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JUN 11 1974

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NATIONAL ASSOCIATION OF STATE UNIVERSITIES AND LAND-GRANT COLLEGES

Office of the Executive Director  
Suite 710, One Dupont Circle  
Washington, D.C. 20036

Circular Letter No. 9

June 7, 1974

TO: *Heads of State Universities and Land-Grant Institutions*

FROM: *Ralph K. Huitt, Executive Director*  
*Christian K. Arnold, Associate Director and Editor*

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1. ADMINISTRATION TO ASK PHASE DOWN OF HEALTH CAPITATION GRANTS, SIMMONS SAYS

Although health professional schools are a "national resource" and "we (i.e., the Federal government) have made a moral commitment to the institutions and to the students who were accepted as a result of Federal initiatives" encouraging the expansion of such schools, the administration is going to recommend a "phase-down of capitation support" (as opposed to a "complete and immediate reduction" or a "complete elimination") and to encourage higher tuitions because "medical students should bear a larger portion of the medical education costs."

This is the burden of a speech made May 9 by Dr. Henry E. Simmons, Deputy Assistant Secretary for Health in the Department of Health, Education, and Welfare, before the spring meeting on health manpower of the Institute of Medicine of the National Academy of Sciences.

The speech may or may not serve to end speculation concerning the administration's intentions for health manpower legislation. Although authorization for the health manpower programs expires this July 31, the administration has yet to send its proposals for the extension of those authorities to the Congress. It has been known for some time that at least part of the difficulty lies in an interagency squabble, with the National Institutes of Health favoring a gradual phasing-down of the capitation grants and "downtown," i.e., the Office of Management and Budget favoring the "complete and immediate reduction."

Although Dr. Simmons admitted that "there is scarcely enough time to enact the fundamentally new legislation that most of us would agree is needed, let alone ruminate about what form that legislation ought to take," he also said that "we have not reached universal agreement" on "what form the Federal Government ought to play in the future" but that "an exhaustive analysis ... (has) formed the basis for the development of a number of policy papers that are being widely discussed within the Administration."

Continuation of present policy, with emphasis on capitation grants and "based on the principle that Federal financing is necessary for the regular operational support of schools of the health professions," will "eventually lead to an over-supply of health professionals, particularly physicians," Dr. Simmons said. "As a matter of priority," he said, "Federal dollars should no longer be used to stimulate increases in enrollment capacity. Further increases, either through the building of new schools or the expansion of existing places, could lead to a surplus. We want to avoid the problems that developed as a result of over investment in such fields as education or engineering. In the future, Federal policies should be designed to maintain output capacity." (The illustration from education and engineering is not clear. There have been no Federal support programs "to stimulate increases in enrollment" in either of these disciplines, and a temporary "surplus" of engineers, brought about chiefly by lay offs in the aircraft industry, has been replaced by a growing shortage.)

Further, Dr. Simmons said that "increasing the aggregate number of health professionals ... will not necessarily solve distributional problems." Even though there was a substantial increase in the "supply of physicians" during the 1960's, "the number of primary care physicians, especially those in general practice, decreased sharply.... As a result, primary care is often delivered by high-priced specialists in expensive settings." In addition, he said, "population groups in rural areas and in the inner city have had difficulty in gaining access to health care" because of maldistribution of practitioners.

Even so, capitation grants should be continued "as a source of Federal support for the schools provided primarily for the educational programs... (but) we found little rationale to substantiate current levels." The reduction, however, should be gradual, rather than abrupt: "A complete and immediate reduction of capitation support would be very disruptive to the schools and is likely to result in a drop in enrollment. A phase-down of capitation support would provide the time to make necessary financial adjustments. Also, phasing down of capitation levels would provide time for (the) higher enrollment levels to become firmly established." On the other hand, "a complete elimination of capitation could have a drastic impact upon the financial viability of institutions which are a national resource." Besides, "We feel that we have made a moral commitment to the institutions and to the students who were accepted as a result of Federal initiatives."

To fill the financial gap caused by maintaining present "output capacity" with declining Federal support, the plan "is designed to encourage the schools to rely more heavily upon State revenues and tuition as a source of support." The capitation grants, he said, "have made it possible to keep tuitions low, relative to the overall cost of medical education." Even though the new policy is aimed at decreasing Federal institutional support for the health-professional schools and a major purpose of institutional subsidy is the maintenance of tuition charges at lower levels than they would otherwise have to be, he said that "a continued growth of institution support without a corresponding increase in tuition seems to be inequitable."

Besides, "Medical students should (emphasis added) bear a larger portion of the medical costs. Large public subsidies to highly paid professions are inequitable and unnecessary (emphasis added), especially where the demand for admission

to schools far outstrips the supply of available places. Even if physicians and dentists (he did not mention the VOPP professionals, nurses, public health professionals, or paraprofessionals) paid their full educational costs, their education would still be an excellent personal investment."

He might have added "for those who could afford to make it," just as the purchase of tax-free bonds might be a good personal investment for those who could afford it. He did say, however, that "if a larger portion of the cost of education is to be shifted to the student, it is essential that we have an adequate loan and scholarship program." For this, he said that "an improved and expanded guaranteed student loan program" will be proposed for graduate level training, with the total loan ceiling to be raised from \$10,000 to \$25,000, with corresponding increases in the annual ceiling. Nursing students and other health-professional students in undergraduate training "will have access to the Basic Opportunity Grant (BOGS) program...." Further, "a health scarcity area scholarship program would be established" requiring a service commitment with a "strong" financial penalty for default.

Dr. Simmons said that another objective of reducing the capitation grants is "to free up monies which can be used for targeted objectives," that is, "to the attainment of specific output objectives" through the project-grant approach. He mentioned such objectives as "increasing provider productivity, increasing the number of physicians in primary care, greater efficiency in the educational process, and improved geographic distribution."

To do this, "we will propose combining current project grant programs in the health professions, nursing, public health, allied health, and the health manpower education initiative program. This authority will be used to support an array of projects, such as training in primary care, including family medicine, increasing enrollment of minority and low-income groups, curriculum improvements, development of physician and dental assistants, and maintaining support to Area Health Education Centers," all aimed at "increased productivity among health care providers."

"The success of this design," Dr. Simmons concluded, "relies heavily upon continuing the innovative responsiveness demonstrated by the Nation's health professions' educational institutions in addressing previous health manpower demands."

(The Institute of Medicine of the National Academy of Sciences, as a result of a study sponsored by the Department of Health, Education, and Welfare in response to a legislative directive, has concluded that health professional schools are a national resource "requiring Federal support" and has endorsed a capitation grant program as an "appropriate Federal undertaking to provide a stable source of financial support..." for such schools. See another article in this Circular Letter.)

## 2. SCIENCE ACADEMY UNIT ENDORSES CAPITATION GRANTS FOR HEALTH PROFESSIONAL SCHOOLS

The Institute of Medicine of the National Academy of Sciences has found that the country's health professional schools are national resources for which the Federal government should provide continuing stable funding through capitation grants ranging between 25 and 40 per cent of net educational expenditures.

This is the primary recommendation of a study conducted by the Institute under contract with the Department of Health, Education, and Welfare in response to a Congressional directive. The 1971 Comprehensive Health Manpower Act provided that the Department should arrange for a study by the National Academy of Sciences to determine the annual average costs of educating students in the schools of medicine, osteopathy, dentistry, optometry, pharmacy, podiatry, veterinary medicine, and nursing and to "include recommendations concerning how the Federal government can utilize educational cost per student data to determine the amount of capitation

grants ... to each health professional school." Free but limited copies of the report -- Costs of Education in the Health Professions -- are available from the National Academy of Sciences, Institute of Medicine, 2100 Constitution Ave., N.W., Washington, D.C. 20418

The report states that the health professional schools "are of value beyond the boundaries of the states in which they are located. The distribution of schools bears little relation to the distribution of the nation's population, and the mobility of health professionals reduces a state's motives to provide sole support for their training." The schools, in fact, should be "regarded as a national resource requiring Federal support." The capitation provisions of the 1971 Comprehensive Health Manpower bill "were intended to provide a direct and stable source" as a mechanism for that support. Authorized levels of funding, the Institute found, ranged from 25 to 40 per cent of the average net education expenditures (education costs minus the income received from research and patient care connected with the educational process), except for podiatry and nursing, where the percentages were much lower. However, appropriations have always fallen short of authorization.

In its recommendations, the Institute endorsed a capitation grant "as an appropriate Federal undertaking to provide a stable source" for the health professional schools expressed the opinion that grants ranging between 25 and 40 per cent of net educational expenditures "would contribute to the financial stability of public and private health professional schools and would be an appropriate complement to income from tuition and gifts and support by state governments, all of which should be maintained as nearly as possible in their present proportions." The Institute noted that appropriations shortfalls and year-to-year fluctuations "weaken the intended stabilizing influence of capitation because the schools cannot make plans on the basis of anticipated income."

The Institute, however, called for a major change in the capitation-grant program. It pointed out that "capitation based on enrollments encourages increased class size; based on graduates it is an incentive to minimize dropouts." It said that the present policy was based on projections of a health manpower shortage, but that "data for further such projections ... are inconclusive." It consequently recommended that the base for the grants be shifted from the number of students to the number of graduates, "with appropriate transitional support to schools that have greatly increased their enrollments in the past few years, or have recently changed to a three-year degree program." Capitation, it said, should not "encourage one length of curriculum over another in any one profession."

"Capitation grants," the report states, "should assure the financial stability of health professional schools and require them to maintain their present production of graduates. Other goals of health manpower policy, the study group believes, can better be attained by other financing methods. Distribution of health professionals, for instance, depends heavily on financing of postgraduate education and payments for patient care but very little on capitation support of education to the first professional degree."

