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University of South Carolina
BOARD OF TRUSTEES
December 16, 2014

The University of South Carolina Board of Trustees met at 12:25 p.m. on Tuesday, December 16, 2014, 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; Mrs. Paula Harper Bethea; Mr. J. Egerton Burroughs; Mr. Mark W. Buyck, Jr.; Mr. Thomas C. Cofield; Mr. A. C. "Bubba" Fennell III; Mr. William C. Hubbard; Mr. Toney J. Lister; Mr. Miles Loadholt; Mr. Hubert F. Mobley; Ms. Leah B. Moody; Mr. Thad H. Westbrook. Joining by telephone were Dr. C. Dorn Smith III; Mr. Charles Williams; and Mr. Mack I. Whittle, Jr.

Absent were Dr. C. Edward Floyd; Mr. William W. Jones, Jr.; and Dr. Mitchell M. Zais.

Also present were faculty representative Dr. James H. Knapp and student representative Lindsay Richardson.

Others present were: President Harris Pastides; Secretary Amy E. Stone; Chief Operating Officer Edward L. Walton; Provost Michael D. Amiridis; General Counsel Walter "Terry" H. Parham; Vice President for Student Affairs Dennis A. Pruitt; Chief Financial Officer Leslie Brunelli; Vice President for Information Technology William F. Hogue; Vice President for Human Resources Chris Byrd; Palmetto College Chancellor Susan Elkins; Executive Vice Chancellor for Academic Affairs, USC Aiken, Jeff Priest; Senior Vice Provost and Dean for Graduate Studies Lacy Ford; Senior Vice Provost and Dean for Undergraduate Studies Helen Doerpinghaus; College of Arts and Sciences Dean Mary Anne Fitzpatrick; Executive Associate Athletics Director Kevin O'Connell; Chief Financial Officer, Athletics Department, Jeff Tallant; University Treasurer Patrick Lardner; Executive Director of Audit & Advisory Services Pam Doran; Director of Governmental and Community Relations and Legislative Liaison Shirley D. Mills; Executive Director for the Office of Economic Engagement William D. "Bill" Kirkland; Chief Communications Officer Wes Hickman; University Controller Jennifer Muir; Director of Financial Reporting, Controller's Office, Sandy Smith; Chief of Staff, President's Office, J. Cantey Heath, Jr.; University Technology Services Production Manager Wes Reardon; Board staff members Debra Allen and Ina Wilson; Mrs. Ann Loadholt, wife of Trustee Miles Loadholt, and Mrs. JoAnn Fennell, wife of Trustee Bubba Fennell.

I. Call to Order

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.

II. Welcome and Introductions

Mr. Hickman stated that Andy Shain with *The State* newspaper was the only member of the news media in attendance.

III. Invocation

Chairman Warr invited The Reverend John Cook with the Presbyterian Student Association to deliver the invocation.

Chairman Warr stated there was no need for an executive session and moved directly into the Open Session agenda items.

IV. Approval of Minutes

The following seven sets of minutes were presented for approval:

- A. Audit and Compliance Committee, October 17, 2014
- B. Executive Committee, October 17, 2014
- C. Board of Trustees, October 17, 2014
- D. Called Board of Trustees, November 21, 2014
- E. Buildings and Grounds Committee, November 21, 2014
- F. Student-Trustee Liaison Committee, November 21, 2014
- G. Ad Hoc Committee on Strategic Planning, November 21, 2014

Chairman Warr stated that there were no additions, deletions or corrections to the minutes; therefore, they stood approved as provided for review on the Board Portal.

V. Committee Reports

- A. Student-Trustee Liaison Committee, November 21, 2014
(The Honorable A.C. "Bubba" Fennell reported)

The Student-Trustee Liaison Committee met on November 21, 2014, under a new format to continue providing a meaningful experience for student government leaders. Recognizing that topics of interest varied from campus to campus, separate meetings were scheduled for the four-year and the two-year campuses.

