



SC Higher Education Tuition Grants Commission

Providing Opportunity. Promoting Choice.

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Katherine H. Harrison
Executive Director

MINUTES

South Carolina Higher Education Tuition Grants Commission Meeting
Tuesday, June 20, 2023
Teleconference Call
Columbia, South Carolina

Commission Members Participating via Conference Call:

Mr. Scott Cochran, Spartanburg Methodist College, Chair
Dr. Dondi Costin, Charleston Southern University, Vice Chair
Dr. Leroy Staggers, Morris College, Secretary
Dr. Maurice Scherrens, Newberry College
Dr. Gene Fant, North Greenville University
Mr. Buz Wilcoxin, Acting President, Presbyterian College
Dr. William Barker, Southern Wesleyan University
Dr. Rusty Monhollon, CHE President and Executive Director, Ex-officio

Commission Members Absent:

Dr. Nayef Samhat, Wofford College

Non-Commission Member College Presidents Participating:

Dr. Tom Bogart, Columbia College
Dr. Lester McCorn, Clinton College
Dr. Monica Baloga, Limestone University
Dr. Boone Hopkins, Converse University
Dr. Alan Benson, Acting President, Bob Jones University
Dr. Natalie Harder, Coker University

Mr. Scott Cochran, Commission Chair, called the meeting to order at 10:30 AM. Ms. Katie Harrison, Commission Executive Director, informed participants the meeting is being recorded and is being held in compliance with the Freedom of Information Act, welcomed all in attendance and conducted a roll call of the Commission Members participating via conference call. Ms. Harrison confirmed all participating Commission Members in attendance. A quorum was established. Ms. Harrison recognized and welcomed the non-Commission members in attendance.

Mr. Cochran announced the meeting will be conducted in an order differing from the posted Agenda due to the need for Commission Members to leave the call prematurely for other obligations, leading to action items being addressed first.

Mr. Cochran called for a motion to approve the March 14, 2023 Commission Meeting Minutes. Dr. Dondi Costin, Vice Chair, moved to approve the Minutes and Dr. Maurice Scherrens, Newberry College, seconded the motion. The motion was approved unanimously.

Mr. Cochran called on Ms. Harrison to present the 2024-2025 Budget Request to the State Budget Division for the South Carolina Tuition Grants Program. Ms. Harrison stated that the Tuition Grants Commission is required to submit its Budget Request to the Executive Budget Office each fall for funding in the next fiscal

year. Because the Commission will not meet again before this request is to be submitted, the Budget Request for funding for the South Carolina Tuition Grants Program for 2024-2025 must be approved by the Commission at the June 2023 meeting. Ms. Harrison presented the projection that the Program can sustain the maximum grant of \$4,700 while also potentially increasing eligibility to additional students. The current funding of \$10,000,000 in lottery allocation the Commission has received each year for several years, plus \$10,000,000 in additional lottery funds passed with the FY24 budget, on top of the current recurring amounts in general funds is sufficient to fund the Tuition Grants Program at this time. Ms. Harrison noted the increase in lottery funds is not guaranteed going forward, and would like to maintain the momentum of increased funding for need-based programs in asking for these funds as part of the budget process.

There are two different approaches the Commission can take when asking the General Assembly to maintain the increase in funding for the Program:

- (1) Create a request for recurring general funds (State appropriations) in the requested amount. Using this approach, the Legislature will view the request as a monetary need to sustain the increased grant amount moving forward. If approved, this would create a more stable source of funding; however, if the amount is not available in recurring funds through general State appropriations, they could opt to provide the funding once again through Lottery allocations. This option has been utilized in the past, however the request was denied.
- (2) Create an annual request for non-recurring funds at the current amount as Lottery allocations. According to Mr. Jake Scoggins, Senior Budget Analyst for Senate Finance, some agencies currently take this approach while others do not.

A discussion took place with Dr. Jeffrey Perez, President and CEO of South Carolina Independent Colleges and Universities (SCICU), commenting that it does not hurt to continue to request the additional lottery funds be converted to recurring general funds. Dr. Rusty Monhollon, President and Executive Director of the Commission on Higher Education, agreed with Dr. Perez's assessment of continuing to make a request for conversion, noting it does not influence current funding amounts if denied.

Mr. Cochran called for a motion to approve the 2024-2025 Budget Request to the State Budget Division with a request for \$10,000,000 in lottery funds to be converted to recurring general funds. Dr. Costin moved to approve the Budget Request and Dr. Monhollon seconded the motion. The motion was approved unanimously.

Mr. Cochran announced the Rotation of the Tuition Grants Commission members for the 2023-2024 Commission. As scheduled, Mr. Cochran, Spartanburg Methodist College, and Dr. Leroy Staggers, Morris College, are rotating off the Commission. Presidents rotating on to the Commission according to the Rotation Schedule are Dr. Lester McCorn, Clinton College, and Dr. Boone Hopkins, Converse University. Dr. Hopkins has agreed to serve as Chair; Dr. Gene Fant, North Greenville University, has agreed to serve as Vice Chair; Dr. McCorn has agreed to serve as Secretary. Dr. Costin moved to approve the election of the new Commission Officers and Dr. Scherrens seconded the motion. The motion was approved unanimously.

