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University of South Carolina

BOARD OF TRUSTEES

December 20, 2010

The University of South Carolina Board of Trustees met on Monday, December 20, 2010, at 3:20 p.m. in the 1600 Hampton Street Board Room.

Members present were: Mr. Miles Loadholt, Chairman; Mr. Eugene P. Warr, Jr., Vice Chairman; Mr. Herbert C. Adams; Mr. Chuck Allen; Mr. J. Egerton Burroughs; Mr. W. Lee Bussell, Sr.; Mr. Mark W. Buyck, Jr.; Dr. C. Edward Floyd; Mr. William C. Hubbard; Mr. William W. Jones, Jr.; Mr. Toney J. Lister; Ms. Leah B. Moody; Ms. Darla D. Moore; Dr. C. Dorn Smith, III; Mr. John C. von Lehe, Jr.; Mr. Thad H. Westbrook; and Mr. Mack I. Whittle, Jr.

Members absent were Mr. Greg Gregory; Dr. James H. Rex; and Mr. Charles H. Williams.

The faculty representative, Dr. Patrick D. Nolan, was present; the student representative, Mr. Ebbie Yazadani, was absent.

Others present were: President Harris Pastides; Secretary Thomas L. Stepp; Vice President for Academic Affairs and Provost Michael D. Amiridis; Vice President for Finance and Planning William T. Moore; Vice President of Communications Luanne M. Lawrence; Vice President for Information Technology and Chief Information Officer William F. Hogue; General Counsel Walter (Terry) H. Parham; University Treasurer Susan D. Hanna; Associate Vice President for Resource Planning Edward L. Walton; Associate Vice President for Finance and Budget Director, Division of Finance and Planning, Leslie Brunelli; Associate Vice President for Facilities Tom Quasney; Dean of the College of Arts and Sciences Mary Ann Fitzpatrick; Dean of the South Carolina College of Pharmacy Columbia Campus Randell Rowen; Dean of USC Sumter C. Leslie Carpenter; Senior Vice Provost Christine W. Curtis; Assistant Provost for Academic Programs Kris H. Finnigan; Director of Capital Budgets and Financing, Division of Business and Finance, Charles D. FitzSimons; Director of the Department of Internal Audit Alton McCoy; Special Assistant to the President J. Cantey Heath, Jr.; Special Assistant to the President and Director of Athletics John D. Gregory; Executive Assistant, Facilities Planning and Construction, Donna Collins; Department of Facilities Joy Gillespie; Mr. Dick Galehouse and Justin Fay, Sasaki; Director of the Office of Media Relations Margaret Lamb; University Technology Services Production Manager Justin Johnson; Board staff members Barbara Salmons, Terri Saxon, and Vera Stone; and a member of the media.

Chairman Loadholt called the meeting to order and invited those present to introduce themselves. Ms. Lamb introduced a member of the press who was present.

Chairman Loadholt 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; and a quorum was present to conduct business.

Chairman Loadholt noted that the order of the meeting was amended in order to await Dr. Floyd and Dr. Smith, who had been delayed by a major traffic incident.

I. APPROVAL OF MINUTES:

- A. Buildings and Grounds Committee, October 8, 2010
- B. Board of Trustees, October 8, 2010
- C. Executive Committee, October 8, 2010
- D. Fiscal Policy Committee, October 8, 2010
- E. Academic Affairs and Faculty Liaison Committee, October 14, 2010
- F. Executive Committee, October 26, 2010
- G. Board of Trustees, October 26, 2010
- H. Ad Hoc Committee on Legislative Relations, October 29, 2010
- I. Academic Affairs and Faculty Liaison Committee, November 19, 2010
- J. Buildings and Grounds Committee, November 19, 2010
- K. Health Affairs Committee, November 19, 2010
- L. Student-Trustee Liaison Committee, November 19, 2010

Since there were no additions, deletions or corrections to the minutes, they stood approved as distributed.

