



**Date:** Monday, April 17, 2023, 4:45 pm  
Spartanburg Community College, DLT109

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

**Attendees:** Chairman Anderson, Vice Chairman Keller, Secretary Hill, Commissioner Tate, Commissioner Fowler, Commissioner Kennedy, Commissioner O’Neill, Commissioner Bell, Commissioner Sarratt, Commissioner Smith, Dr. Mikota, Dr. Obi, Dr. Satterfield, Mr. Burroughs, Ms. Hughes, Mr. Grace, Mrs. Walker

**Absent:** Commissioner King, Commissioner Radford, Mr. Burns

I. CALL TO ORDER

Chairman Anderson called the meeting to order at 4:46 pm.

II. COMMISSION MINUTES

Chairman Anderson presented the March 20, 2023, 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 Anderson asked for a motion to approve the minutes as written. Commissioner Keller motioned to approve the March 20, 2023, meeting minutes, Commissioner O’Neill seconded the motion, and all voted aye.

III. CONSENT AGENDA

Chairman Anderson 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 Anderson asked for a motion to approve the Consent Agenda Items as presented. Commissioner Fowler motioned to approve the Consent Agenda Items, Commissioner O’Neill seconded the motion, and all voted aye.

IV. NOMINATING COMMITTEE APPOINTMENT presented by Commissioner Tony Bell

Chairman Anderson opened the floor to Commissioner Bell who then announced the recommendations of the Nominating Committee as follows: Chair – Commissioner Keller, Vice-Chair – Commissioner Bell, and Secretary – Commissioner Hill.

Chairman Anderson opened the floor to questions. No questions were put forth.

Commissioner Kennedy motioned for nominations to be closed. Commissioner Fowler seconded the motion, and all voted aye.

Chairmen Anderson asked for a motion to approve the recommendations of the Nomination Committee. Commissioner Kennedy motioned to approve the recommendations of the Nomination Committee, Commissioner O'Neill seconded the motion, and all voted aye.

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

As of the end of March:

- Revenues are showing a decline as a percent of the proposed budget that included a 10% enrollment growth, which is showing .02% decrease. However, revenues are up as compared to year over year.
- Year-Over-Year an increase as far as revenue dollars of about \$1.9 million
- Continuing Education is showing down about 51%
- Auxiliary including the bookstore, textbook sales, supply sales, and vending is showing down approximately 30% as adjusted because of the transition of not requiring individual departments to purchase from the bookstore with a markup. However, merchandise sales have increased.
- State allocation have increased 3%.
- County Allocations = 71%
- Spartanburg County = \$5.9 million
- Union County = \$167,000
- Cherokee County \$570,000
- Expenditures -full-time salaries and fringe are showing the 4% decrease and part-time salaries and fringes show a 21% decrease
- O&M Expenses is reflecting a 14% decrease
- Year-Over-Year there is a 9% decrease in expenditures

Summary

As of March 31, 2023, SCC received 86% of our budgeted revenues, which is 15% less than this time last year as a percent of the budget. There are no major issues currently versus the budget or last year. Expenditures, as a percent of the budget were at 68%, which is 9% less than the previous year.

The floor was opened for questions. No questions were put forth.

Chairman Anderson asked for a motion to approve the Financial Report. Commissioner Kennedy motioned to approve the Financial Report, Commissioner O'Neill seconded the motion, and all voted aye.

VI. CAPITAL FEE ANALYSIS presented by Ms. Melissa Hughes, Director, Finance

A percentage of Curriculum Revenue funds the Capital Fee

- Technology/Equipment Fee funds the Academic Affairs Equipment Budget
- Capital Fee was previously used to fund the Evans Campus purchase
- Evans was completed in fiscal year 2020
- This fee is being used for other Capital projects

- Facilities & Finance Committee discussed whether to continue to collect this fee for Evans or if it should be used for other projects or College expenses.

At this time Ms. Hughes opened the floor to Commissioner Kennedy who stated that he thought the decision had been made previously to continue to collect this fee. Commissioner Kennedy was under the impression that this money was to go into the Capital Projects Fee account to start accruing for other major projects. At this time there are no funds dedicated to a capital project, i.e., a new building. Commissioner Kennedy proposed that if this fee is continued to be collected, the monies need to be collected for a designated expense and not just added back into the Plant Fund.

