

MINUTES OF MEETING
OF
SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION
January 9, 1997
10:30 a.m.

MEMBERS PRESENT

Mr. R. Austin Gilbert, Chairman
Ms. Rosemary H. Byerly
Ms. Dianne Chinnes
Mr. E. Bart Daniel
Dr. Colgate W. Darden, III
Dr. C. Edward Floyd
Mr. Dalton B. Floyd, Jr.
Mr. Frank Gilbert
Mr. Winfred S. Greene
Dr. W. David Maxwell
Gen. Thomas R. Olsen
Mr. Bill H. Stern

MEMBERS ABSENT

Mr. Lewis Phillips

STAFF

Ms. Mary Broadwater
Ms. Camille Brown
Mr. Michael L. Brown
Ms. Saundra Carr
Ms. Renea Eshleman
Mr. Charles D. FitzSimons
Dr. Nancy Healy-Williams
Ms. Margaret L. B. Hicks
Mr. Alan S. Krech
Ms. Lynn W. Metcalf
Dr. Gail M. Morrison
Ms. Ellen Moschella
Dr. Michael Raley
Mr. Jeff Richards
Mr. Fred R. Sheheen
Mr. John E. Smalls
Dr. Michael Smith
Ms. Yolanda Solone

Ms. Janet K. Stewart
Dr. Aileen C. Trainer
Dr. Lovely Ulmer-Sottong

GUESTS

Dr. Robert E. Alexander
Mr. Gene Allen
Mr. Todd E. Barnette
Mr. Arthur M. Bjontegard
Mr. Charles A. Brooks
Dr. C. Leslie Carpenter
Ms. Donna Collins
Ms. Mary Jo Cook
Dr. John F. Cormier
Ms. Betty Davidson
Ms. Susan DeWitt
Dr. Nancy C. Dunlap
Mr. John L. Finan
Mr. David Fleming
Dr. Carol Z. Garrison
Mr. Sandy Gilliam
Mr. Alan Godfrey
Mr. Ralph Green
Ms. Reita Guthrie
Dr. Tom Hallman
Dr. H. McLean Holderfield
Mr. Bob Humphreys
Dr. David Hunter
Mr. Charles Jeffcoat
Dr. Reid Johnson
Mr. Jim Kirk
Col. Ben Legare
Mr. Howard Lundy
Col. Calvin G. Lyons
Mr. Jeff Martin
Dr. Harry G. Matthews
Dr. Michael McCall
Mr. Gary McCombs

Dr. Isaac S. Metts, Jr.
Dr. Jeffery R. Olson
Mr. Don Peterson
Mr. Ron Rhames
Dr. Herbert C. Robbins
Dr. Monica Scott
Dr. Carol Sealer
Mr. Charles Shawver
Dr. Earline Simms
Dr. John C. Stockwell
Dr. John C. Sutusky
Col. Donald Tomasik
Mr. Jim Vincent
Dr. Lex D. Walters
Dr. Marcia Welsh
Mr. Neyle Wilson
Mr. Mark Wright

MEMBERS OF THE PRESS

Ms. Mona Breckinridge
Mr. Sid Gauldin
Mr. Bill Robinson

For the record, notification of the meeting was made to the media as required by the Freedom of Information Act.

1. Approval of Minutes of Meeting of November 7, 1996

It was moved (Greene), seconded (Daniel), and voted that the minutes of the meeting of November 7, 1996 be approved as written.

2. Committee Reports

3.01 Report of the Committee of the Whole

Approval for submission to the General Assembly of the report entitled
Performance Funding: A Report of the Commission on Higher Education
and regulations Pursuant to Act 359

Mr. Sheheen recalled that the Commission's Committee of the Whole requested the Commission staff to take the recommended changes to the report entitled

Performance Funding: A Report of the Commission on Higher Education and to include the changes in a revised document to be presented to the Commission at the January meeting.

He noted that there was concern as to whether the institutions would be able to provide data on all 14 proposed indicators in the first year. The Council of College and University Presidents and the Commission staff recommended that the Commission should be empowered to suspend one or more of the individual indicators should data be unavailable.

Mr. Sheheen stated that the only changes in the regulations reflect the changes in the document.

Mr. Sheheen stated that the question of FTE faculty was resolved with the Council of College and University Presidents and the Commission staff except that USC and Clemson who would like to have a definition that applies to their respective institutions. He noted that the instruction of the Commission and the Steering Committee was that the definition must be identical for all the sectors and all institutions in the sectors. The recognition of the unique roles and missions of sectors and among institutions would be established in the benchmarks and weights. Dr. Smith stated that there might well be reason to defer action on the actual definition at this point so that the Commission staff can work further with the institutions to form a consensus on the definition. If this is decided, the definition of FTE faculty would not be included in the document now or the report to the General Assembly. Mr. F. Gilbert stated he feels that the Commission has had enough time to deal with the matter. Dr. Alexander requested more time to acquire a state-wide consensus to reflect differences within sectors. It was moved (Darden), seconded (Daniel), and voted to defer action on the definition of FTE faculty until the Commission staff and the institutions work further on it to return to the Commission in February with (F. Gilbert) voting in the negative.

