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University of South Carolina
BOARD OF TRUSTEES

June 24, 2016

The University of South Carolina Board of Trustees met at 11:55 a.m. on Friday, June 24, 2016, in the Alumni Center Boardroom.

Members present were: Mr. Eugene P. Warr Jr., Chairman; Mr. John C. von Lehe Jr., Vice Chairman; Mr. Chuck Allen; Mrs. Paula Harper Bethea; Mr. J. Egerton Burroughs; Mr. Mark W. Buyck Jr.; Mr. Thomas C. Cofield; Mr. A. C. "Bubba" Fennell III; Dr. C. Edward Floyd; Mr. William C. Hubbard; Mr. William W. Jones Jr.; Mr. Toney J. Lister; Mr. Miles Loadholt; Mr. Hubert F. Mobley; Ms. Leah B. Moody; Dr. C. Dorn Smith; Mrs. Molly M. Spearman; Mr. Thad H. Westbrook; Mr. Mack I. Whittle Jr.; and Mr. Charles H. Williams.

Also present were faculty representative August E. "Augie" Grant and student representative Michael Parks.

Others present were: President Harris Pastides; Secretary Amy E. Stone; General Counsel Walter "Terry" H. Parham; Chief Operating Officer Edward L. Walton; Chief Financial Officer Leslie Brunelli; Provost Joan T.A. Gabel; Vice President for Student Affairs Dennis A. Pruitt; Vice President for Human Resources Chris Byrd; Vice President for Information Technology William F. Hogue; Vice President for Development Jancy Houck; University Foundations Executive Director Russell H. Meekins; Executive Director of Audit & Advisory Services Pam Doran; Chief Communications Officer Wes Hickman; Athletics Director Ray Tanner; Palmetto College Chancellor Susan Elkins; Vice President for System Planning Mary Anne Fitzpatrick; USC Upstate Chancellor Thomas Moore; USC Aiken Chancellor Sandra Jordan; USC Beaufort Chancellor Al Panu; USC Aiken Executive Vice Chancellor for Academic Affairs Jeff Priest; USC Aiken Vice Chancellor for Finance and Administration Joe Sobieralski; USC Upstate Interim Vice Chancellor for Academic Affairs and Director of Graduate Studies Clifton Flynn; School of Law Dean Robert M. Wilcox; School of Information and Communication Dean Charles Bierbauer; Director of Governmental and Community Relations and Legislative Liaison Shirley D. Mills; Executive Director for the Office of Economic Engagement William D. "Bill" Kirkland; University Controller Jennifer Muir; University Treasurer Pat Lardner; Director of Capital Budgets and Financing, Division of

Administration and Finance, Charlie Fitzsimons; Senior Associate Vice President for Student Affairs and Academic Support Stacey Bradley; Director of Strategic Planning and Assessment Cameron Howell; Physical Education and Athletic Training Department Chair, College of Education, Lynda Nilges-Charles; My Carolina Alumni Association Executive Director Jack W. Claypoole; Chief of Staff, President's Office, J. Cantey Heath Jr.; USC Trustee Emeritus William Bethea, husband of Trustee Paula Harper Bethea; University Technology Services Production Manager Matt Warthen; and Board staff members Leah Kososki and Debra Allen.

Board of Visitors in attendance at the meeting included: Mr. Hollis "Chip" Felkel, Chairman; Mr. Jeffrey B. "Jeff" Archie; Mr. Moe Brown; Mr. John L. "Johnny" Bruce Jr.; Mr. Kent M. Eddy; John M. "Jay" Ervin III; Mr. John W. Fields; Mr. Carl "Brody" Glenn; Mr. Timothy "Tim" Hallman; Mr. John P. Harloe; Mr. Henry L. "Hank" Jolly Jr.; Ms. Melissa Moise McLeod; Mr. David B. Miller; Mr. Warren Moise; Ms. Patricia Moore-Pastides; Mr. J. Terry Poole; Mr. Norwood Smith; Ms. Carmen Harper Thomas; Ms. Cathy L. Weaver; Mr. Richard N. Westbrook; and Ms. Cheryl S. Wingard.