The report also said that "financing policies for programs in health professional education are made unduly complex at the Federal level by the multiplicity of Congressional committees and executive agencies that deal with the programs. Research and education support are not coordinated with policies of payment for patient care. Changes in policy for one program, if not made in cognizance of the effect on other programs, can greatly alter the priorities of the beneficiary institutions and threaten the stability promised by capitation grants." It recommended that "a mechanism be established in the federal executive and legislative branches to coordinate the implementation of any financing policy for health professional education."

The following table summarizes the cost data developed by the study group, including average net educational expenditures per student in the different fields, the currently authorized capitation amount, and the per student amount required at three levels of funding. The report emphasizes that "within each profession, the range of education costs per student is large," mainly reflecting "a differential ability of the schools to fund the research and patient care components of their education programs."

Capitation at Current Authorization Levels and at Different Levels of Average Net Education Expenditures, 1972-73

| Profession          | Net education expenditures per student | Currently authorized capitation amount | Average net education expenditures |                |            |
|---------------------|--|--|------------------------------------|----------------|------------|
|                     |  |  | 25 percent                         | 33-1/3 percent | 40 percent |
| Medicine            | \$9,700                                | \$2,850 <u>a/</u>                      | \$2,450                            | \$3,250        | \$3,900    |
| Osteopathy          | 7,000                                  | 2,850 <u>a/</u>                        | 1,750                              | 2,300          | 2,800      |
| Dentistry           | 7,400                                  | 2,850 <u>a/</u>                        | 1,850                              | 2,450          | 2,950      |
| Optometry           | 3,100                                  | 800                                    | 800                                | 1,050          | 1,250      |
| Pharmacy            | 3,050                                  | 800                                    | 750                                | 1,000          | 1,200      |
| Podiatry            | 4,900                                  | 800                                    | 1,250                              | 1,650          | 1,950      |
| Veterinary Medicine | 5,550                                  | 1,750                                  | 1,400                              | 1,850          | 2,200      |
| Nursing             |  |  |                                    |                |            |
| Baccalaureate       | 2,450                                  | 346 <u>b/</u>                          | 600                                | 800            | 1,000      |
| Associate           | 1,650                                  | 213 <u>b/</u>                          | 400                                | 550            | 650        |
| Diploma             | 1,500                                  | 250                                    | 400                                | 500            | 600        |

NOTE: ; Dollars are rounded to nearest \$50

a/ A basic capitation amount of \$2,850 has been used rather than the \$2,500, to reflect the \$4,000 capitation award made for the students in the graduating class.

b/ Per student equivalent.

### 3. ROGERS SAYS "NO" TO CAPITATION CURTAILMENT IN HEALTH MANPOWER

The "most of us" who, according to Deputy Assistant Secretary Henry E. Simmons, "agree" that "fundamentally new" health manpower legislation is needed does not include Representative Paul G. Rogers.

The chairman of the jurisdictional Subcommittee on Public Health and Environment of the House Committee on Interstate and Foreign Commerce has introduced a bill (H.R. 14721, cosponsored by five of the 10 subcommittee members) that would extend the health manpower provisions along lines closely patterned after the recommendations of the Institute of Medicine of the National Academy of Sciences (see another article in this Circular Letter).

In particular, capitation grants would be continued for all the disciplines, with institutional allowances based essentially on one-third of the average net educational expenditures, as determined by the Institute of Medicine study. According to this schedule, grants for each full-time student would be as follows: Medicine - \$3,250, dentistry - \$2,475, osteopathy - \$2,350, public health - \$2,000, veterinary medicine - \$1,850, optometry - \$1,050, pharmacy - \$1,050, and podiatry - \$1,650. In addition, each school would receive a capitation grant of \$1,000 for each full-time student enrolled in a course for the training of physician and dental "extenders." All amounts would increase present authorizations significantly. In addition, each school of medicine, dentistry, and osteopathy would receive \$1,000 per student for the training of physician or dental "extenders" or "auxiliaries."

Funding authorizations are made not in a lump sum for the capitation grants but on a discipline-by-discipline basis: medicine - \$176 million for 1975, \$182 million for 1976, and \$188 million for 1977; osteopathy - \$7.6 million for 1975, \$8.5 million for 1976, and \$9.5 million for 1977; dentistry - \$49.5 million for 1975, \$50.8 million for 1976, and \$52 million for 1977; public health - \$11 million for 1975, \$12 million for 1976, and \$13 million for 1977; veterinary medicine - \$11.7 million for 1975, \$12.4 million for 1976, and \$13 million for 1977; optometry - \$3.8 million, \$4 million, and \$4.2 million, respectively; pharmacy - \$25.6 million for each of the three years; and podiatry - \$3 million, \$3.3 million, and \$3.5 million, respectively. For physician extenders, the bill authorizes \$2 million for 1975, \$3 million for 1976, and \$4 million for 1977; and for dental auxiliaries, \$2 million, \$3 million, and \$4 million. In case of shortfalls in appropriations, institutional allowances are to be reduced proportionally discipline-by-discipline. The funding provisions would, presumably, prevent shifting of funds from one type of school to another to meet administrative, rather than Congressional, priorities.

For aid in the construction of academic facilities in the health professions (including public health, the bill authorizes \$100 million for 1975, \$125 million for 1976, and \$150 million for 1977. It further provides \$2 million, \$2.5 million, and \$3 million for interest subsidies on private loans for the construction of health professional academic facilities.

The bill would eliminate scholarships for medical students except for those students who agree to practice in medically underserved areas with the National Health Service Corps, but both direct and guaranteed, interest-subsidy loans would be continued. Loan forgiveness would be provided for graduates entering family medicine, general internal medicine, or general pediatrics.

For special grants to aid all the health professional schools to assist students from disadvantaged backgrounds; to aid medical, osteopathic and dental schools in developing and expanding programs to train students for service in underserved areas and as physician extenders; to aid schools of pharmacy, optometry, and podiatry to establish better "affiliations" and "cooperative arrangements" between and among these disciplines and other health professional disciplines; and to aid schools of public health to develop and expand programs to "train full-time students in State, county and local health departments, in migrant and Indian health programs, and in hospitals and other health facilities which are in medically underserved areas...." the bill authorizes \$25 million for each of the three years. Of the total appropriated, 37 per cent is to be used for special grants in schools of medicine, 3 per cent in schools of osteopathy, 18 per cent in schools of dentistry, 6 per cent in schools of public health, 4 per cent in schools of optometry, 24 per cent in schools of pharmacy, 2 per cent in schools of podiatry, and 6 per cent in schools of veterinary medicine.

For start-up assistance, the bill authorizes \$11 million for each of the three years, and for financial distress, \$15 million for each of the three years. Grants

for training, traineeships, and fellowships in family medicine are authorized at \$20 million for 1975, \$30 million for 1976, and \$40 million for 1977. For grants and contracts for the development and demonstration of programs for the training of public and community health personnel, the bill authorizes \$10, \$12, and \$14 million for the three years; and for the support of graduate educational programs for community and community health personnel, \$4, \$5, and \$6 million are authorized. A special traineeship program for public and community health services "for which the Secretary determines there is a special need," the bill would provide \$12, \$13.5, and \$15 million. For special grants and contracts in the field of allied health personnel, the bill provides \$40, \$45, and \$50 million for the three years; and for traineeships in allied health, \$7.5, \$9, and \$10.5 million.

#### 4. SENATE SETS NSF AUTHORIZATION AT \$830 MILLION

On May 16, by voice vote and no debate, the Senate passed S. 3344 to authorize a total of \$829.8 million for the National Science Foundation for fiscal 1975. This is \$61.6 million more than the budget request and the amount the House had allowed earlier (see Circular Letter No. 8). Senate approval of the bill sends it to a conference for resolution of the differences between it and the House version. No difficulties are expected in conference.

As did the House, the Senate came in with a line-itemed authorization bill and an explicitly worded Committee report (Senate Report No. 93-848) as a hedge against impoundments and other fiscal maneuverings that might thwart the will of the Congress in the matter of spending and spending priorities.

As was the budget request, the Senate bill is dominated by the administration's concern with energy-related activities. Of the total \$829.8 million authorization allowed by the Senate, \$252.6 million - over 30 per cent - is earmarked for energy-related research. The \$829.8 million is an increase of \$189 million over the \$640.7 million program level for 1974, but \$138 million of this increase is, again, for energy research and related activities.

According to the report, the \$252.6 million energy authorization includes \$101.8 for "direct" energy research and facility support, with \$150.8 million for "indirect or supporting energy programs." The "direct" energy research is to be concentrated (\$93.4 million) in the Research Applied to National Needs program. Of this total, \$72.3 million is for research in "renewable energy resources" such as solar and geothermal energy, with \$12 million for the "exceptionally important" area of energy conservation. Most of the "indirect" energy research funds will be undertaken under the Foundation's basic research project support program. Within this total, according to the report, \$11.1 million will be earmarked for basic research in "energy related areas that have the potential for helping to solve the nation's energy problems, and \$30.5 million will be for a "carefully coordinated study of the environmental effects of energy."

Scientific Research Project Support -- the Senate recommends \$363.7 million, \$10 million more than the House had allowed and \$72.4 million more than the 1974 program level. However, over one-third of this total -- \$130.1 million -- is for energy research, which clearly indicates essentially standstill budgets for all other research.

National and Special Research Programs -- \$94.7 million, about \$10 million more than the budget request and the House allowance. The increase is largely earmarked for ship construction for updating the Foundation's academic research fleet for oceanographic research.

National Research Centers -- \$52.2 million, the same as the budget request and the House allowance. This is an increase of \$10 million over 1974.



Science Information Activities -- \$8.3 million, \$3.3 million less than the House provided but the same as the budget request. This is a cut of \$3 million from the 1974 level. The Committee was concerned, however, that "this reduction may have serious implications for the continuing effectiveness of science and technology in this country.... It is our intention to monitor closely the effects of a curtailed science information program, and to consider significant increases in this program in the authorization for FY 1976."

International Cooperative Scientific Activities -- \$8 million, \$1.6 million more than this year, but the same as the budget request and the House allowance.

