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University of South Carolina
BOARD OF TRUSTEES

Governance Committee

June 25, 2021

The Governance Committee of the University of South Carolina Board of Trustees met at 9:30 a.m. on Friday, June 25, 2021, in the Pastides Alumni Center Ballroom and by Microsoft Teams video conference.

Committee members present were Mr. Thad H. Westbrook, Chair; Mr. C. Dan Adams; Dr. C. Edward Floyd; Mr. Toney J. Lister; Mr. Miles Loadholt; Mr. Hubert F. Mobley; Ms. Leah B. Moody; Ms. Rose Buyck Newton; Mr. Mack I. Whittle Jr.; and Dr. C. Dorn Smith III, Board Chair. Mr. Eugene P. Warr Jr. participated by Microsoft Teams video conference.

Other Board members present were Mr. Alex English; Mr. Richard A. Jones Jr.; and Mr. Robin D. Roberts. Other members joining by Microsoft Teams were Mr. J. Egerton Burroughs; Ms. Emma W. Morris; Ms. Molly M. Spearman; Mr. John von Lehe Jr.; and Mr. Charles H. Williams. Mr. Brian C. Harlan was absent.

Also present were USC Columbia Faculty Senate Chair Dr. Mark Cooper, USC Columbia Student Government President Mr. Alex Harrell, Board of Trustees Strategic Advisor Mr. David Seaton, and Trustee Emeritus Mr. Wayne Staton.

Others in attendance were Secretary Cameron Howell; Vice Provost and Dean of the Faculty Cheryl Addy; Vice President of Human Resources Caroline Agardy; Outreach Service Program Coordinator, Office of the President Shannen Cloherty; Interim Chancellor USC Upstate Derham Cole; Vice President of Development Monica Delisa; Chief Audit Executive

Pamela Dunleavy; Chancellor Palmetto College Susan Elkins; Associate Vice President of Finance and Budget Kelly Epting; Vice President of Information Technology and Chief Information Officer Doug Foster; President and Provost Faculty Fellow Stacy Fritz; University Architect, Associate Vice President of Facilities Planning, Design and Construction Derek Gruner; Associate Director of the Office of Economic Engagement Chad Hardaway; Dean of the School of Music Tayloe Harding; Chief Executive Officer USC Alumni Association Wes Hickman; Interim Director Academic Programs Trena Houpp; Chancellor USC Aiken Sandra Jordan; Assistant to the President for System Affairs Eddie King; Executive Director of Economic Engagement Bill Kirkland; Director of Purchasing Venis Manigo; Senior Deputy Athletics Director Chance Miller; Financial and Operational Audit Director Glenn Murray; Chancellor USC Beaufort Al Panu; General Counsel and Executive Director of Compliance Programs Terry Parham; Chief Operating Officer Jeff Perkins; Vice President for Student Affairs and Vice Provost Dennis Pruitt; Outreach Service Program Coordinator, Office of the President Luke Rankin; Financial and Operational Audit Manager Kenny Sexton; Special Assistant to the President James Smith; University Treasurer and Assistant Vice President of Administrative Operations and Chief of Staff Joe Sobieralski; Interim Vice President of Health and Well-Being and Chief Health Officer Jason Stacy; Assistant Vice President Media and External Engagement Jeff Stensland; Director of Athletics Ray Tanner; Vice President for Communications Larry Thomas; Vice President for Enrollment Management and Dean of Undergraduate Admissions Scott Verzyl; Executive Vice President for Administration and Chief Financial Officer Ed Walton; Vice President for Diversity, Equity, and Inclusion Julian Williams; Public Relations Strategist Dana Woodward; Board of Trustees support staff; and IT support staff Matt Warthen.

OPEN SESSION

I. Call to Order

Chair Westbrook called the meeting to order, welcomed everyone, and asked Trustees in the room to introduce themselves. Secretary Howell confirmed Trustees attending by Microsoft Teams video conference.

Chair Westbrook called on Mr. Jeff Stensland to introduce members of the media. Mr. Stensland introduced Michael Lananna and Lucas Daprile with the *State*, Andy Shain and David Cloninger with the *Post and Courier*, and Collyn Taylor with *Gamecock Central*.

