

MINUTES OF MEETING
OF
SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION

September 8, 1983
10:30 a.m. - 2:25 p.m.

MEMBERS PRESENT

Mr. Fred R. Sheheen, Chairman
Mr. George L. Brightharp
Mr. Robert C. Gallagher
Mr. Robert E. Graham
Mr. Harold W. Jacobs
Dr. Alba M. Lewis
Mr. David B. Smith
Mr. Mortimer F. Smith
Mrs. Nelle H. Taylor
Mr. Robert L. Utsey, Jr.
Dr. Hugh H. Wells
Dr. Robert F. Williams
Dr. Louis D. Wright, Jr.
Mr. Robert L. Wynn III

MEMBERS ABSENT

Dr. Willa J. DeWitt
Mr. Roosevelt Gilliam, Jr.
Mrs. Nanette H. Smyth

MEMBERS OF THE PRESS

Mr. Lou Fontana
Mr. Reggie Hall
Ms. Cheryl Irwin
Mr. John Norton
Ms. Charlene Porter
Mr. Frank Sayles

GUESTS

Dr. Joan M. Altekruise
Dr. John T. Austell
Mr. Luther J. Battiste, Jr.
Dr. McLouis Clayton
Mr. O. M. Higgins, Jr.
Mr. Earle Holley
Dr. Larry A. Jackson
Dr. Carolyn McIver
Mr. J. Lacy McLean
Mr. Philip Lader
Dr. Charles A. Roberts
Mr. James L. Rush

STAFF

Dr. Howard R. Boozer
Mr. Charles A. Brooks, Jr.
Mrs. Denise L. Jones
Dr. Frank E. Kinard
Mr. Alan S. Krech
Mr. Cannon R. Mayes
Mrs. Lynn W. Metcalf
Dr. James A. Paschal
Mr. James L. Solomon, Jr.
Dr. John C. Sutusky
Mrs. Gaylon Syrett
Mrs. Carol D. Waldo

I. Report of Committee on Business and Finance

Recommendations Concerning 1984-85 Appropriation Requests of the Public Colleges and Universities and the State Board for Technical and Comprehensive Education.

Mr. Gallagher, chairman of the Committee on Business and Finance, reported that the Committee met following the Commission meeting on August 30, 1983, to review the 1984-85 appropriation requests of the public colleges and universities and the State Board for Technical and Comprehensive Education, and to develop its recommendations to the Commission. The Committee based its review and recommendations, for all institutions (including instructional programs in SBTCE), other than the Medical University Hospital, Statewide Programs, and the Charleston Higher Education Consortium, primarily on appropriation requests computed through the 1984-85 Appropriation Formula. The University Hospital, Statewide Programs, and Charleston Higher Education Consortium appropriation requests were reviewed as presented in their budget requests. Careful attention was given to the presentations made to the Commission on August 29 and 30 by the presidents of the colleges and universities and the Executive Director of SBTCE.

The Committee took note of the fact that many institutions, including SBTCE, requested funds for computing equipment totaling in excess of \$17 million and, in addition, funds for new and replacement equipment totaling more than \$20 million, as well as several million dollars for deferred maintenance. The Committee believes that these requests should be given separate consideration on their merits by the Commission, but not as part of the 1984-85 appropriations since most of the requests are for one-time expenditures rather than for on-going programs. The Committee, therefore, makes the following three general recommendations concerning all public colleges and universities:

(1) Computer Equipment

The Committee recommends that the staff of the Commission, in concert with the public colleges and universities, review the study of computing needs prepared by the Commission in 1974 in which it was recommended that three regional computer centers be established to provide computing support, both academic and administrative, for all public colleges and universities. The study will determine to what extent the 1974 recommendations have been implemented and the cost involved to implement those remaining where they are still relevant. The study will further address the academic (instructional) needs of each institution to determine its existing capacity to provide computer resources for students and faculty. The study will include not only the needs of the students enrolled in computer science courses but also the needs of those students in other academic disciplines who should be computer-literate upon completion of their education. The study will include a review of current computing support for administrative applications and make recommendations for enhancement where necessary. The study will also recommend a timetable for phasing in the necessary funding.

