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University of South Carolina

BOARD OF TRUSTEES

August 7, 2009

The University of South Carolina Board of Trustees met on Friday, August 7, 2009, at 12:45 p.m. at the 1600 Hampton Street Board Room.

Members present were: Mr. Miles Loadholt, Chairman; Mr. Herbert C. Adams; Mr. Chuck Allen; Mr. Arthur S. Bahnmuller; Mr. J. Egerton Burroughs; Mr. Mark W. Buyck, Jr.; Dr. C. Edward Floyd; Mr. William C. Hubbard; Mr. William W. Jones, Jr.; Mr. Michael J. Mungo; Dr. James H. Rex; Mrs. Amy E. Stone; Mr. John C. von Lehe, Jr.; Mr. Eugene P. Warr, Jr.; Mr. Mack I. Whittle, Jr.; and Mr. Othniel H. Wienges, Jr.

Mr. James Bradley; Mr. Toney J. Lister; and Ms. Darla D. Moore were absent.

The faculty representative, Dr. Robert G. Best, and the student representative, Ms. Meredith Ross, were also present.

Others present were: President Harris Pastides; Secretary Thomas L. Stepp; Executive Vice President for Academic Affairs and Provost [Interim] and Vice President for Planning William T. Moore; Vice President for Information Technology and Chief Information Officer William F. Hogue; Vice President for Human Resources Jane M. Jameson; Associate Vice President for Development and Interim Vice President for Advancement Michelle D. Dodenhoff; Vice President for Student Affairs and Vice Provost for Academic Support Dennis A. Pruitt; General Counsel Walter (Terry) H. Parham; University Treasurer Susan D. Hanna; Special Assistant to the President J. Cantey Heath; Vice Provost and Executive Dean for System Affairs and Extended University Chris P. Plyler; Dean of USC Salkehatchie Ann Carmichael; Dean of USC Sumter C. Leslie Carpenter; Dean of USC Union Hugh C. Rowland; Dean of the College of Arts and Sciences Mary Anne Fitzpatrick; Dean of the College of Engineering and Computing Michael Amiridis; Dean of the School of Medicine Richard A. Hoppmann; Dean of the School of Music Tayloe Harding; Associate Vice President for Housing and Student Development and Assistant to the Vice Provost for Special Projects Gene Luna; Vice Provost for Academic Affairs and the Dean of Undergraduate Studies Helen I. Doerpinghaus; Vice Provost for Faculty Development Christine W. Curtis; Associate Vice Provost for Academic Resources Edward L. Walton; Director of the Alumni Association Marsha D. Cole; Director of Athletics Eric C. Hyman; Director of the Department of Internal Audit Alton McCoy; Deputy Athletics Director Marcy Girton; Chief Financial Officer, Department of Athletics, Jeff Tallant; Associate Vice President for Parking Derrick Huggins; Executive Assistant to the President for Equal Opportunity Programs Bobby Gist; Assistant Provost for Academic Programs Kristia H. Finnigan; Director of Ticketing Sales, Department of Athletics, Lance Grantham; Director of Periodicals, University Publications, Chris Horn; Associate Director of Governmental

Affairs and Legislative Liaison Casey Martin; Director of Media Relations, Division of University Advancement, Margaret Lamb; Media Relations Senior Writer, University Marketing and Communications, Karen Petit; Chaplain and Campus Minister St. Thomas More and Student Catholic Center Father Marcin Zahuta; University Technology Services Production Manager, Justin Johnson; SunGard Higher Education representatives Jim Brigadier, Bruce Bleiman, and Lynn Derrick; and Board staff members Terri Saxon, Vera Stone, and Karen Tweedy.

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, Father Marcin Zahuta, Chaplain and Campus Minister of the St. Thomas More Student Catholic Center, delivered the Invocation.

Chairman Loadholt stated that there were personnel matters relative to an appointment with tenure; an approval of two Vice President appointments; a recommendation for tenure and promotion; a revocation of a Professor Emerita Title; Board of Visitors appointments; and a contractual matter relative to a Gift Naming Opportunity, which were appropriate for discussion in Executive Session.

