

**SOUTH CAROLINA  
COMMISSION ON HIGHER EDUCATION**



**ANNUAL ACCOUNTABILITY REPORT  
FISCAL YEAR 2010-2011**

*September 2011*

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## South Carolina Commission on Higher Education

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Dr. Garrison Walters, Executive Director

September 15, 2011

The Honorable Nikki R. Haley, Governor of the State of S.C.  
Members of the S.C. General Assembly

The S.C. Commission on Higher Education (CHE) is pleased to submit for your review its annual accountability report for Fiscal Year 2010-11. The report includes an executive summary, an organizational profile, and information pertaining to the elements of the Malcolm Baldrige Award Criteria per the Budget & Control Board's 2010-11 Accountability Report guidelines.

In addition to the Accountability Report, CHE has also submitted in past years each January a separate report on the state's public institutions of higher education in accordance with S.C. Code §59-101-350. The report, entitled "*A Closer Look at Public Higher Education in South Carolina: Institutional Effectiveness, Accountability, and Performance*," provides information and performance trends for key data for our state's public institutions, and prior to 2006, served as the annual accountability report for the public higher education institutions. Each institution now submits its own accountability report. The "*Closer Look*" report was suspended in 2010 by a budget proviso, and reporting continues to be suspended as of 2012.

We are very proud of the work of CHE in fulfilling its role as the state coordinating body for public higher education. If I can provide any additional information or material relating to our agency, please contact me at 737-2275.

Sincerely,

A handwritten signature in cursive script that reads "Garrison Walters".

Garrison Walters  
Executive Director

Enclosure

## Accountability Report Transmittal Form

**Agency Name:** S.C. Commission on Higher Education  
H03

**Date of Submission:** September 15, 2011

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*Note: In accordance with Budget and Control Board requirements, CHE has submitted the required four (4) printed copies and an electronic version (e-mailed) of the report to the Office of State Budget, Attention: Karen Rhinehart ([Krhinehart@budget.sc.gov](mailto:Krhinehart@budget.sc.gov)), Office of State Budget, Edgar A. Brown Building, 1205 Pendleton Street, Suite 529, Columbia, SC 29201.*

*Electronic Filename:* H03CHE\_FY1011\_AcctRpt\_Final091511

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## **SECTION I – EXECUTIVE SUMMARY**

### **Mission and Values**

The S.C. Commission on Higher Education (CHE) operates pursuant to the S.C. Code of Laws, as amended, §59-103-5, et seq. CHE’s website is [www.che.sc.gov](http://www.che.sc.gov).

#### ***MISSION***

*The S.C. Commission on Higher Education will promote quality and efficiency in the state system of higher education with the goal of fostering economic growth and human development in S.C.*

#### ***VALUES***

CHE values

- the importance of quality higher education
- the accessibility of this education to the citizens of the state
- the accountability of the institutions to their students and the General Assembly
- excellence on the part of its staff in performing its functions
- excellence on the part of the institutions in providing educational opportunities

#### ***SERVICES OFFERED***

CHE serves as the coordinating board for S.C.’s 33 public institutions of higher learning and is responsible for serving a dual role within state government, acting both as an advocate for higher education and an oversight entity on behalf of the General Assembly. The agency’s primary value to the state lies in the benefit of having an entity responsible for bringing to light and working through myriad issues to assure a balance between student and taxpayer interests and institutional policies, aspirations, and needs.

CHE carries out its mission through statewide planning and working with institutions to promote quality, access, and efficiency in the state’s higher education system while balancing advocacy, stewardship, and accountability. The major functions of CHE can be categorized broadly into four areas including: advocacy and coordination, information services, accountability, and administration. These functions are carried out through activities of CHE and each of its divisions – Academic Affairs and Licensing; Finance, Facilities, and Management Information System; Student Services; and Planning and Access. In performing its responsibilities, CHE works closely with institutions to expand educational opportunities for the state’s citizens, to invest in research for economic development and a better quality of life, and to increase cooperation and collaboration for higher levels of efficiency and quality in higher education opportunities in the state.

#### ***OVERARCHING STRATEGIC GOALS***

The following broadly defined goals have been established to provide guidance and evidence of direction for future work of CHE:

To make S.C. a global leader by working with business and industry to foster higher education’s role in economic growth and human development.

To maintain positive relations with the Governor, the Legislature, state agencies, parents, and students and to provide them and the general public with accurate information on S.C. higher education.

To present the needs and develop support for appropriate funding of public colleges and universities.

To address strategic issues in public and private higher education as they are identified and to ensure a continuous process of assessment and improvement in the colleges and universities.

To assure access to and equality of educational opportunity among underrepresented populations in S.C. higher education.

To promote quality and diversity in the academic offerings of institutions of higher learning.

To prevent or eliminate unnecessary duplication of degree programs among the state's institutions.

To expand postsecondary educational opportunities for S.C. residents, to recognize student achievement, and to encourage excellence in teaching and research by administering various higher education programs.

To ensure that non-public educational institutions, other than those exempted by statute, are legitimate educational enterprises and that they are fulfilling their purposes.

## Major Achievements from the Past Year

- ◆ As one of its main goals, CHE supports the implementation of a statewide strategic plan for higher education. During the year, CHE continued, to the extent possible in light of continued state budget cuts, to focus activities on implementing the higher education Action Plan that was released in March 2009 by the legislatively-appointed Higher Education Study Committee (HESC). The Action Plan and follow up study, *The Economic Return on Investment in S.C.'s Higher Education*, which was conducted by the University of South Carolina's (USC) Division of Research of the Darla Moore School of Business and released on August 19, 2009, are accessible at [www.che.sc.gov/HigherEd\\_ActionPlan.htm](http://www.che.sc.gov/HigherEd_ActionPlan.htm). An ad hoc committee of Commissioners was appointed to oversee implementation activities, and progress updates are provided regularly throughout the year. Staff also continues to pursue activities to increase awareness of the value of higher education to the state and individuals. CHE's Executive Director continued visits to local rotary clubs, chambers of commerce, and other entities across the state to talk about the knowledge-based economy and importance of higher education to the state's future.
- ◆ As part of efforts to implement the Action Plan and the goal of making our state one of the most educated states, CHE staff continued work with institutional representatives and other key stakeholders on an initiative, Carolina Certificates, that is aimed at increasing adult participation in higher education. Steering committees and task force committees made up of representatives from higher education institutions, the S.C. Department of Education, Adult Education and Literacy Council Centers, the S.C. Department of Commerce, and the S.C. State Library Commissioners were appointed to oversee implementation activities. Pilot studies have begun and progress updates are provided regularly throughout the year.
- ◆ During FY 2010-11, CHE conducted on-going work to strengthen relationships with key state partners in order to enhance and improve communications. CHE's director and staff participated in initiatives regarding statewide planning and K-20 issues by serving on the Competitiveness Council and its Education Task Force and other relevant committees. CHE staff continued serving on the oversight council to ensure the implementation of the Education and Economic Development Act (EEDA) of 2005. CHE disseminated electronic updates to provide information on higher education and CHE activities. CHE continues to employ a consent agenda format adopted in 2008 for its monthly meetings to provide additional time for discussions of important policy matters for higher education. Working



with the S.C. Higher Education Foundation, CHE held a conference for college and university trustees in October 2010. The conference is an annual event to provide a statewide professional development opportunity for college and university trustees and senior management.

- ◆ In March 2011, S.C.'s Transfer and Articulation Center (SC TRAC, [www.sctrac.org](http://www.sctrac.org)) won a prestigious national award. The program managed by CHE as part of the Education and Economic Development Act (EEDA) initiatives, was recognized by the national Postsecondary Electronic Standards Council (PESC) as a winner in its 12<sup>th</sup> Annual Competition for Best Practices. SC TRAC received high praise from PESC because the system “focuses strategically on a high risk population (transfer students) through collaboration and the use of centralized resources and infrastructure, resulting in a robust, statewide solution that streamlines student transfer steps.” Receipt of this award highlights S.C.'s commitment to ensuring seamless student transitions from secondary to postsecondary education by using a coordinated approach to college transfer and the evaluation of prior coursework, and places S.C. at the forefront of states whose education policies support workforce and economic development for the 21<sup>st</sup> century knowledge economy. For more information, see *Key Objective for FY 2011-12 and Upcoming Years*, page 8.
- ◆ In May 2011, the S.C. Centers of Economic Excellence Program, which is staffed by CHE, was re-branded by the program's Review Board as the SmartState™ Program. The name was changed to better reflect the purpose of the program, which is to transform S.C. into a “smart state” that can create high-paying jobs based on the value of its knowledge base and innovation. In December, the program released good news for the state in its *2009-2010 S.C. Centers of Economic Excellence Annual Report to the S.C. General Assembly and the S.C. Budget & Control Board*. It was announced that the program had achieved a greater than two-to-one return on investment of the state's \$180 million commitment to date. By the end of FY 2009-2010, nearly \$400 million in non-state funds had been invested in the state's economy through SmartState™ and nearly 5,000 jobs created. At a December 14, 2010, press conference concerning the report, Speaker of the House Bobby Harrell and former Review Board Chair, Pamela Lackey, announced that an additional \$600 million in economic development investments had been committed to the state economy through the SmartState™.
- ◆ CHE continued to work in FY 2010-11 to secure recurring funding for the state's Higher Education Electronic Library, Partnership Among S.C. Academic Libraries (PASCAL). After being funded initially in FY 2004-05 with \$2 million in non-recurring (one-time) funds and in each year until FY 2008-09, PASCAL saw its funding reduced to in FY 2008-09 to \$200,000. With the downturn in the economy, no new funds have been made available and funding has dropped further to \$169,674 as of FY 2010-11. This figure represents more than a 90% reduction in original funding. In light of the budget reduction and lack of additional state funds in recent years, member institutions have been asked to pay increased assessments in order to maintain essential PASCAL services. Budget reductions coupled with the fee assessment have exacted a heavy toll on individual institution library budgets, resulting in significant permanent collection funding losses statewide. Despite this toll on institutional collections, member institutions have maintained participation in the program, a fact which underscores both the importance of PASCAL resources and the significance of collaboration among the state's higher education institutions. In FY 2010-11, the General Assembly authorized \$1.5 million for PASCAL from uncertified excess unclaimed lottery prize funds. However, these funds were not realized as sufficient excess unclaimed prize funds did not become available. In FY 2011-12, no additional funding was provided, but PASCAL remains, in first position, on the excess unclaimed lottery prize funds list for \$1.5 million should excess unclaimed prize funds above \$12.4 million become available. While

PASCAL is in a good position to realize the additional funding in FY 2011-12, the outcome will not be known until nearer the end of the fiscal year. Along with the colleges and universities, CHE will continue to seek restoration of funds for this important statewide project. Additional information on PASCAL is available below under *Key Objectives for FY 2011-12 and Upcoming Years*, pages 5-6.

- ◆ In FY 2010-11, CHE, along with the institutions, continued to advocate for increased operating funds for institutions and the passage of higher education regulatory reform. Budget recommendations advocated during the year for FY2011-12 reflected the budget circumstances, and CHE and institutions sought at a minimum stable funding to the extent possible. The FY 2011-12 appropriations for higher education included reduced general fund operating appropriations for universities. The funds were reduced on average 6% (total monetary decrease of \$19.4 million across institutions). For technical colleges, general fund appropriations were not further reduced, remaining level with FY 2010-11. The total FY 2011-12 recurring cuts brought state general funds for higher education operating appropriations to approximately \$406 million, a level down from \$758 million in FY 2007-08 – a reduction of nearly 50%. Also in FY 2011-12, colleges and universities received one-time appropriations from the Capital Reserve Fund (\$38.9 million) for deferred maintenance. The General Assembly, with approval of the Governor, passed regulatory reform measures for higher education with the enactment of S.172, the Higher Education Efficiencies and Administrative Procedures Act.
- ◆ During the 2008 Legislative Session, CHE advocated for and the General Assembly approved a change to the required S.C. Need-Based Grant Program allocation methodology to ensure that funds are reaching the neediest students. The change, which was made permanent in 2011 with the passage of S.172 (Act 24), allows for additional funds to be allocated on the basis of Pell Grant recipients as a measure of financial need instead of enrollment. While CHE continues to pursue increased funding for need-based grants, the budget situation has prevented the ability to realize increased funding. CHE will continue its efforts in coordination with institutions to seek increases to need-based aid as the budget situation warrants.

With the current economic conditions and increased college costs, support for need-based grants remains critical and is vital to success in improving the number of South Carolinians who enter college and graduate. Need-based financial aid is essential to any state that seeks to enhance the participation of students who have limited financial means. In recent years, funding for merit-based scholarships has grown to keep pace with increased numbers of eligible students, but funding for need-based grants has not. This creates the appearance that the appeal of merit aid has diminished the importance attached to need-based programs. As a result, a significant imbalance exists and continues to grow between merit-based and need-based student aid. As of FY 2010-11 appropriations, the state's merit programs (Palmetto Fellows, LIFE and S.C. HOPE) represent 70% of approximately \$330 million in dollars appropriated, whereas state need-based aid programs (CHE Need-Based and Tuition Grants) represent 16%, and Lottery Tuition Assistance at two-year institutions represents 14%.

While the federal Pell Grant program also provides assistance to need-eligible students and the maximum-allowable award has increased to \$5,500 in recent years [although recent discussions at the federal-level have considered decreasing the maximum], many do not receive the maximum award. In addition, there is a misconception that our neediest students are only those who qualify and receive the federal Pell Grant. However, this is not the case, and families impacted by the economic conditions or fall short of eligibility but have demonstrated need may be eligible for need-based assistance, which might make the

difference as to whether or not postsecondary education is postponed. CHE along with higher education institutions will continue to work to gain increases to need-based student financial aid to ensure affordable and accessible education so that financial need does not become a barrier to enrolling and completing a degree program in a college or university.

### **Key Strategic Goals for Present and Future Years**

On an annual basis, CHE's major goals and annual objectives are reviewed and included in the Executive Director's planning process and performance evaluation process. The most significant of the goals for FY 2010-11 and for the upcoming year are reflected below. Key strategic goals are listed and followed by on-going and future management objectives. The status for each is indicated as applicable.

#### ***Key Objectives for FY 2010-11 and Upcoming Years:***

1) CHE will continue efforts to implement the higher education Action Plan and ensure broad participation through the engagement of the business community, colleges and universities, state and local government, and the public as a whole. The Action Plan and its implementation will inform future work and direction of CHE. **Status:** *See also related report above under "Major Achievements." CHE will build on this work in FY 2010-11.*

2) CHE will develop a broad consultation to 1) engage the colleges and universities in a coherent focused strategy of leadership; 2) work with state and community leaders to better understand the value of higher education, and 3) work with communities to engage local leadership in creating an education culture. **Status:** *Led by the Executive Director, work on developing a strong education culture in S.C. continued through implementation of the Know2 initiative aimed at changing attitudes and beliefs in communities throughout the state concerning the importance and attainability of higher education. The initiative reinforces two key concepts: 1) Know that in the world of today being highly educated is essential for economic success and a high quality of life and 2) Know that being high educated is possible for individuals, their family and the community. CHE has partnered with the S.C. Higher Education Foundation and through the College Access Challenge Grant program is initiating pilots in several S.C. communities.*

3) Building on recent initiatives and planning considerations, CHE will continue efforts to ensure an appropriate state-level accountability system for higher education in conjunction with the implementation of the Action Plan. **Status:** *In 2011, Governor Haley initiated conversations with higher education leaders concerning higher education and an accountability-based funding model. In follow-up to the conversations, CHE is working collaboratively with the institutions to develop recommendations.*

4) CHE will continue its work to strengthen CHE's relationship with key state partners including the S.C. Department of Commerce and the S.C. Department of Education as well as to enhance and improve communications with all relevant stakeholders including, but not limited to, the Governor and General Assembly, institutions, students and their parents, the public, and business community. **Status:** *CHE will continue efforts under this goal in FY 2011-12. See also related report above under "Major Achievements."*

5) CHE will continue to advocate for increased funding for need-based aid. **Status:** *See above under "Major Achievements" and item 1d below under "On-going and Future Program Management Objectives of the Agency" for additional information and details.*

6) CHE will continue to work with PASCAL to ensure success of the statewide Higher Education Electronic Library initiative through monitoring its continuing implementation. **Status:** *To*

enable continuation of PASCAL, CHE along with the institutions will continue efforts to seek restored core recurring funding for this valuable project, including resourceful funding opportunities such as the excess unclaimed lottery prize funds line mentioned above. Additional funds, if realized, could help PASCAL extend licensed resources, facilitate replacement of aging infrastructure, and accelerate collaboration in collection management, storage, processing and delivery of electronic materials that would allow institutions further leverage resources through gains in efficiency. Despite the budget cuts as reported above (see report under “Major Achievements from the Past Year”) PASCAL’s essential services have been maintained, albeit at dramatically reduced levels. PASCAL members (53 public and private institutions) and CHE coordinated an effective emergency response centered on a combination of program cuts and one-time emergency funding to maintain the core program. Due to these measures, PASCAL has maintained viable services in two of three program areas that are basic to supporting academic library services statewide. PASCAL has maintained a solid core of electronic resources in 13 databases. Continuation of emergency measures has stabilized the electronic resource programming temporarily; however, overall resources have diminished by more than 12,000 electronic journal titles due to budget cuts. For example, universal access to the core collections in nursing and allied health was curtailed in FY 2010-11, after one-time funds identified in FY 2009-10 were depleted. PASCAL Delivers (the statewide book delivery service) continued to grow in FY 2010-11; despite staffing losses, PASCAL implemented “pick up anywhere” functionality and plans to implement delivery service for the first time to the state’s two regional graduate centers in FY 2011-12. PASCAL also managed the integrated library systems for seven public institutions and seven private institutions. This institution-funded program leverages central expertise and extends the capacities of individual libraries to provide state-of-the-art information services. Staffing losses in FY 2010-11 forced PASCAL to cede its role in collaboration with the State Library and other partners, including USC, Clemson University, College of Charleston, Coastal Carolina University, and the Georgetown County Public Library System, in the effort to preserve electronically S.C. heritage through the digitization of unique, rare collections held in the state’s academic libraries and elsewhere. In FY 2010-11, PASCAL continued to work with the State Library to coordinate collection development and integration of resources to leverage funding available in order to secure the maximum benefit for S.C.’s residents and taxpayers. Initial collaborative explorations demonstrated that the gap between the information resource requirements of the general public, K-12 and higher education communities is wide, and that while coordination is an imperative, the unique information needs of higher education cannot be filled by a single broad-spectrum solution. In FY 2011-12, the common core of the electronic resources program must be evaluated for its future sustainability given the significant decrease in state investment.

7) CHE will continue to work in cooperation with institutional finance officers and other institutional representatives to improve policies concerning recommendations for institutional operating funding and other budgetary requests for institutions by: a) continuing to refine the the Mission Resource Requirement Funding Model (MRR), [which calculates the recommended level of state operational support, less student tuition and fee revenues at an agreed upon rate, based on institutional, peer, and national data in the areas of instruction, research, public service, libraries, student services, physical plant, and administration] to ensure it is logical and conforms with best practices; b) reviewing and revising the criteria currently employed in making recommendations to the General Assembly for institutional requests for special funding outside of the general operating funding; and c) ranking and advocating for institutional capital projects for which state capital bond support is requested. **Status:** See also related report above under “Major Achievements.” CHE continues to work with institutions in the development of a coordinated approach to higher education funding.

