

The official minutes of the University of South Carolina Board of Trustees are maintained by the Secretary of the Board. Certified copies of minutes may be requested by contacting the Board of Trustees' Office at trustees@sc.edu. Electronic or other copies of original minutes are not official Board of Trustees' documents.

University of South Carolina

BOARD OF TRUSTEES

February 10, 2012

The University of South Carolina Board of Trustees met on Friday, February 10, 2012, at 5:35 p.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. J. Egerton Burroughs; Mr. Thomas C. Cofield; Mr. William C. Hubbard; Mr. William W. Jones, Jr.; 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. Charles H. Williams and Dr. Mitchell.

Members absent were: Mr. Chuck Allen; Mr. W. Lee Bussell Sr.; Mr. Mark W. Buyck Jr.; Dr. C. Edward Floyd; Mr. Mack I. Whittle Jr.

The faculty representative, Dr. Sandra J. Kelly, and the student representative, Mr. Joe Wright, were present.

Others present were: President Harris Pastides; Secretary Amy E. Stone; Vice President for Academic Affairs and Provost Michael D. Amiridis; Chief Financial Officer Edward L. Walton; Chief Information Officer and Vice President for Information Technology William F. Hogue; 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; 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; Dean of the College of Arts and Sciences Mary Anne Fitzpatrick; Associate Vice President for Facilities Tom Quasney; Director of State Relations Trey Walker; Associate Athletics Director Marcy Girton; Director of Facilities Planning and Programming and University Architect Derek S. Gruner; 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; Special Assistant to the President J. Cantey Heath, Jr.; Associate Vice President for Business

Affairs, Finance and Planning Division, Helen T. Zeigler; Managing Director for Higher Education Services, Huron Consulting Group, William A. Jenkins; Manager for Health and Education Consulting, Huron Consulting Group, Benjamin Kennedy; Director of News and Internal Communication Wes Hickman; Assistant Director of News and Internal Communication Margaret Lamb; 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. Because of the lateness of the hour, he asked that the Board of Trustees proceed to the business at hand.

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

Chairman Loadholt stated that there were contractual matters relative to gift naming opportunities which were appropriate for discussion in Executive Session.

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

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

Return to Open Session

I. APPROVAL OF MINUTES:

The following seven sets of minutes were circulated by email to the Board for review and were presented for approval:

- A. Ad Hoc Committee on Strategic Planning, November 29, 2011
- B. Executive Committee, December 6, 2011
- C. Board of Trustees, December 7, 2011
- D. Academic Affairs and Faculty Liaison Committee, December 13, 2011
- E. Executive Committee, December 13, 2011
- F. Board of Trustees, December 13, 2011
- G. Ad Hoc Committee on Legal Affairs, January 9, 2012

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

II. COMMITTEE REPORTS:

- A. Buildings and Grounds Committee:
(The Honorable Herbert C. Adams reported)

The Buildings and Grounds Committee met earlier today. The following items required Board approval.

1. Sasaki Master Plan: On behalf of the Buildings and Grounds Committee, Mr. Adams moved to adopt the Sasaki Master Plan as presented. Mr. Burroughs seconded the motion. The vote was taken and the motion carried. The Master Plan is listed in its entirety on the University's Facilities Department website.

2. 2012 Comprehensive Permanent Improvement Plan (CPIP): On behalf of the Buildings and Grounds Committee, Mr. Adams moved to adopt the 2012 Comprehensive Permanent Improvement Plan (CPIP) as presented. Mr. Williams seconded the motion. The vote was taken and the motion carried. [Exhibit A]

3. Projects for Approval: On behalf of the Buildings and Grounds Committee, Mr. Adams moved to approve the Five Year Capital Improvement Plan Projects for Approval as presented. Mr. Burroughs seconded the motion. The vote was taken and the motion carried.

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. [Exhibit B]

4. Gift Naming Opportunities: On behalf of the Buildings and Grounds Committee, Mr. Adams moved to approve those gift namings as recommended by the Gift Naming Opportunities Committee and distributed in the Board materials. Mr. Westbrook seconded the motion. The vote was taken and the motion carried.

a. Athletics Department:

- i. “The Alexander Assistant Director’s Office”:
- ii. “The Jeff and Leslie Archie Tutor Room”
- iii. “The Craft Assistant Director’s Office”
- iv. “The Fowler Conference Room”
- v. “The Lott Conference Room”
- vi. “The McBride Recruiting Deck”
- vii. “The Smith Director’s Office”
- viii. “The Wase Assistant Director’s Office”
- ix. “The Wood Assistant Director’s Office”

b. School of Law: “The Clarke Wardlaw McCants Jr. Faculty Gathering & Consulting Area”

c. University Libraries: “The Jean and Jim Barrow Seminar Room”

d. Darla Moore School of Business: “Robert E. and Mylla F. Markland Focus Room”

5. USC Upstate Namings: On behalf of the Buildings and Grounds Committee, Mr. Adams moved to approve the following two namings at USC Upstate as presented and recommended by Mr. Lister. Mr. Burroughs seconded the motion. The vote was taken and the motion carried.

a. The Olin B. Sansbury, Jr. Campus Life Center

b. The John C. Stockwell Administration Building

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

The Intercollegiate Athletics Committee met earlier today. The report is attached as Exhibit C.

