

SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION

1333 Main Street, Suite 200
Columbia, SC 29201

Minutes of the Meeting

September 7, 2006

Commission Members Present

Dr. Layton McCurdy, Chairman
Col. John Bowden
Dr. Doug Forbes
Mr. Danny Holcombe
Dr. Bettie Rose Horne (by conference call)
Dr. Louis Lynn
Ms. Cyndi Mosteller
Mr. Dan Ravenel
Mr. Hood Temple
Mr. Ken Wingate
Dr. Mick Zais

Commission Members Absent

Mr. Jim Sanders
Mr. Neal Workman

Staff Present

Ms. Rita Allison
Mr. Arik Bjorn
Ms. Camille Brown
Mr. Mike Brown
Ms. Julie Carullo
Ms. Renea Eshleman
Mr. Gary Glenn
Ms. Alyson Goff
Ms. Deborah Henning
Ms. Yolanda Hudson
Ms. Lane Jeselnik
Dr. Lynn Kelley
Ms. Lynn Metcalf
Dr. Gail Morrison
Mr. Clint Mullins
Dr. Mike Raley
Ms. Sandra Rhyne
Ms. Beth Rogers
Dr. Karen Woodfaulk

Guests

Dr. Tony Ateca, U.S.C. - Aiken
Dr. Rayburn Barton, U.S.C. - Beaufort
Dr. Frederick Baus, University Center of Greenville
Mr. Bruce Bloomberg, U.S.C. - Sumter

Ms. Terry Booth, Central Carolina Technical College
Mr. Bill Bragdon, U.S.C. - Columbia
Ms. Donna Collins, U.S.C. - Columbia
Mr. Bob Connelly, U.S.C. - Upstate
Dr. Ann Cooper, Central Carolina Technical College
Dr. Anthony Coyne, U.S.C. - Sumter
Ms. Betty Davidson, Governor's Office
Dr. Christine Ebert, U.S.C. - Columbia
Dr. Tim Hardee, Central Carolina Technical College
Mr. Walter Hardin, Winthrop University
Dr. Doris Helms, Clemson University
Col. Curt Holland, The Citadel
Dr. Conrad Festa, College of Charleston
Dr. Debra Jackson, Clemson University
Mr. Charles Jeffcoat, U.S.C. - Columbia
Mr. Dan Jones, Winthrop University
Ms. Karen Jones, Winthrop University
Mr. Scott Ludlow, State Technical System
Dr. Len McColl, University Center of Greenville
Mr. Deron McCormick, City Manager, Sumter
Mayor Joe McElveen, City of Sumter
Ms. Beth McInnis, Clemson University
Mr. J. P. McKee, Winthrop University
Ms. Candace Morgan, University of Phoenix
Dr. Noreen Noonan, College of Charleston
Mr. Craig Parks, Senate Finance Committee
Ms. Susan Pryor, U.S.C. - Columbia
Mr. Rick Puncke, U.S.C. - Upstate
Dr. Kay Raffield, Central Carolina Technical College
Mr. Charles Shawver, Budget & Control Board
Ms. Christine Smalls-Jackson M.U.S.C.
Dr. Rita Teal, S.C. State University
Mr. Bob Wells, Clemson University
Ms. Debbie Wiggins, Embry-Riddle Aeronautical University
Ms. Susan Williams, U.S.C. - Beaufort
Mr. Bryce Wilson, Budget & Control Board
Dr. Dennis Wiseman, Coastal Carolina University

Members of the Press

none

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

1. Introductions

- Lynn Kelley

The meeting was called to order by Chairman McCurdy. Dr. Lynn Kelley introduced the guests attending, all of whom are listed above. Chairman McCurdy also welcomed Commissioner Bowden to his first CHE meeting.

2. Approval of Minutes

Chairman McCurdy asked for a motion to approve the minutes of the meeting held on August 2, 2006 with a change to include Dr. Louis Lynn on the list of Commissioners attending. A **motion** was made (Temple), **seconded** (Lynn), and **carried** to approve the minutes as corrected.

3. Presentation

Dr. Frederick Baus, President of the University Center of Greenville, delivered a presentation about the Center, which provides access to higher education through inter-institutional collaboration to a predominantly working adult population living in and around the Greenville area. A copy of this presentation, as well as additional informative materials may be found in **Attachment I**.