8) CHE will work to identify and recommend changes to improve the capital project review and approval process and to upgrade available facilities information on institutional needs. **Status:**

*In FY 2008-09, CHE completed work directed at changes to improve the capital project review and approval process (CPIP Year 2) including a recognition of funding related to the accumulation of maintenance needs on the individual campuses as an integral part of the capital improvement bond (CIB) request. Completed revisions to CPIP Year 2 scoring resulted in a FY 2009-10 CIB request that included three parts: Part 1 – Funding directed at addressing the significant amount of accumulated maintenance needs (formerly referred to as “deferred maintenance”); Part 2 – Funding in support of Phase 1 of the capital project approval process adopted by the Joint Bond Review Committee (JBRC) in which 1.5% of the estimated total project is provided to Pre-Design Architectural and Engineering (A&E) activities needed to refine estimates and secure appropriate funds needed to execute the project; and Part 3 – Funds to renovate, refurbish, and/or construct buildings considered state priorities based on an adopted CHE scoring rubric. In light of the budget situation, CHE did not advance bond recommendations in FY 2010-11 and continues to work with institutions in pursuing state bond funds and in developing recommendations as appropriate.*

9) CHE will advocate for efficient and effective state policies associated with the review and approval of permanent improvement projects, the procurement of goods and services, and human resource activities at our public colleges and universities. **Status:** *CHE continued to work with the institutions in advancing regulatory relief legislation for the colleges and universities. In 2011, S.172 (Act 74) was enacted and provides among other reforms changes to facilities and procurement. With regard to facilities, the current process was retained but thresholds for required establishing projects were increased. CHE will continue to work with institutions and the General Assembly to identify and advance additional reforms to promote efficiency while retaining appropriate accountability.*

10) CHE will provide leadership under the terms of the EEDA to develop more seamless transitions among the levels and types of the state’s public higher education institutions and between the state’s higher education institutions and the state’s K-12 public school system as well as increase the rigors of the high school curricula and align it with college curricula. **Status:** *Under the direction of the CHE, the **S.C. Course Alignment Project (SC CAP)** is one of the first statewide collaborative efforts to bring together high school and college faculty to align high school exit courses with entry-level college courses. The project focuses on aligning core high school exit courses in math, English/language arts, and science with entry-level college courses in the same disciplines. The Educational Policy Improvement Center (EPIC) at the University of Oregon, the national and international leader in the area of high school-to-college alignment, is facilitating the project in partnership with the Commission on Higher Education (the lead agency), the S.C. Department of Education, and the S.C. Technical College System. A project website that provides ongoing resources, project documents, and updated information for the public and project participants is regularly updated to serve as an interactive communication site about the issue of K-16 alignment. A project newsletter distributed on a semi-annual basis to stakeholders and other interested parties provides regular updates about the project. Additionally, a steering committee representing all stakeholders, including the business community, provides ongoing support and guidance for the project. College readiness standards for S.C. have been developed and paired courses have been designed, tested during a pilot implementation, and revised based on faculty feedback. These courses consist of a secondary course which is matched or “paired” with a postsecondary one and aligned with the college readiness reference standards. Seventeen aligned courses were developed in English (five courses), mathematics (five courses), and science (seven courses). Course packets created for these paired course contain the course syllabus; lab/classroom activities and scoring rubrics; out-of-class assignments and scoring rubrics; assessments and scoring rubrics; and a list of recommended readings, resources, and websites. The course packets also explain how courses are aligned to state academic standards and college readiness standards and explain the elements of paired course alignment. These paired courses were taught by 32 faculty implementers in 13 clusters across the state during*

the 2009-2010 school year. The paired course materials were revised in the fall of 2010 based on the feedback received from the pilot implementers. The revised paired course materials were provided to 69 new and returning implementers at a training workshop held on February 5, 2011. These implementers were grouped by region and also completed several partnership building activities during spring 2011. The implementers will teach the paired courses during the 2011-2012 school year and attend another training workshop in October 2011. CHE and EPIC staff are currently planning for the statewide distribution of the paired courses.

In further response to the EEDA, the CHE, in collaboration with the public institutions of higher education, have been engaged in the implementation of the **S.C. Transfer & Articulation Center (SC TRAC)**, a web-based course articulation and transfer system for statewide use by students. The system, available online at [www.SCTRAC.org](http://www.SCTRAC.org), is designed to facilitate student transitions between and among S.C.'s institutions of higher education. SC TRAC is an on-demand, web-based platform that provides information and services for transfer students and the institutions that serve them. As such, the system displays detailed and up-to-date information on degree pathways; provides students with an easy way to access transfer agreements developed between public institutions in a searchable database; and enables students to compare current courses against equivalent courses at another institution. The project will span several years and is divided into multiple phases. During Phase One, institutions were provided with the following electronic tools by the developer, AcademyOne: the Transfer Agreement Management Center, which enables institutions to publish their transfer agreements, codify them, and promote them to prospective students; the Course Equivalency Management Center, which helps institutions map their courses to equivalencies at other institutions, record them in the database, and provide updates; and the Transfer Profile Management Center, which provides a summary of transfer attributes so that institutions can promote their programs and services with pictures and historical attributes. During Phase Two, AcademyOne created a customized web portal that serves as the main interface for the system. The portal ([www.SCTRAC.org](http://www.SCTRAC.org)) was launched on April 1, 2010, and the system is now available to the state's students and institutions. During Phase Three, AcademyOne implemented interfaces at the institutions so that information related to course articulation and transfer is easily added into the system and displayed on the SC TRAC website. The Equivalency Synchronizer interface allows equivalency data from each institution to be synchronized with the SC TRAC database to save institutions the time and effort of recording course equivalencies in two places while ensuring timeliness and correctness of information. The Coursework Importer interface enables the import of an individual student's coursework history (including each course taken, when the course was taken, the grade earned for the course, and the number of credits earned), saving the student time and effort since there is no need to input data manually into the system. In 2010-11, in support of statewide policies, Advanced Placement and International Baccalaureate exam transfer-in credit awards were created and recorded in SC TRAC by all institutions. For the transferability of universally transferable courses among and between all public institutions (86 courses per the Statewide Articulation Agreement), SC TRAC was used by institutions to systematically record all possible transferable course equivalencies. The Equivalency Synchronizer was implemented at four technical colleges (Tri-County Technical College, Greenville Technical College, Northeastern Technical College, and Horry-Georgetown Technical College) and will be implemented by additional two-year institutions in FY 2011-12. The system also includes several new enhancements: student equivalency maps were enhanced to take grades into consideration; an option was created to compare equivalency maps and results for up to three institutions; and institutional reports were developed to show institution specific usage and metrics. On February 22, 2011, the first annual User Group Conference was held in Columbia, S.C. All institutions sent participants to the conference, which featured a keynote by Dr. Bruce Chaloux from the Southern Regional Education Board and included presentations on functionality, current project activities, marketing SC TRAC,

and portal enhancement options. The next annual SC TRAC User Group Conference is being planned for February 2012. In March 2011, as reported above, SC TRAC won recognition from the national Postsecondary Electronic Standards Council (PESC) as winner of its 12th Annual Competition for Best Practices. AcademyOne and CHE continue to work with all public higher education institutions to manage course equivalencies and transfer information in the system. Plans for the current year include continuing to install the equivalency synchronizer interface at two-year institutions that wish to take advantage of this functionality and continuing to develop enhancements to the system. CHE and AcademyOne plan to create a video User Guide, develop a transfer events calendar to be displayed on SC TRAC, create a contact database of institutional system users, and deploy a course equivalencies widget that institutions can place on their own websites. CHE staff are also working collaboratively with institutions to identify, design, and implement additional functionalities for the system.

11) CHE continues to evaluate program productivity under the formal policy on program productivity authorized by CHE to ensure increased program efficiency and cost effectiveness and to reduce unnecessary duplication of academic programs. **Status:** *The third comprehensive evaluation of the productivity of the four-year institutions' academic programs (undergraduate, graduate, and first-professional) was completed in FY 2008-09. Institutions have terminated programs as a result of the study and the overall number of programs not meeting productivity standards decreased since the 2006 study. An updated study that will be finalized in FY 2011-12 is in process.*

12) CHE will continue to review and assess provisions relating to CHE's licensing responsibilities to ensure they are best serving the state and consumers. An increasing number of institutions, especially those that offer online programs that originate in the State, continue to operate in defiance of efforts by the staff. Because enforcement is an escalating issue, the staff will look for options to increase enforcement effectiveness. The staff is also closely monitoring changes initiated by the U.S. Department of Education (USED) for State Authorization and increased accountability in deceptive recruiting practices. **Status:** *During the year, staff has responded to approximately 400 requests about licensing requirements in light of USED changes from out-of-state institutions that enroll S.C. residents in distance learning; several have indicated that they will apply for licensing to recruit S.C. residents into distance learning courses or programs. The staff also continues to review and develop consumer protection information to assist individuals in making informed decisions about school choice. The Lottery Commission, in collaboration with the Commission staff, is developing a public service announcement that will highlight strategies for prospective students (accreditation/transfer credit, degree/certificate, and cost/debt). The staff has participated in meetings of a national contingent of policy makers drafting model legislation for consideration of reciprocity with other states. CHE will seek statutory and regulatory changes as needed. CHE will continue to pursue ways to inform the public about making wise education choices and statutory changes, as deemed prudent, such as the one pursued in past years to make it unlawful for a person to knowingly issue, manufacture, or use an illegitimate academic credential.*

13) CHE will continue to improve accessibility to information and data products by: a) re-vamping CHE's website to provide a more user-friendly web presence that enhances the accessibility and availability of information about CHE, its work, and available data products and b) continuing efforts to automate the receipt of data electronically from the public institutions. **Status:** *CHE staff continues to work on improving the status of data accessibility. However, the significant budget reductions in recent years have impeded progress. In 2010, CHE was awarded a subgrant as part of the federal State Longitudinal Data System Grant awarded to the S.C. Department of Education and is collaborating with the Department to improve connections of statewide education and employment data systems.*

14) CHE will continue to ensure the strength of the Access and Equity Program through collaborative work with the colleges and universities to: a) achieve more positive outcomes in expanding the pool of minority students who will be academically prepared and motivated to succeed in college, in increasing minority enrollments and graduation rates, in hiring of underrepresented faculty and professional staff (in conjunction with the SREB Doctoral Scholars Program) and in improving campus climates; b) challenge public and private institutions of higher learning to broaden their reach into secondary education schools in S.C. through coordinated efforts to implement programs that identify, motivate, prepare, and provide assistance to underrepresented students in efforts to expand the pool of qualified applicants for college; c) encourage two-year and baccalaureate degree granting institutions to engage in partnership activities to encourage more students to complete associate degree programs and to pursue baccalaureate degrees; and d) collaborate with other campus projects that have similar goals and objectives to advance the achievement of underrepresented populations. **Status:** *The Access and Equity program uses several accountability measures and procedures to monitor the program. The annual Access and Equity Conference which is sponsored annually by the colleges and universities and CHE to promote sharing of best practices was held on April 19-20, 2011. Unfortunately, state funds provided through CHE were lost in FY 2010-11 after the Governor vetoed the budget line and the veto was sustained. CHE continues to support Access and Equity programs and institutional programs and continues to look for alternative funds. For FY 2011-12, CHE did not actively seek the restoration of state funding due to the state's budget situation. State funds were not provided again in FY 2011-12. However, CHE will continue to work with institutions to support and promote the importance of Access and Equity and the continuation of institutional programs.*

15) CHE will continue efforts to increase awareness of campus safety issues by convening annually a conference to provide a forum for discussion of issues and updated information in the area of campus safety. **Status:** *CHE and the Higher Education Foundation continue to sponsor the annual statewide conference. In 2011, Trident Technical College hosted the 12<sup>th</sup> annual Linda B. Floyd Campus Safety Conference in February. Planning for next year's conference is underway.*

### ***On-going and Future Program Management Objectives of the Agency***

1) CHE will provide management of the following programs under its purview:

- a) CHE will manage various competitive grants programs and competitions including the Governor's Professor of the Year Awards, the Service Learning Awards, the Education Improvement Act (EIA) Centers of Excellence program, and the federal Improving Teacher Quality (ITQ) Competitive Grants program. **Status:** *In April 2011, Clemson University, York Technical College, and Furman University each received an award for Service Learning Excellence for their respective programs. A request for proposals (RFP) for the FY 2011-12 EIA Centers of Excellence competition for grants was submitted, and we received six new proposals in addition to three continuing proposals. A review panel selected the institutional projects which will receive funding (one new and three continuing projects were selected). Budgets are being closely monitored for projects which were funded for the current and past years. The request for proposals (RFP) for the Improving Teacher Quality (ITQ) competition for grants was submitted and we received three new proposals in addition to nine continuing proposals. CHE staff has been providing on-site technical assistance and leadership to campus personnel for meeting the goals stated in institutional grants. Staff plans to initiate a symposium for Centers of Excellence in Teacher Education for all the active centers in order to showcase their work with K-12 students and teachers. CHE's Division of Academic Affairs and Licensing continued with technical assistance workshops for the federal ITQ*



*grants. The workshop was successful in establishing better communication between CHE staff and institutional faculty and administrators and in raising the quality of proposals for the projects submitted. For these reasons, workshops will continue to be offered in the future.*

- b) CHE will manage two lottery-funded programs, 1) the SmartState™ Program (formerly known as the Centers of Economic Excellence or Endowed Chairs program) and 2) the Higher Education Excellence Enhancement program.

**SmartState™ Program:** Ongoing activities include the submission, evaluation and awarding of proposals (including SmartState™ Commerce Awards as described below); financial tracking of fund disbursements; certification of pledges for non-state matching funds to the three senior research universities; coordination of SmartState™ Review Board meetings and agendas; coordination of SmartState™ Centers of Economic Excellence Council of Chairs meetings and events (including the 2011 SmartState™ Program National Conference in Charleston in December 2011); and the annual release of an audit and accountability report to the S.C. General Assembly and S.C. Budget & Control Board. In January 2009, the Washington Advisory Group released a comprehensive evaluation of the program for years 2003-2008, in which the program was described as the best of its kind in the nation. During 2009-2010, CHE staff assisted the Review Board in the creation of the Council of Chairs, one of the recommendations of the Washington Advisory Group. The Council of Chairs is the collective body of SmartState™ Endowed Professors and seeks “to advise, coordinate, and provide leadership for S.C. in matters related to science and technology” and “to maximize the benefits of the SmartState™ Program by coalescing state-wide resources to benefits the regional economy and the science base.” **Status:** *CHE continues to administer the program as required. Five CHE staff members contributed varying percentages of compensated time ranging from 5% to 80% to staff the SmartState™ Review Board, which is responsible for implementing policies and procedures for the SmartState™ Program, contracting with evaluators and consultants, and coordinating the peer review and on-site visitation processes, resulting in the successful awarding of program funds for the eighth year. The SmartState™ Review Board continued its working relationship with Clare Morris Agency, the program marketing firm. The five-year contract with Clare Morris Agency expired in June 2010; the marketing firm Lux & Associates secured a transition marketing contract for the Program while the Review Board prepares a new marketing firm RFP, which is expected to be awarded in November 2011. The Review Board also continued its working relationship with Derrick, Stubbs & Stith, LLP, the program’s auditing firm. The Review Board is scheduled to release an audit and accountability report for FY 2010-2011 in November 2011. In addition to its responsibilities for staffing the SmartState™ Program, CHE provides staff support to the Review Board for the Research University Infrastructure Act project certifications. CHE staff assists by certifying non-state matches and preparing each project certification for subsequent approval by JBRC and the S.C. Budget & Control Board.*

*As part of management responsibilities during the year, CHE staff assisted the Review Board in implementing changes enacted by the passage of the S.C. Economic Development Competitiveness Act of 2010 (signed into law June 23, 2010). The new law enacted revisions to the authorizing legislation for the S.C. Research Centers of Economic Excellence Act, the authorizing statute for the SmartState™ Program, including the assignment of one-quarter of all future SmartState™ Program appropriations and accrued program interest for endowed professorship awards at the three research institutions to be made in concert with the S.C. Department of Commerce.*

*Such SmartState™ Commerce Awards do not require matching funds if a significant capital investment is made by a qualified project or industry sector. The provisions of the 2010 Act became effective on January 1, 2011. In January 2011, the SmartState™ Review Board issued an RFP for SmartState™ Commerce Awards in concert with the Boeing and ZF Group relocation projects to S.C.*

**Higher Education Excellence Enhancement Program:** The appropriate processes for collecting necessary program data and for conducting an audit function as required have been implemented as part of on-going management. **Status:** *CHE continues to administer the Higher Education Excellence Enhancement Program as required and has worked to revise the audit program to review the expenditure of program funds as well as amounts and eligibility of participants.*

c) CHE will manage the Southern Regional Education Board (SREB) programs including the Academic Common Market, the Contract Programs in Veterinary Medicine and Optometry, the Electronic Campus, and new programs as these may become available. **Status:** *The Academic Common Market program and the SREB Contract Programs remain in high demand. CHE certified 161 state residents for Academic Common Market programs, and processed 44 applications for the 31 available freshman contract seats in Veterinary Medicine and Optometry. Both the Contract Programs and the Academic Common Market continue to be administered by CHE in partnership with the SREB.*

d) CHE will manage the state-supported scholarship, grant, and loan programs (Palmetto Fellows, LIFE, S.C. HOPE, S.C. Need-based Grants, Lottery Tuition Assistance, and the National Guard Tuition Repayment and College Assistance programs) and improve information available about program participation. **Status:** *CHE continues to administer the programs as required and strives continually to improve information available about the programs to expand public/student awareness of eligibility requirements. Information regarding state scholarship programs and federal financial aid was provided through CHE's website. Additionally, during the year, CHE staff participated in college information sessions and financial aid workshops held at middle schools, high schools, higher education institutions, state agencies, and non-profit organizations throughout the state in order to reach students, parents, guidance counselors, and school administrators. CHE staff also held statewide workshops for financial aid representatives, admissions officers, and student personnel administrators. During the 2011 session, updated regulations were submitted and enacted for the state's scholarship programs. Additional information on the state's scholarship/grant programs and the S.C. National Guard College Assistance Program is found in this report under Section III, Elements of Malcolm Baldrige Award Criteria, Category 7, Results.*

2) CHE will continue efforts through the Higher Education Awareness Program (HEAP) and Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) to promote early awareness and participation in post-secondary education among low-income and underrepresented groups. **Status:** *CHE staff continued this work during the year. Additional program details are found in the "Results" section of this report. Funding for the HEAP program was eliminated for FY 2011-12 after a gubernatorial veto of this funding was sustained.*

3) CHE will implement activities for the federal College Access Challenge Grant (CACG). CHE was first awarded this grant on behalf of S.C. in fall 2009, and it provided approximately \$2 million over two years to support activities and programs relating to college awareness and access in S.C. **Status:** *CHE staff continued implementing CACG activities during year two of grant implementation and was provided a waiver of the program's maintenance of effort*

requirements in order to receive the grant for the third year (2010-11). In addition, CHE staff submitted an application and request for a waiver to continue the grant in the upcoming cycle. See Section 7 for additional program details.

4) CHE will ensure that required reports and publications such as the agency accountability report and institutional effectiveness report which must be submitted to the S.C. General Assembly are completed and properly disseminated. CHE staff will conduct any necessary work to integrate legislative changes as applicable into CHE's policies and procedures. **Status:** CHE staff completed and disseminated all reports as required and accomplished work to integrate legislative changes into CHE policies and procedures as applicable.

## Key Strategic Challenges

As the coordinating board for S.C.'s 33 public institutions of higher learning, CHE is responsible for serving a dual role within state government, acting both as an advocate for higher education and an oversight entity on behalf of the General Assembly. These dual roles present a key challenge. The agency must work with its stakeholders in ensuring an appropriate balance between regulatory and advocacy functions. CHE works to promote quality, access, and efficiency while balancing advocacy, stewardship, and accountability. CHE's primary value to the state lies in the benefit of having an entity responsible for bringing to light and working through myriad issues to assure a balance between student and taxpayer interests and institutional policies, aspirations, and needs. CHE is challenged in accomplishing its mission with limited resources and the lack of incentive funds to bring together stakeholders to implement collaborative initiatives.

Budget cuts since the economic downturn at the end of FY 2007-08 have taken their toll leaving CHE with reductions nearing half of the previous staffing and funding levels. With the reductions in available resources, CHE has and continues to look very critically at how functions are performed. Every process is being reviewed continuously for potential efficiencies. CHE has employed restrictions on purchasing, travel and hiring. As a result of reduced staffing, the workload of existing staff has increased and staffing duties and responsibilities have been reassigned as part of efforts to address the reductions. The present economic situation and actions necessary to address the reductions continue to impact staff morale. As would be expected, staffing levels are not ideal and result in lost opportunities as CHE works to carry out its mission as effectively as possible.

The primary barriers to functioning at optimal levels have included: major cutbacks in state funding, reductions in staffing, inability to fill vacated positions, increases in staff workload, turnover in key staff positions, travel constraints, and constraints on the ability to provide for appropriate technology support. CHE appreciates the state's current budget situation but will continue to seek necessary state support to carry out mission critical responsibilities.

With the incoming Governor, CHE saw significant turnover in its board members as several new appointments were made to replace board members who had been serving in expired terms. In spring/early summer, 8 of CHE's 14 board members were newly appointed. Changes in board membership and staffing leadership require a renewed focus on planning and professional development activities.

CHE will continue to explore its operational requirements to ensure the agency's mission is carried out most efficiently and effectively to the extent that resources allow. The agency remains appreciative of the state's budget situation and recognizes that the state continues to face funding constraints and will continue to do so in the foreseeable future. CHE budget recommendations advocated for FY 2012-13 will reflect these constraints but recognize the importance of higher education to the state's competitiveness and economic success.

In the upcoming year, CHE will continue to seek necessary support to maximize statewide capacity in higher education and to promote statewide programs to improve the quality and effectiveness with which higher education is delivered and to ensure accessibility of higher education opportunities for all eligible South Carolinians. Funding priorities will continue to be targeted to ensure adequate state operating support for higher education institutions and to provide for important collaborative statewide programs that will enhance the state's capacity in competing in the new economy (e.g., research initiatives, technology initiatives, and the statewide electronic library).

