

4.1.b

Governing Board: Exercises Fiduciary Oversight

The institution has a governing board of at least five members that:

- b. exercises fiduciary oversight of the institution.

Judgment

Compliant Non-Compliant Not Applicable

Narrative

The [Board of Trustees](#) of the University of South Carolina consists of twenty [members](#) and is chaired by John C. von Lehe Jr., who was elected Chairman of the Board of Trustees in August 2018 ([University of South Carolina Board of Trustees Minutes, August 17, 2018, Page 10, Item VII](#)). The Board has the authority granted to it as a governing board by [Section 59-117-40\(5\)](#) of the South Carolina Code of Laws, including the power to appoint a Chairman of the Board of Trustees.

Composition of Board

The composition of the Board is defined in [Article II, Section 1](#), of the Board of Trustees' Bylaws which states as follows:

Pursuant to [Section 59-117-10](#) of the South Carolina Code of Laws (1976) as amended, the Board of the University of South Carolina shall be composed of the Governor of this State (or the Governor's designee), the State Superintendent of Education, and the President of the Greater University of South Carolina Alumni Association, which three members shall be ex officio members of the Board, and seventeen other members, including one from each of the sixteen judicial circuits, elected by the general vote of the General Assembly as hereinafter provided, and one at-large member appointed by the Governor. The Governor shall make the appointment based on merit regardless of race, color, creed or gender and shall strive to assure that the membership of the Board is representative of all citizens of the State of South Carolina.

Board Authority and Responsibilities

The final authority and responsibility for the governance of the University of South Carolina is vested in its Board of Trustees ("Board") in accordance with the statutes of the State of South Carolina. [Sections 59-101-185](#) and [59-117-40](#) of the South Carolina Code of Laws as well as the Board of Trustees Bylaws and Board Policy [BTRU 1.00 Statutory Basis of the University](#) clearly delineate the powers and responsibilities of the University of South Carolina Board of Trustees. These responsibilities as stated in the Board Bylaws include:

1. Elect a President of the University to serve at the will of the Board or for such term and compensation as the Board may prescribe;
2. Elect a Secretary of the University and of the Board to serve at the will of the Board or for such term and compensation as the Board may prescribe;
3. Elect a Treasurer of the University to serve at the will of the Board or for such term and compensation as the Board may prescribe;
4. Establish policies and goals of the University and direct the President to implement and achieve those policies and goals;
5. Review and approve academic plans, including new programs and new units, and major modifications or deletions in existing programs and units;
6. Approve, upon recommendation of faculties and the President, the earned degrees awarded;
7. Designate academic chairs and professorships, award and revoke honorary degrees and name buildings or major portions thereof, other structures, outdoor spaces, streets and geographic areas;

8. Levy fees and charges and examine from time to time admissions policies as established by the faculties and the administration;
9. Review and approve requests for appropriations;
10. Review and approve annual budgets and budget changes;
11. Approve gifts where restrictions are indicated, designate the use of unrestricted gifts, and approve and designate the use of testamentary gifts;
12. Approve all loans, borrowing, and issuance of bonds;
13. Approve appointments and salaries of principal officials which shall be defined as those persons elected by the Board as provided in Paragraphs 1, 2, and 3 above, as well as University officers having the rank of Vice President or Chancellor or equivalent rank;
14. Approve compensation policy for faculty and staff;
15. Approve all long-range development plans for the University including major capital projects;
16. Approve or delegate authority for approval of all major contractual relationships and other major legal obligations executed in the name of the University;
17. Approve all sales or purchases of real property, and ensure that all properties of the University are preserved and maintained;
18. Establish investment policies and procedures which will provide for the prudent investment and preservation of funds entrusted to the University;
19. Establish auditing policies and standards and appoint independent auditors; and
20. Establish and maintain within the administrative procedures of the University the policy and practice that the administrators of the University covered under Paragraphs 1, 2, and 3 above shall serve in such capacities at the will and pleasure of the Board; that the administrators of the University having the rank of Vice President, Chancellor, University Campus Dean, Academic Dean, Director or the equivalent thereof and any other person reporting directly to the President shall serve in such capacities at the will and pleasure of the President. It is understood that the employment of such administrators shall be on customary terms of University employment and there shall be no separate employment agreements; provided, however, it is further understood that no Athletics Department administrators will be given employment agreements in excess of one year without prior approval of a majority (eleven) vote of the entire Board of Trustees.

Fiduciary Oversight of the Institution

[Article VII Section 1](#) of the Board Bylaws establishes several standing committees, four of which focus on the fiduciary oversight of the Institution: 1) Academic Affairs and Faculty Liaison Committee, 2) The Audit and Compliance Committee, 3) The Building and Grounds Committee, 4) The Executive and Governance Committee.

