

South Carolina Higher Education Tuition Grants Commission

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MINUTES

South Carolina Higher Education Tuition Grants Commission Meeting
Tuesday, March 7, 2017
1706 Senate Street
Columbia, South Carolina

Commission Members Present On-Site:

Ms. Beth Dinndorf, Columbia College, Chair

Commission Members Participating via Conference Call:

Dr. Todd Voss, Southern Wesleyan University, Secretary

Dr. Robert L. Wyatt, Coker College

Dr. Elizabeth Davis, Furman University

Dr. Randall Pannell, North Greenville University

Mr. Robert Staton, Presbyterian College

Commission Members Absent:

Dr. Maurice Scherrens, Newberry College, Vice Chair

Dr. Ernest McNealey, Allen University

Mr. Gary Glenn, SC Commission on Higher Education, Ex-officio

Non-Commission Member College Officials Participating:

Mr. Scott Cochran, President, Spartanburg Methodist College

Dr. Leroy Staggers, Vice President for Academic Affairs, Morris College

Ms. Beth Dinndorf, Commission Chair, called the meeting to order at 10:32 AM. 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 14, 2016 Commission Meeting and Commission E-Mail Vote of January 30, 2017 to adjust spring disbursements to an 80/20 percentage. Mr. Scott Cochran moved to approve the Minutes. Dr. Todd Voss seconded the motion. The motion was unanimously approved by the Commission.

Ms. Dinndorf called on Ms. Katie Harrison, Commission Deputy Director, to report on the 2015-2016 Program Reviews. Ms. Harrison reported that all reviews had been closed prior to the December 31 deadline. Out of the twenty-one institutions, fourteen had no findings; seven had a single finding. Of those findings, four colleges did not meet the 30-day refund policy deadline. This time last year, the refund policy was changed from a 20-day policy to a 30-day policy to align more with the federal refund timeline. Ms. Harrison reminded all participants to be mindful of the 30-day refund policy.

Ms. Dinndorf called on Mr. Earl Mayo, Commission Director, to present an update of the 2016-2017 award year. Mr. Mayo said that, for 2016-2017, the Commission has \$39,149,928 available. The increase of around \$2,500,000 in funding from last year's budget allowed the maximum Tuition Grant to go up \$100 on the previous year's grant amount, bringing the maximum Tuition Grant amount for the 2016-2017 award year to \$3,200. Mr. Mayo noted the actual amount of received applications was down less than 1%; the number of commitments made were down 2%; and, the number of grants realized were down 1% compared to last year's numbers. This is the first time that there has been a dip in a couple of years in the amount of applications received, commitments made, and grants realized.

Ms. Dinndorf called on Ms. Harrison to discuss the impact of the Early FAFSA availability. The 2017-2018 academic year FAFSA was available on October 1, 2016, and the Commission Staff was able to begin pulling in FAFSA data around the same time. In the first three months, over 76,000 South Carolina residents completed the FAFSA before the end of the calendar year; of those applications, over 11,000 listed at least one participating private college, making them part of the Commission's Applicant pool for the Tuition Grants program for the 2017-2018 award year. As of the end of February, 2017, South Carolina residents have filed almost 140,000 applications, and nearly 18,000 of those include an eligible participating college. For perspective, for the current year, the Commission did not see this number of Applicants until mid-May. The Commission cannot project the impact this will have or if the applicant numbers will increase until fall enrollment reports are processed next year. The Commission will be tracking these numbers in the future now that there is a baseline for this year.

Ms. Dinndorf called on Mr. Mayo to discuss the review of the 2017-2018 budget request. Mr. Mayo referenced the budget review page provided in the agenda. Last year the Commission approved a budget request of \$5,280,000 to increase the maximum grant by \$450 to \$3,650. The revised amount needed to make this increase to the desired grant amount is \$4,400,000, which was provided in the budget hearings to the House and the Senate. This amount was brought before the Higher Education subcommittee of the House Ways and Means Committee on

January 10, 2017. The full Ways and Means Committee has put their budget on the table and, due to other state priorities in the funding; no increase was approved in the budget for 2017-2018. On March 1, 2017, Mr. Mayo presented to the Senate Finance Higher Education subcommittee. The Committee accepted the proposed budget request; however, Senator Courson explained that priorities will dictate funding. On a positive note, Senator Campbell complimented Tuition Grant students on the letters they have written. Mr. Mayo noted that Governor Haley, prior to her confirmation as United Nations Ambassador, recommended no funding increases to the Tuition Grants Program in the Governor's Budget. The administrative budget request of \$16,000 to pay for state mandated Information Security costs was approved in the Ways and Means Committee's budget.

Mr. Eddie Shannon, Executive Vice President of South Carolina Independent Colleges & Universities (SCICU), on behalf of Mr. Mike LeFever, President and CEO of SCICU, reported that the team of lobbyists has continued to remain busy. At the start of this year there was \$522,000,000 of new money available; unfortunately, in the House Ways and Means budget, the Tuition Grants program did not see an increase. There was a \$100,000,000 increase to the schools along the I-95 corridor; \$150,000,000 went to state pension fund; \$82,000,000 of this new money went to Hurricane Matthew Relief, and the Department of Transportation is projected to use a large portion of those new dollars to fund road projects. Mr. Shannon stated as far as the Lottery goes, there was not a large jackpot this year and that there was \$18,000,000 less in lottery funding. Mr. Shannon also reported that the South Carolina Commission on Higher Education's scholarship funding took priority based on the changes to the uniform grading scale. There is a projected need for \$20,000,000 to pay for the increase in eligible students. The budget request will go to the House floor next where there is likely no anticipated change. SCICU is hard at work and hoping to see a better outcome in the Senate than in the House. Ms. Dinndorf called for questions to Mr. Shannon's report. There being none, the meeting continued.