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

Chairman Loadholt invited the following persons to remain: President Pastides, Secretary Stepp, Dr. Moore, Dr. Pruitt, Mrs. Jameson, Dr. Hogue, Dr. Plyler, Mr. Parham, Ms. Dodenhoff, Dr. Amiridis, Mr. Heath, Mr. Walton, Mr. Hyman, Ms. Girton, Mrs. Martin, Ms. Lamb, Mrs. Saxon, Ms. Stone, and Ms. Tweedy.

Return to Open Session

I. APPROVAL OF MINUTES: The following six sets of minutes had been circulated by mail to the Board for review and were presented for approval:

- A. Intercollegiate Athletics Committee, June 11, 2009
- B. Fiscal Policy Committee, June 11, 2009
- C. Academic Affairs and Faculty Liaison Committee, June 11, 2009
- D. Executive Committee, June 11, 2009
- E. Executive Committee, June 26, 2009
- F. Board of Trustees, June 26, 2009

Since there were no additions, deletions or corrections to the minutes, they stood approved as distributed.

II. COMMITTEE REPORTS:

- A. Ad Hoc Committee on Development:  
(The Honorable Dr. C. Edward Floyd, reported)

The Ad Hoc Committee on Development met earlier today, and Michelle Dodenhoff reported the FY 2009 fundraising numbers.

The University raised \$107.5 million in FY 2009, an increase from FY 2008's \$106.2 million, making for another record breaking year. The \$107.5 million raised included \$37.7 million in pledges; \$33.4 million in cash; \$8 million in planned giving; \$13.7 million in gifts-in-kind; and \$14.7 million in research grants. Seventy percent of the donors gave one percent of the dollars. There were 13 donors of \$1,000,000 or more. Online giving had increased \$475,000 in FY 2009; an increase of 2,796 transactions from the prior year. First time donors increased in number by 811.

Mr. Mungo commented that the fundraising results were remarkable in light of the current economy.

Mr. Whittle asked how much of the \$44 million Moore School of Business donation was included in the \$107.5 million dollar total. Ms. Dodenhoff responded \$11 million.

- B. Executive Committee:  
(The Honorable Miles Loadholt, reported)

The Executive Committee met on July 29th and earlier today.

During the July 29th meeting, the Committee approved a standard charter flight agreement with Delta Charter Flight to transport the football team to the four away games during the 2009 season; and contracts with Ticketmaster and Paymentech, Inc. for an upgraded computerized ticketing system.

Earlier today, the Committee approved a contract with IAVO Research and Scientific to receive as a gift 400 copies of the GeoGenesis Bundle, an aerial and spatial imagery software product; an agreement between Charter Communications, LLC and USC Upstate for cable services to residence halls; and an agreement with Sybase, Inc. to donate software licenses with broad applications in the business environment, to the Moore School of Business.

1. Appointment with Tenure: The following request for an appointment with tenure was mailed with the meeting materials. It was presented to the Committee and to the Board in Executive Session without objection.

- Dr. Stephen Kresovich would be awarded tenure at the rank of Professor in the Department of Biological Sciences, College of Arts and Sciences.

Mr. von Lehe moved to approve this appointment with tenure as presented. Mr. Warr seconded the motion. The vote was taken and the motion carried.

2. Approval of Appointment of Vice President for Research and Graduate Education: Pursuant to Article III, Section 1 of the USC Board of Trustees Bylaws, the Committee approved the appointment of Dr. Stephen Kresovich as Vice President for Research and Graduate Education. The Committee recommended the appointment for Board action.

Mr. Burroughs moved to approve the appointment of Dr. Stephen Kresovich as Vice President for Research and Graduate Education. Mr. Hubbard seconded the motion. The vote was taken and the motion carried.

3. Approval of Appointment of Vice President for Academic Affairs and Provost: Pursuant to Article III, Section 1 of the USC Board of Trustees Bylaws, the Committee approved the appointment of Dr. Michael D. Amiridis as Vice President for Academic Affairs and Provost. The Committee recommended the appointment for Board action.