I. Call to Order

Chairman Warr 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.

Chairman Warr welcomed everyone to the C. Edward Floyd Boardroom and asked Mr. Hickman to introduce members of the media in attendance: Andy Shain with *The Free Times* and Avery Wilks with *The State* in Columbia.

He next invited The Reverend Father Michael Platanis, representing USC's Orthodox Christian Fellowship, to deliver the invocation.

Motion for Executive Session

Chairman Warr called for a motion to enter Executive Session for personnel matters related to honorary academic titles, appointments with tenure, tenure and promotion recommendations, honorary degree recommendations, and the Secretary of the Board. Mr. Mobley so moved and Mr. Burroughs seconded the motion. The vote was taken and the motion carried.

Chairman Warr invited the following persons to remain: President Pastides, Secretary Stone, the President's Executive Council, Dr. Grant, Mr. Parks and Ms. Doran.

RETURN TO OPEN SESSION

II. Approval of Minutes

The following seven sets of minutes were presented for approval:

- A. Called Academic Affairs and Faculty Liaison Committee, February 19, 2016
- B. Buildings and Grounds Committee, April 22, 2016
- C. Student-Trustee Liaison Committee, April 22, 2016
- D. Executive Committee, April 22, 2016
- E. Board of Trustees, April 22, 2016
- F. Audit and Compliance Committee, June 10, 2016
- G. Called Buildings and Grounds Committee, June 10, 2016

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

III. Committee Reports

- A. Academic Affairs and Faculty Liaison Committee, June 10, 2016
(The Honorable Thad Westbrook reported)

Mr. Westbrook said that the following personnel matters received all appropriate academic and administrative approvals and were presented without objection to the Academic Affairs and Faculty Liaison Committee on June 10, 2016, and to the full Board in Executive Session earlier today.

1. Honorary Academic Titles

Four requests for honorary academic titles were posted on the Board Portal with the materials for this meeting. If approved, the following individuals will be awarded the titles indicated effective with their retirement:

For the title Clinical Professor Emeritus:

James Hudgins

For the title Clinical Professor Emerita:

Margaret Gamble

For the title Distinguished Professor Emeritus:

Brad Tuttle

For the title Sarah Bolick Smith Professor Emerita of Fine Arts and Louise Fry Scudder Professor Emerita of Liberal Arts:

Cynthia Colbert

On behalf of the Academic Affairs and Faculty Liaison Committee, Mr. Westbrook moved approval of these honorary academic titles as presented. Mr. Whittle seconded the motion. The vote was taken and the motion passed.

2. Tenure and Promotion Recommendations

On behalf of the Academic Affairs and Faculty Liaison Committee, Mr.

Westbrook moved approval of all tenure and promotion recommendations as presented and described in the materials posted on the Board Portal for this meeting [Exhibit A]. Mrs. Bethea seconded the motion. The vote was taken and the motion passed.

3. Appointments with Tenure

On behalf of the Academic Affairs and Faculty Liaison Committee, Mr.

Westbrook moved approval of six requests for appointments with tenure that were posted on the Board Portal for this meeting. Mr. Mobley seconded the motion. The vote was taken and the motion passed to appoint the following individuals with tenure:

Dr. Sang-Eun Byun – Appointment with Tenure at the rank of associate professor in the department of Retailing, in the College of Hospitality, Retail and Sport Management.

Dr. Mark S. Hollingsworth – Appointment with Tenure at the rank of professor in the department of Visual and Performing Arts at the University of South Carolina Aiken and also appointed as Dean of the USC Aiken College of Arts, Humanities and Social Sciences.

Dr. James D. Kirylo – Appointment with Tenure at the rank of associate professor in the department of Instruction and Teacher Education in the College of Education.

Dr. David Lankes – Appointment with Tenure at the rank of professor in the School of Library and Information Science in the College of Information and Communications and also appointed as Director of the School of Library and Information Science.

