

MINUTES OF MEETING
OF
SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION

March 3, 1988
10:30 a.m. - 1:00 p.m.

MEMBERS PRESENT

Mrs. Nelle H. Taylor, Chairperson
Dr. D. Glenburn Askins, Jr.
Mr. George L. Brightharp
Mr. Walter E. Brooker
Mr. Tom Moore Craig
Mr. Palmer Freeman, Sr.
Mr. Roger E. Henderson
Mr. Marvin C. Jones
Mrs. Reba Ann Kinon
Dr. Alba M. Lewis
Mr. Vernon McGuire
Mr. Joseph J. Turner, Jr.
Mr. Robert L. Utsey, Jr.
Mr. William J. Whitener
Dr. Robert F. Williams

MEMBERS ABSENT

Dr. Willa J. DeWitt
Mrs. Mildred R. Williams

STAFF

Dr. Jeffrey Bartkovich
Ms. Sandra E. Carr
Dr. Jeanette A. Deas
Dr. Frank E. Kinard
Dr. Gail M. Morrison
Dr. James A. Paschal
Mr. Fred R. Sheheen
Mr. John E. Smalls
Dr. Leonard P. Sternbach
Dr. John C. Sutusky
Ms. Gaylon Syrett
Ms. Julia E. Wells

GUESTS

Dr. Chester Bain
Mr. David Belton
Mr. Jeff Bennett
Dr. Curtis E. Bryan
Mr. Grant Burns
Mr. Michael Hogue
Dr. H. M. Holderfield
Dr. Vermelle Johnson
Mr. Thomas Kinard
Mr. David Larson
Ms. Lynette Lown
Mr. M. Hurst Marshall
Dr. W. David Maxwell
Dr. Richard H. Moore
Mr. Drew Powell
Mr. William T. Putnam
Mr. James Salley
Mr. Jerry Seigler
Dr. Michael Smith
Ms. Janice Traywick
Dr. Edwin F. Wilde
Mr. Jack Wilson

I. Introduction

Mrs. Taylor welcomed Mr. M. Hurst Marshall, President of the South Carolina Council, Inc., and the South Carolina Foundation of Independent Colleges. Mr. Marshall succeeds Mr. J. Lacy McLean, who retired. Mr. Marshall formerly was Vice President of the Tobacco Institute in Washington, D.C., and served as Executive Assistant to the South Carolina Commissioner of Higher Education from October 1969 until December 1972.

II. Approval of Minutes of Meeting of February 4, 1988

It was moved (Turner), seconded (Williams), and voted that the minutes of the meeting of February 4, 1988, be adopted as written.

III. Report of Committee on Academic Affairs

Mr. Turner, chairperson of the Committee on Academic Affairs, reported on the following matters:

a. Consideration of Amendment to Regulations, Teacher Loan Program. The Student Loan Corporation requests consideration of two changes in the existing regulations under which the Teacher Loan Program operates. The first is technical and restores the original intent to restrict student eligibility to those enrolled in programs leading to a degree or certificate. The second would permit students enrolled in accredited two-year colleges to participate.

The Committee recommends that these changes be approved by the Commission and that the Commissioner be authorized to promulgate these changes as required by the Administrative Procedures Act. It was moved (Turner) and seconded (Lewis) that the recommendations of the Committee be adopted. Mr. Brightharp stated that the proposed changes would be discriminatory and would weaken the program by opening it to misuse. The motion was adopted. Mr. Brightharp opposed.

b. Consideration of Report of Consultants Evaluating Programs in Agribusiness and Agriculture. Undergraduate and graduate degree programs in agribusiness and agriculture were evaluated during 1987-88. Twenty-six programs at two public institutions were reviewed by a team of three consultants who conducted on-site visits on October 28-30, 1987.

