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University of South Carolina
BOARD OF TRUSTEES

Governance Committee

June 24, 2022

The Governance Committee of the University of South Carolina Board of Trustees met at 11:17 a.m. on Friday, June 24, 2022 in the Floyd Boardroom of the Pastides Alumni Center and by Microsoft Teams audio and video conference.

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

Other Board members present were Mr. J. Egerton Burroughs, Mr. Alex English, Mr. Brian C. Harlan, Mr. Richard Jones Jr., Ms. Molly Spearman, Mr. John C. von Lehe Jr., and Mr. Charles H. Williams. Ms. Emma W. Morris participated by Microsoft Teams.

Also present were USC Columbia Faculty Senate Chair Dr. Audrey Korsgaard, USC Columbia Student Government President Ms. Reedy Newton, and Special Advisor to the Board Mr. David Seaton.

Others in attendance were Secretary Cameron Howell; Vice Provost and Dean of the Faculty Cheryl Addy; Vice President for Human Resources Caroline Agardy; President and Chief Executive Officer of Lexington Medical Center Tod Augsburger; Senior Associate Vice President for Student Affairs and Academic Support and Interim Vice President for

Development Stacey Bradley; Lexington Medical Center Chairman of the Board of Directors Donny Burkett; Vice President for System Affairs Derham Cole; Interim Provost Stephen Cutler; Chief Audit Executive Pam Dunleavy; Palmetto College Chancellor Susan Elkins; Associate Vice President of Finance and Budget Kelly Epting; Vice President for Information Technology and Chief Information Officer Doug Foster; President's Chief of Staff Stacy Fritz; USC Upstate Vice Chancellor for University Advancement R.J. Gimble; USC Aiken Chancellor Dan Heimmermann; Chief Executive Officer, USC Alumni Association Wes Hickman; Interim Director of Academic Programs Trena Houp; Executive Director of Economic Engagement Bill Kirkland; Governance Consultant Britt Kirwan; Associate Vice President and Chief Procurement Officer Venis Manigo; Governance Consultant Drumm McNaughton; Senior Deputy Athletics Director Chance Miller; USC Beaufort Chancellor 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; University Treasurer and Associate Vice President and Chief of Staff for the Division of Administration and Finance Joe Sobieralski; USC Upstate Provost Pam Steinke; Assistant Vice President of Media and External Engagement Jeff Stensland; Chief Financial Officer for Athletics Jeff Tallant; Athletics Director Ray Tanner; Associate Director of Communications Jenny Tate; Vice President for Communications Larry Thomas; USC Upstate Vice Chancellor for Finance & Administration Sheryl Turner-Watts; Dean of Undergraduate Admissions Scott Verzyl; Executive Vice President and Chief Financial Officer Ed Walton; IT Production Manager Matt Warthen; and Board of Trustees support staff Anna Brannin and Cary Graham. USC College of Nursing Dean Jeannette Andrews and President and Chief Executive Officer USC Foundations Jason Caskey attended via Microsoft Teams.

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. Stensland to introduce members of the media present for the meeting. Mr. Stensland announced Jessica Holdman and David Cloninger with the *Post and Courier*, Kate Robins with the *Daily Gamecock*, Collyn Taylor with Gamecock Central, and John Whittle with the BigSpur.com as attending.

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 for the receipt of legal advice regarding proposed contractual matters 1) with Lexington Medical Center regarding an academic services agreement for the College of Nursing (CON), 2) with Lexington Medical Center and Prisma Health regarding an affiliated training site agreement, and 3) with Courtyard Marriott for the provision of temporary housing space. Ms. Moody made the motion to enter Executive Session, and Mr. Roberts seconded the motion. A vote was taken, and the motion carried unanimously. Chair Westbrook stated no action would be taken in Executive Session and invited the following to remain: Trustees, Dr. Korsgaard, Ms. Reedy Newton, Mr. Seaton, Secretary Howell, Dean Andrews, Dr. Cutler, Dr. Kirwan, Dr.