As funding becomes available, our top priorities for higher education will continue to be increased funding of core operating needs, including capital, for colleges and universities, increased need-based grant funding to the greatest extent possible, recurring support for the state's higher education electronic library, PASCAL, and restored funding of other statewide collaborative programs such as SmartState™ and SC LightRail. CHE will also continue to support funding of student financial aid programs including necessary funding increases to continue SREB contract programs and to fully fund the state's scholarship and grant programs including the S.C. National Guard College Tuition Assistance Program. In addition, CHE is examining the effects of program reductions and will seek as appropriate support for mission critical programs and those that will help S.C. successfully achieve the Action Plan goal of making the state a leader in educational attainment so as to improve the state's economic outlook and future prosperity.

## **Use of Accountability Report to Improve Organizational Performance**

CHE uses the agency accountability report as a tool for planning and assessing progress in carrying out CHE's mission and achieving its goals and objectives. The report also serves to pull together in a single reference document descriptions of CHE's operations.

## **SECTION II – ORGANIZATIONAL PROFILE**

### **Major Products and Services and Delivery Method**

The major programs operated by CHE fall within the structure of the divisions as described on page 18 and illustrated through the organizational chart on page 19. As reported elsewhere in this report, CHE relies heavily on staff work with key constituencies in policy development and in communicating necessary regulatory requirements. CHE maintains a website with readily accessible information as to the scheduled CHE activities and in regard to higher education information and data. Relevant data and descriptions of specific programs of CHE are also found in the *Results* section of this report.

Outlined below are the major programs and functions of CHE categorized broadly into four areas including: Advocacy and Coordination, Information, Accountability, and Administration.

#### ***Advocacy and Coordination***

- Promote statewide higher education action planning and policies to optimize the efficiency and collaboration with which S.C. colleges and universities are meeting state needs including conducting work necessary to implement the Action Plan for higher education in S.C. which was released in March 2009.
- Serve as a higher education advocate in supporting statewide initiatives and promoting and securing funds for needed programs including: higher education operational and capital funding, merit-based and need-based student aid, research initiatives, statewide

academic electronic library, statewide licensing agreements, state procurement contracts, and state planning issues.

- Promote cooperation and collaboration in coordinating efforts to address issues affecting the states' citizens such as: access and equity, campus safety, higher education awareness and readiness programs for K-12 students, and a seamless K-20 education system.
- Provide direction at the state-level in the area of academic quality by developing state-level policies and best practices guidance for such items as: minimum admissions standards, dual enrollment, transfer and articulation, program productivity, remedial education, quality standards for professional development courses for teachers, post-tenure review, and annual review of faculty.

### ***Information***

- Provide statewide oversight and coordination for a higher education database necessary to respond to federal and state reporting requirements, legislative and citizen inquiries, and to study, monitor, and report on higher education issues such as those related to enrollment, student aid, program offerings, faculty, and facilities use and maintenance.
- Provide pertinent information about higher education to parents and students and to promote access to higher education.
- Make recommendations by means of data collection, research, and studies to the Governor, the Budget and Control Board, and the General Assembly regarding policies, roles, operations, and structure of S.C.'s higher education institutions.

### ***Accountability***

- Serve in a consumer advocate role by assuring accountability of public higher education institutions through, for example, performance funding, institutional effectiveness, facilities management, and data verification or audit functions of programs.
- Ensure institutional and program quality of S.C.'s public institutions through reviewing and approving institutional mission statements, reviewing and approving new academic programs and evaluating existing degree programs, reviewing admission standards and compliance with the state's English-language Fluency Act, and reviewing minimum undergraduate admissions standards for in-state and out-of-state students.
- Serve in a consumer protection role by carrying out the responsibilities for evaluating and licensing educational providers of higher education programs that desire to provide higher education programming in S.C. or to recruit S.C. residents.

### ***Administration***

- Oversee state merit-based and need-based scholarship, grant, and loan programs including Palmetto Fellows, LIFE, S.C.HOPE, Lottery Tuition Assistance, Need-based Grants, S.C. National Guard Student Loan Repayment, S.C. National Guard College Assistance Program, and other student aid programs such as the SREB contract programs in Veterinary Medicine and Optometry and the SREB Doctoral Scholars Program.
- Administer and provide early awareness and outreach programs to increase awareness of higher education, provide coordinated support, including mentoring, tutoring, college and career exploration and planning, informational workshops, parent/guardian and guidance counselor meetings, and financial aid information through the state's Higher Education Awareness Program (HEAP), Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP), College Goal Sunday, Go Alliance, and Passport to Opportunity.

- Administer and increase adult participation in higher education by building a “Knowledge Network” system that ties literacy, adult education, workforce training, and college preparation into a coherent whole, provides coordinated support, including mentoring, tutoring, college and career exploration and planning, informational workshops, college admissions procedures, and financial aid information through the state’s Carolina Certificates initiative.
- Oversee other state lottery-funded programs including SmartState™ (the S.C. Research Centers of Economic Excellence), the S.C. Higher Education Excellence Enhancement Program, and the Technology Incentive Funds program for public colleges and universities.
- Oversee and administer other state and federal programs affecting S.C. higher education including:
  - The Higher Education Action Plan;
  - The EEDA related course alignment program and the transfer and articulation web-based project called SC TRAC.
  - Statewide Access and Equity Program to include monitoring implementation and evaluating the effectiveness of programs designed to provide underrepresented populations with access to higher education programs;
  - Governor’s Professor of the Year Award Program and Service Learning Awards;
  - The Veterans Education and Training Program in which the state acts on behalf of the federal government to evaluate educational/vocational institutions and training establishments where veterans and dependents eligible for veteran’s educational benefits can achieve either an educational, professional or vocational objective;
  - S.C. Alliance for Minority Participation;
  - Experimental Program to Stimulate Cooperative Research (EPSCOR), and
  - Southern Regional Education Board (SREB) Programs such as Electronic Campus, Academic Common Market and Contract Programs in Veterinary Medicine and Optometry, and Doctoral Scholars;
  - The federal College Access Challenge Grant program which is a two-year federal program awarded to states initially in fall 2008 to focus on improving access to college and success in college; and

## **Key Customers and Their Key Requirements/ Expectations**

As a coordinating board for higher education, CHE provides services to the public, colleges and universities, the State Legislature and Governor, other state and private entities, and the federal government. CHE administers several federal and state programs, provides services to institutions of higher education, develops and administers policies, and serves in dual roles of responsibility to the legislative and administrative branches of state government as both an advocate for higher education and intermediary for accountability of the state’s public colleges and universities.

In fulfilling these roles, and in accordance with its mission, CHE serves three primary customer groups: the citizens of the state, the General Assembly, and the public colleges and universities. In order to meet most effectively the needs of these customer groups, CHE and its staff are organized along functional lines into the following divisions: Academic Affairs & Licensing; Finance, Facilities, and Management Information System; Student Services; and Planning and

Access. Customers are also served by staff responsible for coordinating communications efforts, governmental relations, and administrative functions.

## **Other Key Stakeholder Groups**

CHE also interacts regularly with other key stakeholders whether it be in policy development or constituent services. Key among these are the K-12 community and the business community. Focus on taxpayer interests and student concerns are also vital to the agency's mission and service.

## **Key Suppliers and Partners**

In its role as a state-level coordinating board, CHE's key suppliers provide needed data and information used by CHE in fulfilling its advisory, advocacy, and accountability roles for the state. Key suppliers of information and data include the public colleges and universities, private colleges, and the K-12 community. For example, public institutions provide data critical in determining the resource needs for the institutions as well as student enrollment and other institutional data necessary for required federal and state reporting purposes. Reported data are used for multiple purposes by CHE in carrying out its responsibilities such as data reported to determine critical resources are also used in the process of evaluating both existing and proposed academic programs. Student-specific information that is reported by public and independent colleges enable CHE to administer the scholarship and grant programs as well as respond to data requests and analyze trends for policy development. Data from the K-12 community, including information from middle and high schools, students, and parents, provides CHE with information and feedback to ensure the effectiveness of our higher education awareness programs.

CHE also uses external firms for the development, production, and dissemination of program materials for the higher education awareness programs (e.g., *Higher Education Awareness Program* [HEAP], *Gaining Early Awareness and Readiness for Undergraduate Programs* [GEAR UP], *College Goal Sunday*, *Go Alliance*, *PassPort to Opportunity*, and the *S.C. On-line Application and Resources* [SCHOLAR]). During the first stages of development for HEAP and GEAR UP, CHE evaluated several alternatives for developing program materials in-house as compared to utilizing external organizations. CHE has consistently found that the expertise and technology needed to address the particular aspects of these programs are best provided by external services. The technical aspects of SCHOLAR (a web-based application that enables students to apply online to one institution or several institutions at once and import the application(s) directly into the college or university database) require resources and expertise that are more efficiently provided through external resources, and CHE has relied on an external supplier for the operation and maintenance of this process.

## **Operation Locations**

CHE's offices are located in Columbia but have been re-located as of August 30, 2011, from 1333 Main Street to 1122 Lady Street, Suite 300. The agency's main telephone number is 803.737.2260 and its fax number is 803.737.2297. CHE's web address is [www.che.sc.gov](http://www.che.sc.gov).

## **Number of Workforce**

As of the end of FY 2010-11, CHE has a workforce of 33 full-time positions (31 classified and 2 unclassified positions), 4 part-time positions, 6 temporary grant/time-limited positions and 1 contractual position.

## **Regulatory Environment**

CHE serves as the coordinating board for S.C.'s 33 public institutions of higher learning. Operating pursuant to §59-103-5, *et seq.* of the S.C. Code of Laws, as amended, CHE serves a dual role within state government acting both as an advocate for higher education as well as an oversight entity on behalf of the General Assembly. Regulations promulgated by CHE pursuant to the State Code of Laws are found in Chapter 62 of the State Code of Regulations. Policies implemented by CHE in carrying out its legislated role and in administering programs are available from CHE's website at [www.che.sc.gov](http://www.che.sc.gov). CHE also operates in accordance with applicable federal regulatory requirements for higher education programs and in regard to regulatory requirements pertaining to agency services and programs.

## **Performance Improvement System**

CHE relies on internal and external feedback in improving its program and services. CHE will continue to work to formalize its performance improvement system to ensure efficient and effective channels for identifying and implementing improvement opportunities.

## **Organizational Structure**

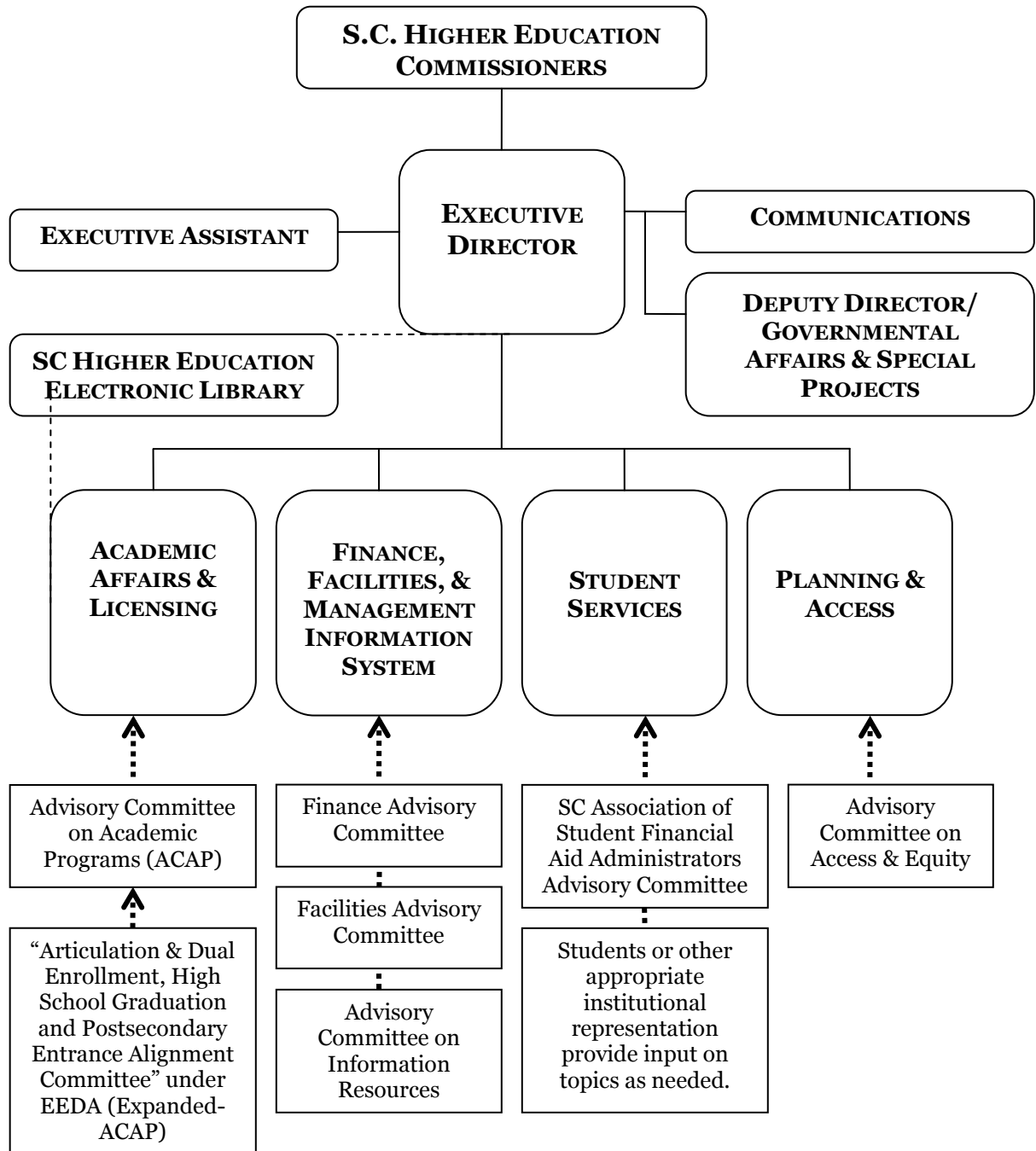
As illustrated in the organization chart found on the following page, CHE is governed by a board of commissioners. CHE's board consists of 14 commissioners appointed by the Governor including: one at-large member appointed as chair, three other at-large members, six members representing the Congressional Districts, three members representing the public higher learning institutions, and one member representing the independent higher learning institutions. Appointees representing Congressional Districts are recommended by a majority of the senators and a majority of the members of the House of Representatives comprising the legislative delegation from the district, whereas the remaining appointees are recommended based on the advice and consent of the Senate. Commissioners serve four-year terms with the exception of the three public institutional trustees who serve two-year terms. All except the independent institution representative are voting members.

CHE conducts its business through the work of standing committees organized along the functional lines of Academic Affairs and Licensing, Finance and Facilities, and Student Services and Access and Equity. CHE's Chair, Vice Chair, and Committee Chairs make up the Executive Committee of CHE. The standing committees bring recommendations forward to the full CHE for consideration. The work of these committees, as described in the following paragraph, is supported by CHE staff who are assisted and informed by various advisory committees made up of institutional representatives.

An Executive Director oversees daily operations of CHE and its supporting staff. CHE staff is organized in divisions that provide support for the committees including Academic Affairs and Licensing; Finance, Facilities, and Management Information System; Student Services; and Planning and Access. Work of the divisions is also informed on a regular basis by formal and informal advisory committees comprised of institutional representatives. The directors of the divisions and the directors of Communications, Governmental Affairs and Special Projects along with the Executive Director make up the staff's Executive Management Team. A non-profit foundation, The S.C. Higher Education Foundation, continues to support CHE and the higher education community by raising private funds for use in supporting programs that are not possible within CHE's available state resources.



## S.C. Commission on Higher Education Organizational Chart June 30, 2011



NOTE: CHE forms other advisory committees and requests input from its constituents as applicable (e.g., Business Advisory Council) to inform its work. The Council of Public College and University Presidents and the Council of Independent College Presidents also meet with CHE and aid in informing processes as necessary.

**Accountability Report Appropriations/Expenditures Chart  
S.C. Commission on Higher Education (CHE)**

**Base Budget Expenditures and Appropriations**

Major Budget Categories	FY 2009-10 Actual Expenditures		FY 2010-11 Actual Expenditures		FY 2011-12 Appropriations Act <sup>(2)</sup>	
	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds
Personal Service	\$2,058,518	\$1,345,665	\$2,795,448	\$1,559,484	\$1,522,134	\$1,235,397
Other Operating	\$2,385,682	\$359,862	\$1,269,379	\$358,746	\$405,829	\$264,083
Special Items <sup>(1)</sup>	\$304,122,996	\$105,687,478	\$333,729,005	\$115,781,328	\$337,450,984	\$106,539,106
Permanent Improvements	\$0	\$0	\$0	\$0	\$0	\$0
Case Services	\$0	\$0	\$0	\$0	\$0	\$0
Distributions to Subdivisions	\$0	\$0	\$0	\$0	\$0	\$0
Fringe Benefits	\$601,728	\$439,485	\$754,769	\$422,214	\$530,652	\$355,631
Non-recurring <sup>(3)</sup>	\$3,510,062	\$176,062	\$3,969,077	\$160,768	\$591,019	\$0
<b>Total</b>	<b>\$312,678,987</b>	<b>\$108,008,552</b>	<b>\$342,517,678</b>	<b>\$118,282,540</b>	<b>\$340,500,618</b>	<b>\$108,394,217</b>

(1) Special Items include scholarships, grant funding, programs administered by CHE, and other flow-through programs. Expenditures reflect significant increases to sponsored scholarship programs which have been held harmless from budget cuts per statutory proviso and have been increased to provide for increases in eligible students.

(2) FY 2011-12 appropriations are as of July 1.

(3) Non-recurring expenditures in FY2010-11 include \$9,601.21 SCEIS allocation.

(4) Non-recurring appropriations in FY2011-12 are the SREB dues.

**Other Expenditures**

Sources of Funds	FY 2009-10 Actual Expenditures	FY2010-11 Actual Expenditures
Supplemental Bills	\$3,510,062	\$724,079
Capital Reserve Funds	\$0	\$0
Bonds	\$0	\$0

## Major Program Areas

### Accountability Report Major Program Areas Chart S.C. Commission on Higher Education (CHE)

Program Number and Title	Major Program Area Purpose	FY 2009-10 Budget Expenditures		FY 2010-11 Budget Expenditures			Key Cross References for Financial Results*
	Operations	<b>State:</b> \$2,654,861		<b>State:</b> \$3,856,866			7.1-1, 7.1-2, 7.1-4, 7.1-6, 7.1-7, 7.1-8, 7.9 and 7.10
		<b>Federal:</b> \$1,812,836		<b>Federal:</b> \$1,871,285			
		<b>Other:</b> \$1,034,212		<b>Other:</b> \$3,060,523			
		<b>Total:</b> \$5,501,909		<b>Total:</b> \$8,788,674			
		<b>% of Total Budget:</b> 1.8%		<b>% of Total Budget:</b> 2.6%			
	Flow-Through Funds	<b>State:</b> \$7,804,480		<b>State:</b> \$5,498,541			7.1-5
		<b>Federal:</b> \$3,499,367		<b>Federal:</b> \$2,858,044			
		<b>Other:</b> \$44,735,755		<b>Other:</b> \$68,829,798			
		<b>Total:</b> \$56,039,602		<b>Total:</b> \$77,186,383			
		<b>% of Total Budget:</b> 17.9%		<b>% of Total Budget:</b> 22.5%			
	Scholarship and Grant Programs:	<b>State:</b> \$97,549,211		<b>State:</b> \$108,927,133			7.1-3, 7.1-4, and 7.6
		<b>Federal:</b> \$0		<b>Federal:</b> \$117,457			
		<b>Other:</b> \$153,588,266		<b>Other:</b> \$147,498,030			
		<b>Total:</b> \$251,137,477		<b>Total:</b> \$256,542,620			
		<b>% of Total Budget:</b> 80.3%		<b>% of Total Budget:</b> 74.9%			
	<b>Total</b>	<b>State:</b> \$108,008,552		<b>State:</b> \$118,282,540			
		<b>Federal:</b> \$5,312,203		<b>Federal:</b> \$4,846,786			
		<b>Other:</b> \$199,358,233		<b>Other:</b> \$219,388,352			
		<b>Total:</b> \$312,678,988		<b>Total:</b> \$342,517,678			

**Below: List any programs not included above and show the remainder of expenditures by source of funds:**

	FY 2009-10	FY 2010-11
<b>Remainder of Expenditures:</b>	<b>State:</b> N/A	<b>State:</b> N/A
	<b>Federal:</b> N/A	<b>Federal:</b> N/A
	<b>Other:</b> N/A	<b>Other:</b> N/A
	<b>Total:</b> N/A	<b>Total:</b> N/A
	<b>% of Total Budget:</b>	<b>% of Total Budget:</b>

\* Key Cross-References are a link to the Category 7 – Results. These References provide a Chart number that is included in the Results section of this document.