The Committee on Academic Affairs recommends that the Commission grant full approval to the following programs:

Clemson University:	B.S., Agricultural Mechanization & Business
	B.S., Agricultural Economics & Rural Sociology
	B.S., Animal Industries
	B.S., Food Science
	B.S., Packaging Science
	B.S., M.S., Ph.D., Agronomy
	B.S., Wood Utilization
	B.S., Forest Management
	B.S., M.S., Horticulture
	M.S., Agricultural Economics
	M.S., Animal and Food Industries
	M.S., Ph.D., Forestry
	Ph.D., Animal Physiology
	Ph.D., Applied Economics
	Ph.D., Food Technology

South Carolina State:	B.S., M.S., Agribusiness
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The Committee recommends that the Commission request (1) that Clemson University complete a study for the need for the M.Ag., Agricultural

Mechanization and the M.Ag., Master of Agriculture programs, to be submitted by the University to the Committee by July 1, 1988, and (2) that until this analysis is completed, no new students be accepted into either program, as of May 1, 1988.

It was moved (Turner), seconded (Lewis), and voted that the recommendations of the Committee be adopted.

c. Consideration of Guidelines for Research Grants to Senior Public Colleges. The "Research Incentive Fund" program of The Cutting Edge proposes that research grants be awarded to senior public colleges on the basis of specific proposals. Similar grants to the three public universities are to be apportioned among them by the Commission in a manner that takes into account the previous year's expenditures of externally generated funds for research which each university reported to the Commission.

Draft guidelines for this activity for 1988-89 were considered by the Advisory Committee on Academic Programs on January 21, 1988, and by the Committee on Academic Affairs on February 23, 1988. The Committee on Academic Affairs recommends that these guidelines and the schedule be adopted, provided the program is authorized and funds for The Cutting Edge are appropriated. It was moved (Turner), seconded (Williams), and voted that the recommendation of the Committee be adopted.

d. Consideration of Programs to be Evaluated in 1990-91. The Committee recommends that the following programs (baccalaureate and higher) be approved for evaluation in 1990-91:

History,* Geography and Area and Ethnic Studies, and General Social Sciences
 Political Science,* Government, and International Relations
 Psychology,* Sociology,* Anthropology* and Archeology*
 Communications, Communications Technologies, and Journalism
 Architecture and Environmental Design

It was moved (Turner), seconded (Lewis), and voted that the recommendations of the Committee be adopted.

IV. Report of Committee on Business and Finance

Dr. Williams, chairperson of the Committee on Business and Finance, reported on the following matter:

Supplemental Funding, 1987-88. In June 1987 the Commission made two major changes in its 1988-89 appropriation formula. One was to eliminate the funding of faculty salaries in the summer, a decrease of \$12,698,167, and the other was to change the instructional support percentages for Groups II and III institutions, an increase of \$3,670,915. The net effect of these changes reduced by approximately \$9 million the amount generated by the formula. Both changes are currently under study and may be modified in the 1989-90 formula. The Commission agreed to defer implementation of the changes until the formula funding level reaches 95%.

*Undergraduate and graduate programs to be evaluated for the second time.

If the formula funding level reaches 95%, four institutions (Francis Marion, USC-Columbia, Clemson, and MUSC-Academic) would receive substantially reduced allocations. USC-Beaufort's allocation would be reduced by \$80. The other institutions would not be adversely affected because the loss of the additional funding for summer school is offset by the increase in the support percentages.

The formula is reviewed annually and improvements are made which may increase or decrease the amount generated. Most of the changes have a comparatively similar impact on all the institutions. When a change has a negative effect on only a few institutions, however, a "safety net" is provided. In the past, the Commission's position has been to reduce the impact on any institution that experiences a substantially reduced funding level caused by a formula change.

For these reasons, the Committee recommends that if the 1988-89 formula is funded at 95%, the \$3,015,842 difference be requested as one-time 1987-88 supplemental funding, to be distributed as follows:

Francis Marion College	\$ 25,530
USC-Columbia	2,047,339
Clemson University	418,515
MUSC-Academic	524,468
Total	<u>\$3,015,842</u>

The Committee further recommends that if the supplemental request is approved a proviso be created to allow the institutions to carry the 1988 supplemental funding to the 1988-89 fiscal year. Mrs. Taylor suggested, and it was agreed, that the recommendation also include the \$80 reduction at USC-Beaufort. It was moved (Williams), seconded (Henderson), and voted that the recommendations of the Committee be adopted.

