MINUTES

Meeting of the Board of Trustees
Of the Medical University of South Carolina

October 7, 2005

It Is Understood That The Minutes Herein Recorded Have Not As Yet Been Approved and Cannot Be Considered as Official Action of the Board Until Such Approval Has Been Given

119 & 121 Education Center/Library Building
Medical University of South Carolina
Charleston, South Carolina
MINUTES
MEDICAL UNIVERSITY OF SOUTH CAROLINA
BOARD OF TRUSTEES MEETING
October 7, 2005

The Board of Trustees of the Medical University convened Friday, October 7, 2005, with the following members present: Dr. Donald R. Johnson II, Chairman; Mr. Charles L. Appleby, Jr.; Dr. Stanley C. Baker, Jr.; Mr. Melvyn Berlinsky; Mr. William H. Bingham, Sr.; Dr. E. Conyers O'Bryan, Jr.; Dr. Paula E. Orr; Dr. Thomas C. Rowland, Jr.; Mr. Charles W. Schulze; Mr. Thomas L. Stephenson, Esquire; Dr. Charles B. Thomas, Jr.; Dr. James E. Wiseman, Jr., and Mr. Hugh B. Faulkner, III.

Absent from the meeting were: Dr. Cotesworth P. Fishburne, Jr., Vice Chairman; Mr. William B. Hewitt.

The following administrative officials were present: Dr. Raymond S. Greenberg, President; Dr. John Raymond, Vice President for Academic Affairs and Provost; Dr. Jerry Reves, Vice President for Medical Affairs, and Dean, College of Medicine; Ms. Lisa Montgomery, Vice President for Finance and Administration; Mr. Stuart Smith, Vice President for Clinical Operations and Executive Director, MUHA; Mr. Jim Fisher, Vice President for Development.

The following deans were present: Dr. Mark Barry, representing the College of Dental Medicine; Dr. Perry Halushka, College of Graduate Studies; Dr. Danielle Ripich, College of Health Professions; Dr. Jerry Reves, College of Medicine; Dr. Gail Stuart, College of Nursing; and Dr. Joseph DiPiro, and Dr. Arnold Karig, College of Pharmacy.

Item 1. Call to Order-Roll Call.

There being a quorum present, Chairman Johnson called the meeting to order at 8:45 a.m. Ms. Celeste Jordan called the roll.

Item 2. Secretary to Report Date of Next Meeting.

The date of the next regularly scheduled meeting is Friday, December 9, 2005. Committee meetings will be held Thursday, December 8, 2005.

Item 3. Approval of Minutes of the Regular Meeting of the Medical University of South Carolina Board of Trustees of August 12, 2005.

Board Action: It was moved that the Minutes be approved. The motion was seconded, voted on and unanimously carried.

RECOMMENDATIONS AND INFORMATIONAL REPORTS OF THE PRESIDENT.

OLD BUSINESS: None.

NEW BUSINESS:


Statement: Dr. Greenberg distributed copies of his activities since the last board meeting (attached) and stated that the past few months have been incredibly busy.
The Governor asked him to serve on an ad hoc group to look at the Medicaid Waiver that has been submitted and has received quite a bit of public attention. That effort is coming to a close. In addition, the University has been involved in negotiations with the VA which have been very time consuming. He commended Dean Reves, Dr. Feussner, Mr. Stuart Smith and Ms. Lisa Montgomery for having given a tremendous commitment of time to the effort.

Recommendations of Administration: That these reports be received as information.

Board Action: Received as information.

Item 5. Other Business. None

UNIVERSITY AUDIT COMMITTEE. CHAIRMAN: THOMAS L. STEPHENSON, ESQUIRE. (Detailed committee minutes are attached to these minutes.)

Item 6. Election of Chairperson. It was reported that Thomas L. Stephenson, Esquire had been elected Chairman of the University Audit Committee.

Board Action: Received as information.

Item 7. MUSC External Audit Status Report. The report was provided to the Audit Committee.

Recommendation of Administration: That this report be received as information.

Recommendation of Committee: That this report be received as information.

Board Action: Received as information.

Item 8. Health Sciences Foundation External Audit Status Report. The report was provided to the Audit Committee.

Recommendation of Administration: That this report be received as information.

Recommendation of Committee: That this report be received as information.

Board Action: Received as information.

Item 9. Foundation for Research Development External Audit Status Report. The report was provided to the Audit Committee.

Recommendation of Administration: That this report be received as information.

Recommendation of Committee: That this report be received as information.

Board Action: Received as information.
Item 10. **University Medical Associates External Audit Status Report.** The report was provided to the Audit Committee.

**Recommendation of Administration:** That this report be received as information.

**Recommendation of Committee:** That this report be received as information.

**Board Action:** Received as information.

Item 11. **Report of the General Counsel.** The report was provided to the Audit Committee.

**Recommendation of Administration:** That this report be received as information.

**Recommendation of Committee:** That this report be received as information.

**Board Action:** Received as information.

Item 12. **Other Committee Business.** Mr. Stephenson stated that the Audit Committee had received preliminary audit reports from all entities and that there was nothing outstanding to report. The final reports should be reviewed at the December meeting. Mr. Joe Good had provided a general report to the committee. Mr. Stephenson recommended merging the two Audit Committee agendas into one agenda for MUSC/MUHA.

**Board Action:** Received as information.

RESEARCH AND INSTITUTIONAL ADVANCEMENT COMMITTEE. CHAIRMAN: MR. CHARLES L. APPLEBY, JR. (Detailed committee minutes are attached to these minutes).

OLD BUSINESS: None.

NEW BUSINESS:

Item 13. **General Report of the Associate Provost for Research.**

**Statement:** Dr. John Raymond reported on the research activities. He stated that MUSC is continuing to pursue matching funds available from the State under the Life Sciences Act for research construction. MUSC will utilize approximately $77.3 million of the funds for the new Bioengineering and Drug Discovery Buildings, a cancer genomics facility and patient-oriented research tower.

He commented that Dr. Maurizio Del Poeta, Assistant Professor in the Department of Biochemistry and Molecular Biology had provided a report to the Research Committee. He is not only an outstanding investigator but also received the Teacher of the Year Award from two MUSC colleges.