Research Applied to National Needs -- \$160.7 million, \$11.8 million above the budget request and \$21.6 million more than the House had allowed (and more than double the \$75 million level for fiscal 1974). Of the total, however, \$93.4 million is earmarked for energy research. The Committee expressed concern that the concentration on energy research would cause other programs barely to hold their own. Within the field of energy research, the Committee "expects NSF to participate fully in the development of adequate information on shale oil development" and believes "the Foundation should increase its focus on wind energy, and other non-conventional energy sources such as ocean thermal gradients and ocean tides and waves as potential longterm possibilities. The Committee also called for more aggressive programs on environmental problems, advanced technology applications, and technology assessment efforts. It also called a "levelling off" of the Social Systems and Human Resources program "unwise," and said it was "essential" that earthquake engineering efforts be funded at no less than \$8 million.

Intergovernmental Science Program -- \$3 million, the same as the budget request but \$2 million more than the House had allowed. "Because this program shows great promise," the Committee report stated, "the committee believes that it's time to move it out of the experimental phase." The program, the Committee said, "is proving to be an effective instrument for moving the designated scientific research results to user groups."

Institutional Improvement for Science -- \$12 million, \$9 million more than the budget request and \$2 million more than the House allowance. Noting that the budget request reflected the administration's recommendation to eliminate the formula institutional grants for science program, the Committee states that it agrees with NASULGC and AAU testimony that such elimination would be a "serious error in public policy" and that "this small amount of money is extraordinarily productive to a college or university because of the flexibility it provides. (The cut was ordered by OMB; the Foundation itself had requested \$7 million for the program.)

Graduate Student Support -- \$17 million, \$4.3 million more than the budget request and \$3.8 million more than the House had allowed. The Committee deplored the administration's recommendation for a cutback in this program and said that it "is essential that bright, young people continue to flow into scientific and technological careers in order to maintain the vitality and strength of U.S. science.... Graduate Student Support should be based on the quality of the student and not on the temporary needs of the particular science discipline."

Science Education Improvement -- \$71 million, \$8.6 million more than the budget request and \$2 million more than the House allowance. The Committee noted that, considering that \$5 million of the budget request was earmarked for "a new effort for energy manpower resources," the request actually called for an \$11.1 million reduction from the 1974 program level. It said that the request "again reflects the imbalance in the Foundation's nonenergy support activities." The Committee specifically directed the Foundation to increase it program for ethnic minorities and women to \$8.1 million in fiscal 1975, said it "does not agree ... that summer

institutes aimed at upgrading the science subject-matter proficiency of teachers can now be phased out," and called for a \$1 million postdoctoral faculty fellowship program.

Planning and Policy Studies -- \$2.7 million, the same as the budget request and the House allowance.

Program Development and Management -- \$39.5 million, the same as the budget request and the House allowance. This amount provides for 180 new positions in the Foundation to meet the program and management requirements of the expanded energy research effort.

The Senate agreed with the House in establishing expenditure floors for Institutional Improvement for Science (\$12 million), Graduate Student Support (\$17 million), and Science Education Improvement (\$17 million). It also established floors for Ship Construction and Conversion (\$8 million) and Earthquake Research and Engineering (\$8 million). It did not establish floors in several areas in which the House had done so: Experimental R&D Incentives, Fire Research, Science Faculty Fellowships for College Teachers, Student Programs, and High School Student Projects. It agreed with the House in proscribing the transfer of more than 10 per cent of the funds for any one program to another without the approval of the Congress. It added a provision stating that the Director of the Foundation "shall be responsible for planning, coordinating, and directing the solar energy research programs of the Federal Government."

#### 5. SECOND SUPPLEMENTAL: SENATE AGREES WITH HOUSE TO STOP TRANSFERS FROM OWRR

The Senate has passed and sent to a conference committee a second supplementary appropriations bill that agrees with the House: the administration cannot shift some \$540,000 from the Office of Water Resources Research to help meet mandated pay increases for Federal employees of the Bureau of Reclamation and OWRR itself, among other things.

The Senate agreed with the House (see Circular Letter No. 6) in denying the transfer of \$460,000 from OWRR to cover pay costs in the Bureau of Reclamation: "The Committee directs that these funds be utilized for grants to state research institutes as specified in the original legislation." It also agreed with the House to deny "reprogramming" of \$80,000 for OWRR "in impounded appropriations" for OWRR pay costs. However, as opposed to the House, which asked Interior to "absorb" the \$80,000, the Senate bill would provide an appropriations increase to cover it.

In other matters, the Committee report (Senate Report No. 93-814) was highly critical of the administration's across-the-board impounding of the statutorily allowable five per cent for programs in the Department of Health, Education, and Welfare. "The Committee," the report stated, "is seriously concerned with the manner in which the Department ... has been administering the withholding provision," pointing out that "this authority was discretionary and not mandatory." However, "considering the time remaining in fiscal year 1974, the Committee directs that this mechanism be used to cover the costs associated with all other HEW supplemental items," rather than to provide an additional appropriation to cover those items.

The Committee report also states that "The Committee is very seriously concerned that the Department (of HEW) is embarking on a new form of impoundment called 'multi-year' funding. This practice involves one-time grant awards for the cost of research projects and other projects grants which may run from three to seven years in length.... Under this new concept, Congress becomes powerless to increase the level of funding for any given priority program.... It appears to the Committee that any attempt to provide multi-year funding would be in direct opposition to the will of the Congress and apparently a violation of the recent court rulings

mandating the release of previously-impounded funds." "Unauthorized multi-year funding," the report says, "changed the intent of Congress without its consent. It destroys the annual appropriations process, reinstates unlawful impoundments, and usurps Congressional prerogatives."

In the bill, the Committee (and the Senate) included \$400,000 (to be taken from previously impounded funds, rather than from newly provided appropriations) for HEW to start a "limited number of demonstration continuing education centers." "For some time," the report stated, "the Committee has encouraged HEW to develop a Federal policy and program for continuing education" but noted that "to date, no funds have been requested" for continuing education centers. The Committee also "strongly disapproves" HEW's refusal to spend funds previously appropriated for veterans' cost-of-instruction payments, and said it "expects" that funds appropriated for this purpose be obligated "without further delay."

The Committee also included language in the bill to allow the same \$47 million appropriated for Basic Opportunity Grants in fiscal 1974 but not expended for that purpose to be carried over and "merged with" funds appropriated for 1975 for the BOG program: "The Committee believes that (redistribution of the funds to students receiving BOG's in 1973-74, in accordance with the law) would prove to be an administrative nightmare." The report said the "Committee is seriously concerned over the Department's failure to get the BOG's program off the ground. With proper management and less gimmickery, BOG's should play an important role in the Federal student aid program. In the meantime, the Committee hopes that any further administrative problems will be avoided."

The Committee also agreed with the House in including an extra \$30.8 million to reimburse lenders for defaults on Federally insured student loans. At the same time, the Committee called on the Office of Education to "address itself to this problem (of loan defaults) in a more positive manner.... Greater attention must be given to preventive action, rather than pro forma reaction."

The Committee also added \$269,000 (\$69,000 more than the House had allowed) for the Center for the Cultural and Technical Interchange between East and West at the University of Hawaii. The sum is "needed to finance the East-West Center's share of a labor-management agreement entered into between the University of Hawaii and its employees...."

#### 6. SENATE COMMITTEE REPORTS AMATEUR ATHLETICS BILL

The reporting of a bill to establish a National Commission on the Olympic Games (Circular Letter No. 8) was NOT the final answer to Congressional interest in amateur athletics. The Senate Committee on Commerce has unanimously reported (and the Senate almost passed on the consent calendar) S. 3500 to establish a Federal Amateur Sports Board to charter sports organizations concerned with international amateur competition and an independent National Sports Development Foundation to "plan, coordinate, promote, and support the conduct and development of amateur sports throughout the United States."

The bill states that "the full benefits of amateur athletic competition have not been realized because various private organizations in the United States (i.e., the National Collegiate Athletic Association and the Amateur Athletic Union) have not been able to coordinate their efforts." At stake is an historic struggle over the control and complaints about the operation of the private (but Federally chartered) United States Olympic Committee (see Circular Letter No. 6). In accordance with the rules of the International Olympic Committee, voting control in the USOC is concentrated in the 19 national sports federations recognized by the International Sports Federations to represent the individual sports that are included in Olympic compe-

tition. Historically, AAU has controlled the majority of these federations and, consequently, USOC. NCAA has, in fact, withdrawn from USOC, and the many "irregularities" and complaints about the management of the U.S. involvement in the 1972 Olympic Games has focused attention on the issue. According to the Committee report (Senate Report No. 93-850), "the administration of the U.S. team at Munich has damaged the confidence of many athletes in the capacity of U.S. Olympic officials to develop, manage, and train a successful American entry in future Olympic Games."

In an effort to put an end to the "internecine warfare between competing sports governing bodies, the lack of meaningful reform of the U.S. Olympic Committee, and the deleterious effect of both on amateur athletes," S. 3500 would establish an Amateur Sports Board as an independent Federal agency, composed of five members appointed for four-year terms by the President with the advice and consent of the Senate. Appointees are to include only "an individual who is distinguished for his dedication to the highest ideals of amateur athletic competition, his freedom from bias, and his knowledge and experience in amateur sports...." At least one member must be an active U.S. Olympic competitor; and "at no time will there be any member who is an officer, director, or employee of any sports organization, or more than one member who has been an officer, director, or employee of the same sports organization."

The primary function of the Board will be that of chartering sports associations for each of the different sports included in Olympic competition. Such associations would have the authority to "(1) act as the representative of the United States to the appropriate international governing body or bodies for the sport or sports with respect to which it has been granted a charter; (2) act as the representative of athletes competing in international competition in its sport or sports; (3) designate individuals and teams to participate in international competition and certify, in accordance with international rules, the amateur status of such individuals and teams; (4) conduct domestic competition in which all eligible athletes may compete, including, but not limited to, Olympic trials or national championships; (5) conduct domestic exhibitions with representatives of foreign nations, the purpose of which is to promote interest in its sport or sports; (6) take such action, consistent with rules and regulations promulgated by the Board pursuant to this Act, as may be necessary to insure the safety and well-being of athletes representing the United States in international competition in its sport or sports; and (7) assume such other authority as the Board deems appropriate to carry out the purposes of this Act."