Chair Westbrook stated notice of the meeting and agenda had been posted and the press notified as required by the Freedom of Information Act; the agenda and supporting materials had been circulated to the Committee; and a quorum was present to conduct business.

MOTION FOR EXECUTIVE SESSION

Chair Westbrook stated there was a need for an Executive Session to discuss personnel matters as described by Board Bylaws and Policies, receipt of legal advice regarding a pending claim, and contractual matters related to gift agreements. Ms. Newton made the motion to enter Executive Session and Mr. Whittle seconded the motion. A vote was taken, and the motion carried unanimously. Chair Westbrook stated no action would be taken in Executive Session. He invited the following to remain: voting Trustees, Dr. Cooper, Mr. Harrell, Mr. Seaton, Secretary Howell, President's Executive Council, Chancellors, Trustee Emeritus Staton, and Board support staff.

EXECUTIVE SESSION

– Executive Session Removed

RETURN TO OPEN SESSION

Chair Westbrook called on General Counsel Terry Parham to present contracts and lease agreements for approval as posted to the Board portal for this meeting.

II. Contract and Lease Approvals

Mr. Parham presented ten Indefinite Quantity Contracts for mechanical engineering and geotechnical and material testing services recommended for approval by University Architect Derek Gruner. These two-year contracts are identical and have been approved by the state engineer pursuant to the State Procurement Code. Under these contracts, any of these companies can be awarded small projects on the University of South Carolina campus. No firm can be paid more than \$200,000 on any one project and firms cannot earn more than \$500,000 cumulatively over the two-year contract period.

A. Building Contracts Columbia (Indefinite Quantity Contracts)

1. RMF Engineering
2. Buford Goff & Associations
3. ING Consulting, Inc.
4. Hensley & Goerling Consulting Engineers, LLC
5. Peritus Engineers & Associates
6. Bunnell-Lammons Engineering (BLE)
7. NOVA Engineering & Environmental, LLC
8. Terracon Consultants
9. F&ME Consultants
10. S&ME Consultants

Chair Westbrook called for a motion to approve the 10 Indefinite Quantity contracts as presented and posted on the Board portal. Mr. Whittle so moved, and Mr. Mobley seconded the motion. A vote was taken, and the motion carried.

B. Athletics' Lease Agreements – Williams Brice Executive Suites

Mr. Parham presented five standard executive suite license agreements for executive suites located on the west side of Williams Brice Stadium. The term of each agreement is four years beginning July 1, 2021 and ending June 30, 2025. The University will receive \$300,000 for each lease agreement over the four-year period.

Mr. Parham advised additional suite license agreements are forthcoming and suggested the Board could consider a motion to approve the executive suite template, as included in the agenda materials, and authorize Secretary Howell to sign those executive suite license agreements that come forward after today's meeting. Should terms change under the agreement template, the subject agreement would be brought to the Board for approval.

1. Joseph Rice
2. Dr. C. E. Floyd
3. Colonial Life & Accident Insurance Co.
4. Robert & Mandy Baxley
5. Doyle McBride

Chair Westbrook called for a motion to approve five standard executive suite license agreements as presented and posted to the Board portal, and to authorize Secretary Howell to approve future standard executive suite license agreements, provided the agreement template does not change. Dr. Floyd, Dr. Smith, and Mr.

Adams recused themselves. Mr. Mobley so moved, and Mr. Whittle seconded the motion. A vote was taken, and the motion carried.

C. Athletics' Employment Agreements

1. Mark Kingston – Head Baseball Coach

Mr. Parham presented amendments to Coach Kingston's employment agreement, which serve to extend his current contract two years, expiring June 30, 2025, and to conform the buyout provisions as set forth under the current contract.

Chair Westbrook called for a motion to approve amendments to Coach Mark Kingston's employment agreement as presented and posted to the Board portal. Mr. Mobley so moved, and Ms. Newton seconded the motion. A vote was taken, and the motion carried.

