

MINUTES OF MEETING
OF
SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION

September 6-7, 1978

MEMBERS PRESENT

Dr. James E. Bostic, Jr.
Mr. Arthur J. H. Clement, Jr.
Dr. B. J. Cooper
Mr. Robert C. Gallagher
Mr. Roosevelt Gilliam, Jr.
Mr. Robert E. Graham
Gen. Hugh P. Harris
Mr. Joseph O. Rogers (9/6)
Mr. J. Clyde Shirley
Mr. Arthur M. Swanson
Mr. C. Otis Taylor
Mrs. Margaret Wells
Mr. Robert P. Wilkins
Dr. Robert F. Williams
Dr. Louis D. Wright

MEMBERS ABSENT

Mrs. Jennie C. Dreher
Mr. Robert P. Timmerman

MEMBER OF THE PRESS

Ms. Warren McInnis (9/6)

GUESTS

Dr. Francis T. Borkowski (9/7)
Dr. Cyril B. Busbee (9/7)
Mr. Bernard Daetwyler (9/6)
Dr. Ron Eaglin (9/7)
Mrs. Ruby M. Fricks (9/7)
Dr. Larry A. Jackson (9/7)
Mr. J. Lacy McLean (9/6)
Dr. James R. Morris
Dr. M. Maceo Nance, Jr. (9/7)
Dr. George Reeves (9/7)
Dr. Emil Roy (9/7)

STAFF

Dr. Howard R. Boozer
Mrs. Clara W. Evans
Dr. George P. Fulton
Mrs. Linda M. Hooper (9/7)
Mr. William C. Jennings
Dr. Frank E. Kinard
Mr. Alan S. Krech
Mr. Cannon R. Mayes
Mrs. Lynn W. Metcalf (9/6)
Mr. James R. Michael
Mrs. Ann Shelton
Mr. James L. Solomon, Jr.
Mr. Joseph A. Syiek
Mrs. Judi R. Tillman

September 6, 1978, 2:30 p.m.

I. Introductions

Mr. Swanson, presiding, introduced Gen. Hugh P. Harris and Mrs. Margaret Wells, members who were not able to attend the initial meeting of the restructured Commission on August 17. Dr. Boozer introduced guests and staff present. Mr. Wilkins suggested that staff members wear name tags at Commission meetings until new members have had sufficient time to get to know them.

II. Minutes of the August 17, 1978, Commission Meeting

It was moved (Gallagher) and seconded (Cooper) that the minutes of the August 17, 1978, Commission meeting be approved as written. The motion was adopted.

III. Creation of Standing Committees

Mr. Swanson noted that Act 410 (1978) requires that the Commission "create from among its membership such standing committees as it may deem necessary. The creation of the committees and their duties shall be prescribed by a two-thirds vote of the membership of the Commission."

The need for standing committees on Academic Programs, Budget and Finance, Facilities, and Legislative Relations had been discussed at the August 17 meeting and members had indicated their preferences as to committee assignments. Mr. Swanson called for a motion to create the above-mentioned committees as standing committees of the Commission. It was so moved (Shirley) and seconded (Taylor). The motion was adopted.

Mr. Swanson announced the following appointments to the four standing committees, noting that in most cases members were appointed to committees of first preference. The following appointments were made:

Academic Programs Committee - Mr. Arthur J. H. Clement, Jr., Mr. J. Clyde Shirley, Mrs. Margaret Wells, Mr. Robert P. Wilkins, Dr. Robert F. Williams;

Business and Finance Committee - Dr. James E. Bostic, Jr., Mr. Robert C. Gallagher, Mr. Roosevelt Gilliam, Jr., Dr. Louis D. Wright, Jr.;

Facilities Committee - Dr. B. J. Cooper, Mr. Robert E. Graham, Gen. Hugh P. Harris, Mr. C. Otis Taylor;

Legislative Relations Committee - Mrs. Jennie C. Dreher, Mr. Joseph O. Rogers, Jr., Mr. Robert P. Timmerman.

Mr. Swanson requested that each committee meet when the meeting recessed to elect temporary chairmen. (Temporary chairmen elected were: Academic Programs, Mr. Clement; Business and Finance, Dr. Bostic; and Facilities, Mr. Taylor.)

