



Date: Monday, May 20, 2024, 4:45 pm
Spartanburg Community College, Dr. Benjamin Snoddy Boardroom

Subject: Minutes from The Spartanburg County Commission for Technical and Community Education Meeting

Attendees: Chairman Keller, Vice Chairman Bell, Commissioner Fowler, Commissioner Kennedy, Commissioner O’Neill, Commissioner Anderson, Commissioner Sarratt, Commissioner Smith, Commissioner King, Commissioner Radford, Commissioner Hamrick, Mr. Burns, Dr. Mikota, Mr. Burroughs, Dr. Obi, Dr. Satterfield, Ms. Hughes, Mr. Grace, Mrs. Walker, Mrs. Painter, Mr. Aughinbaugh, Mrs. Harris

Absent: Secretary Hill

Guest: Scott Powell, Gaffney Ledger

I. CALL TO ORDER

Chairman Keller called the meeting to order at 4:47 pm.

II. COMMISSION MINUTES

Chairman Keller presented the April 15, 2024, meeting minutes, which previously had been shared with the Members and asked if any Member had edits or questions. Hearing no amendments or objections, Chairman Keller asked for a motion to approve the minutes as written. Commissioner Anderson motioned to approve the April 15, 2024, meeting minutes, Commissioner Fowler seconded the motion, and all voted aye.

III. CONSENT AGENDA

Chairman Keller presented the Consent Agenda Items, which previously had been shared with the Members and asked if any Member had edits or questions. Hearing no amendments or objections, Chairman Keller asked for a motion to approve the Consent Agenda Items as presented. Commissioner Bell motioned to approve the Consent Agenda Items, Commissioner Fowler seconded the motion, and all voted aye.

IV. PRESIDENT’S REPORT presented by Dr. Michael Mikota

Dr. Mikota began his presentation by stated that he and the rest of the South Carolina Board of Economic Advisors adopted a new target increase for the entire state budget in the amount of \$467,000,000 in non-recurring revenue, plus an additional \$143,000,000 in

recurring revenue. Dr. Mikota indicated that South Carolina as a whole has performed well economically over the past several years, and the region that Spartanburg Community College serves has done exceptionally well. The College has led the way with large increase in enrollments and student success rates over the past three years and there are exciting opportunities to plan for in the upcoming 2024-2025 fiscal year. Dr. Mikota looks forward to upcoming planning meetings with his Executive Leadership Team and the South Carolina Technical College System Presidents' Council in the month of June.

Graduation was a tremendous celebration that showcased both enrollment and student success growth and outcomes respectively. The total number of graduates this year was 1,007, and that is simply amazing. The adaptations that have been driven by Dr. Mikota's leadership and visionary administration have produced in the last two years the largest graduating classes in the history of the College.

Dr. Mikota provided a descriptive update of his engagement sessions that took place with all of the College's faculty and staff on each of College's campuses. Dr. Mikota engaged with small groups of individuals, and over five weeks he met with over 300 employees. Dr. Mikota proudly shared that morale was high, and he received constructive and pertinent feedback from all sessions. Dr. Mikota held these meetings as the sole administrator along with members of the human resources team. Post session feedback was constructive and very positive. Dr. Mikota plans to implement this type of engagement into future semesters.

At this time Dr. Mikota deferred to Mrs. Harris, Director of Human Resources, to share her thoughts on the sessions.

Mrs. Harris felt the sessions were positive to the extent that they could be. No one expressed any underlying concerns that were new. Main concerns were traditional type of business topics such as communication, transparency, etc. People seemed to enjoy the opportunity to speak up, be engaged, ask questions, and share what was on their minds.

This concluded Dr. Mikota's comments. The floor was opened for questions, and none were brought forward.

Chairman Keller asked for a motion to approve the President's Report. Commissioner Fowler motioned to approve the President's Report, Commissioner Anderson seconded the motion, and all voted aye.

V. LIVE TO CHASE PROPOSAL presented by Dr. Michael Mikota

The Spartanburg Community College Live to Chase Program was derived from the original free tuition initiative that the College launched in May of 2021. The original tuition initiative was launched using funds from the Higher Education Emergency Relief Funds (HEERF) distributed by the federal government. From the initial free tuition initiative

there has been both growth and student success. All HEERF funds were exhausted in year one and year two. Last year the Commission approved putting aside some resources for the Live to Chase Initiative. The Live to Chase initiative, unlike the initial free tuition initiative, required that students maintain a 2.2 GPA, complete the FASFA, and declare a major. Other funding sources to support this initiative were also utilized including: PELL Funds, SC Lottery Funds, SCWINS Funds, and specific scholarship support from the counties or the Spartanburg Community College Foundation. All of these funding sources have been optimally applied to student tuition costs in order to implement the overall Live to Chase Program.