(2) New and Replacement Equipment

The Committee recommends that the Commission staff, in concert with the public colleges and universities, review equipment requests made by the institutions as well as the equipment needs of all institutions to determine the total cost for replacement and upgrading of all instructional equipment in the public colleges and universities. The staff will also develop a timetable for supplemental funding to upgrade equipment over a period of years.

(3) Deferred Maintenance

The Committee recommends that the Commission staff review the report of the 1981 Building Quality Survey to identify the buildings at the colleges and universities that have not been brought up to quality standards and to estimate the funds necessary to complete the upgrading to recommended standards. The staff will also prepare a timetable for supplemental funding to meet these objectives.

The three studies will be completed and made available to the Commission prior to its meeting on December 1, 1983. This will allow the Commission time to make recommendations for possible supplemental funding, phased in over a period of time, for presentation to the Budget and Control Board and the General Assembly in January 1984.

In accordance with the Commission's position in the past, appropriation recommendations will be adjusted for actual fall 1983 enrollments.

It was moved (Gallager), seconded (Williams), and voted that the three general recommendations of the Committee, as stated above, be adopted.

The recommendations of the Committee on Business and Finance, and Commission action with respect to the appropriation requests, are set forth below:

The Citadel. The Committee recommends \$11,059,234, including \$525,000 in Unique Costs (military college costs). It was moved (Gallager), seconded (Utsey), and voted that the recommendation of the Committee be adopted.

South Carolina State College. The Committee recommends \$15,608,816, including \$277,004 in Unique Costs (Felton Laboratory School). It was moved (Gallager), seconded (Utsey), and voted that the recommendation of the Committee be adopted.

Winthrop College. The Committee recommends \$14,698,742, including in Unique Costs \$144,000 (University Affiliated Facilities Program) and \$161,840 (Winthrop/MUSC Joint Nursing Program). It was moved (Gallager), seconded (Taylor), and voted that the recommendation of the Committee be adopted. Dr. Williams noted that because Mr. Philip Lader recently was named President of Winthrop, the Commission has invited him to submit other priority items later, if he wishes to do so after further consideration.

College of Charleston. The Committee recommends \$15,123,373, including in Unique Costs \$279,906 (campus security), \$210,525 (maintenance of historical buildings), and \$28,445 (rent for faculty offices). It was moved (Gallager), seconded (D. Smith), and voted that the recommendation of the Committee be adopted. Mr. D. Smith suggested that a study be made of the possibility of a systemwide security force in South Carolina. Mr. Sheheen suggested that the matter be referred to the Committee on Business and Finance.

Francis Marion College. The Committee recommends \$7,678,887, including \$201,467 in Unique Costs for the Francis Marion/MUSC Joint Nursing Program. It was moved (Gallager), seconded (Wynn), and voted that the recommendation of the Committee be adopted.

Lander College. The Committee recommends \$5,637,632, including in Unique Costs \$9,000 (rent). It was moved (Gallager), seconded (Lewis), and voted that the recommendation of the Committee be adopted.

USC-Aiken. The Committee recommends \$4,498,576. It was moved (Gallager), seconded (Wright), and voted that the recommendation of the Committee be adopted.

USC-Coastal. The Committee recommends \$5,990,678. It was moved (Gallager), seconded (Lewis), and voted that the recommendation of the Committee be adopted.

USC-Spartanburg. The Committee recommends \$5,716,691. It was moved (Gallager), seconded (Lewis), and voted that the recommendation of the Committee be adopted.

USC-Beaufort. The Committee recommends \$819,494. It was moved (Gallager), seconded (Lewis), and voted that the recommendation of the Committee be adopted.

USC-Lancaster. The Committee recommends \$1,561,600. It was moved (Gallager), seconded (M. Smith), and voted that the recommendation of the Committee be adopted.

USC-Salkehatchie. The Committee recommends \$983,089. It was moved (Gallager), seconded (Wells), and voted that the recommendation of the Committee be adopted.

USC-Sumter. The Committee recommends \$1,930,188. It was moved (Gallager), seconded (Williams), and voted that the recommendation of the Committee be adopted.