Ms. Dinndorf advanced to the agenda item concerning the Initial Maximum Award amount for 2017-2018. Mr. Mayo stated with no new money provided in the House Ways and Means budget and the uncertainty of the number of eligible students based on the early FAFSA application date, the Commission staff recommends keeping the Maximum Grant at \$3,200. Ms. Dinndorf called for a motion to approve the Initial Maximum Award amount. Dr. Pannell motioned to set the Maximum Grant at \$3,200 for 2017-2018. Dr. Voss seconded the motion. The motion was approved by the Commission.

Ms. Dinndorf called on Mr. Mayo to discuss the report on the use of Capitol Impact and the SCICU Letter Writing Campaign. Schools were provided the geocoded list of Tuition Grant recipients along with their House and Senate districts in December, 2016. He reported that this information has been well used by state legislators. The Commission provided each state legislator with a list of the 2016-2017 Tuition Grant recipients in their respective districts in January, 2017. Mr. Mayo made the Commission aware of correspondence sent to government

officials, including the thank you letter sent to Governor Haley during the summer and the thank you letter sent to the House and Senate members during the fall. Mr. Mayo indicated that Mr. Shannon would discuss the SCICU letter writing campaign. Mr. Shannon reported that in December 2016, SCICU held a luncheon to discuss the upcoming legislative plan with all of the SCICU college members. In 2016, out of the twenty SCICU participating institutions, eighteen led a campaign. As a result of the letter writing campaigns, there were 8,264 letters written last year. Anderson University students wrote the most letters, totaling 1,744 letters. Erskine College had the highest percentage of Tuition Grant recipients to write letters, totaling at 84%. SCICU is asking colleges to schedule when the letters are sent so the legislators do not receive them all at the same time. Mr. Shannon suggested the timeframe of when letters are sent should align with when the House and Senate make decisions. He also explained that each year students come to the state house to meet with the General Assembly and to promote their institutions and the Tuition Grants Program. April 5, 2017 is the scheduled date. Mr. Shannon thanked all in attendance for their schools' participation. Ms. Dinndorf acknowledged the importance of college presidents thanking legislators for their continued support of the South Carolina Tuition Grants Program and independent colleges. Mr. Shannon stated Southern Wesleyan University recently hosted legislators on-campus. Dr. Voss announced it went well.

Ms. Dinndorf called upon Ms. Harrison to comment on the electronic Tentative Eligibility Notifications. She stated that the total savings this past year were \$16,085.44. 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 notices of ineligibility sent by Commission staff. She recognized South Carolina Student Loan Corporation for providing this service for the past twelve years at no cost to the Commission. Ms. Harrison stated the total savings provided by emailing notices exceeds \$160,000 to date. Due to changes in South Carolina Student Loan Corporation's business model, 2017-2018 will be the last cycle the Commission will have access to the system which has been used to assist with this project. Beginning with the 2018-2019 award cycle, this process will be done in-house by the Commission staff with the use of a vendor. There will be a cost to the Commission; however, this anticipated cost was built into the operating budget. South Carolina Student Loan Corporation has been gracious to provide, at no cost to the Commission, a staff member to assist in the planning and development of the future electronic Tentative Eligibility Notifications process.

Mr. Mayo reminded all Commission members to file the annual State Ethics Commission's Statement of Economic Interests prior to the deadline. The deadline for filing is no later than March 30, 2017, or financial penalties may be imposed. The Commission requested several years ago that Mr. Mayo send the list of those who have filed and not filed to the Commission Chair along with a reminder sent directly to those that have not filed three weeks before the deadline.

Ms. Dinndorf called for any new business. Ms. Dinndorf announced that the Commission accepted the resignation of Mr. Mayo as Director upon the completion of his time in the State's TERI program effective June 29, 2017. Mr. Mayo was thanked for his service to the South Carolina Tuition Grants Commission. Mr. Mayo thanked Mr. Shannon for giving him the opportunity to join the Commission staff as Deputy Director twenty-two years ago. Ms. Dinndorf announced Ms. Harrison as the new Director effective June 30, 2017. The Commission previously voted unanimously to name Ms. Harrison as director. Ms. Harrison thanked the Commission for their confidence in her.

Ms. Dinndorf reminded all attendees that the date of the next scheduled South Carolina Higher Education Tuition Grants Commission Meeting is June 6, 2017 at 10:30 AM.

Ms. Dinndorf called for any other new business. There being none, Ms. Dinndorf called for a motion to adjourn. Dr. Voss motioned for the meeting to adjourn. Mr. Cochran seconded the motion. The Commission Meeting was adjourned at 11:11AM.

Respectfully submitted,

Zachary Christian
Acting Secretary for
Dr. Todd Voss, Secretary
South Carolina Higher Education Tuition Grants Commission