IV. 1979-80 Appropriation Formula

Dr. Boozer commented on the background of the Appropriation Formula, stating that in 1971 the Governor had requested that the Commission develop a formula approach to making budget recommendations. Formulas used in other states were reviewed and several drafts evolved with the participation of college presidents, academic vice presidents, business vice presidents, and others. Dr. Boozer stated that each year since the Formula was initially approved it has been reviewed, refined, and annually adopted by the Commission. Each year the presidents of the public colleges and universities, the State Auditor, members of the Budget and Control Board and of the House and Senate finance committees, Commission members, and others have been invited to suggest improvements in the Formula for consideration by the Commission.

Mr. Jennings presented a step-by-step analysis of the Appropriation Formula. (The Formula is attached as Exhibit A.) The following discussion ensued (steps in the Formula not listed below are omitted because no questions were raised):

Step 1. Dr. Wright inquired as to whether standardized criteria are applied by each of the institutions in formulating estimated student credit hour production. Mr. Wilkins inquired whether the Commission, through the staff, ever audited the estimated figures with the actual figures. Mr. Jennings stated

that comparison of actual enrollments with prior estimates is made each fall. Mr. Graham questioned whether institutional budgets are adjusted to agree with new actual figures. Mr. Jennings stated that up until 1975-76 a provision in the Appropriation Act called for adjustment of appropriations to actual enrollments. That provision was removed the following year. He stated that the Formula has always contained a provision that calls for adjustment of appropriations based on actual enrollments. Concern was expressed that appropriations are based on estimated rather than actual enrollments. Mr. Wilkins noted that the Legislative Audit Council Report criticized the Formula because actual appropriations are not adjusted in terms of actual enrollments, and indicated that in his view the appropriations should be so adjusted.

Step 2. Dr. Wright made reference to the criticism in the LAC Report that the Formula provides for no adjustment for attrition. Mr. Jennings stated that the question of adjusting for attrition has been taken into consideration by the Commission every year. He noted that each year such an approach has been rejected because the institutions are not able to reduce spring semester expenditures commensurate with normal attrition of 4-5%; spring classes are slightly smaller but most costs, including salaries of faculty on nine-month contracts, continue. He stated that this question, as well as other LAC recommendations, will be considered by a proposed planning task force on the Appropriation Formula.

Step 7. Dr. Bostic expressed concern that this section of the Formula is an increasing part, even with the 31 percent maximum on maintenance and operation. Mr. Jennings suggested that this step be considered for change when studied in the planning process.

Step 8. Mr. Wilkins requested that Mr. Jennings respond to the LAC criticism on the excess salary funding which affects all of the subsequent steps. Mr. Jennings responded that from the beginning it was believed that equity was served by each institution's use of the highest faculty salary average by level regardless of what is actually expended for that purpose. Mr. Wilkins expressed concern that the Formula is overly generous in the calculation of salaries. Dr. Boozer stated that this is a mechanism for arriving at recommended funding of comparable institutions on a comparable basis. He explained that once the institutions receive an appropriation the specific use of funds is an internal management decision. Mr. Wilkins stated that he was questioning the taxpayer burden rather than the equity. Mr. Jennings noted that criteria used here are tested with criteria for other Southern states, and the figures used in this Formula have been found to be quite reasonable. He stated that the figures used are contrary to what the LAC Report suggested and that the statement on page 59 of that Report is inaccurate.

Step 10. In discussion concerning student fee income deduction, Dr. Boozer stated that one of the primary reasons for the Commission's decision on uniform amounts (\$300 for universities and \$200 for colleges) was that the institutions could increase student fees if necessary without being penalized by having such increases immediately deducted from what they otherwise would be entitled to receive through appropriations. In the past, any increase in student fees was automatically deducted from what the appropriation would have been. Mr. Wilkins expressed concern that the Formula encourages the institutions to seek non-resident students. On invitation by the Chairman, Mr. Daetwyler stated that in his view the Formula does not have that result -- an incentive to import out-of-state students would be the case if there were no differential in fees for in-state and out-of-state students.

