

The official minutes of the University of South Carolina Board of Trustees are maintained by the Secretary of the Board. Certified copies of minutes may be requested by contacting the Board of Trustees' Office at trustees@sc.edu. Electronic or other copies of original minutes are not official Board of Trustees' documents.

University of South Carolina
BOARD OF TRUSTEES

Executive Committee

December 13, 2016

The Executive Committee of the University of South Carolina Board of Trustees met at 10:30 a.m. on Friday, December 13, 2016, in the C. Edward Floyd Boardroom at the Alumni Center.

Members present were: Mr. John C. von Lehe Jr., Chairman; Dr. C. Edward Floyd; Mr. Toney J. Lister; Mr. William W. Jones Jr.; Mr. Hubert F. Mobley; and Mr. Eugene P. Warr Jr.

Other Trustees present were: Mr. Chuck Allen; Mr. Mark W. Buyck Jr.; Mr. Thomas C. Cofield; Mr. William C. Hubbard; Mr. Miles Loadholt; Ms. Leah B. Moody; Mr. Tommy D. Preston Jr.; Dr. C. Dorn Smith; Ms. Molly Spearman; Mr. Thad H. Westbrook; Mr. Mack I. Whittle Jr.; Mr. Charles H. Williams; and Mr. J. Egerton Burroughs who joined by telephone

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; Provost Joan T.A. Gabel; Vice President for Student Affairs Dennis A. Pruitt; Vice President for Human Resources Chris Byrd; Vice President for Development Jancy Houck; Vice President for Information Technology William F. Hogue; Chief Communications Officer Wes Hickman; Executive Director of Audit & Advisory Services Pam Doran; USC Aiken Chancellor Sandra Jordan; USC Beaufort Chancellor Al Panu; Palmetto College Chancellor Susan Elkins; Executive Director for the Office of Economic Engagement William D. "Bill" Kirkland; Associate Vice President for Finance Jennifer Muir; Associate Vice President for Finance Kelly Epting; University Treasurer Pat Lardner; Dean of the College of Arts and Sciences Lacy Ford; Dean of the College of Nursing Jeannette Andrews; Dean of the Arnold School of Public Health Thomas Chandler; Vice Provost and Director for Global Carolina P. Allen Miller; Director of Facilities Planning and Programming and University Architect Derek S. Gruner; Director of Facilities Design and Construction Jeffrey D. Lamberson; Director of Capital Budgets and Financing; Charlie Fitzsimons; Director of Academic Programs, Provost's Office, Kristia Finnigan; Director of Parking, Department of Athletics, Jim

Petrus; Associate Dean of the College of Nursing Stephanie Burgess; Faculty Senate Chair-Elect Marco Valtorta; Associate Dean for Diversity & Operations, College of Hospitality, Retail and Sport Management, Tena B. Crews; Professor Jed Lyons, College of Engineering and Computing; USC Upstate Professor Warren J. Carson; USC Aiken Executive Vice Chancellor for Academic Affairs Jeff Priest; Athletics Department Chief Financial Officer Jeff Tallant; Executive Director of My Carolina Alumni Association Jack W. Claypoole; Mrs. Cynthia Lister, wife of Trustee Toney Lister; Mrs. Ann Loadholt, wife of Trustee Miles Loadholt; Mack Stone, husband of Board of Trustees and University Secretary Amy E. Stone; The Reverend Tom Wall, USC Methodist Campus Chaplain; Chief of Staff, President's Office, J. Cantey Heath Jr.; USC student and Rhodes Scholar recipient Jory Fleming; University Technology Services Production Manager Matt Warthen; and Board staff members Debra Allen and Ina Wilson.

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 Avery Wilks with *The State* newspaper.

Motion for Executive Session

Chairman von Lehe said there was a need for an Executive Session to discuss a proposed contractual matter between USC Upstate and the South Carolina ETV Commission, as well as for the receipt of legal advice. Mr. Mobley called for the motion, which was seconded by Mr. Warr. The vote was taken and the motion passed.

The following individuals were invited to remain for the Executive Session: President Pastides, Secretary Stone, Dr. Grant, Mr. Parks, the President's Executive Council, and Ms. Doran.

