The Ad Hoc Committee on Strategic Planning of the University of South Carolina Board of Trustees met at 9 a.m. Friday, June 29, 2012, in the Ernest F. Hollings Special Collections Library Program Room at Thomas Cooper Library.

Members present were: Mr. Mack I. Whittle, Jr., Chairman; Mr. Herbert C. Adams; Mr. W. Lee Bussell, Sr.; Mr. William C. Hubbard; Mr. William W. Jones, Jr.; Mr. Miles Loadholt, Board Chairman; Mr. John C. von Lehe, Jr.; and Mr. Thad H. Westbrook.

Other Trustees present were: Mr. Chuck Allen; Mr. J. Egerton Burroughs; Mr. Mark W. Buyck, Jr.; Mr. Thomas C. Cofield; Dr. C. Edward Floyd; Mr. Toney J. Lister; Mr. Hubert F. Mobley; Dr. C. Dorn Smith III; and Mr. Eugene P. Warr, Jr., Board Vice Chairman.

In coming Board of Trustee member Mr. Robert E. Brown also was present, as were the faculty representative Dr. Sandra J. Kelly and the student representative Kenny Tracy. Special guests included Trustees Emeriti Lily Roland Hall and Paul Goldsmith, as well as Cynthia Lister, Ann Loadholt, JoAnn Fennell, and Gwen Adams.

Others present were: President Harris Pastides; Secretary Amy E. Stone; Vice President for Academic Affairs and Provost Michael D. Amiridis; Chief Financial Officer Edward L. Walton; Vice President for Student Affairs and Vice Provost for Academic Support Dennis A. Pruitt; Vice President for Development and Alumni Relations Michelle Dodenhoff; Vice President for Information Technology and Chief Information Officer William F. Hogue; Vice President for Communications Luanne Lawrence; Vice President for Research Prakash Nagarkatti; Chancellor of USC Aiken Thomas Hallman; incoming Chancellor of USC Aiken Sandra J. Jordan; Chancellor of USC Beaufort Jane Upshaw; Associate Dean for Academic and Student Affairs, USC Lancaster, Ron Cox; Executive Interim Vice Chancellor for Academic Affairs, USC Aiken, Jeff Priest; Associate Vice President for Finance and Budget Director, Division of Finance and Planning, Leslie Brunelli; Senior Vice Provost and Director of Strategic Planning Christine W. Curtis; Vice Provost and Executive Director for System Affairs and Extended University; Vice Provost and Dean of Graduate Studies Lacy Ford; Vice Provost Timothy Doupnik; Professor James Knapp, Chair of the Faculty Advisory Committee to the Board’s Academic Affairs and Faculty Liaison Committee; Assistant Professor Sarah Miller, Regional Campuses Representative to the Board’s Academic Affairs and Faculty Liaison Committee; Associate Vice President for Human Resources Caroline Agardy; Associate Vice President for Student Affairs, Division of Student Affairs and Academic Support, Jerry Brewer; Director of State Relations Trey Walker; Director of Institutional Assessment and Compliance Phil Moore; Associate Director of
Chairman Whittle called the meeting to order and welcomed everyone. Mr. Hickman introduced members of the media who included Mindy Lucas, The State Newspaper; and Pete Iacobelli, Associated Press.

Chairman Whittle 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. He then called on President Pastides to provide an introduction to the committee’s agenda topic.

The President thanked Mr. Whittle and recognized the good communication between the Board and the administration, as well as the Board and the faculty. “Our open communication, mutual respect, and ability to overcome occasional differences in points of view is at the very heart of advancing the University,” President Pastides said.

This is a time of great change for higher education, President Pastides said, citing the following drivers: the changing consumer market – a revolution in the way families are selecting colleges and universities for their children; society demands more rigor in education; the appearance of disruptive technologies relative to the internet, relative to distributed learning to which universities must adapt; and then there are state funding challenges and the increased public demand for affordability, accessibility and accountability, which USC embraces.