Step 12. Several examples of special continuing or one-time costs to institutions were cited -- e.g., additional costs at The Citadel because of its unique status as a military college, and the Felton Laboratory School at South Carolina State College. In discussion concerning the Felton Laboratory School, Mr. Clement noted that The Citadel is preparing to use a public elementary school for teacher training purposes and that the College of Charleston is currently using another public school for teacher training, with the costs borne by the public school system in Charleston. He asked why the Felton Laboratory School has never been supported by the public school system of Orangeburg. Mr. Jennings stated that from an educational standpoint there are insufficient opportunities in the Orangeburg area for practice teaching by South Carolina State education students, and that the situation has been reviewed on several occasions by the Commission and the State Department of Education, with the recommendation being that South Carolina State continue to operate the Felton Laboratory School as a separate entity. Dr. Kinard reported that the Felton School has never been a part of the district school system as is the case with the two Charleston schools cited. Felton has always been an integral part of South Carolina State College and is the only such laboratory school in the State.

V. Report of Legislative Audit Council, Dated June 14, 1978

Dr. Boozer distributed copies of all of the recommendations contained in the June 14 Legislative Audit Council Report. He noted that prior to the distribution of the final report he and the four assistant directors had reviewed the draft report on May 29 in the LAC office. He stated that each agency is invited to comment on an Audit Council report with that response being published with the final report. He noted that in his response to the Report his major negative reaction had to do with its tone and the use of non-objective words in the summary section. He complimented the two LAC staff members who were responsible for the Report for their professional approach to their assignment. He stated that the previous Commission and the staff felt, however, that insufficient attention had been given in the Report to the accomplishments of the Commission. He noted that the recommendations contained in the Report are endorsed in the main by the staff.

Dr. Wright referred to the overview statement (page 3 of the Report) where it is stated that "the recommendations offer some new directions for CHE and are intended to provide a future agenda for more effective CHE action," and asked whether this is the duly legislated role of the Legislative Audit Council. Mr. John Cooper, formerly on the LAC staff and chief author of the Report, responded that the legislative authority of the LAC does speak to making any recommendations that would include the effectiveness of agencies and institutions of State Government.

Mr. Clement stated that there is a mandate which tells the Commission what to do and that it is not dependent upon the Audit Council Report. Dr. Boozer responded that the assignment of the Commission is contained in the legislation but that constructive comments from other agencies can be helpful as the Commission tries to accomplish its mandated assignment. Mr. Cooper stated that the intent of the LAC was to compare each of its recommendations with Act 410 (1978) in terms of helping the new Commission more effectively achieve the requirements of the Act.

Gen. Harris suggested that it might be useful to hold a weekend meeting to discuss the LAC Report and other matters related to planning. Mr. Clement stated that he does not see the advantage of having a special meeting for this

purpose, but that the Commission should deal with the recommendations in whatever way it might choose.

Dr. Boozer commented briefly on the recommendations and suggested that they be referred for further study to appropriate groups reporting to the Commission, and that the Commission follow this procedure rather than take specific early action on any particular recommendation. Mr. Rogers stated that it would be non-productive to focus on actions of the prior Commission except as they may be instructive with reference to what is done in the future, and suggested that the appropriate committees consider the recommendations of the Audit Council in their planning efforts. He stressed the importance of assuring that the Commission can defend its actions.

At 5:30 p.m. it was moved (Shirley) and seconded (Wright) to recess until 9:00 a.m., September 7. The motion was adopted.

Dr. Boozer noted that the Planning Prospectus had been distributed to college presidents and others interested, inviting comments and suggestions. He distributed copies of suggestions received, for review by Commission members prior to the discussion of the Planning Prospectus on September 7.

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September 7, 1978, 9:00 a.m.

The meeting was reconvened at 9:00 a.m., Thursday, September 7, with Mr. Swanson presiding. Dr. Boozer introduced guests present.

Mr. Clement thanked Mr. Jennings for his excellent presentation of the Appropriation Formula at the Wednesday session. He stated that because there were some questions which were asked repeatedly about the Formula it needed careful reappraisal before next year. He suggested that a committee of Commission members be appointed to study the Formula and report its recommendations to the full Commission. Dr. Boozer requested that a decision on this matter be deferred until later in the meeting when the Planning Prospectus is discussed. He stated that there is proposed a Task Force on the Appropriation Formula and that the composition of that task force could be considered during discussion of the Prospectus.