Return to Open Session

I. Contracts

Chairman von Lehe called on Mr. Parham to present contracts.

A. U.S. Department of Justice, Amendment

Mr. Parham said that the committee was asked to approve an amendment to the National Advocacy Center's (NAC) Operating Agreement that would increase the University's annual

administrative overhead charge to \$687,600 per year, effective October 1, 2016. The administrative overhead charge will apply to all services the University currently provides the NAC except law enforcement and that contract would be negotiated separately.

Chairman von Lehe called for a motion to recommend Board approval of the amendment to the National Advocacy Center's Operating Agreement. Mr. Jones so moved. Mr. Lister seconded the motion. The vote was taken and the motion was approved.

B. S.C. Department of Commerce

Mr. Parham said that the Darla Moore School of Business sought approval to accept a \$2 million grant from the S.C. Department of Commerce, which would be used to create and permanently endow the Continental Endowed Chair Fund. The grant is being provided to recognize Continental Tire of the Americas, LLC and would endow the Continental Endowed Chair in Global Supply Chain Management and Management Science.

Chairman von Lehe called for a motion to recommend Board approval to accept the grant. Mr. Jones so moved. Mr. Warr seconded the motion. The vote was taken and the motion was approved.

C. 1600 Hampton Street Parking Lease

Mr. Parham said approval was sought to renew a surface parking lease for property (1.65 acres) located in the paved parking area behind 1600 Hampton Street. This property is owned by members of the Grimball and Belser families. The renewal would be for a 10-year term, beginning January 1, 2017. The annual renewal amount would be 8% of the mutually agreed upon fair market value of the property.

Chairman von Lehe called for a motion to recommend Board approval of the parking lease. Mr. Mobley so moved. Mr. Jones seconded the motion. The vote was taken and the motion was approved.

D. Indefinite Delivery Contracts – Construction Services

1. Construction Services of SC, LLC
2. First Class Construction, LLC
3. Pizzuti Builders, Inc.
4. JRC Specialty, Inc.
5. WT Murphy Construction, LLC

E. Indefinite Delivery Contracts – Professional Services

1. LCK
2. Compass 5 Partners, LLC
3. ENVIRO AgScience, Inc.

Mr. Parham said approval was sought for five indefinite delivery contracts for construction services and three indefinite delivery services contracts for professional services, specifically construction manager agent services. Each two-year term contract was the standard agreement approved by the State Engineer.

Chairman von Lehe called for a motion to recommend Board approval of the indefinite delivery contracts for construction services and to approve those for professional services. Mr. Lister so moved. Dr. Floyd seconded the motion. The vote was taken and the motion was approved.

F. Shorelight Education, LLC Amendment

Mr. Parham said approval was sought for an amendment to the Shorelight Agreement that was approved in 2015. The amendment will acknowledge the creation of the Masters Accelerator Program to mirror the undergraduate International Accelerator Program that Shorelight operates. It confirms that the University controls the academics associated with the master's programs that will be part of the accelerator program and establishes the fee that will be paid USC professors who teach courses in the accelerator program. It also provides that Shorelight will pay the University a referral fee for each student that the University refers into the accelerator programs. That fee will be 15% of funds Shorelight collects from those students.

Chairman von Lehe called for a motion to approve the amendment. Mr. Jones so moved. Mr. Lister seconded the motion. The vote was taken and the motion was approved.

G. Southeastern Concepts, LLC

Mr. Parham said approval was sought for a contract with Southeastern Concepts, LLC to provide parking management services during home football games for parking lots that the Athletics Department controls. There are 11 such lots. The term of the contract is one year; it may be extended at the University's option for up to four additional one-year periods; and it may be terminated on 10 days' notice. Southeastern will receive \$15,724 per home game. This amount will be reduced by \$4,667 for each home game that occurs during the S.C. State Fair. Southeastern's fee also will be reduced by the sum of \$468 for each home game against a non-SEC opponent. If the contract runs for the full five-year term, the estimated value will be approximately \$550,340.

Chairman von Lehe called for a motion to approve the contract with Southeastern Concepts, LLC. Dr. Floyd so moved. Mr. Warr seconded the motion. The vote was taken and the motion was approved.