Dr. Raymond asked Dr. Reves to talk about a proposal for a clinical effectiveness and patient safety study. Dr. Reves said the concept is to make an academic clinical state-wide model for the nation in terms of developing best practices in clinical
effectiveness and patient safety. Dr. Raymond expressed his hope that this would be the first of many initiatives of the Health Sciences South Carolina Collaborative.

Ms. Peggy Schachte, Director of the Office of Research Development, presented a report on the Office of Research Development. Since the establishment of the office, the total value of extramural awards at MUSC has almost tripled while the number of awards have almost doubled. The College of Medicine has climbed in NIH rankings from 67th to 48th.

Dr. Raymond concluded by saying that the search committee for the Associate Provost for Research has been convened and he would like to have a candidate by the May Board meeting to present to the Board for approval.

Recommendation of Administration: That this report be received as information.

Recommendation of Committee: That this report be received as information.

Board Action: Received as information.

Item 14. **General Report of the Vice President for Development.**

**Statement:** Mr. Jim Fisher presented a report on institutional advancement activities. He noted that gifts and pledges received through September 1, 2005, reached $6.8 million which represents a 58% increase compared to last year. He highlighted a few of the numerous gifts received recently. He also stated planning for the University’s next Capital Campaign continues to progress and thanked the Board members for meeting with the consultants on the feasibility study. This report was received as information.

Recommendation of Administration: That this report be received as information.

Recommendation of Committee: That this report be received as information.

Board Action: Received as information.

Item 15. **Health Sciences Foundation.**

**Statement:** Mr. Tom Anderson presented a report on the unrestricted funds budget for the Health Sciences Foundation. Highlights include a balanced budget and the elimination of State support for staff salaries. There has been a 25% increase in support to the MUSC Development Office and a 33% increase in support to the President’s Office, largely for awards and scholarships. Mr. Anderson was pleased to report that the Foundation now has $100 million in total endowed assets. This report was received as information.

Dr. Greenberg took the opportunity to acknowledge Mr. Anderson’s important contributions to the University. He stated Mr. Anderson had worked on behalf of MUSC above and beyond what would be obvious in his normal HSF role.
Recommendation of Administration: That this report be received as information.

Recommendation of Committee: That this report be received as information.

Board Action: Received as information.

**Item 16. MUSC Foundation for Research Development.**

**Statement:** Dr. Robert Pozner presented a report on the Foundation for Research Development (FRD). He reported that the FRD has initiated expense management programs. A project management approach has been implemented for staff members to handle intellectual property and technical transfer issues. The report was received as information.

Recommendation of Administration: That this report be received as information.

Recommendation of Committee: That this report be received as information.

Board Action: Received as information.

**Item 17. Other Committee Business.**

**EDUCATION, FACULTY AND STUDENT AFFAIRS COMMITTEE. CHAIRMAN: MR. MELVYN BERLINSKY. (Detailed committee minutes are attached to these minutes).**

**OLD BUSINESS:** None.

**NEW BUSINESS:**

**Item 18. General Report of the Vice President for Academic Affairs and Provost.**

**Statement:** Dr. John Raymond provided a general report. Administration is preparing for the SACS accreditation visit, part of which requires that we have a quality enhancement program focused on learning. Dr. David Ward has been asked to spearhead the quality enhancement effort. This report was received as information.

Recommendation of Administration: That these reports be received as information.

Recommendation of Committee: That these reports be received as information.

Board Action: Received as information.

**Item 19. Resolution to Examine Options for Improving the Facilities of the College of Pharmacy.**

**Statement:** Mr. Berlinksy presented a resolution directing University Administration to explore options for improving the facilities of the College of Pharmacy.
Recommendation of Administration: That the resolution be approved.

Recommendation of Committee: That the resolution be approved.

Board Action: It was moved that the resolution be approved. The motion was seconded, voted on and unanimously carried.

Item 20. Other Committee Business.

A. Faculty Appointments. At the request of the Dean of the College of Medicine, Administration presented for approval the following faculty appointment:

**College of Medicine**

**Edwin L. Naylor, Ph.D.,** as Adjunct Professor in the Department of Pediatrics, Division of Genetics and Developmental Pediatrics, effective July 19, 2005.

Recommendation of Administration: That the faculty appointment be approved.

Recommendation of Committee: That the faculty appointment be approved.

Board Action: Mr. Berlinsky moved that the faculty appointment be approved. The motion was seconded, voted on and unanimously carried.

B. Sabbatical Leave At the request of the Dean of the College of Medicine, Administration presented for approval the following sabbatical leave:

A ten-month sabbatical leave for **Frederick H. Veser, M.D.,** Associate Professor, Department of Medicine, Division of Emergency Medicine, beginning October 15, 2005 through August 15, 2006.

Recommendation of Administration: That this request for sabbatical leave be approved.

Recommendation of Committee: That this request for sabbatical leave be approved.

Board Action: Mr. Berlinsky moved that this sabbatical leave be approved. The motion was seconded, voted on and unanimously carried.

Item 21. Faculty Tenure Recommendations (consent item).

Statement: At the request of the Dean of the College of Medicine and the Dean of the College of Pharmacy, Administration presented for approval for tenure the following:

**College of Medicine**

**Amy V. Blue, Ph.D.,** Associate Professor, Department of Family Medicine, College of Medicine
Lori M. Dickerson, Pharm.D., Associate Professor, Department of Family Medicine, College of Medicine, with a joint appointment in the Department of Pharmacy and Clinical Services, College of Pharmacy

Ling Wei, M.D., Associate Professor, Department of Pathology and Laboratory Medicine, College of Medicine

W. Joel Cook, M.D., Associate Professor, Department of Dermatology, College of Medicine, with a dual appointment in the Department of Otolaryngology – Head and Neck Surgery

Tien Hsu, Ph.D., Associate Professor, Department of Pathology and Laboratory Medicine, College of Medicine

David N. B. Lewin, M.D., Associate Professor, Department of Pathology and Laboratory Medicine, College of Medicine

Robert Mallin, M.D., Associate Professor, Department of Family Medicine, College of Medicine, with a dual appointment in the Department of Psychiatry and Behavioral Sciences

L. Judson Chandler, Ph.D., Associate Professor, Department of Neurosciences, Division of Neuroscience Research, College of Medicine, with a dual appointment in the Department of Psychiatry and Behavioral Sciences

Michael E. Ullian, M.D., Professor, Department of Medicine, Division of Nephrology, College of Medicine

**College of Pharmacy**
Shan Ping Yu, M.D., Ph.D., Associate Professor, Department of Pharmaceutical Sciences, College of Pharmacy

Recommendation of Administration: That the tenure recommendations be approved.