Success has improved with the implementation of the updated requirements to maintain Live to Chase and the results speak for themselves:

22/23 Free Tuition	3,850 Recipients	64.5% Success Rate
23/24 Live to Chase	1,636 Recipients	74.8% Success Rate

Success = Retention and/or Graduation

Enrollment last year was up year-over-year, so more students enrolled using more resources that were drawn down from multiple sources.

In 2022/2023, fall to spring the 2.2 GPA requirement brought an increase to the success rate.

The plan to continue Live to Chase for 24/25:

Board Designated Fund	\$5,000,000
23/24 Live to Chase awards	<u>\$2,700,000</u>
Remaining Funds	\$2,300,000
Projected Budget Net Overage	\$2,800,000
Transfer to Board Designated Fund	<u>\$400,000</u>
Transfer to Plant Fund	\$2,400,000
Live to Chase available for 24/25	\$2,700,000

Dr. Mikota requested that the Commission vote to approve the Live to Chase initiative for the 2024/2025 academic year.

Commissioner Kennedy confirmed that the vote would be for the transfer of the Board Designated Fund, not the Plant Fund.

At this time Commissioner O'Neill made the motion to transfer \$400,000 from the projected budget net overage into the Board Designated Fund.

Chairman Keller asked for a second motion to approve the transfer of \$400,000 from the projected budget net overage into the Board Designated Fund. Commissioner Kennedy seconded the motion, and all voted aye.

Dr. Mikota then asked the Commission to vote if the Board Designated Fund could be used for the Live to Chase initiative.

Commissioner O'Neill made the motion to use the Board Designated Fund to support the Live to Chase initiative for fiscal year 2024/2025.

Chairman Keller asked for a second motion to use the Board Designated Fund to support the Live to Chase initiative for fiscal year 2024/2025. Commissioner Fowler seconded the motion, and all voted aye.

VI. TECHNOLOGY FEE INCREASE presented by Mr. Ethan Burroughs, VP Finance

This proposal is to request an increase in the Technology Fee from \$50 to \$100.

The increase in new revenue will support the following:

- New camera system for enhanced campus safety
- Implementation and ongoing costs for new One Card Student/Staff ID, Touchnet Payment Gateway, and costs for students Microsoft Accounts
- Support IT infrastructure to include Uninterruptable Power Supplies, Networking Equipment, Access Points, and Classroom Technology
- This increase is in line with what other colleges are charging from a fee perspective
- Spartanburg Community College has always been on the lower end of fees

Commissioner Kennedy confirmed that this is a first semester fee only. Mr. Burroughs confirmed that this fee is a first semester fee only.

Mr. Burroughs asked if there were any more questions. None were put forth.

Chairman Keller asked for a motion to approve the Technology Fee increase from \$50 to \$100. Commissioner Anderson motioned to approve the Technology Fee increase from \$50 to \$100. Commissioner Bell 2nd the motion, and all voted aye.

VII. DIFFERENTIAL TUITION PROPOSAL presented by Mr. Ethan Burroughs, VP Finance

This is not a proposal for a tuition increase for 2024/2025.

This is a proposal for tuition differential. Nursing is a more expensive program in comparison to other programs offered by the College.

Nursing Tuition Differential

- Nursing is an expensive program in comparison to other programs
- ATI testing and supplies are currently being paid out of pocket by students
- Recommend increasing Nursing Tuition by \$1,000 per semester to allow consideration of financial aid
- In the past students have requested assistance from the Foundation to pay the ATI fee

- The Foundation could help some students, but did not have the funds to help all students request

Chairman Fowler asked what the current nursing program tuition, per Mr. Burroughs the current nursing tuition is approximately \$6,000/year. Which is the same for all programs.

Dr. Mikota stated that the College is not requesting an overall tuition increase, but also acknowledged that PELL resources will continue to increase at the Federal level. Dr. Mikota suggested that the College should work accordingly to execute the best opportunity for affordable access for students, and this includes fees that the students incur in order to attain their license and/or credential to practice in a field that the College has trained them for. To the greatest extent possible, money should not be left on the table when certain funds can assist in offsetting costs to the students.

Chairman Keller asked for a motion to approve the Nursing Tuition Differential by \$1,000. Commissioner Bell motioned to approve the Nursing Tuition Differential by \$1,000. Commissioner Anderson 2nd the motion, and all voted aye.