At the November meeting, the presidents of the Student Government Associations (SGA) of the four-year campuses (USC Aiken, USC Beaufort, USC Columbia and USC Upstate) participated in a panel discussion related to topics of interest on their campuses. The SGA presidents joined the committee

around the board table while the other SGA officers and advisors observed in the gallery. In advance of the meeting, SGA presidents were asked to submit topics for the panel discussion and an overwhelming response was received. Topics discussed included significant challenges students face during their collegiate careers and the university resources that can help them; proposed legislation to allow concealed weapons on college campuses; utilization of the Career Services Office; the impact of social media; and diversity of students on our campuses.

Prior to the panel discussion, Graduate Student Association President Brittany Walter gave an informative report on the association. She said that the Board of Trustees approved a resolution in 2011 endorsing the association's mission and goals in recognition of the need for an entity to advocate on behalf of all graduate students and provide support that was not yet present on campus. From hosting a handful of events a year, it has grown to hosting over 40 events ranging from networking and social events to valuable professional development workshops.

The association works to provide an optimal learning environment that supports graduate students, facilitates graduate student progress and persistence, and contributes achieving graduate-level academics and research. Its foremost objective this year has been to increase student involvement, which will increase the association's visibility on campus since graduate students represent about 25 percent of the student population and should be recognized and well-represented in all University initiatives.

One concern raised by Ms. Walter is the lack of health insurance literacy among graduate students. A University task force has been created to remedy this problem for all students. However, initiatives by the task force have focused largely on disseminating information through University 101 – an avenue not accessible by graduate students. The association hopes that President Pastides and the Board of Trustees will support graduate students in being fully considered in future initiatives by the Health Literacy Task Force.

Ms. Walter concluded by noting that her report was the first presentation the Graduate Student Association had made to the Board of Trustees since its inception five years ago.

On Friday, April 24, 2015, the SGA presidents of the University's two-year campuses (Lancaster, Salkehatchie, Sumter and Union) will be invited for a panel discussion.

B. Buildings and Grounds Committee, November 21, 2014
(The Honorable Eugene P. Warr, Jr., reported)

The Buildings and Grounds Committee met on November 21, 2014, and the following items required Board approval. First, Chairman Warr asked Secretary Stone to read a statement that is required for the minutes.

Secretary Stone stated: “The University hereby declares its official intent, pursuant to Federal Regulations, to reimburse itself from the amounts of proceeds of the tax-exempt bond issue.”

1. Project Approvals

a. 2015 Classroom Enhancements

On behalf of the Buildings and Grounds Committee, Chairman Warr moved to establish and fully fund this project with a budget of \$310,000 to be funded with \$190,000 of institutional Capital Project Funds and \$120,000 of Institutional Funds. Dr. Smith seconded the motion. The vote was taken and the motion passed.

b. Central Steam/Condensate Lines Repairs II

On behalf of the Buildings and Grounds Committee, Chairman Warr moved to establish and fully fund this project with a budget of \$950,000 to be funded with Institutional Capital Project Funds. Mr. Westbrook seconded the motion. The vote was taken and the motion passed.

c. Campus Masonry Repairs II

On behalf of the Buildings and Grounds Committee, Chairman Warr moved to establish and fully fund this project with a budget of \$500,000 to be funded with Institutional Capital Project Funds. Mr. Loadholt seconded the motion. The vote was taken and the motion passed.

d. Soccer Practice Fields Drainage

On behalf of the Buildings and Grounds Committee, Chairman Warr moved to establish and fully fund this project with a budget of \$600,000 to be funded with Athletic Operating Funds. Mr. Allen seconded the motion. The vote was taken and the motion passed.

e. Installation of George Rogers Sculpture

On behalf of the Buildings and Grounds Committee, Chairman Warr moved to install a sculpture of George Rogers at the Williams-Brice Stadium Plaza for a total project budget of \$275,000 funded with a private gift. Mr. Allen seconded the motion. The vote was taken and the motion passed.