USC-Union. The Committee recommends \$605,429. It was moved (Gallager), seconded (Utsey), and voted that the recommendation of the Committee be adopted.

USC School of Medicine. The Committee recommends \$10,582,321. Mr. Gallager noted that the Committee first based its recommendation on projected Fall 1984 enrollment (230 medical and 17 Ph.D. students). After further consideration, however, the Committee recommends that the appropriation request be funded based on actual Fall 1983 enrollment (204 medical and 17 Ph.D. students), consistent with Commission policy for all formula institutions.

At the invitation of the Chairman, Mr. O. M. Higgins, Jr., Associate Dean for Administration of the USC School of Medicine, stated that the Commission suggested earlier that the projected 1984 enrollment figure would be used to compensate for the unique growth requirements of the developing School of Medicine. Dr. Joan M. Altekruse of the USC-SM Department of Preventive Medicine stated that it would be consistent with other developing institutions to use the projected 1984 enrollment as a factor for reasonably calculating next year's budget.

It was moved (Gallager) and seconded (Wells) that the recommendation of the Committee be approved, with the understanding that additional funds may be considered as Unique Costs under Step 12 of the Formula. The motion was adopted. It was moved (Gallager) and seconded (Wright) that \$963,267 be approved as developmental costs under Step 12 of the Formula. The motion was disapproved. It was moved (Williams) and seconded (Wells) that \$481,634 be approved as developmental costs under Step 12 of the Formula. The motion was disapproved.

USC-Columbia. The Committee recommends \$85,254,299, including \$203,555 in Unique Costs (rent). It was moved (Gallager), seconded (M. Smith), and voted that the recommendation of the Committee be adopted.

Clemson University. The Committee recommends \$53,452,618, including \$275,000 in Unique Costs (Energy Research Development Center). It was moved (Gallager), seconded (Lewis), and voted that the recommendation of the Committee be adopted.

Medical University of South Carolina - Academic Division. The Committee recommends \$61,387,173. It was moved (Gallager), seconded (Wynn), and voted that the recommendation of the Committee be adopted.

MUSC - University Hospital. The Committee recommends \$9,000,000. It was moved (Gallager), seconded (Utsey), and voted that the recommendation of the Committee be adopted.

MUSC - Statewide Programs. The Committee recommends \$11,620,080, including the restoration of one-half of the 4.6% reduction made in 1982-83 and restored to the other institutions in 1983-84. For MUSC this amounts to \$254,674 (\$58,650 for Graduate Doctor Education, \$77,533 for Consortium of Community Hospitals, and \$118,491 for Statewide Family Practice Residency Program). It was moved

(Gallager), seconded (Wells), and voted that the recommendation of the Committee be adopted.

Charleston Higher Education Consortium. The Committee recommends \$190,282. It was moved (Gallager), seconded (Wells), and voted that the recommendation of the Committee be adopted.

State Board for Technical and Comprehensive Education (Instructional Programs). The Committee recommends \$68,138,730. It was moved (Gallager), seconded (Wells), and voted that the recommendation of the Committee be adopted.

Mr. Gallager noted that the Commission is scheduled to make its recommendations concerning 1984-85 appropriations to the Budget and Control Board, the House Ways and Means Committee, and the Senate Finance Committee on Wednesday, September 14, 1983, at 9:00 a.m.

II. Report of Committee on Facilities

Consideration of Permanent Improvement Request, South Carolina State College. Mr. Graham, chairman of the Committee on Facilities, reported that a proposal for authorization to construct a radio station transmitter building at South Carolina State College was presented to the Commission at its August 29, 1983, meeting. Estimated cost of the building is \$7,500, to be paid from general funds. The Commission requested that consideration of the proposal be deferred pending receipt of additional information concerning operating costs and the relationship of the proposed project to the institution's academic programs. Responses to the Commission's questions were provided by South Carolina State College. The Committee reconsidered the proposal on September 8 and recommends approval, with the understanding that no "unique cost" funds will be required or requested, and that no new academic programs will be proposed. It was moved (Graham), seconded (M. Smith), and voted that the recommendation of the Committee be adopted.

