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University of South Carolina

BOARD OF TRUSTEES

Executive Committee

August 7, 2009

The Executive Committee of the University of South Carolina Board of Trustees met on Friday, August 7, 2009, at 11:30 a.m. in the 1600 Hampton Street Board Room.

Members present were: Mr. Miles Loadholt, Chairman; Mr. Herbert C. Adams; Dr. C. Edward Floyd; and Mr. Michael J. Mungo. Mr. James Bradley was absent.

Other Trustees present were: Mr. Chuck Allen; Mr. Arthur S. Bahnmuller; Mr. J. Egerton Burroughs; Mr. Mark W. Buyck, Jr.; Mr. William C. Hubbard; Mr. William W. Jones, Jr.; Mrs. Amy E. Stone; Mr. John C. von Lehe, Jr.; Mr. Eugene P. Warr, Jr.; and Mr. Mack I. Whittle, Jr.

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 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; Associate Vice President for Development and Interim Vice President for Advancement Michelle D. Dodenhoff; 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 Sumter C. Leslie Carpenter; Dean of USC Union Hugh C. Rowland; Dean of the College of Engineering and Computing Michael Amiridis; 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; Assistant Provost for Academic Programs Kristia H. Finnigan; 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; Director of Ticketing Sales, Department of Athletics, Lance Grantham; Associate Director of Governmental Affairs and Legislative Liaison Casey Martin; Director of Media Relations, Division of University Advancement, Margaret Lamb; 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 asked Ms. Lamb to introduce members of the media who were in attendance. Chairman Loadholt 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 members of the Committee; and a quorum was present to conduct business.

Chairman Loadholt stated there were personnel matters relative to an appointment with tenure; 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. Dr. Floyd moved to enter Executive Session and Mr. Adams 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, Mrs. Jameson, Dr. Pruitt, Dr. Hogue, Dr. Plyler, Ms. Dodenhoff, Mr. Parham, Mr. Heath, Dr. Amiridis, Mr. Hyman, Ms. Girton, Mr. Walton, Mrs. Martin, Mrs. Lamb, Mrs. Saxon, Ms. Stone, and Ms. Tweedy.

Return to Open Session

I. Contracts in Excess of \$250,000:

Chairman Loadholt called on Mr. Parham to report on the three contracts.

A. IAVO Research and Scientific: This contract was for a gift valued at \$12,236,400 from IAVO Research and Scientific, an engineering and software development firm. The CEO of IAVO, Matthew Heric, was a USC graduate. His gift resulted from him being touched by a blanket e-mail to alumni from President Pastides.

The gift consisted of 400 copies of the GeoGenesis Bundle, an aerial and spatial imagery software product including free maintenance and upgrades of the software for five years. The software would be shared by the Darla Moore School of Business; the College of Arts and Sciences; and USC Aiken, USC Sumter, and USC Upstate researchers. Also included was free training on the software on the Columbia campus.

Mr. Parham noted that the University did not incur any expense related to the receipt of this gift.

Mr. Whittle asked who valued the gift. Mr. Parham explained that it was based on what it would cost for a company to purchase the package.

Mr. Mungo moved to approve the contract as described in the meeting materials. Mr. Adams seconded the motion.

Mr. Hubbard questioned whether the \$12 million gift was the same one Ms. Dodenhoff had referred to in the Ad Hoc Committee on Development earlier in the day. She responded yes, but explained that in her earlier presentation she had noted the value of the total gift, although the University would only "book" the actual value of the 400 copies of the software at \$6,798,000 and not the maintenance, since maintenance was not considered a "charitable contribution, according to CASE guidelines."

Mrs. Stone asked what the University's obligations were in relation to the contract at the end of the five years, and Mr. Parham responded none.

The vote was taken, and the motion carried.

B. Gamecock Cable Television System: The Contract with Charter Communications, Inc. would provide cable television services to students residing in the three residence halls on campus: Palmetto Villas, Palmetto House, and the newest residence hall, Magnolia House, which was scheduled to open Fall 2009.