Dr. Mikota stated that this was an important conversation for the Commission as the College is currently in a very strong position to focus revenues in a way that it hasn't before in the past. Dr. Mikota showcased that efforts of the past two years have led to the largest enrollment in the history of the College. There is a necessity to focus on meeting that growth demand with new facilities. Dr. Mikota showcased that 2 years ago, the College worked to attain \$6.2M and last year worked to attain \$13.5M for Deferred Maintenance from the State. Per Dr. Mikota the \$13.5M has not been allocated for expenditure. In the past there may have been a need to withdraw specifically from plant fund, but currently the college has resources to utilize for critical facility investments. Over the next couple of months, Dr. Mikota explained that there would be discussions about the Tuition Rate and how it is set in relation to the growth needs of the college. Dr. Mikota stated that it is important for the Commission to allocate the funds wisely and prioritize the use of the deferred maintenance funds that have most recently been acquired from the state.

Commissioner Kennedy recommended restarting the Capital Account.

The discussion then turned to the Capital Fee is not actually a fee that is charges to students, but a percentage of the Curriculum Revenue collected. Per Commissioner Kennedy this fee was created and added to tuition to enable the College to fund the Evans Building.

This conversation was tabled until next month's meeting. The Facilities and Finance Committee will discuss further, and the topic would be placed on the May Commission Agenda.

## VII. ANALYSIS OF SPRING WRITE OFF'S presented by Ms. Melissa Hughes, Director, Finance

- These Write Off's are from Fall 2021 Semester which was the kickoff of the Free Tuition Initiative
- During this Initiative many students who applied did not complete a FASFA which resulted in \$242,196.53 in student debt
- There is an additional \$219,263.95 in student debt due to student's beginning the process of filling out the FASFA but did not finalize
- Total write off for the Fall is \$615,837.73
- Due to this debt there have been controls put into place to assist in alleviating this potential write-off in the future
- In the future, students will no longer be allowed to start classes if they have not filled out or completed the FASFA as this is a requirement to take advantage of the free tuition
- \$461,000.00 of the \$615,837.73 is due to student who did not qualify for free tuition due to not filling out or completing the FASFA

VIII. ANALYSIS OF BAD DEBT WRITE OFF'S presented by Ms. Melissa Hughes,  
Director, Finance

- This is an overview of the last four years as well as what was collected and budgeted
- \$489,188 has been collected
- At this time 2.74% which is a high percentage but there was also an increase in enrollment during this semester
- Administration has the authority to approve up to 1% of budgeted tuition and fees be written off; 1% = \$318,153
- Recommendation is to receive approval to write off \$615,838, which is 1.93% of the budgeted tuition and fees for this year.

At this time the floor was opened to questions or comments. None were put forth.

Chairman Anderson asked for a motion to approve the writing off of \$615,838. Commissioner Bell motioned to approve the writing off of \$615,838, Commissioner Kennedy seconded the motion, and all voted aye.

Commissioner Kennedy added that it is important that these monies be written off regularly. Once written off the College can report to the Department of Revenue who can move to recoup the monies for the College through tax returns. The Department of Revenue cannot move to collect until the College writes the amounts off.

IX. PRESIDENT'S REPORT presented by Dr. Michael Mikota, President

Dr. Mikota started his remarks by explaining the different venue for the Commission Meeting. The meeting was moved due to a faulty coupling that was attached to a pipe connected to the sprinkler system located in the Commissioner's Dining Room wall. The area where the coupling was located is called a "Chase", which is a vertical space in a wall which provides an area for pipes or wires to run through. This "Chase" was located in the wall and there has obviously been a long-term leak that corroded the coupling which led to the water damage. Dr. Mikota showed the actual coupling to the commission, and stated that the elevator was inoperable, and therefore the meeting was moved to DLT 109.

As far as the Write-offs and not being able to pull down all the monies available due to the uncompleted FASFA's, there is a process that has been put into place to manage this in the future.