Following the presentation Chairman McCurdy remarked that the Center is an excellent example of how the citizens of South Carolina benefit when institutions work together collaboratively to provide opportunities for higher education in a cost-effective manner. In addition, Chairman McCurdy commented that the Center is very viable and growing.

Discussion after the presentation revealed the following information. A degree acquired at the Center is actually granted by the participating institution in whose courses the student has been enrolled. A cooperative effort between the seven participating institutions, the Center's Board of Directors, and representatives of the community is underway to develop a strategic plan for the Center. The plan should be completed in approximately six months. Included in the CHE FY 2007-08 state budget request are two items for the University Center of Greenville. They are \$373,000 for operations and \$750,000 for technology and program/service development.

4. Chairman's Report

- Layton McCurdy

Chairman McCurdy stated that he would merge his report with the Report of the Executive Committee.

5. Committee Reports

5.01 Report of the Executive Committee

- Layton McCurdy

A. CHE Budget Request FY 2007-08

Chairman McCurdy reported that the Executive Committee had met on Wednesday,

September 6, 2006, in Charleston to consider the CHE 2007-08 Agency Budget Request. Also discussed were plans for involvement in the upcoming legislative session, a result of which was the decision that Commissioners, both collectively and individually, become more engaged in the legislative process. Chairman McCurdy reported that he is a member of the Governor's Budget Result Team which helps inform the Governor's Executive Budget process.

Dr. Morrison then explained the process of developing the CHE budget request, a copy of which may be found in **Attachment II**. She reported that the information reflected in the request does not represent standard operating funding for the agency, but is a request for increases in funding. Dr. Morrison provided details about each of the items listed in the request, the total amount of which is \$2,256,250.

Questions and answers which occurred during the course of the above-referenced explanation revealed the following information. \$400,000 requested for the Access & Equity Competitive Grant Program was the amount decided upon as it represents a figure that can be reasonably managed with current staff resources. Additional monies for this purpose may be requested in future years depending on the program's success. The increases in the SREB costs were discussed. It was explained that a large portion of the SREB money is expended on contract programs which allow students from South Carolina to pay in-state tuition to study optometry and veterinary medicine at schools in other states as none of the institutions in South Carolina offer those programs. It was explained that most of the increase needed is related to this portion of the SREB costs. Conversation took place regarding the veterinary program and discussions that have been taking place between the University of Georgia and Clemson University regarding needs in this area and the possibility of a joint veterinary school. The CHE's budget request lists items in order of priority per instructions of the budget office. Commissioners are asked to approve that order. General discussion followed regarding the state's budget process and CHE's request.

Chairman McCurdy stated that the Executive Committee had approved this budget request at its meeting on the previous day, which placed a motion for the Commission's approval on the table. The **motion** was then voted on and **carried** with the understanding that additional information would be received.

Dr. McCurdy then stated that the entire budget request would be sent to Commissioners and a review of it will be included as an agenda item for the Commissioners' Retreat in Clemson on October 4, 2006.

**5.02 Report of the Committee on Academic Affairs
and Licensing**
(No report)

- Bettie Rose Horne

**5.03 Report of the Committee on Access & Equity
and Student Services**

- Cyndi Mosteller

Commissioner Mosteller stated that the committee had met earlier in the day and that they were focusing in on the need-based aid allocation paradigm. Currently need-based

aid allocation is determined by an institutions' entire population, not on its population of needy students and the committee is examining the possibility of changing that method of allocation. Meetings are scheduled to discuss this with representatives of the institutions within the next six weeks. Dr. Horne noted recent developments regarding Georgia's need-based aid program.

