

State Board for Technical and Comprehensive Education

Meeting Minutes

Board Room
111 Executive Center Drive
Columbia, SC 29210

10:00 A.M.

January 24, 2023

PRESENT:

Roger P. Schrum, Chair
Gregory B. Askins
Anthony Garvin Barker
Philip G. Homan
Ralph A. Odom, Jr.
Orville S. Smith, III
Daniel Young
William Floyd
Terry Hardesty
Carolyn Swinton
Warren Darby, Jr.

STAFF PRESENT:

Tim Hardee, System President
Warren Ganjehsani, Chief Legal Counsel
Brad Neese, Vice President of Economic Development
Kandy Peacock, Vice President for Human Resources
Rosline Sumpter, Vice President for Academic Affairs
Khushru Tata, Vice President for Information Technology
Greg Little, Vice President of Strategic Planning and Innovation
Kelly Steinhilper, Vice President of Communications
Randall Johnson, Vice President of Finance
AJ Newton, Vice President of Governmental Relations
Mary Oakman, Vice President of Diversity, Equity, and Inclusion
Amy Firestone, Vice President of Apprenticeship Carolina

ABSENT:

E. Grantland Burns

SYSTEM STAFF ABSENT:

GUESTS:

Ashley Jaillette, Executive Director, SC Association of Technical College Commissioners
Dr. Ron Rhames, President, Midlands Technical College
Corey Gheesling, Academic Program Manager, SC Commission on Higher Education

NOTIFICATION OF MEDIA

The State Board for Technical and Comprehensive Education complied with the requirements of the Freedom of Information Act in notifying the media and posting the agenda for the State Board meeting.

CALL TO ORDER – Roger Schrum Chair

Chairman Schrum called the meeting to order and welcomed guests. Mr. Schrum updated the Board on a recent South Carolina Chamber of Commerce Business Speaks meeting. The meeting was held at the USC Alumni Center. The central theme of the meeting and speakers was workforce development and the State Technical College System's role in training a skilled labor force. 2022 was a record year with economic development with a \$10.3 B investment throughout the State.

COMMITTEE OF THE WHOLE REPORTS:

- A. **Economic Development and Training Committee – Warren Darby, Vice-Chair**
Project Budgets for State Board Approval: Mr. Darby entertained a motion to enter Executive Session to discuss readySC™ projects over \$200,000 for approval. Mr. Odom moved, and Mr. Barker seconded the motion, and it passed unanimously. They entered Executive Session, and Mr. Brad Neese was asked to stay for the Executive Session.

EXECUTIVE SESSION

Section 30-4-70(a)(5) of the S.C. Code of Laws provides that "A public body may hold a meeting closed to the public for one or more of the following reasons: Discussion of negotiations incident to proposed contractual arrangements and proposed sale or purchase of property, the receipt of legal advice where the legal advice relates to a pending, threatened, or potential claim or other matters covered by the attorney-client privilege, settlement of legal claims, or the position of the public agency in other adversary situations involving the assertion against the agency of a claim."

S.C. Code of Laws Section 30-4-70(a)(5) – "Discussion of matters relating to the proposed location, expansion, or the provision of services encouraging location or expansion of industries or other businesses in the area served by the public body..."

RETURN TO OPEN SESSION

The Committee returned to open session. Mr. Darby reported that no action was taken during Executive Session.

Project Budgets for Ratification- Mr. Darby reviewed the two readySC™ project budgets for ratification under \$200,000. There were no questions.

E-Zone Retraining Program for Ratification- Mr. Darby presented two E-Zone retraining programs for ratification.

Mr. Darby entertained a motion to approve the two readySC™ capital projects over \$200,000 discussed during the Executive Session, and the two Project Budgets for Ratification and the two E-Zone Retraining Programs for Ratification. Mr. Hardesty moved, and Mr. Young seconded, and the motion passed unanimously.

B. Fiscal, Audit, and Personnel Committee – Garvin Barker, Chair

Chairman Schrum gave the floor to Mr. Barker. He reported that the Committee has eight items for review.

