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University of South Carolina
BOARD OF TRUSTEES

Health Affairs Committee

March 20, 2009

The Health Affairs Committee of the University of South Carolina Board of Trustees met on Friday, March 20, 2009, at 10:30 a.m. in the 1600 Hampton Street Board Room.

Members present were: Mr. John C. von Lehe, Jr., Chairman; Mr. Chuck Allen; Mr. Arthur S. Bahnmuller; Mr. J. Egerton Burroughs; Mr. Toney J. Lister; Ms. Amy E. Stone; Mr. Miles Loadholt, Board Chairman; and Mr. Samuel R. Foster II, Board Vice Chairman. Committee members Dr. C. Edward Floyd and Mr. Mack I. Whittle were absent.

Other Trustees present were: Mr. James Bradley; Mr. Mark W. Buyck, Jr.; Mr. William W. Jones, Jr.; and Mr. Eugene P. Warr, Jr.

Others present were: President Harris Pastides; Secretary Thomas L. Stepp; Vice President and Chief Financial Officer Richard W. Kelly; Executive Vice President for Academic Affairs and Provost [Interim] William T. Moore; Vice President for Student Affairs and Vice Provost for Academic Support Dennis A. Pruitt; Vice President for Human Resources Jane M. Jameson; Vice President for Information Technology and Chief Information Officer William F. Hogue; Vice Provost and Executive Dean for System Affairs and Extended University Chris P. Plyler; Interim Vice President for Advancement Michelle Dodenhoff; Vice Provost for Health Sciences Russell R. Pate; Vice Provost for Academic Affairs and Dean of Undergraduate Studies Helen I. Doerpinghaus; Vice Provost for Faculty Development Christine W. Curtis; Associate Vice Provost for Academic Resources, Edward L. Walton; Assistant Provost for Academic Programs Kristia H. Finnigan; Dean of the South Carolina College of Pharmacy Joseph DiPiro; Dean of the School of Medicine Donald J. DiPette; Dean of the College of Nursing Peggy O. Hewlett; Dean of the School of Music Tayloe Harding; Campus Dean of the South Carolina College of Pharmacy Randall C. Rowen; Dean of the College of Social Work Dennis Poole; Special Assistant to the President J. Cantey Heath; Chair of the Faculty Senate Robert G. Best; Chair of the Faculty Welfare Committee Charley Adams; Faculty Senate Chair-Elect Patrick D. Nolan; Interim Associate Dean of Academic Affairs, College of Nursing, Mary Foster Cox; Carolina Professor of History, College of Arts and Sciences, Daniel Littlefield; Director of Governmental Affairs and Community Relations, Division of University Advancement, Shirley Mills; Director of Governmental Affairs and Legislative Liaison, Division of University Advancement, Casey Martin; Special Assistant to the President and Athletics Director John D. Gregory; Director of Public Information, USC Lancaster, Shana Funderburk; Interim Director of University Communications, Division of University Advancement, Margaret Lamb; President of the Student Government Association Meredith Ross; Student Andrew Gaeckle;

Horry County Councilman James R. Frazier; and Board staff members Terri Saxon, Vera Stone, and Karen Tweedy.

Chairman von Lehe called the meeting to order, welcomed those present, and asked everyone to introduce themselves. There were no members of the media in attendance.

Chairman von Lehe stated that the agenda had been posted and the press had been notified as required by the Freedom of Information Act; the agenda had been circulated to the Committee members; and a quorum was present to conduct business.

I. Report on MUSC/USC Pharmacy Memorandum of Understanding [MOU] Revision:

Chairman von Lehe called on Dr. DiPiro, who provided a status report on the South Carolina College of Pharmacy [SCCP]. The integration of the two pharmacy schools was approved by the respective Boards of Trustees in 2004. The SCCP Executive Dean was hired in 2005, and the first class of students matriculated 2006. Graduation for the first class was scheduled for 2010. Full accreditation of the program was anticipated in 2010.

The SCCP was organized with a unified administrative structure, with two cross-campus departments, and members from both campuses serving on all committees. Three separate curricula are still in place until 2010; one from each of the two original colleges, and one from the SCCP which is available on both campuses. There is a unified planning process for the SCCP.

The Executive Dean of the SCCP was the only administrative position added. Shared staff directors on both campuses were designated: Director of Experimental Education, Director of Information Technology, Assistant Dean for Finance, Director of Continuing Education, and Director of Communications.

