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University of South Carolina

BOARD OF TRUSTEES

August 5, 2011

The University of South Carolina Board of Trustees met on Friday, August 5, 2011, at 1:40 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. 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. 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. Mack I. Whittle, Jr.; and Mr. Charles H. Williams. Dr. Mitchell M. Zais. 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; Vice President for Academic Affairs and Provost Michael D. Amiridis; 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; Associate Vice President for Finance and Budget Director, Division of Finance and Planning, Leslie Brunelli; Vice Provost and Executive Dean for Extended Campus Chris P. Plyler; Chancellor of USC Aiken Thomas L. Hallman; Dean of USC Salkehatchie Ann Carmichael; Director of the Department of Internal Audit Philip Iapalucci; Dean of the College of Social Work Anna Scheyett; Interim Executive Director of the Carolina Alumni Association Amy Stone; Director of Governmental and Community Relations and Legislative Liaison Shirley D. Mills; Executive Vice Chancellor for Academic Affairs, USC Beaufort, Harvey Varnet; Special Assistant to the President J. Cantey Heath; United Methodist Campus Minister, The Reverend Dr. Tom H.B. Wall; wife of Board Chairman Miles Loadholt, Ann Loadholt; Director of the Office of Media Relations Margaret Lamb; Board staff members Barbara Salmons, Terri Saxon and Vera Stone; 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.

At Chairman Loadholt's request, The Rev. Dr. Tom H.B. Wall, Methodist Campus Ministry, delivered the Invocation.

Chairman Loadholt stated that there was a contractual matter regarding a Board of Visitor appointment, and a personnel matter regarding an appointment with tenure which were appropriate for discussion in Executive Session.

Chairman Loadholt called for a motion to enter Executive Session. Mr. Burroughs so moved and Mr. Buyck 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, Mr. Walton, Mr. Byrd, Dr. Pruitt, Ms. Dodenhoff, Ms. Lawrence, Dr. Hogue, Dr. Plyler, Dr. Doerpinghaus, Mr. Parham, University Chancellors, Mr. Heath, Ms. Brunelli, Mrs. Hanna, Ms. Mills, and Mrs. Lamb.

Return to Open Session

I. APPROVAL OF MINUTES: The following 10 sets of minutes were circulated by email to the Board for review and were presented for approval:

- A. Ad Hoc Committee on Legislative Relations, June 14, 2011
- B. Intercollegiate Athletics Committee, June 17, 2011
- C. Academic Affairs and Faculty Liaison Committee, June 17, 2011
- D. Audit and Compliance Committee, June 17, 2011
- E. Buildings and Grounds Committee, June 17, 2011
- F. Executive Committee, June 17, 2011
- G. Board of Trustees, June 17, 2011
- H. Buildings and Grounds Committee, June 30, 2011
- I. Executive Committee, June 30, 2011
- J. Board of Trustees, June 30, 2011

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

II. COMMITTEE REPORTS

- A. Ad Hoc Committee on Development:
(The Honorable William W. Jones, Jr. reported)

In the fiscal year ending June 30, 2011, the University raised \$122.2 million, which was an increase of 9.4 percent over the prior year. The University also saw an increase in donors from 47,408 to 49,859. During the past fiscal year, the Development staff had seen over 2,000 donors and prospects and had submitted proposals of over \$85 million.

The Capital Campaign would go public on November 11, 2011, and will end June 30, 2015. It would be an eight year campaign. A total of \$463 million had already been raised towards the Capital Campaign goal. The Campaign Committee would meet on Friday, November 11th and all members of the Board of Trustees were encouraged to attend. That evening there would be a black tie Kickoff celebration. Many exciting activities were planned for that weekend in addition to the USC vs Florida Homecoming events.

Secretary Stepp stated that November 11th was a scheduled Board meeting day. Since there would be numerous Capital Campaign activities also scheduled for that day, he would soon notify the Board of alternate date for the Board meetings.

The report was received for information.

