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University of South Carolina
BOARD OF TRUSTEES

February 17, 2017

The University of South Carolina Board of Trustees met at 2:00 p.m. on Friday, February 17, 2017, in the C. Edward Floyd Boardroom at the My Carolina Alumni Center.

Members present were: Mr. John C. von Lehe Jr., Chairman, who joined by telephone; Mr. Hubert F. Mobley, Board Vice Chairman, who served as presiding chairman for the meeting; Mr. Mark W. Buyck Jr.; Mr. Thomas C. Cofield; Mr. A.C. "Bubba" Fennell; Dr. C. Edward Floyd; Mr. William C. Hubbard; Mr. William W. Jones Jr.; Mr. Toney J. Lister; Mr. Miles Loadholt; Ms. Leah B. Moody; Dr. C. Dorn Smith; Mr. Eugene P. Warr Jr.; Mr. Thad H. Westbrook; Mr. Mack I. Whittle Jr.; and Mr. Charles H. Williams. Absent were Mr. Chuck Allen, Mr. J. Egerton Burroughs, Mr. Tommy Preston Jr. and Ms. Molly M. Spearman.

Also present was faculty representative August E. "Augie" Grant.

Others present were: President Harris Pastides; Secretary J. Cantey Heath Jr.; General Counsel Walter "Terry" H. Parham; Chief Operating Officer Edward L. Walton; Provost Joan T.A. Gabel; Chief Financial Officer Leslie Brunelli; Vice President for Student Affairs Dennis A. Pruitt; Athletics Director Ray Tanner; Vice President for Development Jancy Houck; Vice President for Human Resources Chris Byrd; Vice President for Information Technology Doug Foster; Chief Communications Officer Wes Hickman; Executive Director of Audit & Advisory Services Pam Doran; Executive Director for University Foundations Russell H. Meekins; Vice President for System Planning and Interim Chancellor for USC Upstate Mary Anne Fitzpatrick; USC Aiken Chancellor Sandra Jordan; USC Upstate Chancellor-Elect Brendan Kelly; Palmetto College Chancellor Susan Elkins; Associate Vice President for Finance Jennifer Muir; Associate Vice President for Finance Kelly Epting; University Treasurer Pat Lardner; Vice Provost and Director for Global Carolina P. Allen Miller; Director of Facilities Design and Construction Jeffrey D. Lamberson; Director of Capital Budgets and Financing Charlie Fitzsimons; College of Engineering and Computing Dean Hossein Haj-Hariri; College of Engineering and Computing Associate Dean Hanif Chaudhry; Director of Governmental and Community Relations and Legislative Liaison Shirley D. Mills; USC Aiken Executive Vice Chancellor for Academic Affairs Jeff Priest; Executive Director of My Carolina Alumni Association Jack W. Claypoole; Mrs. Ann Loadholt, wife of Trustee Miles Loadholt; University

Technology Services Production Manager Matt Warthen; and Board staff members Debra Allen and Terri Saxon.

I. Call to Order

Presiding Chairman Mobley 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; and a quorum was present to conduct business.

Mr. Hickman announced no media were in attendance.

Prior to inviting Father Paul Sterne, chaplain with the University's C.S. Lewis Student Center and St. Theodore's Anglican Chapel, to deliver the invocation, Presiding Chairman Mobley asked for "a moment of silence to remember Representative Joseph H. "Joe" Neal, a jovial consensus builder and problem solver who had the best interest of his constituents and everybody in the state at heart."

Representative Neal died on February 14, 2016

Motion for Executive Session

Presiding Chairman Mobley requested a motion and second for an Executive Session for personnel matters related to the awarding of honorary degrees and to discuss proposed contractual matters related to possible land acquisitions, and integrated communications management.

Mr. Fennell made the motion, which was seconded by Mr. Cofield. The vote was taken and the motion passed.

The following persons were invited to remain: Dr. Pastides, Secretary Heath, members of the President's Executive Council, Dr. Grant, and Ms. Doran.

Executive Session

Return to Open Session

II. Approval of Minutes

The following three sets of minutes were presented for approval:

- A. Student-Trustee Liaison Committee, November 18, 2016
- B. Buildings and Grounds Committee, Called Meeting, December 13, 2016
- C. Academic Affairs and Faculty Liaison Committee, December 13, 2016

Presiding Chairman Mobley stated there were no additions, deletions or corrections and that these three sets of minutes stood approved as provided for review on the Board Portal.

III. Committee Reports

A. Buildings and Grounds Committee, February 17, 2017 (The Honorable William C. Hubbard reported)

Mr. Hubbard reported the Buildings and Grounds Committee met earlier in the day, received several planning updates, and recommended the following items for approval.