Recommendation of Committee: That the tenure recommendations be approved.

Board Action: Mr. Berlinsky moved that the tenure recommendations be approved. The motion was seconded, voted on and unanimously carried.

**Item 22: Faculty Appointments (Consent item).**

Statement: At the request of the Dean of the College of Medicine and its Appointments and Promotions Committee, Administration presented for approval the following faculty appointments:

**College of Medicine**
Susan C. Harvey, M.D., (dual appointment) as Associate Professor in the Department of Neurosciences, Division of Neurological Surgery, effective September 1, 2005.
Dr. Harvey’s primary appointment rests in the Department of Anesthesia and Perioperative Medicine.

**John W. Hallet, Jr., M.D.,** as Clinical Professor, in the Department of Surgery, Division of Cardiothoracic Surgery, effective September 1, 2005.

**Frank K. Mielck, M.D.,** as Visiting Associate Professor, in the Department of Anesthesia and Perioperative Medicine, effective August 16, 2005.

**Recommendation of Administration:** That these faculty appointments be approved.

**Recommendation of Committee:** That these faculty appointments be approved.

**Board Action:** Mr. Berlinsky moved that these faculty appointments be approved. The motion was seconded, voted on and unanimously carried.

**NOTE:** See Item 20 Other Committee Business (20A Faculty Appointments) for additional faculty appointment.

**Item 23. Changes in Faculty Status (consent item).**

**Statement:** At the request of the Dean of the College of Health Professions and the Dean of the College of Medicine and the respective Appointment and Promotions Committees, Administration presented for approval the following changes in faculty status:

**College of Health Professions**

**Ervin B. Holladay, Ph.D.,** from Professor to Adjunct Professor in the Department of Clinical Services, effective July 1, 2005.

**College of Medicine**

**Lawrence D. Middaugh, Ph.D.,** from Professor to Professor Emeritus, in the Department of Psychiatry and Behavioral Sciences, effective September 1, 2005.

**Recommendation of Administration:** That these changes in faculty status be approved.

**Recommendation of Committee:** That these changes in faculty status be approved.

**Board Action:** Mr. Berlinsky moved that these changes in faculty status be approved. The motion was seconded, voted on and unanimously carried.

**Item 24. Faculty Handbook Revision (consent item).**

**Statement:** The following faculty handbook revised wording for Section 13.01, State Insurance Program which provides part-time permanent faculty members with benefits coverage was presented for approval:

“All permanent faculty members employed by MUSC at least 50% of the time, or 20 hours per week, will be eligible to participate in the University’s benefits program. Please see the MUSC Department of Human Resources web site at
www.musc.edu/hrm/benefits/ for specific information. Desired coverage must be elected within 31 days of the faculty member's employment date. Late enrollment for health, life or disability insurance is permitted at any time with medical evidence of good health. Change in coverage, including adding coverage without medical evidence, is also permitted within 31 days of a life qualifying event (e.g., marriage, divorce, birth, adoption, death, loss or gain of coverage by spouse)."

Recommendation of Administration: That the revised wording be approved.

Recommendation of Committee: That the revised wording be approved.

Board Action: It was moved that the revised wording be approved. The motion was seconded, voted on and unanimously carried.

**Item 25:** Approval of Official Naming of the John C. West Endowed Chair in Cancer Research.

**Statement:** The official naming of the John C. West Endowed Chair in Cancer Research was presented for approval.

**Recommendation of Administration:** That the official naming of the John C. West Endowed Chair in Cancer Research be approved.

**Recommendation of Committee:** That the official naming of the John C. West Endowed Chair in Cancer Research be approved.

**Board Action:** It was moved that the official naming of the John C. West Endowed Chair in Cancer Research be approved. The motion was seconded, voted on and unanimously carried.

FINANCE AND ADMINISTRATION COMMITTEE. CHAIRMAN: MR. CHARLES W. SCHULZE. (Detailed committee minutes are attached to these minutes).

OLD BUSINESS: None.

NEW BUSINESS:

**Item 26.** General Report by the Vice President for Finance and Administration.

No Report

**Item 27.** Revision of MUSC Expenditure Authority Policy.

**Statement:** A revision to the University Expenditure Authority Policy to reflect a variance allowance for flexibility in capital equipment purchase was presented. The revision stipulates that administration must seek additional approval for capital purchases, prior to expending funds, if they exceed by 10% or $250,000, whichever is less, the line item amount approved in the Capital Budget.
Recommendation of Administration: That the revised MUSC Expenditure Authority Policy be approved.

Recommendation of Committee: That the revised MUSC Expenditure Authority Policy be approved.

Board Action: It was moved that the revised MUSC Expenditure Authority Policy be approved as modified. The motion was seconded, voted on and unanimously carried.

Item 28. MUSC University Major Purchases in Excess of $250,000.

Statement: The following major purchases were presented for approval:

- Confocal Microscopes-Center for Cell Injury, Death and Regeneration - $900,000
- Drug Discovery Core Facility Equipment - $280,000

Recommendation of Administration: That the Board of Trustees approve the major purchases.

Recommendation of Committee: That the Board of Trustees approve the major purchases.

Board Action: It was moved that the major purchases be approved. The motion was seconded, voted on and carried.

Item 29. Financial Status Report of the Medical University of South Carolina.

Statement: Mr. Schulze summarized the financial status of the University. Operating cash continues to be strong. The Statement of Revenues, Expenses and Changes in Net Assets showed an increase in net assets of $1.3 million. The Current Operating Funds Statement showed a net decrease in fund balance of $2.8 million.

Recommendation of Administration: That this report be received as information.

Recommendation of Committee: That this report be received as information.

Board Action: Received as information.


Statement: It was reported that UMA is off to a great start with $24 million in revenues and $38 million in collections. The change in net assets for UMA and CFC for the period ending 8/31/05 is $1,084,288 as compared with $252,928 last year. Revenues increased by $400,000, which resulted in a bottom line of $2.2 million.