## **Section III – Elements of Malcolm Baldrige Award Criteria**

The concepts of evaluation and continuous improvement are present within CHE's operations and activities. Provided below are descriptions of the agency's use of the Malcolm Baldrige Criteria concepts and principles.

### **Category 1. Senior Leadership, Governance, and Social Responsibility**

CHE is a 14-member lay board appointed by the Governor. CHE is responsible for the hiring of an Executive Director, who in turn is responsible for developing an appropriate staff and agency structure. CHE itself has a chair, appointed by the Governor, a vice chair, and representatives from Congressional Districts, institutional trustees, and the statewide citizenry. CHE uses a committee structure for the handling of business. An Executive Committee of CHE, including the chair, vice chair, and all committee chairs, provides specific direction to the Executive Director for activities and issues to be addressed by the staff. The staff is organized along the lines of CHE's committee structure.

More specifically, the Executive Director uses an Executive Management Team consisting of division directors. Each division includes professional staff and appropriate support staff to perform the related functions. The Executive Management Team serves as the planning and evaluative group for CHE staff. Agency staff has have input into CHE's activities through their respective division directors.

The Executive Director meets with the Executive Management Team regularly. In addition, the Executive Management Team meets with the full CHE staff routinely to discuss current issues and activities of CHE. Further, individual divisions also meet on a regular basis. These various meetings are designed to ensure the entire staff is aware of and involved in the activities of CHE. These meetings also provide a forum for the clear communication of the mission, vision, goals, and processes to achieve those goals throughout the entire organization.

The Director of Finance, Facilities & MIS manages the fiscal activities of the agency. The Director of Finance, Facilities & MIS is ultimately accountable to the Executive Director and the Board for the fiscal health of the agency. The legislature is responsible for determining legal and regulatory accountability of the agency by passing legislation and approving regulations.

### **Category 2. Strategic Planning**

CHE relies heavily on strategic planning in all activities. CHE uses a planning retreat for Commissioners to evaluate the programs and direction of the agency and meets on a periodic basis with CHE's Executive Committee to review CHE initiatives and direction. New appointees participate in an extensive orientation process so they may become familiar not only with issues in the field of higher education, but also the pertinent issues and policy decisions facing CHE. CHE consults with institutional leadership and other stakeholders in higher education planning processes. CHE staff's Executive Management Team conducts periodic planning sessions and has regular team meetings to continuously evaluate the agency's activities.

CHE's planning activities are focused internally on the agency as well as externally on higher education. In order to implement higher education planning, CHE must gain consensus and support from the institutions, the executive and legislative branches, and other key state stakeholder and educational partners. In recent years, CHE has undertaken efforts to revitalize statewide strategic planning for higher education. CHE's Executive Director will continue work on agency planning and focus on implementing recommendations of the higher education Action Plan.

CHE's specific goals are articulated on an annual basis through the Executive Director's evaluation process and this Accountability Report. Goals are reviewed on a periodic basis by the Executive Management Team with respect to status and progress towards achievement. Status and/or completion are reported to CHE members as a component of the Executive Director's annual evaluation.

**Strategic Planning – S.C. Commission on Higher Education (CHE)**

<b>Program Number and Title</b>	<b>Supported Agency Strategic Planning Goal/Objective</b>	<b>Related FY 2009-10 Key Agency Action Plan/Initiative and Timeline for Accomplishing the Plans</b>	<b>Key Cross References for Performance Measures*</b>
<i>Executive Director's Objective 1</i>	1) Work in cooperation with institutions and other key stakeholders to create an education culture in S.C. and to implement recommendations advanced in the recently released Higher Education Action Plan.	Continue to work in concert with state efforts to implement the new Higher Education Action Plan. Continue to meet regularly with institutional presidents and other key stakeholders to make progress in planning and implementation efforts. (Ongoing)	No Chart
<i>Executive Director's Objective 2</i>	2) Advocate for funding of institutional operating needs, cooperative initiatives for higher education (e.g., the statewide higher education electronic library), and student programs to promote the accessibility and affordability of higher education for the state's citizens, and for passage of a bond bill.	Coordinate and work with institutions to advocate for operating funding. Conduct work to develop recommendations to address funding issues for higher education institutions. Continue to advocate for and ensure success of statewide initiatives such as the electronic library. Continue to advocate for programs and funds to improve accessibility and affordability of higher education for the state's citizens. (Ongoing)	No Chart
<i>Executive Director's Objective 3</i>	3) Strengthen CHE's relationship with key state partners including the Department of Education and the Department of Commerce as well as enhance and improve communications with all relevant stakeholders including, but not limited to, the Governor and General Assembly, institutions, students and their parents, the public, and business community.	The Executive Director will continue to improve institutional relations with CHE and to strengthen relations with other key constituencies including Commerce and K-12. Provide support in statewide educational and other related initiatives through participation in various statewide councils and task forces. Work in cooperation with key stakeholders in regard to the Education and Economic Development Act legislation. (Ongoing)	No Chart
<i>Executive Director's Objectives 4, 5, 6</i>	4) Continue to provide for the efficient and effective management of programs and initiatives under the purview of CHE.	Programs under the purview of CHE are managed efficiently and opportunities to improve are recognized and implemented. (Ongoing)	<i>See 7.1-1 through 7.1-10</i>

*\*Key Cross-References are a link to the Category 7 – Business Results. These References provide a chart number that is included in the Results section of this document.*

### **Category 3. Customer and Market Focus**

CHE provides service to three primary customer groups: the citizenry of the state, the General Assembly, and the public colleges and universities. Each of these groups views higher education from a different perspective. One of the challenges faced by CHE is to consider all of these perspectives, which at times may be conflicting, in performing its various functions. CHE's primary opportunity to interact with each of these groups is through one of its regularly scheduled CHE meetings or through numerous committee meetings. These meetings, along with other contacts as discussed below, provide the mechanism for evaluating satisfaction among these customer groups.

The citizenry of the state has a variety of means for addressing CHE. Citizens can contact CHE directly, either through board members or the staff, with issues or concerns that they would like to see considered. Citizens also can provide input indirectly into CHE activities through either the General Assembly or the colleges and universities. CHE outreach efforts around the state including scholarship and grant informational meetings at middle and high schools, college fairs, guidance counselor workshops, and the Student Advisory Committee (with members ranging from 10<sup>th</sup> grade to college sophomores) allow for citizens and other stakeholders to interact with CHE staff. As an additional opportunity for citizens, CHE maintains a website with a variety of information, data, and links to related sites such as state colleges and universities. A page specifically designed for parents and students is also provided with relevant information and a link to an electronic application process that allows students to apply online to our state's colleges and universities. Each division of CHE maintains information relevant to its programs. For example, Student Services provides information about scholarship and grant statistics, applying for federal and state financial aid, residency requirements, and scholarship/grant recipient demographics. Academic Affairs includes a summary of available degrees, information on academic policies such as those related to dual enrollment or transfer and articulation, as examples, and information on the Academic Common Market (SREB program that provides in-state tuition to students attending certain programs in other states). Planning and Access includes information about access opportunities into higher education for the historically underrepresented population and the non-traditional student (adults) in S.C. Finance, Facilities, and Management Information System includes information on the Mission Resource Requirement, Performance Funding, and the higher education data system (CHEMIS) and data reports. CHE's webpage details staff and committee information and includes numerous opportunities for communication directly to staff via e-mail.

The General Assembly works with CHE in the following manners: directives through legislation, contact directly with appointed Commissioners, or contact (directly or through legislative staff) with CHE staff. CHE maintains a legislative liaison charged with monitoring and providing coordination with this customer group. Certain other staff members whose areas of responsibility may relate to legislative activity also work with this customer group. These interactions with the General Assembly occur both formally and informally. Budget presentations to the House and Senate committees, legislative hearings on pending legislation, and informational presentations to *ad hoc* committees are a few of the formal interactions. Other formal assistance is provided by CHE staff in reviewing pending higher education legislation as requested by the State's Budget Office to determine the fiscal impact to higher education. Informal opportunities occur through information requests from individual senators and representatives, working with Legislative staff in preparing material for consideration, or serving as a resource during staff research of pending issues and discussions.

The public colleges and universities work closely with CHE and its staff. The first area of interaction is the membership of CHE itself. With the passage of Act 137 of 1995, CHE membership was modified to include institutional representation. Effective July 1, 1996, three members were appointed to represent the different sectors of institutions. The members are

trustees from each of the following sectors: public senior research institutions, four-year public comprehensive institutions, and the technical colleges. Institutions have additional input into CHE activities through advisory committees. Each functional area of CHE has one or more advisory committees including representation from every public four-year institution and selected representatives from the public two-year institutions. These advisory committees provide valuable discussion and recommendations to CHE staff. Often, the recommendations of these committees are made directly to CHE, with the support of CHE staff. Institutions have further access to CHE through direct requests. All institutional requests, ranging from academic program approvals to facilities improvements to budget requests, are made to CHE after appropriate analysis by the staff. Another key path of communication between the institutions and CHE is through the Council of Public College and University Presidents. In recent years the Council has not met as a body; however, CHE seeks the input and advice of the presidents routinely through meetings and correspondence. The Executive Director of CHE meets with the presidents individually and collectively. Additionally, every August each of the presidents meets with CHE in open meeting to provide information about priorities and budget needs and discuss opportunities to work collaboratively with CHE and each other on identified priorities. CHE will continue its work to encourage and re-establish the more formal Council of Presidents and annual meetings with CHE.

#### **Category 4. Measurement, Analysis and Knowledge Management**

CHE has several activities that rely heavily on the use of data. CHE Management Information System (CHEMIS) maintains data collected from institutions relating to scholarship/grant awards, student enrollment, student completions, facilities, courses, and faculty. This system serves as the principal repository for data used in staff analysis of and decision-making about institutional and higher education issues and in responding to informational requests from CHE's various stakeholders. These data also provide the basis for CHE's determination of funding needs of higher education, the evaluation of performance of the state's colleges and universities, and allocation of appropriations. Program-specific data is gathered for the financial aid programs administered by CHE (including Palmetto Fellows, LIFE, S.C. HOPE, Two-year Lottery Tuition Assistance, S.C. Need-Based Grants and S.C. National Guard Loan Repayment and College Assistance programs) and for GEAR UP, HEAP, and the Access & Equity program.

In addition to the CHEMIS database, CHE also acts as the state-level coordinating body for the collection and submission of data for the Integrated Post-secondary Education Data System (IPEDS), which is maintained by the US Department of Education for the federal government. Much of the IPEDS data required for federal reporting is collected as part of the CHEMIS database, and CHE can use the reported data to provide information for the federal reports. Additional data reported by institutions are used to meet the national statistical requirements and also to provide CHE access to national comparative data. CHE is very cognizant of data requirements placed on institutions and works as much as possible to streamline data reporting requirements and eliminate unnecessary or duplicative reporting.

CHE uses the collected higher education data to inform policy recommendations and respond to requests for information. The accuracy of data is ensured by an audit process implemented for the purpose of maintaining reliable data reporting and institutional compliance with program requirements. CHE staff regularly communicates and informs institutions and others of reporting requirements. CHE staff is encouraged to keep up-to-date policy and procedure manuals so that information is readily accessible.

#### **Category 5. Workforce Focus**

As a state coordinating board, CHE's primary business focus is policy-oriented, rather than direct service or product delivery. As such, the people making up CHE and its staff are the most valuable asset of the agency. Only through attracting, educating, and retaining a quality staff can

the appointed CHE members be assured that they are receiving the best possible analysis and review of issues being considered. Of 44 CHE staff, excluding the contractual staff, as of fiscal year end, 5 have doctoral degrees, 13 have graduate degrees, 18 have baccalaureate degrees and 8 have associate degrees.

Along with the credentials the staff members bring to their positions, CHE provides opportunities for developing, enhancing, and refining skills. Courses available through the Budget and Control Board provide such opportunities. Annual conferences on programmatic areas ensure current knowledge of relevant issues. Several staff members are pursuing additional formal educational opportunities. Along with these opportunities, there exists an informal mentoring program provided by the more senior staff members. In short, CHE places a very high value on the quality of its human resources and recognizes the importance of continual development.

CHE continues to participate in The Urban League's summer internship program hosting a number of interns in each of the divisions over the summer. The program provides staff with an opportunity to mentor high school and college students. Additionally, CHE provides experiences for college interns as opportunities arise.

## **Category 6. Process Management**

Each area and program provided through CHE operates with the assistance of one or more advisory committees. Also, all meetings of CHE, including advisory committees, are held as public meetings, thereby providing public access and accountability. Academic quality is an overriding principle in every educational environment. Higher education is no different. Each concept for a new or modified academic program offering goes through an evaluation by a committee involving institutional academic officers. All issues relating to state funding are discussed with institutional finance officers. Questions and considerations relating to student scholarship and grant programs are reviewed extensively with institutional financial aid officers. Assessment and performance evaluation issues are discussed with institutional research and/or institutional assessment officers. In each of these areas, and all others within CHE, processes are reviewed on a periodic basis to ensure both quality and efficiency, with input solicited from the participants, the business community, and other constituencies of higher education.

## **Category 7. Results**

Provided on the following pages are a variety of data relating to CHE's programs and activities. These data are used within the respective programs as means of evaluating levels of activity, progress toward stated goals, or achievement of statewide objectives. All items presented relate to question 7.1, performance levels and trends for the key measures of mission accomplishment.

### **7.1-1, PRODUCTION OF ANNUAL REPORTS AND PUBLICATIONS PROVIDING INSTITUTIONAL DATA AND HIGHER EDUCATION FACTS AND FIGURES**

Each year, CHE produces a number of reports and documents pertinent to higher education institutions, programs, and/or policies. A listing of annual and other CHE reports are available at [http://www.che.sc.gov/New\\_Web/Data&Pubs.htm](http://www.che.sc.gov/New_Web/Data&Pubs.htm). Recent special reports of note include:

the March 2009 Action Plan (*Leveraging Higher Education for a Stronger South Carolina: Action Plan Implementation*) report of the Darla Moore School of Business, *The Economic Return on Investment in S.C.'s Education*, and status reports describing the activities specific to implementing the recommendations provided in the Action Plan are available at [http://www.che.sc.gov/HigherEd\\_ActionPlan.htm](http://www.che.sc.gov/HigherEd_ActionPlan.htm);



the *2003-2008 S.C. Centers of Economic Excellence (COEE) Program Comprehensive Evaluation* produced by the Washington Advisory Group, (see [http://www.endowedchairs.org/CoEE\\_Program\\_Comprehensive\\_Evaluation.pdf](http://www.endowedchairs.org/CoEE_Program_Comprehensive_Evaluation.pdf));

*Retaining Graduates of S.C. Public Colleges and Universities, November 2007*, (see [http://www.che.sc.gov/Finance/CHEMIS/CHE\\_SpecialReport\\_110207.pdf](http://www.che.sc.gov/Finance/CHEMIS/CHE_SpecialReport_110207.pdf)); and

*Summary Report on S.C. Scholarships and Grants, 1988-2005, May 2007*, (see <http://www.che.sc.gov/StudentServices/ScholarshipsandGrantsReport.pdf>).

Most CHE reports are accessible online or available by contacting CHE staff. Two of the more significant annual reports of institutional data are listed below:

- CHE produces annually the *S.C. Higher Education Statistical Abstract*. Now in its 32<sup>nd</sup> year, this report contains the latest facts and figures for our state's higher education system. Current and past years' reports are available at <http://www.che.sc.gov/Finance/Stat.htm>. CHE also produces a *Higher Education Facilities Abstract on S.C. Public Colleges and Universities*. The 2010 version is found at <http://www.che.sc.gov/Finance/Abstract/Abstract2010-Final.pdf>. Other higher education statistics are published online and accessible at [http://www.che.sc.gov/New\\_Web/Data&Pubs.htm](http://www.che.sc.gov/New_Web/Data&Pubs.htm).
- CHE produces annually a report entitled, *A Closer Look at Public Higher Education in S.C.: Institutional Effectiveness, Accountability, and Performance*, to meet its legislated mandate per S.C. State Code §59-101-350. This report is submitted each January to the Governor's Office and General Assembly. Prior to 2006, this report served as the agency accountability report for each of the state's 33 public higher education institutions. The report pulls together data from the Performance Funding process, institutional assessment activities, and other required reporting as legislated. See [http://www.che.sc.gov/New\\_Web/Rep&Pubs/ACL.htm](http://www.che.sc.gov/New_Web/Rep&Pubs/ACL.htm) for the present and past reports. The 2011 report was not published due to a proviso that deferred reporting in light of the state's economic situation. The proviso remains in effect and the publication will not be produced in 2012.
- CHE produces annually a report entitled "S.C. Centers of Economic Excellence Annual Report to the S.C. General Assembly and the S.C. Budget & Control Board," which reports on the accomplishments of and job creation generated by the SmartState™ Program. (See [http://www.endowedchairs.org/FY\\_2010\\_CoEE\\_Program\\_ANNUAL\\_REPORT.pdf](http://www.endowedchairs.org/FY_2010_CoEE_Program_ANNUAL_REPORT.pdf).)

### **7.1-2, DATA SUPPORT ACTIVITIES FOR HIGHER EDUCATION**

Another key responsibility of CHE is the collection and management of higher education data and information. CHE developed and supports a data management information system known as CHEMIS. CHE staff use the data regularly in responding to questions regarding S.C.'s higher education system. See Section 4 (i.e., Category 4, Measurement, Analysis and Knowledge Management) for additional details. During the year, staff responds daily to routine requests as well as numerous special requests that are outside of regular reporting and/or readily available data reports.

### **7.1-3, SCHOLARSHIP AND GRANT PROGRAMS**

CHE is responsible for administration of the majority of higher education scholarship and grant programs made available by the General Assembly. S.C. provides funding for several undergraduate scholarship programs to S.C. residents. Three programs (Palmetto Fellows, LIFE, and S.C. HOPE) are merit-based programs. Students must meet criteria based on grades, class rank, and/or college entrance exam scores to earn merit awards and on grades for continued eligibility. Another program, Lottery Tuition Assistance, provides funds for students at two-year institutions enrolled in degree programs. The state also supports need-based student aid programs. These programs provide funds to students based on their need. The need-based programs (CHE Need-based and S.C. Tuition Grants) include funds provided to CHE to disperse to public and independent institutions. Need-based grant funding for independent institutions is administered by the S.C. Tuition Grants Commission. Of the funds dispersed by CHE,

approximately 17% goes to the independent institutions through the S.C. Tuition Grants program, which is managed by the S.C. Tuition Grants Commission. Unless specified, Tuition Grant dollars are not reflected in the information that follows. In brief, for the merit awards and lottery tuition assistance:

**Palmetto Fellows** requires that students be a S.C. resident and attain a minimum 1200 SAT/ACT equivalent, a class rank in the top 6% (or for classes in which the top 6% is not a whole number, the next student), and a high school grade point average (GPA) of 3.5 based on the uniform grading policy (UGP). Alternatively, students may attain a 1400 SAT/or ACT equivalent and a high school GPA of 4.0 on the UGP. This award is provided for eight semesters provided students maintain eligibility. Students must be enrolled in four-year institutions. In 2007-08, a new initiative passed by the General Assembly was implemented that provides recipients beginning in the sophomore year with an enhanced award for majoring in math, science, engineering and health-related areas.

**LIFE** requires for initial eligibility at a four-year college/university that students be a S.C. resident and attain 2 of the following 3 criteria; 1) have a 3.0 high school GPA (based on the UGP) 2) attain a 1100 SAT/ACT equivalent or 3) class rank in the top 30% of their graduating class. This award is provided for up to eight semesters provided students maintain eligibility. Initial eligibility at a two-year college also requires that students be a S.C. resident and have a 3.0 high school GPA (based on the UGP). This award is provided for up to four semesters provided students maintain eligibility. The new initiative described above for Palmetto Fellows recipients for math, science, engineering and health-related majors were also implemented for LIFE Scholarship recipients attending a four-year institution.

**S.C. HOPE** requires that students be a S.C. resident and have a 3.0 high school GPA (based on UGS) be enrolled in a four-year institution, and not be receiving the LIFE or Palmetto Fellows Scholarship. The award is for the freshman year only. Students may become eligible for the LIFE Scholarship in subsequent years.

**S.C. Need-based Grant** provides additional financial assistance to residents who demonstrate a financial need at an eligible two or four-year institutions. Students must be degree-seeking and enrolled in a minimum of six hours to be eligible.

**Lottery Tuition Assistance** provides aid for eligible students at two-year institutions. Students must be degree-seeking and enrolled in a minimum of six hours to be eligible.

Students may not receive more than one of the merit awards or Lottery Tuition Assistance at the same time but may be eligible to receive need-based grant aid in addition to these awards. The table on the following page reflects some of the staff activity in regard to disseminating information and responding each year to student scholarship appeals. Subsequent tables and charts provide data on the state's scholarship and grant programs generally.

