

South Carolina Higher Education Tuition Grants Commission

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MINUTES

South Carolina Higher Education Tuition Grants Commission Meeting
Tuesday March 15, 2016
1706 Senate Street
Columbia, South Carolina

Commission Members Present:

Ms. Beth Dinndorf, Columbia College, Chair

Commission Members Participating via Conference Call

Dr. Maurice Scherrens, Newberry College, Secretary
Mr. Scott Cochran, Spartanburg Methodist College
Dr. Jairy Hunter, Charleston Southern University
Dr. Randall Pannell, North Greenville University
Mr. Bob Staton, Presbyterian College
Dr. Todd Voss, Southern Wesleyan University

Commission Members Absent

Mr. Gary Glenn, Commission on Higher Education
Dr. Nayef Samhat, Wofford College, Vice Chair

Ms. Beth Dinndorf, Commission Chair, called the meeting to order at 10:35 AM. Ms. Katie Harrison, Commission Deputy Director, announced that media was notified of the time and location of the meeting in advance in order to comply with the Freedom of Information Act (FOIA). Ms. Dinndorf welcomed all in attendance and requested a roll call of the Commission Members participating on-site and via conference call.

Ms. Dinndorf called for a motion to approve the Minutes of the June 10, 2015 Commission Meeting. Dr. Randall Pannell moved to approve the Minutes. Dr. Todd Voss seconded the motion. The motion was approved by the Commission.

Ms. Dinndorf called on Mr. Earl Mayo, Commission Director, to report on the 2014-2015 Program Reviews. Mr. Mayo reported that all reviews had been closed prior to the December 31 deadline. Out of the twenty-one institutions, fourteen had no findings; six had a single finding; one had two findings. The Commission staff recommended that the current 20-day refund policy be extended to a 30-day policy. Mr. Mayo reported that four out of the seven findings for 2014-2015 were related to the 20-day refund policy and that the majority missed the deadline by only a couple days. The policy change would prevent unnecessary findings and allow for closer alignment with federal refund requirements, which stipulate 45 calendar days. Dr. Pannell moved to approve the change. Mr. Cochran seconded the motion. The motion was approved by the Commission.

Ms. Dinndorf called on Mr. Mayo to present an update of the 2015-2016 award year. Mr. Mayo said that, for 2015-2016, the Commission has \$36,466,158 available. He stated the total applications received for the 2015-2016 year were a slight decrease from last year; however, the total recipients was nearly the same number as last year. Mr. Mayo informed the Commission that the average grant projection for this current year is \$2,700.

Mr. Mayo discussed the earlier FAFSA availability date of October 1, 2016, for the 2017-2018 academic year. Mr. Mayo stated there was no recommendation at this time to change the Tuition Grant application deadline of June 30. An increase in early applications is expected; however, the impact on total awards is unknown. Mr. Mayo stated there would be no change to the Tuition Grant awarding and eligibility notice schedule at this time. Ms. Donna Quick, Columbia College, asked if colleges could use estimated Tuition Grant amounts for packaging student awards prior to the finalization of grant amounts. Ms. Harrison stated that would be allowable, but colleges should include the caveat that it is estimated and contingent on final funding.

Ms. Dinndorf called on Mr. Mayo to discuss the 2016-2017 Budget Request. Mr. Mayo stated the Budget Request was sent to the State Budget Office with a request for \$2,534,474, which would allow the Commission to increase the maximum grant from \$3,100 to \$3,200. Mr. Mayo appeared before the House Ways and Means Higher Education Subcommittee on December 17, 2015. He stated the committee is comprised of Rep. Merrill, Rep. Cobb-Hunter, and Rep. Lowe. Mr. Mayo appeared before the Senate Finance Higher Education Subcommittee on March 10, 2016. He stated that the House has recommended an increase of \$2,534,474 in general appropriations for the Commission; however, it must also be approved by the Senate.

Ms. Dinndorf called on Mr. Mike LeFever, President and CEO of South Carolina Independent Colleges & Universities (SCICU), for an update on the current legislative outlook. Mr. LeFever stated the House Ways and Means Committee not only recommended that the Tuition Grants program be increased by about \$2.5 million, they also recommended that the State Need-Based Grants be expanded by about \$4.5 million, which would have a positive effect on Tuition Grant funding. Mr. LeFever expressed concern over the Senate Road Bill which would allocate \$400 million of recurring appropriations to road repair. The Senate bill contrasts with the House Road Bill in that the House bill does not use recurring appropriations, but relies on gas taxes and user fees to finance the road repair.