II. COMMITTEE REPORTS:

- A. Academic Affairs and Faculty Liaison Committee:  
(The Honorable William W. Jones Jr. reported)

- Midyear Tenure and Promotion Recommendations:

The Academic Affairs and Faculty Liaison Committee met earlier in the day. The following Midyear Tenure and Promotion Recommendations were approved for recommendation to the Board and had received all appropriate academic and administrative approvals:

South Carolina College of Pharmacy, MUSC-Campus:

Full-Time Faculty Tenure:

Patrick D. Mauldin  
Associate Professor, Clinical Pharmacy and Outcomes Sciences

Zhi Zhong  
Associate Professor, Department of Pharmaceutical and Biomedical Sciences

University of South Carolina - Columbia:

Promotion to Associate Professor with Tenure:

David Sean Simmons, Department of Anthropology  
Tammi Lee Richardson, Department of Biological Sciences  
Karen Heid, Department of Art  
Yong-June Shin, Department of Electrical Engineering  
John Grady, College of Hospitality, Retail and Sports Management  
Jihong Liu, Arnold School of Public Health

Tenure at Associate Professor:

John Gerdes, College of Hospitality, Retail and Sports Management

Tenure at Librarian:

Rebecca Gettys, University Libraries  
Doug King, University Libraries  
Greg Wilsbacher, University Libraries

The names and brief curriculum vitae of those faculty members who are recommended for promotion to professor with tenure, associate professor with tenure, tenure at associate professor, and tenure at librarian from USC Columbia and MUSC

College of Pharmacy were included in the materials distributed for the meeting.

On behalf of the Academic Affairs and Faculty Liaison Committee, Mr. Jones moved approval of these Midyear Tenure and Promotion Recommendations as presented. Mr. Buyck seconded the motion. The vote was taken and the motion carried.

B. Executive Committee:  
(The Honorable Miles Loadholt reported)

The Executive Committee met earlier in the day and approved the following items for recommendation to the Board for action.

1. Greenville Hospital System Partnership with the South Carolina College of Pharmacy:

Chairman Loadholt called for a motion to approve the memorandum of understanding (MOU) as presented in the meeting materials. Mr. Whittle moved to approve the Greenville Hospital System Partnership with the South Carolina College of Pharmacy MOU. Mr. von Lehe seconded the motion. The vote was taken and the motion carried.

2. Contracts with University Support Foundations:

Chairman Loadholt called for a motion to approve the following four University Support Foundations:

- a. Affiliation Agreement between University of South Carolina and South Carolina Research Foundation
- b. Affiliation Agreement between University of South Carolina and University of South Carolina Educational Foundation and The University of South Carolina Development Foundation
- c. Affiliation Agreement between University of South Carolina and The Educational Foundation of the University of South Carolina Lancaster
- d. Affiliation Agreement between The University of South Carolina Upstate And the University of South Carolina Upstate Foundation, Inc.

Mr. Buyck so moved. Mr. Bussell seconded the motion. The vote was taken and the motion carried.

D. Student-Trustee Liaison Committee:  
(The Honorable Leah B. Moody Reported)

The Student-Trustee Liaison Committee met on Friday, November 19<sup>th</sup>.

USC Columbia Student Government Association President Ebbie Yazdani gave a brief report on student activities on campus.

Student representatives from the regional campuses also gave very informative reports from their respective campuses.

Ms. Marie M. Land, former Chair of the Board of Trustees, College of Charleston, thanked the Board and President Pastides for allowing her to attend the committee meetings. She explained that her purpose for attending the meetings was to observe how the USC Board conducted their business; she commented that she had learned a lot.

E. Ad Hoc Committee on Strategic Planning:  
(The Honorable Mack I. Whittle, Chairman)

Since Mr. Whittle was participating in the meeting via telephone, he asked that Secretary Stepp read the committee report.

The Strategic Planning Committee met at length on Tuesday, November 30th. The report of that meeting was a brief overview of the very intensive information that had been received and studied.

