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University of South Carolina
BOARD OF TRUSTEES

June 17, 2013

The University of South Carolina Board of Trustees met on Monday, June 17, 2013, at 12:25 p.m. in the Board Room at 1600 Hampton Street.

Members present were: Mr. Eugene P. Warr, Jr., Chairman; Mr. John C. von Lehe, Jr. Vice Chairman; Mr. Chuck Allen; Mr. Robert "Eddie" Brown; Mr. J. Egerton Burroughs; Mr. Mark W. Buyck, Jr.; Mr. Thomas C. Cofield; Mr. A.C. "Bubba" Fennell; Dr. C. Edward Floyd; Mr. William C. Hubbard; Mr. William W. Jones, Jr.; Mr. Toney J. Lister; Mr. Miles Loadholt; Mr. Hubert F. Mobley; Ms. Leah B. Moody; Dr. C. Dorn Smith, III; Mr. Thad H. Westbrook; Mr. Mack I. Whittle, Jr.; Mr. Charles H. Williams; and Dr. Mitchell M. Zais.

Also present were faculty representative Dr. Sandra J. Kelly and student representative Chase Mizzell.

Others present were: President Harris Pastides; Secretary Amy E. Stone; Chief Financial Officer Edward L. Walton; Vice President for Student Affairs and Vice Provost for Academic Support Dennis A. Pruitt; Vice President for Information Technology and Chief Information Officer William F. Hogue; Vice President for Human Resources Chris Byrd; Interim Vice President for Development and Alumni Relations Susan Lee; Interim Vice President for Communications Wes Hickman; General Counsel Walter "Terry" H. Parham; Athletics Director Ray Tanner; Chancellor of USC Aiken Sandra J. Jordan; Chancellor of USC Beaufort Jane Upshaw; Palmetto College Chancellor Susan A. Elkins; USC Upstate Chancellor Tom Moore; Dean of USC Union Alice Taylor-Colbert; Associate Vice President for Business and Finance and Budget Director, Division of Finance and Planning, Leslie Brunelli; University Budget Director Harry Bell; Vice Provost and Dean of Undergraduate Studies Helen I. Doerpinghaus; Associate Vice President for Administration, Division of Student Affairs and Academic Support, Stacey Bradley; Executive Dean, College of Arts and Sciences, Roger H. Sawyer; Director of Academic Programs, Office of the Provost, Kristia H. Finnigan; Internal Audit Director Phil Iapalucci; Executive Associate Athletics Director Kevin O'Connell; Associate Athletics Director and Senior Women's Administrator Judy Van Horn; Special Assistant to the President J. Cantey Heath Jr.; Student Government Association Immediate Past President

Kenny Tracy; University Technology Services Production Manager Matt Warthen; Board staff members Debra Allen and Terri Saxon; and members of the media.

Chairman Warr called the meeting to order and 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. Mr. Hickman introduced members of the media in attendance: Josh Kendall with *The State*; Amanda Coyne with *The State* and *The Daily Gamecock*; John Whittle with *The Big Spur*; Scott Hood with *Gamecock Central*; Drew Brooks with *The Spartanburg Herald-Journal*; and Jody Barr with WIS-TV.

Chairman Warr welcomed Dr. Alice Taylor-Colbert, the new dean of USC Union, and then invited the Reverent John Cook of the Presbyterian Student Association to deliver the invocation. Chairman Warr said the entire Board participated in the Academic Affairs and Faculty Liaison Committee's Executive Session, negating the need to repeat it for the full Board meeting. Therefore, to facilitate the schedule of those who needed to leave early, the meeting would proceed in open session beginning out of order with the Executive Committee Report and presentation of the Operating Budget for Fiscal Year 2014.

II. COMMITTEE REPORTS

D. Executive Committee (The Honorable Eugene P. Warr, Jr. reported)

2. FY 2013-2014 Annual Operating Budget: On behalf of the Executive Committee, Chairman Warr moved approval of the proposed total current funds budget for the USC System for fiscal year 2014, including the operating budgets, the tuition and fee schedules, the budgets for all auxiliary enterprises, and the designated funds budget. The University budget is contingent on final approval of the budget for the State of South Carolina and stated items may be adjusted as needed.

He noted that everyone was present for the full budget discussion during the Executive Committee meeting earlier in the day. There being no further discussion, Mr. Mobley seconded the motion. The motion passed with a dissenting vote cast by Mr. Burroughs.