Since the recession began, President Pastides noted the University has focused on core mission, eliminating or combining over 30 lower demand academic programs; has increased teaching loads; has made strategic personnel decisions; and, in general, has not conducted business as usual. The University also has continued to forge public-private partnerships; to embrace new technology, not just for student learning but in University operations; and to seek new sources of auxiliary revenue.

Dr. Curtis and Dr. Amiridis will review how the University is increasing the flexibility that students have to graduate on time; on their time. The President stated that the University should be a leader in allowing students the flexibility to graduate on their timeframes. The University also will continue to integrate curricular learning with real life learning outside the classroom; will increase career advising and job placement services; and will continue to develop leaders for the state and nation.

“Whatever we do, we will need to be strategic, need to be clear and articulate about our goals, benchmark and evaluate our programs and, when needed, debate and resolve different points of view,” the President said prior to Dr. Curtis beginning a PowerPoint presentation overviewing the USC System Strategic Planning.
Dr. Curtis provided an overview of the USC Office of Strategic Planning, which reports to the President. The foundation of the office is the strategic plan FocusCarolina, which is on the University’s website. Dr. Curtis mentioned that the service and administrative areas also are engaged in planning and developing dashboards. The Office of Strategic Planning is a statewide office with responsibility for Columbia as well as the senior campuses, regional campuses, and Palmetto College. The vision of the office is to advance the USC system, including advancing the University’s global standing among research-intensive universities, evaluating and realizing strategic initiatives, and stimulating and coordinating achievement of transformational goals. The office must promote a culture of planning, assessment and continuing improvement, Dr. Curtis told Board members.

With the many opportunities available, Dr. Curtis stressed the need to prioritize goals to insure that resources are allocated appropriately. The core values of the Strategic Planning Office focus first on academics. The office serves as an advocate for data-driven leadership and decision-making, planning pragmatically and purposefully for the future. On a day-to-day basis, Dr. Curtis said the office focuses on promoting strategic initiatives to improve the University’s global standing; supporting the University’s leadership in strategically aligning goals and resources to advocate data-driven decision-making; and promoting strategic planning across the system.

Dr. Howell then discussed the rankings in academe and how rankings affect the University, including international rankings, U.S. rankings, rankings that focus on price and value, and discipline-specific and school-specific rankings.

Rankings do have an effect in the marketplace, but there is a danger in “living or dying” by rankings or embarking in any kind of unethical behavior to gain in the rankings, Dr. Howell said, providing headlines of regrettable action by several universities to gain in rankings. Everyone at USC approaches reporting for rankings in a very ethical fashion, he said. Prior to offering ranking details, Dr. Howell summarized the universities considered peers or peer-aspirants for USC. The peer group includes Rutgers University and the Universities of Connecticut, Georgia, Kentucky and Tennessee. The peer-aspirant group includes Indiana University and the universities of Maryland, Missouri, North Carolina and Virginia.

Dr. Howell then began with an overview of international rankings, citing the Academic Ranking of World Universities (ARWU) as the most important and which is heavily rated toward the sciences. In 2011, he noted that USC ranks in the same band (201-300) as its peer universities of Connecticut and Kentucky and its peer-aspirant University of Missouri. USC’s other peer and peer-aspirants are ranked higher by ARWU.

Next, Dr. Howell discussed U.S. rankings of which there are numerous, the most notable of which is U.S. News and World Report (USNWR) that began in 1983. 2012 USNWR rankings show no public university ranking in the top 20, with USC ranked No. 54 among public institutions and No. 111 among all institutions. He then discussed the measures used by USNWR rankings and the rate awarded to each factor, and the fluctuations in USNWR rankings across time. The dominant ranking agency related to price and value
Kiplinger’s Best Values in Public Colleges, which in 2012 ranked USC as No. 57 for in-state tuition and No. 67 for out-of-state tuition.

Dr. Howell also presented data showing ranking of individual programs, disciplines and schools at the University, including the SC Honors College, the undergraduate program in international business, international MBA program, doctoral program in kinesiology and exercise science, percent of pharmacy faculty with NIH research funding, graduate training in social psychology, undergraduate risk management and insurance program, the nuclear engineering program’s faculty scholarly productivity, and the School of Hotel, Restaurant and Tourism Management. The dominant ranking methodology for programs is the National Research Council Rankings that focuses on doctoral programs, which are issued every decade. The corrected 2010 rankings included 12 USC research-doctorate programs within the top 50 in the United States.

