

MINUTES OF MEETING
OF
SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION
February 6, 1997
10:30 a.m.

MEMBERS PRESENT

Mr. R. Austin Gilbert, Jr., Chairman
Ms. Rosemary H. Byerly
Ms. Dianne Chinnes
Mr. Bart E. Daniel
Dr. Colgate W. Darden, III
Dr. C. Edward Floyd
Mr. Dalton B. Floyd, Jr.
Mr. Frank Gilbert
Mr. Winfred S. Greene
Dr. W. David Maxwell
Gen. Thomas R. Olsen
Mr. Lewis Phillips
Mr. Bill H. Stern

STAFF

Mr. Michael L. Brown
Ms. Renea Eshleman
Mr. Charlie FitzSimons
Ms. Margaret L. B. Hicks
Ms. Sherry Hubbard
Dr. R. Lynn Kelley
Mr. Raghu Korrapati
Mr. Alan S. Krech
Dr. David R. Loope
Ms. Lynn W. Metcalf
Dr. Gail M. Morrison
Mr. Fred R. Sheheen
Dr. Michael Raley
Mr. Jeff Richards
Mr. John E. Smalls
Dr. C. Michael Smith
Ms. Yolanda Solone
Ms. Janet K. Stewart
Dr. Lovely Ulmer-Sottong
Dr. Aileen C. Trainer

Ms. Julia E. Wells
Dr. Karen Woodfaulk

GUESTS

Dr. Robert E. Alexander
Mr. Eugene D. Allen
Dr. James Arrington
Mr. Todd E. Barnette
Mr. Harry Bell
Mr. John Bowman
Dr. Fred Carter
Mr. David Casteen
Ms. Tonya Chambers
Ms. Teresa Childress-Arnold
Ms. Lorrie Cole
Ms. Donna Collins
Ms. Betty Davidson
Dr. David Dunlap
Dr. Conrad Festa
Mr. John L. Finan
Mr. David Fleming
Ms. Linda Floyd
Mr. Robert Gallagher
Mr. John Gardner
Mr. Ron Garrick
Dr. Carol Z. Garrison
Mr. Sandy Gilliam
Ms. Annie Gossett
Dr. H. McLean Holderfield
Dr. Sally Horner
Mr. David Hunter
Mr. Charlie Jeffcoat
Mr. Jim Kirk
Ms. Melody Lamm
Mr. Scott A. Ludlow
Col. Calvin G. Lyons
Ms. Amanda Maghsoud

Ms. Louise Majors
Dr. Harry G. Matthews
Dr. Michael McCall
Mr. Gary McCombs
Mr. Shealy McCoy
Mr. Dennis Merrill
Ms. Katis Morgan
Dr. Jim Mueller
Mr. Steve Osborne
Mr. William T. Putnam
Ms. Janice Schuelke
Mr. Ed Shannon
Mr. Charles Shawver
Mr. Corbin Smyth
Dr. Jane Stephens
Dr. DeWitt Stone
Dr. John C. Sutusky
Ms. Donna Traywick
Mr. W. E. Troublefield, Jr.
Dr. Lee A. Vickers
Dr. Jim Vincent
Ms. Dawn Wisniewski
Mr. Mark Wright

MEMBER OF THE PRESS

Mr. Bill Robinson

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

1. Approval of Minutes of Meetings of January 9, 1997

It was moved (Darden), seconded (Phillips), and voted that the minutes of the meeting of January 9, 1997 be approved as written.

2. Election of Vice Chairman

Mr. Stern nominated Mr. Dalton Floyd for Vice Chairman for 1997. It was moved (Stern), seconded (Byerly), and voted that nomination be closed and that Mr. Floyd be elected by acclamation. Mr. Floyd was elected Vice Chairman.

3. Special Presentation

a. Governor's Tuition Prepayment Program for South Carolina

Mr. Gilbert introduced Dr. Fred Carter, Executive Director of the Budget and Control Board. Dr. Carter stated that many states have adopted a tuition prepayment program to encourage families to save for college education for their children.

The State Budget and Control Board staff has conducted a study to explore and analyze the feasibility of creating a South Carolina Tuition Prepayment Program. The study revealed that most states have a tuition prepayment program or are considering one. The study indicated that South Carolina should proceed to create a tuition prepayment program. To proceed, the following issues should be addressed: support of the South Carolina public higher education institutions and elected officials; the need to introduce legislation during the 1997 legislative session; funding of start-up costs.

Dr. Carter answered questions on this subject.

It was moved (E. Floyd), seconded (Daniel), and unanimously resolved to endorse in principle the Governor's Tuition Prepayment Program for South Carolina.

b. Remarks by Mr. Lewis Phillips

Mr. Phillips stated that the first priority for the Commission is the welfare of the institutions in South Carolina, and he is very proud to serve on the Commission on Higher Education.