VI. Review of Academic Programs Referred to the Commission by the Budget and Control Board

Dr. Kinard commented on the August 30 memorandum to Commission members concerning the sequence of events that resulted in referral by the Budget and Control Board of seven proposed new programs back to the Commission for consideration. The staff recommended that the Commission ratify approval of the actions taken by the Commission on July 6. Dr. Boozer stated that in preparation of the July 6 Commission meeting, the Attorney General's office was contacted with reference to the effective date of the moratorium under Act 410 (1978) and that it had been understood informally that it would be the date the Act became law (March 6, 1978). The program proposals approved by the Commission on July 6 were therefore referred to the Budget and Control Board for further action. The July 14 formal opinion of the Attorney General indicated, however, that the moratorium would begin when the new Commission assumed office and that the actions of the old Commission were valid under existing law. He stated that that was the rationale for his strong recommendation that the Commission ratify the July 6 actions of the old Commission.

Mr. Clement stated that because, in his opinion, there was no evidence of immediate need at the time the programs were presented to the Academic Programs Committee of the old Commission he had abstained from voting on each program at the July 6 meeting. He further noted that the old Commission had been criticized for unnecessarily proliferating new programs at the institutions. He suggested that these proposals be referred to the Academic Programs Committee of the new Commission for evaluation.

- In further discussion concerning the immediate need for approval of these programs, Mr. Wilkins asked how seriously damaged any institution would be if consideration of those programs were deferred to the next Commission meeting. Mr. Swanson inquired as to whether federal funding of these programs would be in jeopardy if consideration of them were deferred to another meeting. Dr. Kinard reported that only one program -- the Educational Resource Center for Occupational Safety and Health, USC-Columbia -- would be dependent on federal funding. He stated that the other programs would be independent of major federal funding, would be self-supporting through projected enrollment, and would not require special Formula funding.

It was moved (Clement) and seconded (Bostic) that the proposals be referred to the Academic Programs Committee of the Commission for further study and that the Committee report its recommendations to the Commission at a later date.

Dr. Bostic stated that, because the Budget and Control Board did not act on the proposals but referred them back to the new Commission, the Commission should act on them at this time. He stated that the Commission should take the firm stand that, while it is working on the Master Plan, no new program will be approved unless the Academic Programs Committee believes an immediate need for that program exists.

There was further discussion concerning the immediate need for the proposed programs. Mrs. Evans explained why the Budget and Control Board had approved the B.S. in Nursing program at MUSC and Winthrop College, stating that HEW is in the process of reviewing the application and that in all likelihood the funding will become available.

It was moved (Wilkins) and seconded (Taylor) to amend Mr. Clement's motion to require the Academic Programs Committee to present a recommendation at the next regular meeting of the Commission. The amended motion was adopted. The motion that the proposals be referred to the Academic Programs Committee for further study was also approved.

VII. Planning Prospectus

Mr. Michael led the discussion of the Planning Prospectus. He pointed out that it is proposed as a vehicle to enable the new Commission to get underway promptly with the development of the Master Plan. It identifies responsibilities, suggests a schedule which will permit the Commission to meet the imposed deadline of August, 1979, and proposes a number of planning task forces -- by necessity fairly large to include representatives of the various interests in a particular subject. He reported on the distribution of the Planning Prospectus, listing the agencies and individuals that had been provided copies. He noted that the responses received had been distributed to Commission members.

Mr. Clement noted that he had written to Dr. Boozer and commended the staff for proceeding with the drafting of the Prospectus. He noted that he differed with some of the recommendations, and suggested that the Chairman of the Commission be the Chairman of the Steering Committee. After discussion, there was consensus that the Commission Chairman should serve as Chairman of the Steering Committee.

Mr. Clement also referred to the proposed Task Force on the Appropriation Formula and suggested that a committee, composed of members of the Commission, be formed to do an in-depth study of the Formula. Dr. Wright stated that the listing of Steering Committee members should reflect that it ultimately would include more than five Executive Committee members. Dr. Bostic expressed concern that Goals and Missions were not assigned to the same study group. Mr. Michael noted that it is important that goals be established for post-secondary education and that missions be assigned to the institutions to meet those goals. He stated that if the two groups were combined a result could be the creation of goals to suit the missions, which might not be the preferred sequence.

