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University of South Carolina

BOARD OF TRUSTEES

October 7, 2011

The University of South Carolina Board of Trustees met on Friday, October 7, 2011, at 11:00 a.m. in the 1600 Hampton Street Board Room.

Members present were: Mr. Miles Loadholt, Chairman; Mr. Eugene P. Warr, Jr., Vice Chairman; Mr. Herbert C. Adams; Mr. Chuck Allen; Mr. J. Egerton Burroughs; Mr. W. Lee Bussell, Sr.; Mr. Mark W. Buyck, Jr.; Mr. Thomas C. Cofield; Dr. C. Edward Floyd; Mr. William C. Hubbard; Mr. Toney J. Lister; Mr. Hubert F. Mobley; Ms. Leah B. Moody; Dr. C. Dorn Smith, III; Mr. John C. von Lehe, Jr.; Mr. Thad H. Westbrook; Mr. Mack I. Whittle, Jr.; Mr. Charles H. Williams; and Dr. Mitchell M. Zais. Mr. William W. Jones, Jr.; was absent.

The faculty representative, Dr. Patrick D. Nolan, and the student representative, Mr. Joe Wright, were present.

Others present were: President Harris Pastides; Secretary Thomas L. Stepp; Chief Financial Officer Edward L. Walton; Vice President for Student Affairs and Vice Provost for Academic Support Dennis A. Pruitt; Vice President of Development and Alumni Relations Michelle D. Dodenhoff; Vice President for Human Resources Chris Byrd; Vice President for Communications Luanne Lawrence; General Counsel Walter (Terry) H. Parham; University Treasurer Susan D. Hanna; Vice Provost and Executive Dean for Extended Campus Chris P. Plyler; Senior Vice Provost and Director of Strategic Planning Christine W. Curtis; Associate Vice President for Finance and Budget Director, Division of Finance and Planning, Leslie Brunelli; Associate Vice President for Housing and Student Development Gene Luna; Associate Vice President for Student Life and Development, Division of Student Affairs, Jerry Brewer; Associate Vice President for Facilities Tom Quasney; Chancellor of USC Beaufort Jane Upshaw; Chancellor of USC Upstate Tom Moore; Dean of USC Salkehatchie Ann Carmichael; Dean of USC Sumter C. Leslie Carpenter; Executive Associate Dean for Graduate Studies, School of Music, Andrew Gowan; Executive Dean and Senior Associate Dean for Graduate Education Roger Sawyer; Dean of Arnold School of Public Health G. Thomas Chandler; Dean of the College of Mass Communication and Information Studies Charles Bierbauer; Interim Executive Director of the Carolina Alumni Association Amy Stone; Director of Academic Programs Kristia H. Finnigan; Director of State Relations Trey Walker; Director of the Department of Internal Audit Philip Iapalucci; Director of Employee Communications, Division of Human Resources, Debra Allen; Director of Capital Budgets and Financing, Division of Finance and Planning, Charlie Fitzsimons; Director of Governmental and Community Relations and Legislative Liaison Shirley D. Mills; Executive Associate Athletics Director Kevin O'Connell; Executive Assistant to the President for

Equal Opportunity Programs Bobby Gist; Special Assistant to the President J. Cantey Heath; Director of Facilities Planning and Programming, University Architect Derek Gruner; Associate Professor in the Department of Educational Leadership and Policies, College of Education, Zach Kelehear; Psychology Professor, College of Arts and Sciences, Sandra Kelly; Executive Assistant, Facilities Planning and Construction, Donna Collins; Brian Frankel and John Augustine Barclays Capital; The Reverend Frank W. Anderson, Lutheran Campus Ministry; Director of the Office of Media Relations Margaret Lamb; Scott Garvin of Garvin Design Group; University Technology Services Production Manager, Justin Johnson; Board staff members Terri Saxon, Vera Stone and Karen Tweedy; and members of the media.