In summary, Dr. Howell recommended Board members be aware but very critical of the way in which rankings work. He cautioned that the focus should be on outcomes that are about quality, about things that are important regardless of the existence of any ranking scheme; things like how quickly students are graduating and what kind of success students are finding in the classroom and outside the classroom. USC is doing this by focusing within the dashboard on outcome metrics that are important and are not driven by rankings from a primary standpoint.

In response to a question from Mr. Whittle, Dr. Howell explained USC is doing well across all metrics, but that it drops behind when another institution does better in a category that is rated very important by a ranking agency. In response to a question from Ms. Moody, Dr. Howell said that it was difficult to determine how USC is improving in relation to value as compared to other institutions because all institutions are trying to improve. It will be late August or early September before that information is available for the 2013 rankings. As far as state funding per student, he indicated that might be an area to discuss in more detail at a future meeting, noting that North Carolina is far ahead of most states in the Southeast when it comes to that measure.

A healthy approach can begin with an audit outlook toward the rankings, Dr. Howell said in response to additional questions about University strategies to improve academics, increase visibility and raise in rankings compared to other institutions. Mr. Whittle noted that in future meetings he hoped there would be an opportunity to discuss the schools of Law and Medicine compared to other schools, where USC stands and its strategy to move those programs forward.

Dr. Amiridis discussed the academic dashboard with the committee, identifying it as a set of metrics that will allow the University to document and monitor progress, compare and contrast with other institutions, set targets for the future, develop strategies to achieve the targets, and allocate resources to support the strategies. Development of the dashboard started 18 months ago and it was used for the first time this year as priorities were discussed in the budget development process.

Dr. Amiridis summarized that the dashboard contains eight parameters or goals, four associated with students and four associated with faculty. These parameters define the academic quality of the institution,
and some are considered in rankings discussed by Dr. Howell. The student parameters are total undergraduate enrollment, average SAT score, freshman-sophomore retention rate, and the six-year graduation rate. The faculty parameters are student-to-faculty ratio, research expenditures, national honors and awards, and doctoral degrees.

In an aside related to the previous discussion of rankings, Dr. Amiridis said that USC is not the No. 54 public university in the country. Based on all of the indications, he said, the University belongs in the top 30 or top 25, noting that the question is how long it will take some external outlets to understand this.

Dr. Amiridis then discussed the eight parameters showing target data with data from the current and previous years with comparisons to USC's peer and peer-aspirant groups. In response to a question from Mr. Buyck, Dr. Amiridis indicated that in the past decade the University has developed very good strategies to help students and to retain them, including changing the way that business is done, the mentality and the culture of some faculty as it relates to flunking students as an indication of the difficulty of their courses. Over the past decade, USC has implemented supplemental instruction and learning communities within the dorms. These are some of measures that Dr. Pruitt will address.

Dr. Pruitt offered a quick snapshot of the strategies to reach the goals of the Student Success Dashboard. Over the last 10 years, he said, undergraduate education has grown in importance and is now a financial driver. Business concepts are being used to determine whether the University’s action will make students successful. Dr. Pruitt discussed Astin’s Input-Environment-Outcomes Model as one of the frames of reference in use. With the declining student population, he noted that the University must identify new pipelines for bringing in students. It also is important to recognize the importance of the University's out-of-state students, noting that the University's regional recruiting program has been very successful. Dr. Pruitt further noted that there were nearly 5,000 fewer South Carolina high school graduates this year. He also noted that there are two ways to improve the average SAT. One is to increase the size of the Honors College and the University’s Capstone program, but to get those kinds of students the University must have better financial aid, better scholarship, and better need-based aid. The University also can admit students with the greatest chance to succeed.