It was moved (Stern), seconded (Darden), and voted for approval of the report, including the changes, entitled Performance Funding: A Report of the Commission on Higher Education and the regulations pursuant to Act 359 for submission to the General Assembly.

3.04 Report of Committee on Finance and Facilities

Mr. Daniel, chairman of the Committee on Finance and Facilities, reported on the following matters:

A. Depreciation Reserve Funds for Facilities Maintenance

At the request of the Finance and Facilities Committee, the Commission staff conducted a national survey requesting response to the following question: Does your state or institution require that reserve funds, depreciation funds, sinking funds, or any similar funds account be set aside at the time of facilities construction for the future maintenance of the building? Of the 21 responses, none of the respondents indicated that they have policies regarding any such reserve funds or similar accounts for future maintenance of buildings.

Conversations between staff and various institutional representatives have indicated that given the current methodologies for fiscal operations at state institutions, the practice would not be feasible.

This report is for information only.

After some discussion, it was moved (Stern), seconded (F. Gilbert), and voted that all Facilities recommendations on new projects will include, for information purposes, an estimate of what a reasonable depreciation reserve fund would be for the respective project.

B. Interim Projects

1. University of South Carolina - Master Land Acquisition Plan

The Master Plan at the University establishes a long range vision of the physical development of the campus consistent with the University's mission. The Development Boundary reflects the conceptual approval of property acquisitions within a set boundary.

The Committee recommended that the MLAP be approved as proposed provided that 1) future land acquisitions which are based upon this Development Boundary be consistent with the master plan presentation, 2) the Division of General Services, Property Management, reviews and finds acceptable each required environmental study and appraisal, and 3) that no student fee increase result from any of the acquisitions.

It was moved (Daniel), seconded (Olsen), and voted that the recommendation be approved.

2. College of Charleston - Patriot's Point Outdoor Athletic Complex

This project consists of a proposed lease by the College from the Patriot's Point Development Authority of approximately 35 acres of land at Patriot's Point to be used for the development of intercollegiate athletic facilities. The estimated

formula funding impact is \$104,695 annually. During the presentation of this project, College representatives noted that the lease term had been modified from 55 years to 65 years.

The Committee recommended approval of this project as proposed subject to the Division of General Services, Property Management acceptance of the rates and terms of the lease agreement, specifically that the proposed payment schedule, including the \$500,000 initial payment, is representative of the fair market value; and provided that the College follows the requisite permanent improvement approvals process for any permanent improvement projects for which the College will bear fiscal responsibility.

It was moved (Daniel), seconded (Darden), and voted that the recommendation be approved.

3. Clemson University - Martin Hall HVAC Piping Replacement

Clemson sought authorization to revise the scope and increase the budget of this existing project to include replacement of HVAC piping and conversion to a four pipe system in Sections E and M of Martin Hall. The revised total budget is \$2,400,000 with no formula funding impact.

The Committee recommended approval of this project as proposed. It was moved (Daniel), seconded (F. Gilbert), and voted that the recommendation be approved.

4. Clemson University - Martin Hall Classroom Renovations

This project will be closed, and the funds in the amount of \$300,000 will be transferred to the Martin Hall HVAC Piping Replacement project. The scope of work will also be transferred to the HVAC Piping Replacement project and will include installation of new floor tiles to replace the existing asbestos tiles, replacement of fixed seating with new fixed seating, replacement of desk tops as needed, installation of new blinds, and general painting.

The Committee recommended approval of the closing of this project as proposed. It was moved (Daniel), seconded (Olsen), and voted that the recommendation be approved.

5. Clemson University - Redfern Health Center Renovations

Redfern Health Center now has insufficient space to provide adequate services to the students and fails to meet regulatory guidelines concerning the provision of care. This project is to increase the budget and proceed beyond the A/E design

and development state. The scope of work will include the upfit of the existing unfinished Health Center basement area as well as renovations on the main level of the building. The total cost will be \$940,000.

The Committee recommended approval of this project as proposed. It was moved (Daniel), seconded (Byerly), and voted that the recommendation be approved.

6. Clemson University - S.C. Botanical Garden Visitors Center/Museum

Clemson University sought authorization to accept a gift of \$921,300 for design and construction of two facilities in the S. C. Botanical Garden on the Clemson University Campus. The project's two buildings will serve a triple function as the S.C. Botanical Garden Visitor Center, the S.C. Heritage Corridor Region I Discovery Center, and a Geology Museum.