**Table 7.1-3a, Staff Activity regarding Scholarship/Grant Awareness and Appeals**

<b>Staff Activity</b>	<b>FY 06-07</b>	<b>FY 07-08</b>	<b>FY 08-09</b>	<b>FY 09-10</b>	<b>FY 10-11</b>
Number of events staff participated in to provide scholarship and grant program updates to students, parents, and guidance counselors and to increase awareness	32	33	40	10	10
Workshops hosted for financial aid representatives to review regulations and program changes to ensure proper administration	5	13	13	7	11
Number of student scholarship/grant appeals processed for which decisions were rendered	230	219	216	220	201

**Table 7.1-3b, State Appropriations for Undergraduate Scholarship and Grant Programs**

**General Fund and Lottery Appropriations for the State Undergraduate Scholarship/Grant Programs  
FYs 2007-08 - FYs 2011-12**

	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>FY 2011-12*</b>	<b>As of FY 2011-12 % by Fund Source</b>
(1) <b>Palmetto Fellows</b> <sup>(1)</sup> <b>Total</b>	<b>\$40,915,490</b>	<b>\$42,277,240</b>	<b>\$42,277,240</b>	<b>\$49,386,667</b>	<b>\$49,386,667</b>	
<i>portion from State General Funds</i>	\$10,786,212	\$10,786,212	\$10,786,212	\$17,895,639	\$19,109,427	38.7%
<i>portion from Barnwell Revenues</i>	\$1,213,788	\$1,213,788	\$1,213,788	\$1,213,788	\$0	0.0%
<i>portion from Lottery Revenues</i>	\$28,915,490	\$30,277,240	\$30,277,240	\$30,277,240	\$30,277,240	61.3%
(1) <b>LIFE</b> <sup>(1)</sup> <b>Total</b>	<b>\$147,727,542</b>	<b>\$156,288,989</b>	<b>\$156,288,989</b>	<b>\$171,890,285</b>	<b>\$171,890,285</b>	
<i>portion from State General Funds</i>	\$85,123,335	\$71,032,307	\$71,032,307	\$76,900,892	\$65,335,669	38.0%
<i>portion from Lottery Revenues</i>	\$62,604,207	\$85,256,682	\$85,256,682	\$94,989,393 <sup>(5)</sup>	\$106,554,616	62.0%
(2) <b>HOPE</b> <sup>(2)</sup> <b>Total</b>	<b>\$7,767,606</b>	<b>\$8,076,110</b>	<b>\$7,823,474</b>	<b>\$8,255,201</b>	<b>\$8,255,201</b>	
<i>portion from State General Funds</i>	\$0	\$0	\$0	\$431,727	\$431,727	5.2%
<i>portion from Lottery Revenues</i>	\$7,767,606	\$8,076,110	\$7,823,474	\$7,823,474	\$7,823,474	94.8%
<b>Sutotal Merit Programs</b>	<b>\$196,410,638</b>	<b>\$206,642,339</b>	<b>\$206,389,703</b>	<b>\$229,532,153</b>	<b>\$229,532,153</b>	
<i>portion from State General Funds</i>	\$95,909,547	\$81,818,519	\$81,818,519	\$95,228,258	\$84,876,823	37.0%
<i>portion from Barnwell Revenues</i>	\$1,213,788	\$1,213,788	\$1,213,788	\$1,213,788	\$0	0.0%
<i>portion from Lottery Revenues</i>	\$99,287,303	\$123,610,032	\$123,357,396	\$133,090,107	\$144,655,330	63.0%
(2) <b>Lottery Tuition Assistance (2-yr)</b> <sup>(2)</sup> <b>Total</b>	<b>\$47,000,000</b>	<b>\$47,000,000</b>	<b>\$47,000,000</b>	<b>\$47,000,000</b>	<b>\$47,000,000</b>	
(3) <b>Need-based Grants</b> <sup>(3)</sup> <b>Total</b>	<b>\$27,109,837</b> <sup>(6)</sup>	<b>\$29,669,393</b>	<b>\$25,131,566</b>	<b>\$23,631,566</b>	<b>\$23,631,566</b>	
<i>portion from State General Funds</i>	\$10,786,212	\$10,786,212	\$10,786,212	\$10,786,212	\$12,000,000	50.8%
<i>portion from Barnwell Revenues</i>	\$1,213,788	\$1,213,788	\$1,213,788	\$1,213,788	\$0	0.0%
<i>portion from Lottery Revenues</i>	\$15,109,837 <sup>(6)</sup>	\$17,669,393	\$11,631,566	\$11,631,566	\$11,631,566	49.2%
<i>portion from other funds</i> <sup>(6)</sup>			\$1,500,000 <sup>(6)</sup>			
(4) <b>Tuition Grants</b> <sup>(4)</sup> <b>Total</b>	<b>\$29,568,851</b>	<b>\$29,560,426</b>	<b>\$29,560,426</b>	<b>\$29,503,352</b>	<b>\$29,503,352</b>	
<i>portion from State General Funds</i>	\$21,802,247	\$21,793,822	\$21,793,822	\$21,736,748	\$21,736,748	73.7%
<i>portion from Lottery Revenues</i>	\$7,766,604	\$7,766,604	\$7,766,604	\$7,766,604	\$7,766,604	26.3%
<b>TOTAL All Programs</b>	<b>\$300,089,326</b>	<b>\$312,872,158</b>	<b>\$308,081,695</b>	<b>\$329,667,071</b>	<b>\$329,667,071</b>	
<i>portion from State General Funds</i>	\$128,498,006	\$114,398,553	\$114,398,553	\$127,751,218	\$118,613,571	36.0%
<i>portion from Barnwell Revenues</i>	\$2,427,576	\$2,427,576	\$2,427,576	\$2,427,576	\$0	0.0%
<i>portion from Lottery Revenues</i>	\$169,163,744	\$196,046,029	\$189,755,566	\$199,488,277	\$211,053,500	60.5%

NOTE: The appropriations above represent only initial program funds as provided per the Appropriations Act. State General Funds and Lottery Funds are included. In addition, Barnwell Revenues that are appropriated for the Education Endowment are included. The Education Endowment for higher education is funded at \$24,000,000 annually (per statutory provision) through Barnwell Nuclear Waste Facility revenues and if not sufficient with State general fund revenues for the purpose of Palmetto Fellows scholarships and Need-based Grants. As of FY 2011-12, the Education Endowment is funded wholly with State general funds. The Education Endowment funds are split equally between the Palmetto Fellows scholarship and Need-based Grant programs.

(1) For the Palmetto Fellows and LIFE programs, additional amounts above initial appropriations may be provided since these are "open-ended" programs and qualified students are provided the awards. FYs 2002-03 - 2005-06 (not shown here) included surplus lottery funds for this purpose. Note for Palmetto Fellows and LIFE the General Assembly passed legislation effective FY 2008-09 that provided additional stipends beginning in the sophomore year to recipients of Palmetto Fellows and LIFE who are majoring in identified math, science, engineering and health-related majors and increased the amount of the Palmetto Fellows award beginning in the second year for all recipients.

\* FY 2009-10 through FY 2011-12 are beginning year appropriations. Per footnote 1, additional funds may be appropriated for open-ended programs. Merit programs have been fully funded by the General Assembly with regard to anticipated program needs.

(2) SC HOPE and Lottery Tuition Assistance for 2-Year Institutions have been funded to date only with lottery revenues with the exception of SC HOPE which received general funds in FY 2010-11 and again in FY 2011-12.

(3) For CHE Need-based Grants program a statutory provision requires that a portion of the available Need-based Grant funds each year must be allocated to independent institutions based on their share of full-time, in-state undergraduate enrollment in the prior fall. In fall 2010, the percentage enrollment for the independents was 16.7%. See also note 4 regarding Tuition Grants. The funds allocated from Need-based Grants to SC Tuition Grants are included in the Need-based grant appropriations shown here.

(4) SC Tuition Grants is a program managed by the South Carolina Tuition Grants Commission and provides need-based grants to qualified students at SC's Independent Colleges and Universities. As described in footnote 3, the SC Tuition Grants program receives additional funding from the Need-based Grant program appropriations.

(5) FY 2010-11 includes anticipated excess unclaimed prize funds of \$7,618,477 for merit scholarships which are included in LIFE lottery appropriations.

(6) Other funds include nonrecurring funds appropriated in FY 2009-10 per budget provisos 90.19 and 90.21.

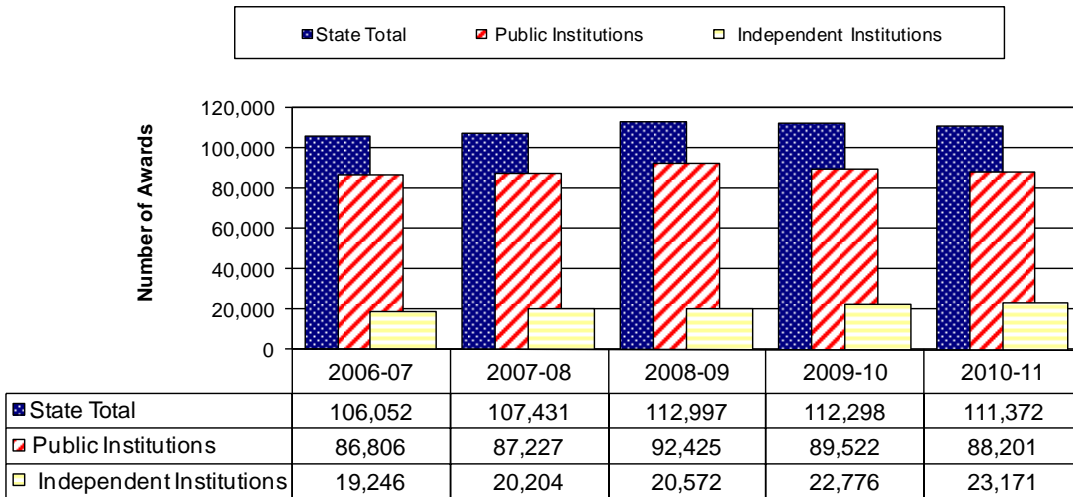
Other: Not reflected here is information concerning student financial aid incentive programs for SC National Guard members. As of 2007, a college assistance program was made available to SC National Guard members in lieu of a prior loan repayment program for SC National Guard members. The SC National Guard loan repayment program was closed to new participants in 2007 and is being phased out with the enactment of the SC National Guard College Tuition Assistance program in the same year. The SC National Guard College Assistance Program receives an appropriation from lottery funds of \$1.7 million as of FY 2011-12.

Source: Data are from SC's annual Appropriation Acts and [www.budget.sc.gov](http://www.budget.sc.gov) for balance of excess unclaimed prize funds at year-end. Note FY 2008-09 includes the 2008 Rescission Bill (H.5300, Act 414) enacted 11/7/08.

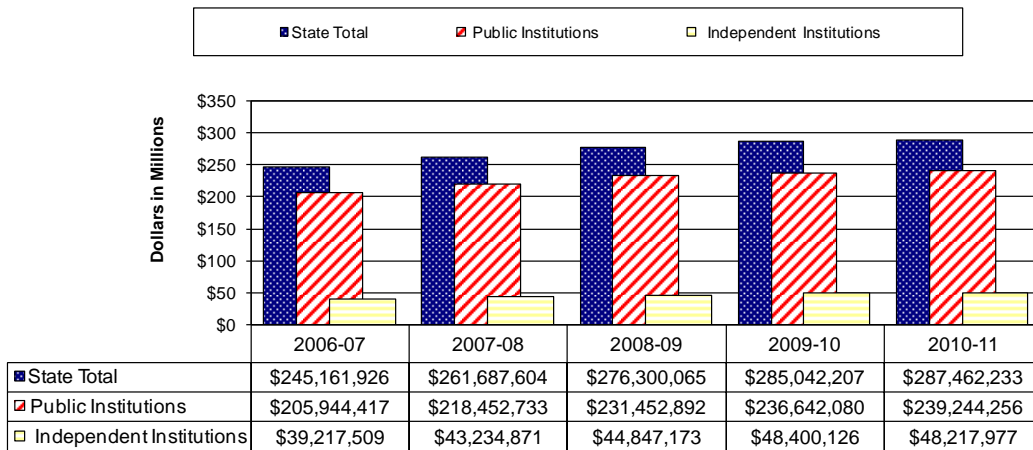
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**Graph 7.1-3c, Annual Awards for State Undergraduate Scholarship and Grant Programs Type Institution (Public or Independent) by Year, FYs 2006-07 – 2010-11**

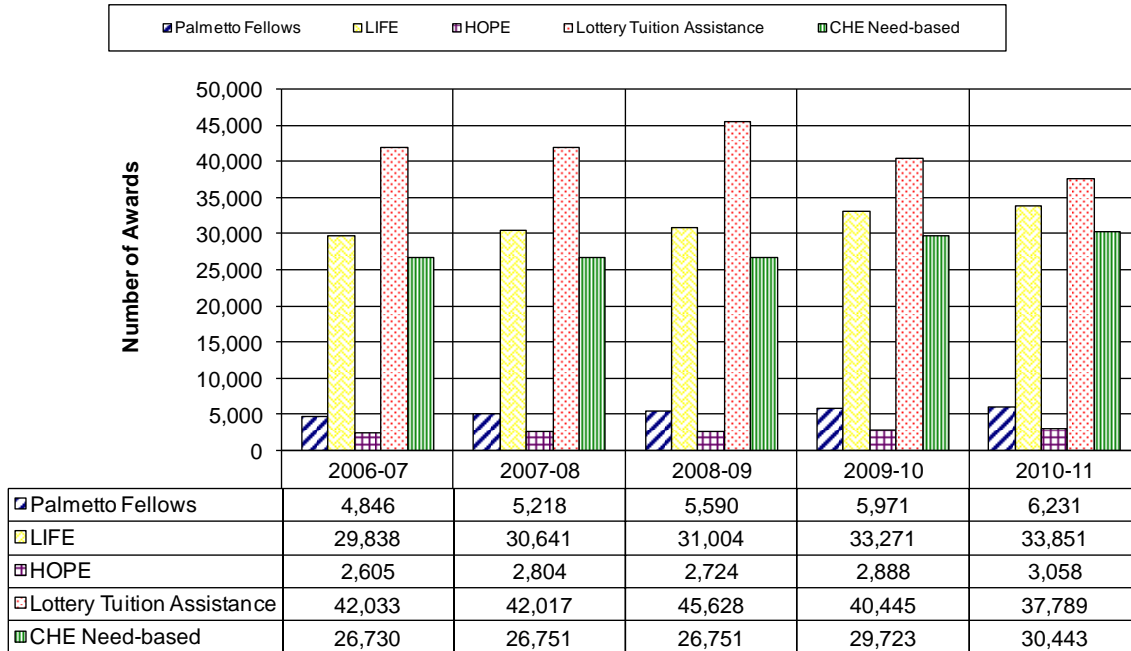
**Number of Undergraduate Scholarships and Grants  
(Palmetto Fellows, LIFE, HOPE Lottery Tuition Assistance, and CHE Need-based Grants)**



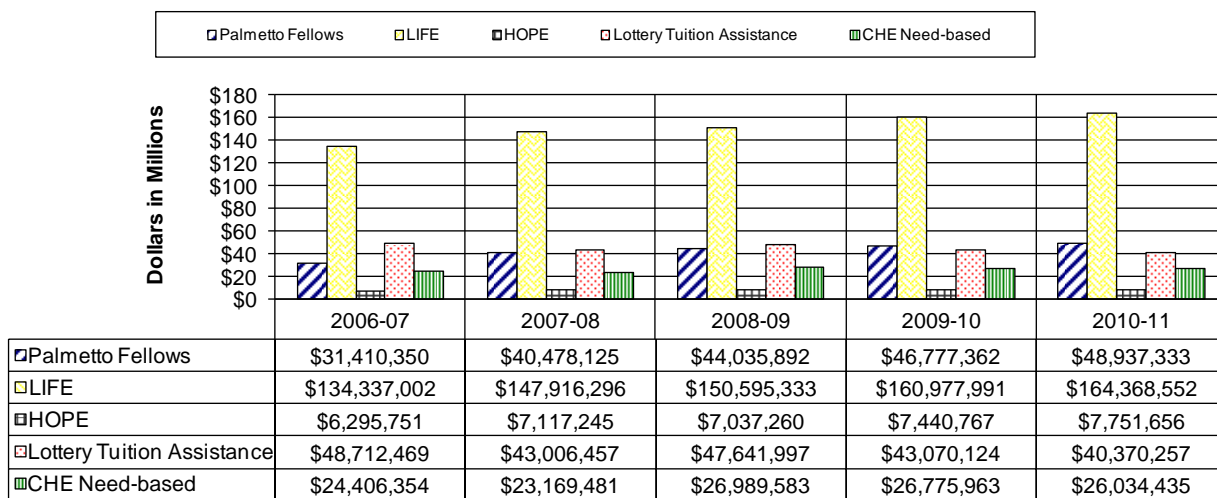
**Total Dollars Awarded in Undergraduate Scholarships and Grants  
(Palmetto Fellows, LIFE, HOPE Lottery Tuition Assistance, and CHE Need-based Grants)**



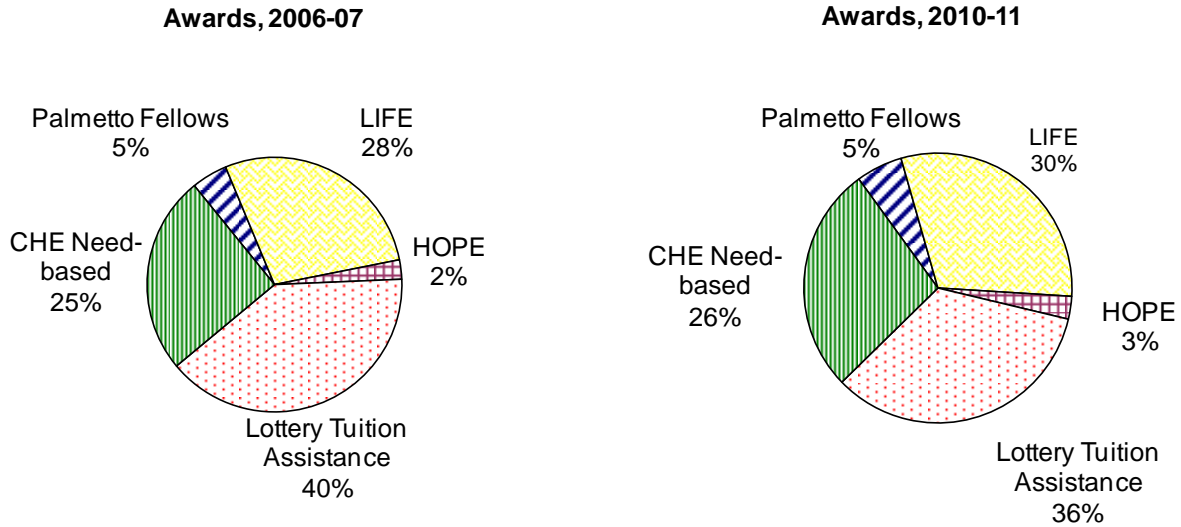
**Graph 7.1-3d, Scholarship Awards by Program, Fiscal Years 2006-07 – 2010-11**



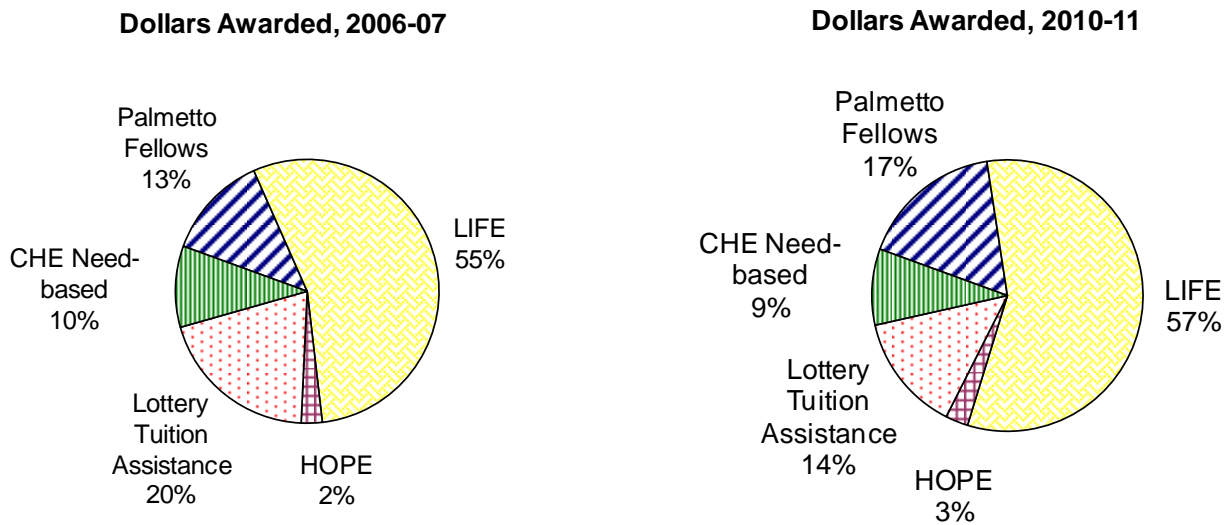
**Graph 7.1-3e, Scholarship Dollars Awarded by Program, Fiscal Years 2006-07 – 2010-11**