Dr. Stanislav Markus – Appointment with Tenure at the rank of associate professor in the international business department of the Darla Moore School of Business and also appointed as a Business Partnership Research Fellow.

Dr. Daren J. Timmons – Appointment with Tenure at the rank of professor in the department of Chemistry and Physics at the University of South Carolina Aiken and also appointed as Dean of the USC Aiken College of Sciences and Engineering.

4. New Program

On behalf of the Academic Affairs and Faculty Liaison Committee, Mr.

Westbrook moved approval of the requested new program Master of Science in Information Security (MSIS) in the College of Engineering and Computing as presented in the materials posted on the Board Portal. Mr. von Lehe seconded the motion. The vote was taken and the motion passed.

5. New Dual-Degree Program

On behalf of the Academic Affairs and Faculty Liaison Committee, Mr.

Westbrook moved approval of the new dual-degree program Master of Science in Economics and Business Administration in Management and International Business (MIB-Aalto)/Master of International Business (MIB-South Carolina) in the Darla Moore School of Business as presented and described in the

materials posted on the Board Portal. Mr. Fennell seconded the motion. The vote was taken and the motion passed.

6. Program Modifications – Department of Computer Science and Engineering, College of Engineering and Computing

On behalf of the Academic Affairs and Faculty Liaison Committee, Mr.

Westbrook moved approval of program modifications in the College of Engineering and Computing as presented and described in the materials posted on the Board Portal [Exhibit B]. Ms. Moody seconded the motion. The vote was taken and the motion passed.

7. Program Department Change – Athletic Training

On behalf of the Academic Affairs and Faculty Liaison Committee, Mr.

Westbrook moved approval of the requested change to move the Athletic Training Department from the College of Education to the Department of Exercise Science in the Arnold School of Public Health, as presented and described in the materials posted on the Board Portal. Dr. Smith seconded the motion. The vote was taken and the motion passed.

8. Unit Name Change

On behalf of the Academic Affairs and Faculty Liaison Committee, Mr.

Westbrook moved approval of the requested name change from Office of Institutional Research and Assessment to Office of Institutional Research, Assessment and Analytics (OIRAA) as presented and described in the materials posted on the Board Portal. Mr. Allen seconded the motion. The vote was taken and the motion passed.

9. USC Columbia Faculty Manual Changes

On behalf of the Academic Affairs and Faculty Liaison Committee, Mr.

Westbrook moved approval of the requested changes to the USC Columbia Faculty Manual as presented and described in the materials posted on the Board Portal [Exhibit C]. Mr. Williams seconded the motion. The vote was taken and the motion passed.

10. USC Comprehensives

a. USC Aiken – Faculty Manual Changes

On behalf of the Academic Affairs and Faculty Liaison Committee,

Mr. Westbrook moved approval of the requested changes to the USC Aiken Faculty Manual as presented and described in the materials posted on the Board Portal [Exhibit D]. Dr. Smith seconded the motion.

Ms. Moody made a motion to amend the committee motion as follows: “To delete Section 5.7(g)

entitled “Reward for Maintaining Professional Performance at Rank; to delete the phrase “will be eligible to receive the same reward as specified in section ‘g’ and in the final sentence of Section 5.7(i); and to remand the deleted provisions to the Academic Affairs and Faculty Liaison Committee for further discussion.”

Dr. Smith seconded the amendment. The vote was taken and the amendment to the committee motion was approved. Dr. Smith seconded the amended motion. The vote was taken and the motion passed.

b. USC Upstate – New Programs

- i. Bachelor of Applied Science in Advanced Manufacturing Management
- ii. Bachelor of Arts in Urban and Regional Studies

On behalf of the Academic Affairs and Faculty Liaison Committee, Mr. Westbrook moved approval of the requested two new programs at USC Upstate as presented and described in the materials posted on the Board Portal. Mr. Lister seconded the motion. The vote was taken and the motion passed.