Mr. Shirley noted that the Legislature often has ignored or overruled good recommendations made by the Commission, and suggested that the Master Plan include the request that the Commission be offered an opportunity to present a case to the Legislature a second time in the event it voted contrary to the Commission's recommendation. He questioned whether the Commission gets an adequate hearing before the Legislature on proposals and recommendations. Mr. Michael stated that an annual legislative program is being proposed in which the Standing Committee on Legislative Relations will review legislation and the Commission's relationships with the General Assembly and propose a plan of action for consideration by the Commission in December. Such a plan would be a guide for the next legislative session and would result in more effective relationships with the General Assembly. Mr. Michael also explained that the staff routinely monitors actions of the General Assembly and proposes a response when indicated. Mr. Shirley stated that there should be a specific procedure for the Commission to follow when legislative action is contrary to that recommended by the Commission. Mr. Michael suggested that the Commission take the initiative to make itself heard and make appropriate legislative committee chairmen aware of the Commission to the point that they would not consider legislation pertaining to higher education without first requesting the Commission's recommendations. Mr. Wilkins suggested that a new standing committee on Public Information be established. Mr. Gilliam suggested that the election of the vice-chairman not be postponed to a later meeting. Dr. Boozer questioned whether the Commission wanted to elect a vice-chairman and an at-large member in view of the fact that, if a Public Information Committee is established, its chairman will be a member of the Executive Committee. The Chairman of the Commission, chairmen of five standing committees, a vice-chairman, and an at-large member would result in an Executive Committee of eight members, and all eight would also be members of the Planning Steering Committee. He also noted that election of chairmen by the committees, rather than appointment by the Chairman of the Commission, might affect the desire of the Commission for any at-large members on the Executive Committee.

It was moved (Wilkins) and seconded (Clement) that a Standing Committee on Public Information be established and that the chairman of this Standing Committee be a member of the Executive Committee. The motion was adopted. It was also moved (Wilkins) and seconded (Gilliam) that the prior action of the Commission calling for at-large members of the Executive Committee be rescinded. The motion was approved.

Gen. Harris stated that the staff seems unsure about what the appropriate roles of the Commission and the staff should be. He indicated his view that the Commission, not the staff, is responsible to the public for its actions. The staff should assist the Commission in carrying out its responsibilities. He stated that the staff should take the initiative, and the Commission should take the responsibility. Dr. Boozer agreed with Gen. Harris's remarks, stating that the distinction being made is the difference between the determination of policy and responsibility for administration and the implementation of policy decisions.

Mr. Michael noted that a public college president had expressed concern that the three university presidents were represented on the Steering Committee and that the public college presidents were represented by only one of their number. He stated that the State Auditor had suggested that the Director of State Planning also be asked to serve on the Steering Committee. It was agreed that the Director of State Planning and an additional public college president be added to the Steering Committee.

Dr. Bostic suggested that task forces on teacher education, graduate study, and technical education be added. Mr. Michael requested that direct response to this subject be delayed until later in the discussion of specific task forces.

Mr. Wilkins questioned the role of the Executive Director in selection of members of the task forces. He requested that the Commission be given an opportunity to know in advance how those selections are to be made. Mr. Shirley suggested that Commission members make suggestions to the Executive Director who could compile a list of people he invites to serve in all areas. It was agreed that suggestions by Commission members of candidates for membership on the various task forces would be welcomed. Members were requested to submit their suggestions by September 25. Dr. Wright requested that the staff prepare a separate list of those task forces that will have public and student members to assist them in making suggestions.

Dr. Bostic asked whether review by the Task Force on Institutional and Sector Missions of the institutional and sector mission statements approved by the Commission a number of months ago would limit the ability of the colleges and universities to articulate their goals if they differ from those earlier policy statements. Mr. Michael stated that there is no intent to place any such limitation and that a letter has been sent to all the presidents inviting them to submit statements concerning the goals and missions of their institutions. Dr. Bostic requested that the words "approved by CHE in 1978" be stricken from that section in the Prospectus.

Dr. Bostic also requested, and it was agreed, that a public member be added to the Task Force on Enrollment Projections.