1. Project Approvals

a. 2017 Comprehensive Permanent Improvement Plan (CPIP)

On behalf of the Buildings and Grounds Committee, Mr. Hubbard moved adoption of the 2017 Comprehensive Permanent Improvement Plan as presented. The University hereby declares its official intent, pursuant to federal regulations, to reimburse itself from the amounts of proceeds of the tax-exempt bond issue. The vote was taken and the motion passed. Mr. Hubbard said individual projects would be presented to Trustees for approval at the appropriate time in accordance with the Five-Year Capital Improvement Plan.

b. Williams-Brice Stadium 100-Level and Suite 2017 Renovation

On behalf of the Buildings and Grounds Committee, Mr. Hubbard moved to establish and fully fund this project with a budget of \$995,000 to be funded with Institutional Funds. The University hereby declares its official intent, pursuant to federal regulations, to reimburse itself from the amounts of proceeds of the tax-exempt bond issue. The vote was taken and the motion passed.

c. McCutchen House Roof Replacement

On behalf of the Buildings and Grounds Committee, Mr. Hubbard moved to establish and fully fund this project with a budget of \$300,000 to be funded with Institutional Capital Project Funds. The University hereby declares its official intent, pursuant to federal regulations, to reimburse itself from the amounts of proceeds of the tax-exempt bond issue. The vote was taken and the motion passed.

d. USC Sumter Science Building Roof Replacement

On behalf of the Buildings and Grounds Committee, Mr. Hubbard moved to establish and fully fund this project with a budget of \$375,000 to be funded with Sumter-Physical Plant funds. The University hereby declares its official intent, pursuant to federal regulations, to reimburse itself from the amounts of proceeds of the tax-exempt bond issue. The vote was taken and the motion passed.

e. Carolina Coliseum Roof Repair

On behalf of the Buildings and Grounds Committee, Mr. Hubbard moved to establish and fully fund this project with a budget of \$825,000 to be funded with \$412,500 of Institutional Capital Project Funds and \$412,500 of Athletic Maintenance Reserve Funds. The University hereby declares its official intent, pursuant to federal regulations, to reimburse itself from the amounts of proceeds of the tax-exempt bond issue. The vote was taken and the motion passed.

f. Barringer House Mechanical Systems Renovation

On behalf of the Buildings and Grounds Committee, Mr. Hubbard moved to establish and fully fund this project with a budget of \$875,000 to be funded with Institutional Capital Project Funds. The University hereby declares its official intent, pursuant to federal regulations, to reimburse itself from the amounts of proceeds of the tax-exempt bond issue. The vote was taken and the motion passed.

g. 2018 Classroom Enhancement Renovations at Close-Hipp

On behalf of the Buildings and Grounds Committee, Mr. Hubbard moved to establish and fully fund this project with a budget of \$950,000 to be funded with \$570,000 of Institutional Capital Project Funds and \$380,000 of Institutional Funds. The University hereby declares its official intent, pursuant to federal regulations, to reimburse itself from the amounts of proceeds of the tax-exempt bond issue. The vote was taken and the motion passed.

h. Gamecock Park Quadrant Three and Five Site Renovation

On behalf of the Buildings and Grounds Committee, Mr. Hubbard moved to establish and fully fund this project with a budget of \$995,000 to be funded with Athletic Operating Funds. The University hereby declares its official intent, pursuant to federal regulations, to reimburse itself from the amounts of proceeds of the tax-exempt bond issue. The vote was taken and the motion passed.

i. Central Steam/Condensate Repairs III

On behalf of the Buildings and Grounds Committee, Mr. Hubbard moved to establish and fully fund this project with a budget of \$950,000 to be funded with Institutional Capital Project Funds. The University hereby declares its official intent, pursuant to federal regulations, to reimburse itself from the amounts of proceeds of the tax-exempt bond issue. The vote was taken and the motion passed.

j. Steam Expansion Joints III

On behalf of the Buildings and Grounds Committee, Mr. Hubbard moved to establish and fully fund this project with a budget of \$400,000 to be funded with Institutional Capital Project Funds. The University hereby declares its official intent, pursuant to federal regulations, to reimburse itself from the amounts of proceeds of the tax-exempt bond issue. The vote was taken and the motion passed.

k. Jones Physical Science Center Mechanical System Renovation

On behalf of the Buildings and Grounds Committee, Mr. Hubbard moved to establish and fully fund this project with a budget of \$975,000 to be funded with Institutional Capital Project Funds. The University hereby declares its official intent, pursuant to federal regulations, to reimburse itself from the amounts of proceeds of the tax-exempt bond issue. The vote was taken and the motion passed.