4. Committee Reports

3.02 Report of Committee on Academic Affairs

Mr. Greene, chairman of the Committee on Academic Affairs, reported on the following matters:

a. Consideration of Regulations for South Carolina Palmetto Fellows Scholarship and Need-Based Grants Programs

The 1996-97 Appropriations Bill, Act 458, created a new need-based student aid program and expanded the existing Palmetto Fellows Scholarship program. The Commission on Higher Education was assigned the responsibility for promulgating regulations and administration of these programs. In April 1996 the Commission formally approved operating guidelines for both student aid programs so that they could be

implemented in Fall 1996. In addition, a Student Aid Advisory Committee was appointed to review and refine the guidelines for both programs in preparation for their submission for legislative approval under the processes specified by the Administrative Procedures Act.

The Committee recommended that:

1) the Commission approve the regulations for the Need-Based Financial Aid Program and for the Palmetto Fellows Scholarship Program;

It was moved (Greene), seconded (Daniel), and voted that the recommendation be approved.

2) given endorsement by the Student Aid Advisory Committee and the Council of College and University Presidents, the Commission endorse changing the existing legislation to allow for the participation of part-time students in the Need-Based Financial Aid Program, providing that the allocation methodology for distribution of institutional funds remains unchanged;

It was moved (Greene), seconded (F. Gilbert), and voted that the recommendation be approved.

3) the Commission defer consideration of any changes to policies concerning participation of students in two-year institutions in a merit-based scholarship program and the allocation of funds by sector until after the scheduled deliberations of the Council of College and University Presidents;

It was moved (Greene), seconded (Daniel), and voted that the recommendation be approved.

4) the Commission consider the following revisions, underlined, to page 9 A.1) and 2) of the Need-based Financial Aid Program regulations.

A.1) All funds not awarded by the institution 45 days after the last day to register for the spring term of the regular academic year shall be returned to the Commission for redistribution.

A.2) Institutions in need of additional need-based grants for eligible students must provide documentation to this effect and must request additional funds from the Commission on Higher

Education in writing by not later than 45 days after the last day to register for the spring term of the regular academic year.

It was moved (Greene), seconded (Olsen), and voted that the recommendation be approved.

b. Annual Follow-up Report to the Study of Two-Year Education

In November 1992, the Commission on Higher Education established the Committee to Study Two-Year Education. The Committee issued a report and at that time the Commission endorsed all the recommendations that came within the report. In 1994 the Commission adopted a timetable for monitoring compliance and progress. The first joint system report was received in Fall 1995.

In February of 1996, the Commission adopted the findings of a Joint Implementation Committee which called for continuous reporting. Since that time, the policy landscape has changed even more in the direction of the need for continuous reporting on the issues identified in the 1994 report of the Committee on the Study of Two-Year Education. Act 359 overrides any previous agreement between the Commission and the two systems for the latter to report voluntarily on their systems' and institutions' cooperations, collaboration, and efforts to limit waste and unnecessary duplication. This legislation also tightly links institutional performance in certain prescribed areas to the funding for these institutions. Act 359 connects the issues mentioned in the 1994 report of the Two-Year Education Study Committee to funding.

The Committee recommended that in the future the subject matter and the concerns of the previous reports should be addressed under Act 359 of 1996 through the specifically related indicators in the performance funding plan under consideration by the Commission and the General Assembly and that duplicate reporting through a separate vehicle be eliminated.

It was moved (Greene), seconded (Phillip), and voted that the recommendation be approved.

c. Report on "Cutting Edge" Endowed Professorships

Representative of the Commission's role as advocate for higher education in the State, the "Cutting Edge" Endowed Professorship Program strives to enable institutions to attract or retain productive faculty scholars who are making or show promise of making substantial contributions to the

intellectual life of the State. Through a host of new public higher education initiatives, the "Cutting Edge: sought to foster excellence in teaching, learning, and research at all public colleges and universities in the State."

Of the 27 available professorships funded through the Commission's Endowed Professorships Program, 19 are currently filled, one appointment is pending university approval, five are unfilled and information on the last two is forthcoming.

Each year, the Commission makes a funding request for the various programs established under Act 629 of 1988, of which the Endowed Professorship Program is one. For FY 1997-98, the Commission has requested \$5 million. The Committee on Academic Affairs and Student Services recommended that the Endowed Professorship Program be funded as a first priority should the requested appropriation be approved by the General Assembly.

It was moved (Greene), seconded (Daniel), and voted that the recommendation be approved.

d. Consideration of Report on Advanced Placement

The Education Improvement Act (1984) requires the Commission to monitor the awarding of AP credit by the State's public higher education institutions. The 1996-97 Appropriations Bill included a proviso (section 18A.21) that mandated that all postsecondary institutions in South Carolina award AP credit to students receiving a score of three or above on an AP examination. All institutions evaluated their AP policies based on this approved legislation.