2. Gift Naming Opportunities

On behalf of the Buildings and Grounds Committee, Chairman Warr moved to approve the following gift namings as recommended by the Gift Naming Opportunities Committee and distributed in the Board materials. Mr. Hubbard seconded the motion. The vote was taken and the motion passed.

- a. Alumni Center
 - The Mason Jar and NYC Gamecocks' Room
- b. Darla Moore School of Business
 - i. The Monye M. Connolly Seminar/Conference Room
 - ii. The Lindsay Family Mother's Room
- c. School of Journalism and Mass Communications
 - i. The Dean's Student Plaza
 - ii. The Logan-Watson Carolina News Conference Room
 - iii. The Robin D. Roberts Classroom
- d. School of Law
 - i. The Maxwell Law Firm Faculty Suite Student Reception Area
 - ii. The Childs & Halligan Faculty Office
 - iii. The Law Class of 1959
 - iv. The James S. Konduros Mock Trial Meeting Room

Also in the meeting, the committee received an update on the State-Funded Maintenance Projects for Fiscal Years 2012-2015; the University's Five-Year Capital Improvement Plan; and the Darla Moore School of Business sculpture.

C. Ad Hoc Committee on Strategic Planning, November 21, 2014
(The Honorable Mack I. Whittle, Jr., reported)

The Ad Hoc Committee on Strategic Planning met on Friday, November 21, 2014, and received an update from Provost Michael Amiridis on the Academic Dashboard for USC Columbia.

The University's strategic plan was set for a five-year period and from time to time the Provost updates the committee on how the University is performing based on the metrics with which academic success is measured. Eight metrics are followed as part of the academic dashboard, with comparisons against two groups: The peer group of Rutgers University, University of Connecticut, University of Georgia, University of Kentucky and University of Tennessee; and the peer-aspirant group of Indiana University, University of Maryland, University of Missouri, University of North Carolina, and University of Virginia.

Dr. Amiridis stressed that innovation is the key to the University's success and the numbers he shared illustrate that the University has thrived during the past five years.

The first metric is undergraduate enrollment, which has continued to grow. The University also has continued to improve its second metric, SAT scores. The average SAT scores are now above those of the

University's peer group, having increased by 25 to 26 points over the past five years.

When the Academic Dashboard was initiated, the University was showing a decrease in its freshman to sophomore retention rate, which is the third metric. Since 2009 the retention rate has consistently shown an upward trend, having reached a record-breaking 88 percent last year. While several factors contribute to the higher rates, Dr. Amiridis emphasized the University's focus on stronger advising systems and the importance of cross-college collaboration to improve coordination for students changing majors. The fourth metric, six-year graduation rates, also has shown improvement. This year's numbers will be available in January. But Dr. Amiridis projected a rate of over 75 percent, a considerable increase from where the University was less than 10 years ago, which was in the 50s.

The fifth metric, the student to tenure-track faculty ratio, has become more competitive with the University's peer-aspirant group. A very aggressive hiring plan to replace tenure-track faculty helped improve this metric faster than expected. In the next 20 years, Dr. Pastides said that the hiring of junior faculty would prove to be the single factor that will have advanced the quality of the University more than any other. The sixth metric is research expenditures, which continue to track at a higher level than in the past although the target numbers have been adjusted as a result of changes in federal funding of research.

The seventh metric is the faculty scholar productivity index. The University contracted with Academic Analytics 18 months ago to track this data, which shows USC in the middle of our peer and peer-aspirant groups, with only one peer institution (Rutgers) ranking higher and one peer-aspirant (Missouri) ranking at the same level of USC. The eighth metric is doctoral degrees awarded, which has exceeded projected targets. When the strategic planning process was initiated, the University was awarding around 250 doctoral degrees. The target of stabilizing at 300 doctoral degrees awarded has been reached – a significant change over five years.