The Committee heard an in-depth report from Huron Consulting Group which had partnered with USC to assess cost management opportunities for the system across 8 areas (Procurement; System Governance; Facilities Management; Human Resources; Distance Learning; General Education Requirements; Enrollment Management; and Budgeting) and to benchmark USC performance at each campus with a comparison group of peer institutions.

Committee Goals included:

- Assess effectiveness in cost management throughout the 8-campus system
- Identify possible ways in which operating productivity may be increased
- Develop measures for determining efficiency and effectiveness in administrative and academic programs
- Collect data for use in budgeting and other program evaluation purposes
- Benchmark comparative performance metrics of similar university systems to evaluate operating efficiency among the USC campuses

The Committee was refining this information to work toward a Board of Trustees Retreat in the spring. A great deal of information would be provided to the Board once it was revitalized to a Retreat agenda and format. In addition, the administration had asked for the opportunity to respond to the report in preparation for the Retreat.

The Committee looked forward to intensive continuing discussion and formalizing a retreat agenda.

F. Ad Hoc Committee on Legislative Relations:  
(The Honorable Thad Westbrook Reported)

The first meeting of the Ad Hoc Committee on Legislative Relations was held on Friday, October 29<sup>th</sup>. Mr. Westbrook thanked Chairman Loadholt for appointing him chair of the Committee and said he looked forward to working with everyone on the Committee.

Several suggestions were made about developing legislative relations including inviting each delegation from a trustee's district to a luncheon on campus; hosting delegation events in the various home districts or counties and inviting trustees in that area to attend; an electronic communication plan to communicate to every elected official highlights of various University activities; and distribution of a fact sheet to all Board members outlining the University's message to legislators.

In addition, discussion was held about advancing the most significant University legislative priorities during the upcoming year.

Mr. Bussell summarized the various levels of an advocacy program beginning with President Pastides whom he characterized as the most powerful spokesperson for the University to alumni, faculty, staff and students. President Pastides also suggested other advocates to consider such as members of the foundations; partnership boards at

the regional campuses; advisory boards in the colleges; athletics groups; subgroups within the Alumni Association; and members of the University's Board of Visitors.

The committee also met on Tuesday, December 14<sup>th</sup> and continued discussion about developing legislative relations. Topics reviewed included the 2011 legislative session calendar of events; trustees inviting key members of their delegation to campus; various forms of e-communication to legislators; attending caucus meetings to create visibility for the University as well as the possibility of hosting a caucus lunch.

President Pastides also summarized strategic issues which would impact the University during the upcoming legislative session.

Mr. Buyck requested that the University's Board of Visitors be invited to the caucus lunches that would be held on campus. He said that he felt the Board of Visitors was an "under used" asset to the University. Secretary Stepp stated that the Board of Visitors would like to participate. Mr. Westbrook added that he agreed with Mr. Buyck's request; and noted that a small Ad Hoc Committee had been formed to review the future roles of the University's Board of Visitors.

Mr. Adams added that another University group that was underutilized was the Trustee Emeriti; and that many of them had longstanding relationships with legislators.

#### IV. SASAKI FACILITIES MASTER PLAN:

Chairman Loadholt called on Dr. Moore who stated Sasaki had worked in true partnership with the University's Capital Planning Committee as well as the Capital Operations and Planning Sub-Committee (COPS). Dr. Moore recognized Mr. Dick Galehouse and Justin Fay, of Sasaki to present the University's Master Plan.

Mr. Galehouse and Mr. Fay distributed the *University of South Carolina Vision for a Sustainable Future - 2010 Master Plan*, preliminary draft. In their presentation they discussed the 2010 Master Plan including: Land Use, The Vision Plan for South Campus, Pedestrian and Vehicular Circulation; and Parking. Also discussed was the recommended implantation of the 2010 Master Plan.

Mr. Galehouse explained that the Goals of the 2010 Master Plan were derived from the University's Mission Statement, "Focus Carolina," and the "University of South Carolina Framework for Sustainability."

