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University of South Carolina
BOARD OF TRUSTEES
Intercollegiate Athletics Committee

September 12, 2008

The Intercollegiate Athletics Committee of the University of South Carolina Board of Trustees met on Friday, September 12, 2008, at 10:00 a.m. in the 1600 Hampton Street Board Room.

Members present were: Mr. William C. Hubbard, Chairman; Mr. Arthur S. Bahnmuller; Mr. Mark W. Buyck, Jr.; Mr. Toney J. Lister; Mr. Michael J. Mungo; Mr. Eugene P. Warr, Jr.; Mr. Othniel H. Wienges, Jr.; Mr. Miles Loadholt, Board Chairman; and Mr. Samuel R. Foster II, Board Vice Chairman.

Other Trustees present were: Mr. Herbert C. Adams; Mr. Chuck Allen; Mr. J. Egerton Burroughs; Mr. James Bradley; Mr. William W. Jones, Jr.; Mrs. Amy E. Stone; and Mr. Mack I. Whittle, Jr.

Others present were: President Harris Pastides; Secretary Thomas L. Stepp; Executive Vice President for Academic Affairs and Provost Mark P. Becker; Vice President for Student Affairs and Vice Provost for Academic Support Dennis A. Pruitt; Vice President and Chief Financial Officer Richard W. Kelly; Interim Vice President for University Advancement Michelle D. Dodenhoff; Vice President for Human Resources Jane M. Jameson; Vice President for Information Technology and Chief Information Officer William F. Hogue; Vice President for Planning William T. Moore; Associate Vice President for Business and Facilities Helen Zeigler; University Treasurer Susan D. Hanna; Dean of USC Lancaster John Catalano; Director of Athletics Eric Hyman; Director of Facilities Planning and Construction Jeff Lamberson; Interim Director of Campus Planning and Construction and Manager of Construction Administration, Division of Facilities, Michael Thomas; Director of Department of Internal Audit Alton McCoy; Faculty Athletics Representative William O. Bearden; Associate Athletics Director Marcy Girton; Executive Associate Athletics Director for Facilities, Department of Athletics, Kevin O'Connell; Director of Facilities, Division of Business and Finance, Thomas D. Quasney; Director of Ticket Operations, Department of Athletics, Lance Grantham; Director of Media Relations Margaret Lamb; Associate Athletics Director Marcy Girton; Special Assistant to the President and Athletics Director Johnny D. Gregory; Student

Government Association President Andrew Gaeckle; Director of University Communications, Division of University Advancement, Russ McKinney, Jr.; University Technology Services Production Manager Justin Johnson; Board staff members Terri Saxon, Vera Stone, Karen Tweedy; and members of the press.

Chairman Hubbard called the meeting to order and invited those present to introduce themselves. Mr. McKinney introduced members of the media who were in attendance. Chairman Hubbard stated that notice of the meeting had been posted and the press notified as required by the Freedom of Information Act; the agenda and supporting materials had been circulated to members of the Committee; and a quorum was present to conduct business.

I. Athletics Director's Report: Chairman Hubbard called on Mr. Hyman who gave a synopsis of the FY2007-08 and FY 2008-09 goals and status for the Athletics Department as well as an overview of the SEC Broadcast agreements.

Mr. Hyman stated that in the developing their goals the following three questions were asked: What should our department be, what philosophical guidelines do we rely on in decision-making, and how do we measure our progress?

The FY 2007-08 goals for the Department were as follows:

Champs/Life Skills:

- To have each student-athlete participate in community outreach projects per year (individual and as a team). This goal was accomplished.

Competition:

- To have ten teams to finish in the top six in the conference or the top three in the division. This goal was not accomplished. Only four teams made the top six in the conference and none of the teams made top three in the division. However, the men's golf placed second; women's golf fifth; men's soccer fifth; and women's soccer sixth.
- To have ten teams finish in the top 25 in the NCAA according to Director's Cup rankings. This goal was not accomplished. Only five teams made top 25 and were as follows: baseball (17th); women's tennis (17th); men's track and field (18th) (outdoor); women's golf (22nd); and women's track and field (22nd) (outdoor).
- To rank in the top six within the SEC in the Director's Cup. This goal was not accomplished, but we finished ninth in the SEC.