An important chore for the associations would be that of sanctioning "unrestricted" sports competitions in the United States, an area about which many of the squabbles between NCAA and AAU have arisen. As defined in the bill, "unrestricted competition" is "any international amateur athletic competition or any domestic amateur athletic competition directly related to qualifying amateur athletes for international competition, including, but not limited to, national championships or Olympic trials, in which all eligible amateur athletes may participate." It specifically does not include "amateur athletic competition which is restricted to a specific class of amateur athletes, including, but not limited to, high school athletes, collegiate athletes, and members of the Armed Forces, or any other group or category."

As a condition for chartering, the bill states that "no chartered sports association or any other sports organization may deny or threaten to deny any eligible amateur athlete the opportunity to compete in any unrestricted competition" except in accordance with rules adopted prior to the denial by a university, high school, or "other educational institution ... (1) to promote the educational welfare of amateur athletes who are students at such institution; or (2) to maintain and protect established sports programs during the regular season for each particular sport." At least 20 per cent of the voting power in any chartered association must be held by active amateur athletes, and each chartered sports organization would

be limited to one sport, except where the Board finds that the sports for which charters are sought are "closely related and would benefit by common administration." This latter provision is aimed at ending the domination of the U.S. Olympic Committee by any one (AAU) organization. Funding authorization for the operation of the Board would be set at \$1.1 million a year.

The National Sports Development Foundation would be a private agency, but the 16-member Board of Trustees would be appointed by the President with the advice and consent of the Senate. At least three of the members would have to be either active amateur competitors or persons who have only recently been active. The functions of the Foundation would be, through grants, "to (1) promote equal opportunity for and encourage participation and excellence in athletic activity and physical fitness; (2) to foster and support organizations concerned with sports and to help coordinate their activities with educational and recreational programs conducted by Federal, State, and local governments; (3) to support the development and dissemination of technical, financial, and training assistance; (4) to promote increased athletic exchanges with foreign nations; (5) to support studies relative to athletic activity; (6) to extend knowledge and facilities and the practice of sports by establishing and maintaining a data bank for compilation, analysis, and dissemination of information pertaining to all significant aspects of sports; (7) to encourage and support useful research in areas such as sports medicine, equipment design, and performance analysis; and (8) to stimulate the establishment of improved coaching, physical training, and physical education programs."

The Foundation would be funded by an endowment it would seek to raise in a three-year period. To assist in this, the Federal government would match private contributions on a dollar-to-dollar basis, up to a total of \$50 million in Federal funds.

#### 7. ROTC: DOD RESPONSE TO COST-REIMBURSEMENT BILLS

It has been learned that the Administration will file a negative response to the enactment of H.R. 10934 and S. 2732 (see Circular Letter No. 5) to authorize the payment of \$500 to colleges and universities for each student commissioned as an officer through the ROTC units of the institutions.

The Office of Management and Budget objects to the proposed legislation, long supported by national higher education associations, because it is inconsistent with the Administration's policy of reducing and/or eliminating institutional support programs of whatever sort and for whatever purpose and of concentrating Federal support funds on grants and, especially, loans to individuals. The Pentagon controllers object because they are not convinced that \$7 million required to fund the program would be "productive" - that is, its expenditure would increase the commissioning officer output of the ROTC units at academic institutions. Put another way, they say in effect "why pay for something you now get for free."

It has been known for some time that, withn DOD, the Office of the Assistant Secretary for Manpower and Reserve Affairs and the Army favor the support program, while the Office of the Comptroller, the Navy, and the Air Force have opposed. It has also been known that OMB opposes on the grounds that the program would provide a "precedent" for institutional support. When, three years ago, the national educational associations recommended increases in the subsistence allowance for cadets and in the number of scholarships for ROTC students and establishment of the cost-of-education allowances, the administration approved the increased subsistence allowances and scholarships but not the institutional allowance.

#### 8. STUDIES REPORT INDEPENDENT STUDENTS ON THE INCREASE

A report, "The Self-Supporting Student, Trends and Implications," conducted by

Marvin R. Hensley of the University of California and sponsored by the College Board concluded that a "dramatic" increase isttaking place in the number of students reported as self-supporting and that "the administration problem associated with the self-supporting student is viewed as a serious problem in the majority of institutions polled." These conclusions were based on replies from 276 public and private institutions.

In determining the criteria for self-supporting status, the study found that "institutions which require no parental signature for students of any age experience higher than average proportions of self-supporting students on their financial aid rolls." Requiring students to submit their income tax forms did not result in fewer self-supporting students, but requirements which lower the "proportions of self-supporting students are parental financial statements and affidavits of non-support."

One of the surveys of the College Board Student Resource Surveys, conducted in three western states found that the typical college student now pays for college by getting a job, withdrawing money from a savings account or getting a loan. It also found that independent students are more likely to borrow to pay for their education than those supported by their parents. The College Board is concerned that this trend will complicate and undermine the "student aid package" which is now based primarily on the obligation of parents to pick up part of the cost.

The 26th Amendment, lowering the age of majority to 18, is also encouraging students to declare themselves financially independent from their parents, according to Dr. D. Parker Young of the University of Georgia. The financial aid officers and the institutions will find themselves in increasingly difficult financial straits, with assets dropping and outstripped by demand, yet called upon to assume a greater proportion of the burden of paying for the student's education. This situation may further be aggravated by the increasing ability of students to obtain legal residence in the state where they are attending college, as upheld by the Vlandis v. Kline decision. The loss of out-of-state tuition dollars could lead to raised tuitions and "this will tend to limit educational opportunities within a state for many who may not be able to afford the increased costs."

#### 9. NEW FELLOWS ELECTED TO THE AMERICAN ACADEMY OF ARTS AND SCIENCES

The American Academy of Arts and Sciences has announced that it has elected 117 new members this year. Of these, 32 are from our member institutions and include one president and one regent: University of California: Owen Chamberlain, Professor of Physics; William G. Dauben, Professor of Chemistry; Robert C. Elliott, Professor of English Literature; Heinz L. Fraenkel-Conrat, Professor of Molecular Biology; Mary R. Haas, Professor of Linguistics; Elinor R. Heller, Regent; Francis C. Howell, Professor of Paleoanthropology; Robert P. Kraft, Professor of Astronomy; Charles Muscatine, Professor of English; Harry Rubin, Professor of Molecular Biology; University of Colorado: David W. Talmage, Professor of Microbiology; University of Illinois: Willis H. Flygare, Professor of Chemistry; Indiana University: Frank W. Putnam, Professor of Molecular Biology; University of Maryland: Irma Adelman, Professor of Economy; Robert W. Zwanzig, Professor of Applied Mathematics; Massachusetts Institute of Technology: David Baltimore, Professor of Biology; Mildred S. Dresselhaus, Professor of Electrical Engineering; Harold J. Hanhan, Professor of History and Political Science; Harold R. Isaacs, Professor of Political Science; Franklin P. Peterson, Professor of Mathematics; Alar Toomre, Professor of Applied Mathematics; University of Minnesota: Carl Auerbach, Professor of Law; City University of New York: John Hollander, Professor of English; Cornell University: Frank D. Drake, Professor of Astronomy; Gordon G. Hammes, Professor of Chemistry; State University of New York: Charles Rosen, Professor of Music; University of North Carolina: Emeline H. Richardson, Professor of Classical Archaeology; University of Texas: Harold C. Bold, Professor of Botany; Donald W. Seldin, Professor of Internal Medicine; University of Virginia: Peter H. Taylor, author, Professor of English;

University of Washington: President John R. Hogness; University of Wisconsin: George E. P. Box, Professor of Statistics.

## 10. LEGISLATIVE ROUNDUP

### HEW FY '75 Appropriations

The House Subcommittee, chaired by Representative Flood, will mark-up the appropriations bill for HEW during the first week of June with floor action scheduled for June 27. The Senate Subcommittee, chaired by Senator Magnuson, is still hearing witnesses, and is not expected to take action prior to July 4th. A continuing resolution will go to the floors of the Congress in late June with a battle expected on the level to determine Administration spending. It's particularly important since the Administration has requested zero funding for many ongoing categorical aid programs in education.

Senator McClellan has announced that, as was the case last year, the Senate Appropriations Committee has established its own priorities which are substantially different from the Administration's. It is expected that the Department of Defense budget will be cut substantially and that \$2.5 billion will be added to the Labor/HEW appropriation. Of this, it is estimated that \$1 billion will be devoted to manpower programs leaving a \$1.5 billion increase over the Administration's request for health and education programs. Given the large cuts in support proposed by the Administration this sum is minimal and may involve cutbacks in important programs.

### Elementary and Secondary Education Legislation

On May 20, the Senate passed S. 1539, the Education Amendments of 1974. The Bill started out as an elementary and secondary education bill, but had many higher education amendments added and a name change was required. A conference with the House is scheduled for June 4. The area of greatest concern is busing where compromise may be difficult. Another source of potential problems is in the many amendments dealing with Veterans Cost of Instruction, Community Service Education, Affirmative Action, Bi-lingual Education and others clearly in the province of higher education. Although these amendments may have the support of the higher education community the House has held no hearings on any of them and could seek to declare all of them not germane to the principal legislation.

