
SOUTH CAROLINA

FINAL GRADING ANALYSIS

OVERALL SCORE: **383/700 POINTS (54.7%)**
LETTER GRADE: **F**

I. OVERSIGHT BODY: **55/100 POINTS**

A. IS THERE A STATUTORILY CREATED OVERSIGHT BODY
THAT IS PUBLICLY ACCOUNTABLE?
50/60 POINTS

Element	Points Available	Points Awarded
1. Oversight body is a multi-member board, commission, or panel created by statute	10	10
2. Oversight body was statutorily created specifically to oversee private postsecondary institutions	10	0
3. Multi-member board, commission, or panel is the ultimate decision maker (as opposed to a single person, like the head of a department or director)	10	10
4. Oversight body can engage in rulemaking	10	10
5. Oversight body's meetings must be open to the public	5	5
6. Oversight body's meetings must allow public comment	5	5
7. Oversight body can initiate investigations	5	5
8. Oversight body can impose penalties for violations	5	5
Total Points	60	50

Explanation:

South Carolina law defines a “nonpublic institution” as inclusive, but is not limited to, of any educational entity operating or soliciting in South Carolina that is not owned or operated in whole or in part by the State of South Carolina offering resident or correspondence courses beyond the secondary school level to students upon the payment of tuition or fees. (S.C. Code Ann. § 59-58-20(4).) The South Carolina Commission on Higher Education has sole authority for licensing nonpublic educational institutions established in South Carolina. The Commission has authority to formulate standards and administer and enforce the law and regulations related to licensing nonpublic institutions. (S.C. Code Ann. § 59-58-40.) Further, the Commission has the power to investigate, as necessary, any institution subject to its jurisdiction. (S.C. Code Regs. 62-4(I).) Because the Commission operates in accordance with the South Carolina’s Freedom of Information Act (S.C. Code Ann. § 30-4 et seq.), its meetings must be open to the

public. It must announce its meetings and include an agenda of items to be included, and the agenda must include an item specifically for public comment. (S.C. Code Ann. § 30-4-60.)

B. STATUTE-SPECIFIED MEMBERSHIP:

1. TO WHAT EXTENT ARE LIMITATIONS PLACED ON FOR-PROFIT MEMBERSHIP ON THE OVERSIGHT BODY?

0/25 POINTS*

Explicit prohibition on for-profit majority, plus no possibility of a majority of the quorum	Explicit prohibition on for-profit majority	Discouraged	No prohibition specified, but not discouraged	For-profit majority mandated
25 Points	20 Points	10 Points	0 Points	-5 points

Explanation:

The Commission’s membership is statutorily determined pursuant to S.C. Code Ann. § 59-103-10. Its membership must consist of one at-large member to serve as chairman, one representative from each of the congressional districts (for a total of seven), three members appointed from the state at large, three representatives of the public colleges and universities, and one representative of the independent colleges and universities of South Carolina.

Among other things, the representatives from the congressional districts and those appointed at large must have experience in at least one of the following areas: business, the education of future leaders and teachers, management, or policy. A member representing the congressional districts or appointed at large must not have been, during the succeeding five years, a member of a governing body of a public institution of higher learning in the state and must not be employed or have immediate family members employed by any of the public colleges and universities of the state.

For the three ex officio members representing the public colleges and universities, it shall not be a conflict of interest for any voting ex officio member to vote on matters pertaining to their individual college or university. One member must be serving on the board of trustees of one of the public senior research institutions, one member must be serving on the board of trustees of one of the four-year public institutions of higher learning, and one member must be a member of one of the local area technical education commissions or the State Board for Technical and Comprehensive Education to represent the State Board for Technical and Comprehensive Education.

The ex officio member representing the independent colleges and universities must be serving as a member of the Advisory Council of Private College Presidents. This member shall serve as a nonvoting member.

The Governor, by his appointments, shall assure that among other things, that graduates of no one public or private college or technical college are dominant on the Commission.