Mr. Mungo moved to approve the appointment of Dr. Michael D. Amiridis as Vice President for Academic Affairs and Provost. Mr. Adams seconded the motion.

Chairman Loadholt called on President Pastides, who recognized and congratulated Dr. Amiridis on his new position.

The vote was taken and the motion carried.

4. Election of Board of Visitors Members: In the Executive Session earlier today, Secretary Stepp presented the names of three individuals who had been nominated by Board of Trustees members to serve on the Board of Visitors. Dr. Floyd nominated William H. Porter; Mr. Hubbard and Mr. von Lehe nominated William H. Bowman III; and Mr. Adams nominated Steven Sorenson. Their names were also presented to the Board in Executive Session without objection.

Mr. von Lehe moved to approve these two nominations to the Board of Visitors as presented. Mr. Mungo seconded the motion. The vote was taken and the motion carried.

5. Tenure and Promotion Recommendation: Information about Vladimir Gudkov, who was recommended for promotion to professor, was mailed with this meeting's materials. The request received all appropriate academic and administrative approvals.

Mr. Allen moved to approve the promotion of Vladimir Gudkov to professor in the Department of Physics and Astronomy as presented. Mr. Adams seconded the motion. The vote was taken and the motion carried.

6. Revocation of Professor Emerita Title: As stated in the meeting materials, although the Board awarded Shevaun Watson the title Professor Emerita with her retirement August 15, 2009, she did not retire, but resigned. Therefore, the title

Professor Emerita should properly be revoked by the Board.

Mr. Bahnmuller moved to revoke the title Professor Emerita for Shevaun Watson as presented. Mr. Mungo seconded the motion. The vote was taken and the motion carried.

7. Amendment to University Mission Statement: The Board approved the University Mission statement at its meeting on June 26, 2009. The South Carolina Commission on Higher Education originally requested the addition of the word "public" in the first sentence of the second paragraph. A copy of that proposed revision was included in materials for this meeting. A second change was requested to remove a comma between the words "profound" and "relevance" in the first sentence of the third paragraph.

Mr. Buyck moved to approve the University Mission Statement with the two revisions as presented. Mrs. Stone seconded the motion. The vote was taken and the motion carried.

8. Gift Naming Opportunity: The Executive Committee approved the following naming, upon recommendation of the Gift Naming Opportunities Committee as provided by Article VII Section 2. of the Board Bylaws:

"The Ronald J. and Leanne W. Lordo Portico" of the  
USC Band/Dance Building

Mr. Adams moved to approve this gift naming opportunity as presented. Mr. von Lehe seconded the motion. The vote was taken and the motion carried.

### III. REPORT OF THE ALUMNI ASSOCIATION:

Chairman Loadholt called on Mrs. Stone, who provided the following report:

I am pleased to report today that our Freshman send-offs have been quite successful this year. I hope you will all take a few minutes to check out the lead story in Wednesday's Daily Gamecock. I'm going to pass it around, you can check it online, but was also going to give you the opportunity to take a look today. This article highlights the send-off we recently did in Greenville.

President Pastides will be in Philadelphia on Sunday when Kevin Lahn, one of our loyal alums in that area, will be hosting students and their parents in his area of the country.

Alumni groups in 13 cities have hosted send-offs this year, and I think you will see that we are getting some incredibly impressive freshmen coming in this year.

Last night we had a great crowd at Seawell's for our Fall Sports Preview Party featuring Coach Spurrier. This has become a significant tradition that not only gives the most current look at our upcoming football season, but also it's a great time to highlight some of the other sports programs that certainly deserve our recognition.

Hard to believe but Homecoming is less than three months away, so mark your calendars. Our gala will be on Friday evening, October 23<sup>rd</sup>, and the Game Day Tailgate pregame party will be on the 24<sup>th</sup> before the Vanderbilt Game. Award winners on Friday evening will be recognized and they include our own William Hubbard and again congratulations to William, he will receive the Distinguished Alumni Award.

