanders
Mr. Hood Temple
Mr. Ken Wingate
Mr. Neal Workman
Dr. Mick Zais

Dr. Garrison Walters
Ms. Karen Wham
Dr. Karen Woodfaulk

Guests

Ms. Candy Borchick, University of Phoenix
Dr. Russ Bumba, State Technical System
Ms. Donna Collins, U.S.C. Columbia
Mr. Tom Covar, Lander University
Dr. Anthony Coyne, U.S.C. Sumter
Mr. Ralph Davis, Francis Marion University
Dr. Marsha Dowell, U.S.C. Upstate
Ms. Kim Ellisor, Francis Marion University
Mr. Fred Hardin, Lander University
Col. Curt Holland, The Citadel
Mr. Charles Jeffcoat, U.S.C. Columbia
Ms. Betty Jenkins, S.C. State University
Mr. Kim Jenerette, U.S.C. Upstate
Ms. Karen Jones, Winthrop University
Mr. Scott Ludlow, State Technical College
Ms. Beth McGinnis, Clemson University
Dr. Ed. Miller, U.S.C. Columbia
Ms. Cindy Peachey, U.S.C. Columbia
Ms. Sandra Powers, College of Charleston
Mr. Charles Shawver, S.C. Budget & Control Board
Dr. Rob Sheehan, Coastal Carolina University
Mr. John Smalls, S.C. State University
Ms. Phyllis Thompson, Benedict College
Dr. Aileen Trainer, U.S.C. Columbia

Commission Members Absent

Col. John Bowden
Mr. Randy Thomas

Staff Present

Mr. Reginald Adams
Mr. Michael Brown
Ms. Julie Carullo
Ms. Lorinda Copeland
Ms. Sjanna Coriarty
Ms. Renea Eshleman
Mr. Gary Glenn
Ms. Alyson Goff
Ms. Deborah Henning
Ms. Yolanda Hudson
Ms. Lane Jeselnik
Dr. Lynn Kelly
Ms. Rae McPherson
Dr. Tajuana Massie
Dr. Gail Morrison
Dr. Mike Raley
Ms. Beth Rogers

Members of the Press

Ms. Diane Knich, The Post & Courier

The meeting was held in accordance with the Freedom of Information Act.

1. Introductions

- Lynn Kelley

Dr. Lynn Kelley introduced the guests, all of whom are listed above.

2. Approval of Minutes

A **motion** was made (Horne), **seconded** (Forbes), and **carried** to approve the minutes of November 2, 2007.

5. Chairman's Report

- Chairman McCurdy

Chairman McCurdy began by asking Dr. Walters to deliver information on some of his recent meetings and activities.

4. Report of the Executive Director

- Garry Walters

Dr. Walters stated that he had had a very good meeting on Tuesday, December 4, with the Higher Education Subcommittee of the House Ways and Means Committee, in which he emphasized key points about the proposed higher education budget, in particular the need for operating support for colleges and universities. A summary of these needs is in the budget summary presented at that meeting, a copy of which may be found in **Attachment I**. Dr. Walters noted that regular and significant capital support for colleges and universities is essential and that investment in higher education is the best investment that a state can make as it provides the foundation to strengthen the economy, lower taxes, and increase state services. Financial aid was also emphasized, in particular the importance of additional need-based aid and its relationship to increasing the college going rate. Collaborative statewide higher education programs, as well as higher education lottery-funded programs were also noted.