A copy of the FY14 Capital Budget Document [Exhibit A] was provided to each Board member. It was announced that following approval of the State budget, a copy of the University's FY14 Operating Budget would be printed and provided to the Board at its August meeting.

Chairman Warr continued reporting on the remaining items from the Executive Committee's meeting earlier in the day at which several contracts valued in excess of \$250,000 were approved. These included:

- A new four-year Athletics employment contract for Head Equestrian Coach Boo Major that ends May 31, 2017, at a base salary of \$93,000.
- A new four-year Athletics employment contract for Head Men's and Women's Swim and Dive Coach McGee Moody that ends April 30, 2017, at a base salary of \$108,000.
- A one-year consulting services agreement with IMG Learfield Ticket Solutions to provide outsourced ticket-sales services for the University's ticketed athletic events, as well as additional mutually agreed upon activities/events over which the University has the right to sell tickets. The University will pay Ticket Solutions \$17,500 for each \$50,000 threshold up to \$1 million of net revenue that Ticket Solutions reaches in ticket sales. In addition, the University will pay Ticket Solutions \$20,000 for each \$50,000 threshold of new revenue reached after the \$1 million net revenue threshold. Ticket Solutions also will receive an additional \$10,000 if it sells 1,500 new basketball full-season men's and women's tickets.
- A Charter Flight Agreement with Delta Air Lines, Inc. under which the Gamecock football team will be transported to four away games this fall at a cost of \$430,858.
- An amendment that extends the University's contract with Campus Televideo, Inc. until June 30, 2014, to provide cable television services to the Columbia campus, including Williams-Brice Stadium, at an annual cost of \$346,167.
- An amendment to the contract with PAETEC Software Corp. to extend its maintenance agreement through March 31, 2017, at a total cost of \$279,325 for software that supports the University's IT-related billing system.
- A software license agreement with SARS Software Products, Inc., to provide a scheduling software package, with training and support services, for academic advising at a cost of \$46,040.
- An amendment to a four-year agreement with Palmetto Health Richland, which increases from six to seven the number of faculty members that the College of Pharmacy makes available to Palmetto Health to provide hospital pharmacy-based services, as well as pharmacy resident training. Palmetto Health will continue to pay \$27,000 per year for each of the six clinical pharmacists, with the addition of \$40,000 per year for one hospital pharmacist.

1. Contracts: Contracts, with values exceeding \$750,000 were approved by the

Executive Committee for recommendation to the Board for action:

a. A new four-year Athletics Employment Contract for Head Men's and Women's Track Coach Curtis Frye that ends June 30, 2017, and provides for an annual base salary of \$191,400. In addition, the contract provides for \$50,000 in personal services compensation to be paid by outside rights holders, but guaranteed by the Athletics Department. The contract also stipulates that the Athletics Department will pay the annual premiums to provide Coach Frye life insurance benefits totaling \$750,000. The contract contains the standard incentive options and termination clauses, all of which were detailed in the Board's meeting materials.

On behalf of the Executive Committee, Chairman Warr moved to approve Coach Frye's employment agreement. Mr. Westbrook seconded the motion. The vote was taken and the motion passed.

b. A contract with Southern Way, Inc., doing business as Southern Way Catering, to provide catering services in premium areas of Williams-Brice Stadium. The contract is the result of a request for proposals that was issued and executed in compliance with State regulations. Premium area locations at the stadium include: The Zone; 18 suites, the Executive Clubs and the Champions Clubs on the 200 Level; and two suites on the 600 Level, as well as the 600 Level Club.

On behalf of the Executive Committee, Chairman Warr moved approval of the contract with Southern Way, Inc. Mr. Fennell seconded the motion. The vote was taken and the motion passed.

c. A five-year contract with Aiken Communications, Inc., for exclusive rights to publish a newspaper, magazine and website on behalf of the Gamecock Club for distribution to and/or access by Gamecock Club members. Total subscription fees paid by the Gamecock Club in any contract year shall not exceed \$300,000 and The Gamecock Club will receive 20 percent of net advertising revenue generated by the newspapers, magazines and website. Additional information was detailed in the Board's meeting materials.

On behalf of the Executive Committee, Chairman Warr moved approval of the contract with Aiken Communications, Inc. Mr. Lister seconded the motion. The vote was taken and the motion passed.

Following the Executive Committee report, Chairman Warr called on President Pastides.