That said, South Carolina law does not explicitly prohibit or discourage a for-profit majority on the Commission (the only caveat being that graduates of one private college or technical college cannot dominate the Commission membership).

2. IS THE OVERSIGHT BODY MANDATED TO INCLUDE AT LEAST ONE CONSUMER ADVOCATE?

0/10 POINTS*

Yes	No
10 Points	0 Points

Explanation:

South Carolina law does not require appointment of an individual with expertise and experience in the area of consumer advocacy to the Commission.

3. ARE THE MEMBERS APPOINTED BY A PUBLICLY ACCOUNTABLE OFFICIAL OR ELECTED IN A GENERAL ELECTION?

5/5 POINTS

All	Majority	Half	Minority	None
5 Points	3 Points	2.5 Points	1 Point	0 Points

Explanation:

The governor of South Carolina appoints all 15 members of the Commission, although only eight are done with advice and consent of the Senate. (S.C. Code Ann. § 59-103-10.)

II. STATE OVERSIGHT—EFFICACY: 46/100 POINTS

A. DOES THE STATE REQUIRE ONSITE REVIEW OF PRIVATE POSTSECONDARY INSTITUTIONS?

4/10 POINTS

Mandatory onsite reviews			Discretionary	None
Every 2 years or less	Every 3-5 years	Over 5 years	Discretion to conduct onsite reviews	No review specified
10 Points	8 Points	5 Points	3 4 Points	0 Points

Explanation:

The Commission requires onsite visits for both degree-granting and non-degree-granting private postsecondary educational institutions in South Carolina. The Commission is required to make an initial visit within the first year of licensing and subsequent annual visits to the institution’s facilities when appropriate (at the discretion of the Commission). The state receives 3 points for discretionary onsite visits and one additional point because the Commission is required to conduct an onsite review within the first year of licensure. (S.C. Code Regs. 62-15.)

B. DOES THE STATE REQUIRE UNANNOUNCED INSPECTIONS FOR ONSITE REVIEWS?

0/5 POINTS*

Required unannounced visits	Discretion to do unannounced visits	No indication
5 Points	3 Points	0 Points

Explanation:

South Carolina law does not explicitly require or authorize site visits to be unannounced.

C. DOES THE STATE REQUIRE REGULAR REVIEWS OF PRIVATE POSTSECONDARY APPROVAL TO OPERATE?

20/20 POINTS*

**points for Type 1 and Type 2 schools have been averaged to calculate the above score*

	Mandatory			Discretionary	None
	Every 2 years or less	Every 3-5 years	Over 5 years	Discretion to conduct reviews	No Review Specified
Type 1:	20 Points	15 Points	10 Points	5 Points	0 Points
Type 2:	20 Points	15 Points	10 Points	5 Points	0 Points

Explanation:

Type 1: Degree-granting institutions. South Carolina law requires degree-granting institutions to file an annual report. (S.C. Code Regs. 62-24.)

Type 2: Non-degree-granting institutions. South Carolina law provides that licenses for non-degree-granting institutions are generally granted for twelve months, renewable annually. The Commission may issue licenses to non-degree-granting institutions for less than twelve months as circumstances justify. (S.C. Code Ann. § 59-58-50(F).)

D. DO THE CRITERIA FOR RENEWAL OF AUTHORIZATION MANDATE A REVIEW OF FACTORS ESSENTIAL TO ACADEMIC AND ETHICAL INTEGRITY?

12/20 POINTS

8 of 8	7 of 8	6 of 8	5 of 8	4 of 8	3 of 8	2 of 8	1 of 8	0 of 8
20 Points	17.5 Points	15 Points	12.5 Points	10 12 Points	7.5 Points	5 Points	2.5 Points	0 Points