Greenville Technical College Property Sale for Approval- On March 26, 2019, the State Board approved the sale of a 92,614-square-foot building (the Buck Mickel Center) and the associated 4.767 acres located at 216 South Pleasantburg Drive in Greenville for a price of no less than the appraised value of \$9,350,000. The College then obtained approval from the Joint Bond Review Committee (JBRC) and the State Fiscal Accountability Authority (SFAA) and began working with CBRE, a State approved vendor for commercial real estate services, to market the property. However, despite these marketing efforts, the only offers received were for less than half the appraised value. By this time, the pandemic had begun, and demand for office space was limited, so CBRE recommended that GTC be less aggressive in marketing the property and wait for office space demand to rebound. GTC took the advice, but rather than leave the property unused, leased the building to the South Carolina Department of Health and Environmental Control (DHEC) for a vaccination distribution site. In July 2022, a new appraisal was obtained, reflecting \$4,350,000. The College recently asked CBRE to begin aggressively marketing the property again. CBRE showed it to several potential buyers and received two offers for consideration, one for \$5,500,000 and the other for \$6,100,000, both of which are above the current appraised value. While the intention is to sell the property to the highest offeror, there is always the possibility that the higher offer will be revoked, so the College respectfully requests approval to sell the property for no less than the appraised value. The Fiscal, Audit, and Personnel Committee recommends Board approval for GTC to proceed with selling the surplus property at an amount greater than or equal to the appraised value, pending approval by the Division of Real Property Services.

Central Carolina Technical College Capital Project for Approval- This request is for a Welding Lab Upgrade at F.E. Dubose Facility. The existing welding lab space has various problems, including dark welding booths, existing cement masonry unit walls at the booths that are unstable, existing primary walls covered in plywood (fire hazard with welding), inadequate lighting in the room, and ventilation/conditioning that is not up to current code requirements. In addition, the existing gas storage at the exterior

contains a wood roof structure. Exterior improvements will include removing the existing gas storage area and a new fire-rated, fully enclosed gas storage space in the exact location. The room will be freshly painted, and the concrete slab will be refinished. A new HVAC and exhaust & dust collection systems will also be installed. The plumbing, electrical, and fire protection systems will be modified to meet current code requirements and address non-functioning equipment. The door adjoining the adjacent law enforcement lab will be removed and infilled, the welding booths will be replaced with a booth that provides task lighting within each booth, and a piping manifold system will be installed. The Fiscal, Audit, and Personnel Committee recommends project approval, subject to other necessary approvals.

Piedmont Technical College Capital Project for Approval- This request for approval is a new construction for Health Sciences Replacement. The College requests approval to construct a new 27,000-square-foot replacement facility for the existing nursing simulation labs, nursing skills labs, cardiovascular labs, and classrooms. Buildings H and S currently house these programs and will remain in use until the completion of the replacement facility. The College initially planned to renovate the existing buildings instead of constructing a new facility. However, during the evaluation stage, engineers informed college management that, due to the age and wear of existing buildings, renovations would be more expensive than new construction. PTC plans to demolish the H and S buildings once the replacement facility is completed. The new facility will provide modern lab spaces necessary to ensure students are ready upon completion of programs. The budget is funded as follows: \$6,383,159 State Appropriations – Proviso 118.18 (FY21-22), \$3,674,093 State Appropriations – Proviso 118.19 (FY22-23), \$696,875 Capital Reserve – Section 1 (FY21-22), \$5,367,873 College Funds for a total budget of \$16,632,000. The Fiscal, Audit, and Personnel Committee recommends approval of the project, subject to other necessary approvals.

Tri-County Technical College Capital Project for Approval

This request is for a Transportation and Logistics Hub – Building/Land Acquisition. In response to workforce needs and state-wide labor shortages, the College desires to acquire from the Tri-County Technical College Foundation approximately 5.19 acres and 5,000 square feet of light/industrial space that can accommodate an expansion of the Commercial Driver's License (CDL) Training Facility at the Anderson Campus. This property and building are adjacent to the Anderson Campus, providing an opportunity for expansion. By acquiring additional instructional and lab training space, the College can increase enrollment, use the added space to support the CDL program better, and renovate/expand the building to accommodate other new and existing technical training programs (e.g., automotive training, logistics, and supply

chain). This property was not available for purchase when the CPIP was filed, but the renovations/expansions for the technical programs were included in the CPIP plan year 2023. The budget is \$265,000 in College Funds. The Fiscal, Audit, and Personnel Committee recommends approval of the project, subject to other necessary approvals.

Mr. Barker called for a motion to approve the four requests. Mr. Odom moved, and Mr. Homan seconded the motion. The motion passed unanimously.

Staff Approvals for November 1, 2022, through January 10, 2023- Information Item-

Mr. Barker noted that the staff approval list included in the agenda package contained seven staff approvals. He stated that Mr. Johnson was available to answer any questions; there were none.

State Board Financial Summary – Month Ending December 31, 2022- Information Item-

Mr. Barker noted the summary in the agenda package and stated that it reflected activity through December 31, 2022.