11. Palmetto College Campuses

a. Palmetto College Campuses – Faculty Manual Changes

On behalf of the Academic Affairs and Faculty Liaison Committee, Mr. Westbrook moved approval of the requested changes to the USC Palmetto College Campuses Faculty Manual as presented and described in the materials posted on the Board Portal [Exhibit E]. Mr. Jones seconded the motion. The vote was taken and the motion passed.

b. Palmetto College Campuses – Mission Statement Changes

On behalf of the Academic Affairs and Faculty Liaison Committee, Mr. Westbrook moved approval of the requested changes to the USC Palmetto College Campuses Mission Statements as presented and described in the materials posted on the Board Portal [Exhibit F]. Mrs. Bethea seconded the motion. The vote was taken and the motion passed.

12. Removal of Honorary Degree Candidates from the Table

On behalf of the Academic Affairs and Faculty Liaison Committee, Mr. Westbrook moved to remove the names of the following nine honorary degree recipients from the table:

- | | | |
|--------------------------------|-----------------------------------|---------------------------|
| • <u>Merita “Rita” Allison</u> | • <u>Winton Eugene</u> | • <u>Timothy Keating</u> |
| • <u>Louise Miller Cohen</u> | • <u>Robert “Bob” Inglis, Sr.</u> | • <u>Darrel G. Kirch</u> |
| • <u>Rosa Eugene</u> | • <u>Carol A. Johnson</u> | • <u>Michael B. McGee</u> |

Mr. Cofield seconded the motion. The vote was taken and the motion passed.

Mr. Westbrook said the committee also received a report on the University Libraries' Movietones collection from Dean Tom McNally. In addition, an update on Palmetto College was provided the committee by Chancellor Susan Elkins.

B. Audit and Compliance Committee, June 10, 2016
(The Honorable C. Dorn Smith III, M.D., reported)

Dr. Smith said that the Audit and Compliance Committee met on June 10, 2016, at which time it approved the Designated Funds Budget for FY 2016-17. The Designated Funds Budget was included in the University's proposed FY 2016-17 Budget to be considered later in this meeting. The committee also approved the Audit & Advisory Services FY 2016-17 Budget, which was included as part of the overall FY 2016-17 University Budget proposal.

The Executive Director of Audit & Advisory Services, Pam Doran, presented the following internal audits and reviews: Gifts Processing Audit Report; Fine Arts Collectibles Review Memorandum; Title IX Sexual Harassment/Violence Audit Report; and the PeopleSoft Human Capital Management (HCM) Pre-Implementation Review Memorandum. Mr. Bobby Gist and Dr. Carl Wells from the office of Equal Opportunity Programs provided additional information on Title IX, noting the University's compliance efforts.

In her Tracking Report, Ms. Doran said 11 of 42 recommendations to remedy issues identified through various audits had been implemented. Twenty of the remaining issues were not yet due to be resolved, leaving 11 overdue issues mostly related to the implementation of the OneCarolina IT components.

Dr. Smith said the committee approved updates to the FY 2016-17 Audit Plan. He said the committee also received an updated copy of the Committee Matrix, as well as the Audit & Advisory Services Annual Report.

C. Buildings and Grounds Committee, June 10, 2016
(The Honorable William W. Jones Jr. reported)

Mr. Jones reported that the Buildings and Grounds Committee met in a called meeting on June 10, 2016. On behalf of the Buildings and Grounds Committee, Mr. Jones moved approval of the following gift namings as recommended by the Gift Naming Opportunities Committee and distributed in the Board materials.

1. Athletics
 - a. Barnhill Gate

b. Tommy Suggs Garnet Way

2. School of Law

– Coleman Karesh Reading Room

Mr. Mobley seconded the motion. The vote was taken and the motion passed.

D. Intercollegiate Athletics Committee, June 10, 2016
(The Honorable Mark W. Buyck Jr. reported)

Mr. Buyck said that the Intercollegiate Athletics Committee met on June 10, 2016, at which time Athletics Director Ray Tanner presented an overview of the Athletics Department's FY 2016-17 Budget that was included in the University's proposed FY 2016-17 Budget to be considered later in the meeting.

