

MINUTES OF SPECIAL MEETING
OF
SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION

July 16, 1972
9:30 a.m. - 12:30 p.m.

PRESENT:

COMMISSION MEMBERS

Mr. John K. Cauthen
Mr. Hugh M. Chapman
Mr. Alester G. Furman, III
Mr. William H. Grier
Mr. Gedney M. Howe, Jr.
Mr. T. Eston Marchant
Dr. Harrison L. Peebles
Mr. Alex M. Quattlebaum
Mr. James A. Rogers
Mr. Y. W. Scarborough
Mr. Fred R. Sheheen
Dr. R. Cathcart Smith, Chairman
Mr. I. P. Stanback
Mr. T. Emmet Walsh

GUESTS

Dr. W. H. Patterson
Mr. Harold Brunton
Dr. Robert C. Edwards
Mr. Melford Wilson
Dr. M. Maceo Nance
Dr. Charles S. Davis
Dr. Walter D. Smith
Colonel Fred Bosch
General J. W. Duckett
Dr. Theodore S. Stern
Mr. O. Stanley Smith, Jr.

STAFF

Dr. James A. Morris
Mr. William C. Jennings
Mr. James R. Michael

Pursuant to agreement by the Commission a special meeting of the Commission was held on Sunday, July 16, 1972, at 9:30 a.m. in the Conference Room of the Commission offices to discuss in detail the appropriations formula with members of the Commission, the Commission staff and college and university presidents or their representatives.

The meeting was called to order by Chairman Smith who read the following statement:

"You are all very aware of the fact that much has occurred in the short time since we met on July 6. Fred Sheheen and I talked to Dr. Morris as we were instructed to do on the afternoon of July 6. According to yesterday's newspaper and confirmed by a communication that I have received from Dr. Morris here this morning, he will apparently return to his first love, teaching, as Distinguished Professor of Economics at the University of South

Carolina after his resignation from the Commission on Higher Education takes effect on August 28. The decision to take this step has not been an easy one for the Commission and the Commissioner. In the lives of men and organizations there always comes a time for change and it is my earnest hope that this change may prove to be in the best interest of all concerned. Dr. Morris in his tenure as Commissioner of Higher Education has been extremely successful in putting together an outstanding organization. With his help, the help of the Commission and many superb committees, he has plotted an excellent course for us to follow and I know I speak for the Commission in offering our appreciation for a job well done under difficult circumstances. We wish you God Speed, Dr. Morris, in your future role as a truly distinguished professor of Economics at the University of South Carolina and I hope that we may have the privilege of calling on you for advice in the future."

Chairman Smith then turned the meeting over to Dr. Morris who gave a short background on the development of the appropriations formula by the Commission which was followed by an explanation of the fifteen steps comprising the formula by Mr. Jennings.

In general discussion Mr. Quattlebaum stated that the formula in its present stage, in his opinion, is not adequately doing the job it is supposed to do. It was stated by Mr. Quattlebaum that there is too much variance between the 1972-73 formula appropriation figures and the actual appropriations made by the Legislature. In explaining his position, Mr. Quattlebaum presented figures showing the wide variances and stated that he personally could not believe in a formula that would give one school +20.3% and another school -12.5%. He also felt that the formula in its present form was not generally accepted by the presidents.

Mr. Sheheen commented that in the replies from the presidents on suggestions for improvement of 1973-74 appropriations formula at least three institutions expressed some reservations and he felt it would be helpful to know what specific changes the institutions would like to make in the existing formula.

In response to Mr. Sheheen's request Chairman Smith called on the presidents and their representatives for specific suggestions or recommendations. The responses were as follows:

Dr. W. H. Patterson for the University of South Carolina - "We do not have any suggestions at this time."

Mr. Eston Marchant for the University of South Carolina - "We would indicate approval plus endorse Winthrop's suggestion that we ought to go from 80% to 100%."