SCCP MOU revisions were made to accomplish three issues: change in the SCCP reporting from the Vice President of Research and Health Sciences to the Provost, define the academic unit as the combined faculty from both campuses, and to establish a procedure to cross-tenure faculty at both campuses.

The SCCP productivity and efficiency matrix presented by Dr. DiPiro is as follows:

	<u>2003</u>	<u>2008</u>	<u>Change</u>
Class size (USC Campus)	60	110	83% ↑
# of USC Campus Students	261	448	71% ↑
Credit hours (Fall)	3410	6520	91% ↑
NIH funding (full faculty)	\$ 2m	\$5.4m	170% ↑
FTE USC Campus Faculty	29	29	

SCCP intercampus collaborate efforts included: Drug discovery research program; Center for Medication Safety and Efficacy, approved by the Centers of Economic Excellence; Partnerships with Greenville Hospital System and Spartanburg Regional; and the Community Pharmacy Program.

The SCCP National Institutes of Health [NIH] funding was in the top 25 percent of colleges of pharmacy and was anticipated to increase.

The estimated USC Campus one-time merger expense was \$205,000. The recurring merger expense was \$265,000 and the recurring costs were approximately 2.5 percent of the total "A" funds budget.

Mr. Lister stated that he had thought there was to be a reduction in the administrative positions as a result of the merger, and questioned why there was not. Dr. DiPiro explained that further efficiencies would be realized once the three existing curricula were reduced to one by 2010.

Mr. Bradley asked if there was any data on the number of graduates who stayed in South Carolina versus those who left the state. Dr. DiPiro replied that he was not aware of any data on those numbers. He noted, however, that the SCCP worked very closely with the State Board of Pharmacy, which reported that the vast number of graduates became licensed in South Carolina. He said that the SCCP could work with the State Board to determine an estimate of the number of graduates who practiced in South Carolina. Mr. von Lehe requested that those numbers be explored.

Following further discussion, Mr. Foster stated that clarity was needed by answering the question, "Do we believe this program and what we have entered into is beneficial to the University of South Carolina in all aspects, or are we saying we should go back to the old model?" Dr. DiPiro responded that he believed the students on the Columbia campus now had more opportunities and the advantage of learning from nationally prominent faculty. The combined profile of the clinical and the basic sciences faculty on both campuses put the SCCP on a peer level along with some of the best colleges of pharmacy in the nation. The collaboration also created more opportunities for clinical training around the state. Therefore, he concluded, the students were better off with the teaching and clinical studies created by the merger.

Dr. DiPiro added that the SCCP research efforts, according to the faculty, were greater due to the collaborations between the two campuses. Mr. Foster stated that Dr. DiPiro's response to his question sounded like a "yes" and Dr. DiPiro agreed.

Mr. Foster said that it seemed to him that the ability to receive increased NIH funds and the increased teaching and research opportunities justified the merger.

President Pastides concluded that the small investment of a 2.5 percent increase in the pharmacy budget yielded 91 percent more credit hours. He encouraged continual review of the SCCP to assure that it continued to be in the best interests of the University of South Carolina.

Mr. Jones asked that due to the current economic climate, a cost/benefit analysis be prepared on the SCCP to highlight the fiscal effects of the merger, in addition to the efficiency and quality improvements created by the merger.

Mr. Jones said that it looked to him that the effort was headed in the right direction, and he realized that there were intangibles that could not be put on a profit/loss statement. However, due to the current economic climate, he requested a profit/loss statement be prepared on the College of Pharmacy at USC had it not merged

with the Medical University of South Carolina, and as it is now as part of the SCCP. Those profit/loss reports would provide fiscal answers as to whether the University of South Carolina was "better off" having merged, or would it have been "better off" to remain as it had been.

Chairman von Lehe asked Dr. DiPiro if Mr. Jones' request was doable and, he responded that he would do his best.

II. Plans for April Visit to USC School of Medicine:

Chairman von Lehe called on Secretary Stepp who stated that the Committee had two outstanding invitations; one from Dean Hewlett to visit the College of Nursing, and one from Dean DiPette to visit both campuses of the School of Medicine.

Secretary Stepp asked the Committee if Thursday, April 23rd would work for a half day tour of both campuses, to include lunch. Chairman von Lehe requested that Secretary Stepp email the full Board, in addition to the Health Affairs Committee members, to confirm their availability for that date.

It was determined that the tour of the College of Nursing would be scheduled at a future date.

III. Adjournment:

There were no other matters to come before the Committee. Chairman von Lehe declared the meeting adjourned at 11:07 a.m.

Respectfully submitted,

Thomas L. Stepp
Secretary