C. Instruction and Student Services Committee- Nick Odom, Chair

Mr. Odom reported that there was one item to bring before the board. He referred the Board members to the agenda package regarding a policy change. He stated that the changes have come from the annual retreats of the CAOs and CSSOs. They are on a rotating schedule for reviewing procedures and policies. The policy and procedures were provided.

Policy 3-5-101: Transfer of Student Credits among Technical Colleges

- Included the acceptance of transferable credentials.

Mr. Odom moved to approve. Mr. Homan moved, and Mr. Hardesty seconded the motion. The motion passed unanimously.

ADJOURN THE COMMITTEE OF THE WHOLE

Chairman Schrum adjourned the Committee of the Whole and called the State Board to order.

CALL TO ORDER- STATE BOARD MEETING

Chairman Schrum called the State Board Meeting to Order.

LEGISLATIVE UPDATE- AJ Newton

Mr. A.J. Newton informed the council that the BEA met in November for their initial 2023-24 Forecast. The BEA is forecasting an additional \$754.1M in recurring funds. This figure accounts for the deductions due to increases in the General Reserve Fund, Capital Reserve Fund, and

Incremental Income Tax Rate Reduction. An additional \$2.76B in non-recurring funds and the initial Lottery estimate of \$532.5M. The Lottery estimate is \$61M less than what was appropriated in Fiscal Year 2023. Mr. Newton informed the Board that the new House Ways and Means Higher Education Subcommittee members are Representative Nathan Ballentine, Representative Gilda Cobb-Hunter, and Representative Bill Taylor. The new House Ways and Means Chair is Representative Bruce Bannister, and the new House Education Chair is Representative Shannon Erickson. Mr. Newton also noted that numerous pre-filed bills from both the House and Senate are being tracked by Mr. Newton and Ms. Karen Taylor. On January 5, 2023, Governor McMaster released his Executive Budget. The Executive Budgets included the following items for the Technical College System:

- \$9,789,241 in Recurring Tuition Mitigation
- \$50,000,000 in Non-Recurring Capital Projects and Maintenance
- \$78 million in lottery funds for Workforce Scholarships for the Future (an increase of \$39 million from last year's budget)
- \$26.9 million in lottery funds for high-demand job skill training equipment
- \$17 million in lottery funds for SCWINS
- \$2 million in lottery funds for ReadySC to support training needs for companies.
- \$51.1 million for Lottery Tuition Assistance
- \$80 million in lottery for Needs-Based Scholarships (an increase of \$10 million from last year's budget)
- \$10 million in a lottery for Nursing Initiative

The first day of the session was January 10, 2023. The Ways and Means Higher Education subcommittee is set to begin their hearings today, January 12, 2023. The full House Ways and Means met and have planned to allocate the ARPA funds and the Contingency Reserve Funds as follows:

- \$500 million from Contingency Reserve Fund to Commerce for Infrastructure Projects
- \$580 million from APRA to Rural Infrastructure Authority for Water and Sewer Projects

Mr. Newton provided a list of upcoming meetings and events. January 31: Meeting with Speaker Murrell Smith; February 8: Meeting with Ways and Means Chairman Bruce Bannister; early February Senate Finance Budget Hearing; February 15: Updated BEA estimate; February 21-23 Ways and Means Full Committee Budget Deliberations; March 13-16 House Floor Budget Deliberations; March 29: Technical Colleges Legislative Day at the Statehouse.

SC ASSOCIATION OF TECHNICAL COLLEGE COMMISSIONERS' REPORT – Ashley Jaillette, Executive Director

Ms. Jaillette discussed the Day of Learning at the Palmetto Club scheduled for February 1, 2023. She stated she looked forward to seeing all the Board Members planning to attend and extended an invitation

to those who still need to register to attend. There will be a new Trustee training session that morning, and a Legislative Luncheon is planned for noon. The awards and recognition for years of service will follow, and then the traditional Commissioners' Academy. She also reminded the Board of the February 6th ACCT conference in Washington, D.C. She reminded the Board that the next SCATCC board meeting would be March 1st.

COUNCIL OF TECHNICAL COLLEGE PRESIDENTS' REPORT – Ron Rhames, Chair Presidents' Council

Dr. Rhames provided his report. He stated that the Spring term for all sixteen colleges is in full swing. He believes the Colleges system-wide are showing an increase in enrollment. Each college is looking forward to getting back to pre-pandemic enrollment. Dr. Rhames informed the group that each college president is working with their local delegations to ensure the System and individual college legislative requests are received and what impact the Technical College System can have.