III. Report of Committee on Health and Medical Education

Dr. Wright, chairman of the Committee on Health and Medical Education, reported on the following matters:

a. Consideration of Recommendation to Lift Moratorium on Medical Education Programs. The Commission voted on April 7, 1983, to impose a one-year moratorium on all new medical education programs with the understanding that the moratorium would be lifted earlier if coordination of the State's medical schools is enhanced. At that time, the Commission recommended legislation to establish a Board of Directors for Medical Education to ensure coordination between the two schools. This legislation is still pending in the General Assembly. Dr. Wright noted that a voluntary agreement was entered into in July 1983 by the institutions and the Office of the Governor, with later participation by the Commission, to establish a similar coordinating mechanism for medical education, patterned after the proposed legislation. This new coordinating board is functioning with representation from the Commission. Dr. Wright reported that, while it is too early to render any judgment as to the effectiveness of the new board, the Committee on Health and Medical Education recommends, and the Executive Committee concurs, that the Commission show evidence of its positive support of this endeavor by lifting the moratorium on medical education programs. It

was moved (Wright), seconded (Wells), and voted that the recommendation of the Committee be adopted. Mr. Utsey opposed. Dr. Wright noted that it is the intention of the Committee to monitor closely the progress of the Joint Board on Medical Education and to develop a set of issues for its consideration.

b. Consideration of Proposal for Preventive Medicine Residency, University of South Carolina. Dr. Wright reported that the School of Medicine of the University of South Carolina proposes to initiate a medical doctor residency program in preventive medicine with the first residents scheduled to matriculate in July 1984. Areas of specialization within the program include general preventive medicine, public health, and occupational health. The proposed annual program budget is approximately \$163,000. Dr. Wright noted that the proposal has been endorsed by the Joint MUSC/USC Board Committee of the Statewide Consortium of Teaching Hospitals and the Joint Health and Medical Education Board.

The Committee on Health and Medical Education and the Committee on Academic Affairs recommend that the proposal be approved, provided that (1) the School of Medicine absorb all associated costs or generate sufficient revenues from non-State sources for the planning and initiation of the program through the fiscal year in which the first residents are on board, and (2) State support for the program be recommended annually, beginning with the first fiscal year immediately following the initial intake of residents, on the basis of \$30,000 per resident per practicum year and \$21,667 per resident per academic year offset by any external grant support provided for this purpose. It was moved (Wright), seconded (Wells), and voted that the recommendations of the Committees be adopted.

IV. Consideration of Application for Renewal of Licensure of Shaw University to Operate in South Carolina

Dr. Boozer reported that on May 1, 1980, the Commission granted a two-year provisional license to Shaw University, Raleigh, North Carolina, to operate in South Carolina. When the Shaw program was reexamined in 1982, it was found that earlier deficiencies had been corrected with the exception that the institution continued to experience severe indebtedness which was exacerbated by unresolved matters of liability to the Federal Government. The Commission voted on July 26, 1982, to renew Shaw's provisional license for one year "subject to quarterly reports on its success in meeting the repayment schedule and concerning the negotiations with respect to Shaw's liability for costs that have been questioned by the Federal Government."

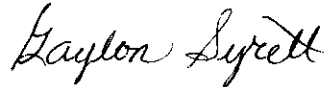
Quarterly reports were submitted as requested, and the entire Charleston program of Shaw University was visited and reviewed for the third time on March 30, 1983. The examining team, while not unanimous in its recommendation, supports continued licensure of Shaw on a provisional basis.

Dr. Boozer recommends that the provisional license of Shaw University to operate in South Carolina be renewed for one year, expiring on May 1, 1984, subject to continued quarterly reports on the maintenance of scheduled repayments and other appropriate financial matters, and subject to a complete review of the financial condition of Shaw early in 1984 by a team of at least two qualified business or finance officers. He noted that the examination must include a review of the audit report and management letter for the fiscal year ending

June 30, 1983, and may be conducted at the home campus in Raleigh, North Carolina. It was moved (Taylor), seconded (Wynn), and voted that the recommendation be adopted.

The meeting was adjourned at 2:25 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Gaylon Syrett".

Gaylon Syrett
Recording Secretary