

POSITION STATEMENT
OF THE
COMMISSION ON HIGHER EDUCATION
RELATIVE TO SUPER COMPUTER FUNDING

At its March 1989 monthly meeting, the Commission on Higher Education adopted a resolution which urged the Governor and the General Assembly to take no action on super computer funding until the Commission had the opportunity to review and report on the existent proposals. Since that time the matter has become an increasingly controversial item of public policy, and we herewith set forth the basis for our position. This statement outlines the several distinct bases for our concern.

First, the procedure we propose is required by statute. The law requires that "[s]upplemental appropriation requests from any public institution of higher education must be submitted first to the commission." Code of Laws of South Carolina §59-103-35 (as amended). Both Clemson and the University of South Carolina should be required to comply with this requirement. We believe this, not only because the requirement is written in the statutes, but because the State should not tolerate the efforts of any institution to operate above the law.

Equally important, any other course of action reduces the ability of the Commission to perform a basic function for which the Commission was created; that is, to conduct the preliminary evaluation of the fiscal needs of all institutions of higher education. This evaluation consists of both a determination of the needs of each institution in the absolute sense and a balance of the needs of an individual institution against the needs of other institutions in light of the limited resources of the State.

For the General Assembly to consider an application for funding by or on behalf of an institution, without complying with the statutory requirement, trivializes the entire process and sends a clear signal to other institutions who have respected the legally established procedures that such a course of action is neither necessary nor effective.

The Legislature should refuse to consider this request in order to give our colleges and universities a message that it favors institutional planning, a mandate of the Cutting Edge legislation.

In that regard, it seems to us that both Clemson and the University of South Carolina find themselves on the horns of a dilemma to explain why they failed to direct their application to the Commission.

Both institutions assert that super computer resources are critical to the next stage of institutional advancement in research. Accepting the assertion as true and considering the extraordinary cost, we are left to wonder why the Commission and its staff were not officially involved by the institutions long ago.

The Commission has examined and passed upon requests involving enhanced computing capability for many institutions in the past few years, including our research universities. We believe that the plausible explanations are one or both of these: a) a lack of institutional planning; b) the result of an unhealthy kind of institutional competition. If these eleventh hour efforts are the result of inadequate or untimely planning, we believe that over the long term the State will best be served by postponing the acquisition of super computers until the needs and potential solutions have been given full study, both at the institutional and the statewide level.

But what if the timing and process of these applications reflect intra-institutional competitiveness? We applaud an appropriate level of

such competition. It can be a healthy tool for institutions to ensure that their standards and achievements remain highly competitive. However, in this context, where the costs are measured in tens of millions of dollars; where funding two super computers may mean needless, wasteful duplication; and where there are other extraordinary needs for institutions which have not received full formula funding for many years, we believe that South Carolina can ill afford this measure of institutional competition.

From public reports and from the ad hoc efforts of our staff, it seems to us that a statewide perspective is imperative to ensuring the best decision for South Carolina with regard to acquisition of super computing capability. Among states which have acquired super computing capability, some of which are wealthier and have more institutions of higher learning than South Carolina, many are able to support their needs with a single super computer, raising a question as to the need for two in South Carolina.

Additionally, we have learned that one of our institutions is seeking the establishment of an institute to manage its proposed super computer as well as millions of dollars annually in operating funds. If the General Assembly acts on these requests, we are concerned that there may be intense pressure to allow the creation and funding of the bureaucratic and administrative structure for this new equipment.

In a state which is unable to fund fully the higher education formula, a significant increase in operating funds for the super computer institutes means that every other institution in the State will indirectly support this endeavor by the loss of funds which it could otherwise expect. In any event, we put both Clemson and the University on notice that this Commission will not automatically grant program approval for proposed institutes and will not automatically provide extraordinary

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(Step 12) funding for operations. We look with disfavor on applications for legitimization and funding, after the fact, for that which should have been brought before us in the first instance.

The further erosion of formula funding directly affects the fiscal health of all institutions, resulting in indirect impacts such as the well publicized dilemma of low faculty salaries and deferred maintenance, and may also result in additional tuition increases. While it seems likely to us, again from public accounts, that South Carolina can benefit from the acquisition of super computing capability, we choose not to prejudge that assessment without full exploration of the needs, the benefits, and the costs, both direct, operating, and indirect costs by deferment of other needs, both of the research universities and higher education at large.

Finally, the General Assembly has before it a supplemental appropriation request from the Commission which was adopted a few months ago in the customary fashion after participation by every institution of higher education in the State, including Clemson and the University of South Carolina. Each institution in the State will receive some supplemental appropriation for much needed equipment under our proposal. We are concerned that if the General Assembly funds super computers for Clemson and the University of South Carolina, supplemental funding for higher education will be exhausted without the opportunity for all institutions to receive a proportionate share. We believe such a result is unacceptable.

Summarizing, then, we believe that reckless and unplanned expenditures on super computer technology, without a careful analysis of the needs of the State, may have an adverse affect on the following aspects of higher education:

1. The drain in capital and operating funds will diminish the prospect of improving faculty salaries.
2. The drain in capital and operating funds may entice the institutions to turn to higher tuition and fees to defray the costs.
3. Appropriations directly to the two universities for capital and operating funds for excess super computing capability will diminish funds available to other institutions in the State for capital and operational purposes.

We wish to make clear that for us this not a turf issue. We are pleased with the Kirsh and Johnson Amendment to House Bill 3600 which establishes an ad hoc task force to examine the issue of super computer funding. Whether the statewide issues are determined by us under existing statutes or are determined in some other forum adopted in the legislative process, is beyond our particular responsibilities, and we are satisfied with any decision the Governor and the General Assembly reach to provide an examination of the issue from a statewide perspective.

One of the functions of the Commission is to project before the State the voice of higher education at large. Thus, it is with a profound sense of regret that we find ourselves speaking for temperate deliberation when two of our flagship universities advocate immediate and perhaps ill-considered action.

However, our responsibility is not to individual institutions but to the promotion of higher education from a statewide perspective.

Thus, we respectfully renew our petition to the Governor and the members of the General Assembly to respond favorably to our call for investigation and thorough deliberation before committing South Carolina to this extraordinarily expensive undertaking.

The Commissioner of Higher Education is instructed to send copies of this statement under the seal of the Commission on Higher Education to the Governor, members of the Budget and Control Board, all the members of the General Assembly, and to the Presidents of the institutions of higher learning in South Carolina and to work actively to implement this policy in the General Assembly.