Mr. Tanner also provided the committee an overview of the academic and athletic successes in the 2015-2016 Academic Year. The most notable academic success was the Fall 2015 Grade Point Average (GPA) of 3.171, which included 15 of 18 teams earning a GPA of 3.0 or better; and the Spring 2016 GPA of 3.278, with 15 of 18 teams earning a GPA of 3.0 or better. The Spring GPA was the highest in program history.

Mr. Buyck said that two of the numerous athletic highlights noted by Mr. Tanner included: the baseball team advancing to the NCAA Super Regional after earning its 12th Regional title; and former women's basketball player Tiffany Mitchell being the ninth pick overall in the 2016 Women's National Basketball Association, making her the Gamecock's third first-round pick in league history.

Mr. Tanner also updated the committee on the SEC's annual spring meeting that took place during the last week of May.

E. Executive Committee, June 24, 2016
(The Honorable Eugene P. Warr Jr. reported)

During its meeting earlier in the day, Chairman Warr said the Executive Committee approved six contracts. Two contracts were approved for the Athletics Department. The first was a charter flight agreement with Air Planning, LLC in the amount of \$613,825 to transport the football team to four away games – Tennessee, Kentucky, Florida and Mississippi State. The second contract was a one-year employment agreement for Associate Head Men's Basketball Coach and Recruiting Coordinator Matt Figger in the amount of \$262,500.

Two items also were approved for USC Upstate. The first was a contract with Steve Sanders for the development, implementation and management of a non-credit certificate program in Advanced Project Management. Mr. Sanders will receive 50% of the full cost for each project participant plus

reimbursement of documented mileage associated with the program. The total estimated cost of this contract is \$375,000. The second item approved for USC Upstate was a five-year lease agreement in the amount of \$341,990 with CPF Properties II, LLC for use of the Rampey Building, located on 1.44 acres of land located at North Campus Boulevard in Spartanburg.

The committee also approved a 20-month contract with Academic Analytics in the amount of \$293,000 and a three-year lease totaling \$254,988 with Francis Marion University to provide space to the USC School of Medicine at 200 West Evans Street in Florence for use in carrying out its educational programs.

In another matter, the Executive Committee reviewed and approved the updated internal audit plan for fiscal year 2017 as required by Board policy.

The Executive Committee recommended the following items for approval by the full Board:

1. Contract: EBSCO Information Services

On behalf of the Executive Committee, Chairman Warr moved approval of a one-year contract with EBSCO Subscription Services to provide online access to electronic journals and databases at a total cost of \$5,270,093, which includes EBSCO service charges.

Mr. Whittle seconded the motion. The vote was taken and the motion passed.

2. University Purchasing Card Limit

On behalf of the Executive Committee, Chairman Warr moved approval of the proposed increase to the Single Transaction Limit for University purchasing cards to not exceed \$5,000 per transaction and up to a monthly maximum of \$10,000 per purchasing card.

Mr. Burroughs seconded the motion. The vote was taken and the motion passed.

3. University's FY2016-2017 Annual Operating Budget

On behalf of the Executive Committee, Chairman Warr moved approval of the proposed total current funds budget for the USC System for fiscal year 2017, including the operating budgets, the tuition and fee schedules, the budgets for all auxiliary enterprises, and the designated funds budget.

Dr. Smith seconded the motion. Mr. Cofield and Mr. Jones objected to inclusion in the budget of a proposed fee for first- and second-year law school students. The vote was taken and the motion passed with Mr. Cofield voting against the motion.

I. Report of the Board of Visitors

Chairman Warr called on Mr. Felkel who thanked the Board for the invitation to join

Trustees for its meetings and lunch. He then recognized members of the Board of Visitors (BOV) whose terms of service were ending: Brody Glenn, Hank Jolly, Melissa McLeod and Jack Osteen.

Mr. Felkel said that the BOV began its year with members attending the State of the University. As always, he noted that in their role as ambassadors, BOV members made every effort to learn more about each of the University's academic units. This past year that involved meetings held at the Darla Moore School of Business, the School of Journalism in the College of Information and Communications, and the Dodie Anderson Academic Enrichment Center.