Mr. Fay discussed the current space needs and noted that an analysis of classrooms and offices showed that classroom instruction could be accommodated within the existing space and that no additional office space was required. However, there would be additional space needs by the Academic Year 2014 - 2015.

Following the presentation, Mr. Hubbard asked if the Board would take action on the Master Plan, and President Pastides responded that it would be received as information at this point. Dr. Moore clarified that the next step would be for the Capital Planning Committee to work with the Buildings and Grounds Committee on a retreat in Spring 2011. Dr. Moore explained that by that time the USC Housing Study would be complete. In addition, the FY 2011-2012 Budget planning process would be underway and they would know

more about, how big of an additional State funding cut the University would face, potential tuition caps, and potential out-of-state enrollment caps.

Mr. Hubbard stressed that he felt it was important for the Board to adopt a Master Plan as a guide to govern decision making with appropriate additional information, and not just receive it as information. Dr. Moore recommended that adoption of the Master Plan should be considered at the Buildings and Grounds Committee Retreat.

At this point in the meeting, Chairman Loadholt called on Dr. Smith to present the Health Affairs Committee report.

C. Health Affairs Committee:  
(The Honorable Dorn Smith reported)

The Health Affairs Committee met on Friday, November 19<sup>th</sup>, at which time Dr. Amiridis reported that the Greenville Hospital Systems (GHS) Joint Board Liaison Committee was in the process of finalizing the By-laws of the Joint Board Oversight Committee. In the meantime, until the By-laws were approved and the Committee was formerly constituted, this oversight group was meeting to discuss time-lines and provide input in terms of finalizing the operational agreement.

Dr. Moore presented the USC School of Medicine-Greenville budget projections for the next ten years as discussed by the group and distributed the Ten-Year Plan, which summarized the revenue and expense projections. The cumulative total of revenues was projected to be slightly more than \$186,000,000 as was the total of projected expenses. If an operating shortfall occurred, it would be addressed through standard business practices such as expense reduction and revenue enhancement; GHS would fund any remaining annual operating deficits.

Financial projections were based on tuition revenues and GHS support as the primary funding sources. No state appropriations were included in these projections nor would they be sources of revenue for the Greenville campus. Funding from philanthropy, grants, and contracts would be sought to diversify revenue streams.

GHS would also provide a building shell and capital for upfitting and equipping the building that would house the expanded medical education program.

Tuition would be set by the USC Trustees within the context of the annual budgeting process. Student enrollment and resulting tuition was estimated at 75 percent in-state, 25 percent out-of-state.

Chairman Loadholt stated that there were personnel matters relative to the election of a foundation board member, recommendations for midyear tenure and promotion as well as contractual matters including status of the Greenville Hospital System contract which were appropriate for discussion in Executive Session.

Chairman Loadholt called for a motion to enter Executive Session. Mr. Hubbard so moved and Dr. Smith seconded the motion. The vote was taken and the motion carried.

Chairman Loadholt invited the following persons to remain: President Pastides, Secretary Stepp, Dr. Amiridis, Dr. Moore, Dr. Pruitt, Ms. Lawrence, Ms. Owens, Dr. Hogue, Dr. Plyler, Dr. Kresovich, Mr. Parham, Mr. Heath, Mr. Walton, Ms. Brunelli, Dr.

Curtis, Campus Chancellors, Mrs. Hanna, Mr. Gregory, Mrs. Martin, Ms. Mills, and Mrs. Lamb.

Return to Open Session

III. ELECTION OF BOARD MEMBER TO EDUCATIONAL FOUNDATION:

Chairman Loadholt called for nominations to the Educational Foundation.

Mr. Hubbard nominated Mr. Jones to serve as the Board of Trustees member on the University's Educational Foundation. Mr. Whittle seconded the motion. Chairman Loadholt called for any other nominations. There being none, the vote was taken and the motion carried.

Since there were no other matters to come before the Board of Trustees, Chairman Loadholt declared the meeting adjourned at 5:55 p.m.

Respectfully submitted,

Thomas L. Stepp  
Secretary