

MINUTES OF MEETING
OF
SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION

November 6, 1975
10:30 a.m. - 12:35 p.m.

PRESENT:

COMMISSION MEMBERS

Dr. R. Cathcart Smith, Chairman
Mr. Howard L. Burns
Mr. M. Calhoun Colvin
Dr. Marianna W. Davis
Dr. William C. Draffin
Mrs. Wanda L. Forbes
Mr. F. Mitchell Johnson
Mr. Paul W. McAlister
Mr. T. Eston Marchant
Mr. William F. Prioleau, Jr.
Mr. Alex M. Quattlebaum
Mr. Y. W. Scarborough, Jr.
Mr. J. Clyde Shirley
Mr. I. P. Stanback
Mr. T. Emmet Walsh

STAFF

Dr. Howard R. Boozer
Mr. Charles A. Brooks
Mr. Horace F. Byrne
Mr. William C. Jennings
Dr. Frank E. Kinard
Mr. James R. Michael
Ms. Rosita M. Ramsey
Mr. James L. Solomon, Jr.
Mrs. Gaylon Syrett

GUESTS

Dr. John M. Bevan
Mr. William Dudley
Mr. Walter Hedges
Mr. Robert Hoskins
Dr. Larry A. Jackson
Dr. F. W. Kinard
Mr. J. Lacy McLean
Miss Frances H. Miller
Mr. Ricky Snoddy
Dr. Theodore S. Stern
Dr. Robert H. White

MEMBER OF THE PRESS

Ms. Warren McInnis

I. Approval of Minutes of October 15, 1975, Commission Meeting

Dr. Smith reported that after the minutes of the October 15 Commission meeting had been mailed to members, an error was discovered on page 7. Substitute pages were distributed to the Commission. It was moved (Quattlebaum) and seconded (McAlister) that the minutes of the October 15, 1975, Commission meeting be approved, as corrected. The motion was adopted.

II. Consideration of Revised 1976-77 Recommended Appropriation for South Carolina State College

Mr. Jennings reported that the Commission's recommendations of 1976-77 appropriations for the public colleges and universities, as adopted on October 15, include a Basic Educational and General total (Formula Steps 1-11) of \$6,369,211 for South Carolina State College. Subsequently, the

Commission staff found that the College had deducted in Step 10 more revenue than required by the wording or intent of the Formula; this resulted in understatement of S.C. State's entitlement in Steps 1-11 by \$461,500.

During the presentation of the Commission's recommendations to the Budget and Control Board and the legislative finance committees on October 21, S.C. State's Basic Educational and General figure was changed orally to \$6,830,711. Executive Committee members present expressed the opinion that the revised figure would be ratified by the full Commission at its next meeting.

The Executive Committee recommended ratification of the revision, and noted that this increased the total recommendation for S.C. State from \$6,674,211 to \$7,135,711 and the grand total for all institutions from \$181,652,883 to \$182,114,383.

It was moved (Shirley) and seconded (Walsh) that the recommendation of the Executive Committee be approved. The motion was adopted.

III. Consideration of CHE Policy Concerning Possible Future Reductions in Appropriations Recommended for 1976-77

Mr. Jennings distributed two schedules which had been prepared for the assistance of the Commission in determining policies concerning potential reductions in the recommended 1976-77 appropriations for colleges and universities. One schedule, showing 1975-76 appropriations as computed under terms of the 1975-76 General Appropriation Act as well as after a prospective 8 percent reduction, was submitted for consideration in the event the Commission wished to adopt for 1976-77 its previous policy of not reducing recommended appropriations below actual appropriations of the prior year. The second schedule listed the 1976-77 appropriations as recommended by the Commission and illustrated the effects of pro rata reductions ranging from 5 percent to 20 percent; this schedule also illustrated the results of employing 1975-76 appropriations as "floors."

Mr. Johnson recommended that, since the Appropriation Formula does not provide for "floors," the Commission adhere to the Formula to ensure that all institutions be affected fairly and equitably.

Mr. Walsh stated that neither the Budget and Control Board nor the Commission is in a position at this time to determine the amount of reduction which may be necessary, and that in his view it would be premature for the Commission to adopt a specific policy at this time. Mr. Burns stated that the issue before the Commission is not the amount of reduction but whether or not the Commission approves of observing a "floor" principle.

Mr. Walsh stated that unless considerable growth in the State's economy and tax revenue is forthcoming, the institutions cannot continue to grow in the future as they have in the past. He noted that some states have found it necessary to decrease appropriations by limiting enrollments.