Element	
Admission Requirements	M
Graduation Requirements	D
Placement Rate	
Completion Rate (or Graduation Rate)	D
Advertising Practices	M
Cohort Default Rate	
Accreditation Status	M
Financial Aid Policies	M

M=Mandatory; D=Discretionary

Explanation:

South Carolina law requires regular reviews of both degree-granting and non-degree-granting nonpublic postsecondary educational institutions. Each institution and its courses or programs, facilities, faculty, and all other operations must meet the requirements for an original license at the effective date of the renewal. (S.C. Code Ann. § 59-58-50(F).) The licensing criteria can be found at S.C. Code Regs. 62-6 and include a mandatory review of accreditation status and admission requirements. Further, institutions are required to have a clearly defined process by which the curriculum is established, reviewed, and evaluated. Institutions are required to provide for appropriate and regular evaluation of the institution and its program and course effectiveness including assessment of student learning, retention, graduation rates, and student, graduate, faculty, and employer satisfaction. (S.C. Code Regs. 62-6.2.) The state receives partial credit for reviewing graduation rates because the Commission does not review the graduation rates, but the information is likely available to the Commission if the institution is complying with the provision requiring institutional evaluation.

E. DOES THE STATE'S OVERSIGHT DISTINGUISH BETWEEN FOR-PROFIT AND NONPROFIT POSTSECONDARY INSTITUTIONS?

5/15 POINTS

Yes, strongly distinguished	Yes, moderately distinguished	Yes, slightly distinguished	Not distinguished
15 Points	10 Points	5 Points	0 Points

Explanation:

South Carolina law provides for selected exemptions including for some nonprofit nonpublic postsecondary educational institutions established in the state prior to 1953. (S.C. Code Ann. § 59-58-30(2).)

F. DOES THE STATE REQUIRE INCREASED OVERSIGHT/SCRUTINY OF PRIVATE POSTSECONDARY INSTITUTIONS BASED ON POOR PERFORMANCE?

5/10 POINTS

Yes, mandatory	Yes, mandatory but limited	Yes, discretionary	Yes, discretionary but limited	No
10 Points	7.5 Points	5 Points	2.5 Points	0 Points

Explanation:

The Commission does not explicitly require increased oversight or scrutiny of nonpublic postsecondary educational institutions based on poor performance. However, the Commission has discretion to give an institution a period of probation if in its judgment any unsatisfactory condition can reasonably be corrected within such time. (S.C. Code Regs. 62-28.) Additionally, South Carolina law allows the Commission to revoke, suspend, or refuse to issue a license to institutions due to noncompliance.

G. DOES STATE LAW INCLUDE ANY SPECIAL PROTECTIONS FOR VETERANS WHO ATTEND PRIVATE POSTSECONDARY INSTITUTIONS?

0/20 POINTS

Yes	No
20 Points	0 Points

Explanation:

South Carolina law does not have any special protections specifically for veterans who attend nonpublic postsecondary educational institutions. However, information about VA education benefits under Title 38 of the US Code can be found at www.che.sc.gov/Students,FamiliesMilitary/MilitaryEducationTraining/MilitaryActiveVeterans.aspx.

III. STATE OVERSIGHT—SCOPE AND INCLUSION:

75/100 POINTS

A. ARE EXEMPTIONS TO STATE OVERSIGHT COVERAGE LIMITED?

75/100 POINTS

No exemptions	Few exemptions	Moderate exemptions	Broad exemptions
100 Points	75 Points	50 Points	0 Points

Explanation:

South Carolina law exempts degree-granting schools chartered by the Secretary of State before 1953; it has a narrowly tailored exemption for specified degree-granting religious nonprofits; institutions whose main purpose is theological or religious training, institutions offering avocational or noncredit bearing courses, institutions supported entirely or partly by the State of South Carolina; aviation institutions, courses or programs regulated and licensed or approved under an occupational licensing law of the State of South Carolina; specified noncredit bearing courses or programs sponsored by employers solely for the training of their employees, institutions that offer programs and courses on federal military installations; out-of-state institutions that formally collaborate with public South Carolina institutions in offering distance education coursework in this State and where the South Carolina institution offers the degree; degree-granting institutions accredited by an accrediting agency recognized by the United States Department of Education that conduct occasional or incidental recruiting activities to include activities at high school recruiting fairs or through seasonal recruitment advertising rather than continuing and regular activities that would otherwise establish an actual presence in South Carolina as defined in this chapter from the definition of nonpublic educational institution; and various other non-credit-bearing courses. (S.C. Code Ann. § 59-58-30.)