In discussion concerning the Appropriation Formula, Dr. Boozer noted that various constituencies have been invited annually to suggest improvements in the Formula. Mr. Clement stated that he was comfortable with the Task Force on the Appropriation Formula but still felt that the Commission should have its own committee made up of Commission members to consider the Formula and report to the full Commission. Dr. Boozer stated that the Standing Committee on Budget and Finance has this responsibility. It was decided that the Chairman of the Standing Committee on Budget and Finance will serve on the Task Force on the Appropriation Formula. Mr. Clement stated that Gen. Harris, Mr. Gilliam, Mrs. Wells, and Mr. Wilkins could make valuable contributions to discussions

concerning the Appropriation Formula. Dr. Boozer suggested that these members might be added as an ad hoc committee to the Budget and Finance Committee for this purpose.

Dr. Bostic asked why it would not be appropriate to combine the task forces on Information Systems and Computers. Mr. Michael stated that their perspectives are somewhat different. Mr. Jennings noted that the Task Force on Computers would consider the operation of computers as opposed to the output of management information. Mr. Brooks stated that when considering management information, one is concerned with management; when considering computers, one is concerned with computer hardware. Dr. Wright suggested that the two task forces be instructed to coordinate their activities.

Mr. Taylor suggested, and it was agreed, that review of tenure be added to the charge to the Task Force on Faculty.

Mr. Michael stated that the Executive Director of the State Budget and Control Board had recommended that a staff member of that Board be added to the Facilities Task Force, and that a representative of the Joint Capital Improvement Bonds Committee also be asked to serve. It was agreed that these two additional members would be added. It was also agreed that a public member would be added to the Task Force on Facilities.

Dr. Bostic suggested that the charge to the Task Force on Academic Programs be reworded to make it clear that it includes undergraduate and graduate programs and two-year technical education offerings, as well as unnecessary duplication.

It was agreed that a representative of the State Association of School Librarians would be added to the Task Force on Libraries as a public member representative. Mr. Michael stated that one of the four-year college presidents had recommended adding a representative from the Council of Presidents of Public Senior Colleges and Universities to the Task Force on Two-year Education. It was agreed that the Council of Presidents would be invited to name a member of a governing board of a public senior college or university to serve on this Task Force.

The Executive Director of the State Budget and Control Board has suggested that a staff representative from that Board be added to the Task Force on Student Financial Aid. It was agreed that this would be done.

Mr. Clement suggested that a representative from the South Carolina Association of Student Councils and a high school principal be added to the Task Force on Freshman Admissions. It was agreed that this would be done.

Dr. Wright asked why the responsibility for designating the task forces concerned with health education is being delegated to the Health Education Authority. He also questioned the chairmanship of the Health Education Authority, noting the difference from other task forces where Commission members will serve as chairmen. Dr. Boozer stated that it would be appropriate for the Commission to review the Health Education Authority, which was created in 1974 primarily to facilitate the Commission's coordinating responsibilities with respect to the medical schools at MUSC and USC. He stated that the HEA has made a number of studies under sub-committees in the past, and noted that the concerns of the HEA range throughout the entire spectrum of health education, including allied health, nursing, medicine, and nutrition. Dr. Wright stated his belief that apples and oranges are being mixed and suggested that the staff define the task forces on health

education and put aside the issue of the HEA for the moment. In his view decisions concerning the composition of the HEA should not be made by that body. He recommended that the task forces to deal with components of health education be defined as in the previous sections of the Prospectus, and suggested further that one of those task forces be charged with evaluating the HEA and its role.

Mr. Michael suggested that health education be listed as a task force in the Prospectus, with sub-committees to be determined, in order to proceed with the necessary planning activities. Dr. Wright suggested that this subject be brought back to the Commission at a later date for further consideration. He commented that, in his opinion, the HEA membership does not appear to include enough educators and that the three universities are outweighed by vested interest groups.

Mrs. Evans commented that the HEA currently is undergoing a self-evaluation and will meet soon to discuss its composition and areas which require planning during the coming year. She noted that there also exists an advisory committee on nursing that is advisory to the Commission on Higher Education and to the State Board of Nursing, and a Dean's Committee on Medical Doctor Education that was created by the General Assembly. She stated that there needs to be coordination of the planning being done by different groups in the health area and that HEA will present recommendations concerning this to the Commission. She stated that the staff has prepared a paper outlining the role of the HEA and that copies are available to any interested members.