BOV also enjoyed participating in homecoming and in the opening celebrations for the new Alumni Center. There also was a large contingent at this year's Carolina Day at the State House. BOV members also enjoyed a social time together at which they cheered the Gamecocks to a baseball victory over the Furman Paladins.

As the BOV continues to move forward, Mr. Felkel said that each member would continue to do their part in terms of the recruitment of students, encouraging those who have been admitted with letters, phone calls, and personal visits. The BOV also has been very involved with Cockey's Reading Express, supporting its 10-year anniversary and its Crowdfunding Project, and helping to celebrate distribution of its 100,000th book.

Mr. Felkel announced that Jazuun "Jay" Outlaw of Dillon, South Carolina, was the 2016 recipient of the BOV's Thomas Stepp Scholarship. The BOV has been working with the University's Vice President for Development to identify potential donors; working with Palmetto College to spread information about that program and to identify potential students; and working with Wes Hickman and Jack Claypoole to implement a specific plan for the BOV to assist with the University's advocacy efforts. The BOV also is continuing to work on funding for the Achievement Tower, which was a vision of former BOV member Beth Phibb.

IV. Report of the Alumni Association

Chairman Warr called on Mrs. Bethea who said that for two years she had been blessed to sit with her fellow Board members as they "grappled with one difficult decision after another, always placing the University's students first." She described her colleagues as having "sought wise counsel from the most talented staff and leadership in higher education today and, without doubt, the best president in the nation. The combined leadership of our staff, our president, and each of you, has made our state a better state through the quality education offered at this magnificent University."

Mrs. Bethea said she was excited to have followed in her husband's footsteps as a member of the

Board of Trustees, both of them considering their service on the Board “as special seasons in their lives.” She said that during her two-year tenure, she worked daily with other governors of the Alumni Association to bring Trustees the support of the University’s nearly 300,000 alumni. She said that for two years, “we worked to build you a home from which you can effectively lead and for which we hope you are suitably proud. During that time, we also built stronger connections with today’s students and strengthened the core of our most committed alumni members, our life members.” In passing the baton to the Alumni Association’s next leader, Tommy Preston, she said she was pleased to report that the state of the association was strong. She continued:

In the truest spirit of the Gamecock, we are never satisfied with the present. The same way we rallied to build this building, we will now rally to construct a new association. One that begins its connection with our students early on and stays with them for a lifetime. One that adds value to their student experience and one that helps them along a lifetime of career and community choices. We have the right team at My Carolina to move us to the next level and beyond.

My Carolina serves; serves you; serves our students; serves our administration; serves our alumni; and indeed, it serves our greater community. Jack Claypoole is the epitome of a servant-leader, and he and the My Carolina Team will continue to delight you in ways that will transform the Alumni Association and support the University in palatable and unprecedented ways.

This association, however, is about you. That is why we need you. There are some of you in this room today who are not members of My Carolina. But I want you to know that I have your membership forms with me, filled out and ready for each of you to join before you leave. Whether you are a trustee, whether you are a governor, whether you are a visitor, or whether you are staff, we need you and we are worthy of your investment. I promise.

Today, I can tell you in all humility that I have never been prouder to be a Gamecock. I am so proud of my University. We are a community joined together by similar experiences and held together by a love for our alma mater. To each of you on this Board, the words “forever to thee” are more than a repetitive line in a treasured song. They are a call to forever connect and forever serve the University of South Carolina. While roles and titles are but words, my love for this University and for each of you is truly forever.

I’m not going far. I look forward to seeing each of you regularly. But even when I am absent, I want you to know that I so appreciate the singular honor and this wonderful opportunity I have been afforded to serve the University which has given me so very much. Thank you.

Chairman Warr and President Pastides then presented Mrs. Bethea a framed resolution, which Chairman Warr called on Secretary Stone to read.