2. Project Budget Adjustments

a. West Energy Switchgear and Transformer Replacements

On behalf of the Buildings and Grounds Committee, Mr. Hubbard moved to increase the budget for this project by \$70,000 funded with Institutional Funds, resulting in a total project budget of \$420,000 funded with Institutional Funds. The University hereby declares its official intent, pursuant to federal regulations, to reimburse itself from the amounts of proceeds of the tax-exempt bond issue. The vote was taken and the motion passed.

b. Sumwalt College Instructional Lab Renovation

On behalf of the Buildings and Grounds Committee, Mr. Hubbard moved to increase the budget for this project by \$210,000 funded with Institutional Capital Project Funds, resulting in a total project budget of \$960,000 funded with Institutional Capital Project Funds. The University hereby declares its official intent, pursuant to federal regulations, to reimburse itself from the amounts of proceeds of the tax-exempt bond issue. The vote was taken and the motion passed.

3. Gift Naming Opportunities

On behalf of the Buildings and Grounds Committee, Mr. Hubbard moved approval of the Rex Enright Athletic Center Plaque language and the gift naming opportunities listed below. The vote was taken and the motion was passed.

a. Language for the Rex Enright Athletic Center Plaque

Mr. Hubbard said the language for this plaque was approved at the November 18, 2016, Buildings and Grounds Committee meeting with an amendment; the plaque will state:

“This round planter serves as a tribute to the Rex Enright Athletic Center, known to legions of Gamecock fans as the "Roundhouse." Built in 1956 just steps from this location, this iconic building served many different functions for the athletics department ranging from football locker rooms to coaching and administrative offices. The Roundhouse was the headquarters for the USC Department of Athletics until the summer of 2012 when the offices relocated to the new Rice Athletics Center. The Roundhouse was originally dedicated to Rex Enright who served the university for years in the dual role of head football coach (1938-1942, 1945-1956) and athletics director (1938-1960). The Roundhouse will always hold a special place in the heart of Gamecocks who came to know and love this unique building on Rosewood Drive.”

Mr. Hubbard said the plaque would be located on the side of the wall facing Rosewood Drive and will have the Athletics Village lettering to match the wall facing Heyward Street. The backside of that wall is intended to have the original and refinished “Rex Enright Athletic Center” letters and to have a plaque installed close by explaining the tie between those letters and the round shape of the planter.

b. Athletics

- i. “Betty Youmans Bench”
- ii. “Cyndi’s Porch”
- iii. “Miley Gate”

c. School of Information and Communications

- “Cindy Hammond Burriss Memorial Faculty Office”

d. University Libraries

- “The Thomas Family Alcove”

e. USC Sumter

- i. “SAFE Federal Credit Union Office”
- ii. “SAFE Federal Credit Union Office Suite”
- iii. “Sumter Coatings Research Lab”

B. Intercollegiate Athletics Committee, February 17, 2017
(The Honorable Mack I. Whittle Jr. reported)

Mr. Whittle said the Intercollegiate Athletics Committee met earlier in the day during which Athletics Director Ray Tanner began his presentation by noting the numerous academic successes of student-athletes. Most notable was the achievement of the 20th consecutive semester with a departmental

GPA of at least 3.0. In addition, for the Fall 2016 Semester, 62 student-athletes made the President's List with a 4.0 GPA; 395 student-athletes earned a GPA above 3.0; Women's Tennis achieved the highest team GPA at 3.738; and 30 football players made the 2016 Fall SEC Academic Honor Roll.

In the competition arena, Mr. Whittle said the Athletics Director reported that two coaches celebrated their 200th career victory: Head Men's Basketball Coach Frank Martin and Head Softball Coach Beverly Smith; while two other coaches celebrated their 200th Gamecock win: Head Women's Basketball Coach Dawn Staley and Head Women's Soccer Coach Shelley Smith.

The committee also learned that Carolina is the only Division I program to have both Men's and Women's Basketball teams average over 12,000 fans in attendance per game; with Women's Basketball ranking 1st nationally with an average attendance of 14,557 per game.

Trustee Whittle said Mr. Tanner reviewed the National Letter of Intent signing dates, along with the names of recruits from the State of South Carolina who have signed a letter of intent for an athletics scholarship to compete at USC. Other Athletics highlights presented by Mr. Tanner included the new NCAA Legislative Student-Athlete Time Demands; the Athletic Department's Social Media rankings; and a construction update on the new Football Operations Center.