Dr. Amiridis concluded his report by discussing the innovative steps taken by the University since 2009. His report illustrated that the University has remained embedded in the community and engaged in supporting the community while improving its academic quality.

D. Academic Affairs and Faculty Liaison Committee, December 16, 2014
(The Honorable Thad Westbrook reported)

Mr. Westbrook reported that the following personnel matters received all appropriate academic and administrative approvals and were presented without objection to the Academic Affairs and Faculty Liaison Committee earlier in the day.

1. Honorary Faculty Titles

Three requests for honorary faculty titles were posted on the Board Portal with the materials for this meeting. If approved, the following individuals will be awarded the titles indicated effective with their retirement:

- For the title Professor Emeritus: Mark E. Tompkins
- For the title Dean Emerita and Distinguished Professor Emerita: Peggy O. Hewlett
- For the title Chancellor Emerita: Jane T. Upshaw

On behalf of the Academic Affairs and Faculty Liaison Committee, Mr. Westbrook moved approval of the three honorary faculty titles as presented. Ms. Moody seconded the motion. The vote was taken and the motion passed.

2. Appointment with Tenure

On behalf of the Academic Affairs and Faculty Liaison Committee, Mr. Westbrook moved approval to award tenure to the following individual:

- Dr. Manuel Casanova – Appointment with tenure at the rank of professor in the department of Biomedical Sciences in the School of Medicine Greenville.

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

3. Transfer of Tenure

On behalf of the Academic Affairs and Faculty Liaison Committee, Mr. Westbrook moved approval of the following transfer of tenure requests:

- Dr. Bethany Bell – Transfer of tenure from the College of Education to the College of Social Work.
- Dr. Richard Goodwin – Transfer of tenure from the department of Cell Biology in the School of Medicine Columbia to the department of Biomedical Sciences in the School of Medicine Greenville.

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

4. Mid-Year Tenure and Promotion Recommendations

On behalf of the Academic Affairs and Faculty Liaison Committee, Mr. Westbrook moved to approve all tenure and promotion recommendations for the USC Columbia campus as presented and described in the materials posted on the Board Portal for this meeting.

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

Mr. Westbrook said that at its meeting earlier in the day the committee received academic updates on the ROTC and Capstone Scholars programs at USC Columbia. Mr. Westbrook asked that his written summaries of the two programs be included in the minutes.

ROTC - Military Science is a program of study within the college of Liberal Arts. It is a series of elective courses, which begin in the freshman year with no military obligation. The Military Science programs offer students a balance of academic and military education. Not only do students acquire technical and leadership skills, they will, at graduation, have the opportunity to become commissioned officers in their chosen branch of service (Army, Air Force, Navy or Marine Corps).

The Capstone Scholars Program is a two-year educational enrichment program with opportunities in and out of the classroom that is designed to provide a smaller community while maintaining all of the resources available at the university. Students are invited into the Capstone Scholars Program; no separate application is required, and Capstone is open to all majors. Each fall, approximately 700 of some of the nation's brightest students enroll in the Program.

At the conclusion of the report from the Academic Affairs and Faculty Liaison Committee, Mr. Buyck noted that during the previous day's commencement ceremony, the academic distinction of the students graduating was not announced. He said that a student's graduation with academic distinction should be announced at the ceremony and that it should not be omitted to save time. Chairman Warr noted the omission was done to save time so that the University could continue announcing each student's name, but that academic distinction was listed in the commencement program with the name of each student achieving such distinction. Mr. Buyck asked that this approach be reconsidered.

E. Executive Committee, December 16, 2014
(The Honorable Eugene P. Warr, Jr. reported)

During this morning's meeting of the Executive Committee, Chairman Warr said that the Comprehensive Annual Financial Report for the year ending June 30, 2014, was presented. The report also was made available for review by all Trustees on the Board Portal.