2. Tony Annan – Head Men's Soccer Coach

Mr. Parham presented the term summary sheet for new Head Men's Soccer Coach Tony Annan, which provides for a four-year term ending December 31, 2025, with an annual salary of \$172,854. Terms and conditions are standard terms, which have been contained in soccer contracts in the past.

Chair Westbrook called for a motion to approve Head Men's Soccer Coach Tony Annan's employment agreement as presented and posted to the Board portal. Mr. Lister so moved, and Mr. Whittle seconded the motion. A vote was taken, and the motion carried.

3. Curtis Frye – Head Men and Women's Track Coach

Mr. Parham presented the amendment to Head Men and Women's Track Coach Curtis Frye's employment agreement, which provides for a one-year

extension under the existing terms and conditions. Coach Frye will continue to earn an annual base salary of \$201,572 and receive \$50,000 compensation from outside media rights holders.

Chair Westbrook called for a motion to approve Head Men and Women's Track Coach Curtis Frye's employment contract extension as presented and posted to the Board portal. Mr. Loadholt so moved, and Mr. Mobley seconded the motion. A vote was taken, and the motion carried.

4. Lisa Boyer – Assistant Women's Basketball Coach

Mr. Parham presented the amendment to Assistant Women's Basketball Coach Lisa Boyer's employment agreement, which provides for a one-year extension through March 31, 2022. Coach Boyer will continue to earn an annual salary of \$300,000.

Chair Westbrook called for a motion to approve Assistant Women's Basketball Coach Lisa Boyer's employment contract extension as presented and posted to the Board portal. Ms. Moody so moved, and Mr. Adams seconded the motion. A vote was taken, and the motion carried.

5. Jolette Law – Assistant Women's Basketball Coach

The amendment to Assistant Women's Basketball Coach Jolette Law's employment agreement, which provides for a one-year extension through March 31, 2022. Coach Law will continue to earn an annual salary of \$275,000.

Chair Westbrook called for a motion to approve Assistant Women's Basketball Coach Jolette Law's employment contract extension as presented and posted to the Board portal. Ms. Newton so moved, and Mr. Adams seconded the motion. A vote was taken, and the motion carried.

D. Athletics' Contracts

1. Gamecock Sports Properties, LLC – Amendment to Multimedia Corporate Sponsorship Rights Agreement

Mr. Parham stated, due to the COVID pandemic causing facilities to be closed and limitations on the number of spectators that could attend University athletic events, Athletic Director Ray Tanner recommends an amendment to the Athletic Department's multimedia corporate sponsorship rights agreement with IMG. The amendment addresses the loss of and sharing of revenue between Gamecock Sports Properties, the name under which IMG operates, and the sharing of revenue between Gamecock Sports Properties and the Athletic Department for the 2019-2020 and 2020-2021 contract years. The amendment also contemplates opportunities for new revenue from alcohol sponsorships and naming rights of certain areas in Williams-Brice Stadium designated in that agreement.

Chair Westbrook called for a motion to approve the amendment to the Athletic Department's multimedia corporate sponsorship rights agreement with IMG (aka, Gamecock Sports Properties) as presented and posted to the Board portal. Mr. Adams so moved, and Mr. Mobley seconded the motion. A vote was taken, and the motion carried.

2. Gamecock Sports Properties, LLC, and Coca-Cola Company – Amendment to Education Sponsorship Agreement

Mr. Parham stated the Athletic Department's multimedia contract granted IMG/Gamecock Sports Properties the right to negotiate a pouring rights agreement with a soft drink vendor. Accordingly, IMG recommended the Coca-Cola Company as its vendor and in 2017, the Board approved a contract

with the Coca-Cola Company. The Athletic Department is recommending approval of an amendment to the education sponsorship agreement, which reflects the loss of revenue resulting from the COVID pandemic. Mr. Parham noted as a third-party beneficiary under the original contract, the University must approve the amendment.

Chair Westbrook called for a motion to approve the Gamecock Sports Properties amendment to the education sponsorship agreement as presented and posted to the Board portal. Mr. Lister so moved, and Mr. Loadholt seconded the motion. A vote was taken, and the motion carried.