5.04 Report of the Committee on Finance and Facilities

- Daniel Ravenel

A. Consideration of Interim Capital Projects

- | | | |
|--------------------------|---|-------------------------------------------------------------------------------------|
| 1. Clemson University | - | Boiler No. 4 Emissions Control Equipment Upgrade |
| | - | Academic Success Center Construction |
| 2. USC Aiken | - | Student Activities Center Renovations Construction/Renovation |
| 3. USC Columbia | - | Honors Residence Hall Construction |
| | - | National Estuarine Research Reserve (NERR) Education & Training Center Construction |
| 4. Winthrop University | - | Baseball Park Phase II |
| | - | American Legion Property Acquisition |
| 5. USC Upstate | - | Health Education Complex Construction |
| 6. College of Charleston | - | Physical Education & Athletics Center Complex Construction |

Commissioner Ravenel made reference to the interim capital projects to be considered, a description of which may be found in **Attachment III**. He stated that all projects had been recommended by the staff as well as by the committee for approval. The USC Upstate, Winthrop, and College of Charleston projects had been approved by mail-out ballot. Commissioner Ravenel stated that the practice of project approval via mail-out ballot would not be utilized in the future as it does not allow for face-to-face committee communication. He emphasized that the institutions must present their projects to the Commission in a timely manner in order that they may receive adequate and thorough consideration. Mail-out ballots will only be considered under extraordinary circumstances in the future.

With regard to the first project at Clemson University, a **motion** was made (Ravenel) and **carried** to approve the following **recommendation**:

The Finance and Facilities Committee recommends approval of this project as proposed.

With regard to the second project at Clemson University, a **motion** was made (Ravenel) to approve the following **recommendation**:

The Finance and Facilities Committee recommends approval of this project as proposed.

Discussion followed concerning why a \$13 million dollar facility is needed for academic

success at an institution such as Clemson where the majority of students are highly qualified and the retention rate for scholarships there is already at 67%. Representing Clemson University, Dr. Helms cited several reasons that the Academic Success Center is necessary, including the following: scholarship retention rates have risen significantly since the Center was instituted in 2002; scholarship retention has had the subsequent effect of keeping college and university students in South Carolina; the Center serves a population of students with a variety of disabilities; experience at the Center helps students bridge the gap from concrete to cognitive thinking; and time management and other life processes are addressed. Although some concern was expressed about students who take advantage of the services offered by such a facility being stereotyped, the process was generally supported, particularly in light of the fact that it demonstrates efforts to help strengthen the alignment between high school and college courses.

The **motion** was then brought to the table and **carried**.

With regard to the project at USC Aiken, a **motion** was made (Ravenel) and **carried** to approve the following **recommendation**:

The Finance and Facilities Committee recommends approval of this project as proposed.

With regard to both projects at USC Columbia, a **motion** was made (Ravenel) and **carried** to approve the following **recommendation**:

The Finance and Facilities Committee recommends approval of these projects as proposed.

With regard to the project at Winthrop University, a **motion** was made (Ravenel) and **carried** to approve the following **recommendation**:

The Finance and Facilities Committee recommends approval of this project as proposed.

With regard to the project at USC Upstate, a **motion** was made (Ravenel) to approve the following **recommendation**:

The Finance and Facilities Committee recommends approval of this project as proposed.

Mr. Rick Puncke of USC Upstate responded to Commissioner Lynn's question about whether this facility would provide for a new academic program or an expansion of existing academic programs. The facility will house the expanded Nursing and Education programs as well as the Enrollment Management offices.

The **motion** was then brought to the table and **carried**.

With regard to the project at the College of Charleston, a **motion** was made (Ravenel) to approve the following **recommendation**:

Staff recommends approval of this project as proposed.

Dr. Conrad Festa, Interim President of the College of Charleston, commented that the College had been very fortunate to have received a donation of \$4,000,000 in private funds for this project.

The **motion** was then brought to the table and **carried**.

B. Master Land Acquisition Plan Approval - USC Columbia

Commissioner Ravenel stated that this plan was to be renewed for a period of five years. Ms. Metcalf explained that approval of this renewal would allow the University to acquire additional land with CHE staff approval, provided that it was included in the master plan presentation, had received property management acceptance for the environmental study and appraisal, and that no student fee increase was required.

The **motion** was then brought to the table and **carried**.

C. Final Staff Recommendation - USC Sumter/Central Carolina Technical College (CCTC) Joint-use Facility

Ms. Metcalf provided background information on this recommendation, details of which may be found in **Attachment III** beginning on page 13.

A **motion** was made (Ravenel) to approve the following **recommendation**:

The Committee on Finance and Facilities recommends the approval of Capital Improvement Bond requests on behalf of the institutions in the CHE's annual capital project prioritization made to the General Assembly. The rankings for USC Sumter and CCTC have been added to the priority list approved by the Commission in June.