III. REPORT OF THE PRESIDENT

Dr. Pastides thanked the Board for its stewardship of the University and approval of the budget. On a sad note, he informed the Board that a "stately tree on the northeast corner of the Horseshoe that is estimated to be about 140 years old would need to come down." The Southern Live Oak, which measures 16 feet in diameter, recently lost a heavy limb. It was struck by lightning in 2006 and must be removed for safety issues.

On a happier note, Dr. Pastides advised that orientation was in full swing, with freshmen and transfer students on campus daily. “From the sights and sounds on the Horseshoe and around campus, I can tell you that we will have the most robust freshman class ever. I know that it will be the best academically qualified class in the history of this University, but their school spirit will be at an all-time high as well.” Dr. Pastides also commended Athletics Director Tanner “who reported not only a good year academically, but the best year in academic achievement from our athletes in the history of this University.” In conclusion, Dr. Pastides wished everyone a wonderful summer.

Chairman Warr returned to the remaining agenda items.

I. APPROVAL OF MINUTES

The following six sets of minutes were on the Board Portal for review and were presented for approval:

- A. Board of Trustees, April 17, 2013
- B. Buildings and Grounds Committee, April 17, 2013
- C. Executive Committee, April 17, 2013
- D. Student-Trustee Liaison Committee, April 17, 2013
- E. Board of Trustees, May 28, 2013
- F. Audit and Compliance Committee, June 4, 2013

There were no additions, deletions or corrections to the minutes; therefore, they stood approved as distributed.

II. COMMITTEE REPORTS (continued)

- A. Audit and Compliance Committee
(The Honorable J. Egerton Burroughs reported)

The Audit and Compliance Committee met on June 4, 2013.

Designated Funds Budget for FY 13/14: The Committee approved the Designated Funds Budget for FY 2014. The budget was recommended to the Executive Committee and is included in the proposed budget scheduled for consideration later today.

Internal Audit and Advisory Services FY 13/14 Budget: The Committee approved the proposed Internal Audit and Advisory Services FY 2014 Budget. It is included as part of the overall FY 2014 University budget proposal, as recommended by the Executive Committee for Board consideration.

- B. Academic Affairs and Faculty Liaison Committee
(The Honorable Thad Westbrook reported)

The Academic Affairs and Faculty Liaison Committee met earlier in the day. The following items have received all appropriate approvals and were presented to the Committee in Executive Session.

1. Honorary Faculty Titles: On behalf of the Academic Affairs and Faculty Liaison

Committee, Mr. Westbrook moved approval of twelve requests for honorary faculty titles to be awarded effective with each individual's retirement:

For the title Distinguished Professor Emerita and Carolina Distinguished Professor Emerita:

Arlene Bowers Andrews
Sarah Ann Woodin

For the title Distinguished Professor Emerita and I. DeQuincy Newman Professorship Emerita:

Sadye M.L. Logan

For the title Distinguished Professor Emeritus:

Kuniharu Kubodera
Bruce McClenaghan
Jim O'Connor
John L. Safford
John Van Zee

For the title Professor Emerita:

Elaine Frank
Rita Rhodes

For the title Professor Emeritus:

John B. Bowles
Daniel Sabia

Mr. Cofield seconded. The vote was taken and the motion passed.

2. Appointments with Tenure: On behalf of the Academic Affairs and Faculty Liaison

Committee, Mr. Westbrook moved approval of the following twenty-one requests for appointments with tenure:

a. Dr. John M. Brooks will be awarded tenure at the rank of Professor in the Department of Health Services Policy and Management in the Arnold School of Public Health. He will also serve as the SmartState Chair in Rehabilitation and Reconstruction Sciences.

b. Dr. Elizabeth Chambliss will be awarded tenure at the rank of Professor in the School of Law. He will also serve as the Director of the Nelson, Mullins, Riley, and Scarborough Center on Professionalism.

c. Dr. Pang Du will be awarded tenure at the rank of Associate Professor in the Department of Statistics in the College of Arts and Sciences.

d. Dr. Christine J. Ferguson will be awarded tenure at the rank of Professor in the Department of Education at the University of South Carolina Beaufort.

e. Dr. Lance Holbert will be awarded tenure at the rank of Professor in the School of Journalism and Mass Communications, College of Mass Communications and Information Studies. He will also serve as the Associate Director for Graduate Studies and Research in the School of Journalism and Mass Communications.

f. Dr. Lee Hurren will be awarded tenure at the rank of Professor at USC Upstate. He will also serve as the Dean of the School of Education on that campus.