Chairman Loadholt 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 to the members; and a quorum was present to conduct business.

Chairman Loadholt welcomed everyone and invited Board members and members of the University family to introduce themselves.

Mrs. Lamb introduced members of the media who were in attendance.

Chairman Loadholt stated that there were contractual matters relative to gift naming opportunities as well as personnel matters relative to recommendations for honorary faculty titles, a tenure and promotion recommendation, and honorary degree nominations which were appropriate for discussion in Executive Session.

Chairman Loadholt called for a motion to enter Executive Session. Mr. Adams so moved and Dr. Smith seconded the motion. The vote was taken and the motion carried.

Chairman Loadholt invited the following persons to remain: President Pastides, Secretary Stepp, Dr. Amiridis, Dr. Curtis, Dr. Pruitt, Mr. Byrd, Dr. Hogue, Dr. Plyler, Ms. Lawrence, Mr. Walker, Ms. Dodenhoff, University Chancellors, Mr. Parham, Mr. Walton, Ms. Brunelli, Mrs. Hanna, Mr. Heath, Ms. Mills, and Mrs. Lamb.

Return to Open Session

I. APPROVAL OF MINUTES: The following 8 sets of minutes were circulated by email to the Board for review and were presented for approval:

- A. Ad Hoc Committee on Development, August 5, 2011
- B. Academic Affairs and Faculty Liaison Committee, August 5, 2011
- C. Executive Committee, August 5, 2011
- D. Board of Trustees, August 5, 2011
- E. Audit and Compliance Committee, August 5, 2011
- F. Buildings and Grounds Committee, Sept 16, 2011
- G. Intercollegiate Athletics Committee, Sept 16, 2011
- H. Academic Affairs and Faculty Liaison Committee, Sept 16, 2011

There were no additions, deletions or corrections to the minutes; therefore, they stood approved as distributed.

II. COMMITTEE REPORTS

- A. Audit and Compliance Committee:
(The Honorable J. Egerton Burroughs reported)

The Audit and Compliance Committee met on August 5th and earlier today. In its meeting earlier today, the committee received the June 30, 2011 Financial Audit Report.

On behalf of the Audit and Compliance Committee, Mr. Burroughs moved to accept the June 30, 2011 Financial Audit as presented. Mr. Williams seconded the motion. The vote was taken and the motion carried.

Mr. Burroughs reported that an Audit and Compliance Committee Retreat was in the process of being scheduled and he encouraged the full Board to attend. The tentative date was October 28th.

Mr. Stepp noted that a Strategic Planning Committee meeting was also in the process of being scheduled and that he would communicate to the Board through an email the meeting schedule for the remainder of the calendar year.

Mr. Williams commended Mr. Burroughs for his hard work as the Chair of the Audit and Compliance Committee.

President Pastides reported that he had learned earlier in the day that a recent visitor to the University, Ellen Johnson Sirleaf, President of Liberia, was awarded the Noble Peace Prize.

Invocation: At Chairman Loadholt's request, The Rev. Frank W. Anderson, Lutheran Campus Ministry, delivered the Invocation. Since the meeting began early, that Invocation was delivered at this point in the meeting, instead of at the start of the meeting.

- B. Buildings and Grounds Committee:
(The Honorable Mark W. Buyck, Jr. reported)

The Buildings and Grounds Committee met on September 16th and earlier today, and the following items required Board approval. Mr. Buyck stated the following regarding the agenda items.

As indicated on the Board of Trustees agenda, where appropriate the Buildings and Grounds Committee Report would be presented in the form of a "Consent Agenda." All materials had been emailed to the Board previous Friday.

Descriptions of all projects were in the Board mailing. They will be listed in the Board minutes and the University hereby declares its official intent, pursuant to Federal Regulations, to reimburse itself from the amount of proceeds of the tax-exempt bond issue.

All members of the Board were present for the Committee's deliberations except for Dr. Floyd, Dr. Smith and Dr. Zais.