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

The Executive Committee met earlier today and approved the following athletics employment contracts: Kirk Botkin, Assistant Football Coach; Grady Brown, Assistant Football Coach; Shawn Elliott,

Assistant Football Coach; Brad Lawing, Assistant Football Coach; Joseph Robinson, Assistant Football Coach; Steve Spurrier, Jr., Assistant Football Coach; Mark Berson, Head Men's Soccer Coach; and Beverly Smith, Head Softball Coach. In addition, the gift of a horse to the University was also approved.

The following items were approved for recommendation to the Board for action:

1. Contracts Valued in Excess of \$750,000:

a. Athletics Contracts:

i. Ray Tanner, Head Baseball Coach: Mr. Adams moved approval of the amendments to the employment contract for Head Baseball Coach, Ray Tanner, as distributed. Mr. Warr seconded the motion. The vote was taken and the motion carried.

ii. Steve Spurrier, Sr., Head Football Coach: Mr. Adams moved approval of the amendments to the employment contract for Head Football Coach, Steve Spurrier, as distributed. Mr. Warr seconded the motion. The vote was taken and the motion carried.

iii. Lorenzo Ward, Assistant Football Coach: Mr. Adams moved approval of the employment contract for Assistant Football Coach, Lorenzo Ward, as presented. Mr. Warr seconded the motion. The vote was taken and the motion carried.

iv. Eric C. Hyman, Director of Athletics: Mr. Williams moved approval of the amended employment contract for Director of Athletics Eric C. Hyman as presented. Mr. Adams seconded the motion. The vote was taken and the motion carried.

b. Lease – Secretary of the Army (Army National Guard): Mr. Adams moved to approve the contract with the Secretary of the Army to lease land to be used for an athletic training field as described in the materials distributed for the meeting and as presented. Mr. Williams seconded the motion. The vote was taken and the motion carried.

c. Elsevier Subscription Agreement: Mr. Burroughs moved to approve this contract granting the University permission to access, search, browse and view various subscribed products as described in the materials distributed for the meeting. Mr. Adams seconded the motion. The vote was taken and the motion carried.

d. Lease – State Budget and Control Board (Arts Commission Building): Mr. Jones moved to approve the contract with the South Carolina Budget and Control Board to lease the property with a building at 1800 Gervais Street formerly known as the Arts Commission Building. Mr. Warr seconded the motion. The vote was taken and the motion carried.

2. Off Cycle Fee Request – Gamecock Gateway: Mr. Westbrook moved to approve the Gamecock Gateway Program between the University and Midlands Technical College to provide an academic and residential link between the two institutions as detailed in the materials. Mr. Cofield seconded the motion. The vote was taken and the motion carried.

3. Revenue Bond Refunding Resolution: Mr. Burroughs moved to approve the Higher Education Refunding Revenue Bond Resolution authorizing up to \$35 million for the purposes of refinancing existing bonds from the following series: 1999A, 2003B and 2004A. The authorized amount will provide funding to retire the existing bonds and the amount necessary for issuance costs associated with the bonds. Mr. Lister seconded the motion. The vote was taken and the motion carried.

III. “HURRICANE MICHAEL EMERGENCY PREPAREDNESS EXERCISE OVERVIEW:

This report was deferred until another Board of Trustees meeting.

IV. PALMETTO COLLEGE REPORT: Chairman Loadholt called on Provost Amiridis who stated that the Huron Consulting Group had previously presented the Palmetto College concept during the November 29, 2011, meeting of the Ad Hoc Committee on Strategic Planning. Today’s briefing was intended to introduce this topic formally to the Board of Trustees.

President Pastides commented that the General Assembly was motivated and mobilized to support the concept. He noted that various members were asking if the Board of Trustees endorsed the formation of Palmetto College.

Mr. Kennedy from Huron Consulting Group initially remarked that further review and due diligence of this idea had been undertaken since the November 29th meeting.

He summarized the four guiding principles which will shape Palmetto College: (1) Students (adult students who may be geographically-bound; University non-completers and Associates Degree holders; (2) Courses (Upper division courses only; vast majority of courses on-line via asynchronous delivery methods; (3) Programs (vocationally oriented; fields with proven job market demand; accredited through the senior campus degree programs; positioned to compete with for-profit institutions; and, (4) Structure (leverages the regional campuses; organized as one college within the system; overseen by a new Chancellor with a direct reporting relationship to the President; centralization of many services.