The Committee recommended approval of this project as proposed. It was moved (Daniel), seconded (Greene), and voted that the recommendation be approved.

7. Clemson University - Madren Center Complex Lodging Facility

The University requested permission to proceed with Phase II of the project started in 1992 to complete construction and permanent financing of the 100 room suite hotel with a projected budget of \$6 million. Also included is a request to refinance the golf course loan for \$3.1 million at an improved interest rate. The cash operations from the golf course and lodging facility will be utilized to pay operation costs and debt service. There will be no state funds involved in the development and operation of the lodging facility.

The Committee recommended that this project be approved subject to the acceptance by the Division of General Services of all leasing and financing documents. This approval also requires that copies of all documents be submitted to CHE staff. It was moved (Daniel), seconded (F. Gilbert), and voted that the recommendation be approved.

8. Medical University of South Carolina - Cannon Park Place Lease

MUSC requested approval to lease space in a commercial building, under construction, directly across Calhoun Street from St. Francis. Space needs can be better accommodated in this new facility, Cannon Park Place, than the plan for the reuse of St. Francis because of existing constraints posed by the St. Francis structure. The annual lease payment amount is \$453,186.

The Committee recommended approval of this project as proposed subject to approval of the lease agreement by the State Leasing Office and provided that prior to establishing the project, the University submit the appropriate

documentation of source of funds to Commission staff. It was moved (Daniel), seconded (F. Gilbert), and voted that the recommendation be approved.

9. Medical University of South Carolina - Basic Science Building Animal Care Improvements

The Animal Welfare Act prescribes conditions which must be met by the University for its animal care facilities. The University's animal facilities and animal care and use program are evaluated on a semi-annual basis. The latest evaluation identified the lack of environmental control on the 7th floor of the Basic Science Building as a major deficiency. The Physical Plant staff has evaluated the situation and identified the problems as being the result of inadequate HVAC equipment. In order to correct the situation, the existing animal care space must be brought up to state-of-the-art standards. The total cost will be \$2,205,000 from hospital generated revenues transferred to academic division support.

The Committee recommended approval of this project as proposed. It was moved (Daniel), seconded (Byerly), and voted that the recommendation be approved.

10. Medical University of South Carolina - Basic Science Building Clinical Immunology/Microbiology Lab Renovations

The project is for the reconfiguration of the Central Laboratory for the Department into three individual laboratories with sufficient power and air to increase the number of users. These laboratories would provide contained space for research involving retro viruses, and a shared OSHA-approved fume hood with large flow and external venting.

The Committee recommended approval of this project as proposed. It was moved (Daniel), seconded (Olsen), and voted that the recommendation be approved.

11. USC-Columbia - Bates West Facade Repair and Roof Replacement

The proposed project is for the replacement of the exterior facade, existing windows, and roof; lobby renovations; and interior refurbishment of Bates West Dormitory. The total cost is \$2,800,000.

The Committee recommended approval of this project as proposed. It was moved (Daniel), seconded (F. Gilbert), and voted that the recommendation be approved.

12. USC-Columbia - South Energy Modifications

The proposed project is for modifications to the South Energy Facility. The modifications will recover and utilize the existing installed chilled water capacity

at the South Energy plant and automate the operations of the facility. Work shall include installing energy consumption meters and digital controls on the boilers, chillers, pumps and cooling towers. The total cost will be \$870,000.

The Committee recommended approval of this project as proposed. It was moved (Daniel), seconded (F. Gilbert), and voted that the recommendation be approved.

13. Horry-Georgetown Technical College - Grand Strand Campus Renovations - A&E

Five existing buildings on a 71 acre campus site (formerly the Myrtle Beach Air Force Base) need to be renovated to meet the college's space requirements for academic, student support, and administrative services. This project is for the Architectural and Engineering (A&E) services for those noted renovations. The project cost is \$132,000 funded with proceeds from the sale of the old Grand Strand Campus.

The Committee recommended approval of this project as proposed provided that, prior to establishing the project, the College submits the appropriate documentation of the bid acceptance by the Horry-Georgetown Commission for Technical Education and the Division of General Services, Property Management from the sale of the old Grand Strand Campus. It was moved (Daniel), seconded (F. Gilbert), and voted that the recommendation be approved.

14. Midlands Technical College - Garage/Auto Shop - Beltline Campus

The purpose of this project is to design and construct a facility with a parking garage with 22,000 square feet of the first level devoted to a new Auto Shop/Lab. Since the College does not operate its parking facilities as an auxiliary enterprise, there are no parking revenues to fund this project. A portion of student capital fees will be designated to service the debt for this facility, but no student fee increase will result from this project.