**Graph 7.1-3f, Percent of State Undergraduate Scholarship and Grant Awards by Program, Fiscal Years 2006-07 – 2010-11**

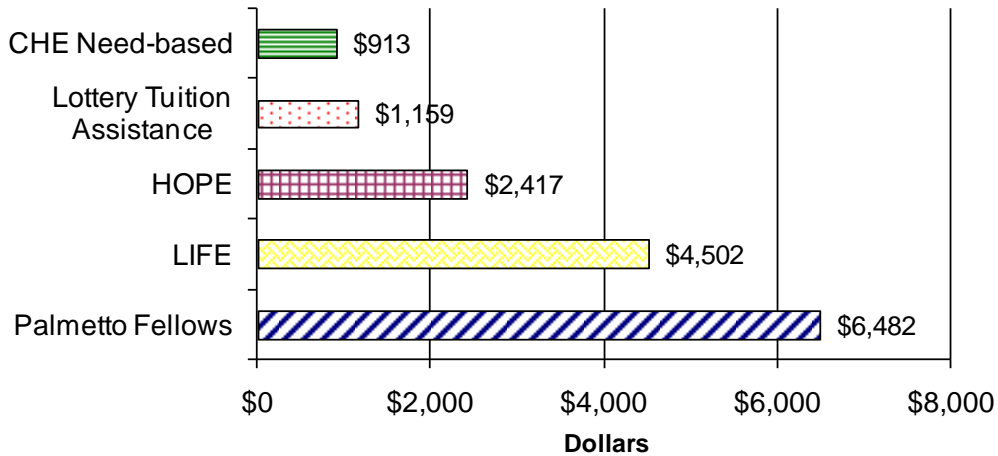


**Graph 7.1-3g, Percent of State Undergraduate Scholarship and Grant Dollars Awarded by Program, Fiscal Years 2006-07 – 2010-11**

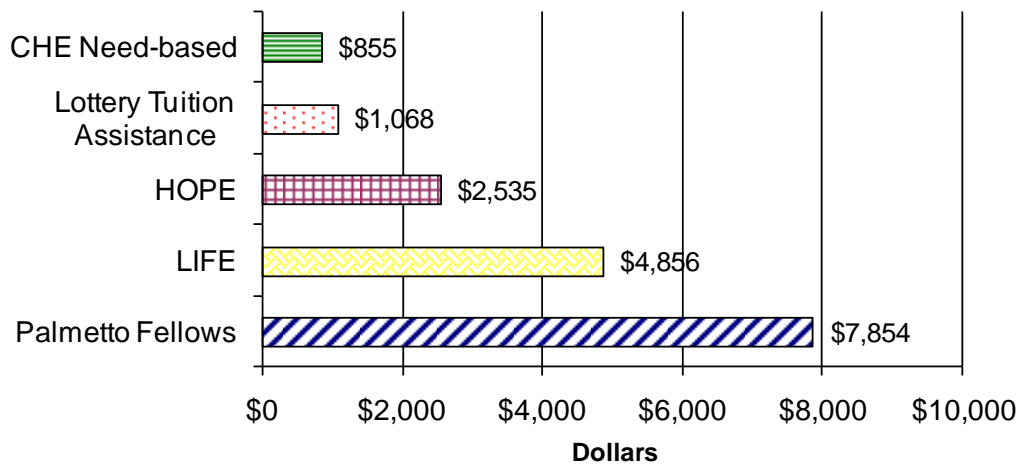


**Graph 7.1-3h, Average Award Amounts by Program, Fiscal Years 2006-07 – 2010-11**

**Average Awards by Program, 2006-07**



**Average Awards by Program, 2010-11**



*\*In 2008, Enhancement Awards for eligible Palmetto Fellows and LIFE recipients were implemented. The enhancements provide additional funds to qualified recipients majoring in eligible math/ science/ engineering programs beginning in the sophomore year. For Palmetto Fellows, the award for all was increased from \$6,700 to \$7,500 in the sophomore year and up to an additional \$2,500 is available for eligible math/science/engineering majors. For LIFE, the enhancement available in the sophomore year increased the award from \$5,000 to \$7,500 for qualified recipients. (See also page 28.)*

**Table 7.1-3i, S.C. National Guard Student Loan Repayment Program**

Act 41 of 2001 authorized the development of the S.C. National Guard (SCNG) Student Loan Repayment program. CHE, in consultation with the S.C. Student Loan Corporation, developed this loan repayment program for providing incentives, by repayment of eligible student loans, for enlisting or remaining a minimum of six years in either the S.C. Army or Air National Guard in areas of critical need. CHE, along with the SCNG, administer this student loan repayment program. Below is a chart of the program to date.

Legislation passed during the 2007 Session (Act 40 of 2007 enacted June 4, 2007), closed the SCNG Student Loan Repayment Program effective fall 2007. The program was replaced with a tuition assistance program for the SCNG. The SCNG College Assistance Program (SCNG CAP) provides financial incentives (tuition reimbursement) for enlisting or remaining for a specified time in the SCNG. The changes made to this program were sought by the SCNG in order to improve educational incentives for guard members. The efforts of the SCNG were supported by CHE. CHE and the SCNG worked during FY 2007-08 to implement this new program. (See following page for additional information.) All obligations for student loan repayment for SCNG members participating prior to fall 2007 will be met. Any remaining program funds are re-directed for SCNG.

	<b>New Funds Available</b> <i>(Note 1)</i>	<b>New Funds Obligated</b> <i>(Note 2)</i>	<b>New Number of Awards</b>	<b>Payment on Awards</b>	<b>Aggregate of Payments</b>	<b>Aggregate Obligated Funds On Hand</b> <i>(Note 3)</i>	<b>Aggregate Number of Awards</b> <i>(Note 4)</i>
<b>FY2005-06</b>	\$2,152,268	\$2,151,000	169	\$203,441	\$349,924	\$5,795,236	512
<b>FY2006-07</b>	\$1,659,455	\$1,656,000	184	\$228,216	\$578,140	\$7,447,346	696
<b>FY2007-08</b>	n/a	n/a	n/a	\$289,658	\$867,798	\$7,157,688	696
<b>FY 2008-09</b>	n/a	n/a	n/a	\$226,748	\$1,094,546	\$6,930,940	696
<b>FY 2009-10</b>	n/a	n/a	n/a	\$73,785	\$1,168,332	\$6,857,154	696
<b>FY 2010-11</b>	n/a	n/a	n/a	\$30,278	\$1,198,610	\$5,564,789	696

**Note 1:** Funds available are the annual appropriation, less CHE administrative fees, plus interest on the fund. Funds available are also subject to increase when a Guard member does not fulfill his/her obligations to qualify for payment. Although funds were appropriated to the Student Loan Repayment Program these funds were used for the National Guard new tuition assistance program. Beginning FY 2007-08 new participants were no longer accepted into the Loan Repayment program.

**Note 2:** Funds obligated are based on an award of either \$9,000 or \$18,000 to repay student loans on a future date. The Guard member must meet certain military service obligations over a two- to six-year period from inception. The earliest any partial payment of an award can occur is on the first anniversary of the award.

**Note 3:** Based on current levels of funding, the program is projected to make payments that equal the annual appropriation in FY 2007-08.

**Note 4:** "Aggregate Obligated Funds On Hand" includes SCNG Student Loan Repayment Program (beginning FY 2007-08 new participants were no longer accepted into the Loan Repayment program) and SCNG College Assistance Program.

n/a: Program ended to new participants in FY 2007-08 and there are no new obligations. In FY 2007-08, S.C. Code Section 59-111-75, as amended, relating to the Student Loan Repayment Program for members of the National Guard serving in areas of critical need, so as to provide that the SCNG Student Loan Repayment Program may not accept new participants, to provide that members of the SCNG who have received loans before the 2007-08 academic year may continue to receive their loans and have their loans forgiven, and any funds remaining in the Student Loan Repayment Program shall be transferred to the college assistance program.



**Table 7.1-3j, S.C. National Guard College Assistance Program (SCNG CAP)**

In 2007, the General Assembly created a new tuition assistance program for S.C. National Guard Members with the passage of Act 40 of 2007 (see also prior page). In accordance with the program's authorizing legislation, S.C. Code of Laws, §59-114-10, et. seq., CHE in coordination with SCNG promulgated Regulations (R.62-250 – R.62-263) during FY 2007-08 for the administration of SCNG CAP consistent with statutory provisions. CHE administers the program. The program regulations provide for eligibility/commitment requirements for qualification for the tuition benefits; limitations on the amount of tuition assistance, qualifications for successful program participation in relation to the SCNG and successful school matriculation; the manner in which the benefits shall be disbursed and reimbursements made, if required, detail allowable administrative costs applicable to CHE; and that these benefits are subject to funds being appropriated by the General Assembly.

	<b>New Funds Available and Obligated</b> <b>(Note 1 &amp; Note 2)</b>	<b>New Number Of Awards</b>	<b>Payment On Awards</b>	<b>Aggregate Of Payments</b> <b>(Note 3)</b>	<b>Aggregate Number of Awards</b>
<b>FY 2007-08</b>	\$3,122,728	317	\$ 811,402	\$811,402	317
<b>FY 2008-09</b>	\$1,803,381	817	\$2,835,976	3,647,378	1,134
<b>FY 2009-10</b>	\$1,794,520	1,000	\$3,457,642	7,105,020	2,134
<b>FY 2010-11</b>	\$1,787,147	1,085	\$3,763,232	10,868,252	3,219

**Note 1:** Funds available are the annual appropriation (to include supplemental funds), less CHE administrative costs as allowable, plus interest on the fund. Funds include any funds released when Guard member who is participating in the Student Loan Repayment Program does not fulfill his/her obligation to qualify for payment.

**Note 2:** Funds obligated are based on the SCNG CAP benefits covering the cost of qualifying members of the National Guard attendance as defined by Title IV regulation, up to a maximum amount each award year. The maximum benefit for academic year 2010-2011 is \$9,000 (\$4,500 per term) for Air Guard members and \$4,500 (\$2,250 per term) for Army Guard members. Qualifying members of the National Guard may receive college assistance program benefits up to an amount equal to one hundred percent of college cost of attendance, provided, however, these college assistance program benefits in combination with all other grants and scholarships shall not exceed the cost of attendance at the particular institutions and the cumulative total of all college assistance program benefits received not exceeding eighteen thousand dollars.

**Note 3:** Aggregate payments include all fund sources each year including funds that were appropriated to the Student Loan Repayment Program. Beginning FY 2007-08 new participants were no longer accepted into the Loan Repayment program and funds not obligated for this program are re-directed to SCNG CAP

#### 7.1-4, PROGRAM PARTICIPATION, SOUTHERN REGIONAL EDUCATION BOARD (SREB)

The Southern Regional Education Board (SREB) was founded more than 50 years ago specifically to help states improve and share resources in higher education. Today, SREB continues to organize and administer regional arrangements to avoid costly duplication and expensive development of new programs including the Academic Common Market which provides access to undergraduate and graduate programs in specialized areas by waiving the out-of-state portion of tuition. SREB data collection, SREB policy documents, comparative research, and publications on K-20 issues, as well as participation in several other programs, are benefits of S.C.'s membership in this 16 state consortium. CHE coordinates S.C.'s participation in higher education programs under the SREB. Data provided below include trends in student participation in programs made available through S.C.'s participation in SREB.

**Table 7.1-4a, S.C. Students Certified for Participation in SREB Programs**

<b>Program</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
N.C. School for the Arts <sup>1</sup>	2	4	5	3	1
Contract Programs for Veterinary Medicine and Optometry <sup>2</sup> <i>Note: reported Jan 1 to Dec 31 timeframe</i>	102	115	117	128	65
Academic Common Market Program <sup>3</sup> <i>Note: SREB reported Apr 1 to Mar 31 timeframe</i>	113	109	134	142	161
<b>Program</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>
Doctoral Scholar Participants <sup>4</sup> <i>(Total new and continuing students)</i>	16	15	15	15	12

<sup>1</sup> North Carolina School for the Arts is a conservatory-based high school program that provides for the training of professionals in the arts. Through SREB contractual arrangements, students from S.C. are able to attend this school with tuition assistance.

<sup>2</sup> Under the SREB Regional Contract programs for veterinary medicine and optometry, spaces are made available for S.C. residents at the in-state rate at five partnering institutions. Through this program, S.C. is able to maintain availability of these programs for our citizens while the state avoids the full expense of building and staffing these professional schools. Optometry programs for S.C. residents at in-state rates are made available at Southern College of Optometry and the University of Alabama. Veterinary Medicine programs are available at Tuskegee University, University of Georgia, and Mississippi State University. Through this contractual arrangement, students from S.C. are able to attend these professional programs with tuition assistance.

<sup>3</sup> The SREB Academic Common Market was established in 1974 by SREB to share between states specified degree programs located at southern public colleges and universities through an exchange of students across borders at in-state rates. As a cooperative agreement among states, the Academic Common Market seeks to eliminate unnecessary duplication of degree programs among states while supporting those programs which are able to serve additional students. The program allows residents of the 16 participating states (Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia) to pay in-state tuition rates while enrolled in certain degree programs at participating out-of-state colleges and universities. Florida, North Carolina, and Texas participate at the graduate level only. Currently, S.C. institutions have made 84 programs available through the Academic Common Market, and S.C. residents have ACM access to 372 out-of-state programs.

<sup>4</sup> The SREB Doctoral Scholars program provides financial assistance and academic support to minority students who are admitted to doctoral programs.

### 7.1-5, ACCESS AND EQUITY – MINORITY PARTICIPATION IN PUBLIC INSTITUTIONS

From 1981 to 1986, (Era of Compliance), S.C. implemented a federally-mandated desegregation plan designed to: (1) enhance the state’s public historically black colleges, (2) desegregate student enrollments at the state’s baccalaureate degree-granting public colleges and universities, and (3) desegregate faculties, staffs, and governing bodies of all public colleges and universities in S.C. In 1985, CHE adopted the *S.C. Plan for Equity and Equal Opportunity in Public Institutions of Higher Education – 1986-87 and Beyond*, which over a three-year period, provided funds to support (1) a Graduate Incentive Fellowship Program, (2) an Other Race Grants Program, (3) a Minority Recruitment and Retention Grants Program, and (4) programs to enhance the state’s two public historically black institutions.

In February 1988 (Era of Commitment), CHE approved guidelines for the Access and Equity Program. Implementation of the program began on July 1, 1989, allowing funds to be awarded to institutions with well-planned activities that (1) flow from the institution’s mission and address the recruitment and retention of minority students and employees, (2) meet specific institutional requirements related to the characteristics of students and faculty, (3) are carefully conceptualized, and (4) are linked to guidelines to emphasize the need to achieve campus climates and academic settings that encourage participation and achievement by African American students.

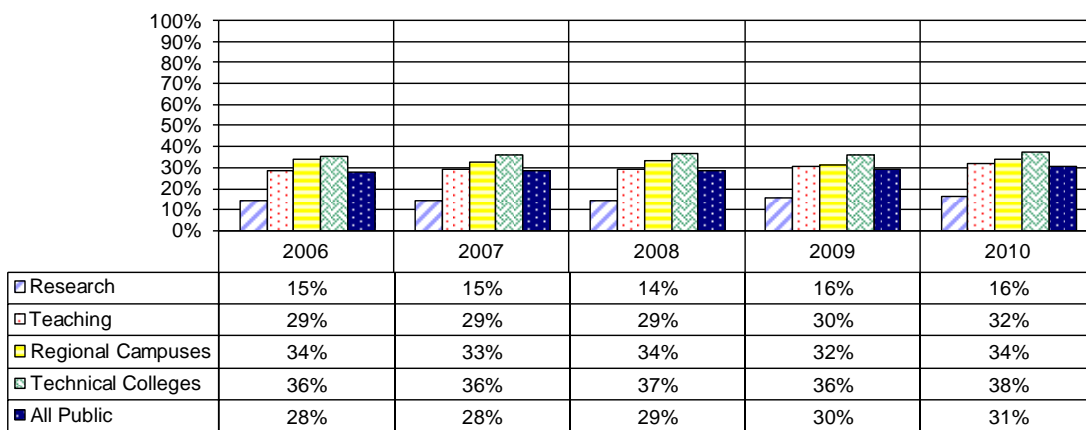
CHE provides statewide coordination to 33 public institutions in the area of Access & Equity. Ensuring educational equity for all students and faculty in higher education is one of the primary functions of CHE. The vision of Access & Equity is to achieve educational equity for all students and faculty in higher education. Minority enrollment should be at least proportional to the minority population in S.C. and minority graduation rates should be comparable to the graduation rates of other students. Progress in the recruitment and retention of minority faculty should be made to enhance diversity among those who convey knowledge to our students.

Additional details are available in the publication entitled, *The S.C. Access and Equity Program: A Fresh Approach, 2006*. The report is accessible at [http://www.che.sc.gov/AccessEquity/A\\_Fresh\\_Approach.pdf](http://www.che.sc.gov/AccessEquity/A_Fresh_Approach.pdf).

### Graph 7.1-5a, Minority Enrollment in S.C. Public Colleges by Sector by Level, Fall 2006 – Fall 2010

The data in the three graphs that follow show trends for minority headcount enrollment including all students, undergraduate and graduate/first professionals. S.C.’s minority population as of 2010 Census is 35.9% as compared to 33.9% in 2000 (Source: 2010 Census Brief, Overview of Race and Hispanic Origin, C2010BR-02, March 2011,).

Minority Enrollment - All Students

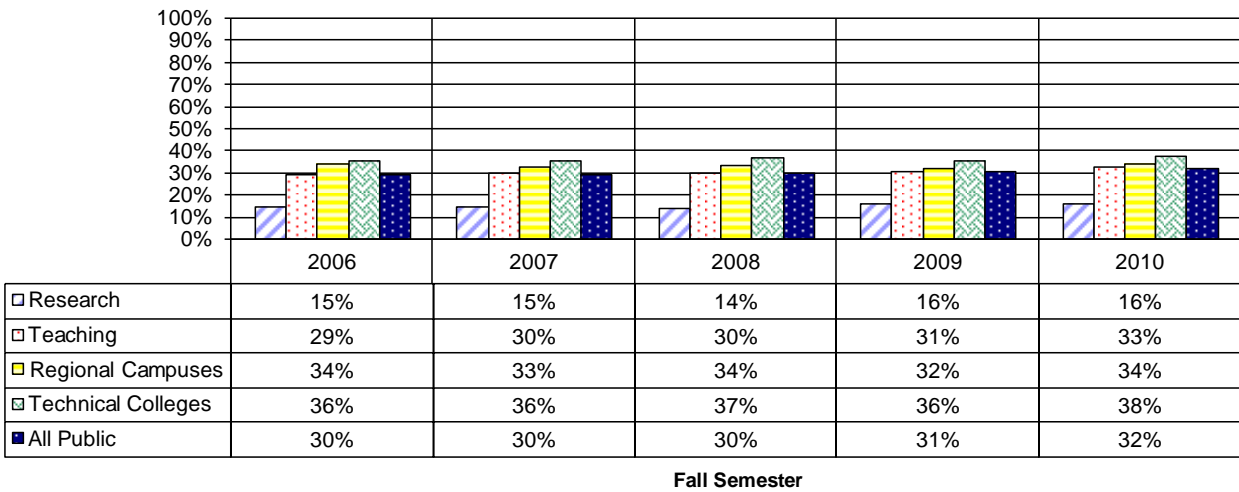


Fall Semester

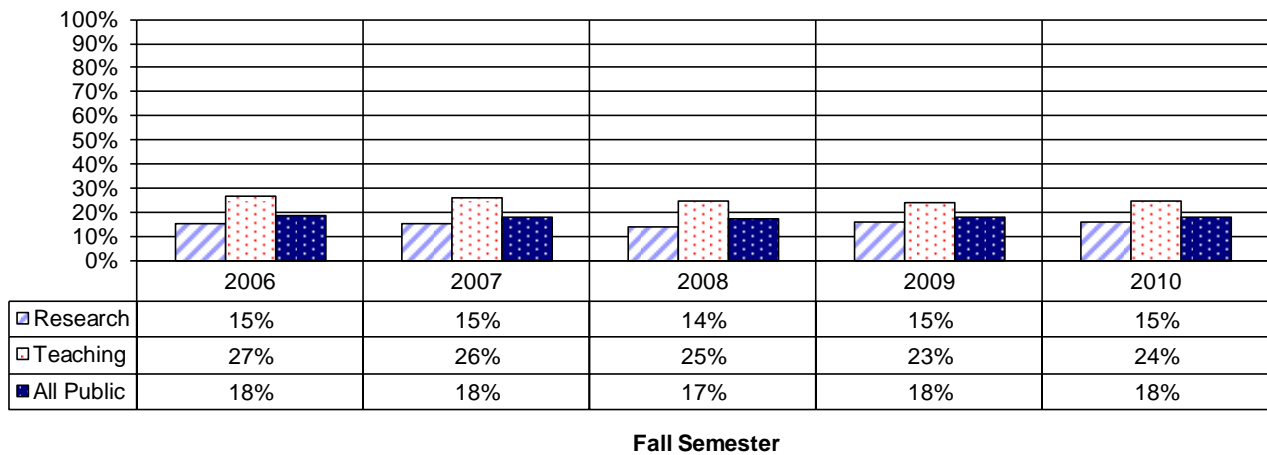
### 7.1-5a, Minority Enrollment in S.C. Public Colleges by Sector and Level

The following two charts display the percentage of minority headcount enrollment for undergraduate and graduate/first professional students for the fall semesters, 2006 – 2010.