Mr. Kennedy also addressed the need for Palmetto College: Relative to other states, South Carolina had a low level of Bachelor’s degree attainment; quality of life improvements for Bachelor’s Degree holders; expanding job market demand for Bachelor’s Degree holders across the next 5-10 years; fulfilling the mission of the University; emulation of the core principles of accountability based funding.

He noted that an increase in bachelor's degrees to meet projected job market demands was considered "critical" across South Carolina. "The confluence of future economic needs and current educational attainment in counties in South Carolina leads us to believe that this is an issue for the vast majority of the counties in the state."

He further noted that Palmetto College's initial programs will be selected based on the mission, goals, market demands and the USC System's capabilities.

It was recommended to use the existing accreditation offered in Columbia, Aiken, Upstate and possibly Beaufort in the future.

The organizational structure will be a reconfiguration of the current model. It was believed that there was an opportunity to eliminate various positions which would become redundant. The key was to streamline the operation and place it under the leadership of one Chancellor who was empowered to make decisions and to have direct access to other decision makers, other Chancellors and the President.

Preliminary recommendations included appointing the chancellor and centralizing services to eliminate redundancy.

Mr. Kennedy stressed that the Palmetto College concept will require new revenue-sharing arrangements between all senior and regional campuses based on direct costs and a new approximation of indirect costs.

He suggested offering courses in the range of the current Palmetto Programs (\$367 per credit hour). "Access and affordability are going to remain hallmarks of this program. At this price point, we think the affordability message is fairly clear."

In order for progress to be made Mr. Kennedy reviewed five critical issues: (1) State Funding: USC submitted a request for a \$5 million annual recurring state appropriation; (2) Course Development: USC was considering a partnership with an outside firm to develop courses for Palmetto College; (3) Sales and Marketing: the specific direction for sales and marketing would hinge on many programming decisions and the level of involvement of outside vendor(s); (4) Structure: among the first decisions to be finalized was the organization structure and selection of leadership; (5) Accreditation: the selection of the structure for Palmetto College will determine the path for accreditation.

President Pastides asked that the Board of Trustees endorse the concept of Palmetto College so that the administration could continue to plan. Mr. Hubbard moved approval of the motion as President Pastides stated. All Board members seconded the motion.

V. REPORT OF THE ALUMNI ASSOCIATION: Secretary Stone submitted the following report on behalf of Mr. Bussell who was unable to attend; a hard copy had been distributed at each member's place.

Report of The University of South Carolina Alumni Association
February 10, 2012

Your Alumni Association is moving ahead at full speed. The momentum of the University is contagious. Our Alumni feel the energy and they share the enthusiasm and confidence that encompasses not only this campus, but every corner of the state and anyplace where our influence is felt.

The search for our new executive director is underway. We ave a talented and experienced search committee and we expect to begin the process of interviewing applicants soon. We are still receiving applications and we continue to accept applications to ensure that w have a qualified pool of applicants to choose from.

Amy Stone and Michelle Dodenhoff continue to share oversight responsibilities for the Association and the staff has not missed a beat. We had a great pregame celebration prior to the Capital One Bowl with over 1,200 spirited attendees. We just hosted our baseball and softball preview party and the successful Carolina Day at the Statehouse was held this past Wednesday.

Plans are underway for our March Board of Governors Meeting and Annual Meeting where we elect new officers and several new board members. The Board of Governor s will also hear from an advocacy expert from the Ohio State Alumni Association which is recognized as one of the best in the nation. We will also be touring the recently renovated Patterson Hall.

The reality of our Alumni Center has taken several critical steps in the past 30 days. We have reached agreement with the City of Columbia and the current lease holder on the Damon's property adjacent to The Columbia Convention Center to purchase this site. Our agreement includes financial assistance in the construction of the connector under Lincoln Street and the connection to the adjacent parking garage. Contracts are being finalized for a closing in the next 30 to 60 days.

By acquiring the site we are now in a position to kick our fundraising efforts into high gear. While we move into this aggressive fundraising we will also begin the procurement for architects, construction managers and other professional services that will be needed.

We are committed to playing a stronger role in the evolving mission of The University and we will continue to increase the engagement of Alumni in helping to reach these goals.

VI. REPORT OF THE PRESIDENT: Chairman Loadholt called on President Pastides who stated that the President's Report will be deferred until the next meeting of the Board of Trustees.

Since there were no other matters, Chairman Loadholt declared the meeting adjourned at 6:15 p.m.

Respectfully submitted,

Amy E. Stone
Secretary