The FY 2007-08 Final Standing, Director's Cup was as follows:

<u>Institution</u>	<u>Points</u>	<u>Institution</u>	<u>Points</u>
Stanford (1)	1461.00	Alabama (25)	683.00
Florida (6)	1126.75	Kentucky (36)	569.50
LSU (8)	1085.00	South Carolina (48)	414.00

Georgia (10)	1040.00	Vanderbilt (59)	349.50
Tennessee (16)	953.75	Ole Miss (68)	295.50
Auburn (20)	761.50	Mississippi State (109)	171.50
Arkansas (24)	697.00		

Facilities:

- To develop a timeline with the School of Medicine to establish a Medical Center at the Roost. After discussing the matter with Dr. Guy at the School of Medicine and conducting research, a decision was made not to pursue the Medical Center at the Roost. Instead, the Athletics Center would incorporate a state-of-the-art training room, among other services.
- Conduct utility/feasibility studies for the Roost. This goal was accomplished.
- Feasibility and construction of new suites in the 200 level of Williams-Brice stadium by Fall 2008. This goal was accomplished.
- Begin feasibility study of north stands construction in the Williams-Brice stadium. This project had started and was on-going.
- Meet the goals for the AEC project and begin construction Summer 2008. This project had begun and was on ongoing.

Financial:

- To increase fund reserves to fifteen percent of the total annual budget. This goal was accomplished. Currently, the Athletics Department had an operational reserve of \$8.76 million and a debt service reserve of \$1.99 million on a budget of \$60 million.
- Eliminate major negative internal audit findings. Mr. Hyman stated that this was not applicable because Athletics did not have an internal audit. However, an external audit is conducted annually; there were no major findings in the most recent external audit.

Gamecock Club:

- To appoint and implement the Athletics Department Capital Campaign Steering Committee. Mr. Hyman stated that this goal was ongoing, and that a Chair and two members had been recruited.
- To have SCOA complete the Williams-Brice Stadium and Baseball facility seating study. This goal was accomplished. The baseball plan and the William-Brice plan had been approved.
- To develop a marketing plan for the 200 level suites in the Williams-Brice Stadium. This goal was accomplished.
- Host a national signing day gala with top level donors. This goal was accomplished. (Signing Day South Carolina)

Mr. Hyman stated that the FY 2008-09 Goals were as follows:

Academics:

- Achieve a minimum APR of 925 for all teams and adhere to conditions set forth in the waiver to the NCAA (Improvement Plan).

Budget:

- Eliminate major (internal) audit findings.

Competition:

- To have ten teams finish in the top six in conference rankings or top three in division rankings.
- To have ten teams to finish in the top 25 in NCAA rankings.

Compliance:

- Develop and implement a comprehensive rules education program for all internal and external representatives of South Carolina Athletics.

Development:

- Implement a scholarship program, pairing student-athletes with donors.
- Implement Garnet Way Campaign.

Facilities:

- Complete Williams-Brice Stadium feasibility study.
- Complete Williams-Brice Stadium training room project.
- Begin conceptual design and usage plan for the Farmer's Market property.
- Complete Champions Club 208/209 prior to first home football game. These suites had been remodeled and everyone was well pleased. In addition, there was now a waiting list for suites 201 and 202 next year; this would generate an additional \$350,000 of revenue for Athletics.
- Complete Baseball Stadium project for first home baseball game.
- Finalize details of parking plan and shuttle for Baseball prior to ticket deadline.

Gamecock Sports Properties:

- Increase sales from \$5,393,000 to \$8,000,000.

Marketing:

- Develop department wide marketing plan.
- Generate and implement core marketing plans for all sports programs.
- Develop an ad hoc committee for multi-media/recruiting and strategic planning. (Recommended by Athletics Department Goals Committee)

Media Relations/Video:

- Develop comprehensive archive system to preserve history of South Carolina Athletics.