Other receiving awards will be Dr. Jerry Odom, who will be awarded an Honorary Life Membership in the Alumni Association; Sister Carol Ann Keehan, the Algernon Sydney Sullivan Award; Sara

Waldrip Armstrong, the Outstanding Young Alumni Award; and Taj Troy, the Outstanding Black Alumni Award. So I encourage you to be there to help us congratulate all of these well deserving recipients of these awards.

Special reunions will be held that weekend as well for two of our esteemed football teams and I'm hoping Coach Spurrier will help us get a third esteemed football team that we can add to this list pretty quickly, but the ACC Championship Team of 1969 will be celebrating 40 years; and the 1984 Black Magic Team, 25 years.

The Council of Alumni Societies met this week and that went very, very well. This is a time when our Deans and alumni representatives from the different colleges get together to share ideas and to discuss ways to coordinate and communicate better with our alumni.

The Alumni Board of Governors will hold its Fall meeting on the weekend of the Florida Atlantic game and we will be welcoming several new members.

Our Alumni Club in Knoxville is looking forward to hosting football fans at the Tennessee game again this year. There will be a boat cruise on Friday evening and a pre-game tailgate party on Saturday, October 31<sup>st</sup>. Details of that weekend's events are on our website, [www.mycarolina.org](http://www.mycarolina.org).

We have a lot going on as you can see and we look forward to a successful and active year and I thank you for the opportunity to present this report on behalf of the Carolina Alumni Association.

#### IV. REPORT OF THE PRESIDENT:

Greetings Mr. Loadholt and members of the Board. I begin by giving you a full update on *Innovista* and laying out plans going forward.

I start with a statement of principle: The University's strategic vision, and its strategic plan, *Focus Carolina*, direct us to three higher order goals. The first, to provide a high quality education for more and more South Carolinians. This is what the State needs most. Second, to pursue discovery through research and the creative work of our faculty in order to enhance our university's impact nationally and worldwide. And third, to be of major benefit to South Carolina's welfare, and especially its economic progress.

*Innovista* remains a bedrock strategy for stimulating economic development. *Innovista* is about creating knowledge, jobs and investment. *Innovista* happens by partnering with our city, county and state government, with the local business community, and with other private partners.

Three university research buildings, the ASPH Research Center, *Horizon I*, and *Discovery I*, have been built.

The magnificent and fully occupied Public Health Research Center is teeming with *Innovista* activity. Millions of dollars of research investment have been received by the scientists working there and it's a major reason for our steady rise in sponsored grants and for hiring scientists and technical assistants without state funding. There are also two parking garages in *Innovista* and, as you know, without that vital infrastructure, growth could not occur.

In *Horizon I*, construction will be finished in November for Professor Brian Benicewicz, who will move his 13-member research group into the second-floor laboratory and office space. A new chemistry professor, Chuanbing Tang, and his research group will join Benicewicz in *Horizon I* as part of the Center of Economic Excellence in Polymer Nanocomposites.

Professor Ken Reifsnider's third floor lab space for Solid Oxide Fuel Cells will be finished in December. He is the principal investigator for a \$12.5 million grant from the Department of Energy, one of the largest awards in the

university's history. He is the state's only active member of the National Academy of Engineering and would not have come to South Carolina without his CoEE program and without *Innovista*. His team will be advancing the hydrogen and fuel cell breakthroughs that could make Columbia a hub of future fuel activity in the years to come. Ken and Brian have relationships with numerous corporations around the world and they too, those corporations, will be interested in *Innovista*.

Other areas being programmed for *Horizon I* include IdeaLab, funded by a \$1 million grant from the Economic Development Administration.

*Discovery I* houses the University's Cancer Prevention and Control Program and it is also generating millions in research applications. We are holding off on additional fit-up of that building until we learn of the outcome of a competitive NIH grant requesting \$18 million. And, we'll know about that in November. This funding will fit up the rest of *Discovery I*.

Reports that these buildings lie empty are simply incorrect. Let me add that it remains a strategic priority to allow some space in both of these buildings to remain flexible and available so we can continue to recruit outstanding faculty, including additional endowed chairs. Once these buildings fill up, there will be very little room to grow our vanguard programs within our university's current facilities.