C. Executive Committee, February 17, 2017
(The Honorable Hubert F. Mobley reported)

Earlier in the day, Presiding Chairman Mobley said the Executive Committee received a mid-year financial review from Chief Financial Officer Leslie Brunelli. Executive Committee members approved four geotechnical and material testing indefinite delivery contracts and four civil and surveying indefinite delivery contracts with the following companies: ECS Carolinas, LLP; F&ME; G2S Engineering; S&ME; AECOM; Chai & Associates, Inc.; Cox & Dinkins, Inc.; and WK Dickson. These contracts are the standard agreements approved by the State Engineer. During the two-year term of each contract, the maximum amount of work performed by any one company cannot exceed \$500,000. In addition, the Executive Committee recommended four items for approval by the full Board.

1. Board of Trustees Bylaws Amendment

Presiding Chairman Mobley said the Executive Committee approved an update to the language in Article X, Section 8 of the Board of Trustees Bylaws, titled "Appearance Before and Documents Presented to the Board." The new language states:

All individuals who wish to appear before and be heard by the Board and its committees must apply for permission to do so by submitting a written request to the Secretary of the Board. The

request must describe with reasonable particularity the issue to be addressed and must include any documentation to be disseminated to the Board. The Secretary shall forward any such request to the Executive Committee for consideration and recommendation to the Board. The Board shall determine by majority vote if the request to appear will be granted. Only requests to address matters within the subject matter jurisdiction of the Board will be considered.

If the Board approves a request for appearance, the Board shall, in its discretion, direct that the presentation be made either to the Board or to a standing committee of the Board. The Secretary shall notify the requesting party of the Board's decision.

There being no discussion, Presiding Chairman Mobley said the motion would lay on the table to be voted on at the next full Board meeting as required by the Bylaws.

2. Board of Trustees Member Expense Policy and Procedure

On behalf of the Executive Committee, Presiding Chairman Mobley moved approval of BTRU 1.16 Board of Trustees Member Expense Policy and Procedure. The vote was taken and the motion was approved. Chairman von Lehe thanked Trustee Smith and others who helped him develop this policy.

3. Elsevier, USC Libraries

On behalf of the Executive Committee, Presiding Chairman Mobley moved approval of a five-year subscription service agreement with Elsevier to provide online access to electronic journals across a host of academic disciplines at a total cost of \$9,838,246.89. The vote was taken and the motion was approved.

4. Caledonian College of Engineering, Sultanate of Oman

On behalf of the Executive Committee, Presiding Chairman Mobley moved approval of an Academic Collaboration Agreement with Caledonian College of Engineering, Sultanate of Oman, in which the University will provide assistance in the development and enhancement of accredited bachelor's and master's degree engineering programs. The University expects to receive \$2.85 million during the five-year term. The vote was taken and the motion was approved, with Mr. Cofield voting no.

IV. Report of the Alumni Association

Presiding Chairman Mobley said that Mr. Preston was unable to attend the meeting and had submitted a written report that was being distributed and which had also been placed on the Board Portal.

V. Report of the President

Presiding Chairman Mobley called on President Pastides who said that on Jan. 31 the University presented to the House Ways and Means' education committee a request for recurring funds and the University's strenuous support for a bond bill.

He thanked Trustees who attended that meeting at which legislators were told a new medical school was good for the University and future doctors of South Carolina but for taxpayers as well because the Dorn VA buildings were built in 1932 and will cost \$75 million to upfit; not a good deal for taxpayers. President Pastides said he was cautiously optimistic about the sentiment in the Legislature and with the Governor; although there were no guarantees.

On February 22, 2017, President Pastides said he and the presidents of the other two research universities will meet with the Senate Finance Higher Education Subcommittee at the request of Senator John Courson who wanted to know about regulatory relief and reform that the presidents would seek. The presentation will illustrate how the three universities work efficiently and effectively together and how the oversight provided by the boards of trustees of the research universities is adequate to provide assurances that taxpayers and constituents need.

Finally, President Pastides offered two brief notes about campuses outside of Columbia: On February 10, USC Beaufort held a groundbreaking at its new Hilton Head campus; while USC Upstate observed its 50th anniversary on February 16 with hundreds in attendance at a celebration held at the Piedmont Club. He noted that USC Upstate opened in 1967 as a two-year campus with 177 students and today the four-year campus enrolls 6,000 students.

VI. Other Matters

Presiding Chairman Mobley called for any other matters to come before the Board. Mr. Fennell reminded Trustees and Secretary Heath that updates were pending on several topics discussed in previous meetings, including social media, Title IX on campuses outside of Columbia, and security on system campuses. Mr. Whittle requested an update on the former Dunbar funeral home renovation.

VII. Adjournment

There being no other matters to come before the Board, Presiding Chairman Mobley declared the meeting adjourned at 3:15 p.m.

Respectfully submitted,

J. Cantey Heath, Jr.
Secretary