### Human Subject Research

HEW Regulations -- The proposed regulations published on October 9, 1973, by NIH dealing with the conduct of Human Subject Research have been revised. Secretary Weinberger has approved the regulations and they are expected to be published in the Federal Register on May 30, 1974. Several hundred letters were sent by institutions of higher education objecting to the regulations proposed. The regulations have been changed to be responsive to those objections. In NIH's view the October regulations were basically a codification of existing policy and practice and generally procedural rather than substantive. Initial review of the guidelines indicate that despite some possible sources of concern, institutions of higher education will not have difficulty living with them. The November 16, 1973, proposed regulations, however, dealing with biomedical research on subjects such as prisoners and children were far more substantive and their revision is still tied up. Several other federal agencies now have discovered the ethics issue particularly in the behavioral sciences. They find that they cannot abide by the draft November guidelines written from an NIH perspective. The Food and Drug Administration, for example, feels that in its regulatory work the regulations are wholly inapplicable, and the Justice Department has suggested that in the regulations dealing with informed consent the text may be

illegal as only courts can grant such consent. It is anticipated that a second draft involving only NIH will be out by the second week in July, and that open hearings will be scheduled in September.

H.R. 7724 -- After being stalled in conference for some months, it was reported that the differences in H.R. 7724 between the two Houses, particularly with regard to Title II and its regulatory commission for human subject research, were so great that the bill would die in conference. However, in recent weeks Congressman Rogers, the original sponsor of the bill, apparently has met with Senator Kennedy in hopes that the provisions for fellowship and traineeship programs in NIH will not die with the rest of the bill. We understand that a compromise has been reached and that the bill will be reported to the floor of the two Houses shortly. We understand also that the Administration is not pleased with the bill and that a veto is being given serious consideration. A possible concern to NIH is that repealing language in Title I takes away some authority over training from NIH and virtually all authority over NIMH training. Officials may believe that their relationship with Secretary Weinberger is such now that they can operate better training programs under existing authorities than under the proposed legislation. Institutional observers maintain the position that no bill should pass which does not contain; (1) trainee stipends, (2) mandatory faculty support, (3) peer review, and (4) continuing support of the institution's training program.

#### Foreign Student Visas

The adamant position of officials at the Immigration and Naturalization Service (INS) indicates that there will be no change in the State Department's interpretation of regulations concerning which foreign students will be permitted to come to the United States to study. Further efforts to modify or rescind the ruling that no permits will be given to foreign students to work during the summer have failed. The current employment situation in the United States, particularly for young adults, the international situation, which has taken the Administration's attention away from dealing with this problem, and a Judiciary Committee in the House involved in an impeachment process rather than dealing with such matters as foreign student visas have nullified all efforts to change what many feel may be a disastrous situation. It is hoped that the INS will process applications for work permits expeditiously and liberally to allow a considerable number of foreign students to work this summer.

#### Excess Property

The two-year old battle over whether to allow the excess property program to live is once again active. The General Services Administration Ad Hoc Committee some months ago published its recommendations which would result in a total phase-out of the program. A major effort is being made to prevent such action by the Administration particularly in the legislative area. A center for information on excess property has been established at New Mexico State University and a campaign to save the program is underway with a large number of NASULGC institutions involved.

#### Hearings on HEA Title IV

Representative James O'Hara, Chairman of the House Special Education Subcommittee, is conducting hearings on all aspects of Title IV particularly the federally sponsored student aid programs. In the early portions of the hearings Mr. O'Hara has shown a clear distaste for heavy indebtedness as a means of obtaining a college education. He appears interested in expanding and improving the Work-Study and Co-operative Education programs. (President Harold Enarson of Ohio State was a witness before Mr. O'Hara's Subcommittee on Cooperative Education.) Through mid-July, Mr. O'Hara will be conducting hearings on each of the Title IV programs,



ending with a series of seminars participated in by a wide array of representatives from all parts of postsecondary education. The hearings also will devote three days to the subject of institutional assistance or cost of education allowance. We expect that several NASULGC presidents and chancellors will be invited to participate either as individual witnesses or in panel discussions on the subject. Those hearings will be on June 17, 18, 19. Mr. O'Hara plans to draft a bill in July and August and hold further hearings on the bill itself before reporting a proposed revision of Title IV.

#### NASULGC/AAU Student Aid Committee

In order to better respond to Mr. O'Hara's needs for information during his hearings and to prepare for next year's activities on the Senate side, the two associations whose memberships comprise the major research universities have organized a joint committee to prepare a report on federally sponsored student aid programs. Members include directors of student aid programs and a Vice President for Student Affairs from eight public and six private universities. Initial draft comments on the programs have been completed and six subcommittees are preparing final statements for each of the major federal programs. One member of the committee will testify on loan programs, and we hope to have a representation of the total committee appear in a seminar meeting before the O'Hara Subcommittee to discuss the interrelationships of various aspects of student aid. (A large number of member institutions have submitted recommendations in response to our request for names of faculty and staff able to assist in reviewing all higher education legislation in preparation for the amendments of 1975. Small committees will be organized to help prepare position statements and, where appropriate, to testify before House and Senate Committees.)

#### Labor-Education

S. 1539, the Senate version of the elementary and secondary act revision, also contains an amendment which would add labor-education programs to the list of areas of priority interest for Higher Education Act Title I (Community Services). Labor-Education programs have been eligible and several have been funded. It is believed, however, that stating explicitly the field's priority place in the program would have a positive effect in attracting more proposals and more funding for the forty or so university labor-education institutes. A one-day conference will be held on June 12th sponsored by the University Labor Education Association. Participants will include directors of institutes, NASULGC federal relations network representatives and a large number of AFL/CIO officials. Representative Jim O'Hara is on the program and will discuss prospects for legislation on labor-education.

#### Veterans Benefits Legislation

Two months after the House passed its comprehensive bill the Senate Veterans Committee was still hearing witnesses on tuition differentials and other matters. However, because several hundred thousand veterans would lose educational benefits after May 31 if the eight-year delimiting period of eligibility were not extended, the Senate passed S. 3398, extending the eligibility period two years. The House, in response, stated it was ready to go to conference with its entire bill and the Senate minimal bill. This was rejected by the Senate which wishes to raise benefits and also deal with tuition differentials.

Just before the Memorial Day recess, the House relented and passed S. 3398. At the same time the Senate Veterans Committee reported out its comprehensive bill. The key item in the Senate bill is an 18 per cent increase in benefits (from the current \$220 per month to \$260 per month; the House bill has \$250 per month). A tuition payment provision in the bill requires a veteran to pay the first \$100 of his tuition. The Federal Government would pay him 80% of the difference up to a

maximum of \$1,000 or up to \$720 tuition subsidy. Although more than 100 members of the House have indicated support for tuition differential, Representative Teague (D.-Tex.), and former Chairman of the House Veterans Committee, has announced his unalterable opposition to such provisions. The Senate bill also extends entitlement from 30 to 45 months and authorizes a low-cost loan for veterans. If passed, the tuition differential, in its new form, would provide assistance to veterans at low cost public institutions. This was not the case in the original bill where the tuition payment began after the first \$419 of tuition cost.

#### Tax Reform

The Ways and Means Committee has been conducting a spastic schedule of hearings on Tax Reform interrupted by meetings on such other items as pension reform. Those closest to the Committee doubt that there will be time to get into major and controversial issues such as estate and gift tax revision. It is expected, however, that there will be a change in the preference tax to increase taxes for high income brackets. The Committee may make more of such income taxable and increase the rate which is now 10 per cent. There is some concern that an attempt will be made to add unrealized appreciation in property contributed to public charities to the items of preference income. This is not considered likely, but if it came about it would discourage donations of property. The Senate has not gotten into tax reform hearings in any depth. It is expected to add such changes as an increase in the annual exclusion and modification of a preference tax to tariff bills working their way through the Senate, but it is believed that the House Ways and Means Committee will refuse to go to conference on such measures. Several higher education associations have organized a monitoring system on action on the Hill. In the meantime, persons interested in tax reform implications have been urged to inform their Members of Congress of their concern that rules affecting charitable contributions not be changed.

#### DHEW Regional Director's Review and Sign-Off System

As part of the Administration's thrust toward regionalization and decentralization, HEW has established a system whereby proposals in 117 HEW grant programs are reviewed by regional directors before review by peer groups and by Washington headquarters' staff. In one region, the director has chosen to exercise administrative discretion and turn the review process over in part to state review panels (ultimately to 1202 Commissions?). Reports from other regions indicate that the regional review process has delayed program operations and threatens to enmire institutions in a swamp of barely comprehensible governmentalese jargon. NASULGC has joined with AAU and NACUBO in working with HEW officials to attempt to see that the new review process does not cause unnecessary delays or other problems. We would welcome hearing from member institutions how the regional review system is affecting their campuses. One concern is that people lacking credentials to determine the value of grant applications may be in a position to veto such proposals.

#### Exclusive Patent Rights

The Government Services Administration's attempt to grant exclusive patent rights has been held up by suits brought by Public Citizen, Inc., a Ralph Nader organization. The plaintiffs claim that the government does not have the authority to give away property belonging to the citizenry at large. The government claims that the only way universities and industry can be induced to carry out expensive research leading to the development of new drugs and mechanical devices is to hold out the possibility of an exclusive patent. The AAMC and ACE representing higher educational institutions have submitted an amicus brief on the side of the Federal Government.

11. QUOTE DU JOUR (DEPARTMENT OF "LET'S MAKE EVERYTHING PERFECTLY CLEAR")

In announcing the appointment of Nancy Porter as Special Assistant for External Affairs, Health, Education, and Welfare Secretary Caspar W. Weinberger said that Ms. Porter "will be responsible for enhancing the opportunities for a continuing, meaningful dialogue between the Department and interest groups, and for insuring Departmental responsiveness to concerns for input into the formulation of HEW policies and procedures as well as requests for information."

12. ITEMS OF INTEREST

The North Carolina Humanities Foundation has been organized at North Carolina State University as a nonprofit fund-raising organization to obtain and budget funds for the support of University programs in the humanities. The purpose of the Foundation is to promote education, research, scholarship, and extension activities in the liberal arts....

