

State Board for Technical and Comprehensive Education

Meeting Minutes

Via Zoom

10:00 A.M.

September 27, 2022

PRESENT:

Roger P. Schrum, Chair
Gregory B. Askins
Anthony Garvin Barker
E. Grantland Burns
Philip G. Homan
Ralph A. Odom, Jr.
Orville S. Smith, III
Daniel Young
William Floyd
Terry Hardesty
Karen Woodward
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

ABSENT:

SYSTEM STAFF ABSENT:

Mary Oakman
Amy Firestone

GUESTS:

Ashley Jaillette, Executive Director, SC Association of Technical College Commissioners
Kirsten Pratt, Associate Vice President of Apprenticeship Carolina

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.

COMMITTEE OF THE WHOLE REPORTS:

A. Economic Development and Training Committee – Grantland Burns, Chair

Project Budgets for State Board Approval: Mr. Burns moved to enter Executive Session to discuss readySC™ projects over \$200,000 for approval. Mr. Odom 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. Burns reported that no action was taken during Executive Session.

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

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

Mr. Burns entertained a motion to approve the readySC™ capital projects over \$200,000 that were discussed during the Executive Session, and the two Project Budgets for Ratification and the two E-Zone Retraining Programs for Ratification. Mr. Burns moved, and Mr. Hardesty 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 five items for review.

Staff Approvals for September 10, 2022- Information Item- Mr. Barker noted the staff approval list included in the agenda package which contained fourteen staff approvals. He stated that Mr. Johnson was available to answer any questions; there were none.

State Board Financial Summary – Month Ending September 30, 2022- Information Item- Mr. Barker noted the summary that was included in the agenda package and stated that reflected activity through the end of the fiscal year.

Florence- Darlington Technical College 2022 CPIP Summary of Year 1: 2022-2023 and Year 2: 2023-2024- Mr. Barker noted it was the annual review of the Comprehensive Permanent Improvement Plan (CPIP) for Year 1: 2022-2023 and Year 2: 2023- 2024. He noted that the items for Florence-Darlington Technical College were not included in CPIP information provided at the July meeting. He turned the floor over to Mr. Randy Johnson to present the information to the Board regarding the reason Florence-Darlington’s CPIP was not presented in July. Mr. Johnson explained that Florence-Darlington submitted a request for an extension from the Capitol Budget office, whom in turn granted the extension and that is why it is being approved separately.

Human Resource Policies for approval- Mr. Barker presented the State Board with one Human Resource Policy and Procedure. The new Paid Parental Leave policy and procedure. On May 13, 2022, Governor Henry McMaster signed into law S. 11, which adds Section 8-11-150 (A) and amends Section 8-11-155 of the South Carolina Code of Laws to provide six weeks or two weeks of paid parental leave (PPL) to employees who occupy all or part of a full-time equivalent position (FTE). The law became effective October 1, 2022.

Mr. Barker moved to approve the Staff approvals, Florence-Darlington Technical College CPIP year 1 and year 2 and accept the proposed Human Resources Paid Parental Leave Policy. Mr. Smith seconded the motion. The motion passed unanimously.

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

Mr. Odom reported there was one academic program proposal for consideration by the Committee.

He provided a summary of the program proposal that was included with the agenda materials distributed prior to the meeting. The following academic program was recommended for State Board approval:

- Central Carolina Technical College- Associate in Applied Science, Teacher Education

Mr. Odom moved to approve and was seconded by Mr. Homan. 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. AJ Newton provided the Legislative update. He stated that Dr. Hardee and System office staff attended the Budget presentation to the Governor's office on October 18th. Mr. Newton felt the presentation was received positively and the Governor's Executive Budget should be released the second week of January. The BEA also met on October 18 for their annual regional meeting. At that meeting the BEA announced that the Fiscal 2023 general fund has increased by 12.5%, this is an additional \$458M in funds. To temper expectations, they have seen no changes in consumer spending however they are being conservative due to the expectation of a recession over the next two years. The BEA should release their 2023-24 forecast report mid-November. Speaker Smith invited Dr. Hardee to attend the Workforce Ad-Hoc Committee last Tuesday. Among the areas of consideration will be utility modernization, workforce development, and infrastructure investment designed to attract industry. Dr. Hardee presented to the Committee to give them an overview of the work the system has done and continues to do. He provided three areas where the System could benefit. The three areas were a change in legislation for E-zone, Apprenticeship increase tax benefits, and SCWINS funds. All three areas would help provide a skilled workforce for the entire state. On November 29, the Government Relations staff, Billy Routh, and lobbyists from the Colleges will meet to discuss the upcoming System Initiatives over the next year. He also updated the Council with the Senate pre-file dates of November 30, 2022 and December 7, 2022. The House should meet for pre-file and their organizational meeting on December 6-7, 2022. The elections were held November 6th. The Republicans now hold a super majority in the House of Representatives and both constitutional amendments were passed. Mr. Newton turned the floor back over to Mr. Schrum.