Welding Lab Fees

- Welding uses a lot of consumable supplies.
- Increase lab fee from \$45 to \$120 per semester based on the recommendation of the program director.

Chairman Keller asked for a motion to approve the Welding Lab Fees from \$45 to \$120. Commissioner Kennedy motioned to approve the Welding Lab Fees from \$45 to \$120. Commissioner Anderson 2nd the motion, and all voted aye.

VIII. POL III-50 INVESTMENT OF FUND BALANCE presented by Mr. Burroughs, VP, Finance

The policy is being updated to match the state policy.
This new updated policy allows the College to invest funds into the Local Government Investment Pool (LGIP).

Changes summarized below:

Date and Dated fields updated to reflect change

Deleted “of” in the second sentence of the first paragraph

Replaced Business Affairs with Finance in the last sentence of the first paragraph

Added: #7) South Carolina State Treasurer’s Office of Local Government Investment Pool (LGIP)

Added “Approved by President’s Cabinet” approval list

Chairman Keller asked for a motion to approve Policy III-50 Investment of Fund Balance. Commissioner Kennedy motioned to approve Policy III-50 Investment of Fund Balance. Commissioner O’Neill seconded the motion, and all voted aye.

IX. WELLNESS & BEAUTY FACILITY PROPOSAL presented by Mr. Burroughs & Dr. Obi

Approval was received from SACSCOC last spring for a credit bearing cosmetology program and to turn the current non-credit aesthetics program into a credit bearing program.

Originally, these programs were planned to be launched at the Downtown Campus, but other programs have now been identified for the space at that campus. A new location is being considered.

This program must be up and running by January 2025. SACSCOC requires that programs be up and running within 2 years post approval or resubmittal for approval is required.

Approximately 80-150 students are expected to cycle through this program in the first year.

There is also the need to build out cohort models, and to hire someone with cosmetology experience.

Mr. Burroughs is currently working with state officials regarding site selection and resourcing.

State officials will notify the College in June with the options that can be considered to house this program.

The Wellness & Beauty Proforma Budget below shows the revenue, expenses, and personnel cost for the first 3 years.

Cosmetology Program	Year 1 (six mos)	Year 2	Year 3
	2024-2025	2025-2026	2026-2027
Revenue/Sources			
Tuition	\$ 336,000.00	\$ 864,000.00	\$912,000.00
Service Sales	\$ 10,000.00	\$ 40,000.00	\$ 76,000.00
Total Revenue	\$ 346,000.00	\$ 904,000.00	\$ 988,000.00
Supplies	\$ 25,000.00	\$ 57,000.00	\$ 59,000.00
Equipment	\$ 100,000.00	\$ 15,000.00	\$ 20,000.00
Student Resources	\$ 20,000.00	\$ 62,000.00	\$ 64,000.00
Instructor Resources	\$ 7,000.00	\$ 9,000.00	\$ 11,000.00
Lease Space Expense	\$ 150,000.00	\$ 222,000.00	\$ 222,000.00
Total Operating Expenses	\$ 302,000.00	\$ 365,000.00	\$ 376,000.00
Personnel Costs			
Prog. Director (Instructor yr 1)	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00
FTE Instructor	\$ 29,000.00	\$ 65,000.00	\$ 65,000.00
FTE Instructor	\$ 29,000.00	\$ 65,000.00	\$ 65,000.00
FTE Instructor		\$ 65,000.00	\$ 65,000.00
Part-time Instructor		\$ 22,000.00	\$ 24,000.00
Receptionist		\$ 30,000.00	\$ 30,000.00
Fringe (FT 42%, PT 26%)	\$ 68,080.00	\$ 145,140.00	\$ 145,680.00
Total Personnel Costs	\$ 216,080.00	\$ 482,140.00	\$ 484,680.00
Total Expenses	\$ 518,080.00	\$ 847,140.00	\$ 860,680.00
Gross Profit	\$ (172,080.00)	\$ 56,860.00	\$ 127,320.00

The 1st year only encompasses six months due to being based on the College’s fiscal year.

The average tuition per student will be approximately \$12,000. This is higher than other programs, but in the private sector the tuition is approximately \$25,000 - \$30,000.

Spartanburg Community College also will have the ability to draw down financial aid.

The next step will be to come back to the Commission with a recommendation of a location.

Chairman Keller asked for a motion to approve moving forward with the progression of the Wellness & Beauty program. Commissioner Sarratt motioned to approve moving forward with the progression of the Wellness & Beauty program, Commissioner Bell seconded the motion, and all voted aye.

