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University of South Carolina  
BOARD OF TRUSTEES

Called Meeting

September 16, 2016

The University of South Carolina Board of Trustees met in a called meeting at 12:53 p.m. on Friday, September 16, 2016, in the C. Edward Floyd Boardroom at the Alumni Center.

Members present were: Mr. John C. von Lehe Jr., Chairman; Mr. Hubert F. Mobly, Vice Chairman; Mr. Chuck Allen; 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; Ms. Leah B. Moody; Mr. Tommy D. Preston Jr.; Dr. C. Dorn Smith; Ms. Molly M. Spearman; Mr. Eugene P. Warr Jr.; Mr. Thad H. Westbrook; Mr. Mack I. Whittle, Jr.; and Mr. Charles H. Williams. Absent were Mr. Egerton Burroughs and Mr. Mark Buyck Jr.

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; Provost Joan T. A. Gabel; Chief Operating Officer Edward L. Walton; Chief Financial Officer Leslie Brunelli; Vice President for Student Affairs Dennis A. Pruitt; Vice President for Development Jancy Houck; Vice President for Information Technology and Chief Information Officer William F. Hogue; Vice President for Research Prakash Nagarkatti; Vice President for Facilities and Transportation Derrick Huggins; Chief Communications Officer Wes Hickman; University Foundations Executive Director Russell H. Meekins; Athletics Director Ray Tanner; USC Aiken Chancellor Sandra Jordan; USC Beaufort Chancellor Al Panu; Palmetto College Chancellor Susan Elkins; Vice President for System Planning and USC Upstate Interim Chancellor Mary Anne Fitzpatrick; Associate Vice President for Finance Kelly Epting; Associate Vice President for Finance Jennifer Muir; Associate Vice President for Human Resources Programs and Services Caroline Agardy; Associate Vice President for Administration and Finance and Medical Business Affairs Jeffrey L. Perkins III; Executive Director of Audit & Advisory Services Pam Doran; Chief Financial Officer, Athletics Department, Jeff Tallant; Executive Director for the Office of Economic Engagement William D. "Bill" Kirkland; Director of Capital Budgets and

Financing, Division of Administration and Finance, Charlie Fitzsimons; Director of Strategic Planning Cameron Howell; Chief of Staff, President's Office, J. Cantey Heath Jr.; Executive Director of My Carolina Alumni Association Jack W. Claypoole; Associate Director of Public Relations Jeff Stensland; USC Aiken Executive Vice Chancellor for Academic Affairs Jeff Priest; USC Aiken Executive Vice Chancellor for Administration and Finance Joe Sobieralski; USC's SEC/NCAA Representative Val Littlefield; Gamecock Club Chair Kent Eddy; Faculty Senate Chair-Elect Marco Valtorta; Wayne Corley and Michael J. Seezen, McNair Law Firm; University Technology Services Production Manager Matt Warthen; and Board staff members Debra Allen, Terri Saxon and Ina Wilson.

I. Call to Order

Chairman von Lehe 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.

Mr. Hickman introduced members of the media in attendance: Avery Wilks with *The State*; Scott Hood and Chris Clark with GamecockCentral.com; John Whittle and John Del Bianco with TheBigSpur.com; Rodney Welch with the *Free Times*; Hale McGranahan with SECCountry.com; Willie Smith with *The Greenville News*; and Jack Kuenzie with WIS-TV.

II. Committee Reports

A. Buildings and Grounds Committee, September 16, 2016  
(The Honorable William C. Hubbard reported)

Chairman von Lehe called on Mr. Hubbard who said the Buildings and Grounds Committee met earlier in the day and that one item required Board approval. First, however, he asked Secretary Stone to read a statement required for the minutes. She said the following statement will be included where appropriate in the official minutes of this meeting: "The University hereby declares its official intent, pursuant to Federal Regulations, to reimburse itself from the amounts of proceeds of the tax-exempt bond issue."

– Phase II Approval – Football Operations Facility Construction

On behalf of the Buildings and Grounds Committee, Mr. Hubbard moved to fund Phase II design and construction for a total project budget of \$50,000,000 funded with \$47,000,000 in Athletic Bonds and \$3,000,000 in Gifts.

Chairman von Lehe noted that the committee motion did not require a second, calling for discussion and a vote. The vote was taken and the motion passed.

B. Executive Committee, September 16, 2016  
(The Honorable John C. von Lehe Jr. reported)

Chairman von Lehe said the Executive Committee had two items that required action by the full Board. However, he said that before addressing those items he wanted to announce his appointments to the Board's Ad Hoc Committee on Strategic Planning. Serving as chair would be Thad Westbrook and the following would serve as members on the committee: Mark Buyck, Tommy Cofield, Bubba Fennell, William Hubbard, Wes Jones, Miles Loadholt, Leah Moody, Tommy Preston, and Mack Whittle.

Chairman von Lehe then reported that during the called meeting of the Executive Committee, four items were approved including extension of the employment agreement for USC Upstate Athletics Director Lee Fowler. The one-year extension will end September 30, 2017, and may be further extended for up to two additional one-year periods upon the mutual written consent of the parties. USC Upstate or Mr. Fowler also may terminate the agreement without cause upon 30 days written notice. Under the agreement, Mr. Fowler will be paid an annual base salary of \$126,378. The committee also approved an agreement with PFM Financial Advisors, LLC to provide financial advisory and consulting services in connection with the University's periodic issuance of indebtedness.

In addition to these items, Chairman von Lehe said the Executive Committee recommended two items for approval by the full Board.

1. Gamecock Sports Properties, LLC Agreement

On behalf of the Executive Committee, Chairman von Lehe moved approval of a 10-year multimedia-corporate sponsorship agreement between USC's Athletics Department and Gamecock Sports Properties, LLC, beginning July 1, 2017. Under the agreement, Gamecock Sports Properties will be awarded the exclusive right to all multimedia sports marketing and commercial rights for the Athletics Department as outlined in the materials presented to the Board. In exchange, Gamecock Sports Properties will pay the Athletics Department total guaranteed consideration of \$110,000,000 during the contract term.

Chairman von Lehe called for discussion and the vote. The vote was taken and the motion passed.

2. Athletic Facilities Revenue Bonds

On behalf of the Executive Committee, Chairman von Lehe moved approval of an Athletic Facilities Revenue Bonds Resolution authorizing up to \$49,000,000 for the purpose of constructing the Football Operations Building on the Columbia campus. The authorized amount will

provide approximately \$47,000,000 toward construction costs and the amount necessary for issuance costs associated with the bonds. The intent is to service these bonds with Net Revenues of the Athletics Department and the existing Admission Fee and Special Student Fee. The complete resolution and supporting material as prepared by the McNair Law Firm, P.A. was made available on the Board Portal for Trustees to review.

Chairman von Lehe called for discussion and the vote. The vote was taken and the motion passed.

III. Adjournment

There being no other matters on the called meeting agenda to be discussed, Chairman von Lehe declared the meeting adjourned at 1:00 p.m.

Respectfully submitted,

Amy E. Stone  
Secretary