Ms. Dinndorf advanced to the agenda item concerning the Initial Maximum Award amount for 2016-2017. Mr. Mayo stated that with the increase in the House Ways and Means budget, sufficient funds are available to be able to increase the Maximum Grant to \$3,200. He stated that \$38.3 million is the projected amount needed to cover 2016-2017 grants. Projected funding for the next academic year is \$38.4 million, not accounting for the possible increase based on State Need-Based Grant funding. He stated that the Commission staff recommends increasing the grant to \$3,200 for 2016-2017. Dr. Pannell motioned to set the Maximum Grant at \$3,200 for 2016-2017. Mr. Cochran seconded the motion. The motion was approved by the Commission.

Ms. Dinndorf addressed the agenda item concerning the use of Capitol Impact and the Letter Writing Campaign. Mr. Mayo informed the attendees that Capitol Impact is a system that provides the Commission with geocoded lists of Tuition Grant recipients along with their House and Senate districts. Schools were provided with this information in January in order to facilitate their letter writing campaigns. The Commission also provides each state legislator with a list of the 2015-2016 Tuition Grant recipients in their respective districts. Mr. Mayo made the Commission aware of correspondence sent to government officials, including the thank you letter sent to Governor Haley and the thank you letter sent to the House and Senate members during the summer. Mr. Eddie Shannon, Executive Vice President of SCICU, announced the colleges had begun their letter writing campaigns and stated that during this time of budget negotiations in the House and Senate that the letter writing campaign is critical. He also announced the South Carolina Independent College Day at the State House will take place on April 13. Ms. Dinndorf thanked those in attendance for their involvement in the letter writing campaign.

Ms. Dinndorf called upon Ms. Harrison to comment on the electronic Tentative Eligibility Notifications. She stated that the total savings this past year were \$15,969.60. This amount includes the postage savings from the eligibility emails sent by South Carolina Student Loan Corporation on the Commission's behalf, as well as the eligibility emails sent by Commission staff. She recognized South Carolina Student Loan Corporation for providing this service for the past eleven years at no cost to the Commission. Ms. Harrison stated the total savings provided by emailing notices since 2005 exceeds \$161,000.

Ms. Dinndorf called on Ms. Harrison to discuss the letter sent by the Commission to the United States Department of Education. Ms. Harrison stated that a letter dated February 24, 2016 was sent to Under Secretary Ted Mitchell concerning the Department of Education's intent to provide school listing information to state agencies in randomized order instead of by college choice. The letter expressed the Commission's concern over the repercussions of this change and supported a previous letter sent to Under Secretary Mitchell by the National Association of State Student Grant and Aid Programs (NASSGAP). Ms. Harrison explained that fifteen states, including South Carolina, rely on college choice order in the awarding process. The current awarding process allows for 96% of students to be awarded at the correct college without the need to process a transfer request. At the time of the meeting, there had not been a final decision made by the Department of Education.

Ms. Dinndorf moved to the agenda item on Agency Security Measures. Ms. Harrison reported that 100% of the Commission staff has completed the annual information security training

mandated by the State. The agency has completed a preliminary policy document which encompasses the thirteen information security policies also mandated by the State. She announced that the agency's information security policy document will be made available for review to Commission members prior to the June Commission meeting. The deadline for all State agencies to have the thirteen policies implemented is July 1, 2016. Ms. Harrison also mentioned the growing movement toward consolidation and centralization of information security and information technology processes within the State; however, she is confident the agency is already working with the State's Department of Technology in many of the ways currently being discussed.

Mr. Mayo discussed the next agenda item. He informed the Commission that all Commission members have filed their State Ethics Commission's Statement of Economic Interests prior to the meeting. The deadline for filing is no later than March 30, 2016, or penalties may be imposed. Mr. Mayo thanked the Commission members for their prompt completion of the required documents.

Ms. Dinndorf reminded all attendees that the date of the next scheduled South Carolina Higher Education Tuition Grants Commission Meeting is June 14, 2016 at 10:30 AM.

Ms. Dinndorf called for any new business. There being none, the Commission Meeting was adjourned at 11:10 AM.

Respectfully submitted,

Stephenie Helland
Acting Secretary for
Dr. Maurice Scherrens, Secretary
South Carolina Higher Education Tuition Grants Commission