This report was for information only.

e. Analysis of Off-Campus Course Offerings - Calendar Year 1995

Each year the Commission prepares a report on off-campus courses offered by the public colleges and universities. For this report, off-campus courses are defined as those courses offered for degree credit at sites away from the campus in a classroom setting with an instructor present. The report is prepared from data reported by the institutions to the Commission. The continued availability and analysis of these data will provide institutions with opportunities for collaboration and cooperation and will allow for maximum use of education resources within the State.

This report was for information only.

3.03 Report of Committee on Access and Equity, Licensing and Veterans Education, and Special Projects

Mr. F. Gilbert, chairman of the Committee on Access and Equity, Licensing and Veterans Education, and Special Projects, reported on the following matters:

a. Renewal of License for Webster University (Charleston, Myrtle Beach, and Greenville, South Carolina)

The Commission has licensed Webster University to operate in Charleston since 1983 and in Myrtle Beach and Greenville since 1992. The license was renewed for five years in 1992. Since the programs are consistent throughout the State, a team only visited the Webster University facility in Greenville to evaluate its academic programs.

The Committee recommended that the license of Webster University be renewed for five years subject to annual reporting. Licensed programs are as follows:

Master of Arts	Master of Business Administration
Business	Business
Computer Resources and	Computer Resources and
Information Management	Information Management
Counseling	Human Resources Development
Human Resources Development	Management
Management	

It was moved (F. Gilbert) seconded (Olsen), and voted that the recommendation be approved.

b. Renewal of License for NOVA Southeastern University, Inc. (Columbia, Greenwood, Spartanburg, Aiken and Greenville, South Carolina)

The Commission has licensed NOVA to operate in South Carolina since January 1984, having renewed the license for five years in July 1991. An examining team has reviewed the programs offered in South Carolina in October of 1996 and made twelve recommendations.

The Committee recommended that the Commission renew NOVA's license for five years, subject to routine annual reporting augmented by a description of progress toward responses to the team's recommendations in the first year and subsequently as appropriate.

It was moved (F. Gilbert), seconded (Chinnes), and voted that the recommendation be approved.

3.04 Report of Committee on Finance and Facilities

Mr. Daniel, chairman of the Committee on Finance and Facilities, reported on the following matters:

a. Report on Fire Sprinklers in Residential Facilities

The Committee met and further considered fire safety systems in residential facilities in South Carolina's colleges and universities.

The Committee recommended that each institution with residential facilities prepare a summary of the current status of life-safety systems in those facilities. Each institution will submit to the staff of the Commission its summary, along with a plan for the implementation of additional appropriate life-saving measures not currently in place. The summaries and plans will address all major life-safety systems, projected time frames for implementation, and proposed sources of funds. These plans are due to the staff no later than April 1st of this year and will be considered by the Finance and Facilities Committee and the full Commission at their April meetings.

It was moved (Daniel), seconded (Byerly), and voted that the recommendation be approved.

b. Routine Repair, Replacement, and Maintenance Projects

The following projects were considered under the routine Repair, Replacement, and Maintenance Policy of the Commission:

Clemson University

1. Lever Hall Sprinkler System Installation

2. Jordan Hall Renovations

An opportunity was provided during the meeting for members to ask questions regarding these projects. Since there were no objections, the projects will be forwarded by staff to the Budget and Control Board with a favorable recommendation.

c. Consideration of Alternative Plan for Allocation of Non-Performance Fund Appropriation

A proposal prepared by the University of South Carolina and presented by Dr. Floyd in a letter dated January 7, 1997 has been withdrawn by Dr. Floyd. Mr. Daniel stated that the Committee decided to have the staff solicit any suggestions from the institutions on how to distribute money that is not ear-marked for performance funding. The Committee will meet between now and the March CHE meeting for an extensive discussion of the ideas that emerge.

5. Report of the Executive Director

Mr. Sheheen stated that we are in consultation with the consultants hired by the Commission to help with performance funding.

6. Other Business

a. Resolution

Mr. Floyd recounted that Act 359 requires continued consultation with the business community as we move into the second phase of performance funding. It was moved (D. Floyd), seconded (Stern), and voted that the Commission shall establish a Business Liaison Committee to provide continuing input in the development of performance funding. Those persons who served as sector committee chairs will be invited by the Chair of the Commission on Higher Education to serve on the Business Liaison Committee.

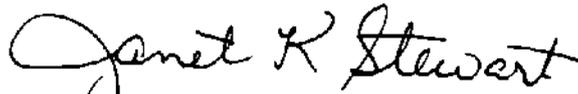
b. Performance Funding Time Line

A performance funding time line for key Commission meetings and deadlines was distributed.

c. Col Lyons reported that there has been a proviso introduced in the General Assembly that would eliminate support for out-of-state students. He stated that this is a critical issue for institutions who have out-of-state students. He hopes that the Commissioners will lobby against this proviso.

There being no further business, the meeting was adjourned at 12:10 p. m.

Respectfully submitted,



Janet K. Stewart
Recording Secretary