MINUTES FOR APPROVAL

Chairman Schrum entertained a motion to approve the minutes from the State Board meeting on November 15, 2022. Mr. Odom moved and was seconded by Mr. Barker. The minutes were approved.

MINUTES FOR REVIEW

Chairman Schrum stated that minutes from November 3, 2022, Presidents' Council meetings were included with the agenda materials distributed before the meeting for review. Mr. Schrum encouraged the Board members to read them.

COMMITTEE OF THE WHOLE RECOMMENDATIONS-CONSENT AGENDA

Chairman Schrum entertained a motion for State Board approval of the Committee of the Whole recommendations. Mr. Homan moved, and Mr. Darby seconded the motion. The motion carried, and the following recommendations were adopted unanimously without discussion:

- Project Budget for State Board Approval
- Project Budgets for State Board Ratification
- Board Ratifications for E-Zone Retraining Projects
- Greenville Technical College Property Sale for Approval
- Central Carolina Technical College Capital Project for Approval
- Piedmont Technical College Capital Project for Approval
- Tri-County Technical College Capital Project for Approval
- Chief Academic Officers - Policy for Approval, Policy 3-5-101: Transfer of Student Credits among Technical Colleges
- State Board Meeting Minutes for November 15, 2022

MARKETING UPDATE- Kelly Steinhilper, Vice President of Communications

Ms. Kelly Steinhilper updated the Board regarding the marketing throughout the System. She reported that eight of the sixteen colleges currently have a mascot. She stated that the mascots have shown a return on the investment and provided another resource in the community to reach out to potential students. She stated that each college uses several different platforms for reaching potential students. Digital, social media, Television, direct mail, outdoor, Email, Print, and Radio/Music Streaming are the most common forms of advertisement used through the system. She provided samples from each college's marketing campaigns.

EXECUTIVE DIRECTOR'S REPORT – Tim Hardee, Executive Director

Dr. Hardee started his report by sharing a list of the events and meetings he has attended since the November meeting.

Dr. Hardee asked Mr. Brad Neese to provide an update regarding the Economic Development projects announced since the board meeting in November. Mr. Neese provided the board with updates regarding the Redwood Materials and Envision projects. Mr. Neese presented a graphic to show the project activity state-wide. There are seventy-three projects currently and over 12,000 individuals to train. He stated that most of the recent prospective activity has been in renewable energy, including electric vehicle manufacturing and solar and electric vehicle battery production.

Dr. Hardee informed the Board regarding his budget presentation to the House Ways and Means Subcommittee. He stated that he felt the presentation went well. The presentation was focused on three areas inflation, student success, and expanding current and new programs. The total for all three focus areas was \$23M, equating to approximately 20% of the operating budgets for the sixteen colleges.

Speaker Smith has developed a Workforce Ad Hoc Committee. Dr. Hardee and Mr. Newton have met twice with this committee. The committee has had input in House Bill H.3726 that has been filed. This committee has been developed to address the workforce needs throughout the State and how to manage the growing demands; many areas being reviewed are childcare issues with labor participation.

Dr. Hardee reminded the board that March 29th is Legislative day. The board will meet at 9 a.m. at Haynsworth, Sinkler, and Boyd's office. The State Board will then attend the Legislative Luncheon on the State House grounds.

ADJOURN STATE BOARD

With no other matters to discuss, Chairman Schrum called for a motion to adjourn the State Board for Technical and Comprehensive Education meeting. Mr. Odom moved, and Mr. Smith seconded the motion. The motion passed unanimously.

CALL TO ORDER – SC TECHNICAL COLLEGE SYSTEM FOUNDATION MEETING

Chairman Schrum called to order the Foundation meeting. He called for a motion to enter an executive session to discuss contractual matters. Mr. Homan moved, and Ms. Swinton seconded the motion. The motion passed unanimously.

EXECUTIVE SESSION

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RETURN TO OPEN SESSION

Chairman Schrum reported that no action was taken during Executive Session. Mr. Homan moved to accept the South Carolina Technical College System Foundation to adopt the Create Opportunity Program. This program will be subject to review and governance of the Board. Ms. Swinton seconded the motion, and the motion passed with Mr. Askins and Mr. Hardesty opposing.

ADJOURNMENT

With no other matters to discuss, Chairman Schrum called for a motion to adjourn the Foundation meeting. Mr. Smith moved, and Ms. Swinton seconded the motion. The motion passed unanimously.

03/29/2023

Date Approved by the State Board



Roger Schrum, Chairman



Tim Hardee, Executive Director