The Committee on Finance and Facilities further recommends the institutions continue developing plans for a future joint-use facility for their child care programs as the shared facility will be beneficial to the state and its taxpayers.

Discussion followed about how the property for CCTC's facility was acquired. Sumter City Manager, Deron McCormick, explained that the property has been donated to CCTC and that it would not be exempt from city or county property tax. He further explained that a number of federal funds were being explored in an effort to make sure the project comes to fruition. Commissioner Temple commended Mayor McElveen and all participating parties for their cooperative effort in putting this project together.

The **motion** then came to the table and **carried**.

D. Review of SC Manufacturing Extension Partnership Budget

Ms. Metcalf explained that this money flows through the CHE agency budget and that the CHE has authority to review it and make funding requests on their behalf. Detail about this process may be found in **Attachment III**. Ms. Metcalf further stated that this budget item was being provided to Commissioners as information only.

E. FY 2007-08 Budget Request - Colleges and Universities

1. Operating Funds
2. Higher Education Statewide
3. Lottery Appropriations for Higher Education
4. Special Initiatives
5. Below-the-Line Items

Commissioner Ravenel reviewed the institutional higher education funding priorities as found beginning on page 18 of **Attachment III**. Ms. Metcalf provided additional information about the University Center of Greenville's request for restoration of \$373,000 in operating funds as well as for \$750,000 in recurring money for monitoring technology. Ms. Metcalf also commented on the EPSCoR/IDeA request as well as the "Below-the-Line" Projects request. Commissioner Ravenel noted that the Summary of Lottery Appropriations, found on page 22 of Attachment III, provides information on the use of lottery money.

A **motion** was made (Ravenel) to approve the following **recommendation**:

The Committee on Finance and Facilities recommends approval of the College and University budget plan for 2007-08 as proposed. The Committee on Finance and Facilities recommends CHE staff be provided with the authority to make technical corrections and revisions to explanatory text when the data are finalized.

Discussion followed regarding the proposed \$45,000,000 increase as shown under the Investment in Quality Outcomes, 2007-08 category on page 27 of **Attachment III**. Ms. Metcalf was asked how the amount was determined. She replied the increase was calculated using the higher education price index (HEPI) percentage plus 1.5 percent. Further discussion took place regarding the proposed allocation methodology which includes recognition of parity and performance.

The **motion** was then brought to the table and **carried**.

6. Legislative Update**- Rita Allison**

Ms. Allison reported that the CHE year-end report would be distributed in a form of a newsletter which should be mailed out by the end of September. She also reported that the Governor's Higher Education Task Force would hold its next meeting on September 11, 2006 and a report from that group will soon be forthcoming. Ms. Allison reported that the Higher Education Result Team would hold its second meeting on September 12, 2006, and, upon completion of its work, would report its findings to the Governor. She briefly commented on the budget process and noted that budget requests from CHE and the institutions are considered by the General Assembly in determining the complete allocation for higher education. Ms. Allison encouraged the Commissioners to act as advocates for of these requests.

7. Report of the Interim Executive Director

- Gail Morrison

Dr. Morrison reported that a Commissioners' Retreat would take place at Clemson University on October 4, 2006 beginning at 1:00 p.m., the day prior to the October 5th Commission meeting. She requested that Commissioners send to her ideas for topics they'd like to discuss at that retreat.

Copies of the 2006 *Measuring Up* report for South Carolina were then distributed as were copies of articles from the 2006 national report (see **Attachment IV**). This is an annual report whereby states are graded on five categories related to postsecondary education: preparation, participation, affordability, completion, and benefits. Dr. Morrison explained that South Carolina is making progress in all the above categories with the exception of affordability, which is a problem not only in South Carolina but nationally. Additional detail about this report may be found at www.highereducation.org. Dr. Morrison stated that the report may be discussed further at the October Commissioners' retreat.

8. Other Business

(none)

9. Adjournment

The meeting was adjourned by Chairman McCurdy at 1:30 p.m.

Respectfully submitted,

Beth B. Rogers

Beth B. Rogers
Recording Secretary

Attachments I - IV

*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.