Purdue University this spring accepted a bid of \$160 a ton for used computer cards, compared with only \$23 a ton a year ago. The high bidder explained that there is a big shortage in manila paper stock, and computer cards are top-quality manila. Since last July, the University has sold more than 70 tons of the used computer cards.

13. CHANGES AT MEMBER INSTITUTIONS

The University of Arkansas has announced the appointment of Dr. Herman B. Smith, Jr., Director of the NASULGC-AASCU Office for the Advancement of Public Negro Colleges, as Chancellor of the University's Pine Bluff campus, effective July 1. Dr. Smith will succeed Dr. Johnnie B. Johnson, who has been serving as acting Chancellor since the resignation of Dr. Lawrence A. Davis last summer. Dr. Smith, who earned his advanced degrees at the University of Wisconsin, has been Director of the OAPNC since 1968. He taught in the public schools of Alabama for 10 years and served on the faculty and staff of Howard University, Southern University, and Knoxville College, as well as with the Southern Education Foundation in Atlanta. He also served for a year as an associate Peace Corps representative to the Somali Republic, supervising the work of intermediate and secondary school teachers....

Robert W. Corrigan, former President of California Institute of the Arts, has accepted the post of Dean of the School of Fine Arts at the University of Wisconsin-Milwaukee....

The University of Kansas, has announced that its Acting Dean of the School of Business, Joseph A. Pichler, has been appointed as Dean of the School....

Barry A. Marks has accepted the post of Dean of the College of Arts and Sciences at the University of Rhode Island. He is presently Chairman of the Department of Literature at The American University in Washington. Dr. Robert Lepper has been serving as Acting Dean since the resignation of Jerome M. Pollack in 1971. The change is effective July 1....

A.J. Richards, Vice President for Academic Affairs at Kentucky State University will retire on June 30, 1974, after serving 45 years with the University, six as Dean and Vice President. Effective July 1, 1974 Rufus Barfield, Administrative Assistant to the President, will serve as Acting Vice President for Academic Affairs....

Dean Kullervo Louhi of the College of Business and Graduate School of Business Administration at Michigan State University has announced his resignation because of ill health. He has been Dean at the University since 1969 and he is stepping down as of July 1.

*Equal Opportunity*

NORTH CAROLINA STATE UNIVERSITY AT RALEIGH

OFFICE OF THE CHANCELLOR  
Box 5067 Zip 27607  
TELEPHONE: 919, 755-2191

18 August 1972

Dr. Ralph Huitt  
Executive Director  
National Association of State Universities  
and Land-Grant Colleges  
One Dupont Circle  
Washington, D. C. 20036

*n*

Dear Ralph:

I have Susan Fratkin's helpful memorandum on  
"HEW Guidelines on Affirmative Action Programs."

*W*

Just want to record my alarm at the parenthetical  
statement in item 4 that "statistics are all that is necessary"  
to show that discrimination has impinged on personnel  
practices. This point of view on what constitutes proof  
of discrimination is really intolerable when applied in a  
particular case. This view was attempted in an investiga-  
tion of one complaint on this campus and a finding against  
us (later withdrawn) was based virtually on statistics alone.

*g*

*mm*

Let's try to change this. Can we?

Sincerely yours,

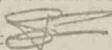
*JTC*  
John T. Caldwell  
Chancellor

Blind cc: Provost Kelly ✓

NATIONAL ASSOCIATION  
OF STATE UNIVERSITIES  
AND LAND-GRANT COLLEGES

One Dupont Circle, Washington, D. C. 20036 202 293-7120  
August 14, 1972

TO: Heads of Member Institutions, Affirmative Action Officers

FROM: Susan Fratkin, Staff Associate 

SUBJECT: HEW Guidelines on Affirmative Action Programs.

The long-awaited guidelines to affirmative action programs aimed at eliminating discrimination on college and university campuses has now been prepared in draft form by the Department of Health, Education and Welfare. The draft is being circulated, on a severely restricted selective basis because it has not yet been approved by the Department's legal counsel. But it may be helpful to mention some elements in this initial effort.

As expected, the guidelines do not state anything that is not already to be found in principle (Executive Order #11246, Revised Order #4, and the Education Amendments of 1972). Nevertheless the guidelines do set out a basic approach to affirmative action, outlining specifically what HEW will consider as good-faith efforts at compliance. Thus we may hope we are on the way to developing a standardized approach toward compliance -- for HEW, regional and national, and for colleges and universities, public and private.

What is most important is that the basic thrust of the guidelines is to set out the approach to non-discrimination and affirmative action on the campus. Of course, in attempting to do so the Department will please nobody. Both rights groups and campuses will find fault with the guidelines -- that they are either too restrictive or not specific enough. But all concerned must recognize that this is a good first step.

Some features worth mentioning are:

1. In the emphasis of the guidelines on affirmative action -- the process by which an employer makes special additional efforts in hiring and promoting -- it is carefully stated that an employer is not required to hire or promote unqualified persons, nor to eliminate or dilute any valid standards. An explanation of "goals", as opposed to "quotas", recognizes the confusion which has persisted.

*Copies: Dr Kelly  
Mr Wright*

2. In emphasizing non-discrimination, a detailed description of personnel practices is included. This is the first time that the manner in which a campus recruits, hires, trains and places personnel is examined. There are suggested procedures to follow in expanding recruiting and in drafting an anti-nepotism regulation.
3. As you know, recent legislation (Education Amendments of 1972) has included professionals in the Equal Pay Act. Conversely, the guidelines include clerical and custodial staff in their regulations. All levels of campus employees are covered.
4. As a part of good personnel practices, directing the flow of employment from recruitment to retirement or termination, the institution must not allow considerations of race, religion, color, national origin or sex, to impinge. Patterns of employment must show that they have not. If it can be shown that they have (and statistics are all that is necessary) readjustment and back pay are required

The section pertaining to back pay raises many questions. Examples are: What is the statute of limitations on back pay? Which of many regulations are the ones to follow? Decisions in cases decided prior to this effort at fashioning guidelines add to the confusion.

5. The rules on fringe benefits, retirement and childbirth are also not clear. Unfortunately, what appears to have happened is that in the time it has taken the Department to issue this draft, legislation was passed or guidelines were issued from other agencies, (i.e., the Department of Labor) which have been footnoted but not taken into account in the body of the guidelines. Thus in an area of major controversy the guidelines serve to do little more than compound the confusion.
6. It is important to note that two crucial issues are covered in depth in the guidelines -- again for the first time. First, a detailed grievance procedure is outlined. The importance of this is magnified by the changes occurring on our campuses as a result of collective bargaining. HEW has made it clear here that they will respect a college's grievance procedure as a major tool of conflict-resolution, reducing the need for the Federal Government to assume jurisdiction.
7. Another crucial issue is that of data collection. Now the guidelines offer a standardized approach to the processing of employment data on campus. The guidelines emphasize that all schools must develop their data banks in a more uniform manner, with the private colleges only also being responsible for an analysis of that data. Public institutions, until they are found deficient, do not have to analyze their data or establish goals and timetables: rather the Office of Civil Rights will come onto their campuses to analyze the data themselves.

There is a regulation similar to Revised Order #4, which applies to public institutions and hospitals, requiring written affirmative action plans with goals and timetables. This regulation is now on the desk of the Solicitor General of the Department of Labor. We hope it will be published shortly. This would then equalize all requirements for both publics and privates.

8. Also included is a step-by-step approach to compliance review, the success of which again seems to hinge on the number of personnel OCR will have.

It is nice finally to have something in our hands; whether one can agree with all the points or not, at least now a start has been made. I have tried to outline the guidelines without bias and without much analysis. With the help of a few experienced officers on institutional staffs we will submit some analysis to the Office of Civil Rights, as they have requested us to do. In time, if HEW's legal counsel approves, we may have authoritative guidelines for affirmative action.

August 8, 1972

Dr. Charles Morrow  
Provost  
University of North Carolina at Chapel Hill  
Chapel Hill, North Carolina

Dear Dr. Morrow:

I am happy to respond to your request for information related to affirmative action programs at North Carolina State University. However, we have not yet published a plan for this campus because we are awaiting the results of last year's HEW compliance review. Thus, there is no elaborate institutional policy other than our statement that we do not and will not discriminate on the basis of race or sex and a memorandum from the Chancellor urging the recruitment of more minority personnel in faculty, professional and staff positions. Specific responses to your request follow.

I. Strategy

Our overall strategy is to increase the number of potential employees through the addition of minority and female graduate students. The number of women and blacks is miniscule in such fields as engineering, forestry, textiles, and many other disciplines which we emphasize.

At present we have no administrator with the primary responsibility for equal employment opportunity and affirmative action planning. In the change budget for 1973-75, we have requested funds for such a position within the Provost's Office. We do have a campus committee, the Good Neighbor Council, that focuses on blacks, but there is no parallel committee for women.

Special Practices and Recruitment

In selected fields where there appears to be a possibility of recruiting black or female faculty, the Provost requires departments to satisfy him that they have exhausted the supply of qualified blacks and females before they can offer a position to a white male. He does not ask that departments drop



Dr. Charles Morrow  
Page Two  
August 8, 1972

merit and qualification as the primary criteria for employment; he does ask that they show and document their efforts at providing equal opportunity.

For students, our Admissions Office makes special visits to predominantly black high schools; we participate in Talent Search; and we use black students as recruiters.

We also have cooperative programs and exchanges with several predominantly black institutions that involve both faculty and students.

#### Salary Adjustments

At the faculty level, salaries for blacks are generally above average. For women the Provost has made special efforts the past several years to insure that competent women are paid at least as well as comparable male colleagues.

The SPA system makes salary restructuring impossible to any significant degree; therefore, we have concentrated our efforts at getting blacks and females in better paying positions.