1. USC Columbia Housing Plan: The USC Columbia Housing District (Master) Plan has been completed by Stevens and Wilkinson, VMDO Architects, and Brailsford and Dunlavey.

On behalf of the Buildings and Grounds Committee, Mr. Buyck moved to adopt the USC Columbia Housing District Plan as described in the materials. Mr. Mobley seconded the motion. The vote was taken and the motion carried.

2. Darla Moore School of Business Construction: Additional needs were identified during the design process which required revised plans, contracts and arrangements as well as a revised project budget. Private funds had been provided to fund the revisions.

On behalf of the Buildings and Grounds Committee, Mr. Buyck moved to increase the project budget by \$15 million for a total project budget of \$106,500,000 using Private Funds. Mr. Whittle seconded the motion. The vote was taken and the motion carried.

3. Phase I Projects: On behalf of the Buildings and Grounds Committee, Mr. Buyck moved to approve the Phase I projects as listed on the agenda and described in the Board materials. [Exhibit A]

- a. Football Practice Facility Phase I
- b. Rutledge College Comprehensive Renovation
- c. LeGare/Pinckney Comprehensive Renovation
- d. Bates West Elevator Renovation
- e. Preliminary Studies for 1101 George Rogers Boulevard (ETV)
- f. Assembly Street Safety Improvements

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

4. Phase II and Other Approvals: On behalf of the Buildings and Grounds Committee, Mr. Buyck moved to approve those Phase II and Other Approvals as listed on the agenda and described in the Board materials. [Exhibit A]

- a. Health Sciences Building
- b. Welsh Humanities Building Ground Floor Renovations
- c. Thomas Cooper Library Renovations
- d. Horizon I First Floor Renovations
- e. 2012 Humanities Classroom Enhancements
- f. 2012 Utility Projects
- g. 2012 Energy Projects

h. 2012 State Capital Reserve Deferred Maintenance Projects

Mr. Bussell seconded the motion. The vote was taken and the motion carried.

5. Softball Stadium Construction Phase II Approval: This project is to construct a new women's softball stadium which would provide a competitive venue for women's softball, to address equity in athletic facilities for women with amenities similar to and of the same quality as those in the baseball stadium.

On behalf of the Buildings and Grounds Committee, Mr. Buyck moved approval to fund Phase II design and construction of a new women's softball stadium for a total project budget of \$8 million funded with \$7,880,000 in Athletic Revenue Bonds and \$120,000 in Athletic Operating Funds. Mr. Hubbard seconded the motion. The vote was taken and the motion carried.

6. Williams Brice Stadium Video Board Support Construction:

This widely discussed project is to construct the structural support for the installation of a new video board at Williams-Brice Stadium.

On behalf of the Buildings and Grounds Committee, Mr. Buyck moved to fund Phase II design and construction of a new video board for a total project budget of \$6.5 million funded with Private Funds as presented.

The entire Board seconded the motion. The vote was taken and the motion carried.

7. Gift Naming Opportunities: On behalf of the Buildings and Grounds Committee, Mr. Buyck moved to approve the gift namings recommended by the Gift Naming Opportunities Committee as distributed in the Board materials.

a. Athletics Department:

"The Charles F. Crews Weight Room"

b. School of Law:

"The Lee Stathis Haramis, Sr. '83 in memory of Allison Brundick Haramis Library Carrel"

c. University Libraries:

"The Class of 2011 Study Room"

d. School of Music:

"The James K. Copenhaver Band Hall"

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

C. Academic Affairs and Faculty Liaison Committee:
(The Honorable Mark W. Buyck, Jr. reported)

The following matters had received all appropriate academic and administrative approvals and were presented without objection to the Academic Affairs and Faculty Liaison Committee on September 16th, and, as appropriate, to the full Board in Executive Session earlier today.