Mr. Wilkins suggested that the State Department of Education be represented on the freshman admissions and the two-year education task forces, and that the State Department of Education be represented on any task force where it can make a contribution. Mr. Krech reported that a member of the State Department of Education is already on the two-year group. It was agreed that a representative from the State Department of Education will be added to the freshman admissions group.

Gen. Harris inquired as to whether each task force should be chaired by a member of the Commission. It was agreed that a member of the Commission will serve as chairman of each task force. Gen. Harris also asked whether sufficient funds have been appropriated to cover the added expenses to be incurred in developing the Master Plan. Dr. Boozer commented that when the Legislature added the mandate for the Master Plan it did not increase appropriations.

Dr. Boozer suggested that the State Superintendent of Education or his designee be added to the Steering Committee. It was agreed that this would be done.

Mr. Taylor expressed concern about how the quality of the graduates might be measured. He asked if the task forces could establish criteria to monitor performance with respect to quality. Mr. Wilkins agreed that this was an excellent point, and noted that this criticism by the Legislative Audit Council was difficult to deal with. He stated that the Commission should make an effort to evaluate quality, perhaps by use of a testing program. It was suggested that there are various ways to approach such evaluation, among them the success of graduates (placement, etc.) and program evaluation.

Mr. Michael noted that the Task Force on Goals has a specific charge to establish criteria and annually to assess progress in moving toward the achievement of identified goals; logically one of the goals would be to improve the quality

of higher education in the State. It was suggested that the Task Force on Goals include the question of assessing quality in its charge. Dr. Boozer stated that a number of reports are submitted to the Commission on a regular basis by the institutions but that there are additional areas not now covered (e.g., relating to quality indicators) that would require additional data from the institutions.

Dr. Nance, Chairman of the Council of Presidents of Public Senior Colleges and Universities, commented that there are times when institutional representatives question the necessity of information being requested. He expressed the hope that the Commission will take into consideration the actual need for information. Gen. Harris suggested that the staff pull together information from various sources and provide the summarized material to the task forces.

Mr. Michael stated that Act 410 (1978) requires that the Master Plan be updated annually. He stated that the annual planning cycle in the Prospectus was designed to assist the Commission in responding to that requirement in the law.

Dr. Bostic asked whether the Commission was expected to agree with the annual planning cycle as set forth in the Prospectus. Mr. Michael stated that it was suggested for the Commission's consideration. Dr. Boozer expressed hope that the Commission would endorse the approach presented in the Prospectus, with any desired modifications. The staff needs authorization to proceed within these general parameters. Dr. Bostic requested that Appendix C of the Prospectus be called a Proposed Annual Planning Cycle.

Mr. Michael noted that one president had raised the question as to whether there should be a task force on administrative staff, since there are task forces on facilities and faculty. After discussion of where this responsibility might be assigned, it was suggested by Dr. Bostic that it be part of the charge to the Task Force on Higher Educational Information Systems. It was moved (Clement) and seconded (Williams) that the Commission approve the Planning Prospectus, with revisions as have been outlined. The motion was adopted. Mr. Shirley asked that the motion include commendation of the staff for drafting the Prospectus.

VIII. Further Consideration of Academic Programs

When the meeting reconvened following lunch, Mr. Clement spoke on behalf of the Academic Programs Committee. Because it would be almost impossible to hold a meeting of the Committee prior to the October 3 Commission meeting, the Committee had decided to meet during lunch to discuss questions raised by Commission members concerning the seven proposed programs referred by the Budget and Control Board. Mr. Clement reported that the Committee voted unanimously to recommend approval of the seven programs. It was moved (Clement) and seconded (Harris) that the seven programs be approved. The motion was adopted. Dr. Bostic requested that the record show that he was opposed to this action because he believed that the institutions would be encouraged to submit proposals for new programs that cannot be justified as meeting "pressing local needs." On Mr. Clement's request, Dr. Kinard stated that he had been asked to advise the academic deans and vice-presidents at the institutions that proposals for new programs during the moratorium will be carefully scrutinized in terms of requirements of the law and of the Commission.