#### Legal Action

You know as much as we do about the status of our general University-wide compliance review by HEW. On specific cases at North Carolina State we have settled one (SPA), been found innocent on one (faculty), have appealed one (faculty), and have not heard from another (faculty). Two of these individuals have filed or plan to file suits against us in Federal District Court. We also have a major civil rights lawsuit involving our Cooperative Agricultural Extension Service. In short, one might say that things are very much in the courts as far as we are concerned, but it is at times difficult to separate equal rights and due process suits when contracts are not renewed.

## II. Statistical Data

We would request that this not be identified as N.C. State data. This data is the most recent we have.

Dr. Charles Morrow  
Page Three  
August 8, 1972

but it is not current. We update it in November each year, thus what follows is the data for 1971-72.

Faculty and Professional Staff (excludes graduate assistants, includes all EPA personnel)

Blacks 1%

Females 7%

Non-Faculty (SPA)

Blacks 25%

Females 52%

I hope the information provided above is adequate for your needs.

Sincerely,

Clauston L. Jenkins  
Coordinator, Institutional  
Studies and Planning

CLJ:ES



UNIVERSITY OF NORTH CAROLINA  
AT  
CHAPEL HILL

OFFICE OF THE PROVOST

July 24, 1972

Dr. Clauston L. Jenkins  
Institutional Studies and Planning  
Office of the Provost  
North Carolina State University  
Raleigh, North Carolina 27607

Dear Dr. Jenkins:

At the request of Dr. Edward J. Boling, President of the University of Tennessee, I have agreed to serve as a member of the panel on "Minority Affairs" at the meeting of the Southern Association of Land-Grant Colleges and State Universities, September 25 and 26, 1972, in New Orleans. My specific responsibility is to report on the "Affirmative Action Program on Women and Blacks" in Region 3 (Tennessee, Kentucky, North Carolina, and Mississippi). To this end, I am canvassing member institutions in Region 3 to ascertain, among other things, the following:

- I. A. Overall institutional strategy: Organization for implementation of policies.
- B. Special practices and recruitment.
  1. For faculty personnel
  2. For non-faculty personnel
  3. For students
- C. Salary restructuring for minority members.
  1. For faculty personnel
  2. For non-faculty personnel
- D. Status of legal action (H.E.W.).

Within the limits you prescribe, I would also like to include in my presentation some statistical data on:

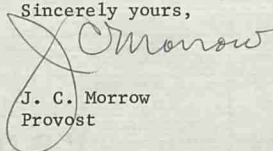
- II. A. Percentage of Blacks employed.
  1. Faculty and non-faculty
- B. Percentage of women employed.
  1. Faculty and non-faculty

July 24, 1972

The purpose of this inquiry and of my report at the SALGCSU meeting is to give factual information to the member institutions and not to express favor or disfavor of individual institutional policies. In the event that you prefer certain responses in II above be used only to produce aggregate data, in which your individual contribution remains unidentified, I will keep that contribution completely confidential.

The maximum amount of reporting consistent with the best interest of the member institutions is what is desired. I know that I can count on your full cooperation in making available to the Association information which is current and reliable. I will be most grateful for your furnishing me with the response for your institution by August 20, 1972.

Sincerely yours,

A handwritten signature in cursive script that reads "J. C. Morrow". The signature is written in dark ink and is positioned above the typed name and title.

J. C. Morrow  
Provost

em

NORTH CAROLINA STATE UNIVERSITY

Raleigh, N. C.

OFFICE OF PROVOST

HOLLADAY HALL

\_\_\_\_\_ Date

TO: \_\_\_\_\_

ACTION REQUESTED ON ATTACHED:

- Note and Return
- For your information (need not return)
- Please handle
- Please answer; furnish me copy
- Please draft reply for my signature (return attachments)
- Please give me your comments (return attachments)
- Requires your approval

*Charles Rogers*

*DPI*

*RCU Director*

*829-4348*

*need filing number of our affiant  
action & probable statements.*

FROM: \_\_\_\_\_

10-13-72

Myrtle Ireland

202 739-2156

1972 - graduates by race who are black in  
education

went to for a brief in and organizing  
that eastern school districts and  
many blacks

|          |       |
|----------|-------|
| Caucas   | 172   |
| Am Ind   | 1     |
| Black    | 5     |
| Other Am | 1     |
| Int      | 1     |
| wh       | 13    |
|          | <hr/> |
|          | 193   |

called

10-13-72 + gave  
info after Dick Robinson  
said O.K.

Date 7/1/71

PROVOST'S OFFICE

- TO: Dr. Harry C. Kelly
- Dr. N. N. Winstead
- Mr. W. H. Simpson
- ✓ Dr. C. L. Jenkins
- Dr. Tony Mobley

- Charlotte Hughes \_\_\_\_\_
- Gloria Johnson \_\_\_\_\_
- Sarah McGinnis \_\_\_\_\_
- Bobbi Moore \_\_\_\_\_
- Elsie Stephens \_\_\_\_\_
- Mary Strickland \_\_\_\_\_
- Siew Tan \_\_\_\_\_

After document has been approved (initialed) please

Return to \_\_\_\_\_

Return for filing \_\_\_\_\_

*Call Robinson  
& ask what we can do to  
prepare beforehand.*

*called  
2 July 1971  
we will call us 6 July*

From  
White Corner

1 July 71

AID/csd 2806 - R J McCracken

"Agronomic - Economic Research on  
Tropical Soils" \$1,070,000  
6/30/70 - 6/30/75 (5 yrs)

<sup>\$</sup>  
500,000 to you.

---

AID/la:510 - H L Bumgardner  
(originally A J Contu)

"Peruvian Contract"

Beginning with Amendment #1  
approved in Nov. 1967 total  
value of contract is \$4,444,688  
for period 7/1/67 to 5/31/71.

Amend #9 for \$900,000 to  
extend contract to 3/31/72 is  
pending. If approved,  
total value of contract for  
period 7/1/67 to 3/31/72 will  
be \$5,344,688.



G-U-1590 "NSF Science Development  
Plan" J. J. Caldwell  
\$3,555,000 approved 5/19/66  
for three years. No cost  
extensions to 7/1/71.

Amend #1 for additional \$1,000,000  
approved 5/20/71, making  
total project \$ 4,555,000 for  
period 5/19/66 to 7/1/73.

NIH Biomed. Tr. Grant

A. L. Lucas

3/27/70

\$792,310.00

June 28, 1971

*ml*

Mr. William Friday  
President  
The University of North Carolina  
Chapel Hill, North Carolina 27514

*1/ck/9j*

ATTN: Dr. Richard N. Robinson Jr.,  
Assistant to the President

Dear Mr. Friday:

The Rules and Regulations of the Office of Federal Contract Compliance (Section 60-1.20(d)) require that prior to the award of a non-construction contract in excess of \$1,000,000, a Pre-Award Review must be conducted by the responsible compliance agency. Since the University of North Carolina is being considered for such an award by the Agency for International Development (AID), this office will be conducting a Pre-Award Review at the University of North Carolina at Chapel Hill and North Carolina State University at Raleigh during the week of July 12, 1971.

As was indicated to Dr. Robinson by telephone on this date, an opening conference will be held on Friday, July 9, 1971 to enable you and Chancellor Caldwell to participate. We would welcome the participation of key members of your staff at the opening conference. Representing this office will be Mr. Harry G. Chandler, Mr. Edwin M. Odum and the undersigned.

We will provide additional information about the nature and scope of the review during the opening conference. Please feel free to call me if you have questions.

Thank you for the cooperation which I am confident we shall receive during the review.

Sincerely yours,

*DL*

David E. Lasky  
Acting Chief  
Contract Compliance Branch  
Office for Civil Rights

✓  
cc: Chancellor John T. Caldwell

*cc Academic  
Tropical Sub*

*1 copy to 6 ser*

*mail 31, 72*

*dr. Baumgardner*

*267*

# NORTH CAROLINA STATE UNIVERSITY AT RALEIGH

SCHOOL OF AGRICULTURE AND LIFE SCIENCES

DEPARTMENT OF ECONOMICS  
Box 5368 Zip 27607

June 23, 1971

Dr. Harry C. Kelly, Provost  
N. C. State University  
Campus

Dear Dr. Kelly:

On Tuesday, June 22, 1971, Mr. Herbert Pratt, of the Contract Services Division, Office of Procurement, USAID, called me and gave me the following information (to the best of my recollection):

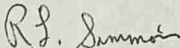
- (1) That the Equal Opportunities Employment Office of AID had received a letter from the Office of Health, Education and Welfare stating that North Carolina State University had been removed from the approved list of Equal Opportunities Employers. WWT
- (2) That the Equal Opportunities Employment office of AID had brought this change in status to the attention of the Contract Services Division of AID.
- (3) That the contract officer in AID had called to his (Mr. Pratt's) attention that according to the present rules North Carolina State University could no longer be considered eligible to receive grants or enter into contracts with AID.
- (4) Mr. Pratt said that no information was available to him at that time indicating what caused the Office of Health, Education and Welfare to take this action.
- (5) Mr. Pratt recommended that I alert the "Business Office or appropriate University administration personnel" so that they could call the Office of Health, Education and Welfare and see what could be done about the reinstatement of N. C. State University as an Equal Opportunities Employer. WWT

Immediately upon receiving the call from Mr. Pratt, I brought the matter to the attention of Dr. J. Lawrence Apple, Assistant Director of Research, Agriculture and Life Sciences, who promptly informed you, Dr. Kelly.

Dr. Kelly  
June 23, 1971  
Page Two

North Carolina State University and AID by which \$50,000 would be awarded during the period July 1, 1971 to December 31, 1971 to N. C. State to develop specific cooperative research projects in selected developing countries. The title of the contract is "Agricultural Diversification and Trade in Latin America," and I am the principal investigator. Knowing that this contract had to be signed and awarded prior to June 30, Mr. Pratt kindly alerted me to this new development.