WHEREAS, Paula Harper Bethea has been President of the Board of Governors of the Carolina Alumni Association and an ex officio member of the Board of Trustees since July 1, 2014; and

WHEREAS, her tenure as President of the Alumni Association and her fund-

raising success on its behalf have underscored her personal mantra that giving is far more meaningful than receiving; and

WHEREAS, Paula Harper Bethea's leadership led her to participate in hundreds of alumni events across the State and Nation and her drive for excellence has expanded the reputation of Carolina through her knowledge and experience in non-profit philanthropy; and

WHEREAS, her presidency has resulted in the completion of the Alumni Center after many years of planning and fund raising; and

WHEREAS, Mrs. Bethea has been a dedicated member of the Board of Trustees with full participation and attendance at formal and informal events and has served with distinction as a member of the Academic Affairs and Faculty Liaison, Audit and Compliance, and Student-Trustee Liaison Committees; and

WHEREAS, Mrs. Bethea, who graduated with honors from this great University, has been unwavering in her commitment to improving life for the citizens of South Carolina through education by capitalizing on her experience, focused enthusiasm, ability to motivate and build consensus among constituencies;

THEREFORE BE IT RESOLVED that the Board of Trustees expresses its sincere appreciation to Paula Harper Bethea for her devoted service to the University in many capacities including her presidency of the Carolina Alumni Association and membership on this Board; and

BE IT FURTHER RESOLVED that a copy of this resolution be presented to Paula Harper Bethea as a token of the high esteem in which she is held and in anticipation of many years of future support and advocacy of Carolina.

PRESENTED THIS 24TH DAY OF JUNE 2016
AT COLUMBIA, SOUTH CAROLINA

Chairman Warr moved adoption by acclamation of the resolution signed by him, President Pastides and Secretary Stone.

V. Report of the President

Following presentation of the resolution to Mrs. Bethea and before his report to the Board, President Pastides briefly wished incoming Alumni Association President Tommy Preston good luck in "filling the shoes" of Paula Harper Bethea. "This University has been privileged, honored, blessed to call Paula President of My Carolina during a time when this association has flourished beyond measure. She is really a servant and friend and a beloved partner of Carolina. You epitomize and you are the emblem of the University of South Carolina."

Beginning his report to the Board, President Pastides welcomed and thanked members of the Board of Visitors for their attendance. "We know that you have an even greater capacity to help and lead the University, and we will be looking for ways to call on you again. Please know that you have done more than any Board of Visitors in the past and we are so grateful for your service."

President Pastides continued that “It’s been a great academic year with many accomplishments, but let me look into the future for a few moments.” He reported that the University had received more than 25,000 freshman applications in Columbia for the Class of 2020 and about 37,000 applications around the system for freshmen admission. He added that over 56,000 applications – a record number – had been received throughout the USC system when counting freshmen and transfers.

“Given that orientation is still going on, it’s difficult to measure the hard number who will be here specifically in the fall, but we should be very close to our Measured Growth total of 5,200 freshmen in Columbia, including nearly 500 in the South Carolina Honors College where we received over 3,000 applications.” President Pastides said that the University anticipated enrolling about 1,500 transfers in Columbia this fall, which meant nearly 6,700 new students would be welcomed to the University of South Carolina in Columbia. Each of the University’s campuses around the state also will enroll larger classes, which will result in more graduates that will lead to the University having more impact, he added.

President Pastides also noted improvement in how the University uses orientation to prepare students at USC. “We’ve moved to a two-day orientation for incoming freshmen. Last year we asked them how we did, 97.5% agreed with the statement, ‘After attending orientation, I feel better prepared to attend USC in the fall.’” He said that the Columbia campus will host 10,648 visitors this fall, inclusive of visits by rising seniors in high school and their families. President Pastides continued:

The campus also is buzzing this summer with students who are accelerating their academic progress. On Your Time is no longer a concept, it is a reality here at USC. We are one of the few major universities that has shown that you can be flexible, and even bend over backwards to help students keep on track to graduate in no more than four years, or even less time. As of this week, we have 12,097 students enrolled in summer courses here in Columbia, the most we have ever had, with many more sure to register later in the summer.