V. Report of Committee on Facilities

Mr. Brightharp, chairperson of the Committee on Facilities, reported on the following matters:

a. Reconsideration of Technical Resources Center, Greenville Technical College. As part of its 1987 update to its Overall Permanent Improvement Plan (OPIP), Greenville Technical College proposed to construct a Technical Resources Center. The project as then proposed would have consisted of a new technical resources center to replace the existing library and provide additional services for business and industry. The project was also scheduled to include a two-story parking garage. Cost was set at \$5 million with \$3 million anticipated from Capital Improvement Bonds.

In November 1987 the Commission voted to defer the project to a subsequent bond bill. After discussion with President Barton and the legislative delegation, the Commission staff agreed to reconsider the recommendation pursuant to the following conditions:

(1) that the State Board for Technical and Comprehensive Education (SBTCE) approves the institution's decision to appeal to the Commission for reconsideration;

(2) that SBTCE notify its approval in writing to the Commission, including any changes from the project's initial submission; and

(3) that the \$1,750,000 cost of the parking garage, which would be part of the Learning Resource Center, be paid as follows: \$1,000,000 from Revenue Bonds (parking fees) and \$750,000 from local sources. The \$1,250,000 balance of local funds would go toward the construction cost of the Learning Resource Center, leaving \$2,000,000 to be paid from Capital Improvement Bonds.

The College submitted an amended proposal calling for the construction of a Technical Resources Center at a total cost of \$5 million (\$2 million from Capital Improvement Bonds and \$3 million from local sources). The parking garage was deleted. The Committee reviewed the amended proposal and recommends that the project be approved with the understanding that Greenville Technical College officials will work with Commission staff in reducing Capital Improvement Bond funding to \$2 million. It was moved (Brightharp) seconded (Kinon), and voted that the recommendation of the Committee be adopted. Mrs. Taylor expressed concern that requests have been made by several institutions that were not included in their Overall Permanent Improvement Plans.

b. Consideration of Acquisition of Pendleton Plant Property, Clemson University. The Clemson University Research Foundation is in the process of purchasing a building owned by Schubert and Salzer Machine Works, Inc., located in Pendleton. The property consists of 35 acres of land with road frontage, rail access, and paved parking, at an estimated cost of \$870,000 to be financed through a 20-year bank loan. At the end of this 20-year period, title will pass to the University for the consideration of one dollar or the University may obtain title at any time after April 1, 1991, by paying in full the unamortized principal balance based on a 20-year loan at 10% for \$870,000. Clemson would lease the facility from the Foundation. The institution requests that funding for maintenance be provided through the appropriation formula. The Committee recommends approval. It was moved (Brightharp) seconded (Brooker), and voted that the recommendation of the Committee be adopted.

c. Consideration of Research Facility, Clemson Research Park, Clemson University. Clemson University proposes to issue RFPs for construction of a generic research facility at the Clemson Research Park. The estimated cost is \$3-5 million, including a \$500,000 escrow account for equipment. The facility is to be tenant driven, and equipment and furnishings will not be procured without tenant input. The net lease cost, assuming a \$5 million facility, is estimated at \$500,000 per year based on 9% interest. Additional operating expenses are projected at \$167,000 annually. As this is a capital lease, the University requests that the State pay only the \$167,000 in annual operating costs through the maintenance portion of the formula.

The Committee commends the project favorably provided

- (1) the RFP is submitted to the Committee for its review and approval prior to the advertisement;
- (2) the lease document is submitted to the Committee for its review and approval prior to execution;
- (3) no unique cost or other special State appropriations are required or requested; and
- (4) maintenance funding is provided through the formula with the understanding that this practice will be examined as a matter of State policy in spring 1988.

It was moved (Brightharp) seconded (Williams), and voted that the recommendations of the Committee be adopted.

d. Consideration of Spine Site Development - Phase I, Clemson University. Clemson University requests authorization to design and implement site improvements in the area south of Cooper Library to be known as the Campus Spine Site Development - Phase I project, at a cost of \$725,000 to be funded from the University's maintenance, repair, and renovation fee account. The work will include additional sidewalks, lighting, parking, and landscaping as well as drainage and roadway improvements. Consultants will design guidelines for the entire spine and schematics for the Phase II area.

