

MINUTES OF MEETING
OF
SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION
July 11, 1996
10:30 a.m.

MEMBERS PRESENT

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

STAFF

Ms. Camille T. Brown
Mr. Michael L. Brown
Ms. Renea Eshleman
Mr. Charlie FitzSimons
Mr. Ronald Garrick
Dr. Nancy Healy-Williams
Ms. Margaret L. B. Hicks
Mr. Douglas I. Holleman
Dr. R. Lynn Kelley
Mr. John J. Krause
Mr. Alan S. Krech
Mr. Nelson Lindsay
Dr. David R. Loope
Ms. Lynn W. Metcalf
Dr. Gail M. Morrison
Dr. T. 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
Ms. Julia E. Wells
Dr. Karen G. Woodfaulk

GUESTS

Dr. James Arrington
Mr. Harry Bell
Mr. Arthur M. Bjontegard
Mr. John Bowman
Mr. Charles A. Brooks
Dr. C. Lester Carpenter
Ms. Tonya Chambers
Ms. Susan DeWitt
Dr. Nancy C. Dunlap
Mr. John L. Finan
Dr. Carol Z. Garrison
Mr. Sandy Gilliam
Mr. Ralph Green
Mr. Pat Hall
Mr. David Hunter
Dr. Roy Isabel
Mr. Jim Kirk
Mr. Manning N. Lomax
Dr. Harry G. Matthews
Dr. Michael McCall
Mr. J. P. McKee
Dr. Blanche Premo-Hopkins
Dr. Judy Prince
Mr. William T. Putnam
Mr. Charles Shawver
Dr. Earline M. Simms
Rep. Harry Stille
Dr. DeWitt Stone
Mr. W. E. Troublefield, Jr.
Dr. Jim Vincent

Mr. Mark Wright
Mr. Ed Zobel

MEMBERS OF THE PRESS

Mr. T. C. Hunter
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 Meetings of June 6 and July 3, 1996

It was moved (Darden), seconded (Whaley), and voted that the minutes of the meetings of June 6 and July 3, 1996 be approved as written.

2. Election of Vice-Chairperson

It was moved (Stern), seconded (Byerly), and voted to elect Mr. Whaley as Vice Chairman.

3. Committee Appointments

Mr. A. Gilbert reported that, as the process for planning for performance funding developed, he and several other Commission members became convinced that the Planning and Assessment Committee should be separate from the Fiscal/Facilities Committee. He recommended that the structure approved at the previous meeting be changed accordingly. It was moved (Stern), seconded (Byerly), and voted that the Planning and Assessment Committee be a separate committee from the Fiscal/Facilities Committee with Mr. Whaley, as Vice Chairman of the Commission, serving as Chairman of the Planning and Assessment Committee. Committee assignments were distributed at this time. (Attachment 1)

4. Performance Funding Structural Proposals (Pending)

Mr. Sheheen stated that following discussion of Mr. A. Gilbert's proposal at the July 3 meeting, representatives from the institutions provided suggestions with respect to planning and implementation of the performance funding mechanism. The Commission asked the staff to incorporate ideas from the suggestions. The staff had consulted with Mr. A. Gilbert and other Commission members and institutional representatives to attempt to develop a proposal that was satisfactory to everyone. A proposed planning structure for performance indicators and suggested performance indicator groupings by committee type was distributed and presented on overheads.

It was moved (Whaley) and seconded (Byerly) that the proposed Planning Structure for Performance Indicators and Performance Funding be approved.

Dr. Floyd expressed concern about equitable representation from the institutions. Dr. McCall mentioned that II.B. of the Proposed Planning Structure reads: "The task forces will develop the measures to be used for all types of institutions, but benchmarks and application of the measures will be subsequently assigned to committees which may be constituted by type of institution."

After some discussion, it was moved (Maxwell), seconded (Daniel), and voted that II.B. of the Proposed Planning Structure be amended to use *will* instead of *may* as follows: The task forces will develop the measures to be used for all types of institutions, but benchmarks and application of the measures will be subsequently assigned to committees which *will* be constituted by type of institution.

Dr. Maxwell presented a position paper outlining current budgetary practices in comparison to the performance indicator's approach. (Attachment 2)

It was voted that the Performance Indicators and the Planning Structure be approved. (Attachment 3)

Mr. F. Gilbert asked if the private colleges would have an interest in the performance indicators that are adopted for institutions of higher education since they participate in the transfer agreement. Mr. Sheheen stated that, under the law, an appointment is pending for a member of the Council of Private College Presidents to serve on the Commission as an ex officio member in an advisory capacity. Mr. A. Gilbert announced his intention as Chairman to appoint a member of the Council of Private College Presidents to the Planning and Assessment Committee in an advisory capacity for the purpose of participating in discussions of performance funding.

5. Budget Treatment Alternatives

At the July 3, 1996 meeting of the Commission on Higher Education, the staff was directed to submit various options regarding implementation of Section 59-103-35 pertaining to submission of annual budgets. Four options were submitted to the Commission for consideration:

1. The budgets be received by CHE and submitted to the Governor's office without comment.
2. The budgets be received and reviewed by CHE and submitted to Governor's office with comments.

3. The budgets be received, reviewed, and suggested amendments by CHE and amended budget submitted to Governor's office.
4. The budgets may be received, reviewed and sent back to institutions for major revisions and resubmitted to CHE.

Mr. Sheheen noted that both Mr. A. Gilbert and Mr. Whaley had been members of the study committee which recommended the revisions in the law requiring the institutions to submit their budgets to the Commission. He stated that the staff needs direction from the Commission as to what to do with the budgets when they come in. Mr. Stern questioned the intent of the study committee's report with respect to the institution's budgets. Mr. Whaley stated that the institution's budget should reflect its mission and that the Commission should not approve budgets outside of the institution's mission.

After considerable discussion, it was moved (Maxwell), seconded (Greene), and voted that the budgets be received and reviewed by CHE and submitted to the Governor's office with comments with Mr. Daniel, Mr. Floyd, and Mr. Phillips voting in the negative.

7. Report of the Commissioner

Mr. Sheheen stated that he was invited by the National Governors' Association to attend a policy seminar in Washington, D.C. in June. Thirty-five higher education representatives from throughout the country convened to assist the governors in preparing a policy paper on defining criteria for preparation of students entering colleges and universities.

Mr. Sheheen stated that he will be on vacation the week of July 15-19.

8. Other Business

Routine Repair, Replacement, and Maintenance Project for June 1996

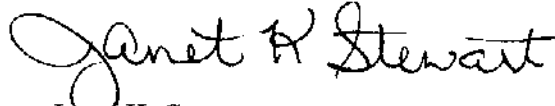
The following project was considered under the routine Repair, Replacement, and Maintenance Policy of the Commission:

Clemson University - Chill Water Pumping System - Upgrade

An opportunity was provided during the July Commission meeting for members to ask questions regarding this project. Since there were no objections, the project will be forwarded by staff to the Budget and Control Board with a favorable recommendation.

There being no further business, the meeting was adjourned at 12:05 p. m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Janet K. Stewart". The signature is written in black ink and is positioned above the printed name and title.

Janet K. Stewart
Recording Secretary