Dr. Walters reported that a statewide course alignment project was about to begin which will connect curriculum of high schools with data for two-year and four-year colleges and universities. Dr. Morrison provided details about the kick-off event for this project which will take place on Tuesday, December 11, at the Columbia Metropolitan Convention Center. She stated that Dr. David Connelly, the national foremost expert on issues of course alignment, would be the keynote speaker for the meeting. The ultimate goals of this project are to ensure that students are better prepared for college, to reduce the need for remediation, and to make it possible for more students to go to college and get a degree. Dr. Morrison invited all interested in attending the meeting to notify her so that she might have them registered. When Dr. Horne inquired whether the technical colleges are on board with this project, Dr. Morrison replied that they are indeed on board and fall within the category of two year colleges. Chairman McCurdy commended the project favorably. In response to Chairman McCurdy's inquiry, Dr. Morrison stated that a funding proposal had been crafted for dually enrolled high schools students to get tuition assistance, though no dedicated source of funding for that purpose has yet been identified.

Dr. Walters reported on his recent trip to Washington when he attended a Lumina Foundation conference on an initiative entitled, *Making Opportunity Affordable*. This effort offers a grant opportunity which will assist states with their work to find more efficient and effective ways to educate more people. Commission staff will develop a letter of intent for the grant and submit it by December 31, 2007. Ten states will be chosen to proceed with the process.

Dr. Walters stated he would meet with the comprehensive Presidents on Monday, December 10 to talk about a variety of issues. He reminded Commissioners that a retreat for them is scheduled for January 10 - 11, 2007, an agenda for which will be developed.

Dr. Walters then invited Ms. Julie Carullo to deliver her legislative report. Ms. Carullo stated that the 2008 legislative session will begin January 8. She reported that lower anticipated state revenues will cause 2008 to most likely be a very tight budget year. She also reported that lottery projects appear to be on target to meet initial expectations. Ms. Carullo stated that both the House and Senate pre-filed legislation on December 5 and will do so again on December 12.

5. Committee Reports

5.01 Report of the Executive Committee

- Layton McCurdy

The Executive Committee had no report.

5.02 Report of the Committee on Academic Affairs and Licensing

-Bettie Horne

The Committee on Academic Affairs and Licensing had no report.

5.03 Report of Committee on Access & Equity and Student Services

- Cynthia Mosteller

A. Proposed Changes to the Need-based Grant Program

B. Information Report on Proposed Regulations for the SC National Guard College Assistance Program

Ms. Mosteller introduced the staff proposal on the need-based grant program and invited Dr. Walters to deliver a statement which summarizes the CHE senior staff's current position on the proposed changes to the need-based grant program. The statement reads as follows:

The staff proposes that the part of the revised Need-based Aid Grant program that limits funding to Pell Grant recipients be modified to eliminate that requirement. It appears that such a limitation would conflict with existing practices at many colleges and universities and, as a result, cause needless disruption. The staff

strongly believes that our financial aid officers are dedicated to providing resources to the greatest number of needy students in the most effective manner possible; however, conversations about this issue have revealed some differences in philosophy and practice across the state, and, as a result, we think it worthwhile to have consultation to ensure that all campuses are aware of and are implementing best practices. Staff will report to the Commission on this consultation and, if appropriate, recommend revisions to our regulations. We do not anticipate any changes for the upcoming fiscal year.

Discussion followed in which the reasons for revising the proposed changes to the need-based grant program, as described in **Attachment II**, were presented. The revised plan proposes that need-based aid funds be allocated to institutions based on their numbers of Pell grant recipients instead of FTE, though institutions will not be required to distribute those funds only to Pell recipients or Pell eligible students.

Ms. Mosteller provided further explanation on the proposed changes. She then proposed that the revised plan be adjusted to provide awards amounting to 14% of total tuition and fees per recipient as opposed to 16% as noted on page 4 of **Attachment II**. She indicated this would reduce the amount of additional funding requested to \$13,041,863 from \$15,000,000. Ms. Mosteller stated that the change in allocation should occur only if the additional funding is granted.

Discussion took place about whether institutions might tie tuition increases to the percentage amount awarded to grant recipients. Also discussed were various influences which may necessitate that the distribution plan be altered in future years.

A **motion** was made (Horne) and **carried** to approve the proposed distribution plan with the percentage adjusted to 14%.