The Committee recommended approval of this project as proposed. It was moved (Daniel), seconded (Byerly), and voted that the recommendation be approved.

15. Piedmont Technical College - Educational Technology (A&F Buildings)/Student Service/Administration Building Renovations and Expansions - A&E

The first phase of this project is to provide Architectural and Engineering services which include programming, schematics and development, and design for the Educational Technology (A&F Buildings) and the Student Services/Administration Building renovations and expansions. Once funds are

established for the construction, the second phase will be implemented, completing the full-service contract.

The main purpose of this project is to centralize student support services into one facility, Building A, and consolidate state-of-the-art laboratories into Building F.

The Committee recommended approval of this project as proposed on the basis that approval of the design phase does not constitute future priority ranking from the State Board for Technical and Comprehensive Education or the Commission on Higher Education regarding Capital Bond financing of the project. It was moved (Daniel), seconded (Olsen), and voted that the recommendation be approved.

C. Fire Safety Survey

At the request of a Commission member, the Commission staff surveyed those public higher education institutions with residence facilities concerning the status of those facilities with regard to sprinkler systems and fire safety issues.

The results of the survey indicate that all residence facilities which are required to have sprinkler systems installed do have such systems in place. However, there are 110 facilities that would be required to have sprinkler systems if constructed under current requirements.

Mr. Stern expressed serious apprehension regarding the current status of dormitories with respect to sprinkler systems. Discussion centered around concerns that although existing buildings may not be required to have sprinkler systems, there still exists a very serious safety issue for those students living in those dormitories. It was also noted that alarm systems, fire escapes, ADA modifications, and other safety features should be addressed.

The issue was referred to the Finance and Facilities Committee for consideration, with a report due back to the Commission at the February meeting.

3.05 Report of Committee on Planning and Assessment

Reconstitution of the Committee on Statewide Planning

It is recommended that the Committee on Statewide Planning be reconstituted to include 1) twelve members, one representing each public senior institution, appointed by that institution's president; 2) four members representing the sixteen technical colleges, appointed by the organization of technical college presidents; 3) one member designated by the Vice Provost for Regional Campuses and Continuing Education at the University of South Carolina to represent the two-year regional campuses of that institution; 4) one member appointed by the three representatives of the private colleges who are members of the Advisory Council

on Planning; 5) a staff member of the State Board for Technical and Comprehensive Education, appointed by the Executive Director of the Board; and 6) a staff member of the Commission on Higher Education, appointed by the Executive Director of the Commission.

B. Approval for Dissemination of the Report Entitled Learning a Living: School-to-Work Policy for South Carolina Higher Education

It is recommended that the report entitled Learning a Living: School-to-Work Policy for South Carolina Higher Education be approved for dissemination and action as appropriate.

C. Approval for submission to the General Assembly of the Report Entitled Mind Our P's and Q's: Indications of Productivity and Quality in South Carolina's Public Colleges and Universities

It is recommended that the January, 1997 institutional effectiveness report entitled Minding our P's and Q's: Indications of Productivity and Quality in South Carolina's Public Colleges and Universities be approved for printing and submission to the General Assembly.

It was moved (Darden), seconded (Greene), and voted to approve all three of the above recommendations.

5. Report of the Executive Director

Mr. Sheheen reported on the following matters:

A. Commission Meeting Attendance Policy - In 1995, the General Assembly approved new legislation that requires removal of a member from any State board, council, commission, or committee when that individual has three consecutive unexcused absences from regularly scheduled meetings.

Mr. A. Gilbert has suggested that the Commission define an unexcused absence as one which is not approved by the Executive Committee. It is recommended that this definition be approved by the Commission. It was moved (Darden), seconded (Olsen), and voted that this definition be approved.

B. Revised Calendar of Commission Meetings - A revised calendar has been provided of the 1997 Commission meetings.

C. Access and Equity Conference - This Conference will be held on March 12-14, 1997 in Greenville.

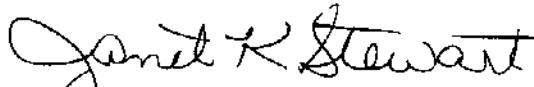
6. Other Business

Mr. Stern requested that staff compare the projects for higher education included on the recently released Joint Bond Review Committee's proposed Bond listing with the ranked listing approved by the Commission in January of 1996. Mr. Sheheen stated that this would be mailed to the Commission within the next several days.

It was moved (Stern), seconded (Byerly), and voted to thank Mr. Whaley for his service on the Commission.

There being no further business, the meeting was adjourned at 12:10 p. m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Janet K. Stewart".

Janet K. Stewart
Recording Secretary