- B. Academic Affairs and Faculty Liaison Committee:
(The Honorable William W. Jones, 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 earlier in the day, and as appropriate, to the full Board in Executive Session earlier today.

1. Appointment with Tenure: The following request for appointment with tenure was e-mailed with the meeting materials.

- Dr. Scott Strayer would be awarded tenure at the rank of Professor in the Department of Family and Preventive Medicine and as Vice Chair of the Department of Family and Preventative Medicine in the School of Medicine.

On behalf of the Academic Affairs and Faculty Liaison Committee, Mr. Jones moved approval of these five appointments with tenure as presented. Mr. Whittle seconded the motion. The vote was taken and the motion carried.

2. USC Upstate Faculty Manual Changes: Proposed changes to the USC Aiken *Faculty Manual* were e-mailed with the meeting materials and had received all appropriate academic and administrative approvals.

On behalf of the Academic Affairs and Faculty Liaison Committee, Mr. Jones moved approval of the proposed changes to the USC Aiken *Faculty Manual* as stated in the meeting materials. Mr. Lister seconded the motion. The vote was taken and the motion carried.

[Exhibit A]

C. Executive Committee:
(The Honorable Miles Loadholt)

The Executive Committee met earlier in the day and approved the following contracts: Student Marketing Programs 2011-2012; USC Upstate Ingram Property Lease; and Athletics contracts for Edwin C. Holbrooke - Assistant Baseball Coach; Scott Swanson - Head Volleyball Coach; and Eric Hyman - Athletics Director.

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

1. Contract in Excess of \$750,000; previously approved by the Executive Committee:

- Under Armour Contract: Chairman Loadholt called for a motion to approve the Under Armour contract as distributed. Mr. Allen so moved and Mr. Williams seconded the motion. The vote was taken and the motion carried.

2. Board of Visitors Appointment: Chairman Loadholt stated that the Executive Committee also approved the appointment of Tony Gilreath, a noteworthy alumnus, to the Board of Visitors who would represent the 6th Judicial Circuit.

Chairman Loadholt called for a motion to approve the Board of Visitors appointment as presented. Dr. Smith so moved and Ms. Moody seconded the motion. The vote was taken and the motion carried.

III. REPORT OF THE ALUMNI ASSOCIATION:

Chairman Loadholt called on Mr. Bussell who reported that the Alumni Association had completed its Strategic Planning process. The Strategic Plan was scheduled to be considered by the Alumni Association's Executive Committee at its August meeting, and its Full Board at their September meeting. Mr. Bussell would make a full presentation of the Strategic Plan to the Board of Trustees at their October meeting.

Also at the Board of Trustees' October meeting, a more detailed report on the new Alumni Center would be provided.

Mr. Bussell said that President Pastides had asked the Alumni, when they went to

Charlotte for the University of South Carolina vs East Carolina University Football game, "to paint the town garnet," and they planned to do so. A Friday night event, sponsored by the Alumni Association and the Gamecock Club, and a pre-game event were scheduled in Charlotte. He invited the Board to attend.

Mr. Bussell announced that Mr. Whittle had graciously arranged for copies of an 1841 lithograph of the USC Horseshoe to be provided for sale, with portions of the proceeds going to support the USC Libraries and the USC Alumni Association. The work was displayed and received with great enthusiasm.

IV. REPORT OF THE PRESIDENT:

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

These are exciting times - and one of my favorite times of the year.

Tomorrow we will be celebrating the graduations of over 1,500 undergraduate, certificate, masters, doctoral and professional students system-wide; and about 600 of them will be participating with us at the Colonial Life Arena. And, next Saturday, Patricia and I will help with move-in day, followed by freshmen Convocation on Sunday, August 14th. We'll be welcoming this Fall approximately 7,500 freshmen and 2,900 transfer students (system-wide). About 4,550 of the freshmen and 1,350 of the transfer students will be right here in Columbia.