IV. DISCLOSURE REQUIREMENTS: 30/100 POINTS

A. ARE INSTITUTIONS REQUIRED TO DISCLOSE INSTITUTIONAL PERFORMANCE MEASURES TO POTENTIAL STUDENTS?

0/20 POINTS

Yes, mandatory	Yes, discretionary	None
Fact sheet or equivalent required to be given to students	Fact sheet or equivalent given to students upon request	No performance fact sheet required
20 Points	10 Points	0 Points

Explanation:

South Carolina law does not require nonpublic educational institutions to provide any performance disclosures (graduation rates, placement rates, exam passage rates, cohort default rates, etc.) to potential students. There is no fact sheet-type disclosure required for either Type 1 or Type 2 institutions.

B. WHICH INSTITUTIONAL PERFORMANCE DISCLOSURES ARE REQUIRED TO BE GIVEN TO STUDENTS PRIOR TO ENROLLMENT?

10/60 POINTS

Disclosures	Mandatory	Discretionary	Not specified
Cohort default rate (CDR)	10 Points	5 Points	0 Points
Graduation / completion rates	10 Points	5 Points	0 Points
Placement rates	10 Points	5 Points	0 Points
Wage information	10 Points	5 Points	0 Points
License exam passage rates	10 Points	5 Points	0 Points
Methods & sources used to calculate	10 Points	5 Points	0 Points

Explanation:

Both Type 1 and Type 2 institutions are required to make disclosures only if they advertise claims. The disclosures are required to substantiate from its own records any advertised claims, including employment and earnings claims. If any oral or written placement claims are made, the institution must disclose its placement rate. Advertising of salaries and other occupational opportunities must clearly disclose the normal range of salaries and opportunities available to students immediately after graduation. (S.C. Code Regs. 62-26(F).) The state receives partial credit for requiring disclosures related for placement rates because of the required disclosures related to employment in specified circumstances.

C. DOES THE STATE REQUIRE SCHOOLS TO DISCLOSE ELEMENTS ESSENTIAL TO STUDENT PROTECTION PRIOR TO ENROLLMENT OR IN THE ENROLLMENT CONTRACT?

20/20 POINTS

Type 1: Degree-granting private institutions

Element description	Mandatory	Discretionary	Not specified
Total cost of program	5 Points	2.5 Points	0 Points
Refund information	5 Points	2.5 Points	0 Points
Transferability of credits	5 Points	2.5 Points	0 Points
Length of program	5 Points	2.5 Points	0 Points

Explanation:

Degree-granting nonpublic educational institutions are required to include all of the above elements, as well as several additional elements, in their enrollment agreements. (S.C. Code Regs. 62-16.)

Type 2: Non-degree-granting private institutions

Element description	Mandatory	Discretionary	Not specified
Total Cost of Program	5 Points	2.5 Points	0 Points
Refund Information	5 Points	2.5 Points	0 Points
Transferability of Credits	5 Points	2.5 Points	0 Points
Length of Program	5 Points	2.5 Points	0 Points

Explanation:

Non-degree-granting nonpublic educational institutions are required to include all of the above elements, as well as several additional elements, in their enrollment agreements. (S.C. Code Regs. 62-19.)