Respectfully yours,



R. L. Simmons  
Professor

RLS:ad

NORTH CAROLINA STATE UNIVERSITY AT RALEIGH

*Sub ALS*  
*Block -*  
*(affects to help)*

OFFICE OF THE CHANCELLOR  
Box 5067 Zip 27607  
TELEPHONE: 919, 755-2191

August 20, 1970

*m*

The Honorable Clifford M. Hardin  
Office of the Secretary  
Department of Agriculture  
Washington, D. C.

*WVF*

Dear Mr. Hardin:

In the absence of Chancellor Caldwell, I have reviewed your letter of July 23, 1970, and discussed it with our Dean of Agriculture and Life Sciences, Dr. H. Brooks James.

Thank you for keeping us informed.

Sincerely,

*HK*  
Harry C. Kelly  
Acting Chancellor

*5*

CC: President William Friday  
Dean H. Brooks James  
✓ Provost Harry C. Kelly



DEPARTMENT OF AGRICULTURE  
OFFICE OF THE SECRETARY  
WASHINGTON

July 23 1970

Dr. J. T. Caldwell  
President  
North Carolina State University  
Raleigh, North Carolina 27607

Dear Dr. Caldwell:

Subject: USDA and 1890 Institutions

On February 25, I and some of my staff met with the presidents of the predominately black 1890 land-grant institutions and Tuskegee. We listened to them about some of their academic, organizational and funding aspirations and also some of their problems. It is clear that they are in need of a great deal of help and understanding. In my judgment, these institutions are making much progress and major contributions to developing capable and productive people.

At our meeting I proposed to them two ideas and the presidents agreed to both of them. They were:

1. That the Department of Agriculture place a USDA Liaison Staff Member at each of these institutions to increase their understanding of USDA and how our programs might relate for improving research, teaching and public service. The specifics to be worked out later.
2. That the presidents appoint a small committee, and we of the Department do likewise, to discuss program ideas of mutual concern and make appropriate recommendations.

On April 30 the Joint Committee met and discussed four items:

1. Work of USDA Liaison Staff.
2. Allocation, if funded, among 1890 institutions of the \$600,000 for Rural Development in the President's 1971 Budget.
3. The potential USDA authorities for funding work with the 1890 institutions.
4. Considerations for the 1972 USDA Budget.

General agreement was reached by the Committee on items one and two. The third item will require further study and tentative recommendations are being developed on the fourth item.

In view of our long standing cooperation with your institution, I felt you should be aware of our work with the 1890 institutions. I have made it explicitly clear that in no way does the Department of Agriculture want to interfere with the ongoing relations, programs and activities between your institution and the 1890 institution. I understand that many fine cooperative activities are underway between your institutions and I congratulate you for this excellent work. I will keep you informed about our work with the 1890 institutions. If you have suggestions on how we can be more useful, we welcome your ideas.

Our programs are going well with your institution and we sincerely desire to maintain this excellent working relation.

Sincerely,



CLIFFORD M. HARDIN  
Secretary

*Equal Opportunity*

NORTH CAROLINA STATE UNIVERSITY AT RALEIGH

OFFICE OF THE CHANCELLOR  
Box 5067 Zip 27607  
TELEPHONE: 919, 755-2191

October 1, 1971

*21*

Mr. Arthur A. Chapin, Director  
Office of Equal Employment Opportunity  
U. S. Department of Labor  
Office of the Secretary  
Washington, D. C.

Dear Mr. Chapin:

Your letter concerning a list of minority college graduates from undergraduate and graduate schools for 1971-72 has presented us with some real problems. First of all let me assure you that we are sympathetic with the objectives that you outline in your letter and we wish to cooperate fully. However, the graduates of 1971 and 1972 were originally admitted to this institution without any record being made of their race. We are, of course, requiring ethnic identification now for the purpose of making the various HEW reports.

*int*

To give you an accurate answer on the 1971-72 graduates we will need to communicate with all of our academic departments to see who they graduated last year and who they anticipate will graduate next year. During the summer months we attempted to gather some of this information, but found that so many of our people were gone we could not furnish you with a very accurate list. We are now prepared to undertake this project, but we have one other concern. This University has taken the position that it will not furnish detailed information on graduates or potential graduates unless the individual student is contacted and gives his or her permission for the release of the information. It would be helpful to us if you would make the case in a letter to us why you would need this information even without the permission of each student or graduate. We hope that you can understand our position on this latter point, as we might face some very real criticism from students or graduates.

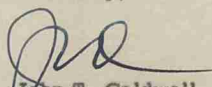
*S*

*WH*

*John*

Again, we apologize for not having responded more promptly.

Sincerely,



John T. Caldwell  
Chancellor

CC: President William Friday, Dean Banks C. Talley, Provost Harry C. Kelly

THE UNIVERSITY OF NORTH CAROLINA, William Friday, President, comprises: North Carolina State University at Raleigh, the University of North Carolina at Chapel Hill, the University of North Carolina at Greensboro, the University of North Carolina at Charlotte, the University of North Carolina at Asheville, and the University of North Carolina at Wilmington.



C

THE UNIVERSITY OF NORTH CAROLINA

General Administration

CHAPEL HILL 27514

WILLIAM FRIDAY  
President

July 16, 1971

MEMORANDUM

To: Chancellor John T. Caldwell  
Chancellor D. W. Colvard  
Chancellor J. S. Ferguson  
Chancellor William R. Hight  
Chancellor Carlyle Sitterson  
Chancellor William Wagoner

From: William Friday *W Friday*

The attached letter from the Department of Labor, dated July 13, requests certain information concerning minority graduates from undergraduate and graduate schools. Please give this letter your prompt attention.

Please reply directly to Mr. Chapin with a copy to my office.

Attachment

U.S. DEPARTMENT OF LABOR  
Office of the Secretary  
WASHINGTON

July 13, 1971

Mr. William C. Friday  
President  
University of North Carolina  
Systems Office  
Chapel Hill, North Carolina 27514

Dear Mr. Friday:

In an effort to ensure that job applicants are hired solely on the basis of their qualifications for the job, the Department of Labor is compiling a list of minority college graduates from undergraduate and graduate schools. This list will be published in a directory for use by private businesses and government agencies. I am asking you to assist the Department by sending us a list of your 1971 and 1972 minority graduates. In each instance, we would like to have the student's ethnic group, his citizenship, his current or most recent home address, the degrees earned or to be earned, his major discipline, and the date or expected date of graduation. I would appreciate this information within ten days of receipt of this letter.

The lists have a two-fold purpose: first, to help us develop a skill inventory of persons who may not be fully utilizing their special training; second, to offer assistance in finding employment to students who are seeking to broaden their employment opportunities.

The drive for equal opportunity has often been handicapped by the problem of locating qualified persons. Some employers have indicated they do wish to hire on a merit basis, but are experiencing difficulty in finding qualified applicants.

I count this a project of great importance, and you may be assured that your assistance and cooperation is sincerely appreciated.

Sincerely,



Arthur A. Chapin  
Director, Office of Equal  
Employment Opportunity

*Equal  
Opportunities*

February 11, 1972

Mr. R. E. Shaughnessy  
Contracting Officer  
Bureau for Latin America  
Department of State  
Agency for International Development  
Washington, D.C. 20523

Dear Mr. Shaughnessy:

Your letter of February 7, 1972, to Dr. J. W. Fitts has been referred to me for reply. I am enclosing a statement on equal opportunity employment and a copy of the Code Provisions of the University of North Carolina (see Section IV).

If you need additional information, please feel free to call on me.

Sincerely,

N. N. Winstead  
Assistant Provost

NNW:st

cc: Dr. J. W. Fitts  
Dean Earl G. Droessler

Attachments

Mr. R. E. Shaughnessy

February 11, 1972

North Carolina State University is an equal opportunity employer. As such the University offers equal opportunity to all applicants and employees without regard to race, color, creed, sex, age or national origin, as required by Federal, State and local laws pertaining to fair employment practices. The University is further committed to the proposition that employees of this institution shall be identified initially and thereafter differentiated among on the basis of good-faith assessments of personal merit. We adhere to the policy of equal opportunity not solely because of legal requirements but because we feel it is a basic element for human dignity. Any other policy would be morally indefensible and inconsistent with the pursuit of institutional excellence.

NNW:st

NORTH CAROLINA STATE UNIVERSITY AT RALEIGH



AID/la-646

SCHOOL OF AGRICULTURE AND LIFE SCIENCES

DEPARTMENT OF SOIL SCIENCE

Box 5907 Zip 27607

February 9, 1972

Dr. Nash N. Winstead  
Assistant Provost  
A Holladay Hall  
N. C. State University  
Raleigh, N. C. 27607

Dear Dr. Winstead:

Enclosed is a letter recently received from Mr. R. E. Shaughnessy, Contracting Officer, Bureau for Latin America in reference to Contractor Personnel Policies and Practices. Will you please send the appropriate documents to Mr. Shaughnessy relative to this request. Many thanks.

Sincerely,

J. W. Fitts, Director  
International Soil Fertility  
Evaluation and Improvement

Encl: (1)

cc: Mr. R.E. Shaughnessy-AID/W

DEPARTMENT OF STATE  
AGENCY FOR INTERNATIONAL DEVELOPMENT  
WASHINGTON, D.C. 20523

February 2, 1972

Mr. J. W. Fitts  
North Carolina State University  
School of Agriculture and Life  
Science  
Dept. of Soil Science  
Raleigh, North Carolina 27607

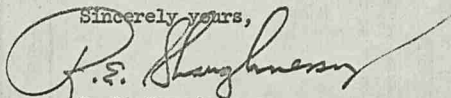
SUBJECT: Contractor Personnel Policies and Practices

Dear Mr. Fitts:

A recent review of our files and records indicate that we do not have a copy of the personnel policies and practices of many of our Contractors. Of those that we do have, most are not current and therefore of little use to us.

In view of this, it would be greatly appreciated if you would either send us a complete and current set of these documents or, if you are sure that we have them on file, please let us know the date when they were last revised, so we can verify that we do have them.

Sincerely yours,



R. E. Shaughnessy  
Contracting Officer  
Bureau for Latin America