Dr. Pruitt also noted the many efforts that are in place to improve retention rates. Emphasis must now be given to managing self-destructive behaviors in the first six weeks of school to reach the goals related to retention rates. In regard to the dashboard’s final goal of improving graduation rates, Dr. Pruitt emphasized there is a need to create a four-year college culture with more compliance for persistence toward obtaining a degree.

Dr. Nagarkatti discussed some strategies to take research and scholarly activities to the next level. He noted that USC is the only institution in South Carolina to receive the highest research ranking by the Carnegie Foundation. With the meeting running short on its allotted time, Dr. Nagarkatti said he would focus on the main goal of the Research Office, which is to increase research funding to about $300 million in
the next five years. This means that there will need to be a growth rate of six to eight percent each year for the next five years. The question becomes how to accomplish this with the existing resources.

Almost 60 to 70 percent of the research that is funded at public and private institutions comes from the federal government. Less than 10 percent comes from state and local support and less than 10 percent comes from industry. To increase funding, it is necessary to focus on federal dollars. Currently, about 62 percent of USC’s research is funded by the federal government. Of the $32.5 billion federal dollars awarded for research, nearly $20 billion supports research in the life sciences; therefore most universities have invested heavily in the life sciences because they know that this is an area of research with the highest levels of funding.

Next, it is necessary to identify the federal agencies that have research funding available for distribution to academic institutions. The National Institutes of Health has the most at $18.1 billion, followed by the National Science Foundation with $3.9 billion and the Department of Defense at $3.4 billion. USC must identify ways to compete for the same federal dollars since federal research and development funding comprises only about 0.4 percent of the U.S. gross domestic product. Dr. Nagarkatti offered comparisons, nothing that at USC 31 percent of research is sponsored by NIH compared to 65 percent NIH funding at the University of Virginia. USC also receives about $142 million in total federal research dollars compared to Harvard’s $462 million.

To better compete, 10 goals have been identified to enhance research at USC. Among these is Dr. Nagarkatti’s III approach, which is to innovate and integrate to pursue interdisciplinary research on problems unique to South Carolina. This means that USC will integrate its strengths in life sciences and health sciences across many colleges with engineering, arts and humanities, business, education and law to create a team of researchers who can focus on problems unique to South Carolina and compete nationally. He then identified potential research areas in which USC researches across disciplines could collaborate to successfully compete for federal research dollars to address regional issues. This has led to ASPIRE or the Advanced Support for Innovative Research Excellence grant program that will award up to $100,000 to interdisciplinary research projects that involve three or more faculty members across multiple colleges and units that apply for grants. To date almost 200 applications have been received and about $2.5 million has been awarded to assist these interdisciplinary faculty groups.

In response to a question from Dr. Floyd, Dr. Nagarkatti indicated that research output is affected by the number of faculty and the ownership of a medical school’s hospital facilities. The USC School of Medicine is a small school and USC does not own a hospital as does UVA or MUSC, which correlates to less research funding at USC. This is why faculty must come together from across disciplines to seek major research funding. To more clearly compare the University’s NIH funding with MUSC, President Pastides asked about total NIH research funding across USC, not just the medical school. Dr. Nagarkatti indicated that USC’s total NIH funding was about $40 million compared to MUSC’s $120 million.
Noting that it was time for the next committee meeting, Mr. Whittle said Strategic Affairs is scheduled to meet again in December at which time faculty strategies could be discussed in detail. Dr. Amiridis agreed, indicating that he would leave committee members with one element related to faculty strategies to consider. The student to faculty ratio impacts learning and retention. Over the past two years, one of the most important things that have been underway is enhancement of the faculty. This is a big ticket item in terms of the budget, he said, thanking Board members for their support. The faculty replenishment initiative to recruit and hire 200 tenured and tenure-track faculty will have a significant impact across the University. In response to questions, Dr. Amiridis indicated that the University is in year two of a four-year effort, with 100 to 120 new tenured and tenure-track faculty expected to arrive in August. Mr. von Lehe asked that more information be provided about faculty awards and honors.

There being no other matters to come before the Committee, Chairman Whittle declared the meeting adjourned at 10:45 a.m.

Respectfully submitted,

Amy E. Stone
Secretary