Charter Communications was the only cable service provider in the area and had provided cable service to USC Upstate residence halls for the past six years.

The term of the new contract was five years beginning August 12, 2009. USC Upstate would pay Charter \$56,070.96 per year, which represented a fee of \$7.37 per month for each of the 634 housing connections called "drops." This represented a savings of approximately \$4,000 per year over the amount (\$60,000) paid last year. USC Upstate would also pay a one-time installation fee of \$8,589 (to provide cable connectivity to the new residence hall). The total amount to be paid by USC Upstate over the term of the contract was \$288,943.80.

USC Upstate would recoup the cost of this cable service by including the fee in the residence hall room rate students paid.

In exchange for the fees, Charter Communications would provide access to local stations, news stations such as CNN, CNBC, MSNBC and Fox News, sports channels such as ESPN, ESPN2, and the Golf Channel, movie channels such as HBO, American Movie Classics, the History and the Discovery Channels, music channels such as MTV and VH1, and other stations.

As part of this contract, USC Upstate negotiated and received access to a channel that would broadcast campus information and news about events provided by USC Upstate.

Mr. Mungo moved to approve the contract as described in the meeting materials. Mr. Adams seconded the motion. The vote was taken, and the motion carried.

C. Sybase, Inc.: The License Agreement was with Sybase, Inc. under which Sybase would donate software licenses with broad applications in the business environment to the Moore School of Business. The value was \$1.66 million, the cost a company would have to pay to acquire the software. Sybase did not give educational discounts.

The software would be used to provide faculty and students with exposure to current technologies with application in the "real world" business environment. Initially, the software would be used in three accounting courses during the 2009-10 academic year to train students to provide sophisticated data analysis.

If the feedback from students and faculty about the software was positive, the Darla Moore School of Business would convene a multi-disciplinary group of faculty on campus to discuss and determine if the software had application for students in other academic areas (e.g., risk and insurance, banking, human resources management, information systems management, engineering, education.)

The initial term of the agreement was one year, but the agreement could be extended for up to three successive one year periods.

Sybase, Inc. was an enterprise software and services company headquartered in Dublin, California, and an industry leader in business intelligence (BI) software. It provided technology services to data-intensive industries in finance and telecommunications. Its primary partner was IBM.

Secretary Stepp stated that since the meeting material had been mailed he had received a letter from Moore School of Business Dean Hildy Teegan, in which she explained the importance of this request.

Mr. Adams moved to approve the contract as described in the meeting materials. Dr. Floyd seconded the motion. The vote was taken, and the motion carried.

II. Election of Board of Visitors Members:

Chairman Loadholt called on Secretary Stepp who stated that there were three nominations to the Board of Visitors: Dr. Floyd nominated William Haigh Porter; several Board members nominated Mr. William H. (Bo) Bowman III as an in-state at large member, and Mr. Steven Sorenson as an out-of-state at large member.

Mr. Adams moved to approve the nominations as presented. Mr. Mungo seconded the motion. The vote was taken, and the motion carried.

III. Amendment to University Mission Statement:

Chairman Loadholt called on Dr. Moore, who explained that the Board had 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 second change was requested to remove a comma between the words "profound" and "relevance" in the first sentence of the third paragraph.

Mr. Mungo moved to approve the University Mission Statement with the two revisions as presented. Mr. Adams seconded the motion. The vote was taken, and the motion carried.

IV. Gift Naming Opportunity:

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

Mr. Adams moved to approve the gift naming opportunity as described in the meeting materials. Mr. Mungo seconded the motion. The vote was taken, and the motion carried.

Chairman Loadholt called for any other matters to come before the Committee. Since there were no other matters to come before the Executive Committee, Chairman Loadholt declared the meeting adjourned at 12:15 p.m.

Respectfully submitted,

Thomas L. Stepp
Secretary