Dr. Robert C. Edwards for Clemson University - "I'm not opposed to the formula. I support the principle as I have and will continue to but I submit that it is possible to refine what we are doing in such a way that there is a much closer correlation between what you have got to do for the State Budget and Control Board and a formula that does make sense. We have sent a number of suggestions to the Commission in writing recently having to do

with physical plant maintenance items and a three page letter on March 18 with some positive suggestion." (Dr. Morris reported that these suggestions had been dealt with by the Council of Academic Vice Presidents and the Council of Business Vice Presidents.)

Dr. Charles S. Davis for Winthrop - "We are satisfied with the formula as indicated on the sheet. Have no suggestions for any further changes except 100% funding under the formula."

General J. W. Duckett for The Citadel - "My remark previously to the Commissioner is that I would support a formula on a general overall basis but I think this is something we should work in with very carefully. My feeling is that we should go rather slowly on this and that there is a place for it but we should continue to work on it. I like this idea that it would be about 80% and I don't go along that it should be 100% for the next year."

Dr. M. Maceo Nance for South Carolina State College - "I indicated to the Commissioner on a number of occasions I could not agree with the formula that would give the institution less money than presently operating on so we wanted to at least maintain the same level that we have and at one time the formula did not do that. Information the Commission passed out today indicates there is an increase based on 1973-74. The thing that concerns me basically about the entire formula approach is that Item 15 will be so loaded by all of us that when this presentation reaches the Legislature that they aren't even going to look at Item 15 and if this happens the institution I represent will be hurt."

Dr. Theodore S. Stern for the College of Charleston - "My concerns are that the formula that is accepted or presented by the Commission reflect the total needs and I think it is important that this Commission be aware of both the pros and cons of any particular formula approach. My first concern is that the I and DR which is the basic building block for the preparation of this formula in itself is based on credit hours and I think it should be known by this Commission that credit hours are something established by faculty and could be raised very easily. My concern also is that Item 15 can be arbitrarily reduced. In summary, we at the College of Charleston recognize the need for a formula type budget but would suggest caution in the development of this budget and perhaps phase it in over a period of time. I do have reservations on the formula and I do feel that it is most important that Item 15 be strengthened in every way possible."

Dr. Walter D. Smith for Francis Marion College - "The budget the formula proposed for us next year is sound and reasonably close to what we would expect to get. We assume that Item 15 will take care of the start-up. We would hate to see rigidity in a budget and I am convinced it will have to be revised as times change. Item 6 appears to be one that will call for continued examination. We can and are happy to live by this formula budget. If you are looking at the formula I think it might be worthwhile to make some educated judgement as to what this allowable increase by the Legislature will

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be in 1973-74 and perhaps work back into the formula and change some of the details in that formula based upon what might be an ideal increase. To conclude, I think this formula that we have is a refinement of that of last year and I would expect us to continue to refine every year to take care of current conditions."

In concluding the discussion on the appropriations formula Mr. Quattlebaum stated that he felt we could go right on and work with this formula for this year as it is because of the 20% leeway, knowing that we have a lot of work to do on it; that we are going to ask the institutions for their full cooperation on it and their full cooperation will be expected in order to come out next year with a better formula. The Commission will then be in a better position to go to the General Assembly as a Commission and state that it had gotten an input from all the institutions and can call on any of them to back it. Mr. Quattlebaum made a motion that we accept the formula budget as it now stands for this coming year and to proceed to further revise it for next year. Mr. Cauthen seconded the motion which was passed unanimously.

In closing Chairman Smith made the following statement: "I would like to know if there is any college or university president here today that is going to foresee the possibility that he may take a stand against the formula at this time or when it comes up before the Budget and Control Board? Do you think you can live with it this year?" All presidents responded that they would be in support of the appropriations formula.

A motion was made by Mr. Marchant and seconded by Mr. Sheheen that the meeting be adjourned and that an Executive Session be called. The motion was unanimously adopted.

Elizabeth T. Jumper

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Secretary