Recommendation of Administration: That this report be received as information.
Recommendation of Committee: That this report be received as information.

Board Action: Received as information.

**Item 31. Financial Status Report of the MUSC Foundation for Research Development.**

**Statement:** Mr. Schulze reported that the Foundation for Research Development had total assets of $2 million and liabilities of $1.3 million as of August 31, 2005.

**Recommendation of Administration:** That this report be received as information.

**Recommendation of Committee:** That this report be received as information.

Board Action: Received as information.

**Item 32. Other Committee Business.** Mr. Schulze stated that Ms. Montgomery had reported to the committee that MUSC is participating with USC in a solicitation for an Enterprise Resource Planning system. The RFP includes USC and other higher educational agencies within the State.

UNIVERSITY PHYSICAL FACILITIES COMMITTEE. CHAIRMAN: MR. WILLIAM H. BINGHAM, SR. (Detailed committee minutes are attached to these minutes).

OLD BUSINESS: None.

NEW BUSINESS:

**Item 33. Facilities Procurements/Contracts.**

**Statement:** The following were presented for approval:

- Ground lease to MUHA, for a nominal charge, for the land needed for the new parking garage project.

- Lease from MUHA of the 1,500 space garage with the lease cost equal to the amortization of the Authority's borrowing. Estimated annual lease - $1.3 million for 20 years.

- Lease renewal of 772 parking spaces in Rutledge Tower Parking Garage from UMA for one year - $490,000.

- University was authorized to proceed to select contractors to provide electrical and structural services under indefinite delivery contracts.

- Installation of an additional elevator in the Ashley-Rutledge Garage - $800,000.

**Recommendation of Administration:** That these procurements/contracts be approved.
Recommendation of Committee: That these procurements/contracts be approved.

Board Action: It was moved that these procurements/contracts be approved. The motion was seconded, voted on and carried.

Item 34. Update on Projects.

Statement: An update on Medical University projects was presented to the Committee for information.

Recommendation of Administration: That this report be received as information.

Recommendation of Committee: That this report be received as information.

Board Action: Received as information.

Item 35. Other Committee Business.

Storm Emergency Preparedness Briefing. Mr. Bingham reported that the committee had received a storm emergency preparedness briefing from Mr. Wayne Brannan. There are some generators and switch gear that need to be raised to avoid storm flooding. Mr. Bingham asked that the equipment be raised and that funds be set aside annually to address this need.

Board Action: A motion was made requesting that Ms. Montgomery bring back a proposal to the December meeting the cost estimates and a 3-5 year action plan to upgrade the location of the equipment, as well as a plan to implement the upgrade in light of existing facilities needs. The motion was seconded, voted on and carried.

Mechanical Engineering Services. Mr. John Malmrose stated that Mr. Bingham had chaired a committee to select firms to provide mechanical engineering services to the University under an indefinite delivery contract. The firms selected were RMF Engineering, Inc. and MECA, Inc.

Recommendation of Committee: That this report be received as information.

Board Action: Received as information.

Item 36. Facilities Contracts Awarded (consent item).

Statement: Facilities contracts awarded since the August 2005 Board meeting were presented for information.

Recommendation of Administration: That this report be received as information.

Recommendation of Committee: That this report be received as information.

Board Action: Received as information.
OTHER BUSINESS FOR THE BOARD OF TRUSTEES:

Item 37. Approval of Consent Agenda.

Statement: Approval of the University Consent Agenda was requested.

Recommendation of Administration: That the consent agenda be approved.

Board Action: It was moved, seconded and unanimously voted that the consent agenda be approved.


No report.

Item 39. New Business for the Board of Trustees.

Executive Session.

After the appropriate motion and vote, the Chairman announced that the Board of Trustees would go into executive session to receive information on contractual matters. The report was received as information and no action was taken. The Board adjourned from executive session and continued with additional business.

Item 40. Report from the Chairman.

No Report.

There being no further business, the meeting of the University Board of Trustees was adjourned.

Respectfully submitted,

Hugh B. Faulkner III
Secretary

/wcj
Attachments
Since the August 12, 2005 meeting of the Board of Trustees, Dr. Greenberg's activities have been concentrated in the following areas:

1. **Meetings with public officials:**
   a. Congressional Committee on Veterans Affairs staff – 8/29, 9/15
   b. Senator Tommy Moore – 9/8
   c. Commission on Healthcare Access – 9/12
   d. Congressman Henry Brown – 9/15
   e. Centers of Economic Excellence Review Board – 9/16
   f. Governor Sanford – 9/20, 10/6
   g. Higher Education Results Team – 9/20
   h. Congressional Field Hearing, Congressmen Brown, Buyer, Michaud – 9/26

2. **Media Interviews/Invited Public Presentations:**
   a. Welcome Pitts Lectureship – 9/9
   b. Chamber of Commerce Panel – 9/20
   c. Panel, SC CHE Accountability Conference – 9/23
   d. Channel 4 – 9/26
   e. *Post & Courier* – 9/26

3. **Presentations to/Meetings with MUSC constituencies:**
   a. New Student Orientation – 8/22
   b. Visit MUSC clinics – 8/23, 9/1
   c. Faculty Convocation – 8/23
   d. President’s Council – 8/24
   e. Dinner honoring Distinguished University Professors and Endowed Chairs – 8/31
   f. Presidential Scholars Dinner and Presentation – 9/7
   g. Dinner honoring Pitts Lecturers – 9/9
   h. MUSC Advisory Board Chairs – 9/20
   i. Hollings Cancer Center Board – 9/23
   j. Vice President's Meeting – 9/27
   k. MUSC Art Committee – 9/28
4. Meetings with outside constituencies:
   a. SCRA – 8/22, 8/31
   b. Charleston Regional Development Alliance Board – 8/23, 9/27
   c. USC College of Pharmacy Faculty – 8/25
   d. Architects re Drug Discovery Building – 6/22
   e. Governor’s School of Science and Mathematics Convocation – 9/8
   f. SC Council on Competitiveness – 9/9
   g. Hospital architects – 9/12
   h. Board of Scientific Counselors, National Council for Health Statistics – 9/15-16
   i. Ayers Saint Gross Steering Committee – 9/22
   j. Association of Academic Health Centers Annual Meeting – 9/29 – 10/1

