

State Board for Technical and Comprehensive Education

Meeting Minutes

Kiawah Island Golf Resort
Turtle Point Clubhouse
Legenda A Room

10:00 A.M.

December 1, 2023

PRESENT:

Roger P. Schrum, Chair
Gregory B. Askins
Kathy Richardson
Ralph A. Odom, Jr.
Orville S. Smith, III
Terry Hardesty
Warren Darby, Jr.
E. Grantland Burns
Carolyn Swinton
Ben Satcher
Chris Huffman
Anthony Garvin Barker

STAFF PRESENT:

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

ABSENT:

Ellen Weaver

SYSTEM STAFF ABSENT:

Brad Neese

GUESTS:

Ashley Jaillette, Executive Director, SC Association of Technical College Commissioners
Rebecca Gunnlaugsson, Chief of Staff, SC Department of 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 opened the meeting with a presentation to Dr. Hardee. Mr. Schrum thanked Dr. Hardee for his service and congratulated him for receiving the Order of the Palmetto Award, presented by

Governor McMaster in September. Mr. Schrum presented Dr. Hardee with a resolution in recognition of being a recipient of the Order of the Palmetto and read the resolution into the record. Mr. Schrum called for a motion to approve the resolution. Mr. Odom made a motion to approve the resolution, and Mr. Smith seconded the motion. The motion passed unanimously.

COMMITTEE OF THE WHOLE REPORTS:

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

Project Budgets for State Board Approval: Mr. Burns entertained a motion to enter an Executive Session to discuss two readySC™ projects over \$200,000 for approval. Mr. Burns moved, and Mr. Hardesty seconded the motion, which passed unanimously. They entered 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 the Executive Session.

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

Mr. Burns entertained a motion to approve the two readySC™ capital projects over \$200,000 discussed during the Executive Session and the one under \$200,000 Project Budgets for Ratification. Mr. Hardesty moved, and Mr. Smith seconded, and the motion passed unanimously.

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

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

Staff Approvals for September 16, 2023 – November 15, 2023 - Informational Item – Mr. Barker noted that the staff approval list included in the agenda package contained fifteen staff approvals. Mr. Barker motioned to accept the Staff approval document, and Mr. Burns seconded the motion, which passed unanimously.

State Board Financial Summary – Month Ending October 31, 2023- Informational Item- Mr. Barker noted the summary in the agenda package and stated it reflected activity through October 31, 2023. Mr. Barker motioned to accept the State Board Financial Statement, and Mr. Darby seconded the motion, which passed unanimously.

Funding Discussion- Mr. Barker informed the Board that the funding discussion was presented and reviewed during the working session on November 30, 2023. He asked that the discussion summary be added to the minutes as attachments, as well as the summary of the funding model change and the financial health of the colleges. The attachments will be added to the end of the minutes. Mr. Barker noted that three motions need to be made after the discussion in the working session: one recommendation from the committee regarding changes to the funding formula and two resolutions that will be sent out to two of the Colleges based on the financial health information.

Mr. Barker moved that based on the information the State Board received this week from South Carolina Technical College System Office Staff, the Chairman send a letter to Northeastern Technical College's Area Commission that states as follows:

NETC failed to timely submit its annual audited financial statement to the Comptroller General's Office in accordance with Proviso 117.55 by the October 1, 2023 deadline, and as of today, NETC has still failed to submit its audit, and NETC has an institutional responsibility to submit its audit on time, and the State Board's reasonable expectation is that each technical college president- including NETC's must take appropriate action to see that the audit deadline is met each year; and NETC's noncompliance with the annual audit deadline is a serious concern because it potentially compromises the State Board's statutory responsibility to "insure educational and financial accountability for operation of the technical education institutions"; therefore, NETC's Area Commission will be asked to respond in writing within 30 days of its receipt of the State Board's letter to (1) acknowledge the foregoing failures occurred; (2) demonstrate what efforts have been made to complete the audit as expeditiously as possible;(3) project a date by which the audit will be completed; (4) identify what measures will be taken to make certain that failures of this nature do no occur in the future; (5) agree to provide financial updates to System Office staff on a monthly basis by the tenth day following the end of the prior month, upon request of the State Board or System Office staff, and

at such intervals as the State Board may otherwise direct. Mr. Hardesty seconded the motion. The motion passed unanimously.