1. Honorary Faculty Titles: Seven (7) requests for honorary faculty titles were e-mailed with the materials for this meeting.

The following individuals will be awarded titles effective with their retirement:

For the title Distinguished Professor Emerita:

- Madilyn Fletcher

For the title Distinguished Professor Emeritus:

- a. Walter Edgar
- b. Richard Clodfelter
- c. Robert McKeown
- d. Jack Turner

For the title Emeritus Professor:

- a. Robert Lawther
- b. Jeffrey Morehouse

On behalf of the Academic Affairs and Faculty Liaison Committee, Mr. Buyck moved approval of these seven honorary faculty titles as presented. Mr. Adams seconded the motion. The vote was taken and the motion carried.

2. Tenure and Promotion: The following tenure and promotion recommendation was e-mailed with the materials for this meeting:

- Dr. Johannes Stratmann will be promoted to Professor in the Department of Biological Sciences, College of Arts and Sciences.

On behalf of the Academic Affairs and Faculty Liaison Committee, Mr. Buyck moved approval of this tenure and promotion as presented. Mr. Burroughs seconded the motion. The vote was taken and the motion carried.

3. Terminations: It had been requested to terminate the following academic degree programs:

- a. Bachelor of Science in Physical Education B.S.P.E.), (Athletic Training concentration only, retain other concentrations and degree), USC Columbia
- b. Master of Music (M.M.) in Music Theory, USC Columbia
- c. Doctor of Education (Ed.D.) in Health Education Administration, USC Columbia

On behalf of the Academic Affairs and Faculty Liaison Committee, Mr. Buyck moved approval to terminate these three academic degrees as described in the materials. Mr. von Lehe seconded the motion. The vote was taken and the motion carried.

4. New Program:

- Graduate Certificate in Play Therapy, USC Columbia

On behalf of the Academic Affairs and Faculty Liaison Committee, Mr. Buyck moved approval of the Graduate Certificate in Play Therapy, USC Columbia, as e-mailed in the meeting materials.

D. Executive Committee:
(The Honorable Miles Loadholt reported)

The Executive Committee met earlier in the day and approved an MOU with Sea Pines Resort to sponsor and to arrange programming for continuing medical education for physicians; and a five-year lease agreement with Stoneridge Office Investment, LLC to rent space to the Institute for Partnerships to Eliminate Health Disparities (IPEHD).

The following items had been approved for recommendation to the Board for action:

1. Ratification of Vice President for Research Appointment:

During the meeting earlier today, approval was given to ratify the appointment of Dr. Prakash Nagarkatti as Vice President for Research at the University.

Chairman Loadholt called for a motion to ratify the appointment of Dr. Prakash Nagarkatti as Vice President for Research. Mr. Adams so moved and Mr. Westbrook seconded the motion. The vote was taken and the motion carried.

2. Bylaws Change - Article VII, Section 2: Chairman Loadholt called for a motion that Article VII, Section 2 of the Bylaws of the Board of Trustees of the University of South Carolina be amended to authorize the Board to acknowledge conspicuous service of a Chancellor of a component four-year institution within the University System by the special designation of a building, part of a building, outdoor space or other facility as distributed in the meeting materials.

Mr. Lister so moved and Mr. Buyck seconded the motion. The vote was taken and the motion carried.

3. Department of Defense Memorandum of Understanding for Military Student Tuition Rates: Chairman Loadholt called for a motion to approve this MOU which outlines the University's partnership with the Department of Defense to accept funds from each military service tuition assistance program in exchange for education services.

Mr. Warr so moved and Mr. Buyck seconded the motion. The vote was taken and the motion carried.

4. Contracts Valued in Excess of \$750,000:
- Service Agreement and Service License Agreement with EnGenCore: Chairman Loadholt called for a motion to approve this five-year agreement which grants EnGenCore the exclusive license to use the PacBio SMRT gene sequencing machine and Roche 454 instruments.