The Committee recommends approval. It was moved (Brightharp) seconded (Kinon), and voted that the recommendation of the Committee be adopted.

e. Consideration of Wastewater Treatment Plant Contract, Clemson University. Clemson University requests authorization to establish a wastewater treatment contract between the University and the City of Clemson. The city's payment for these services will cover all costs. The Committee recommends approval of the contract for limited wastewater treatment services for the Clemson Heights subdivision, with the understanding that all costs, now and in the future, be borne by the city. It was moved (Brightharp) seconded (Turner), and voted that the recommendation of the Committee be adopted.

f. Consideration of Permanent Rooftop Heliport, MUSC. MUSC requests authorization to construct a permanent double pad heliport on the roof of the Children's Hospital for the Medicare Program at a cost of \$500,000, to be financed with excess debt service (hospital) funds. The project will include an on-site fueling system and the extension of a current elevator up to the rooftop pad. Flight crew quarters will also be developed on the mechanical floor of the building using available excess space.

The Committee recommends approval. It was moved (Brightharp) seconded (Lewis), and voted that the recommendation of the Committee be adopted.

g. Consideration of Roddey Renovations Project, Winthrop College. Winthrop College requests authorization to increase the budget for this project from \$1.9 million to \$2.35 million, the entire project including the requested increase to be financed from housing debt service funds. The Committee recommends approval. It was moved (Brightharp) seconded (Kinon), and voted that the recommendation of the Committee be adopted.

h. Update, Permanent Improvement Projects Proposed for Funding, Budget and Control Board Recommendations. Mr. Brightharp reported on Budget and Control Board recommendations on permanent improvement projects proposed for funding. He noted that a number of the projects given low priority by the Commission were given high priority by the Budget and Control Board. In several cases the Board recommended funding for architectural and engineering (A&E) costs only. Mr. Brightharp stated that the Commission should examine its position with respect to this practice.

Mr. Jones stated that the Budget and Control Board's decision to fund A&E costs is a grave error. He noted that the institutions' needs will change over a period of several years; funding far in advance, therefore, is not economically sound. He expressed the opinion that the Commission needs a clearer understanding with the Budget and Control Board and the General

Assembly about what they expect of the Commission concerning APIP and OPIP planning and priorities. Mr. Utsey suggested that the staff examine the loopholes contained in the APIP and OPIP structure and Commission policy concerning emergency requests. Mr. Sheheen noted that on November 5, 1987, the Commission adopted new procedures that sets forth a schedule for submission of permanent improvement requests. He reported that the Commission is in process of making transition to the new procedures.

VI. Report of Committee on Implementation of the State Higher Education Desegregation Plan

Dr. Lewis, chairperson of the Committee on Implementation of the Higher Education Desegregation Plan, reported that in February 1988 the Commission approved the guidelines for Desegregation Plan programs to be implemented in 1988-89. The approved guidelines and application forms have been mailed to college and university presidents. Applications for funds will be submitted by April 1, 1988.

VII. Report on Student Efforts on Full Formula Funding.

Mrs. Taylor introduced Mr. Michael Hogue, president of the student body at USC, who reported to the Commission on student efforts to promote full formula funding. Mr. Hogue introduced student body presidents from a number of other colleges and universities in the State who also commented.

VIII. Report of the Commissioner

Mr. Sheheen reported on the following matter:

Report on Efforts to Implement The Cutting Edge. Draft legislation to authorize implementation of The Cutting Edge was amended by the subcommittee of the House Education and Public Works Committee to limit out-of-state enrollment to 30%, to increase an institution's cost for out-of-state students to 75% of the institution's education and general costs, and to provide that both the House Committee on Education and Public Works and the Senate Education Committee must concur with an institution that appeals a recommendation of the Commission to terminate an academic program.

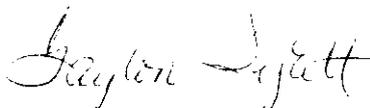
IX. Other Business

a. Recognition of Dr. Curtis Bryan. Mrs. Taylor recognized and welcomed Dr. Curtis E. Bryan, President of Denmark Technical College.

b. Meeting at College of Charleston. Mrs. Taylor reported that the Commission is scheduled to meet at the College of Charleston on Thursday, April 7, 1988.

The meeting was adjourned at 1:00 p.m.

Respectfully submitted,



Gaylon Syrett
Recording Secretary