Mr. Cochran called on Ms. Harrison to report on the Agency Updates and Initiatives. Ms. Harrison reported Ms. Kira Demery, Commission Program Coordinator, attended a Leadership Symposium hosted by the South Carolina Association of Student Financial Aid Administrators (SCASFAA) on April 25, 2023. Ms. Demery also recently earned the Consumer Information Professional credential through the National Association of Student Financial Aid Administrators (NASFAA). Ms. Harrison stated Ms. Gena Miles, Commission Financial Officer, and Ms. Demery attended an in-person training offered by the Statewide Training Team on the 5 Choices to Extraordinary Productivity, a Franklin Covey course, in April.

Ms. Harrison noted Mr. Zachary Christian, Commission Deputy Director, successfully presided over his first Executive Board Meeting as President of SCASFAA on June 8 and June 9, 2023 and will represent the State of South Carolina on the Executive Board of the Southern Association of Student Financial Aid Administrators

(SASF AA) once again this year. Ms. Harrison reported Mr. Christian also plans to attend the annual NASFAA conference in San Diego, California beginning June 29, 2023 as SCASF AA President.

Ms. Harrison described her continued work as Immediate Past President of the National Association of State Student Grant and Aid Programs (NASSGAP), including in-depth work with the U.S. Department of Education on the upcoming changes to the FAFSA form. Ms. Harrison announced that she is one of four individuals who will represent the State of South Carolina at a workshop hosted by the National College Attainment Network (NCAN) and Federal Student Aid (FSA) in Washington, D.C., in July. Ms. Harrison remarked she will represent the South Carolina Tuition Grants Commission at the State Higher Education Higher Education Executive Officers (SHEEO) Policy Conference in August and their State Learning Community FAFSA Convening Event in September.

Ms. Harrison reported upon the status of the Office of the State Auditor's review of the Agency's FY22 and FY23 accounting records as currently in progress, with a final report to be made available to all Commission Members once the review is complete. Ms. Harrison presented upon the status of the material preparation for the House Legislative Oversight Committee as an ongoing effort among Agency staff. The Committee is currently holding its hearing with the Commission on Higher Education.

Ms. Harrison detailed the Agency's progress with the new Student Information System's procurement process as currently under contract with Nelnet Diversified Solutions beginning April 1, 2023. The purpose of the new student information system, which the Agency is branding as "myTG," is to streamline the process for aid administrators, as well as to include a student portal to allow students to register and view the status of their grant award and disbursements, request a grant transfer between eligible colleges, upload required documents, and more. The team is making progress in development of the new system, with an anticipated go-live date of "myTG" of September 1, 2023. Ms. Harrison announced demonstrations and training for the new system slated for later this summer with the college financial aid offices with recent upgrades to the Agency's conference room, allowing for enhanced training opportunities. Ms. Harrison thanked Mr. Christian and Ms. Demery for their work through the development process of the new system. Mr. Christian commented upon the branding origination of "myTG" as being geared toward upcoming generations of students, as well as the revamping of our social media presence to meet students at their level. Mr. Christian thanked Ms. Demery for her dedication to the new social media presence for the Agency.

Mr. Cochran called on Mr. Christian, to report on the 2022-2023 Award Year and provide an update on the 2023-2024 Award Year. Mr. Christian pointed out the authority to spend of the Children's Education Endowment was capped at \$6,000,000 for 2022-2023, regardless of the amount of funds received. This authority amount has been increased to \$16,000,000 for the 2023-2024 fiscal year. Mr. Christian reported the Agency as seeing consistent upward trends in the number of applications received for the South Carolina Tuition Grants Program, due in part to our colleges reaching out to increasing numbers of adult learners in the non-traditional programs. The projected number of applications received this year will expectedly follow this trend, with the estimated show-up rate remaining at around 46 percent from the 2022-2023 academic year. Mr. Christian remarked the hope of the Agency is to continue to see the number of applicants and grants realized, as well as the available funding, continue to rise in coming years.

Mr. Cochran called upon Dr. Perez to report on the 2023 Legislative Session. Dr. Perez reported the Senate unanimously confirmed Dr. Fant's nomination for the Commission on Higher Education, replacing Dr. Mark Smith as the Independent Colleges representative on the Commission. Regarding the State Budget, Dr. Perez remarked the General Assembly approved the preservation of the \$10,000,000 increase in Lottery funds being allocated to the Tuition Grants Program. Dr. Perez stated the General Assembly also approved an additional \$10,000,000 in Lottery funds to the Need-Based Program for Public Colleges, of which a portion is allocated to the Tuition Grant Program.