It was moved (Marchant) and seconded (Johnson) that the Commission formally approve and endorse the recommendation made by the Chairman to the Budget

and Control Board on October 21 that any reduction in higher education appropriations be returned to the Commission for implementation. The motion was adopted.

It was further moved (Marchant) that the Commission implement any mandated reduction, with the "floor" concept being a part of the implementation, provided there has not been a reduction in the number of FTE students at any given institution between the year current and the year predicted. Mr. Burns stated that further study should be made before such a change in fundamental policy is adopted by the Commission. After additional discussion, the motion was withdrawn.

IV. Mandated Reduction in CHE 1975-76 Budget

Mr. Michael reported that the Budget and Control Board has asked the Commission (and the colleges and universities) to absorb an 8 percent reduction in its 1975-76 appropriation. Such a reduction in the Commission's appropriation would amount to \$94,500. For some other agencies the Budget and Control Board exempted certain irreducible funds from the reduction. Since no reduction is possible in SREB fees and contracts, the staff recommended that the Commission propose to the Budget and Control Board that SREB fees and contracts be exempted from reduction, producing a revised reduction of \$66,900. The staff further recommended that the reduction be made by canceling the In-service Teacher Education Program (\$47,272), applying the projected surplus in funds (\$10,620), and reducing non-contract student aid (\$9,008). If the Budget and Control Board does not authorize the proposed exemptions, the staff recommended that non-contract student aid be further reduced (by an additional \$7,992), that the Defense Scholarship Loan Fund be reduced to last year's expenditure of \$168,555 (a reduction of \$18,445), and that "Other Operating Expenses" absorb a reduction of \$1,163 to achieve the required total reduction.

It was moved (Marchant) and seconded (Walsh) and unanimously voted to approve the staff recommendations.

V. Appointments to Standing Committees of the Commission

Dr. Smith announced the following appointments of new members of the Commission to Standing Committees: Mr. Colvin to the Committee on Academic Program Development and the Committee on Budget and Finance; Mrs. Forbes to the Committee on Academic Program Development and the Committee on Federal Programs; and Mr. Shirley to the Committee on Budget and Finance and the Committee on Legislative Relations. Dr. Smith stated that since Mr. Prioleau had succeeded Gen. Jennings as the ex officio member of the Commission representing The Citadel Board of Visitors, he had appointed him to replace Gen. Jennings on the Committee on Academic Program Development. The revised list of Standing Committees is attached as Exhibit A.

VI. Reports on Recent Hearings Before Legislative Groups

Dr. Boozer reported that Chairman Smith, Vice Chairman Chapman, other members of the Commission, and staff members had appeared at four recent legislative hearings: the Special Legislative Committees on the Appropriation Formula (Subcommittees of the Senate Finance Committee and the House Ways and Means Committee), on September 16; the Budget and Control Board, Senate Finance Committee, and House Ways and Means Committee, on October 21; the Legislative Committee to Study the Overlapping and Duplication of Academic Offerings and

Opportunities in Various Geographical Areas of the State in State-Supported Institutions of Higher Learning, on October 23; and the Joint Subcommittee of the Senate Finance Committee and the House Ways and Means Committee Appointed to Review Capital Requirements, on October 30. Commission members were provided copies of each of the presentations.

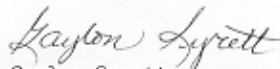
Dr. Boozer reported that the Legislative Committee to Study the Overlapping and Duplication of Academic Offerings had requested recommendations from the Commission concerning legislative changes which would affect the Commission on Higher Education. Mr. McAlister stated his view that the structure of the Commission should be changed to preclude ex officio members from voting. Mr. Colvin concurred, stating that ex officio members should have complete and liberal opportunity to express their views but should not be permitted to vote. Dr. Smith suggested that Commission members submit their written recommendations to Dr. Boozer for distribution to the Legislative Relations Committee and other Commission members, and that the matter be discussed further at the December meeting of the Commission.

VII. Inventory of Academic Programs in South Carolina

Dr. Kinard distributed copies of the recently compiled draft of the Inventory of Academic Programs in South Carolina. He announced that the Academic Program Development Committee would convene following the Commission meeting.

At 12:35 p.m., it was moved (Walsh) and seconded (Colvin) and unanimously voted that the meeting be adjourned.

Respectfully submitted,



Gaylon Syrett
Recording Secretary