October 19, 1976

## SPECIAL ORDER OF THE DAY

D. Mr. Adler introduced President William Friday of the University of North Carolina. Adler said that this was the first time that Dr. Friday had had the opportunity to speak to the faculty directly. Dr. Friday, accompanied by Dr. A. K. King of UNC, stated that he preferred an informal and open question and answer format.
Friday said it was his hope that he could clear up any misunderstandings or lack of understanding about certain issues. This sort of meeting worked both ways. He wished to take the opportunity to thank Mr. Henry Ferrell for his work in starting the University Faculty Assembly and noted he was quite pleased with Mr. Ferrell's work. Since talking with Mr. Adler on what he should speak on, he had decided upon several points which had been raised.

Friday began with the budget. He had met with the Budget Commission last week and had presented the budget which he wished the General Assembly to consider. This budgetary process was never ending in that the Assembly met each year and the problem: must be solved. Vice Chancellor Moore of ECU was very helpful in this.

There are several budgets. The first is the Continuation Budget which simply continues what is being done and a large sum of money is required for this. There is the problem here of inflation with the price of fuel and utilities rising.

There is the Salary Budget. This is being taken very seriously this year. Five chancellors were asked to look at salaries around the country and see what the standards were. North Carolina is falling behind. There has been a consistent pattern from the Assembly over the years. Salary is priority one with the University and will remain so. UNC had consulted with the Faculty Assembly and felt that the most it could ask for was ten percent the first year and ten percent the second year. A study of five historically black schools has demonstrated a difference in salary averages by rank in each institution. East Carolina has been budgeted $\$ 110,000$ extra for the first year and $\$ 244,000$ the next year with the aim being to improve the ECU salary schedule. Friday said that this salary budget was priority one with him.

The ECU Medical School is part of the Change Budget. (This used to be the B Budget.) A commitment for the funding of this school has been made and the level must be supported to assure accreditation.

The funding of enrollment growth is the first priority in this budget. East Carolina probably requires about $\$ 1,000,000$ the first year and $\$ 1,300,000$ the next year to take care of growth. The pattern was hard to determine here when it came to projecting the rise or decline in enrollment. A rise of 3.5 percent was requested initially.

The second priority is the library. The request for the first year is $\$ 212,000$ and the second is $\$ 215,000$. Friday encouraged Mr. Brunelle to work on inter-library loans

Funding for the Medical School would require $\$ 3.5$ million the first year and $\$ 5.19$ million the second and that commitment is now made. Money must be put into the area health program.

He spoke of the veterinary school to be established at N. C. State. This was a specie program funded by the General Assembly.

The fourth budget deals with Capital Construction. Among these is the replacement of the bedtower for the hospital which was deleted by the last Assembly and an
addition to the Wah1-Coates School.
Friday pointed out that the representatives to the Assembly from this county will have a lot to do with the success of these budgets and urged the faculty to make itself heard.

Friday discussed the Five-Year Plan and East Carolina University. There is an agreement among everyone as to the plan as it exists today. The point to remember about the plan is that it is reviewed annually and revised if necessary. There is a problem about obsolete programs. Is the University operating programs that are unproductive? Should such programs be changed or dropped? The University of North Carolina is a major undertaking of the State and costs a lot of money. It is only proper that a close scrutiny by the General Assembly take place. The first revision of the Five-Year Plan is underway.

Friday believes Chapter Six in the Code to be workable. Its development had a lot of faculty participation. Some of the schools in the system had no faculty senates in the beginning which complicated writing Chapter Six. The Due Process provisions and arbitration procedures did not exist at some institutions. He sees no reason to expect any application of the financial exigency provisions in the years immediatel: ahead. He suggested working along together on this and gave his word that if unevenne exists it will be reviewed. No document is perfect, and protection for the faculty is essential.

Friday then came to the question of the Chancellor. He has been involved in the selection of sixteen chancellors. A faculty voice is mandatory from the beginning. This includes the final vote on the nominees. The nomination of candidates is delegated to the Board of Trustees by the Board of Governors. A selection committee will be comprised of at least four members of the Board of Trustees, four members of the faculty (one of whom must be the Chairman of the Faculty), one member of the Alumni, and the President of the SGA. The Chairman of the Board of Trustees would be the Chairman of the Search Committee. This committee would then select at least two nominees to be recommended to the President. Dr. Jenkins will retire on June 30, 1978 when he will have reached the age of 65 . This same procedure was followed at N. C. State and Winston-Salem State. Friday pointed out that the Chancellor is responsible to the President and not to the Board of Trustees.

The selection process will be an enormous job and will require a lot of time. Confidentiality as the process moves along is an obvious must. There are firm ground rules; one is a letter to each member of the faculty requesting nominations for the consideration of the committee. There should be a general criteria published to guide the committee. The search should be national in scope, and there should be hearings on the campus to allow expression of opinion. In all of this, much wisdom will be required.