The private sector building known as *Horizon II* has had well-known false starts and continues to attract media attention that overshadows the positive developments I've just described. Certainly the rapidly declining economy during the course of the project is partially responsible for why two developers could not finance that project, but I will not allow that as an excuse.

We are at a turning point. In plain English, we are now engaging in more systematic capital planning that is linked with our basic, irrevocable mission and goals. Our Capital Planning Committee will move forward, quickly, to develop partnership plans for a private *Innovista* building. We need a fresh assessment in light of what we have learned in the past few years and, yes, in light of the economic climate that is expected to prevail for a while. Wherever possible we will work with our great allies in the University's Foundations and with the local development community.

The plans for advancing *Innovista* will be consistent with the long-range vision of *Innovista*; it will serve the mission of the University and the economy of the region. And a plan will be presented to you by the end of September.

We have completed arrangements to move the new Darla Moore School of Business, another major piece of *Innovista*, to this area of Columbia. When *Innovista* was first conceived, we couldn't have dreamt that one of our university's most stellar programs already impacting state economic activity would also be provided the opportunity to more directly impact economic development in *Innovista*. The associated move of the Department of Justice's 250 high paying jobs to Columbia is a win for all.

On other matters, it is already August 7th, the Gamecock football team is practicing, and the reports are good. For sure, our athletes are winners in the classroom. Did you know that Carolina had the largest number of student-athletes named to the Southeastern Conference Spring Academic Honor Roll, and the largest number in the SEC Freshman Academic Honor Roll? Winning in the classroom and on the field is what we want even more of.

Let me give you a brief review of some other selected, recent high points.

You'll be pleased to know that our applications set a record both at Columbia and for the system - over 24,000, up by approximately 6 percent. The size of the freshman class in Columbia appears to be on par with last year. For economic reasons, students took longer to make a final commitment and some elected to enroll in a bridge program, choosing to come to

Gamecock country as sophomores, rather than as freshmen.

Sustainability - Our University earned a 95 out of 99 total possible points in *The Princeton Review's* second annual Green Rating. This rating evaluates colleges and universities on their environmentally related policies, practices and curricular offerings.

On the international front I'm pleased to report that this year we will welcome a record number of new Fulbright international students to campus. Our incoming group of 8 from Europe, Africa, and Asia is the highest number of Fulbrighters ever placed at the University of South Carolina; and that indicates that Carolina is an increasingly important and attractive destination for the most capable students from around the world.

Next week we are opening our new Honors Residence building; and I hope many of you can take the tour with me after this meeting. It will have 537 beds, many common areas and classrooms, and a dining hall. It is built to LEED's Gold standards and may just be the most exciting residential living and learning facility in America.

Let me close by juxtaposing two recent realities. The first is most unfortunate and sobering. State revenues are down again and we will likely be notified on August 13<sup>th</sup> that there will be another cut to our budget of approximately 4 percent. The stock market may be turning and there is more "Cash for Clunkers," but a robust return for our State's economy is not yet within our grasp.

Of course, we will cope. We're experienced with that now, having coped with a 25 percent reduction last year alone. We will also advance; we will advance because we are Advancing Carolina, the core specific strategic planning agenda spawned by *Focus Carolina*. We do have stimulus funding at the ready, and that is a life saver; but even more importantly, our Carolina family is ready.

Members of our Board of Trustees, please know that our faculty has learned to do more with less and will be at the core of our advance. Our newly recruited Vice President for Research and Graduate Education, Stephen Kresovich, the current vice provost for life sciences at Cornell University, said as much in identifying his reasons for leaving Cornell for South Carolina, even in this economy. On Monday, we will report another record year of research funding.

Equally important, is the report provided by Michelle Dodenhoff earlier today indicating a stunning vote of confidence in our future at a time when the economy of giving could not be worse. The challenge offered by Darla Moore was akin to a gauntlet being thrown down, and it was picked up by thousands of people. Records were set for the category of faculty, staff and retiree giving, a record was set for online giving, and a record was set for first time donors. All of these supporters demonstrated that they'll do whatever they can to advance Carolina.