#### Minority Headcount Enrollment - Undergraduates



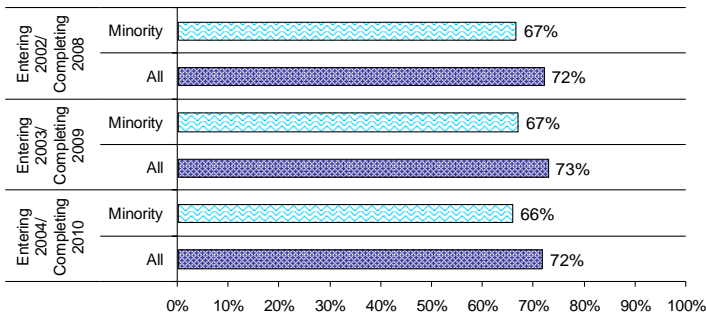
#### Minority Headcount Enrollment - Graduate and First Professional Students



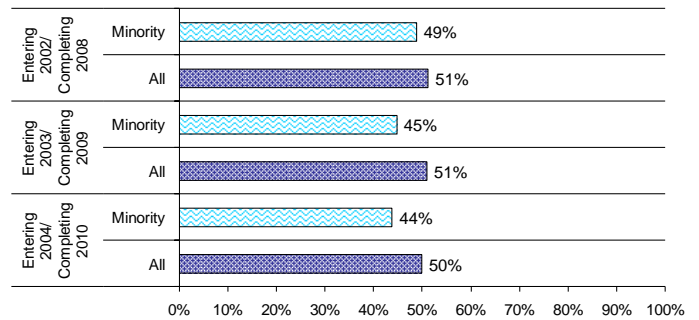
### Graph 7.1-5b, Graduation Rates of Minority Students Compared to All Students by Cohort, S.C. Public Institutions by Sector

The charts below illustrate the graduation rate of minority students compared to all students at the state’s four-year institutions (research institutions and comprehensive teaching institutions) and two-year institutions (two-year regional campuses of USC and technical colleges). USC Beaufort is excluded from comprehensive teaching as it recently transitioned from two- to four-year status. Graduation rates are measured by considering an incoming cohort of students and measuring the percent who graduate within 150% of their normal program time which is six years for baccalaureate degree programs and three years for associate degree programs. The data below are from IPEDS Graduation Rate Survey information and include rates for the three most recent cohorts for S.C. Public Colleges and Universities.

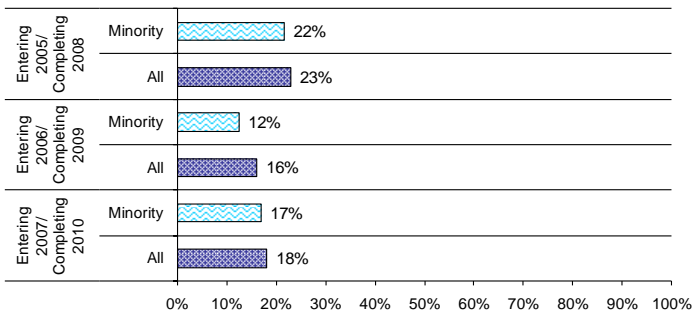
**Graduation Rate in 150% of Normal Program Time  
Research Institutions (USC Columbia and Clemson)**



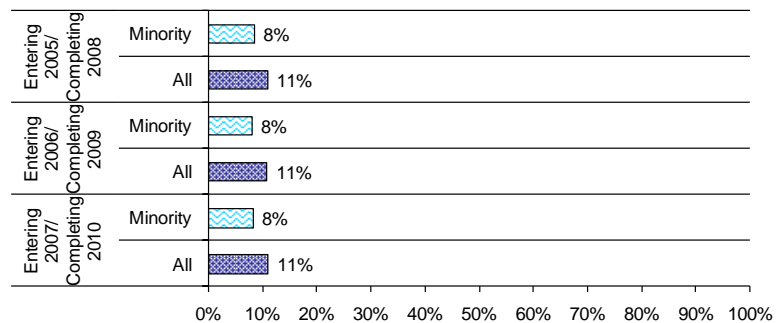
**Graduation Rate in 150% of Normal Program Time  
Comprehensive Teaching Institutions**



**Graduation Rate in 150% of Normal Program Time  
Regional Campuses of USC**

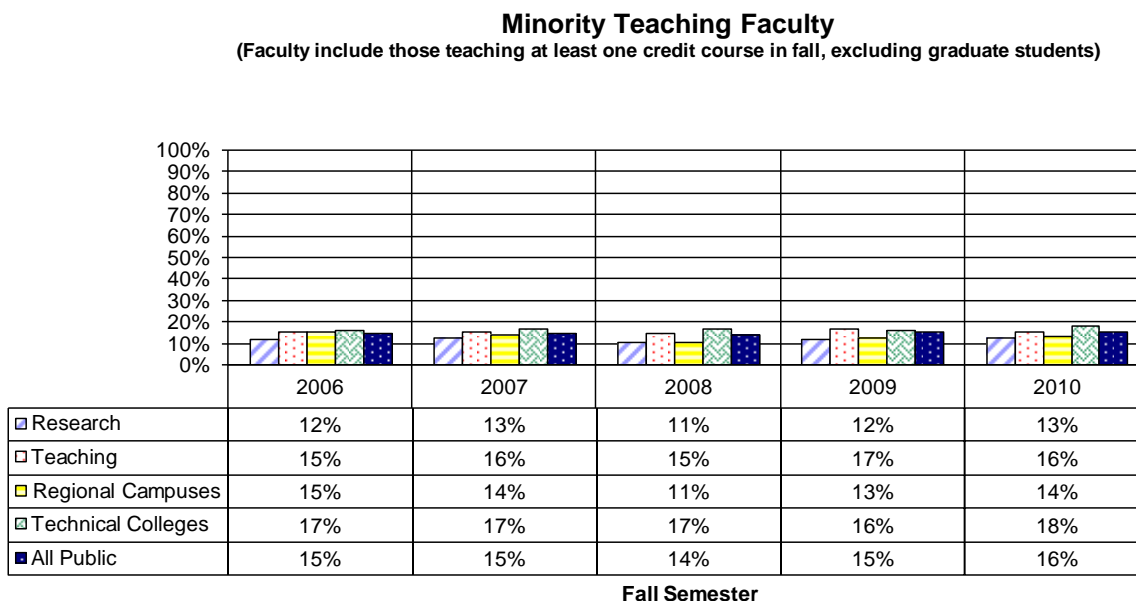


**Graduation Rate in 150% of Normal Program Time  
Technical Colleges**



**Graph 7.1-5c, Percent of Minority Faculty Teaching in S.C.’s Public Institutions, Fall 2006 - Fall 2010**

The data in the chart below show the percent of those teaching in the fall who are minority. Data exclude graduate student teachers. Minority includes African American, American Indian/Alaskan Native, Asian/Pacific Islander and Hispanic. These data are used for Performance Funding Indicator 8C4, Percent of Minority Teaching Faculty.



**7.1-6, VETERANS EDUCATION AND TRAINING PROGRAMS**

The Veterans Education and Training section functions as the **State Approving Agency (SAA)** for the State of S.C. The SAA is a part of the National Association of State Approving Agencies (NASAA), which is comprised of state agencies that have responsibility for the approval and training available through the GI Bill. The SAA acts on behalf of the Federal Government to evaluate educational/vocational institutions and training establishments. The SAA approves programs where veterans and those eligible for VA education benefits (under Title 38, US Code, Chapters 30, 32, 33, 35, 36, and Title 10 US Code, Chapter 1606 and 1607) can achieve quality training in either an educational, professional, or vocational objective. The focus of the SAA is the review, evaluation, and approval of quality programs under both the State and Federal criteria. Coordinators are assigned to various areas throughout the State and are responsible for a variety of duties. The area coordinators visit institutions and training establishments seeking initial approval to evaluate the appropriateness of the programs being offered and to ensure that these programs meet the standards of State and Federal guidelines. Area coordinators also evaluate curricula, training outlines, student training records, physical facilities, and equipment used in training programs. The coordinators, in evaluating institutions and programs, meet with faculty/trainers, administrators, and agency directors seeking a willingness to establish training approval for GI Bill recipients. Approval may be granted for the following:

- Public/Private degree-granting institutions (Colleges and Universities);
- Professional/Vocational certificate or diploma granting institutions (Non-College Degree);
- On-Job-Training (OJT) establishments (6 to 24 months training programs);
- Apprenticeship establishments (more than 24 months and annual related training); and
- Flight Training Schools (for pilot licenses and aviation employment).

Upon approval, the SAA provides continuous oversight by conducting annual on-site supervisory visits. Technical assistance visits are conducted when deemed necessary by the SAA

or at the request of the facility certifying official. The SAA also conducts outreach activities to foster usage of the GI Bill.

(7.1-6, Veterans Education and Training Programs, continued)

<b>Related Activity</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>
Number of Program Approvals for degree(s), diploma(s), and certificate(s) at each school approved for veterans benefits	3,441	3,604	3,632	3,793	4,101
<b>On-the-Job Apprenticeships and Training:</b>					
Number of Business/Organizations across S.C. involved	158	139	157	135	74
Number of Veterans enrolled in Career Training Programs	169	348	373	375	153
Number of Approved Career Training Objectives (i.e., types of available jobs)	182	224	235	276	231
Number of the Types of Career Training Objectives in which Veterans Participated	47	78	89	32	27

## **7.1-7, PROGRAMS FOR PROMOTING EARLY AWARENESS OF HIGHER EDUCATION AND PREPARATION FOR PARTICIPATION IN HIGHER EDUCATION**

### **7.1-7a, Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP)**

In August 2005, CHE was officially notified that the US Department of Education awarded CHE a second federal GEAR UP grant for \$2.4 million over six years for a total of \$14.8 million. GEAR UP is a national grant program to support early college preparation and awareness activities for rural and low-income students.

S.C. GEAR UP is providing direct services to seventeen high schools, both rural and low-income, along the I-95 corridor of our state to give students the skills and support they need to prepare for, enter, and succeed academically in postsecondary education. All students participating in S.C. GEAR UP programs take rigorous college preparatory courses in order to meet college admission requirements. This year, Year 6 of the grant, S.C. GEAR UP staff coordinated the efforts of the stakeholders to implement fully the planned activities of the grant and helped 2,902 students and families in our state to pursue their dreams of attaining postsecondary education.

To provide S.C. GEAR UP schools with programs and activities to help students improve their college readiness, CHE partnered with the S.C. Chamber of Commerce, the S.C. Department of Education, the S.C. Governor's School for Science and Mathematics (SCGSSM), and colleges and universities. By working together toward common goals, S.C. GEAR UP and its partners encouraged students to stay in school, raise their academic and career aspirations, and enroll in rigorous college preparatory courses in order to be prepared to meet college admission requirements.

The Director of Business Relations at the S.C. Chamber of Commerce coordinated the business and community involvement portion of the S.C. GEAR UP program. Charged with improving academic achievement by partnering businesses with the seventeen S.C. GEAR UP schools, the S.C. Chamber has secured over 100 business partnerships and over 120 individual volunteers.

Each business partnership provided unique services to the schools and established a mutually beneficial relationship with the students, parents and educators. College and university partners provided in-class, school-wide and evening workshops at all S.C. GEAR UP schools to students and parents on college admissions, applications and financial and economic literacy. SCGSSM implemented professional development seminars for S.C. GEAR UP teachers and S.C. GEAR UP provided computers for each of the seventeen schools.

As part of GEAR UP program evaluation, an Annual Performance Report (APR) is prepared to show S.C. GEAR UP's success and progress for the US Department of Education. The APR is used by the US Department of Education to determine whether substantial progress has been made toward meeting the goals and objectives for the program and used to collect data addressing the performance of S.C. GEAR UP. Below are data from the S.C. GEAR UP statistical sample provided in the APR that demonstrate the intensity of services provided to S.C. GEAR UP students, parents, and educators for the 2010-2011 school year, Year 6 of the grant period. Subsequent reports will show the full impact of the implementation of the S.C. GEAR UP program.

### Services Provided during 2010-11 School Year

Type of Service Provided to STUDENTS	Number of Students Who Received Service	Average Hours of Service Per Student Receiving the Service Per Year
Tutoring / academic enrichment	2,255	81.7
Rigorous academic curricula	512	54.0
Comprehensive Mentoring	2757	56.7
Advising/academic and career planning	2,561	19.9
College visit/college student shadowing	1,372	5.4
Job site visit/job shadowing	569	4.4
Summer programs	536	47.6
Educational field trips	598	9.6
Workshops	1,371	2.7
Family events/Cultural events	1,848	2.1
Financial Aid Counseling	2,424	14.0

Type of Service Provided to PARENTS	Number of Parents Who Received Service	Average Hours of Service Per Participant Receiving the Service Per Year
Workshops on college prep/financial aid	2,042	7.2
Counseling/advising	2,571	9.0
College visits	456	6.5
Family events	1,802	8.7

Number of TEACHERS who taught S.C. GEAR UP during the reporting period	Average hours of professional development per participating teacher
938	35.5

### 7.1-7b, Higher Education Awareness Program (HEAP)

HEAP is funded through the efforts of the S.C. General Assembly to provide early awareness opportunities for all S.C. eighth graders. CHE coordinates HEAP which, as outlined in Act 271 of 1992, is to provide information about higher education to eighth grade students and their parents, to increase student and parent/guardian knowledge about the availability of postsecondary education options, and to motivate students to aspire to higher education.



In past years the \$1,000 HEAP Mini-Grants served as the cornerstone of HEAP’s efforts to provide postsecondary awareness and attainment to the state’s eighth grade students and their families. HEAP Mini-Grants were awarded to middle schools and higher education institutions to fund postsecondary experiences for eighth grade students. In 2009-2010, HEAP experienced significant budget cuts and as a consequence of these cuts, the scope and breadth of HEAP changed significantly. While some funds were used to develop and maintain the HEAP website and to duplicate HEAP CDs, the majority of the reduced funds were re-directed for personal services.

**7.1-7c, College Goal Sunday in S.C.**

In the summer of 2006, CHE was awarded a three-year grant from the Lumina Foundation to implement College Goal Sunday in S.C. This program, which aims to increase the number of college-bound students completing the “Free Application for Federal Student Aid” (FAFSA), was piloted along the I-95 corridor. College Goal Sunday has evolved into a true statewide effort. In 2011, College Goal Sunday events were hosted in 17 areas throughout S.C. Nearly 620 students and their families were served at College Goal Sunday events, and over 180 financial aid officers, their staffs and school guidance counselors helped make this event a resounding success. CHE staff will continue expanding the program and will apply for a College Goal Sunday Continuation Grant in fall 2011. College Goal South Carolina will be hosted state-wide on February 18, 2012.

<b>S.C. College Goal Sunday Program, 2010-11</b>		
<b>Site</b>	<b>Number of Families Attending</b>	<b>Number of Volunteers</b>
Aiken Technical College	28	22
Bamberg-Ehrhardt High School	15	2
Clafin University	28	15
Colleton County High School	33	4
Florence-Darlington Technical College	37	4
Greenville Technical College	30	16
Horry-Georgetown Technical College	55	9
Lander University	19	8
Midlands Technical College	61	22
USC	30	16
Technical College of the Lowcountry	29	2
Tri-County Technical College	18	10
Trident Technical College	55	16
USC Lancaster	41	20
USC Upstate	17	2
Williamsburg Technical College	99	14
Wade Hampton High School	10	2
<b>Total College Goal Sunday</b>	<b>620</b>	<b>184</b>

**7.1-7d, College Access Challenge Grant Program**

In August 2008, CHE was officially notified that the US Department of Education awarded S.C. the federal College Access Challenge Grant (CACG). Over the course of two years, S.C. received nearly \$2 million dollars to implement college awareness programs under the grant guidelines. The purpose of the CACG program is to foster partnerships among federal, state, and local governments and philanthropic organizations through matching challenge grants that are aimed at increasing the number of low-income students who are prepared to enter and succeed in postsecondary education. The S.C. CACG is committed to providing a grassroots community-based program throughout the state based on the belief that college success is possible for

students who prepare academically and graduate from high school. CHE staff has worked to implement a comprehensive array of services designed to increase South Carolinians' awareness of and success in postsecondary education. S.C.'s CACGP initiatives include:

### ***The S.C. HEART Award***

The Higher Education Awareness Readiness Transition (HEART) Award was created to recognize outstanding school counselors and their guidance programs. Counselors play a pivotal role in addressing the academic, personal, social, and career development of all students through comprehensive guidance programs. These programs serve as a springboard for young minds as they explore the possibilities of postsecondary education. The HEART Award is open to all school counselors working in S.C.'s schools. Applicants should demonstrate strong professional expertise and success in preparing students for postsecondary opportunities. Successful applicants emphasize creating a college-going culture from elementary through high school to include career exploration, appropriate course selection and planning, college application process (financial aid, state scholarships, grants, etc.). Since its inception in 2008, the HEART Award has recognized nine winners, nine finalists, and over 60 participants.

### ***College Application Month***

Modeled after North Carolina's national best practice model, S.C. College Application Month was established to show all students that college is possible, if they prepare. The goal of College Application Month is to provide a forum for all S.C. seniors to complete and file college applications. While much of the focus of College Application Month is geared toward first-generation college students and students who may not otherwise apply to college, participating high schools are encouraged to include activities for all students, including freshmen, sophomores, juniors, and seniors who have already applied to college. In fall 2009, CHE piloted College Application Month events throughout the months of September and October. In the inaugural year, events were held at 10 high schools and over 1000 seniors completed nearly 2000 college applications. For 2010, the CHE and the S.C. Department of Education have declared October as College Application Month. Throughout the month of October 2010, 57 S.C. high schools hosted individual College Application Day events where 15,000 students received assistance completing and filing college applications. On average, each student completed two applications and a total of over 30,000 applications were submitted to colleges throughout the state of S.C. In 2011, over 119 high schools have agreed to participate in the 2011 College Application Month.

### ***S.C. CAN GO Media Campaign***

The S.C. CAN GO Media Campaign is an integrated marketing and advertising campaign designed to promote a college-going culture in S.C. and to raise needed college access awareness throughout the state. The primary goal of this campaign is to encourage S.C. students and families to take an active role in pursuing higher education.

### ***S.C. CAN GO Website ([www.SCCANGO.org](http://www.SCCANGO.org))***

The Website, [www.sccango.org](http://www.sccango.org), serves as a definitive source for anyone searching for information on how to prepare for a postsecondary education. The tone communicates that this site is a resource for helping students help themselves or for helping visitors help the students in their lives reach their goals of pursuing postsecondary education. The language is simple and direct, with a focus on calming fears and debunking common misperceptions regarding college access. It presents information that assists in decision-making and knocking down barriers of getting to college. The site is built using a Content Management System allowing for easy updates by designated CHE staff and uses Search Engine Optimization strategies to build and increase relevant site traffic. The site's main navigation routes visitors based on who they are, giving CHE the opportunity to deliver key messages to each audience quickly and effectively. Popular tools such as financial aid calculators and resource downloads are available on every page, enhancing the ease of finding what visitors need when they need it. In addition to offering each audience simple breakdowns of their role in preparing for postsecondary education and the tools they need to understand the process, unique pages for each audience (students, parents, community leaders, and educators) are available.