5. Meetings with members of local and non-local medical community:
   a. Medicaid Advisory Group – 8/25, 9/21, 10/3
   b. Health Sciences South Carolina – 9/6, 9/22

6. Meetings with donors:
   a. Development lunches – 9/27
   c. Development phone calls – 9/8, 9/28
   d. BMW Reception, Greenville – 8/18
   e. Capital Campaign Task Force – 8/24

7. Collaborative discussions:
   a. VA Oversight Committee – 8/12, 8/23
   b. VA/MUSC Conference Call – 8/17, 8/18, 8/24, 9/7, 9/14, 9/28
   c. VA Collaborative Meeting – 8/23, 8/30, 9/19
   d. GAO group re VA Integration – 8/29
   e. Presidents Sorensen and Barker – 9/5, 9/14
   f. AHC Southern Council – 9/22
   g. USC-Beaufort – 9/27
MUSC Audit Committee  
Thursday, October 6, 2005  
Minutes

Attendees:

Mr. Charles L. Appleby, Jr.  
Dr. Stanley Baker, Jr.  
Mr. Melvyn Berlinsky  
Mr. William H. Bingham, Sr.  
Dr. Donald Johnson II  
Dr. Conyers O'Bryan, Jr.  
Dr. Thomas Rowland, Jr.  
Mr. Charles Schulze  
Mr. Thomas Stephenson, Esq.  
Dr. Charles B. Thomas, Jr.  
Dr. Raymond Greenberg  
Ms. Lisa Montgomery  
Dr. John Raymond  
Dr. Jerry Reves  
Mr. Stuart Smith  
Ms. Susan Barnhart  
Dr. Mark Barry  
Mr. John Cooper  
Mr. Bo Faulkner  
Dr. John Feussner  
Ms. Robyn Frampton  
Mr. Joseph Good  
Ms. Celeste Jordan  
Mr. Mike Keels  
Ms. Lisa Kindy  
Ms. Casey Martin  
Mr. Greg Murphy  
Mr. Bruce Quinlan  
Ms. Janet Scarborough  
Dr. Sabra Slaughter  
Mr. Paul Taylor  
Mr. Patrick Wamsley

The meeting was called to order at by Dr. Donald Johnson, Chairman of the MUSC/MUHA Board of Trustees.

**Item 6. Election of Chairperson.**

Mr. Thomas Stephenson was elected Chairman of the Audit Committee.

**Item 7. MUSC External Audit Status Report.**

**Statement:** Mr. Patrick Wamsley presented an External Audit Status Report.

Mr. Wamsley reported that the bottom line on the June 30th financial statements was $69.7 million and the adjusted financial statements will be $63.7 million. There are always adjusting entries and accruals made after the final run statements. Some of these include a $2 million increase in depreciation that was made at year end; an additional $1 million in utilities; and a $2 million increase in Account Payables accruals. We have not been informed of any findings or audit points at this time. There was one adjusting entry regarding the Charleston High School Development Company. This was a balance sheet entry and did not affect the bottom line. The A-133 audit is not as far along as the financial audit but they have completed the field work and there are currently no findings or audit points that we are aware of.

**Recommendation of the Committee:** That this report be received as information.

**Item 8. Health Sciences Foundation External Audit Status Report.**

**Statement:** Ms. Robyn Frampton presented an External Audit Status Report.

The Health Sciences Foundation's FY05 audit with an unqualified opinion is complete. With regard to our management letter, there were no material weaknesses noted. A suggestion was made by HSF's new auditors to continue with a project that we have regarding some software to enhance our monitoring and
reporting capabilities. We will report total assets of approximately $215 million with an increase in net assets of a little over $9 million.

**Recommendation of the Committee:** That this report be received as information.


**Statement:** Ms. Janet Scarborough presented an External Audit Status Report.

Ms. Scarborough reported that the Foundation submitted their audited financials on September 19, 2005. An adjustment was necessary due to the revision of the value of the Micrus stock. Micrus issued an IPO on June 16, 2005 and an adjustment was required as a result. It did not affect the net asset balance of the Foundation. It affected revenues, liabilities, and expenses. The Foundation’s net assets as of FY2005 were $589 thousand, a decrease of approximately $300 thousand. We recognized $200 thousand of bad debt related to some licenses, and $37 thousand in bad debt related to a research agreement. The net asset balance is very conservative. Everything that could be written off was written off. We started the new year with new leadership looking and focusing on our mission of Technology Transfer.

**Recommendation of the Committee:** That this report be received as information.

**Item 10. University Medical Associates External Audit Status Report.**

**Statement:** Mr. Mike Keels will present an External Audit Status Report.

Mr. Keels reported that the auditors have completed their work and they expect to receive an unqualified opinion. There were no material weaknesses noted in the management letter. The total assets will be about $180 million and a net income of $20.9 million.

**Recommendation of the Committee:** That this report be received as information.

**Item 11. Report of the General Counsel.**

**Statement:** Mr. Joe Good presented a general report.

Thanks to the hard work of Ms. Lisa Kindy and Ms. Annette Drachman malpractice cases are down from 350 to 400 to an average of 100. The average amount that we are settling these cases for is around $200 thousand. Professional liability insurance premiums went up by 14.9%. That is less of an increase than we have been experiencing in past years. Most cases are coming from nursing errors not physician errors. We have eleven pending nursing suits, six in medicine, five in surgery, and five in orthopedics.

**Recommendation of the Committee:** That this report be received as information.

**Other Committee Business:**

Mr. Stephenson recommended merging the two Audit Committee agendas into one agenda for MUSC/MUHA.

There being no further business, the committee adjourned.
Medical University of South Carolina

RESEARCH AND INSTITUTIONAL ADVANCEMENT COMMITTEE

MINUTES

October 6, 2005

Committee Members Present: Mr. Charles Appleby, Jr. (Chair), Dr. Paula Orr, Dr. Thomas C. Rowland, Jr., Dr. James E. Wiseman, Jr.