McNaughton, Mr. Parham, Mr. Perkins, Mr. Sobieralski, Mr. Thomas, Mr. Walton, and executives from Lexington Medical Center.

EXECUTIVE SESSION

- Executive Session Removed

RETURN TO OPEN SESSION

II. Contract and Lease Approvals

Chair Westbrook called on Mr. Parham to review contracts and leases for approval.

A. Indefinite Quantity Contracts with USC Facilities Planning, Design and Construction

Mr. Parham presented five indefinite quantity contracts with USC Facilities Planning, Design and Construction, which were posted to the Board portal. He stated the contracts were identical. The terms of each one were two years. Under the two-year period, the maximum amount of work that can be performed by any one company cannot exceed \$500,000, and the maximum work performed for any one project is no more than \$200,000.

Chair Westbrook called for a motion to approve the five indefinite quantity contracts as noted on the Committee agenda and posted to the Board portal. Mr. Adams made the motion, and Ms. Moody seconded the motion. A vote was taken, and the motion was approved. Chair Westbrook stated the following indefinite quantity contract were approved:

1. Indefinite Quantity Contracts with USC Facilities Planning Design and Construction
2. USC Development Foundation Lease at 1530 Wheat Street
3. USC Development Foundation Lease Agreement at 1300 Pickens Street
4. Wiley Subscription Service, Inc. License Agreement with University Libraries
5. EBSCO Information Services License Agreement with University Libraries

B. USC Development Foundation Lease at 1530 Wheat Street

Mr. Parham presented a lease renewal agreement with the USC Development Foundation for 8,119 rentable square feet on the second floor of the building located at 1530 Wheat Street on campus. The space will continue to be used by the College of Education for applied research designed to support the growth and development of children. The term of the lease begins July 1, 2022 and expires June 30, 2025. Under the terms of the lease, USC will pay the Development Foundation a total of \$292,284.

Chair Westbrook called for a motion to approve the USC Development Foundation lease at 1530 Wheat Street as presented and posted to the Board portal. Ms. Newton made the motion, and Ms. Moody seconded the motion. A vote was taken, and the motion was approved.

C. USC Development Foundation Lease at 1300 Pickens Street

Mr. Parham presented a lease renewal agreement with the USC Development Foundation for 12,962 rentable square feet on the second floor of the building located at 1300 Pickens Street. The term of the lease is five years beginning August 1, 2022 and expiring July 31, 2027. Under the lease, the total rental value will be \$842,530. This space currently houses USC professional facilities staff, architects, engineers, project managers, and procurement staff.

Chair Westbrook called for a motion to approve the lease agreement with the USC Development Foundation at 1300 Pickens Street as presented and posted to the Board portal. Mr. Whittle made the motion, and Mr. Adams seconded the motion. A vote was taken, and the motion was approved. Chair Westbrook stated this agenda

item would be included in the Governance Committee's written consent agenda for consideration by the full Board at its meeting later in the day.

D. Wiley Subscription Service, Inc. License Agreement with University Libraries

Mr. Parham present a renewal agreement request between University Libraries and Wiley Subscription Service, Inc. Wiley provides online journals and publications to the University Libraries. Under the agreement, University Libraries will obtain full-text online access to approximately 1,400 journals for a three-year term ending December 31 2024. The total amount of the contract for the three-year term is \$2,560,555.58.

Chair Westbrook called for a motion to approve the Wiley Subscription Service, Inc. agreement with University Libraries as presented and posted to the Board portal. Mr. Mobley made the motion, and Mr. Whittle seconded the motion. A vote was taken, and the motion was approved. Chair Westbrook stated this agenda item would be included in the Governance Committee's written consent agenda for consideration by the full Board at its meeting later in the day.

