AMENDED--NOT PRINTED IN THE HOUSE

Amt. No. 1A (Doc. Path 3663c006.ms.ahb15)

April 23, 2015

**H. 3663**

Introduced by Reps. Bingham and Mitchell

S. Printed 4/16/15--S.

Read the first time March 24, 2015.

**A** **JOINT RESOLUTION**

TO REMOVE THE CURRENT MEMBERS OF THE BOARD OF TRUSTEES OF SOUTH CAROLINA STATE UNIVERSITY AND DEVOLVE THE BOARD’S POWERS UPON THE STATE BUDGET AND CONTROL BOARD AND DIRECT THE STATE BUDGET AND CONTROL BOARD TO REMOVE THE CURRENT PRESIDENT OF SOUTH CAROLINA STATE UNIVERSITY AND EMPLOY AN INTERIM CHIEF EXECUTIVE OFFICER WHO SHALL SERVE AT‑WILL AT THE PLEASURE OF THE BOARD TO AID IN DIRECTING THE UNIVERSITY IN A NEW DIRECTION WITH AN EMPHASIS ON ADDRESSING AND CORRECTING THE ONGOING FINANCIAL DIFFICULTIES OF THE UNIVERSITY IN ORDER TO KEEP THE UNIVERSITY FUNCTIONAL AND MAINTAIN ITS ACCREDITATION.

Amend Title To Conform

Whereas, the members of the General Assembly of the State of South Carolina recognize the rich and diverse history of South Carolina State University founded in 1896 in Orangeburg, South Carolina, and the significant contribution that the university has made to the higher education community as well as its current students and alumni; and

Whereas, South Carolina State University is currently experiencing student enrollment revenues that are insufficient to cover existing expenditure obligations, such that the General Assembly finds it necessary to shepherd the institution through this temporary period to restore it to the viable institution it has been in the past and, in order to preserve the long and distinguished history of South Carolina State University, the General Assembly finds it necessary to take temporary corrective action; and

Whereas, with new, experienced management and the proper support and encouragement from the State, South Carolina State University should once again thrive as the State’s only state-supported historically black university and continue to graduate generations of distinguished scholars and leaders who will represent the university with pride and serve as the state’s future professionals and leaders doing so in such a manner that operating expenditures do not exceed available revenue in a fiscal year; and

Whereas, the Southern Association of Colleges and Schools has expressed concerns regarding governing board conflicts of interests and board/administration structure as well as financial stability and controls of South Carolina State University and the General Assembly recognizes that maintaining accreditation by the Southern Association of colleges and schools is of great importance; and

Whereas, in addition, the General Assembly recognizes and acknowledges the need to follow up on this temporary action that is so critical at this juncture with permanent, statewide legislation to restructure the Board of Trustees and general governance of South Carolina State University with particular emphasis on maintaining the institutional knowledge of members of the Board of Trustees going forward and staggering terms of newly appointed Board of Trustees members to maintain that essential consistency in the university’s governance as it seeks to accomplish its important educational mission. Now, therefore,

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. (A) Immediately upon the appointment of an Interim South Carolina State University Board of Trustees pursuant to subsection (B), the current members of the Board of Trustees of South Carolina State University are hereby removed from service, and their positions, powers, and duties are hereby transferred to the newly appointed Interim Board of Trustees pursuant to subsection (B).

(B) Section 59-127-20 of the South Carolina Code, relating to the South Carolina State University Board of Trustees, election, and term, is suspended until June 30, 2018. There is established a new Interim Board of Trustees of South Carolina State University, to be composed of and who shall serve ex officio at the pleasure of the appropriate appointing member:

(1) one designee of each of the five members of the State Budget and Control Board or its successor agency, respectively;

(2) one member appointed by the chairman of the House Ways and Means Higher Education and Technical Colleges Subcommittee; and

(3) one member appointed by the chairman of the Senate Finance Higher Education Subcommittee.

The members of the Interim Board of Trustees must be appointed no later than seven days following the effective date of this joint resolution. The Interim Board of Trustees shall meet as soon as practical and elect a chairman and other officers from its membership. Vacancies must be filled in the manner of the original appointment.

(C) Unless extended by the General Assembly, the Interim Board of Trustees established pursuant to subsection (B) shall serve until June 30, 2018, or until a full new Board of Trustees is elected and qualified pursuant to Chapter 127, Title 59. Such election must include a restructured Board of Trustees including, but not limited to, the members of the Interim Board of Trustees to serve staggered terms. The term of each office for each seat on the Board of Trustees shall be suspended as of the date of removal pursuant to subsection (A) until a new member of the Board of Trustees is elected to that seat pursuant to Chapter 127, Title 59, after June 30, 2018. Initial terms of the new members of the Board of Trustees shall be the unexpired term of the seat to which they are elected.

(D) The Interim Board of Trustees is responsible solely for the selection, periodic evaluation, and retention or termination of the university’s president.

(E) The Interim Board of Trustees shall ensure there is a clear and appropriate distinction between the policy-making functions of the Interim Board of Trustees and the responsibility of the university’s president, administration, and faculty to administer and implement policies and that the university has a clearly defined organizational structure that delineates responsibility for the administration of policies.

(F) The Interim Board of Trustees shall ensure that the university has qualified administrative and academic officers with the experience and competence necessary to lead the university.

(G) Notwithstanding any other provision of law, the Interim Board of Trustees established pursuant to subsection (B) and the university’s president are authorized to develop programmatic, personnel, and related policies concerning all daily operations of South Carolina State University including, but not limited to, the expenditure of funds necessary for the university’s daily operations within its appropriated and authorized budget. The policies developed may be across all operations of the university including, but not limited to, administration, academics, auxiliary operations, public service activities, and athletics. Programmatic and personnel policies developed by the Interim Board of Trustees and the university’s president must be reported to the appointing member of each Interim Trustee, the Commission on Higher Education, and the State Division of Human Resources, respectively, as soon as is practicable after implementation.

(H) The president of South Carolina State University, whose actions must be overseen by the Interim Board of Trustees, shall review both the educational accreditation of the university and the past and current financial situation of the university and make recommendations to the Interim Board of Trustees, to the appointing member of each Interim Trustee, and to the Executive Budget Office regarding the path that the university must pursue in order to lead the university out of the current financial crisis with an emphasis on having the university return to the valuable and functional institution of higher learning that it has been in the past.

(I) The Interim Board of Trustees shall be indemnified in the same manner as members of the Retirement System Investment Commission, mutatis mutandis.

SECTION 2. This joint resolution takes effect upon approval by the Governor.

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