The Executive Committee also approved 13 contracts during its meeting. These included eight Indefinite Delivery Contracts for civil and surveying, civil engineering, and geotechnical consultant services valued at \$500,000 each for: Chao and Associates; American Engineering Consultants, Inc.; Cox and Dinkins; URS Corporation; Terracon Consultants, Inc.; GS2 Engineering, Inc.; ECS Carolinas, LLP; and F&ME Consultants. Approval also was given for a contract with Varrow, Inc. in the amount of \$375,000 for design and installation of additional electronic storage capacity and the migration of data to the new system.

Chairman Warr said that the Executive Committee approved six items for recommendation to the full Board for action. These were:

1. Athletics Employment Agreement, Baseball

On behalf of the Executive Committee, Chairman Warr moved approval of a two-year extension to Baseball Coach Chad Holbrook's contract as presented by Mr. Parham to the Executive Committee and posted on the Board Portal for all Trustees to review. Under the extension, Mr. Holbrook's contract would run through June 30, 2019.

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

2. Greenville Health System, USC School of Medicine Greenville

On Behalf of the Executive Committee, Chairman Warr moved approval of Addendum B to the Master Memorandum of Understanding for Cooperation of Services Exchange between the USC School of Medicine Greenville and the Greenville Hospital System. He said that the addendum addressed professional services and non-personnel expenses for 2014-2015 valued at \$5 million and to be paid from grant funds.

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

3. Taylor & Francis, University Libraries

On Behalf of the Executive Committee, Chairman Warr moved approval of a License Agreement with Taylor & Francis under which the Columbia campus will receive internet access to designated online journals for a three-year period at a total cost of \$1,058,788.

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

4. IBM Gift-in-Kind, College of Engineering and Computing

On Behalf of the Executive Committee, Chairman Warr moved approval of a gift-in-kind of Predictive Maintenance and Quality software and maintenance support from IBM to the College of Engineering and Computing for use in the College's Condition-Based Center. The gift is valued at \$2.4 million.

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

5. Off-Cycle Fee Requests

a. USC Aiken

On Behalf of the Executive Committee, Chairman Warr moved approval of USC Aiken's request for three new required biology and geology lab fees and one new optional field trip fee as described to the Executive Committee by Ms. Brunelli and posted on the Board Portal for all Trustees to review. The lab fees (\$200 each for BIOL 516 and BEOL 425 and \$300 for GEOL 431) are non-refundable and intended to cover the cost of required field trips. The optional field trip fee (\$300 for

BIOL 516) is refundable up to a month prior to trip departure and will cover travel, lodging, park entrance fees, trailer rental and food. The fees would be effective for the Spring 2015 term.

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

b. USC System, Aruba Tuition Agreement

On Behalf of the Executive Committee, Chairman Warr moved approval of the South Carolina resident tuition rate for students from Aruba in accordance with the State of South Carolina Code of Laws 59-112-70. This rate will be effective for the Spring 2015 term.

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

VI. Board Staff

Chairman Warr moved that the salary of the Secretary of the Board, Ms. Amy Stone, be increased by \$8,000 per year, effective January 1, 2015. Mr. Fennell seconded the motion. The vote was taken and the motion passed.

VII. Board of Visitors Election

Chairman Warr announced that Mr. von Lehe had nominated E. Warren Moïse to complete the unexpired term of Helen Pruitt on the Board of Visitors. He called for a motion to approve the appointment. Dr. Smith made the motion, Mr. Westbrook seconded the motion. Mr. von Lehe noted that Warren Moïse is the brother of Scott Moïse who will be rotating off the Board of Visitors. The vote was taken and the motion passed.

VIII. Report of the Alumni Association President

Chairman Warr called on Ms. Bethea who described her position as president of the Alumni Association as a placeholder, who for two years would offer leadership and enthusiasm that could be carried forward. There has been “earth movement” in the Alumni Association, Ms. Bethea said.