NCAA Certification:

- Begin Preparation for NCAA certification.

Finally, Mr. Hyman reported that the Baseball Stadium was 73 percent completed, was on schedule, and would be a spectacular facility.

II. SEC Broadcast Agreement (CBS/ESPN TV): Mr. Hyman gave a brief synopsis of the SEC Broadcast Agreement. He expressed his enthusiasm and stated that this was definitely a defining moment for the Southeastern Conference as well as a spectacular commitment from ESPN. Mr. Hyman commended former President Andrew Sorensen and others who played an important role in this project.

Mr. Hyman stated that ESPN officials had commented that because of the quality of the SEC's athletic and academic programs, its traditions and the fervor of its fans, ESPN was prepared to offer the SEC an unprecedented agreement in terms of duration and coverage.

Additionally, Mr. Hyman reported that the ESPN/CBS TV contract had received much publicity. He read the following headlines from various newspapers from across the county: "TV deals makes SEC lord of the airwaves" (The State); "CBS, ESPN deals will be huge in recruiting for SEC" (The Atlanta Journal); "Will SEC's vast, cosmic powers squash others?" (The Oregonian); "ESPN/SEC agree to historic television deal" (The Florida Times - Union); "SEC to sign 15-year, \$2.25 billion deal with ESPN (The Clarion-Ledger); and "TV deals say nothing matters like the SEC" (The Birmingham News).

Mr. Hyman read a very positive and lengthy news release from Mr. Jim Weaver, Director of Athletics, Virginia Tech. In his comments, Mr. Weaver stated that the SEC television deal with ESPN would pay the conference and its members \$2.2 billion over the next 15 years. ESPN had made a huge commitment to SEC not only financially but in terms of exposure of football and men's and women's basketball.

Mr. Hyman stated a provision in the agreement required CBS/ESPN TV to telecast the following games: CBS National Football Game of the Week; every SEC home football and basketball game; a minimum of 32 SEC women's basketball games; SEC championship finals for baseball and softball; and a minimum of 25 additional SEC regular-season events.

Mr. Hyman stated that over a period of 15 years, approximately 5,500 events would be televised by ESPN as it related to the Southeastern Conference.

Mr. Buyck commented that Mr. Hyman's report was very positive. In addition, he stated that admissions had been one of our major deficiencies but noted that it

was not listed as one of Athletics goals for 2008. He said it was his understanding that admissions would be reviewed annually and that a continuing effort should be made to refine the admissions process. Mr. Hyman concurred and stated that admissions had been reviewed for the past year.

Finally, Mr. Buyck requested information on how the University ranked in the Director's Cup for the past five years. Mr. Hyman did not have this information readily available but would provide it as requested.

President Pastides thanked the Athletics Director for his goals setting. He stated that those goals were inspirational and quantifiable, were evaluated each year, and were modified as needed. This was the type of planning that the University needed. He commended Mr. Hyman for "not being shy" in acknowledging the areas where Athletics had failed a little but such honesty lets us know where improvements needed to be made.

Chairman Hubbard requested to see more quantifiable goals for Development. In addition, he stated that their marketing plan would be a great opportunity to advance the University, especially through the SEC agreements. He requested to see more details as the plans evolved. Mr. Hyman responded that Development was in the process of developing their plan and he would list more specific goals and give a presentation to the Board in the near future.

Mr. Allen made inquiry as to whether the SEC agreements would eliminate the 12:30 p.m. kick-off games. Mr. Hyman responded, no, there would be some 12:30 p.m. kick-off games. Also, each school was allowed to have one pay-per-view game per season.

Chairman Hubbard thanked Mr. Hyman for his report and said that he looked forward to receiving more details on the Development and Marketing Plans as they evolved.

There being no further matters to come before the Committee, Chairman Hubbard declared the meeting adjourned at 10:30 a.m.

Respectfully submitted,

Thomas L. Stepp
Secretary