Friday then said that he was open to questions.
Question: Under the salary formula for the year 1976-77, there was a difference of $\$ 4,400$ between Chapel Hill and ECU. Why?

Friday: The money for institutions is grouped by purpose of institution and equalization does not include Chapel Hill, State, or Greensboro. There is a move to reach an average and in this, Appalachian is the number one priority. The intention is to equalize among classes of institutions and this is contingent upon the 10 percent.

Question: There are classes?
Friday: Yes, there is a difference.

Question: Is there an attempt to eliminate the distinction?
Friday: Not at this point.
Zuestion: What is the reason for the distinction?
Friday: The reason for distinction lies in the fact that some of the schools are doctoral institutions.

Question: How does this make a difference? There is not that much extra involved in overseeing dissertations.

Friday: There is more to it than the supervision of dissertations. There are many other activities that make the difference. We must start somewhere with a reasonable hope of equity. The real problem is the first part of the equation. Of the money available to education in North Carolina, the University system receives only a portion. In addition there is the fact that a simple one percent raise requires $\$ 15$ million a year. The tax base must be enlarged and this is clearly a problem. This is a serious problem for the first step but this is the objective. I stand in support of public schools. The success of the first year's effort will determine the success of the battle. Mr. Bundy of this county is a member of the Advisory Budget Commission.

Question: What is the situation of the funding for the private schools and the impact of this on the 10 percent?

Friday: The North Carolina General Assembly appropriated $\$ 9.2$ million for private schools in 1975-76 and $\$ 9.6$ million in $1976-77$. This was more tax money than any of the other fourteen southern states, but note that South Carolina put in $\$ 2$ million less and had to spread it among 50 percent fewer students. Under the first program which is now four years old and the new program which is one year old, the State has invested $\$ 14,187,000$. 600 per capita $\times 21,000$ students would require 12.6 million a year. Some political candidates do not understand this and are not aware of the costs. The objective of the private institutions is $\$ 1000$ per capita for 23,000 students a year. We should be firm and hard advocates of our own position. Private institutions are important to this State but the UNC system must help itself. I do not oppose private institutions but merely state these facts.

Question: What is your position on collective bargaining?
Friday: I don't know how it will go. In my opinion, a lot would be given up by faculties which adopt it, and I hope it will not happen. In any event, it is not now permitted by law.

Question: If the 10 percent goes through, will it come with "merit" requirement attached? Will equalization be recommended?

Friday: Referring to the formula of 1976 ( $400+4 \%$ ), it is necessary to wait and see how much is available. A statutory salary requirement should be avoided. This is an area of freedom enjoyed by the University and along with the use of enrollment change funds, gives the University opportunities to do some creative things in these areas.

Question: Creativity sounds good, but there is still concern about low pay. There are those who after twenty years at ECU are making less than those with thirteen years in a public school.

Friday: I am not unsympathetic to these cases, and I like the candor of the question. In a system such as this, some decision must be left to each campus. It would be dangerous for me to force the issue. Maybe a clear pronouncement on how salary is handled has been lacking in past years and more system will be necessary in the future.

Question: How about new faculty being hired at higher salary than those already here?
Friday: This was true for chancellors and probably for presidents too; it is a fact of life and rigid standards cannot be set. Given the choice, I am for fair compensation for those who are here doing their jobs day to day.

Friday said that Mr. Ferrell was uncharacteristically silent and asked if he had anything to say. Ferrell said that some of the faculty felt that they were overadministered and wanted to know whether President Friday checked on what the administrators did.

Friday: I often think about this. I am initially sensitive to my own staff. Are they doing too much or too little? I have compared California, New York, and Texas to North Carolina. The UNC staff is smaller in terms of student population than any of these. It has been an educational experience for me to move around among the sixteen campuses. Institutions vary. The problem we have is that of guarding against moving too fast and violating the traditions and "sensitivities" of the institutions. I wish that I could do more to see that an institution has the resources to realize itself. If any faculty ever feels that UNC is ever over-administrating them, tell them. Whatever is being done is being done with the clear motivation of encouraging the achievement of excellence.

Dr. King was given the floor. He had two things he would like to mention. One was the equalization question. The leveling process should be upwards, and one institution should not be called upon to wait while another catches up. The second was the comparison with public school salaries. There are under consideration many means of solving this problem. The patterns in sixteen institutions are a problem. They cannot be reversed overnight; however, there is a turning of the tide, bringing an element of greater certainty, being injected into the process of determining salaries. The present situation will not last indefinitely; however, there must be a reasonable balance between the factors of effort and need in establishing a salary policy.