E. EBSCO Information Services License Agreement with University Libraries

Mr. Parham present an information services license agreement between University Libraries and EBSCO Information Services. This agreement allows University Libraries to obtain electronic journals and databases. The term of the new agreement is one year beginning July 1, 2022 and ending June 30, 2023. EBSCO serves as a single point of contact between the library and various publishers for whom the Library wants to acquire journals. This increases the efficiency and allows EBSCO to represent USC Libraries for negotiating problems with respect to those

journals that USC acquires. During the one-year term, University Libraries anticipates spending approximately \$6,045,916.13 on journals and databases.

Chair Westbrook called for a motion to approve the University Libraries license agreement with EBSCO as presented and posted to the Board portal. Ms. Newton made the motion, and Ms. Moody seconded the motion. A vote was taken, and the motion carried. Chair Westbrook stated this agenda item would be included in the Governance Committee's written consent agenda for consideration by the full Board at its meeting later in the day.

F. Encoura, LLC Data Enables Enrollment Services Agreement with USC Beaufort

Mr. Parham presented an enrollment services agreement between USC Beaufort and Encoura, LLC. Encoura helps universities recruit students for admission. The term of the agreement is one year beginning July 1, 2022 with a total cost of \$289,550.

Chair Westbrook called for a motion to approve the Encoura enrollment services agreement with USC Beaufort as presented and posted to the Board portal. Mr. Adams made the motion, and Ms. Newton seconded the motion. A vote was taken, and the motion carried.

G. HireRight, LLC Master Service Agreement

Mr. Parham presented an agreement between HireRight, LLC and USC Division of Human Resources. This agreement renewal allows HireRight to continue to perform background checks on applicants for USC jobs. In order to mitigate risks, the University requires a background screening for all new faculty and staff hires. The

term of the proposed agreement is five years with a cost of approximately \$1.75 million.

Chair Westbrook called for a motion to approve the HireRight, LLC agreement with USC Human Resources as presented and posted to the Board portal. Mr. Mobley made the motion, and Ms. Moody seconded the motion. A vote was taken, and the motion was approved. Chair Westbrook stated this agenda item would be included in the Governance Committee's written consent agenda for consideration by the full Board at its meeting later in the day.

H. USC Alumni Association Service Agreement

Mr. Parham presented a renewal of the USC Alumni Association service agreement. The agreement which was posted to the Board portal outlines the services the USC Alumni Association provides for the University. The term of the agreement is for five years beginning July 1, 2022 and ending June 30, 2027. Under the terms of the agreement the University will pay the Alumni Association \$2,677,570 annually for the services it provides to the University.

Chair Westbrook called for a motion to approve the USC Alumni Association service agreement as presented and posted to the Board portal. Mr. Roberts made the motion, and Mr. Whittle seconded the motion. A vote was taken, and the motion was approved. Chair Westbrook stated this agenda item would be included in the Governance Committee's written consent agenda for consideration by the full Board at its meeting later in the day.

I. Delta Air Line, Inc. Charter Flight Agreement with USC Columbia Athletics

Mr. Parham presented a charter flight agreement between Delta Air Line, Inc., and USC Columbia Athletics for the 2022 football season. Under the agreement,

Delta will transport the USC football team to four away games at a total cost of \$611,940. The away games covered by this agreement are Arkansas, Kentucky, Vanderbilt, and Florida.

Chair Westbrook called for a motion to approve the Delta Air Line charter flight agreement with USC Columbia Athletics as presented and posted to the Board portal. Mr. Mobley made the motion, and Ms. Moody seconded the motion. A vote was taken, and the motion was approved.

J. SSB Consulting Group d/b/a Affinaquest Data Management Agreement

Mr. Parham presented an Athletics renewal agreement with SSB Consulting Group, which now does business under the name of Affinaquest. The purpose of this agreement is to assist USC Athletics' fundraising efforts through the use of data management system and data analytics. Under the agreement, Affinaquest creates and manages a cloud-based data management system for USC Athletics incorporating data from various data sources used by University Athletics to perform analytics. The terms of the agreement are four years with a total cost is \$435,099.