Other Trustees Present: Mr. William H. Bingham, Sr., Dr. Don Johnson

Other Participants: Mr. Thomas Anderson, Ms. Susan Barnhardt, Dr. Maurizio Del Poeta, Mr. Jim Fisher, Mr. Joseph Good, Dr. Ray Greenberg, Ms. Leigh W. Manzi, Mr. Robert Pozner, Dr. John R. Raymond, Dr. J.G. Reves, Ms. Margaret P. Schachte, Mr. Paul Taylor, Ms. Elizabeth P. Waters

Regular Agenda

Call to Order and Approval of Minutes
Mr. Appleby called the meeting to order at 12:50 PM in the Education/Library Building. There being no corrections or amendments, the minutes of the previous meeting were approved as distributed.

Dr. John Raymond, Vice President for Academic Affairs and Provost, presented the general report on research activities. He stated that the extramural research funding received through August 31, 2005, is lower than last year at this time due to severe tightening of the federal budget. Furthermore, Dr. Raymond stated that MUSC is continuing to pursue matching dollars for research construction funds available from the State under the Life Sciences Act. He said that Clemson University and the University of South Carolina intend to commit $4 million in matching funds to construct a joint Bioengineering Building on the MUSC campus. MUSC will utilize approximately $75 million of Life Sciences Act funds for the new Drug Discovery and Bioengineering Buildings, and has identified about $40 million in matching funds for these projects.

Dr. Raymond introduced Dr. Maurizio Del Poeta, Assistant Professor in the Department of Biochemistry & Molecular Biology. Dr. Del Poeta received his MD from the University of Ancona School of Medicine in Italy in 1992. His laboratory studies the function of sphingolipids involved in mediating signaling pathways and fungal pathogenesis. He has particular interests in understanding the molecular mechanisms by which the fungal enzyme inositol-phosphoryl ceramide synthase (ipc1) enables fungal organisms to cause disease. An outstanding young investigator and educator, Dr. Del Poeta has received several major research grants and teaching awards, including the Burroughs Wellcome Foundation Investigator Award in Infectious Diseases, the Health Sciences Foundation Developing Scholar Award, several NIH grants, and Teacher of the Year awards in two MUSC Colleges.
Dr. Raymond introduced Ms. Margaret P. Schachte, Director of the Office of Research Development, for a brief report about ORD, which was established January 1, 1994. She noted that ORD is a service-oriented office that helps investigators, scientists, and trainees find funding to support their research. Furthermore, Ms. Schachte said that, since establishment of the office, the total value of extramural awards at MUSC has almost tripled while the number of awards has almost doubled, indicating that MUSC personnel are achieving both higher volume and higher value. Since FY1995, MUSC’s College of Medicine has climbed about 20 places in NIH rankings, from 67th to 48th, and now has 6 departments that NIH ranks in the top 20 nationally—Biostatistics, Bioinformatics & Epidemiology, Cell Biology & Anatomy, Comparative Medicine, Family Medicine, Otolaryngology—Head & Neck Surgery, and Psychiatry & Behavioral Sciences. Ms. Schachte pointed out that ORD has helped MUSC gain significant success with major federal grants for research infrastructure and research training, e.g., shared instrumentation grants, research construction and renovation grants, research training grants, and NSF EPSCoR and NIH COBRE awards for faculty development and research cores. Finally, she showed the funding trend bar graph, and observed that the delayed federal budget for FY2006 and undetermined expenses resulting from Hurricanes Katrina and Rita have caused a slowdown in the rate and volume of grants and contracts during the first quarter of FY2006.

Recommendation of Administration. That this report be received as information.

Recommendation of Committee. That this report be received as information.

Board Action.

Item 14. General Report of the Vice President for Development
Mr. Jim Fisher, Vice President for Development, presented the general report on institutional advancement activities. He noted that gifts and pledges received through August 30, 2005 reached $6.7 million, which represents a 58% increase compared to the same time last year. He highlighted a few of the numerous gifts recently received, which are detailed in the meeting booklet. These include a gift of $1 million from Spartanburg Regional Healthcare System towards its pledge of $2 million to support the Hollings Cancer Center. More than $480,000 has been donated, pledged, or verbally committed to the renovations in the 5th floor Pre-Clinical Student Laboratory in the College of Dental Medicine. Mr. Juergen Brockman provided an additional $205,000 toward an endowed chair in urological cancer and Mr. Tuck Morse contributed an additional $100,000 to the Center of Economic Excellence in Neurodegenerative Diseases. Planning for the University’s next Capital Campaign continues to progress. Our consultants are currently conducting the Feasibility Study.

Recommendation of Administration. That the Institutional Advancement and Health Sciences Foundation reports be received as information.

Recommendation of Committee. That the Institutional Advancement and Health Sciences Foundation reports be received as information.
Board Action.

Item 15. Health Sciences Foundation
Mr. Tom Anderson gave a brief presentation on the Unrestricted Funds Budget for the Health Sciences Foundation. Highlights include elimination of State support for staff salaries; a 25% increase in support to the MUSC Development Office; and a 33% increase in support to the President's Office, largely for awards and scholarships.

Recommendation of Administration. That the Institutional Advancement and Health Sciences Foundation reports be received as information.

Recommendation of Committee. That the Institutional Advancement and Health Sciences Foundation reports be received as information.

Board Action.

Item 16. MUSC Foundation for Research Development
Mr. Robert Pozner, Director of Technology Transfer and Interim Executive Director of the Foundation for Research Development (FRD), gave a brief report. Mr. Pozner reported that FRD has initiated expense management programs and is implementing standardized agreements and standard operating procedures (SOPs) to improve efficiency and communications. Staffing is complete with new hires bringing the total to 5. A project management approach has been implemented, so that staff members will handle intellectual property and technical transfer issues “from cradle to grave” for technologies and discoveries assigned to them. Future plans for FRD include establishing organizational goals and developing a plan to achieve goals, expanding faculty outreach to increase disclosures, developing and expanding external collaborations and linkages, completing the FRD reorganization, and additional training to improve efficiency and quality of service and reduce expenses.

Recommendation of Administration. That the reports concerning research awards and FRD activities be received as information.

Recommendation of Committee. That the reports concerning research awards and FRD activities be received as information.

Board Action.