Mr. Hubbard so moved and Mr. von Lehe seconded the motion. The vote was taken and the motion carried.

5. Darla Moore School of Business Bond Resolution Approval:
Chairman Loadholt called for a motion to approve a Higher Education Revenue Bond Resolution authorizing up to \$80,000,000 for a portion of the construction costs of the Darla Moore School of Business on the Columbia campus as presented and distributed in the meeting materials.

Mr. Whittle so moved and Mr. Williams seconded the motion. The vote was taken and the motion carried.

E. Intercollegiate Athletics Committee:
(The Honorable William C. Hubbard reported)

The Intercollegiate Athletics Committee met on September 16th. Mr. Hyman reported on the 2011-12 Athletics goals, facilities, ticket sales, and Gamecock Club membership.

Seventeen areas of the Athletics Department had developed goals. From those 17 areas, a total of 103 goals were generated.

Mr. Hyman gave an overview of facilities upgrades which included Williams-Brice Stadium, Floyd Football Building and other projects. The Indoor Football Facility project was estimated to cost approximately \$13.9 million. The Master Plan for the Farmers Market had a projected completion date of August 2012.

On June 1, 2011, the Joint Bond Review Committee gave Phase I approval to the new softball stadium; the Budget and Control Board approved it on June 14th. The Buildings and Grounds Committee and the full Board gave Phase II approval for the project earlier in the day.

The football season tickets sales for 2011 totaled nearly 48,000 in comparison to nearly 46,000 last year. Three games had been sold out (Auburn, Florida, and Clemson).

A total of 13,724 people had contributed to the Gamecock Club.

The student ticketing process was explained. Students and parents continued to be educated on the system and efforts were underway to make the system more efficient and effective for the students.

Mr. Burroughs suggested that the University strongly consider competing against Coastal Carolina in the future.

At Mr. Buyck's asked for an update on efforts to address the shortage of student football tickets. Dr. Pruitt reported that he and his staff were currently reviewing options to ensure that all students who wished to obtain a football ticket were able to do so. He said that he planned to report back to the Board at a later date.

Dr. Pastides noted for the record that he was opposed to one option which had been mentioned, in which students would be charged for football tickets.

III. Report of the President:

Chairman Loadholt called on President Pastides who made the following remarks:

I'm confident that October must be the busiest month on the academic calendar. Everybody is in high gear, exams are taking place; cultural and athletics events are being held daily it seems; high school student visits are in full force; and, for me, the pace of meetings continues uninterrupted.

The University seems to change day by day, far more quickly than the leaves on the Horseshoe that are beginning to show their fall tint. Importantly, I believe that the changes are overwhelmingly positive; and evidence of this abounds.

Within the last two weeks, we broke ground, so to speak, for the new Darla Moore School of Business on a very rainy Friday, September 23. The word "iconic" was used several times that day, but I would rather focus on the building's impact on the continued prominence of the school rather than its appearance. As Churchill said, "architects shape our buildings; then (the buildings) shape us."

That was two weeks ago to the day; then, two days ago, we cut the ribbon to celebrate a breathtaking renovation of Patterson Hall. I referred to it as the "Patty Shack" on that day. Remarks were offered by Georgia Littlejohn, a delightful freshman from Wilmington, NC, who is the President of the Patterson Hall Resident Government Association. Two other residents of Patterson are daughters of mothers who resided there in the 1980's. And while the current residents probably aren't listening to AC/DC and ZZ Top like their mothers did; I can assure you that they're having every bit as much fun as their mothers did. It was a great day.

On the same day, our Student Government Association President presented the State of the Student Body Address. Joe, you were superb. President Joe Wright presented his administration's priorities and pledged to cooperate with the university's administration. It was a great day for leadership.

That same day, Governor Nikki Haley presented the Governor's Awards for Excellence in Science. I'm proud to tell you that three of the six individuals honored at the State House were from Carolina.

