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University of South Carolina
BOARD OF TRUSTEES

Called Meeting

August 17, 2019

The University of South Carolina Board of Trustees convened in a called meeting at 8:30 a.m. on Saturday, August 17, 2019, in the Royall Presidential Dining Room at the Pastides Alumni Center.

Members present were: Mr. John C. von Lehe Jr., Chairman, Mr. Hubert F. Mobley, Vice Chairman; Mr. C. Dan Adams; Mr. Chuck Allen; Mr. Robert F. Dozier Jr.; Mr. William C. Hubbard; Mr. Richard A. Jones Jr.; Mr. Toney J. Lister; Mr. Miles Loadholt; Ms. Leah Moody; Ms. Rose Buyck Newton; Mr. Eugene P. Warr Jr.; Mr. Thad Westbrook; and Mr. Mack I. Whittle Jr.

Absent were: Mr. J. Egerton Burroughs; Mr. A.C. "Bubba" Fennell; Dr. C. Edward Floyd; Dr. C. Dorn Smith III; Ms. Molly Spearman; and Mr. Charles H. Williams.

Also present were USC Columbia Faculty Senate Chairman Mark Cooper and USC Columbia Student Government President Luke Rankin.

Others present were: President Robert L. Caslen Jr.; Secretary J. Cantey Heath Jr.; General Counsel Walter "Terry" H. Parham; and Interim Chief Communications Officer Jeff Stensland.

I. Call to Order

Chairman von Lehe called the meeting to order and stated 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. Secretary Heath confirmed no one was participating by telephone and that a quorum was present to conduct business.

Mr. Stensland introduced the following news media representatives: Andy Shain with the *Charleston Post and Courier* and Kayland Hagood with WLTX-TV.

Chairman von Lehe delivered the invocation.

II. Report of the President

Chairman von Lehe called on President Caslen to open the morning discussion about his plans for the next 90 to 120 days.

President Caslen said he sought the advice of Trustees as he worked to refine a vision of excellence and pre-eminence for the University. He stressed access and affordability as primary goals, noting the USC System can be strengthened to help the entire University.

He also noted other objectives, which must be considered. These included:

- The definition of student success must be inclusive of graduation, as well as what “our students achieve after they leave the classroom.”
- The diversity of thoughts and ideas – “the University must represent the people of South Carolina to be legitimate,” he said.
- The University’s alumni must be better utilized across the country to identify, recruit and inspire, noting alumni offer vital outreach and mentorship opportunities.
- The University has tremendous potential to strengthen and expand its online programs.
- Innovation and partnerships are key elements in the University’s future successes, he said.

President Caslen said he had asked Dr. Deborah German, Vice President for Health Affairs at the University of Central Florida (UCF), to offer advice and counsel on development of the Medical School/Health Sciences Complex. He described her as “an authority on economic development who can provide valuable input toward achieving innovative partnerships in the health sciences.”

As for his organizational plans, President Caslen said his priorities were directed toward identifying a chief of staff, executive assistant, chief communications officer, chief diversity officer, provost and an individual to guide ethics and compliance. He committed to using a transparent process in identifying individuals of unquestionable character and integrity.

President Caslen then asked Trustees for their questions, comments and advice.

Mr. Whittle said the model of raising tuition/increasing enrollment is no longer sustainable. Faced with this change, he said we need to plan now for the University’s future.

Citing the importance of student to faculty ratio, Mr. Hubbard said state and national statistics project a significant drop in college eligible students by 2023. He cautioned for the need to “right size” now by identifying the optimal size of the freshman class without allowing economic and political pressures to drive the decision. Experts must be identified to assist in defining the optimal size while better utilizing the potential of the University System in solving this issue, he said.

President Caslen said strategic questions to answer were whether to grow, or not, within the current structures and to define new structures to address the issue of students wanting to attend the flagship campus, not a system campus.

Ms. Moody said the University must consider the changing workforce and address strengthening relationships with the state's technical college system.

Mr. Mobley said there were capacity needs to address because the student experience must remain good. He noted the University may have fallen behind in online programming, noting this was an area in which many employers were willing to support their employees.

Mr. Mobley also noted the increasing need for the University to be involved with the counseling and treatment of substance abuse and addiction.

Mr. Allen said strengthening the system organization was critical and he stood ready to assist in any way.