There being no further business, the meeting was adjourned at 1:35 PM.
Members Present: Mr. Charles Appleby; Dr. Stanley Baker; Mr. Melvyn Berlinsky; Mr. William Bingham; Dr. Donald Johnson; Dr. Conyers O’Bryan; Dr. Paula Orr; Dr. Thomas Rowland; Mr. Charles Schulze; Mr. Thomas Stephenson; Dr. James Wiseman:

Other Participants: Ms. Susan Barnhart; Dr. Mark Barry (for Dr. Sanders); Dr. Kathy Chessman; Dr. Frank Clark; Dr. Joe DiPiro; Dr. Jack Feussner; Dr. David Garr; Mr. Joe Good; Dr. Raymond Greenberg; Dr. Perry Halushka; Dr. Arnold Karig; Mr. Jonathan Maze; Ms. Casey Martin; Dr. Franklin Medio; Dr. John Raymond; Dr. Jerry Reves; Dr. Sabra Slaughter; Dr. Gail Stuart; Mr. Paul Taylor; Dr. Valerie West; Mr. Alex Whitley; Dr. Jeffrey Wong:

Regular Agenda

Item 18: General Report of the Vice President for Academic Affairs and Provost

Medical Student Education at MUSC
Dr. Jeffrey Wong, Professor and Associate Dean for Medical Education, College of Medicine, gave a presentation on Medical Student Education at MUSC. Dr. Wong gave a brief overview of the present-day educational program structure from the admissions process, through the 4-year curriculum and touched briefly on the USMLE Board Scores. The admissions process is co-directed by Dr. Paul Underwood, Professor of OB-GYN and Dr. Deborah Deas, Professor of Psychiatry, and assisted by Ms. Wanda Taylor, COM Director of Admissions, and Ms. Caroline Seeley currently employed jointly by the Office of Enrollment Management and the College of Medicine. Admission qualifications have been consistently high over the last five years. In general the applicant pool has increased each year. For 2005, the College received 445 in-state applications and 1056 out-of-state, matriculating 131 in-state and 4 out-of-state.

Dr. Wong also gave a brief overview of the strategic planning process and strategic goals for educational improvement in the College of Medicine. Dr. Wong gave a brief outline of the Basic Science curriculum, clinical science curriculum and the two USMLE tests. In general, we are drifting upwards toward the national mean, while exceeding the national level for first-time pass rate. Step 2 of the USMLE testing is also slowly moving closer to the national mean.

The College has implemented a strategic plan that includes curriculum reformulation, a Teaching Scholars Academy, teaching through medical simulations and broadening influence of MUSC. Strategic goals include identifying current and developing novel and effective teaching and evaluation methodologies; assuring that adequate resources are directed towards achieving educational goals; refining, refocusing and enhancing curriculum content, developing, rewarding, sustaining, recruiting and renewing teaching faculty; and assuring that students admitted to MUSC succeed and fulfill the strategic vision.

Discussion ensued regarding how novel education, curriculum changes, and new programs have helped to improve Board scores in the past and what measures we might take in the future.
**Report on Graduate Medical Education**

Dr. Franklin Medio, Associate Dean for Graduate Medical Education, gave a presentation to the Board on Graduate Medical Education. Dr. Medio stated that this year (for the first time), all residency position were matched. The total number of residents is 525 (Medical and Surgical, 501; Dental, 19; Special Programs, 5). The total number of residency programs is 57 (Medical and Surgical, 19; Medical and Surgical subspecialty, 26; combined programs, 3; non-ACGME programs, 5; and Dental programs, 4). Forty-seven of the Forty-eight ACGME programs are fully accredited. We received accreditation for two new programs, Forensic Psychiatry and Neuroradiology, with Emergency Medicine pending a decision. Trident Health Systems was approved for a PGY-1 Transitional Year Program, which is a joint program with MUSC Radiology as a second sponsor. An application has been submitted for a new program in Surgical Critical Care.

Accomplishments this year include: all residency positions through the Match Program were filled; received funding for 25 additional residency positions from CMS; implemented policies and procedures to comply with the Blackman Bill; expanded the Computerized Data System (E*Value) for GME Programs; received continued full accreditation for major programs; implemented a new Maternity/Paternity Leave Policy and developed a new USMLE Step 3 Exam Policy (effective July 1, 2006). MUSC is due for an institutional accreditation site visit in 2006.

Dr. Medio stated that for 2005 through 2005, 938 residents completed training at MUSC, 427 of which entered practice in South Carolina their first year out. However, tracking beyond the first year has not been pursued. Dr. Greenberg suggested the possibility of tracking beyond the first year (at least on a limited pilot basis). He stated that we should look at this more carefully since one of our primary missions is to train practitioners for the State of South Carolina.

**General Report:**

Dr. Raymond reported that MUSC administration is preparing for the SACS accreditation visit, part of which requires that we have a quality enhancement program focused on learning. We are now developing a plan to update the Board of Trustees over the next year. We have asked Dr. David Ward in the College of Health Professions to spearhead the quality enhancement effort.

Dr. Raymond reported that we have accepted a displaced faculty member (Dr. Jong Kim) from LSU on campus. He will be appointed as a Visiting Assistant Professor in the Department of Biochemistry for approximately three months.

**College / Program Highlights**

Faculty Senate:

Dr. Kathy Chessman, Chair of Faculty Senate, reported that the New Faculty Welcome held in August was very well attended. All faculty members who joined MUSC in the last several years were invited to meet each other. The Senate plans to hold faculty welcomes twice per year. The Senate continues to work on revisions to the Faculty Handbook to keep it up to date. Dr. Chessman notified the Committee that this would be her last meeting as Faculty Senate Chair.
College of Dental Medicine:

Dr. Mark Barry, Associate Dean for Clinical Affairs, College of Dental Medicine, stated that the College is making excellent progress toward updating and renovating the pre-clinic simulation labs, with a projected completion date of early December 2005. Planning stages for the James B. Edwards College of Dental Medicine are progressing and the design for the actual building should be rendered by the end of October. Possible construction start date is June, with the completion of the new building by June 2008. The College is in the process of establishing an Orthodontic Residency Program. Dr. Barry reported that the College’s first graduate in the DMD/PhD program will graduate this May 2007.