“Our Alumni Association is now more visible, more active, more involved in the mission of the University than at any time in the past. We are very proud of that and every day we figure out ways that we can help this University, help President Pastides who has been our ardent supporter in carrying forth the mission of this University. For me, being able to follow in Bill’s footsteps – Bill and I represent the first husband and wife team who have both been President of the Alumni Association – is very humbling and quite an honor. I serve my University, I serve our 270,000 living alumni, and I have the opportunity to serve in this capacity as we open our new home; a home that we have never had permanently on this campus. It is an exciting time to be a Gamecock. It is a most exciting time to be allowed to serve as President of this Alumni Association.”

Ms. Bethea recognized Alumni Association Executive Director Jack Claypoole. She then updated Trustees on the construction status of the new alumni center, showing a photograph of the construction site and emphasizing that \$27 million in private funding would be raised to finance the building. In the past

month, she reported that nearly \$1 million had been received and another \$8 million in requests awaiting responses. Efforts also were underway to identify a naming source, which would require a \$10 million donation.

Ms. Bethea said that the funding for the building would be raised, and that the excitement of the construction also was bringing more life memberships than the Alumni Association had ever had; more interest in what the Alumni Association was doing. Overall, she said, Alumni Association communications were greatly heightened. She highlighted two critical dates: the end of the year, where a lot of people wanted to make gifts to receive the tax advantage; and the next date, when the Alumni Association would have the ribbon cutting for the building. Once the building is complete the urgency of raising the funds for it will evaporate, she cautioned, and full advantage would need to be taken of fundraising efforts during the remaining months of construction.

Ms. Bethea invited her fellow Trustees to join other alumni for Carolina Action Day at the State House on February 4, another way that the Alumni Association was helping the University in its mission.

In conclusion, she asked Trustees to help the Alumni Association identify multi-generational giving, providing her colleagues a form to complete and return to the Alumni Association. Ms. Bethea thanked Trustees for all they had done and would do. She said she would be visiting each Trustee to give them the opportunity “to give until it feels good,” noting that one Trustee already had made a wonderful donation to help the Alumni Association be successful.

IX. Report of the President

Chairman Warr called on President Pastides who said what a great leader the University had in Paula Harper Bethea for the University’s alumni, noting that when the alumni center is completed and in use it will be hard to imagine days when there was no home for the alumni. He then commended Trustees on the quality of the efforts the University is making, citing the Darla Moore School of Business as the best business school building in the United States, the University’s baseball park as the best baseball stadium in the United States and the alumni center that would be the best.

President Pastides also thanked Trustees for their participation in December commencement activities, including the honorary degree and speaker luncheon. “Yesterday was a red letter or garnet letter day for the University of South Carolina. Not so much because of the ceremonies, but because of our impact in graduating students.” He noted that the University had graduated 60,000 students since he became President six and a half years ago – 22.2 percent of all of the University of South Carolina’s alumni were graduated over the past six and a half years.

President Pastides wished the Trustees a season of contemplation, with some quiet time with their family and friends. His holiday wish also echoed Governor Bush's comment from commencement that it is important to have fun as well. He concluded by wishing everyone a Merry Christmas.

X. Other Matters

Chairman Warr announced plans had called for the recognition of State Superintendent of Education Mick Zais for his service on the Board of Trustees. The December meeting would have been his 22nd full Board meeting since being elected State Superintendent of Education. Unfortunately, he said, Dr. Zais had the flu and was unable to attend.

Mr. Burroughs said that he would like to thank Ms. Brunelli and her staff for their hard work on the Comprehensive Annual Financial Report, which represents the financial wellbeing of the University.

Mr. Buyck then announced that along with Dr. Floyd and Mr. Whittle, he wanted to invite Trustees and staff attending the Board Retreat in January to attend a reception at Dr. Floyd's home and to go to dinner with them on Friday, January 23, 2015.

XI. Adjournment

Since there were no other matters to come before the Board, Chairman Warr declared the meeting adjourned at 1:05 p.m.

Respectfully submitted,

Amy E. Stone
Secretary