E. University Registrar License Agreement with Leapfrog Technologies

Mr. Parham advised the Board approved a software licensing agreement with Leapfrog Technologies in 2018 under which the University acquired the use of a bulletin and curriculum management software system. The software system allows University faculty and administrators to propose, vet, approve, and publish academic courses. As a result of the success of the software system, the University Registrar seeks approval to add a path software module to the University's contract with Leapfrog Technologies. The path software module provides students, faculty, and advisors with a user-friendly way to access semester-specific course information. Inasmuch as students lobbied for the program to improve that aspect of their student experience, purchase of the Path Software Module is recommended by the Registrar through Student Affairs. The term of the contract is five years, ending April 30, 2026, at a total cost of \$355,396.

Chair Westbrook called for a motion to approve the University Registrar license agreement with Leapfrog Technologies as presented and posted to the Board portal.

Ms. Moody so moved, and Mr. Adams seconded the motion. A vote was taken, and the motion carried.

F. Division of Human Resources Service Agreement – PowerSchool Group, LLC

Mr. Parham presented for approval a renewal of the Division of Human Resources software license agreement with PowerSchool Group, LLC, which provides web-based human resource services. The term of the renewal is three years beginning June 27, 2021 and ending June 26, 2024 at a cost of \$418,844.

Chair Westbrook called for a motion to approve renewal of the Division of Human Resources software license agreement with PowerSchool Group, LLC. Mr. Mobley so moved, and Mr. Whittle seconded the motion. A vote was taken, and the motion carried.

G. Division of Information Technology License Agreement - Adobe

Mr. Parham presented for approval a new software license agreement with Adobe, under which the USC System will continue to have access to software products such as Adobe Creative Cloud, Document Cloud, Adobe Professional, Photoshop, Acrobat, InDesign, and Illustrator for web, video, and audio production, as well as other applications. The term of the new software agreement is three years beginning July 31, 2021, and ending July 31, 2024, at a total cost of \$765,432.

Chair Westbrook called for a motion to approve the Division of Information Technology license agreement with Adobe. Ms. Moody so moved, and Dr. Smith seconded the motion. A vote was taken, and the motion carried.

H. USC Aiken

1. Settlement Agreement - USC Aiken Pacer Commons Construction

Mr. Parham presented a settlement agreement in response to a construction defect lawsuit filed by USC Aiken in 2016 involving the Pacer Commons housing complex. Under the settlement agreement USC Aiken will receive the gross sum of \$4.5 million, from which costs, litigation expenses, and attorney's fees will be paid.

Chair Westbrook called for a motion to approve the USC Aiken Pacer Commons construction settlement agreement as presented and posted to the Board portal. Mr. Loadholt so moved, and Mr. Lister seconded the motion. A vote was taken, and the motion carried.

2. S.C. National Guard Ground Lease and Sublease – USC Aiken

Mr. Parham presented a ground lease between the USC Aiken Commission on Higher Education (Commission) and the Office of the Adjutant General for South Carolina (Adjutant General's Office). Under the lease, the Commission will lease three parcels of land it owns adjacent to the USC Aiken campus to the Adjutant General's Office. The Adjutant General's Office will construct at no cost to USC Aiken 1) a National Guard readiness facility, 2) a Dream Port for a Cybersecurity Facility, and 3) surface parking. The lease agreement includes a sublease from the National Guard to USC Aiken for exclusive space and shared space in the readiness facility at no cost to USC Aiken, other than utilities and operating costs associated with the use of those facilities. The ground lease is for a 50-year term with a possible 20-year renewal option. At the conclusion of the ground lease, the facilities become the property of the Commission.

Chair Westbrook called for a motion to approve the ground lease and sublease between the USC Aiken Commission on Higher Education and the Office of the Adjutant General for South Carolina as presented and posted to the Board portal. Mr. Loadholt so moved, and Mr. Adams seconded the motion. A vote was taken, and the motion carried.