Mr. Barker moved that based on information the State Board received this week from South Carolina System Office staff, the Chairman send a letter to Denmark Technical College's Area Commission that states as follows:

DTC failed to timely submit its annual audited financial statement to the Comptroller General's Office in accordance with Proviso 117.55 by the October 1, 2023 deadline; and DTC did not submit its audit until October 31, 2023; and DTC's audited financial Statements reflect a deteriorating financial condition that must be addressed immediately; and DTC has for the last several years been submitting its audit after the October 1st deadline; and DTC has an institutional responsibility to submit its audit on time, and the State Board's reasonable expectation is that each technical college president- including DTC's – must take appropriate action to see that the audit deadline is met each year; and DTC's noncompliance with the annual audit deadline is a serious concern because it potentially compromises the State Board's statutory responsibility to "insure educational and financial accountability for operations of the technical education institutions"; therefore, DTC's Area Commission will be asked to respond in writing within 30 days of its receipt of the State Board's letter to (1) acknowledge the foregoing failures occurred; (2) identify what measures will be taken to make certain that failures of this nature do not occur in the future; (3) confirmed that DTC's President will discuss the audit results with the Area Commission as soon as practicable at a special called meeting and provide detailed status updates about DTC's payroll expenses and overall finances to the Area Commission at each scheduled meeting going forward; (4) agree to provide financial updates to System Office staff on a monthly basis by the tenth day following the end of the prior month, upon request of the State Board or System Office staff, and at such intervals as the State Board may otherwise direct; and (5) agree to take all necessary and appropriate actions to implement significant cost saving of operational funds prior to June 30, 2024 and June 30, 2025, and report the proposed cost saving measures to System Office staff in due course. Mr. Askins seconded the motion. The motion passed unanimously.

Mr. Schrum motioned to approve the performance section of the funding formula. The performance section of the funding formula shall be revised and reflect an increase from 5% to 10%, with the percentages to be used for each category presented to the board by System Office Staff. This change will be affected with the fiscal year 2025-26. Mr. Odom 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.

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

Ms. Jaillette updated the Board that South Carolina was represented during the recent ACCT Conference held in Las Vegas in October. They had a reception for the South Carolina Delegation, and it was a time filled with conversation and networking. It was a successful conference, and they picked up a speaker for the upcoming Day of Learning. The guest speaker is Ms. Laura Ullrich. Ms. Jaillette is looking forward to this time of networking and learning, and everyone is encouraged to attend. The next board meeting is scheduled for next week at the System Office.

MINUTES FOR REVIEW

Chairman Schrum stated that minutes from September 14, 2023, and October 12, 2023, Presidents' Council meetings were included with the agenda materials distributed before the meeting for review. Mr. Schrum encouraged the Board members to read them.

MINUTES FOR APPROVAL

Chairman Schrum entertained a motion to approve the minutes from the State Board meeting on September 26, 2023. Mr. Askins moved, and Mr. Satcher seconded. The minutes were approved unanimously.

COMMITTEE OF THE WHOLE RECOMMENDATIONS-CONSENT AGENDA

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

- Project Budget for State Board Approval
- Project Budget for State Board Ratification
- Northeastern Technical College Resolution
- Denmark Technical College Resolution
- Performance Funding Formula Change
- State Board Meeting Minutes for September 26, 2023

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.

Update SCTCS Foundation- Dr. Hardee provided an update regarding the SCTCS Foundation. They have raised significant funds and are working towards the goals they have set for themselves. Dr. Hardee asked Mr. Burns, Ms. Swinton, or Mr. Darby if they would like to comment on the SCTCS Foundation. Mr. Burns noted that the foundation is moving forward with its mission, and the interim director and two employees are working tirelessly to improve and build the foundation. Ms. Swinton

and Mr. Darby echoed Mr. Burns's comments and praised the director for his hard work. Mr. Darby noted that the Create Opportunity program was doing great work. Mr. Schrum reported The Create Opportunity recently received a grant for \$500,000. They are working on expanding the program in 2024. They have received multiple grants and are working to develop the different programs offered. One of the programs Dr. Hardee noted was a partnership with Columbia College and our technical college Early Care and Education programs. This program is online and would benefit the rural areas of the State. They are also looking into different program areas to address workforce issues and looking to increase enrollment in the Technical Colleges (i.e., increase enrollment of black males)

Regional Enrollment Trends- Dr. Hardee provided the Board with the document showing enrollment trends. He noted that the system is doing well. However, there is always room for improvement. The document compares enrollment with other Southern States Technical College systems.

2024-26 Strategic Focus- Dr. Hardee provided the Board with a copy of the 2024-26 Strategic Focus. Dr. Hardee highlighted several focus areas and wanted to provide the Board with a document to show what he and the staff will be working on. He also noted a transfer partnership that is in the works with USC and Clemson. He stated that the goal is to have an agreement by mid-January.

OTHER MATTERS

No other matters were discussed.

ADJOURN STATE BOARD

With no other matters to discuss, Chairman Schrum noted that the next State Board meeting would be on January 23, 2024, and Legislative Day would be on February 21, 2024. Following March 26, 2024, there will be an SCTCS Foundation meeting; everyone is invited to attend. Mr. Schrum called for a motion to adjourn the State Board for Technical and Comprehensive Education meeting. Mr. Odom moved, and Mr. Barker seconded the motion. The motion passed unanimously.

Date Approved by the State Board

Roger Schrum, Chairman

Tim Hardee, Executive Director