At Commissioner Temple's request, Chairman McCurdy asked that CHE staff develop a brief fact sheet on the proposed plan which Commissioners might refer to when discussing it with members of the legislature.

At Commissioner Mosteller's request, Mr. Michael Brown briefly described the proposed regulations for the SC National Guard College Assistance Program, also described in **Attachment III**. This was provided for information only.

Ms. Mosteller provided updates on other issues currently under consideration. Those issues include: changing the allowable usage time of a need-based grant to three semesters as opposed to two; extending the Life scholarship to apply to a 5th year for programs of study which require five years; and allowing Lottery Tuition Assistance Program funds to be used for the purchase of textbooks.

5.04 Report of Committee on Finance and Facilities

- Daniel Ravenel

A. Consideration of Interim Capital Projects

1. College of Charleston - Purchase of 34 George Street
2. S.C. State University - Engineering/Computer Science Complex
- Replace HVAC System in Turner Hall
A Wing
- Repair & Replace HVAC System in
Mitchell Hall
- Replace HVAC System in
Washington Dining Hall
3. University of S. C. Columbia - Patterson Hall Seismic Upgrades
and Asbestos Abatement

B. List of Staff Approvals for October & November 2007

C. Proposed Regulation 62-1100: Free Tuition for Residents Sixty Years of Age

Commissioner Ravenel thanked members of his committee who recently attended various facilities tours with him. He emphasized the importance of visiting the campuses and observing their facilities first-hand.

Commissioner Ravenel stated his committee had met earlier in the morning and had approved all of the interim capital projects as listed above and also described in **Attachment IV**. He noted that the committee had reconsidered the Patterson Hall project at the University of South Carolina, which it did not approve at their November meeting due to the age of the building and expense of the upgrades, stating that they now considered approving it the best option.

A motion was made (Ravenel) and **carried** to collectively approve the following recommendation for each of the interim capital projects:

Staff recommends approval of this project as proposed.

Commissioner Ravenel stated that his committee was currently considering some possible policy changes, information about which will be brought to the full Commission at a future meeting.

Commissioner Ravenel made reference to the List of Staff Approvals for October and November 2007, and stated they were provided for information only.

Mr. Gary Glenn briefly explained proposed regulation 62-1100 which clarifies various aspects of the already established law which allows for free tuition for South Carolina

residents who are sixty year of age. A copy of that regulation is found in **Attachment V**.

A **motion** was made (Temple), **seconded** (Mosteller), and **carried** to approve this regulation as proposed.

6. Legislative Update

- Julie Carullo

Ms. Julie Carullo presented her report earlier in the meeting at the invitation of Dr. Walters.

7. Other Business

Commissioner Ravenel reported on the activities of the Higher Education Study Committee (HESC). He stated that more higher education people were not appointed to the Committee's Advisory Groups because of limited space and the desire to have a good cross section of people assigned to them. Commissioner Ravenel reported that all of the groups have met and are progressing well. There is still concern that the work of the HESC will not be complete by February 1, 2008. If necessary, an extension on that deadline will be requested. In response to Commissioner Horne's question about whether a sense that the universities coming to agreement on a broad agenda which promotes the overall welfare of all of the state's students, Commissioner Ravenel replied that he believed it was still too early to tell.

Commissioner Zais distributed a graph of the percentages of undergraduates who are South Carolina residents at the state's four-year public institutions, a copy of which may be found in **Attachment VI**. Commissioner Zais suggested that issues pertaining to out-of-state students attending college in South Carolina should be considered by the HESC and might also be a topic of discussion at the Commission's January, 2008 retreat. Brief discussion about some of those issues followed.

8. Adjournment

The meeting was adjourned at 11:55 a.m.

Respectfully submitted,
Beth B. Rogers
Beth B. Rogers
Recording Secretary

Attachments I - VI

*Attachments are not included in this mailing, but will be filed with the permanent record of these minutes and are available for review upon request.