Through the fine efforts of our Alumni Association, we are in the process of holding 16 Freshman Sendoffs across the United States (including Charleston, Greenville, Charlotte, Atlanta, and as far away as Los Angeles California). These are among the most spirited events one could ever think of attending. Incoming freshmen and their families, whose enthusiasm for packing and arriving at Carolina next weekend is only surpassed by the parents' dismay at the number of electronic gadgets and creature comforts that they'll be lugging to upstairs dormitory rooms.

I must tell you that little has changed since my own arrival at college in 1971 -- disagreeing with my parents about whether I needed, or not, about 100 vinyl record albums to insure I had a successful freshman year.

We will also be welcoming several new faculty and administrators, including three new deans here in Columbia (Dean of the College of Social Work - Anna Scheyett, Dean of the College of Education - Lemuel Watson, and Dean of the Honors College - Steven Lynn).

I am pleased to note that we have amended Eric Hyman's contract. Our athletics program is as strong as it has been in modern times and our Athletic Director is businesslike and principled in his leadership. I believe, and I know you agree, that consistent leadership is key to organizational growth and success and that is an important reason for our current national stature.

Next week, I will attend an NCAA retreat with about 50 other university presidents. We will be discussing important issues with NCAA President Mark Emmert, including escalations in coaches' salaries, how to and in fact whether to, close the gap between struggling and more wealthy athletics programs, and also we will be having a thorough review of the process of NCAA investigations and other matters as well. Now, as part of the NCAA's Executive Committee, I will be involved with these discussions for quite some time and I look forward to engaging and briefing the Board and hearing from you as we move forward on these important matters.

In the meantime, as you heard from Lee Bussell, we are preparing for our opening football game in Charlotte, where our Carolina Gamecocks will consider Bank of America Stadium to be our home away from home.

Before the game, I personally will spend several days in the Charlotte region, meeting with educational leaders, business executives, and, of course, alumni and Gamecock fans. As Lee told you before, we will truly try to paint that town Garnet and we are going to continue to make our great university's presence felt in that burgeoning metropolitan of Charlotte, North Carolina.

In closing, I look forward to seeing you this evening at our always wonderful and splendid Honorary Degree dinner, where we will be paying tribute to an outstanding chemist and a great former governor and American leader.

So these are, indeed, wonderfully exciting times and I welcome you all back from what I hope was a pleasurable summer.

Chairman Loadholt stated that the report was received as information.

V. ELECTION OF A BOARD MEMBER TO THE EDUCATIONAL FOUNDATION:

Chairman Loadholt nominated The Honorable Wes Jones to serve as the Board member to the Educational Foundation. Mr. Buyck seconded the motion. The vote was taken and the motion carried. Former Board of Trustee member, the late Micheal J. Mungo, had previously held this position.

VI. OTHER MATTERS:

A. Amendment to Athletics Director Eric Hyman's Employment Agreement:

Chairman Loadholt called for a motion that "the contract of Athletics Director Eric Hyman be amended to increase his annual compensation by \$75,000 per year payable from Athletics Departments Funds, effective immediately."

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

B. Patrick Nolan Certificate of Appreciation: Chairman Loadholt asked Dr. Nolan to step to the podium to receive a Certificate of Appreciation from the Board of Trustees for his outstanding contributions and service to the University while serving as Chair of the Faculty Senate. Chairman Loadholt called on Mr. Stepp to read it.

Chairman Loadholt called for a motion to approve the Certificate of Appreciation for Dr. Nolan. Mr. Buyck so moved and Dr. Floyd seconded the motion. The vote was taken and the motion carried.

Dr. Nolan thanked everyone for their support in his role of Chair of the Faculty Senate and said it had been a great pleasure and a wonderful learning experience to sit with the Board. He said that as a faculty member for some time, he was "very pleased to see an active and involved Board who cares about the University."

VII. ADJOURNMENT

Since there were no other matters, Chairman Loadholt declared the meeting adjourned at 2:15 p.m.

Respectfully submitted,

Thomas L. Stepp
Secretary