Dr. Mikota discussed one accountability area that is currently being worked on regarding the offerings and scheduling of courses and trainings. Last fall there was a limited number of students that could be enrolled year-over-year because the college was not able to schedule additional classes to meet demand. Hiring of instructors and adjuncts has ramped up this spring. Quality Control and Quality Assurance are also being worked on. Dr. Satterfield is working to establish the accountability measures of the faculty. Last Fall Dr. Mikota established a Deans Council which is both academic and student facing as well as the Vanguard Team, which was

presented last month, as both of these teams works to build accountability and a strong community of academic learning and training. Dr. Satterfield is working to set up an Academic Council to establish accountability of the offerings to students and growth in that area. If accountability is not there in some cases individuals take advantage of the system. There are faculty and staff that go above and beyond and that is to be applauded, but there needs to be checks and balances to provide a consistent outcome for students.

The College continues to make good strides in the relationships with the regional Career Centers. A Joint Advisory Committee meeting was held on the Giles Campus March 22, 2023. Commissioner Keller attended. It was a great event which included the Career Centers, Advisory Committees and Dr. Quincie Moore, CTE Director for the State. This meeting was to facilitate the aligning of curriculum. The Workforce Readiness Bill, which passed the House and is currently in the Senate, is focused on curriculum alignment with Career Centers.

Dr. Mikota hosted the Czech Republic Ambassador, Miloslav Stasek, while he was in the area for an expansion for KV Final, a Spark Center alumnus. Dr. Mikota has had meetings over the last year and a half with three ambassadors from Switzerland, Israel, and now the Czech Republic and most were focused on apprenticeships, new technology and investment in this area.

Last Fall Dr. Mikota was invited to Washington to attend a joint signing on a Quantum Panel with the Israeli Ambassador, Michael Herzog. This past Friday, Dr. Mikota attended the 2<sup>nd</sup> Quantum Panel at Clemson University. The question was posed to Dr. Mikota about how this applies to the College from a technology standpoint. Per Dr. Mikota Spartanburg Community College is not involved just to build out a quantum technology incubator for research, the College wants to formulate the metrology, metal working, and the components of building and to be able to go out and supply the Economic Development Team with the ability to recruit these companies to set the new stage for this infrastructure. This will depend on the partnerships and how the curriculum is aligned and resources.

Tomorrow Dr. Mikota and the President's Cabinet will be visiting Palmetto Patriots Home in Cherokee County. The Honor Health Career Program will be investing in the College by way of the LPN program that was just launched in January. The Honor Health Career Program will be offering resources to help provide for an instructor and will provide students with apprenticeships and pay. This model will allow students to work and earn a paycheck while continuing with their education through the LPN program.

Dr. Mikota met with the Union County Supervisor in January to discuss a path forward. Post meeting the Union County Supervisor said he would pull together industry and business for discussion of needs. The model in Union is broken and has been broken for some time. The College is not wanting to run into the red nor does the College need to subsidize Union with funds from the other counties, but there is a way to help the businesses in Union. Subsequently post meeting the Union County Supervisor sent Dr. Mikota an email copying some of the regional legislators who Dr. Mikota has also been working in concert with. Currently the College is running only a few programs in welding and a few courses in mechatronics, but the College does want to synergize and offer what the businesses need. Therefore, on April 28<sup>th</sup> Dr. Mikota

and others will be meeting with six of the largest industries in Union to see how the College can help to increase the talent pool and to broadcast what Spartanburg Community College needs in a partnership whether it comes from the County, school district, or potentially other partners. The College has continually tried to help and support, pulled money to the table in the amount of \$4.8M two years ago, but there must be students and the capacity to build out growth and availability. Dr. Mikota believes in Union and the industries there, but the College needs some partners. The partnership between the College and school district is not very strong. The \$4.8M is still aligned for Union, but Dr. Mikota would not bring a recommendation before this Commission or to the Legislators to utilize those funds unless there is a strong plan. The College does not own the building in Union, the County currently owns the facility there. Therefore, the concept of placing an Enterprise Campus there is not feasible under current conditions. From a workforce and training standpoint there are some opportunities and Dr. Mikota will do everything possible to support this initiative.