### ***Go Alliance Collaborative Counselor Training Initiative***

CHE collaborated with the Southern Regional Education Board's (SREB) Go Alliance and the states of Alabama, Delaware, Georgia, Mississippi, and Tennessee to create and deliver the *Collaborative Counselor Training Initiative*. The course consists of four interactive modules with twelve one-week sessions. These sessions are designed for school counselors to develop an understanding of their role in

developing a college-going mission for all students, particularly students in poverty and those that are facing other barriers in postsecondary planning. Additionally, the sessions help counselors develop approaches for communicating and working with high-poverty students and diverse populations to remove barriers to high aspirations and achievement. Collaborative Counselor Training Initiative was offered in the fall of 2010 and the spring of 2011 and was completed by a total of eighty-two high and middle school counselors. Additional sessions are planned for fall 2011 and spring 2012.

### **S.C. CAN**

The primary mission of the S.C. College Access Network (SC CAN) is to expand postsecondary educational awareness, access, and attainment throughout S.C., particularly among low-income, first generation, and underrepresented students and their families. In addition, SC CAN will: (a) develop an inventory of existing college awareness and access programs in S.C.; (b) promote local grassroots college awareness and access programs throughout the state; (c) showcase state and national best practices relating to college awareness and access; (d) provide counsel to communities seeking to start college awareness and access programs, and (e) act as a catalyst for change in advocacy and public policy initiatives relating to low-income, first generation, and underrepresented students and their families.

### **College Access Poll**

Under the leadership of Dr. Scott H. Huffman and on behalf of the CHE, the Social & Behavioral Research Lab at Winthrop University conducted a statewide statistical poll, The College Access Challenge Poll, to assess the parental perceptions of postsecondary education opportunities of S.C. high school students. The College Access Challenge Poll surveyed 806 S.C. parents with a student between the ages of 13 and 19 in public school. The sample provided a statistically significant margin of error of  $\pm 3.4\%$ . In addition, the poll oversampled households below the median household income that also had a student between the ages of 13 and 19 in public school. The survey used both sample-targeted and random digit dialing methodologies to ensure that no segment of the population was excluded. Regardless of which sample selection procedure was used to determine a selected household, all selected households were screened for students between the ages of 13 and 19 in public school. The results of the survey gleaned from preliminary data were that over 90% of parents surveyed have high hopes and expectations that their children will obtain a postsecondary degree. Students themselves also expect to attend college. Through the poll, it was learned that parents rely on schools for information and say that schools have been helpful, but that school personnel has to initiate the conversations. Most parents suggest that they are saving money for college, but they are relying on traditional savings accounts. This implies that parents need more comprehensive information regarding the numerous financial aid opportunities available to S.C. residents. A plurality sees two-year technical, community, and vocational schools as a cost-saving alternative. The data suggest that if low-income students are going to attend and complete college, then their parents will need significant help from educators, counselors and others. The poll results were further segmented and analyzed by income level, race and regions of the state. Conclusions drawn from the data suggest that, even when accounting for these factors, S.C. parents still have high expectations for their children to attend college. While S.C. parents lean heavily on schools for information, most do not initiate conversations with school personnel about college requirements or financial aid. Most parents report that schools are helpful and say that they are saving money for college, though this is not likely with persons living below the median household income. Finally, it also seems that they would benefit from a "one stop shopping" site with information about the college process.

### **Counselor Resource Manual**

The counselor resource manual is designed to describe all resources, activities, courses, and other applicable support available to school counselors across the state. The manual will be available online and in hard copy at every middle and high school in the state. Because school counselors are often one of the influential sources of information for students, it is important that they have all of the information that they need to appropriately advise the students that they serve. The following content will be included: (a) Financial Assistance Resources (types of financial aid, list of helpful Web sites); (b) Scholarship-Specific Information (CHE, state scholarships, corporations who provide scholarship/grants, national grants/scholarships); (c) College Admission Requirements (differentiating between requirements for each type of institution); (d) College Awareness Lesson Plans, and (e) State and national organizations promoting college awareness. In addition, sections specifically addressing the different types of conversations that middle school counselors have with students and parents versus high school counselors and their student/parent meetings will be included. The manual will be delivered to every middle and high school counselor in fall 2011.

## 7.1-8, ENSURING QUALITY ACADEMIC PROGRAMS

### Table 7.1-8a, Academic Program Review

Ensuring academic program quality is one of the primary functions of CHE. Statewide academic program review involving objective outside consultants provides a means of providing assurances of quality to the state, but decreased state funding in recent years has virtually eliminated this quality control initiative and CHE has been unable to conduct its on-going process for the statewide review of academic programs. The last reviews completed as part of this process were completed in 2001-02. CHE has discontinued its participation as part of its responsibilities under the three-way partnership of the CHE, the State Department of Education, and NCATE (National Council for the Accreditation of Teacher Education) in the review of teacher education programs effective May 1, 2010 because of continued budget cuts. For non-teacher education programs, the CHE continues its biennial program productivity review process to monitor enrollment and degree production in existing academic programs.

FY 2008-09	FY 2009-10	FY 2010-11
Visits to USC Columbia, Winthrop and USC Upstate.	Focus visit to USC Beaufort, pre-visits to USC Beaufort, USC Columbia, Coastal Carolina, Francis Marion, and Winthrop. Due to budget cuts, CHE discontinued participation in the NCATE Collaborative in May 2010.	Not Applicable

### Table 7.1-8b, Academic Program Approval and Review Activity

CHE is responsible for the approval of new academic degree programs at the associate degree level and higher. Thorough analysis of new program requests ensures that programs are well developed, provide adequate resources, and are not unnecessarily duplicative. The following table summarizes activity in this area.

Related Activity	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11
Number of Program Planning Summaries Reviewed	25	36	40	22	18
Number of New Program Proposals Reviewed	23	18	19	23	16
Number of Existing Programs Terminated	22	13	22	45	26
Number of Program Modifications Reviewed	6	2	12	6	7
Number of Existing Centers Terminated	0	0	4	1	0
Number of Notification Changes	47	64	38	86	70

**Table 7.1-8c, Academic Policy Development & Participation in Advisory Activities**

The following table summarizes other important work of CHE in light of CHE’s advisory role in regard to academic policies. As a note, members of CHE’s division of Academic Affairs and Licensing served as liaison in FY 2010-11 to 40 statewide committees and organizations, national and regional organizations, and governmental agencies, all of which are stakeholders in higher education. This liaison activity involves not only attendance at meetings but on occasion participating in interviews, reading grant proposals, making presentations, and participating in other activities.

Related Activity	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11
Number of <b>NEW</b> Academic Policies Developed	3 IB Credit Policy; Project Lead the Way Credit Policy; Substantive Revisions to “Policies & Procedures for New Academic Program Approval and Termination”	–	1 Revised “Policies & Procedures for New Academic Program Approval Termination”	1 Policy on the Addition and Removal of Programs Eligible for LIFE/Palmetto Fellows Scholarship Enhancement	1 Revised “Policies & Procedures for New Academic Program Approval Termination
Number of <b>NEW</b> Grant Proposals or Guidelines Developed	-	-	-	1	-
Number of Reports, Articles, Presentations Prepared on Academic Issues	11	-	16	24	31
Participation in Interagency Taskforces & Committees: (#Taskforces/Committees)	29	43	43	43	40

**Table 7.1-8d, Competitive Grant Programs for Public Institutions**

As part of its responsibilities, CHE acts to foster an environment for research, teacher improvement and technology initiatives through the administration of several competitive grants programs. CHE administers a state-funded competitive grant program for four-year institutions that is intended to increase research activities of these institutions. Considerable energy and attention are also directed toward improving teacher education through several CHE-administered grant programs designed to provide enhanced professional development opportunities for pre-service and in-service teachers and through engaging in K-20 activities in collaboration with the State Department of Education. The following tables provide information regarding several of the competitive grant programs administered by CHE’s Academic Affairs and Licensing Division.

Competitive Grant Program	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11
Improving Teacher Quality Program	7 / 10	12/26	8/9	15/11	19/10
Professor of the Year:					
# of Submissions	39	36	35	39	38
# of Finalists	10	10	10	10	10

<b>Competitive Grant Program</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>
# of Top Awards	2	2	2	2	3
Service Learning Competition # Submissions	12	15	24	16	20
# Awards	3	3	3	4	3
Centers of Teacher Excellence Program					
# Submissions	5	10	8	4	8
# Awards	1	6	6	4	4

**Table 7.1-8e, Competitive Grant Program for Public Institutions – Dollars Awarded**

The following table details the dollars awarded through the various competitive grants shown in 7.1-8d.

<b>Program</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>
Improving Teacher Quality Program	\$1,591,042	\$1,197,848	\$806,116	\$968,364	\$983,303
Professor of the Year Program	Each of the two award winners receives a \$5,000 prize. Each finalist receives \$500. Awards were suspended in FY 2009-10 due to lack of state-provided funds. However, when the state funding was lost to budget cuts, the support of the S.C. Higher Education Foundation enabled the awards to be continued.				
EIA Centers of Teacher Excellence Program		\$709,101	\$679,111	\$495,000	\$487,500

**Table 7.1-8f, Institutional Program Licensing Activity**

A major area of endeavor for CHE is the licensing of degree-granting and non-degree institutions both for profit and not-for-profit, seeking to operate in the state. This process is designed to provide consumer protection by ensuring that minimum standards, which have been increasingly aligned to the standards of the regional accrediting body, the Southern Association of Colleges and Schools (SACS), are met.

<b>Related Activity</b>	<b>FY 2005-06</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-2011</b>
New Agent Permits	70	175	183	219	293	380
Transcripts Requested	278	269	278	292	261	226
<i>New Licenses – Degree Granting:</i>						
Initial Licenses	3	5	2	3	2	0
Amendments to Licenses	12	12	9	9	9	2
Non-Degree Granting Licenses Issued	166	210	179	184	195	212
Licenses Relinquished, Deferred, Denied, or Revoked	8	3	5	4	3	2
Student Complaints	24	25	59	60	95	71

### 7.1-9, RESEARCH UNIVERSITY INFRASTRUCTURE ACT PROJECT CERTIFICATION

Under the S.C. Research University Infrastructure Act (RUIA) [Act 187 of 2004], \$220 million in bond funds became available to S.C.'s three senior research institutions (Clemson University, the USC, and the Medical University of S.C. (MUSC)) for research infrastructure projects. In order to access RUIA bond funds, each research institution must acquire non-state matching funds totaling at least 50% of the cost of each RUIA project. The SmartState™ Review Board certifies the required non-state match. CHE staff assists the SmartState™ Review Board in verifying the non-state match and preparing each project certification for subsequent approval by the Joint Bond Review Committee (JBRC) and the S.C. Budget & Control Board (B&CB). The table below outlines RUIA projects certified and proposed to date.

Research Institution	Phase I	Phase II	Phase III	Total
Clemson	\$41,700,000*	\$12,643,974*	\$8,500,000* \$3,500,000* \$5,000,001**	<b>\$71,343,975</b>
USC	\$58,000,000*	\$13,333,333**	N/A	<b>\$71,333,333</b>
MUSC	[SEE NOTE]	\$77,322,692*	N/A	<b>\$77,322,692</b>
<b>Totals</b>	<b>\$99,700,000</b>	<b>\$103,299,999</b>	<b>\$17,000,001</b>	<b>\$220,000,000</b>

Projects listed were proposed or approved between 2005 and 2009. Phases I, II, and III include infrastructure construction or upgrades at multiple facilities. The figures reflect bonds *authorized* to be issued by the Office of the State Treasurer— not bonds actually issued.

\* Proposals which have been certified by the SmartState™ Review Board and approved by JBRC and B&CB.

\*\* Proposals which have been certified by the SmartState™ Review Board and are awaiting approval by JBRC and B&CB.

NOTE ON MUSC PHASE I: Phases I and II for MUSC were combined via recertification by the SmartState™ Review Board on December 12, 2007. The original Phase I certification was \$36.071 million.

### 7.1-10, SMARTSTATE™ (FORMERLY KNOWN AS S.C. CENTERS OF ECONOMIC EXCELLENCE, COEE)

In 2002, the S.C. General Assembly passed the Research Centers of Economic Excellence Act in order to promote growth of the knowledge-based economy in S.C. Oversight of the program (re-branded SmartState™ in May 2010) is provided by the SmartState™ Review Board. CHE approves the budget for the SmartState™ Review Board's operations and also provides staff support for the program's day-to-day operations. S.C. Education Lottery funds in the amount of \$180 million have been appropriated for the program since the FY 2002-2003. Over the last nine years, 49 research proposals totaling \$197.6 million have been approved for funding. (In addition to appropriation funding, the SmartState™ Review Board has used \$17.6 million in accrued program interest for additional awards, as is authorized by statute.) The State's three research institutions are required to raise dollar-for-dollar, non-state matching funds in order to access state funding. To date, 38 SmartState™ Endowed Chairs have been appointed to lead the centers. The SmartState™ Program has resulted in more than \$400 million of non-state investment in the S.C.'s economy and is responsible for the creation of nearly 5,000 jobs. The most current information on the SmartState™ Program is available at [www.smartstategesc.org](http://www.smartstategesc.org). A summary of funded proposals as of June 30, 2011 follows.

#### **SmartState™ Summary of Funded Proposals, by Year (as of June 30, 2010)**

Funding Year 2002-2003			
Institution (fiscal institution first)	Proposal Title	Endowed Chairs	Proposal Amount
Clemson	Automotive Systems Integration	1	\$5 million
Clemson	Automotive Manufacturing	1	\$5 million
USC	Nanostructures	1	\$4 million
USC/MUSC	Brain Imaging	3*	\$5 million
MUSC	Proteomics	2	\$4 million
MUSC	Neuroscience	3	\$3 million
MUSC/USC/CoC	Marine Genomics	3**	\$4 million
<b>Total Awarded in 2002-2003</b>		<b>14</b>	<b>\$30 million</b>
Funding Year 2003-2004			
Institution (fiscal institution first)	Proposal Title	Endowed Chairs	Proposal Amount
Clemson	Automotive Design & Development	1	\$5 million
Clemson	Electronic Systems Integration	1	\$3 million
Clemson	Photonic Materials	1	\$5 million
USC	Polymer Nanocomposites	1	\$3.5 million
USC	Hydrogen & Fuel Cell Economy I***	2	\$2.5 million
MUSC/Clemson/USC	Regenerative Medicine	3	\$5 million
MUSC/USC	Translational Cancer Therapeutics	2	\$5 million
<b>Total Awarded in 2003-2004</b>		<b>11</b>	<b>\$29 million</b>

\* Revised to three chairs by act of the SmartState™ Review Board on January 12, 2009.

\*\* Revised to three chairs by act of the SmartState™ Review Board on February 23, 2010.

\*\*\* The Hydrogen & Fuel Cell Economy Center of Economic Excellence was approved during 2003-2004. Funding for one half of this Center was provided in 2003-04, the other half in 2004-2005.



**SmartState™ Summary of Funded Proposals, (cont.)**

<b>Funding Year 2004-2005</b>			
<b>Institution (fiscal institution first)</b>	<b>Proposal Title</b>	<b>Endowed Chairs</b>	<b>Proposal Amount</b>
Clemson	Restoration [WITHDRAWN]	—	[\$3 million]
Clemson	Electron Imaging [WITHDRAWN]	—	[\$5 million]
USC	Renewable Fuel Cells	1	\$3 million
USC	Hydrogen & Fuel Cell Economy II*	[See 03-04]	\$2.5 million
USC/Coastal Carolina	Tourism & Economic Development	1	\$2 million
MUSC	Gastrointestinal Cancer Diagnostics	2**	\$5 million
MUSC/USC	Cancer Drug Discovery	4	\$5 million
MUSC/USC	Vision Science	3	\$4.5 million
<b>Total Awarded in 2004-2005</b>		<b>11</b>	<b>\$22 million</b>
<b>Funding Year 2005-2006</b>			
<b>Institution (fiscal institution first)</b>	<b>Proposal Title</b>	<b>Endowed Chairs</b>	<b>Proposal Amount</b>
Clemson	Supply Chain Optimization & Logistics	1	\$2 million
Clemson	Urban Ecology and Restoration	1	\$2 million
Clemson	Advanced Fiber-Based Materials	1	\$4 million
Clemson	Molecular Nutrition [WITHDRAWN]	-	-
USC	Solid Oxide Fuel Cells	1	\$3 million
USC/MUSC	Childhood Neurotherapeutics	3	\$5 million
MUSC	Molecular Proteomics in Cardiovascular Disease & Prevention	2	\$5 million
MUSC/USC/Clemson	Clinical Effectiveness & Patient Safety†	3	\$5 million
<b>Total Awarded, 2005-2006</b>		<b>12</b>	<b>\$26 million</b>
<b>Funding Year 2006-2007</b>			
<b>Institution (fiscal institution first)</b>	<b>Proposal Title</b>	<b>Endowed Chairs</b>	<b>Proposal Amount</b>
Clemson/MUSC	Health Facilities Design & Testing	2	\$5 million
USC	Rehabilitation and Reconstruction Science	1	\$5 million
USC	Strategic Approaches to Electricity Production from Coal	1	\$5 million
USC/MUSC/Clemson	Healthcare Quality	2	\$5 million
USC/Clemson	Senior SMART™ Center ±	3	\$5 million
MUSC	Tobacco-Related Malignancy	2	\$5 million
MUSC/USC	Stroke	3	\$5 million
<b>Total Awarded in 2006-2007</b>		<b>14</b>	<b>\$35 million</b>

\* The Hydrogen & Fuel Cell Economy Center of Economic Excellence was approved during 2003-2004. Funding for one half of this Center was provided in 2003-04, the other half in 2004-2005.

\*\* Increased from one to two by act of SmartState™ Review Board on September 8, 2008

† On September 9, 2008, the SmartState™ Review Board approved a revision to this proposal which relinquished Clemson University as a collaborative partner and transferred the SmartState™ Endowed Chair at Clemson to MUSC.

± The Senior SMART Center of Economic Excellence was approved in 2007-2008. Funding was provided from 2006-2007 dollars.

**SmartState™ Summary of Funded Proposals, (cont.)**

Funding Year 2007-2008			
Institution (fiscal institution first)	Proposal Title	Endowed Chairs	Proposal Amount
Clemson	Optoelectronics	1	\$2 million
Clemson	Cyber-Institute	1	\$2 million
USC	Nanoenvironmental Research & Risk Assessment	1	\$3 million
USC	Nuclear Science and Energy	1	\$3 million
MUSC	Renal Disease Biomarker	2	\$5 million
MUSC/Clemson	Cancer Stem Cell Biology	2	\$5 million
MUSC/USC/Clemson	Advanced Tissue Biofabrication	3	\$5 million
MUSC/USC/SCSU	Cancer Disparities*	3	\$3.6 million
MUSC/USC	Medication Safety & Efficacy*	1	\$2 million
<b>Total Awarded in 2007-2008</b>		<b>15</b>	<b>\$30.6 million</b>

Funding Year 2008-2009			
Institution (fiscal institution first)	Proposal Title	Endowed Chairs	Proposal Amount
Clemson	Tissue Systems Characterization	1	\$3 million
USC	Nuclear Science Strategies	1	\$3 million
USC/MUSC	Healthful Lifestyles**	2	\$3 million
MUSC	Lipidomics, Pathobiology and Therapy	2	\$5 million
<b>Total Awarded in 2008-2009</b>		<b>6</b>	<b>\$14 million</b>

Funding Year 2009-2010			
Institution (fiscal institution first)	Proposal Title	Endowed Chairs	Proposal Amount
Clemson	Sustainable Development	1	\$4 million
USC	Data Analysis	1	\$2 million
MUSC	Inflammation and Fibrosis Research	2	\$5 million
<b>Total Awarded in 2009-2010</b>		<b>4</b>	<b>\$11 million</b>

\* The Cancer Disparities Center of Economic Excellence and the Medication Safety & Efficacy Center of Economic Excellence were approved in 2008.

\*\* The Healthful Lifestyles Center of Economic Excellence was approved in 2009-2010 and funded from 2008-2009 dollars.

SmartState™ Program TOTALS	
<b>TOTAL LOTTERY APPROPRIATIONS (2003-2008)</b>	<b>\$180 million</b>
<b>ACCRUED PROGRAM INTEREST USED FOR ADDITIONAL AWARDS</b> <i>(As permitted by SC Code of Laws, as amended, §2-75-30(A)).</i>	<b>\$17.6 million</b>
<b>TOTAL FUNDS AWARDED (2003-2011)</b>	<b>\$197.6 million</b>

RESEARCH INSTITUTION TOTALS				
Institution	Centers Awarded	CoEE Chairs Created	CoEE Chairs <u>Appointed</u> & (to be Appointed)	State Funds Drawn
Clemson	13	16	<u>5</u> (11)	\$35,914,299
USC	17	29	<u>14</u> (15)	\$51,317,575
MUSC	19	42	<u>19</u> (23)	\$68,141,139
<b>TOTALS</b>	<b>49</b>	<b>87</b>	<b><u>38</u> (49)</b>	<b>\$155,373,013</b>

[Program Totals shown as of June 30, 2011. For updated information, contact CHE.]