H. PeopleAdmin Master Services Agreement

Mr. Parham said approval was sought for an agreement with PeopleAdmin, Inc. which is a cloud-based software, human resources (HR) solutions company that works specifically with higher education and government. Under this agreement, the Division of Human Resources will acquire access to software solutions called Select Suite and Records Professional that will allow web-based services such as job postings, screening and processing applications, applicant tracking, and other functions. The term of the new agreement begins January 3, 2017, and ends September 30, 2020. The total cost of the cloud-based software, including all associated fees is \$422,505.80.

Chairman von Lehe called for a motion to approve the master services agreement with PeopleAdmin, Inc. Mr. Mobley so moved. Mr. Jones seconded the motion. The vote was taken and the motion was approved.

I. Gartner, Inc.

Mr. Parham said that the contract with Gartner, Inc. had been deferred.

III. Columbia Parking Facilities Corporation, Discovery and Horizon Garages

Mr. Parham said approval was sought for the Agreement of Purchase and Sale between the USC Development Foundation, the City of Columbia, and the Columbia Parking Facilities Corporation regarding the Horizon and Discovery parking garages, and to authorize the University to execute such agreements, terminations and other documents as are specified in or required in connection with the Purchase and Sale Agreement.

Chairman von Lehe called for a motion to recommend Board approval of this Agreement of Purchase and Sale related to the Horizon and Discovery parking garages. Dr. Floyd made the motion and Mr. Warr seconded it. The vote was taken and the motion was approved.

IV. South Carolina ETV Commission Agreement, USC Upstate

Mr. Parham said USC Upstate sought approval of a Memorandum of Understanding (MOU) with the South Carolina ETV (SCETV) Commission. Under the agreement, ETV will allow USC Upstate use without charge 2,548 square feet of SCETV space in the Media Building on the USC Upstate campus. In addition, SCETV also will agree to allow USC Upstate to use its studio and support facilities in connection with USC Upstate's journalism/media academic programs for 420 hours during the fall and spring semesters. USC Upstate will continue to provide utilities, maintenance, custodial and security services for the entire Media Building. Additionally, the MOU confirms SCETV may continue to operate its microwave tower and related equipment that has been located on the campus since 1977.

Chairman von Lehe called for a motion to recommend Board approval of the MOU between USC Upstate and SCETV. Mr. Mobley made the motion and Mr. Jones seconded it. The vote was taken and the motion was approved.

V. USC Lancaster Educational Foundation Affiliation Agreement

Mr. Parham said USC Lancaster sought approval to renew its existing affiliation agreement between USC Lancaster and the USC Lancaster Educational Foundation. The agreement is identical in form to that which was approved by this Board for USC Upstate in 2015. It affirms the value of the services provided by the foundation to USC Lancaster exceeds the value of the services that the campus provides to the foundation.

Chairman von Lehe called for a motion to recommend Board approval of the affiliation agreement between USC Lancaster and the USC Lancaster Educational Foundation. Mr. Lister made the motion and Dr. Floyd seconded it. The vote was taken and the motion was approved.

VI. Board of Trustees Bylaws Amendment

Chairman von Lehe said that the Bylaws amendment had been deferred.

VII. Darla Moore School of Business

Chairman von Lehe said the Darla Moore School of Business item had been deferred.

VIII. Reassignment of BTRU 1.30 Capital Planning Policy

Chairman von Lehe said that Secretary Stone had informed him there was a Board policy that would be better assigned as an administration policy for ongoing development, authorization and implementation. He therefore requested a motion and second to re-assign BTRU 1.30 Capital Planning Policy as a University policy authorized by the Vice President for Finance and Chief Financial Officer and issued by University Finance, a unit of Capital Budgets & Financing. It was further explained the Board's responsibility for approval of capital planning items was unaffected by this reassignment.

Mr. Lister made the motion and Mr. Jones seconded it. The vote was taken and the motion was approved.

IX. Adjournment

Chairman von Lehe called for any other matters to come before the committee. There being none, Chairman von Lehe declared the meeting adjourned at 12:47 p.m.

Respectfully submitted,

Amy E. Stone
Secretary