- g. Dr. Hippokratis Kiaris will be awarded tenure at the rank of Associate Professor in the South Carolina College of Pharmacy.
- h. Dr. Tarja Knuuttila will be awarded tenure at the rank of Associate Professor in the Department of Philosophy, College of Arts and Sciences.
- i. Dr. Marlys Lipe will be awarded tenure at the rank of Professor in the Darla Moore School of Business. She will also serve as the Friends of Accounting – Donald H. Cramer Professor of Accounting.
- j. Dr. Michael O’Neill will be awarded tenure at the rank of Professor in the Department of Biological Sciences, College of Arts and Sciences.
- k. Dr. Rachel O’Neill will be awarded tenure at the rank of Professor in the Department of Biological Sciences, College of Arts and Sciences. She will also serve as chair of that department and as the College of Arts and Sciences Distinguished Professor of Biological Sciences.
- l. Dr. Shyamal Peddada will be awarded tenure at the rank of Professor in the Department of Statistics, College of Arts and Sciences.
- m. Dr. Maria Peña will be awarded tenure at the rank of Associate Professor in the Department of Biological Sciences, College of Arts and Sciences.
- n. Dr. David Stodden will be awarded tenure at the rank of Associate Professor in the Department of Physical Education and Athletic Training in the College of Education.
- o. Dr. James Tabery will be awarded tenure at the rank of Associate Professor in the Department of Philosophy, College of Arts and Sciences.
- p. Dr. Alice Taylor-Colbert will be awarded tenure at the rank of Professor and as Regional Campus Dean for USC Union.
- q. Dr. Michael van Tooren will be awarded tenure at the rank of Professor in the Department of Mechanical Engineering, College of Engineering and Computing.
- r. Dr. Cuizhen (Susan) Wang will be awarded tenure at the rank of Associate Professor in the Department of Geography, College of Arts and Sciences.
- s. Dr. Collin Webster will be awarded tenure at the rank of Associate Professor in the Department of Physical Education and Athletic Training, College of Education.
- t. Dr. Delia West will be awarded tenure at the rank Professor in the Department of Exercise Science in the Arnold School of Public Health. She will also serve as the SmartState Chair in Technology Applications for Health Behavior Change and as Director of the SmartState Technology Center to Enhance Healthful Lifestyles.
- u. Dr. Bridette Jacob Ziobrowski will be awarded tenure at the rank of Professor at USC Beaufort. She will also serve as Department Chair of Business on that campus.

Mr. Fennell seconded. The vote was taken and the motion passed.

3. Tenure and Promotion Recommendations: Two lists of tenure and promotion recommendations were submitted. [Exhibit B]

- a. USC Columbia

On behalf of the Academic Affairs and Faculty Liaison Committee, Mr.

Westbrook moved approval of the USC Columbia tenure and promotion recommendations that include

promotion to professor with tenure; promotion to associate professor with tenure; tenure at associate professor; and tenure at librarian. Mr. Loadholt seconded. The vote was taken and the motion passed.

b. System Campuses

From the campuses other than Columbia, the names of those faculty members who are recommended for tenure at professor; promotion to professor; promotion to associate professor with tenure; tenure at associate professor; and tenure at assistant professor were also listed in the materials.

On behalf of the Academic Affairs and Faculty Liaison Committee, Mr. Westbrook moved approval of these tenure and promotion recommendations as distributed and Mr. Williams seconded the motion. The vote was taken and the motion passed.

4. New Programs

- a. Master of Business Administration for STEM and Liberal Arts (MBA-STEM/L.A.), USC Aiken
- b. Bachelor of Science (B.S.) in Health Promotion, USC Beaufort
- c. Bachelor of Arts (B.A.) in Child Development and Family Studies, USC Upstate
- d. Bachelor of Arts (B.A.) in Theatre, USC Upstate

On behalf of the Academic Affairs and Faculty Liaison Committee, Mr. Westbrook moved approval of the four new programs. Mr. Brown seconded. The vote was taken and the motion passed.

5. Removal of Honorary Degree Candidates From the Table: On behalf of the Academic Affairs and Faculty Liaison Committee, Mr. Westbrook moved to remove the names of the following honorary degree recipients from the table:

J. Brady Anderson
Richard Eric Besser
Benjamin Bernard Dunlap
Robert Michael Gates
John M. H. Hart Jr.
Martin M. Koffel
Darius Carlos Rucker
Emory Wayne Rushton
Kessel D. Stelling Jr.
Leo Franklin Twiggs
Stephen Neal Zack

Dr. Smith seconded. The vote was taken and the motion passed.

