

ADMINISTRATIVE MEMORANDUM

SUBJECT Administrative Council Meeting
January 28, 1992

NUMBER 316

DATE January 29, 1992

Calendar Events

February 14 - 9:30 a.m., Board of Governors Meeting, General Administration Building, Chapel Hill

February 25 - 1:30 p.m., Administrative Council Meeting, General Administration Building, Chapel Hill

March 6 - 9:30 a.m., Board of Governors Meeting, General Administration Building, Chapel Hill

April 10 - 9:30 a.m., Board of Governors Meeting, General Administration Building, Chapel Hill (Location of meeting subject to change)

April 24 - Installation of Chancellor Samuel H. Schuman, The University of North Carolina at Asheville

The Administrative Council met at 1:30 p.m. on Tuesday, January 28, 1991, in the General Administration Building.

Chancellors in Attendance

All chancellors except Chancellor Thompson were present.

Information Reports

President Spangler welcomed North Carolina Central University Interim Chancellor Donna Benson to her first Administrative Council meeting. He also reported that Vice President Jasper Memory's surgery had gone well and that he is making a good and speedy recovery.

President Spangler reported that the dinner meeting with the board chairs from each of the campuses had gone well. He noted that Vice President Jay Robinson had led the chairmen in a discussion of the proposed bond issue and the response was uniformly favorable and enthusiastic.

At the request of President Spangler, Mr. Joyner discussed the current year's budget situation and preliminary prospects for budget adjustments which might be made by the General Assembly in its upcoming session.

Vice President Dawson discussed the reports on changes in estimated enrollments that were being prepared on each campus and urged that each campus be conservative in projecting enrollment growth. Several chancellors noted that improvement in retention rates was leading to greater and sometimes unexpected enrollment growth.

Vice President Jay Robinson discussed the proposal for financing some of the University's capital needs with a bond issue. Without a bond issue, he said, no capital money would be available next year for the University. He noted that there were other reasons to schedule a bond issue at this time: a favorable interest rate situation, the state's relatively low indebtedness, and the positive impact that the construction projects would have upon the economy. He noted that the State Treasurer thinks that additional indebtedness could be retired without new taxes. However, many legislators are still reluctant to support a bond issue, thus it is important to communicate the needs of the University to all legislators promptly. He stated that unless a majority of the legislators were persuaded to support the bond issue before they return to session in early May it would not pass.

President Spangler indicated that a more specific plan for communicating with the General Assembly would be forthcoming.

Mr. Richard Robinson discussed briefly the minority exclusive scholarship regulations being proposed by the Department of Education. He noted that the proposed regulations would permit scholarship programs that aimed at disadvantaged, or inner-city, or financially-deprived students. The regulations would also permit scholarship programs designed in response to legislative, judicial, or administrative determinations of past discrimination to remedy such past discrimination. Privately-funded minority scholarship programs would be permitted only if the funds were used to support the type of "race-neutral" program that otherwise would be allowable even though the bulk of support would be used for minorities. Most existing University programs would not be affected by the proposed regulations. Mr. Robinson suggested that efforts of the American Council on Education to go beyond the Secretary's proposal appear not to be soundly based, legally, and he suggested that University campuses not endorse the ACE effort.

Mr. Stan Broadway, executive director of the North Carolina Education Assistance Authority, discussed the proposed changes in the Guaranteed Student Loan of the Reauthorization Act which is up for renewal this year. He noted one controversial proposal contained in the House version of the legislation. This proposal would replace the Stafford Student Loan program with a direct loan program administered by each campus. He noted that the direct loan program would increase the federal deficit by \$15 billion or more each year and that it would place upon each campus a tremendous institutional responsibility for the management of these programs. Therefore, he suggested, that the campuses be cautious in supporting this particular feature of the legislation.

Mr. Martin reviewed the requirements for Board of Governors' approval of arrangements for members of the faculty and staff of each campus who wished to campaign for and serve in the General Assembly. He noted the responsibility of each chancellor to ensure that the arrangements proposed to the Board of

Governors are in the best interest of the institution. He noted several members of the Board of Governors had expressed the opinion that the University rules regarding political candidacies should be more restrictive. Vice President Dawson noted the description of the staff member or faculty member's duties which usually accompanies these requests, should give an accurate and full description of the faculty or staff member's duties.

Associate Vice President Gary Barnes described the status of the freshman performance reports which will be distributed to school superintendents and principals and others within the next few weeks.

Dr. Mary Wakeford gave a brief report on the status of the reports required by the General Assembly on the University's public service to public schools. She noted that under the standards adopted by the Board of Governors, each campus is required to have an annual plan and that a preliminary report from the University is due to be filed with the legislature in March.

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There being no further business, the meeting was adjourned at approximately 3:40 p.m.


C. D. Spangler, Jr.