Chair Westbrook called for a motion to approve the SSB Consulting Group d/b/a Affinaquest with University Athletics as presented and posted to the Board portal. Ms. Newton made the motion, and Mr. Adams seconded the motion. A vote was taken, and the motion was approved.

K. Salesforce, Inc. Agreement with USC Columbia Athletics

Mr. Parham presented a Salesforce, Inc. software agreement with USC Columbia Athletics. Salesforce is a cloud-based software company that provides customer relationship management software applications to Athletics. Salesforce will provide software that the Athletics department sales team will use for marketing

communications. The terms of the agreement are three years beginning July 1, 2022 with a total cost of \$263,046.

Chair Westbrook called for a motion to approve the Salesforce, Inc. agreement with USC Columbia Athletics as presented and posted to the Board portal. Mr. Adams made the motion, and Mr. Whittle seconded the motion. A vote was taken, and the motion was approved.

L. USC Columbia Athletics Employment Agreements

Mr. Parham presented four USC Columbia Athletics employment agreements for approval.

1. Curtis Frye, Head Men's and Women's Track and Field Coach

A one-year extension to head men's and women's track and field Coach Curtis Frye's employment agreement at a current salary of \$251,572 was presented.

2. Lisa Boyer, Associate Head Women's Basketball Coach

A one-year extension to associate head women's basketball Coach Lisa Boyer's employment agreement with a salary increase to the sum of \$400,000 was presented.

3. Fred Chmiel, Assistant Women's Basketball Coach

A one-year extension of assistant women's basketball Coach Fred Chmiel with an increase in to \$300,000 was presented.

4. Jolette Law, Assistant Women's Basketball Coach

A one-year extension of assistant women's basketball Coach Jolette Law with an increase in salary to \$295,000 was presented.

All other terms and conditions of the four contracts remain as previously approved by the Board.

Chair Westbrook called for a motion to approve the four USC Columbia Athletics employment agreements as presented and posted to the Board portal. Ms. Moody made the motion, and Mr. Mobley seconded the motion. A vote was taken, and the motion was approved.

M. USC Upstate Athletics Employment Agreements

Mr. Parham presented two USC Upstate Athletics employment agreements for approval.

1. David Dickerson, Head Men's Basketball Coach

A proposed new employment agreement for head men's basketball Coach David Dickerson was presented. The term of the agreement would begin upon approval by the Board and expire on March 31, 2026. There was no current salary increase under the new proposed agreement; however, the terms of the new agreement allow a \$5,000 increase beginning April 30, 2023. All other terms and conditions of the agreement remain the same.

2. Jason Williams, Head Women's Basketball Coach

A new head women's basketball coach agreement for Jason Williams was presented. Coach Williams was hired by USC Upstate on April 22, 2022. USC Upstate originally negotiated a two-year agreement with Coach Williams. The current employment agreement is five years, which will supplant the original two-year agreement. Under the terms of the agreement, Coach Williams will earn \$95,200 per year with incentive provisions.

Chair Westbrook called for a motion to approve the USC Upstate Athletics employment agreements as presented and posted to the Board portal. Ms. Newton made the motion, and Ms. Moody seconded the motion. A vote was taken, and the motion was approved.

Chair Westbrook stated that Coach David Dickerson's employment agreement would be included in the Governance Committee's written consent agenda for consideration by the Board at its meeting later in the day.

N. Courtyard Marriott Contract with USC Housing

Mr. Parham presented a University Housing group room reservation agreement with the Courtyard Marriott on the Assembly Street. Under the agreement, the University will receive access to 50 rooms for the period of August 9 through September 8, and 25 rooms from September 9 through September 21. The rooms will be used as swing space and for emergency COVID isolation space. If the university uses all of the rooms for all the dates, the total cost of the contract will be \$297,112.50.

Chair Westbrook called for a motion to approve the USC Housing contract with Courtyard Marriott as presented and posted to the Board portal. Mr. Whittle made the motion, and Ms. Newton seconded the motion. A vote was taken, and the motion carried.