C. Intercollegiate Athletics Committee
(The Honorable Eugene P. Warr, Jr., reported on behalf of Mark W. Buyck, Jr.)

The Intercollegiate Athletics Committee met earlier today and Mr. Tanner gave an overview of the academic and athletic success for 2012-2013.

Mr. Jeff Tallant presented an overview of the FY 2013-2014 Athletics Department Budget. The proposed Department of Athletics budget is included in the University's FY 2013-14 Budget that was approved earlier in the meeting.

President Pastides updated the Committee on the SEC's annual spring meeting, which was held in Destin, Florida, during the last week of May.

III. REPORT OF THE ALUMNI ASSOCIATION

Chairman Warr called on Mr. Brown who provided an update on the Alumni Center. On May 15, the Carolina Educational Foundation Board approved a five-year \$9 million loan to the Alumni Association to provide bridge financing necessary to complete the financial package and insure the \$15 million New Market Tax Credit (NMTC) allocation. The NMTC provides for \$15 million to be borrowed while \$11.5 is repaid. The loan will be repaid through the Alumni Association's development efforts. Polly Laffitte, the association's new development director, will work with Paula Harper Bethea and Bob Royall on development efforts. On June 13, he said the City of Columbia's Design Development and Review Commission gave unanimous approval to the exterior design of the Alumni Center. Four finalists have been selected for the association's construction manager at risk, he added, with the final selection to be made by late July.

Mr. Brown also thanked Leah Moody for being an outstanding guest speaker at the Richard T. Greener Scholarship Banquet hosted by the Black Alumni Council on April 27. He also thanked Athletics Director Tanner for his support and that of the Gamecock Club and the Athletics Department with the Alumni Association's statewide Fan Fest events, as well as assisting the association with the Family Circle Tennis Cup in Charleston and the Heritage Golf Classic at Hilton Head.

Mr. Brown commented that the Alumni Association is currently active with new student orientation. As of the middle of June, 753 new freshmen had joined the Student Alumni Association. In concert with the Board of Visitors, the Alumni Association will host approximately 25 "Freshmen Sendoffs" across the country, including at least one event in each of the state's congressional districts.

In conclusion, Mr. Brown indicated that in May the Alumni Association helped sponsor three President's receptions with Dr. and Mrs. Pastides in Greenville, Charleston and Columbia.

V. PRESENTATION OF CERTIFICATES OF APPRECIATION

Chairman Warr called on Dr. Sandra Kelly to come forward and asked Secretary Stone to read a Certificate of Appreciation from the Board of Trustees thanking Dr. Kelly for her outstanding contributions and service to the University during her tenure as Chair of the Faculty Senate from

December 2011 to June 2013.

Dr. Kelly said she was honored to have sat with the Board and had enjoyed her experience attending meetings as Chair of the Faculty Senate. She said she had developed a deep appreciation for how hard Board members worked in overseeing a complex organization. This “big picture” view was one that few faculty had the chance to see and she appreciated everything she had learned in her nearly two years with the Board.

Chairman Warr called on Kenny Tracy, former Student Government president, to come forward. Chairman Warr asked Secretary Stone to read his Certificate of Appreciation. She explained that Mr. Tracy had driven from a summer internship in Atlanta to attend the meeting.

Mr. Tracy expressed how honored he was to have been able to sit with the Board during the past year. The leadership in the room was incredible, he believed, noting that it was awesome for a student to see what happens on the Board of Trustees. He recalled his last full Board meeting from which he left thinking about what an opportunity it had been to work with the trustees. He also expressed appreciation for their service to the institution and its students.

There being no objections, Chairman Warr said that the meeting would recess for lunch. He said the Board would reconvene after lunch for a short executive session to receive legal advice and to discuss a personnel matter.

The meeting recessed at 1 p.m. and reconvened at 1:30 p.m.

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

Chairman Warr invited the following persons to remain: Trustees, Secretary Stone, Mr. Parham, Mr. Walton, Mr. Byrd and Mr. Heath.

RETURN TO OPEN SESSION

ADJOURNMENT

Since there were no other matters to come before the Board, Chairman Warr declared the meeting adjourned at 2 p.m.

Respectfully submitted,

A handwritten signature in blue ink that reads "Amy E. Stone". The signature is written in a cursive style with a large initial "A".

Amy E. Stone
Secretary