FINANCE UPDATE - Mr. Barker noted the financial statements included in the agenda package. Mr. Johnson then gave a financial presentation detailing the Analysis of Unrestricted Net Position by College. He reviewed the net positions of all sixteen colleges as of June 30, 2022. Mr. Johnson explained that certain accounting principles applied when preparing financial statements result in a confusing and often misleading representation of each college's true financial condition. To provide a better picture of the true financial position of each college, the Pension, Other Post-Employment Benefits

(OPEB), and Compensated Absences liabilities have been added back to the unrestricted net position. Mr. Johnson stated a balance of 25% in the adjusted unrestricted net position as compared to total annual operating cost is preferred as this indicates a reserve of three months. Mr. Askins inquired if the board should be concerned that Denmark's percentage is not meeting the 25% target. Mr. Johnson explained that Denmark has shown improvement in enrollment, but still has challenges with their service area. The improvements were related to the federal stimulus and to changes made at the College. Mr. Johnson noted that the federal stimulus will no longer be available after June 30, 2023. Dr. Hardee discussed the progress that Denmark has made increasing enrollment and retention of students. Mr. Homan noted that several program areas, specifically the Lineman program, have proven to be beneficial to Denmark's improvement in both areas. Mr. Johnson provided the Board with the COVID-19 activity report. He explained that budgeted amount shown of \$372,492,704 is the amount the colleges received over three stimulus bills and reiterated that these funds will no longer be available after June 30, 2023. The Governor's office required the colleges to budget the items by line item initially, however, they are not tied to spending the funds in those budgeted areas. He explained that most of the funds left would be used for student aid. The colleges have spent a total of \$327,564,067 and have a remaining budgeted amount of \$46,929,637. Mr. Johnson also provided the enrollment numbers for each college for fall 2023. The System shows an increase of 9.71% in enrollment. Mr. Burns inquired if the increase was due to the Workforce Scholarships for the Future program. Dr. Hardee stated that economic development in the service area for each college would contribute to the increase, but it is only one factor of many that have contributed to the increase. Northeastern Technical College's decline can be contributed to loss of the dual-enrollment program at one of the school districts. Orangeburg-Calhoun Technical College's decrease can be contributed to the loss of population in the service area. Mr. Askins asked if there has been discussion about continuing a push for free or no cost tuition at most of the technical colleges. Dr. Hardee stated that he believed with the current legislative leadership this could be something that continued but would be focused on the manufacturing and workforce needs across the State.

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

Ms. Jaillette informed the Board that SCATCC held a group dinner in New York at the 2022 ACCT Conference. They had a good turn out by the Colleges representatives. The Conference was held on October 26-29, 2022. She stated the upcoming SCATCC board meeting December 7th will be held at the System Office. The Day of Learning is scheduled for February 1st, 2023 and she looks forward to seeing the State Board members who can attend. She concluded her report and turned the floor over to Mr. Billy Routh. Mr. Routh congratulated Mr. Newton and congratulated the System on a great hire. He concluded his report and turned the floor back over to Mr. Schrum.

MINUTES FOR REVIEW

Chairman Schrum stated that minutes from September 8, 2022, and October 13, 2022, Presidents' Council meetings were included with the agenda materials distributed prior to the meeting for review. Mr. Schrum encouraged the Board members to read them.

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

Dr. Rhames was unable to attend the meeting and there was no report.

MINUTES FOR APPROVAL

Chairman Schrum entertained a motion to approve the minutes from the State Board meeting on September 27, 2022. Mr. Odom moved and was seconded by Mr. Askins. The minutes were approved as amended with no further discussion.

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. Hardesty 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
- Florence-Darlington Technical College – 2022 CPIP Year 1 (2022-2023) for Approval
- Florence-Darlington Technical College – 2022 CPIP Year 2 (2023-2024) for Approval Central Carolina Technical College - Associate in Applied Science, Teacher Education
- Human Resources Policies for approval
- State Board Meeting Minutes for September 27, 2022

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 September meeting.

On October 3, 2022 Governor McMaster hosted an electric vehicle summit in Greenville. Dr. Hardee attended the summit and sat on a panel to discuss workforce in South Carolina. The System currently has five hundred students in the Automotive Technology Programs and seven hundred students in Mechatronics Programs. These two program areas will play an essential role in preparing the workforce for the growing electrical vehicle industry in South Carolina.

Dr. Hardee noted the Governor's executive budget presentation was received well by the Governor's office. Dr. Hardee stated he had spoken with Governor McMasters' staff since the presentation, and he

has been ensured that the Executive Budget would include an increase for scholarships for the students. This shows that the Governor is willing to continue to invest in the students across the state.

Recently Dr. Hardee attended the Tri-County Technical College Legislative Annual Report. This was a community event with local stakeholders. He is scheduled to attend a breakfast at Florence-Darlington Technical College and an evening event at Horry-Georgetown Technical College. Events like these Dr. Hardee often speaks to the needs of the System state-wide, and each College provides an overview of the programs they currently provide and how they can grow with support of the community.

Speaker Smith invited Dr. Hardee to attend the Workforce Ad-Hoc Committee. Among the areas of consideration will be utility modernization, workforce development, and infrastructure investment designed to attract industry. Dr. Hardee presented to the Committee to give them an overview of the work the System has done and continues to do. He provided three areas where the System could benefit. The three areas were a change in legislation for E-zone, Apprenticeship increase tax benefits, and SCWINS funds. All three areas would help provide a skilled workforce for the entire state.

On November 2, 2022, a dinner was held for the sixteen college presidents and School district superintendents from across the state. The goal of the dinner was to foster relationships and build partnerships between k-12 and the Technical College System.

Dr. Hardee reminded the group that on March 29, 2023 the system would hold the Legislative Day on the State House grounds. He asked that each board member plan to attend the event.

Dr. Hardee acknowledge that November is National Apprenticeship month. Apprenticeship Carolina has held around forty events throughout the state. These events have helped promote the Apprenticeship Carolina Program.

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. Homan moved, and Mr. Smith seconded the motion. The motion passed unanimously.

CALL TO ORDER – FOUNDATION MEETING

Chairman Schrum turned the floor over to Mr. Burns. Mr. Burns provided an update to the Board that foundation is currently restructuring the Foundation and they have an expert at the University of South Carolina and are engaging Counsel to assist in the restructuring of the foundation.

ADJOURNMENT

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

11/24/2023

Date Approved by the State Board



Roger Schrum, Chairman



Tim Hardee, Executive Director