X. CHILDCARE UPDATE presented by Dr. Obi

During the October 16, 2023, the Commission approved moving further to explore the potential of building a childcare facility on the Giles Campus.

- New School of Education – ECE program is thriving
- The facility would allow for paid internships and live observation, and this would be an amazing resource for our students and staff
- Spartanburg Community College will have the ability to set tuition costs and reserve spots which will give students and staff a childcare option
- Ability to provide mixed use space for ongoing advanced training for the Early Care workforce in this community

Childcare Cost Estimate Summary			
	Project Name	SCC Childcare Center	
	Ownership Entity:	Spartanburg Community College	
	Address:	TBD	
	Building SF:	10,800	
	Land SF	65,340	
Hard Costs		\$	\$ PSF
Land		\$ -	\$ -
Site Work		\$ 500,000	\$ 46.30
Building Construction		\$ 1,620,000	\$ 150.00
FF&E (see detail sheet)		\$ 690,000	\$ 63.89
Construction Gen Con and Fees		\$ 175,000	\$ 16.20
<i>Hard Cost Subtotal</i>		\$ 2,985,000	\$ 276.39
Soft Costs			
Architecture and Engineering		\$ 90,000	\$ 8.33
Permits, Fees, Inspections, etc.		\$ 25,000	\$ 2.31
Utility Tapping Fees		\$ -	\$ -
Labor Burden / PT&I		\$ -	\$ -
Sales Tax		\$ 4,000	\$ 0.37
Developer Fee		\$ -	\$ -
Contingency		\$ 149,250	\$ 13.82
Closing Diligence (Env Phase 1, Survey, Zoning)		\$ -	\$ -
Legal Fees		\$ -	\$ -
Broker Commissions		\$ -	\$ -
Interest Carrying Costs		\$ -	\$ -
<i>Soft Cost Subtotal</i>		\$ 268,250	\$ 24.84
Total Investment Cost:		\$ 3,253,250	\$ 301.23

Mr. Kennedy commented that it was time to delve into the details with the provider to get a written agreement.

The floor was open for questions. None were put forth.

Chairman Keller asked for a motion to accept the Childcare Update as information. Commissioner Kennedy motioned to accept the Childcare Update as information, Commissioner O'Neill seconded the motion, and all voted aye.

XI. FINANCIAL REPORT presented by Ms. Melissa Hughes, Director, Finance

Revenue Received:

Curriculum – 97%

Continuing Education – 85%

Auxiliary – 87%

State – 100%

Cherokee Allocation – 100%

County – 100%

Other – 155%

Total Revenues = \$60,516,490 which reflects 99% revenues received

Expenses Paid:

Full-time Salaries – 76%

Full-time Fringe – 86%

Part-Time Salaries – 69%

Part-Time Fringe – 72%

O&M Expenses – 68%

Encumbrances – 10%

Total Expenses = \$47,075,071 which reflects 77% paid

As of April 30, 2024, SCC received 99% of our budgeted revenues, which is a revenue increase of \$4,057,160 in comparison to April 30, 2023. There are no major issues regarding the budget. Expenditures as a percentage of the budget was at 77%, which is 2% more than the previous year.

Recommendation: The Commission accepts this as information.

Chairman Keller asked for a motion to approve the Financial Report as information. Commissioner Kennedy motioned to approve the Financial Report as information, Commissioner Fowler seconded the motion, and all voted aye.

XII. ADJOURN TO EXECUTIVE SESSION

Chairman Keller asked for a motion to Adjourn to Executive Session for the specific purpose of having a discussion of employment, appointment, compensation, promotion,

demotion, discipline, or release of an employee, a student, or a person regulated by a public body or the appointment of a person to a public body. Commissioner Fowler motioned to Adjourn to Executive Session. Commissioner O'Neill seconded the motion. All voted aye, and the meeting Adjourned to Executive Session at 5:37 pm.

XIII. ADJOURN TO OPEN SESSION

Chairman Keller asked for a motion to Adjourn to Open Session. Commissioner Sarratt motioned to Adjourn to Open Session. Commissioner O'Neill seconded the motion. All voted aye, and the meeting was Adjourned to Open Session at 5:52 pm.

XIV. ADJOURN

Chairman Keller asked for a motion to Adjourn the meeting. Commissioner Bell motioned to Adjourn. Commissioner Anderson seconded the motion. All voted aye, and the meeting was Adjourned at 5:53 pm.

Respectfully Submitted by:

A handwritten signature in cursive script that reads "Tracey Hill".

Mrs. Tracey Hill, Secretary