V. REGULATION OF RECRUITING PRACTICES:

75/100 POINTS

A. HAS THE STATE PUT INTO LAW A LIST OF PROHIBITED ACTS REGARDING ADVERTISING AND RECRUITING?

75/100 POINTS

Yes, strong regulation	Yes, moderate regulation	Yes, weak regulation	No list of prohibited acts
100 Points	75 Points	50 Points	0 Points

PROHIBITED ACTS

Included in list of prohibited acts	
Misleading representations using the word “college” or “university”	X
Misleading institution affiliations (e.g., military, public institution, business)	X
Promise of employment	X
Compensation for enrollment	
Compensation or “bounty” to recruiters	
Deception (broad prohibition)	X
Misrepresentation (broad prohibition)	X
Misleading representations re: accreditation	X

1-3=Weak; 3.5-6=Moderate; 6.5-8=Strong

Explanation:

South Carolina law restricts the use of the name “college” and “university” to only institutions that meet specified criteria. (S.C. Code Ann. § 59-58-60.) In addition, nonpublic educational institutions are prohibited from making deceptive, false, or misleading statements; institutions are required to use specific language to represent their accreditation status; institutions are required to substantiate any claims they

make regarding employment and earnings, and they are prohibited from making misleading claims related to employment. (S.C. Code Regs. 62-26.)

VI. COMPLAINT PROCESS AND RELIEF FOR STUDENTS:
62/100 POINTS

A. DOES THE STATE REQUIRE A BOND OR FUND AS A CONDITION OF AUTHORIZATION?

10/20 POINTS

Yes	No
20 10 Points	0 Points

Explanation:

Both degree-granting and non-degree-granting private postsecondary educational institutions may provide a surety bond or may pledge other means of collateral acceptable by the State Treasurer, in an aggregate market value of the required bond. (S.C. Code Ann. § 59-58-80; S.C. Code Regs. 62-7.). Because this is discretionary rather than mandatory (“may” instead of “shall” or “must”), the state only receives partial credit for this element.

B. DOES THE STATE REQUIRE A REFUND OF TUITION IF A STUDENT ENROLLS AS THE RESULT OF MISREPRESENTATION?

10/20 POINTS

Yes, full refund	Yes, partial refund	No refund required
20 Points	10 Points	0 Points

Explanation:

If the Commission determines that the circumstances justify a refund, it has discretion to require that the institution make a full or partial refund of tuition or other fees as appropriate. (S.C. Code Regs. 62-27.) Enrolling as the result of misrepresentation reasonably may be considered a circumstance that justifies a refund in the opinion of the Commission. Because the regulations provide the Commission with this discretion, the state receives partial credit for this element.

C. DOES THE STATE REQUIRE INSTITUTIONS TO REFUND TUITION IN THE EVENT OF INSOLVENCY?

15/20 POINTS

Yes, full refund	Yes, partial refund	Yes, refund in limited circumstances	No refund required
20 Points	15 Points	10 Points	0 Points

Explanation:

South Carolina law provides for some tuition refund for students at nonpublic educational institutions that close, but there is no requirement that institutions fully refund all tuition. (S.C. Code Ann. § 59-58-80; S.C. Code Regs. 62-7.)

**D. DOES THE STATE ALLOW STUDENTS AMPLE TIME TO MAKE A COMPLAINT?
1/10 POINTS**

2 years or more (or no deadline)	1-2 years	Under 1 year	Not applicable
10 Points	5 Points	1 Points	0 Points

Explanation:

Students must file a complaint with the Commission within six months of exhausting the appeals process at the institution.