Mr. Burroughs made a request that a detailed financial report be presented to the Board that depicts gross and net revenue, detailed operating expenses, and an organization chart for the University Libraries and University Press. Chair Westbrook asked Mr. Burroughs if he was agreeable to the report being presented to the Finance and Infrastructure Committee. Mr. Burroughs agreed and Chair of the Finance and

Infrastructure Committee, Mr. Whittle, asked that this report be placed on the agenda for the next regularly scheduled meeting of that Committee.

III. Governance Progress Updates from the Governance Consultants

Chair Westbrook called on Drumm McNaughton and Brit Kirwan to present information on their progress as governance consultants in support of the Board.

Dr. McNaughton stated the name of his firm was The Change Leader (TCL), which had been engaged to improve Board governance. Since the initial engagement, the overall scope has included assisting with Presidential onboarding and developing the Presidential evaluation.

Dr. McNaughton provided an update on the Presidential onboarding project. He stated TCL has been assisting in helping President-elect Amiridis understand how the University has grown and changed in the past seven years that he has been away. TCL has started conducting interviews and will perform approximately 30 interviews with 65 people to gather data. TLC expects to debrief the Board on this information at the August meeting.

TCL is assisting in developing the Presidential evaluation. He stated the information collected during the interviews will assist in aligning the President's priorities with those of the Board, so that there will be a solid tool for measuring performance.

A third project, improving Board governance, is geared to encourage adoption of best practices to improve Board governance and efficiency. He encouraged Board members to complete the survey recently submitted to members, as this information will be used to guide improvement in Board efficiency.

Other general items TCL will assist with include assisting with the Board retreat and analyzing Committee structure and how each Committee operates.

Chair Westbrook thanked Dr. McNaughton and stated the update was received as information.

IV. Informal Assessment of 2020 Recommendations and Revisions from the Ad Hoc Advisory Committee on Governance

Chair Westbrook called on Secretary Howell to brief the Board on the informal assessment of the 2020 recommendations and revisions from the Ad Hoc Advisory Committee on Governance.

Secretary Howell thanked members of the Board for completing the online survey regarding recommendations and revisions applied in 2020. Responses were posted to the Board portal. This information will guide the Governance Committee's work plan.

Chair Westbrook stated this update was received as information.

V. Approval of BTRU 1.07

Chair Westbrook stated a draft policy, BTRU 1.07, "Board Responsibilities Delegated to the VP for Information Technology and Chief Information Officer" was posted to the Board portal. He stated the Governance Committee is not obligated to adopt this policy or approve this policy today. The question about the CIOs responsibilities across the University System is an issue that also applies to the General Counsel and the Vice President for Human Resources. Chair Westbrook asked the Chair of the University System Committee, Ms. Moody, to adopt the task of furthering discussion and consideration regarding System responsibilities for the General Counsel and Vice President for Human Resources. Ms. Moody agreed to advance this discussion through the University System Committee and report back to the Governance Committee. Chair Westbrook called on Mr. Foster to provide context regarding BTRU 1.07.

Mr. Foster stated the proposed policy was not about consolidation or centralization of people. The draft policy was crafted to control elements that introduce risk or cost, through unified action. The policy addresses procurement issues. He stated the policy would be socialized with key stakeholders, including the President-elect and Provost-elect, prior to a final policy being submitted before the Committee for approval in August. Currently an information technology strategic plan is presented to the Board which represents USC Columbia. The goal is to have one plan that will encompass the entire system.

Mr. Whittle asked if changes to the policy would be redlined for review so the Committee could identify changes. Chair Westbrook stated the policy presented in August would include edits that clearly show changes to the policy presented today. He stated the draft policy and discussion was received as information.

VI. Approval of Revisions to Board Bylaws

Chair Westbrook called on Secretary Howell to present Board Bylaws for approval. Dr. Howell referred Trustees to redline versions of the Bylaws which were posted to the Board portal. He stated that at the June 10, 2022 meeting of the Board there was a desire for a Committee that would be empowered to approve personnel contracts and compensation in a way that would not necessitate delays. He cited the example that is often considered is approval of Athletics contracts whereby such committees at other institutions in the State benefit.