IX. Consideration of 1979-80 Commission Appropriation Request

Mr. Michael stated that the Budget and Control Board gives each State agency an allocation which it cannot exceed in its basic request. He noted that when applying that allocation against last year's appropriation and the built-in increases, the Commission must absorb a reduction of \$31,683 in its State appropriation. He stated that because the requirement for funds for student loans is decreasing, most of the reduction will be absorbed in that program.

Mr. Swanson asked whether additional funds will be requested to cover expenses incurred because of the additional duties assigned to the Commission under the law (e.g., licensure, Master Plan development, etc.). Mr. Michael suggested that a new priority item be inserted to request additional funds to cover increased operating expenses that will be incurred by the task forces.

Mr. Clement suggested that at some time a task force should be appointed by the Commission to evaluate budget and personnel needs of the Commission and the performance of staff.

In discussion concerning the use of consultants, Mr. Clement suggested that the Commission be advised in advance when the staff is contemplating employment of a consultant. Mr. Wilkins agreed that this should be the policy and a responsibility of the Commission. Mr. Michael stated that consultants cannot be hired by a State agency without the approval of the Budget and Control Board, and suggested that the Executive Director be given that responsibility, subject to the required approval of the Budget and Control Board. It was moved (Wilkins) and seconded (Clement) that any hiring of consultants be approved in advance by the Commission. After considerable discussion, the motion was disapproved, with six affirmative and seven negative votes. It was moved (Gallager) and seconded (Clement) that outside consultants employed be reported to the Commission as soon as possible for information. The motion was approved unanimously.

Dr. Wright asked whether the staff has investigated the availability of public and private grant funds. Mr. Michael stated that in the health area this has been done, and that the Commission has also received small comprehensive planning grants for the past several years. Mr. Clement stated that efforts should be made to secure federal and foundation grants, even if it means employing additional staff to prepare grant proposals.

There was discussion as to whether the Commission should request new staff positions in the budget. Dr. Boozer noted that three additional staff positions have been requested in each of the past four years and none has been funded. Gen. Harris stated that, as a result of the new Act and the new Commission, next year would be the best opportunity ever to request necessary additional funds and staff. In discussion of the three positions being requested, Mr. Clement called the attention of the Commission to a criticism concerning minority employment by various State agencies. He expressed his belief that there generally has been a negative approach to hiring minorities; with three new staff positions being requested, he hoped that consideration would be given to the hiring of minorities.

Dr. Boozer suggested that additional funds be requested to support CHE standing committees and task forces to carry out the mandates of the Legislature. It was moved (Clement) and seconded (Harris) that the Commission request additional funds in the amount of \$25,000 for 1978-79 and \$25,000 for 1979-80. The motion was adopted. It was moved (Wright) and seconded (Gallager) that the budget be approved with the above-stated amendments. The motion was adopted.

X. Other Business

There was discussion concerning personalized license plates available to CHE members. It was agreed that Plate No. 1 would be reserved for the Chairman, No. 2 for the Vice-Chairman, and that subsequent numbers would be allocated according to seniority on the Commission and alphabetically for those whose initial appointment was on July 26, 1978.

Mr. Wilkins stated that it has been suggested that the Commission elect two temporary vice-chairmen at this time, rather than deferring action to January, 1979 [at the August 17 meeting "it was moved (Shirley) and seconded (Clement) and voted that the election of a vice-chairman be deferred until January." See minutes, p. 356]. It was moved (Wilkins) and seconded (Gilliam) that two temporary vice-chairmen be elected at this time to serve until January, 1979. Mr. Swanson asked which of the two vice-chairmen would preside at a Commission meeting in the event that the Chairman is not available. The motion was amended (Wilkins) and seconded (Gilliam) that the action taken by the Commission on August 17, as stated above, be rescinded, and that two vice-chairmen be elected. The amended motion was approved. Mr. Clement expressed concern that the role of the Chairman would be weakened by election of two vice-chairmen. After further discussion, it was moved (Wilkins) and seconded (Clement) that the action to elect two vice-chairmen be rescinded. The motion was adopted.

On motion made (Clement) and seconded (Gallager) and voted, the meeting was adjourned at 2:00 p.m.

Respectfully submitted,



Judi R. Tillman
Recording Secretary (Acting)