Mr Cochran called upon Ms. Harrison to describe the treatment of a negative Student Aid Index (SAI) regarding the South Carolina Tuition Grants Program. Ms. Harrison stated the Estimated Family Contribution (EFC) calculation from the current FAFSA will be replaced by the SAI beginning with the 2024-2025 FAFSA being released later this year. While the new formula will allow an individual's SAI to be as low as negative \$1,500, the U.S. Department of Education has issued guidance stating the following:

"A student's SAI may be a negative number (down to -1,500). A negative SAI should be treated as a zero in determining a student's eligibility for need-based financial aid. In other words, treat a negative SAI as a zero when subtracting the SAI value from cost of attendance to determine a student's unmet need." *

The current formula for determining eligibility for a South Carolina Tuition Grant is Cost of Attendance (COA) minus Estimated Family Contribution (EFC) equating to Financial Need. With the change from SAI to EFC, and based on the guidance provided by the U.S. Department of Education, the new formula for determining eligibility for a South Carolina Tuition Grant effective with the 2024-2025 FAFSA cycle will be Cost of Attendance (COA) minus Student Aid Index (SAI – NOT TO FALL BELOW ZERO) equating to Financial Need. Ms. Harrison noted this change will take effect beginning with the 2024-2025 award year, with processing of South Carolina Tuition Grants Program applications to begin in December 2023 upon release of the new FAFSA form by the U.S. Department of Education.

Mr. Cochran called upon Mr. Christian to lead the discussion of the Crescerance Contract and the Legislative Geocoding Action Plan for 2023-2024. Mr. Christian reviewed several errors and issues that occurred this past legislative cycle with the Legislative Geo-Coding match services contracted with Crescerance which significantly delayed the availability of data, as well as leaving much of the data erroneous. As a result of the obstacles faced with the delays and having to spend multiple weeks in-house manually processing the data, Mr. Christian reported the Commission staff have discovered alternative methods for properly geo-coding students for the upcoming legislative cycle, allowing for the partnership with Crescerance to come to an end. With this decision, the Commission is saving contract monies, as well as reducing delays and errors throughout the process. There were no questions to discuss, however Ms. Harrison thanked Mr. Christian for his dedication to discovering a new process in correctly geo-coding over 12,000 students.

Mr. Cochran called upon Mr. Christian to report upon the upcoming due date of the South Carolina Tuition Grants Program Reviews. Mr. Christian stated all the third-party auditors that have been confirmed by the colleges have been contacted and sent the current copy of the 2022-2023 Program Review Guide, as well as the 2022-2023 Policies and Procedures Manual. Mr. Christian reported the Final Auditor's Copy of the Applicants Report will be posted to the Commission website on July 3, 2023 for retrieval by the colleges for the Auditors' use.

Mr. Cochran presented upon the 2022-2023 Agency Director Performance Evaluation. Mr. Cochran reported all college presidents were given the opportunity to provide an evaluation of Ms. Harrison's work, stating her overall composite score was a 4.88 out of 5.0, which is classified as an "Exceeds" scoring. Ms. Harrison was evaluated on Leadership, Strategic Planning, Customer Focus, Workforce Focus/Human Resources, Process Management, Continued Improvement upon Financial Management of the Agency. Ms. Harrison was scored as "Exceeds" in each of these categories, with comments from the evaluations including: "continued improvement she puts upon herself, and her team is recognized and appreciated," "incredibly knowledgeable," and "her team exudes customer service to us." Mr. Cochran stated it was a pleasure to conduct Ms. Harrison's evaluation, as it is an accurate appraisal of her performance.

Mr. Cochran asked if there was any new business. Ms. Harrison announced the retirement of Eddie Shannon, Executive Vice President, SCICU at the end of August 2023, and thanked him for his support of the South Carolina Tuition Grants Commission, and his service as the Agency's Executive Director in the past. Dr. McCorn announced the retirement of Dr. Staggers from Morris College at the end of June 2024, and thanked him for his service to the State of South Carolina and Morris College. Mr. Cochran thanked Dr. Staggers and

Dr. Costin for their service to the Commission as Secretary and Vice Chair, respectively, as well as the incoming slate of officers, Dr. Hopkins, Dr. Fant and Dr. McCorn for their upcoming work as elected officials of the Commission. Mr. Cochran also thanked Dr. Tom Bogart, Columbia College, and Dr. Costin for all their work for the Commission, as they are leaving their colleges for other endeavors.

Mr. Cochran reminded all participants that the next meeting is scheduled for March 12, 2024 at 10:30 am.

Mr. Cochran called for a motion to adjourn the meeting. Dr. Costin moved to adjourn the meeting. Dr. Stagers seconded the motion, which passed unanimously. Mr. Cochran adjourned the meeting at 11:32 AM.

Respectfully submitted,

Ms. Kira Demery
Acting Secretary for
Dr. Leroy Stagers, Secretary
South Carolina Higher Education Tuition Grants Commission

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