Dr. Howell stated through discussions with Mr. Parham, Dr. Smith, and Mr. Westbrook, a number of questions and options have been considered. Although one might think a very small number of people would enable quick and careful decisions, a side effect of that is triggering the quorum of Committees rule within the Board Bylaws. Therefore, if a group of four Trustees were to meet, any three may constitute a quorum of a Committee,

which cannot convene without having a duly noticed meeting. This has led to the considered need for a larger body of people rather than a very small number of people.

Also, for consideration is that a compensation committee overlaps with Board policy regarding the authority to sign contracts, which this Committee has discussed before and will be returning to, specifically the dollar thresholds that necessitate the Governance Committee's review, or the full Board's review of contracts. There has been discussion for a smaller number of contracts that the Governance Committee or the full Board would need to review and the potential benefit of the Governance Committee or other Committee receiving reports on almost all contracts, as those are processed through a new system that will be implemented by the Office of the General Counsel soon in a way that could help sort contracts based on who the vendors are, price points, etc. Although the idea of a compensation committee was presented with the notion of personnel contracts and compensation, it is foreseeable that there could be some use in a Committee having the ability to expedite review and approval of all contracts, not just personnel contracts.

Chair Westbrook stated the revision to the Board Bylaws posted to the Board portal allows the Governance Committee to perform the functions of such a compensation committee. Mr. Williams stated the number of Trustees on the Governance Committee made it a good candidate for this function. Ms. Moody, Mr. Whittle, and Mr. Mobley concurred and made the point that the Chair of each standing Committee sits on the Governance Committee; therefore, each standing Committee Chair would be responsible for communicating compensation issues to members of their respective Committees not serving on the Governance Committee. There was a strong consensus that the need for such a functioning Committee was needed for efficiency and expediency.

Chair Westbrook called for a motion to approve the redline revisions to the Board Bylaws presented and posted to the Board portal contingent upon further refinements to the language regarding communications. He stated this would be the starting point to advancing the topic in a more granular level at the August meeting of the Governance Committee. Mr. Mobley made the motion, and Ms. Newton seconded the motion. A vote was taken, and the motion was approved.

VII. Potential Revisions to Board Policies and Bylaws

Chair Westbrook called on Secretary Howell to present potential revisions to Board policies and Bylaws. Dr. Howell stated some topics the Governance Committee had started to address were put on hold due to the Presidential search. He highlighted the following topics that the Governance Committee would return to in the future. First, BTRU 1.04, which addresses the authority to sign contracts and the question of dollar thresholds. As these issues overlap, the question of giving the Governance Committee authority for expedited review and approval arises, so there is a need to come back to this policy to make sure that the policy and any revised Bylaws align appropriately. Second are questions of the parameters of the compensation committee function of the Audit, Compliance and Risk Committee. Third, the Governance Committee needs to consider staggering the appointment of chairs of Committees, so there is not wholesale turnover at the level of the Governance Committee, which includes the Chair of each Committee. This work needs to begin soon. Last, the Governance Committee needs to return to policy that is in process of revision regarding the method for sanctioning a Trustee. Dr. Howell stated this was a Southern Association of Colleges and Schools Commission on Colleges requirement that the Board have a method for managing disciplinary questions.

Chair Westbrook thanked Dr. Howell and stated the report was received as information.

VIII. Progress Update: Governance Committee Work Plan 2022-23

Chair Westbrook called on Secretary Howell to present a progress report on the Governance Committee work plan for 2022-23. Dr. Howell stated he would work with Governance Committee Chair Westbrook on a revised work plan and timeline for the Committee so that the work can be portioned accordingly.

IX. Other Matters

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

X. Adjournment

Chair Westbrook declared the meeting adjourned at 2:05 p.m.

Respectfully submitted,

Cameron Howell
Secretary