

University of South Carolina

BOARD OF TRUSTEES

Ad Hoc Advisory Committee on Governance

May 13, 2020

The Ad Hoc Advisory Committee on Governance of the University of South Carolina Board of Trustees met in a called meeting at 2:00 p.m. on Wednesday, May 13, 2020, by telephone conference, hosted from Room 206-B of the Osborne Administration Building.

Committee members participating by telephone were: Dr. C. Dorn Smith III, Chair; Mr. William C. Hubbard; Ms. Leah B. Moody; Mr. Eugene P. Warr Jr.; Mr. Mack I. Whittle Jr.; Mr. John C. von Lehe Jr., Board Chair; and Mr. Hubert F. Mobley, Board Vice Chair. Also participating by telephone was Board of Trustees Special Advisor David Seaton.

Other Trustees participating by telephone were: Mr. C. Dan Adams; Mr. Chuck Allen; Mr. A. King Dixon II; Mr. Robert F. Dozier, Jr.; Mr. Richard A. Jones; Mr. Toney J. Lister; Mr. Miles Loadholt; Ms. Rose Buyck Newton; Mr. Thad H. Westbrook; and Mr. Charles Williams.

Also participating by telephone were USC Columbia Faculty Senate Chair Mark Cooper, USC Columbia Student Government President Issy Rushton, and Board of Trustees Governance Consultant Cameron Howell.

Others participating in person were: President Robert L. Caslen Jr.; Secretary J. Cantey Heath Jr.; Interim Chief Communications Officer and Director of Public Relations Jeff Stensland; and Board staff member Ms. Delphine Bigony.

Others participating by telephone were: General Counsel Walter “Terry” H. Parham; Interim Executive Vice President for Academic Affairs and Provost Tayloe Harding; Chief Financial Officer Ed Walton; Vice President for Human Resources Ms. Caroline Agardy; Vice President for Research Prakash Nagarkatti; Athletics Director Ray Tanner; USC Aiken Chancellor Sandra Jordan; USC Beaufort Chancellor Al Panu; Palmetto College Chancellor Susan Elkins; Interim USC Upstate Chancellor Derham Cole; Interim Chief Development Officer William Elliott; Executive Director of Economic Engagement William D. Kirkland; Chief Audit Executive Pamela Dunleavy; Director of Institutional Effectiveness and Accreditation Donald Miles; Director of Executive Communications Sally McKay; Executive Assistant to the President for Equal Opportunity Programs Cliff Scott; Special Assistant to the President James Smith;

Assistant to the President for System Affairs Eddie King; Interim Chief Diversity Officer and Vice Provost for Inclusion Tracey Weldon; and Presidential Fellow Susan Bon.

OPEN SESSION

I. Call to Order

Chair Smith called the meeting to order and welcomed everyone. Secretary Heath confirmed participants on the telephone. Mr. Stensland introduced members of the media: Lucas Daprile with *The State* and Jack Bingham with the *Daily Gamecock*.

Chair Smith said notice of the meeting and agenda had been posted and press notified as required by the Freedom of Information Act; the agenda and supporting materials had been provided to the committee; and a quorum was present to conduct business.

MOTION FOR EXECUTIVE SESSION

Chair Smith said there is a contractual matter related to the Scope of Work documents appropriate for discussion in Executive Session. He called for a motion to enter Executive Session and noted there would be no action taken. Ms. Moody so moved, and Mr. Warr seconded the motion. The vote was taken, and the motion carried.

The following were invited to remain: Trustees, President Caslen, Secretary Heath, Ms. Dunleavy, Mr. Seaton, Dr. Howell, Mr. Miles, Chancellor Jordan, Dr. Cooper, Ms. Rushton, and members of the President's Cabinet.

Executive Session Removed

Return to Open Session

II. Discussion Topics

Chair Smith called on Dr. Howell for an overview of the discussion topics.

A. Revisiting Purpose and Goals

Dr. Howell reiterated the Committee's purpose and goals are to assess and revise, as appropriate, governance policies and practices of the University's Board of Trustees, and to propose a plan for assessment and potential revision. One of the goals is for the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) to remove the University from monitoring status.

However, because the nature of the work that needs to be accomplished does track with the calendar, there is a possibility the University could remain on monitoring status into the next calendar year. Therefore, it

is important to document the University's adherence to SACSCOC compliance criteria and Board of Trustees engagement in active self-assessment and continual improvement in the September 8, 2020, monitoring report to SACSCOC. Dr. Smith said his goal is to have all monitoring removed; however, it is important to note remaining on monitoring status should not be viewed as a setback given the disruption of operations in higher education related to the Coronavirus over the past four months.

Dr. Howell introduced the University's Director of Institutional Effectiveness and Accreditation as well as the University's SACSCOC liaison, Mr. Donald Miles, stating he is responsible for all SACSCOC matters for USC Columbia and for the four Palmetto College campuses. Mr. Miles provided a brief overview of the USC and SACSCOC engagement.

B. USC and SACSCOC Engagement

Mr. Miles advised that universities within the southern region provide a reaffirmation of accreditation in what is referred to as the SACSCOC Report every 10 years. He noted the University is in the process of preparing the SACSCOC report for its 10-year review. Since there are other regional accrediting bodies around the country that typically review their institutions every seven years, the Department of Education requested of SACSCOC a more frequent review. As a result, SACSCOC implemented a six-year interim report requirement several years ago; the University provided SACSCOC with an interim report in 2016. The 10-year Reaffirmation of Accreditation is a three-part review by SACSCOC: 1) an off-site reaffirmation review, 2) an on-site reaffirmation review, and 3) a review by the SACSCOC Board of Trustees. The SACSCOC Report consists of 1) a Compliance Certification, which is submitted 15 months in advance of an institution's scheduled reaffirmation, and 2) a Quality Enhancement Plan (QEP), which is submitted six weeks in advance of the On-Site Reaffirmation Review Committee visit. The Compliance Certification demonstrates the institution's judgment of the extent of its compliance with each of the 14 core requirements and standards identified by SACSCOC.