Dr. Mikota participated in the Legislative Luncheon which was held on the grounds of the State House. This was an opportunity to showcase programs of study and meet with legislators. These Legislators have been working hard to setup budgets for the spring. Spartanburg Community College is looking very strong. On the House side, there originally was a \$12M mark for the Cherokee County Campus, there was no line item for the Tyger River Campus. Fortunately, the Legislators went back on the Senate side and put a \$25M line for Tyger River and a \$10M in deferred maintenance, and also a \$1 line for the Cherokee County Campus which can be negotiated in conference. Per Dr. Mikota based on information from the BEA there should be more revenues for the state as one-time funds this legislative session. Additionally, the House had \$100M in the budget for SCWins. This is funding the College can draw down to offset some of the Free Tuition Initiative. The Senate had \$80M.

Dr. Mikota met with Cole Alverson last Monday and because of the growth in Spartanburg County the budgets are looking strong for the upcoming year. There was also discussion about long range planning and Dr. Mikota needing to go before County Council to present and showcase what has been accomplished and what the needs are. A date for that is being planned. There was also discussion about utilizing the \$2M received from Spartanburg County earmarked traditionally for capital projects to fund the free tuition initiative for FY24 if necessary. Mr. Alverson said it had not been put before a vote, but there had been no pushback on this request from any officials on County Council to date.

Spartanburg Community College is not just working to set the tone for needs as an entity working in Spartanburg, Union and Cherokee Counties, but is working to set the stage to operate on a differential from other higher educational institutions who are going to continue to have challenges. There are technical colleges and other educational institutions that are currently encountering challenges because 1.3M students have disappeared from colleges since the pandemic. Those students aren't coming back. The enrollment challenges and the cliffs and the changes expected in 2026 are upon these institutions now. The College must be nimble and change, internally and externally. How the College adapts, changes, and eventually operates differently in the future will determine its success in meeting student and community needs.

Most high school seniors are not interested in studying online. Dr. Mikota feels that the College can make a difference both with the high school seniors and with adult learners and there is continued work to sharpen the identity and magnify the brand of Spartanburg Community College. To move in this direction the plan is to: develop a clear strategy and focus on the core of the offerings, reduce administrative and support cost; free up capital in non-core assets, and strategically investing in innovative models to sustain growth.

Spartanburg Community College is required to submit IPEDS – Integrated Postsecondary Education Data System. This is a system of interrelated surveys conducted annually by the National Center for Education Statistics (NCES), a part of the Institute for Education Sciences within the United States Department of Education. IPEDS consist of twelve interrelated survey components that are collected over three collection periods (fall, winter, and spring) each year as described in the Data Collection and Dissemination Cycle. The completion of all IPEDS surveys is mandatory for all institutions that participate in, or are applicants for participation in, any federal financial assistance program authorized by Title IV of the Higher Education Act of 1965, as amended. These IPEDS showcase expenses, resources, tuition and fees, appropriations, investment income and how the College focuses on institutional support, etc. Dr. Mikota and Ms. Hughes recently met with the Research & Development Team to showcase how these reported numbers are placed in the budget so that IPEDS can be used as a mechanistic tool to help the College understand administrative cost vs. cost of student headcount and what it cost to educate these students. In the past decade due to the increased FTE but decreasing enrollment the College was unable to apply and submit Title III grants because core expenses were too high for FTE enrollment in relation to how these figures were reported. It is important to note that core expenses per FTE enrollment dropped from 2021-2022 to 2022-2023 by over \$1,500.

1<sup>st</sup> Inaugural Chaser's Cup Golf Tournament was held April 10<sup>th</sup> at Carolina Country Club. Spark Center alumnus, Global Transplant Solutions, was the winning team. \$87,000 was raised.

Performance for the upcoming year and how it is managed - Dr. Mikota will strive get his planning stages completed before June so that his review and plans can set the stage for the College.

This concluded Dr. Mikota's report. The floor was opened to questions, none were put forth.

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

- X. SC TECHNICAL COLLEGE SYSTEM UPDATE presented by Mr. Grant Burns,  
State Board Member

Mr. Burns was unable to attend the meeting.

- XI. ADJOURN

Chairman Anderson asked for a motion to Adjourn the meeting. Commissioner Hill motioned to Adjourn. Commissioner O'Neill seconded the motion. All voted aye, and the meeting Adjourned at 5:47 pm.

Respectfully Submitted by:

A handwritten signature in cursive script that reads "Tracey Hill". The signature is written in black ink and is positioned below the text "Respectfully Submitted by:".

Mrs. Tracey Hill, Secretary