**E. DOES THE STATE REQUIRE INSTITUTIONS TO DISCLOSE INFORMATION ABOUT FILING A COMPLAINT WITH THE STATE OVERSIGHT BODY?
17.5/20 POINTS**

Medium	Mandatory	Discretionary	Not specified
Catalog	10 Points	5 Points	0 Points
Website	5 Points	2.5 Points	0 Points
Enrollment contract	5 Points	2.5 Points	0 Points

Explanation:

Nonpublic educational institutions must provide its procedures for handling student complaints in its catalog. (S.C. Code Regs. 62-16; S.C. Code Regs. 62-27.) Institutions are required to include on the enrollment contract a statement that the student acknowledges he/she has received and reviewed a copy of the school catalog, which includes complaint filing information. The state receives partial credit for requiring institutions to include information about filing a complaint on the institution's website because many institutions include their catalog or information from the catalog on their websites.

**F. IS THE COMPLAINT PROCESS READILY ACCESSIBLE AND AVAILABLE ON THE STATE OVERSIGHT BODY'S WEBSITE?
8.5/10 POINTS**

Yes, with address	Yes, with phone #	Yes, with email address	Yes, with electronic form	No
2 Points	2 Points	3 Points	3 1.5 Points	0 Points

Explanation:

South Carolina maintains a webpage with a complaint form including instructions for students about the complaint procedure, and contact information. The student must complete and submit the form (by mail, email, or fax). Because the electronic form cannot be completed and submitted online, partial credit is awarded.

VII. ENFORCEMENT: 40/100 POINTS

A. IS THERE LOSS OF STATE AID FOR SCHOOLS THAT REPEATEDLY PRODUCE SUBSTANDARD GRADUATION RATES, JOB PLACEMENT RATES, AND/OR COHORT DEFAULT RATES?

20/30 POINTS

Yes, required	Yes, required but limited	Yes, discretionary	Yes, discretionary but limited	No
30 Points	20 Points	15 Points	5 Points	0 20 Points

Explanation:

There is no mandatory loss of state aid for nonpublic educational institutions that repeatedly produce substandard graduation rates, job placement rates, and/or cohort default rates. However, because state aid is limited to nonpublic educational institutions, the state receives 20 points.

B. DOES STATE LAW EXPLICITLY AUTHORIZE A PRIVATE RIGHT OF ACTION FOR STUDENTS AGAINST INSTITUTIONS THAT HAVE VIOLATED THE LAWS AND REGULATIONS IN PLACE TO GOVERN THEM?

0/30 POINTS

Yes	Limited circumstances	No
30 Points	15 Points	0 Points

Explanation:

South Carolina law does not explicitly authorize a private right of action for students against nonpublic educational institutions that have violated the laws and regulations in place to govern them.

C. DOES STATE LAW EXPLICITLY ALLOW ATTORNEY FEE AWARDS FOR STUDENTS WHO PREVAIL IN LITIGATION AGAINST PRIVATE FOR-PROFIT POSTSECONDARY INSTITUTIONS?

0/20 POINTS

Yes	Limited	No
20 Points	15 Points	0 Points

Explanation:

South Carolina law does not explicitly allow attorney fee awards for students who prevail in litigation against institutions that have violated the laws and regulations in place to govern them.

D. DOES STATE LAW EXPLICITLY AUTHORIZE ATTORNEY GENERAL INVOLVEMENT?

20/20 POINTS

Yes	Limited circumstances	No
20 Points	10 Points	0 Points

Explanation:

South Carolina law explicitly authorizes Attorney General involvement in enforcement of the laws governing nonpublic educational institutions in the state. (S.C. Code Ann. § 59-58-130.)

BONUS POINTS

South Carolina receives no bonus points.



ILLUMINATING INFORMATION



RECIPROCITY AGREEMENTS

South Carolina is a member of the State Authorization Reciprocity Agreements (SARA).

LITIGATION, INVESTIGATIONS, AND ACTIONS INVOLVING PRIVATE FOR-PROFIT EDUCATIONAL INSTITUTIONS IN SOUTH CAROLINA

For information about pending and recent federal and state government investigations and actions regarding for-profit colleges see David Halperin's compilation at <http://www.republicreport.org/2014/law-enforcement-for-profit-colleges/#sthash.1vc4HmPw.dpuf>.