USC Columbia Mathematics Professor Dr. Don Jordan, was recognized for his service as the assistant chair of the Governor's Awards committee;

Carolina Distinguished Professor of Chemistry and Biochemistry James Sodetz of USC Columbia was recipient of the Governor's Excellence in Scientific Research Award; and

USC Sumter professor and chair of Chemistry and Physics James E. Privett received the Governor's Award for Excellence in Scientific Awareness.

And, just three days ago, our USC School of Medicine in Greenville received, as you know, LCME preliminary accreditation. What a milestone that was! Even if nothing else had happened that day, October 4th will be marked in history at Carolina as the day we took a bold step forward in serving the health needs of South Carolina.

I wish to thank the Health Affairs Committee and the full Board of Trustees for their unwavering and stalwart support throughout this long process. We could not have done this without you. It was a great day for Education.

On a sad note, two weeks ago, we lost Carolyn Holderman, former first lady who served this university with distinction for 13 years. Her service to our community continued to be felt right until the end and, in fact, she attended our University Associates luncheon just ten days prior to her passing.

I also note the loss two days ago of Chef Jules Pernell, who served as chef and instructor at USC's McCutchen House for the past 25 years. He taught up to 700 students a year enrolled in our hospitality courses and was known for his superb work with truffles and for his beautiful handlebar mustache. He will be missed.

Tom Hallman has decided to move on in his life. A search committee has been formed to identify the next Chancellor of USC Aiken; and I thank Trustee Cofield for agreeing to represent the Board of Trustees on this very important committee.

Tonight, our Women's soccer team hosts Alabama. It is student night, with free pizza for students. The team will face number 22 Auburn in a televised game on Sunday.

Women's Volleyball is 9-6 and faces LSU at home tonight. If you have never been that is one of the most exciting athletic events that you could possibly attend at Carolina.

Our equestrian team, as usual, is doing very well, they are 2-0, and will be facing Georgia at home on November the 4th. I would encourage you, if you have never been, to you to go to One Wood Farm when you can - it is a beautiful facility and Coach Boo Major and our student athletes would love to have your support.

Tomorrow, of course, we'll host the Kentucky Wildcat's Big Blue Machine at Williams Brice and although I would rather our football team were facing their impressive five basketball players on Saturday, that won't happen. Last week, of course, many of us left Williams Brice disappointed. But for the bounce of the ball or the tick of the clock, we could have remained undefeated.

But here we are University of South Carolina; we're not undefeated, but we're most certainly undeterred. I hope great things await us. Whether our football team's best day lies ahead remains to be seen but I'm confident that the university's best days are ahead of us.

Thank you very much and I would be happy to answer any questions that you might have.

Chairman Loadholt stated that at this time in the meeting the Board would stand in recess for lunch.

Following lunch, Chairman Loadholt called the meeting back to order and stated that there were personnel matters regarding interviewing candidates for the position of Secretary of the University and of the Board of Trustees which were appropriate for discussion in Executive Session.

Chairman Loadholt called for a motion to enter Executive Session. Mr. Adams so moved and Warr seconded the motion. The vote was taken and the motion carried.

Chairman Loadholt invited the following persons to remain: President Pastides, Ms. Allen, Mr. Byrd, and Mr. Parham.

RETURN TO OPEN SESSION

The Board formally announced that the four finalist for the position of Secretary of the University and of the Board of Trustees are:

- 1) Brian Comer, a lawyer with Collins and Lacy and former student body president;
- 2) Charles D. Fitzsimons, director of capital budgets and financing at USC;
- 3) Dr. Cameron Howell, assistant vice president for higher education development at the National Student Clearinghouse in Herndon, Va.; and
- 4) Amy Stone, interim executive director of the Carolina Alumni Association.

Since there were no other matters, Chairman Loadholt declared the meeting adjourned at 4:40 p.m.

Respectfully submitted,

Thomas L. Stepp
Secretary