When I was young, ‘summer school’ was for those who flunked courses and needed to retake them. Forgive me, but we used to say that summer school was for the dumb kids. But now, it’s the smart kids who take the summer courses. Summer courses and online courses are important tools in controlling debt by providing a surer path toward four-year or even earlier graduation. I am proud to say that USC led the way in asking and convincing the General Assembly to allow lottery scholarships to be used in the summer. Thanks to you, as well, Paula for working hard for that reality.

This week, an article in the *Washington Post* noted that spending extra time in college is the leading cause of skyrocketing debt with 60% of national college debt occurring in years 4-6. By the way, 46% of USC Columbia students do not borrow anything at all and those who do, have a low total borrowed money with an average debt of \$28,233 – not insignificant, but well below both the state and national averages. More good news. USC students get jobs and repay their debt dutifully. Our students’ three-year default rate is only 4.1% compared to 11.8% nationally.

President Pastides then updated Trustees on various construction projects: Renovations continue at Pinckney/Legare on the Horseshoe and South Tower; construction on the new Law School continues on time and on budget for a Summer 2017 opening; and construction is underway for the new student health center, a 68,000-square foot facility that will bring modern physical and mental health programs to one central location in Summer 2017. Work also is underway on the track and field complex in Columbia and the Aiken Bridge will be completed this December.

“On the other hand,” President Pastides said, “The year ahead promises to be both active and tumultuous for higher education institutions. This past Tuesday I was in Washington and met with about 100 other college presidents from across the country. We all anticipate a much more active student body and, generally, more active communities next academic year. They may be committed to any of a number of pertinent issues and we will be prepared to work with them. I feel confident that our University’s philosophy of holding honest and open conversations throughout the year, not just when you are in trouble but when you are not in trouble when times are calm, is really how you earn the trust of the students and other constituents. I appreciate the ongoing support and dialog I have with our student government leaders and also for the tremendous commitment of our Faculty Senate led by Professor Augie Grant.”

In closing, President Pastides again recognized the contributions of Paula Harper Bethea. He then thanked the Board of Trustees for passing the University budget.

“Although you approved a small tuition increase, it was done knowing that our financial management is sound and nationally recognized. *US News & World Report* ranked Carolina as one of the most efficient universities in the country. Let’s tell that story. *Princeton Review/Kiplinger’s* ranks USC as one of the nation’s best values among U.S. public colleges. So can we have our cake and eat it too in this budget? By that, I mean can we continue to find ways to tighten our belts to address escalating costs of a college degree, while not decreasing the value of a Carolina degree? I say yes. It won’t be easy...it never is, but this is a prudent and sensitive budget and it is the best way I know for our University to continue to be accessible and excellent, affordable and superb. And I thank the members of the Board for their endorsement of that.”

VI. Other Matters

Chairman Warr announced that the August 19 meetings would begin at 9 a.m. with a meeting of the Ad Hoc Committee on Strategic Planning, followed by meetings of the Executive Committee, the full Board and the Audit and Compliance Committee. He also reminded Trustees that

following the full Board meeting would be short meetings of each committee where new committee chairs are elected. On October 14, Chairman Warr said meetings would begin at 9 a.m. and Title IX training would be provided during the full Board meeting that day.

He also said that Winton and Rose Eugene sent a card to the Board Office thanking Trustees for recognizing each of them with an honorary doctor of fine arts degree during the University's May commencement. The Board Office also received a thank you note from Kathleen Kane thanking the Board for approving the naming of the Darla Moore School of Business Welcome Center for her late father, Dr. James F. Kane, who served as dean of the business school for 26 years.

Secretary Stone announced that traditionally a dinner to recognize the former chairmen of the Board, but particularly the outgoing chairman, is held in the fall. This year's dinner to honor and recognize Chairman Warr will be held on Thursday, October 13.

VII. Adjournment

There being no other matters to come before the Board, Chairman Warr declared the meeting adjourned at 1:30 p.m.

Respectfully submitted,

Amy E. Stone
Secretary