I. USC Beaufort

– USC Beaufort Education Foundation Affiliation Agreement

Mr. Parham presented an affiliation agreement between USC Beaufort and the USC Beaufort Education Foundation that was created by USC Beaufort in 2019. The purpose of the affiliation agreement is to ensure USC Beaufort meets the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) accrediting standards with respect to this Foundation. The terms and conditions mirror affiliation agreements approved for the University's Columbia, Lancaster, and Upstate Foundations.

Chair Westbrook called for a motion to approve the affiliation agreement between USC Beaufort and the USC Beaufort Education Foundation as presented and posted to the Board portal. Ms. Newton so moved, and Mr. Mobley seconded the motion. A vote was taken, and the motion carried.

J. Gift Agreements

Chair Westbrook stated Ms. Monica Delisa, Vice President for Development, presented 14 gift naming agreements in Executive Session without objection. He called for a motion to approve the 14 gift naming agreements as presented and posted to the Board portal. Mr. Mobley so moved, and Mr. Whittle seconded the motion. A vote was taken, and the motion carried.

III. Status of Governance Committee Work Plan for 2021

Chair Westbrook stated the Governance Committee work plan for 2021 has been revised and posted to the Board portal. Though some items will be deferred until 2022, work will continue regarding the rewriting of Bylaws and policies.

Chair Westbrook stated without objection, this work plan update is received as information.

IV. Approval of Edits to Designated Funds Policy BTRU 1.14

Chair Westbrook called on Associate Vice President of Finance and Budget Kelly Epting to present proposed edits to Designated Funds Policy BTRU 1.14. Ms. Epting stated the purpose of BTRU 1.14 is to authorize the maintenance and expenditure of certain University designated funds to promote the goodwill of the University and to advance the University's mission through a wide range of activities. As discussed at the June 11, 2021 meeting of the Finance and Infrastructure Committee, the proposed edits provide that the executive vice president for administration and chief financial officer shall present a budget to the Board of Trustees' Finance and Infrastructure Committee annually on the sources and allocation of monies in the University's designated fund.

Chair Westbrook called for a motion to approve edits to Designated Funds Policy BTRU 1.14 as presented and posted to the Board portal. Mr. Whittle so moved, and Ms. Newton seconded the motion. A vote was taken, and the motion carried.

V. Evaluation Requirements for the Interim President

Chair Westbrook noted the Governance Committee and Board of Trustees have rewritten Board Bylaws and policies governing the evaluation of the University President. Vice President of Human Resources Caroline Agardy has discussed with the State Office of Human Resources their expectations on evaluating Interim President Harris Pastides. The state has

advised Ms. Agardy that there are no expectations for evaluating Interim President Pastides. Without objection, the Governance Committee will resume its oversight of the President's annual evaluation after the next President takes office.

Chair Westbrook stated the evaluation requirements update was received as information.

VI. Approval of USC Upstate Mission Statement Revisions

Chair Westbrook stated USC Upstate is actively preparing for the next Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) reaffirmation compliance certification. As part of the process, USC Upstate has revised its mission statement to 1) improve the length and clarity of the USC Upstate mission, 2) incorporate and better reflect the campus mission, and 3) meet the SACSCOC standards 2.1 and 4.2.a. The mission of USC Upstate has not changed.

Chair Westbrook called for a motion to approve revisions to the USC Upstate mission statement as presented and posted to the Board portal. Mr. Adams so moved, and Ms. Moody seconded the motion. A vote was taken, and the motion carried.

VI. Other Matters

Chair Westbrook stated Secretary Howell has uploaded a schedule for continuing education of Trustees to the Board portal. Additional items for training will be identified later in the fall.

Chair Westbrook recalled Mr. Adams suggested the Governance Committee consider researching how the Board's powers have been delegated to other bodies and persons. He suggested forming a working group to address that issue to include Mr. Parham, Dr. Korsgaard, and Mr. Cole. The group will research Board Bylaws, University policies, and System faculty manuals and report back to the Governance Committee.

Chair Westbrook called for other matters to come before the Committee. There were none.

VII. Adjournment

Chair Westbrook declared the meeting adjourned at 11:05 a.m.

Respectfully submitted,

Cameron Howell
Secretary