"Whatever you can do" is exactly what I ask our friends and donors whenever I am with them. I publicly acknowledge them here and also you, the Board, for your stalwart guidance.

That is my report.

Chairman Loadholt stated that the report was received as information and called for any questions. Mr. von Lehe asked about Fall freshman enrollment numbers. President Pastides stated that based on the number of acceptance letters issued, they had expected a larger class. He said that Dr. Pruitt had explained that there was "compression" in the Fall freshman class in that some students who might have gone to a private or more expensive university chose Carolina; and students of lesser economic means who had been

accepted to USC, chose the University's Bridge program instead, meaning that they are required to complete 30 credits at a local or technical college, then transfer to USC at the start of their sophomore year.

Mr. Buyck asked if there was anything that could be done to be "aggressive" for second semester freshmen enrollment. Dr. Pruitt responded that they had been very aggressive with second semester students. This past year was very unusual, in that almost every college in the country went to their wait list. Across the country institutions admitted more students than they had in the past. USC admitted students that would normally have a delayed entry of Spring 2010, for the Fall 2009 semester. That meant that the second semester freshman class would be smaller.

Dr. Pruitt noted that as many as 30 percent of students nationwide had "double deposited" to universities, which created a "cone of uncertainty" on the specific enrollment numbers until after the August 15<sup>th</sup> deadline. He added that according to experts they should expect a "sticker shock melt" in that once students received their bills they would have difficulty paying them and would have to make a decision whether to attend college, to delay enrollment, or to attend a less expensive institution.

Dr. Pruitt stated that he would provide a full report, at the Board's Academic Affairs and Faculty Liaison Committee meeting in September, on the University's enrollment numbers and the economic factors and indicators which affected those numbers.

V. ELECTION OF VICE CHAIRMAN:

Chairman Loadholt recognized Mr. Mungo who nominated Mr. Warr as Vice Chairman. Mr. Jones seconded the nomination and moved that nominations be closed. There were no objections to close the nominations. Mr. Warr was elected as Vice Chairman by acclamation. The Board congratulated Mr. Warr.

VI. OTHER MATTERS:

A. Bob Best Certificate of Appreciation: Chairman Loadholt asked Dr. Best 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.

Dr. Best thanked everyone for their support in his role of Chair of the Faculty Senate. He said it had been a "huge privilege" that had provided him the opportunity to learn about the workings of the University, and that he had come to understand and respect the work of the Board, the administration, and the faculty.

B. Chairman Loadholt stated that several Board members had suggested that the Board congratulate Coach Lou Holtz on his election into the National Football Foundation's College Hall of Fame on July 18th. Therefore he called for a motion to direct the Secretary to prepare a proper document and assure its delivery to Coach Holtz.

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

C. Chairman Loadholt called for any other matters to come before the Board. Dr. Floyd stated that he understood at the last meeting, that the Board would receive a report from the Athletics Department about the Gamecock Club. Mr. Hyman responded that that his team had done some research per Dr. Floyd's request, and that currently: Football budgeted revenues were down \$1,920,000 but they still expected to make budget; Gamecock Club contributions were down \$870,000 from last year; the current YES donations had increased to \$6,600,000 since his last report to the Board. He clarified that they were still selling football tickets and anticipated the revenues would continue to increase. Also, there were 2,000 new Gamecock Club members since last year.

Mr. Hubbard asked for confirmation that so far this year there was a \$3.8 million net in new revenue. Mr. Hyman responded yes, but reiterated that they anticipated that revenue number to increase.

Board members continued to question Mr. Hyman and Mr. Tallant regarding the 2009 football season ticket sales, in light of the implementation of the YES Program, and the current state of the economy.

Following more discussion of Athletics, Chairman Loadholt called for any other matters to come before the Board of Trustees.

Mr. Stepp announced that Dr. Luna was available to take the Board on a guided tour of the new Honors College Residence Hall following the meeting.

VII. ADJOURNMENT:

Chairman Loadholt declared the meeting adjourned at 1:45 p.m.

Respectfully submitted,

Thomas L. Stepp

Secretary