Academic Affairs and Faculty Liaison Committee

[Article VIII Section 1](#) of the Board Bylaws defines the responsibility of this committee: The Committee shall be kept informed of all academic programs; of the conditions affecting recruitment and retention of faculty members; of the adequacy of instructional facilities; of the proposal of new degrees, major programs or institutes; of the proposal to eliminate existing degrees, major programs and institutes; and of such other matters relating to the educational policies and programs as may be brought before it or referred to it by the Board. It shall consider the development of new programs, degrees, institutes and research for submission to the State Commission on Higher Education. It shall consider and make recommendations to the Board with respect to the naming of any academic units, including but not limited to colleges, schools departments, centers, institutes, or other such programs. It shall report on all such matters to the Board from time to time with such recommendations as it may consider relevant to the achievement of the

University's goal of academic excellence. The Committee shall consider recommendations for tenure and promotion; honorary faculty titles; extensions of service; and appointments with tenure. The Committee shall meet from time to time with the Faculty-Board of Trustees Liaison Committee of the Faculty Senate on matters of concern to the faculty and of concern to the Board, and shall keep the Board informed of all such matters. The Committee shall review from time to time all recommendations for the granting of an honorary degree or the revocation of a previously awarded honorary degree in accordance with the Policy on Honorary Degrees. The Committee shall recommend to the Board appropriate recipients of such degrees or the revocation of a previously awarded degree. Approval by a three-fourths vote of the members present at the Board meeting next following the meeting at which the recommendation is made shall be required to approve the granting or revocation of such honorary degrees. The Committee shall likewise serve as the final forum of appeal in faculty matters pertaining to revocation of tenure and dismissal of tenured faculty members.

Committee Meeting Minutes: [December 17, 2019](#) [September 13, 2019](#) [June 7, 2019](#)

The Audit and Compliance Committee

[Article VIII Section 2](#) of the Board Bylaws defines the responsibility of this committee: The Committee shall review and monitor the finance and fiscal policies and procedures of the University, its departments, and related entities; receive and evaluate reports and recommendations of internal and external auditors and the University risk manager; advise the Executive and Governance Committee and the Board of the financial status of the University, its departments, and related entities; perform such studies of financial matters as the Executive and Governance Committee or the Board may request; and recommend fiscal policies to the Executive and Governance Committee and Board that will better serve the needs of the University of South Carolina and the public.

Committee Meeting Minutes: [August 16, 2019](#) [June 7, 2019](#) [March 15, 2019](#)

The Buildings and Grounds Committee

[Article VIII Section 3](#) of the Board Bylaws defines the responsibility of this committee: The Committee shall be charged with the consideration of all Board matters relating to the buildings and the grounds of the University System; the design and location of new buildings and maintenance, improvement or remodeling of older buildings; the landscaping of the grounds; and all other matters having to do with the physical care and preservation of the University's physical plant, furniture, and equipment. It shall report to the Board with its recommendations thereon and also on all contracts relating to new construction, to improvement and repairs to existing buildings, and to improvements and maintenance of the grounds of the University. The Buildings and Grounds Committee shall review in advance all recommendations relating to the naming of buildings and other facilities and outdoor areas under the management control of the University or operated by the University or any single purpose support organization created to support the activities of the University and shall make recommendations to the Board regarding same.

Committee Meeting Minutes: [October 11, 2019](#) [September 27, 2019](#) [August 16, 2019](#)

The Executive and Governance Committee

[Article VIII Section 4](#) of the Board Bylaws defines the responsibility of this committee: The Executive and Governance Committee, during the interim between meetings of the Board, shall have all the powers of the Board not inconsistent with the established policies of the Board or with any action theretofore taken by the Board; provided, however, that the Executive and Governance Committee shall not preempt the role of a standing committee as stated in Section 1 of Article VII except in those emergency circumstances which do not permit the handling of a matter in the normally prescribed manner. The Executive and Governance Committee shall function as the governance committee of the Board, exercising all responsibilities related thereto not otherwise expressly delegated by these Bylaws to another standing committee of the Board; shall function as a continuous planning and financial committee of the Board, exercising general supervision of the finances of the University; shall review in advance the proposed budget for the succeeding year; and shall review in advance the proposed application for appropriations for the succeeding fiscal year in the light of overall University plans. It shall make reports to the Board at each meeting on all such matters occurring since the previous meeting. The Executive and Governance Committee shall provide for an appropriate fidelity surety bond or bonds covering all officers, agents, and employees of the University who at any time shall hold any property or funds of the University and for appropriate officers and directors' insurance to insure the officers and members of the Board against liability arising by virtue of the acts of such officers or Board members in their official capacity with the University.

Committee Meeting Minutes: [August 16, 2019](#) [May 9, 2019](#) [April 29, 2019](#)

Sources

-  [AAFL Committee Minutes Dember 17 2019](#)
-  [AAFL Committee Minutes June 7 2019](#)
-  [AAFL Committee Minutes September 13 2019](#)
-  [AC Committee Minutes August 16 2019](#)

-  AC Committee Minutes June 7 2019
-  AC Committee Minutes March 15 2019
-  BG Committee Meeting August 16 2019
-  BG Committee Meeting October 11 2019
-  BG Committee Meeting September 27 2019
-  BTRU 1.00 Statutory Basis of the University
-  BoT Members
-  Board of Trustees
-  Board of Trustees Bylaws
-  Board of Trustees Bylaws (Page 11)
-  Board of Trustees Bylaws (Page 16)
-  Board of Trustees Bylaws (Page 19)
-  Board of Trustees Bylaws (Page 21)
-  Board of Trustees Bylaws (Page 22)
-  Board of Trustees Bylaws (Page 23)
-  Code of Laws - Title 59 - Chapter 101 - Colleges And Institutions Of Higher Learning Generally
-  Code of Laws - Title 59 - Chapter 117 - University Of South Carolina
-  EG Committee Meeting April 29 2019
-  EG Committee Meeting August 16 2019
-  EG Committee Meeting May 9 2019