In preparation for the upcoming Reaffirmation of Accreditation, SACSCOC along with the University's Institutional Effectiveness Executive Committee, and QEP Leadership Team will participate in an Advisory Visit; November 19-20, 2020. Our SACSCOC Vice-President, Dr. Linda Thomas-Glover will meet with USC representatives to explore issues, questions, and topics of interest relating to the reaffirmation process, interpretation of standards and clarifications of SACSCOC's policies and practices. The Advisory Visit may also include engaging discussion of the QEP and providing guidance in the continued development of this plan. The Advisory Visit serves as an important milestone as the USC

community continues the reaffirmation review process in preparation for the SACSCOC focused report, which will culminate with the SACSCOC On-Site Team visit in March of 2021.

With respect to the SACSCOC monitoring report due on September 8, 2020, SACSCOC asked the University of South Carolina to address two standards related to CEO evaluation/selection and external influence. Mr. Miles noted the reason for their request was not to question the logic behind the Board's selection of our current CEO, but to ensure there are institutional practices, policies and procedures in place for future evaluation/selection of a CEO that would protect the University as an institution in the event there are any issues related to external influence. The internal deadline for completing the SACSCOC monitoring report is August 28. A SACSCOC Special Committee visit by three team members will occur October 7 and 8 and their focus will be on the University's response to the two standards. The review by the SACSCOC Board of Trustees will occur December 5 – 8, 2020, at which time they will make a determination, based on the University's response, as to whether or not they feel the University has adequately addressed the issues and can be removed from the SACSCOC monitoring report.

Mr. Miles reviewed the seven proposed action steps for CEO evaluation/selection and noted one of the proposed action steps with respect to establishing a BOT Governance Committee had been completed. He then reviewed the 11 proposed action steps with respect to external influence and noted that four of the action steps have been completed.

Chair Smith called on Chancellor Jordan for comments as a long-time SACSCOC volunteer where she served on special committees, reviewed a number of monitoring reports, served eight years on the Compliance & Reports Committee (C&R Committee), served eight years on the board, served six additional years on the executive committee, and chaired the committee that rewrote all standards. Chancellor Jordan said SACSCOC is not looking to disconnect institutions from their accreditation; it works with institutions in adopting a non-emotional approach to continuous improvement. She noted the standards are not only standards for SACSCOC, they are often Federal standards promulgated by the Department of Education. The C&R Committee that issued the monitoring report requested additional information related to the two standards such as what are the University's related policies, are they reasonable, were they followed, and are there new policies or changes to be put in place? In creating an assurance that the issues do not reoccur, the University would want to ensure it has clear charges to search committees, that policies are reviewed on a calendar cycle, and board education is enhanced to prevent future violation of policies. Responses to the monitoring report would be sent to the University's

SACSCOC liaison Dr. Linda Thomas-Glover. She and the C&R Committee would review the report and determine if they can accept the report as is or request another monitoring report after enough time has elapsed to cycle in new policies and procedures. The worst-case scenario would be a sanction, which could postpone the 10-year reaffirmation due to timing issues. Chancellor Jordan said the University is well on its way to addressing the issues and making clear future steps; therefore, she believes a sanction is not likely.

President Caslen expressed his appreciation to Mr. Miles and Dr. Jordan for their assistance and to the Committee for its work. He expressed his commitment and support to ensuring that the issues outlined in the SACSCOC monitoring report fully address the issues. Chair Smith expressed his appreciation to Mr. Miles and Dr. Jordan for their invaluable assistance as well. He asked for discussion, and Mr. von Lehe questioned whether the new policies to protect the University from undue influence needed to specifically reference election of a president. Chair Smith said that would be addressed through bylaws revisions.

C. Proposed Agenda for May 27 Committee Meeting

Chair Smith said the May 27, 2020 meeting of the Ad Hoc Advisory Committee on Governance will be an in-person workshop limited to Committee members, President Caslen, Mr. Parham, Dr. Howell, and Mr. Heath. During the workshop, the Committee will work to develop new committee structures that will be submitted to the Board for consideration at its June 19, 2020, meeting.

Chair Smith said the Committee plans to proceed with developing future continuing education sessions and recommended a fiduciary topic and a governance topic. President Caslen and Chairman von Lehe recommend extending an invitation to Dr. Belle Wheelan, SACSCOC President to address the topics of SACSCOC and governance at the June 19 Board meeting. President Caslen said he would be happy to extend an invitation to Dr. Wheelan on behalf of the Board.

Chair Smith invited Dr. Howell to speak to additional educational speakers, particularly those with experience in addressing fiduciary responsibilities. Dr. Howell said there is a need to develop a full continuing education curriculum and proposed that in addition to Dr. Wheelan addressing SACSCOC and governance in June, that the August Board meeting include an educational session dedicated to the topic of the Board's fiduciary role. He is developing a short list of potential speakers to address this topic and will work with Chair Smith in soliciting speaker recommendations from the Board. Two very respected individuals he would like to consider are Dr. Dick Chait, a retired faculty member at Harvard who specializes in university governance and Dr. Peter Eckel, an expert on higher education management governance at the University of Pennsylvania who writes and speaks broadly about governance topics.

Chair Smith said his goal is to engage dynamic speakers who can help the Board develop policies and procedures necessary to move forward.

III. Adjournment

As there were no other matters to come before the committee, Chair Smith declared the meeting adjourned at 2:55 p.m.

Respectfully submitted,

J. Cantey Heath, Jr.
Secretary