Mr. Westbrook observed, "academic excellence, access and affordability are important. Although many students want to attend the Columbia campus, we must also serve more South Carolinians through the University's system campuses." The financial aspect of strategic planning is vital and the administration's help with this is crucial, he said.

Mr. Whittle added the strategic plan must be tracked with specific measures such as student to faculty ratios. Such plans must be driven from the top down, he said. Referring to the current strategic plan, Dr. Cooper said the student to faculty ratio target is 18:1, adding research targets also are important.

Budget commitments and tactical targets must be clear, Dr. Cooper said, adding "Budget commitments to instructional staffing need attention now. There may be immediate tactical opportunities in this area." He encouraged President Caslen to discuss it with Ed Walton and Tayloe Harding. Dr. Cooper further noted a need for more discussion of blended courses and leveraging system resources for everyone.

Mr. Hubbard said in comparing the state populations of Virginia, North Carolina, South Carolina and Georgia with the undergraduate population of those states' flagship universities, South Carolina represents the smallest state population and the highest undergraduate enrollment.

Mr. Dozier asked President Caslen about his plans for the positions of Chief Operations Officer and Chief Financial Officer. As a parent, he also noted there was inconsistencies in the University's online courses that needed to be addressed.

While there are efficiencies in having a combined COO/CFO organization, President Caslen said it was best to separate the positions to improve operations.

“Better, more transparent financial reporting to the Board will help Board members and it also will help rebuild trust with members of the General Assembly,” Ms. Newton said.

Mr. Lister reminded all, “We are so poorly funded by the legislature.”

Mr. Rankin said the University’s brand is strong, adding that enrollment at many SEC institutions has decreased while USC’s enrollment has increased. He observed the student to faculty ratio is inconsistent, varying greatly among programs. He also warned the student experience must not be diminished.

Referencing back to comments about online courses, Ms. Moody recalled USC was the first to start online courses and should be the “game-changer” in that arena.

Earlier this year, Mr. Westbrook told President Caslen, the Board of Trustees endorsed an equity and inclusion plan. He asked that the Board be kept updated on its progress. “We have the University of Possibilities programs to assist in this effort and we should strengthen our admissions outreach efforts to serve as many South Carolinians as possible.”

Ms. Moody noted the problem of students being negatively impacted because they lacked information about requirements and pre-requirements for various programs. The timeliness of such information is important to helping students enroll in the necessary courses and to graduate on time.

Mr. Hubbard said that before the University can begin to plan for status as an AAU institution, its research funding must be increased. Thus, he encouraged strategies be developed to identify avenues of revenue, including increased funding from the Department of Defense.

President Caslen said he has asked Bill Kirkland and James Smith to work on a cyber-security partnership similar to that of the University of Georgia and the City of Atlanta. He also noted General Jim Richardson, a USC alumnus, will assist the University with identifying opportunities with acquisition programming.

Mr. Whittle recommended a separate administrator should lead the health sciences effort, reporting to the Provost, and that Jerry Youkey could be an invaluable resource as the University works to strengthen this area.

In response to President Caslen's comments about financial problems resulting from the UCF board's failure to fulfill its fiduciary responsibilities, Mr. Whittle said that was the purpose behind USC's new budget model.

President Caslen thanked Trustees for their comments and suggestions and asked Trustees to keep sharing their thoughts with him. He said his University email address is bobcaslen@sc.edu. He also noted he looked forward to visiting the University's campuses.

"Enrollment strategies are certainly important, and I have asked Mark Cooper to help identify models at other institutions we might explore. The Medical School/Health Sciences discussion has been particularly helpful and, as to diversity, we cannot just talk about it – we must make it happen."

Mr. Hubbard responded, "Our students must graduate with critical thinking skills and be able to adapt to change. The Academic Affairs and Faculty Liaison Committee and the President need to focus on this. The Darla Moore School of Business has increased its rigor in this matter and can provide a good template for deeper analysis." In response to a question from President Caslen, Dr. Cooper described the Carolina Core Curriculum and noted the new budget model may be an important component of this discussion.

Concluding the breakfast meeting, Mr. Jones applauded President Caslen "for motivating diversity of thought. Education is teaching you how to think," he said.

In parting, President Caslen posed this question to Trustees, "Should we pursue an AAU invitation? There will be winners and losers – we need to understand what it will take to get there."

III. Adjournment

There being no other matters on the agenda, Chairman von Lehe adjourned the meeting at 10:45 a.m.

Respectfully submitted,

J. Cantey Heath, Jr.
Secretary