SC AHEC:

Dr. David Garr, Professor of Medicine and Director of SC AHEC, reported that AHEC has received a three-year grant for $3.8 million to continue work with disaster preparedness in the state, and that SC AHEC is one of the few pilot grantees that were successful at competing for renewed funding. Dr. Garr reported that in the future, AHEC faculty appointments for promotions will be re-routed through an AHEC promotions process, rather than through the normal department/college process. This process will be more effective and appropriate, as the reviewers will be more knowledgeable about faculty activities in the community. This process is being used successfully by USC.

College of Nursing:

Dr. Gail Stuart, Professor and Dean of the College of Nursing, reported that the College is working hard to raise the additional funds to bring forth the simulation laboratory proposal.

College of Graduate Studies:

Dr. Perry Halushka, Professor and Dean, College of Graduate Studies, reported that the College had just received notification of funding for a $3 million training grant, which is part of the roadmap initiative. Dr. Barbara Tilley is the PI, and Dr. Halushka and Dr. Tom Hulsey are co-PIs. The grant will involve all six colleges on campus. Nine other institutions were funded, which include MUSC, Duke, Yale, UCSD, UCSF, Ohio State and Johns Hopkins.

Dr. Greenberg stated that there are only two institutions in the southeast that were funded, Duke and MUSC, which is significant in benchmarking our quality with respect to other institutions.

College of Health Professions:

Dr. Danielle Ripich, Professor and Dean, College of Health Professions, reported that the College has just finished its annual report process. Ninety-seven percent of students passed the first-time national exams. Five of their programs had 100% pass rates. The College’s applications this year have doubled. The College moved over 1,000 employees into a new work environment with new state-of-the-art technology. The College is working to complete the mid-stage of their clinical simulation program on campus. With the assistance of Drs. Reves and Crawford, they have begun to put together an operating room of the future and will hopefully have it installed in the next couple of weeks.

Mr. Berlinsky and Mr. Appleby commended Dr. Ripich on an outstanding job in planning their new facility.

South Carolina College of Pharmacy:
Dr. Joseph DiPiro, Executive Dean, South Carolina College of Pharmacy, reported that the SCCP faculty have been working on the joint curriculum that is progressing nicely. They hope to have it finished by the end of the semester. The joint application process has been receiving applications over the past few months for joint admission into the College and is working well. A lot of effort is being put into accreditation for the joint program. They will be delivering a major document to our accreditation organization next week and expect to meet with them in January. The College has also been very encouraged over the past few weeks to land two major recruits in partnership with the School of Medicine, Dr. John Lemasters from University of North Carolina and Dr. Charles Smith from Penn State, as endowed professors of the South Carolina Centers of Economic Excellence Program. Dr. DiPiro shared with the Committee a SCCP promotional packagethat is in the process of gaining approval as the office logo of the new college.

Item 19: Resolution to Explore Options for Improving College of Pharmacy Facilities

Statement: Administration presented for approval the attached resolution for the purpose of exploring options for improving the facilities of the College of Pharmacy.

Recommendation of Administration: That this resolution be approved as presented.

Recommendation of Committee: That this resolution be approved as presented

Board Action:

Item 20: Other Business

A. Item 22: Faculty Appointments

Statement: At the request of the Dean of the College of Medicine, Administration presented for approval the following faculty appointment:

**College of Medicine**

**Edwin L. Naylor, Ph.D.,** as Adjunct Professor in the Department of Pediatrics, Division of Genetics and Developmental Pediatrics, effective July 19, 2005.

Recommendation of Administration: That this faculty appointment be approved.

Recommendation of Committee: That this faculty appointment be approved.

Board Action:

B. Sabbatical Leave

Statement: At the request of the Dean of the College of Medicine, Administration presented for approval a ten-month sabbatical leave for **Frederick H. Veser, M.D.**, Associate Professor, Department of Medicine, Division of Emergency Medicine, beginning October 15, 2005 through August 15, 2006. (see attached request form)

Recommendation of Administration: That a ten-month sabbatical leave for Dr. Frederick Veser be approved.

Recommendation of Committee: That a ten-month sabbatical leave for Dr. Frederick Veser be approved.

Board Action:
Consent Agenda

Item 21: Faculty Tenure Recommendations

Statement: At the request of the Deans of the College of Medicine and the College of Pharmacy, their respective Appointment, Promotions, and Tenure Committees, and the University Tenure Committee, Administration presented for approval the following faculty tenure recommendations to be effective January 1, 2006.

College of Medicine
Amy V. Blue, Ph.D., Associate Professor, Department of Family Medicine, College of Medicine

Lori M. Dickerson, Pharm.D., Associate Professor, Department of Family Medicine, College of Medicine, with a joint appointment in the Department of Pharmacy and Clinical Services, College of Pharmacy

Ling Wei, M.D., Associate Professor, Department of Pathology and Laboratory Medicine, College of Medicine

W. Joel Cook, M.D., Associate Professor, Department of Dermatology, College of Medicine, with a dual appointment in the Department of Otolaryngology – Head and Neck Surgery

Tien Hsu, Ph.D., Associate Professor, Department of Pathology and Laboratory Medicine, College of Medicine

David N. B. Lewin, M.D., Associate Professor, Department of Pathology and Laboratory Medicine, College of Medicine

Robert Mallin, M.D., Associate Professor, Department of Family Medicine, College of Medicine, with a dual appointment in the Department of Psychiatry and Behavioral Sciences

L. Judson Chandler, Ph.D., Associate Professor, Department of Neurosciences, Division of Neuroscience Research, College of Medicine, with a dual appointment in the Department of Psychiatry and Behavioral Sciences

Michael E. Ullian, M.D., Professor, Department of Medicine, Division of Nephrology, College of Medicine

College of Pharmacy
Shan Ping Yu, M.D., Ph.D., Associate Professor, Department of Pharmaceutical Sciences, College of Pharmacy

Recommendation of Administration: That these faculty tenure recommendations be approved.

Recommendation of Committee: That these faculty tenure recommendations be approved.

Board Action:

Item 22: Faculty Appointments

Statement: At the request of the Dean of the College of Medicine, Administration presented for approval, the following faculty appointments:
**College of Medicine**

Susan C. Harvey, M.D., (dual appointment) as Associate Professor in the Department of Neurosciences, Division of Neurological Surgery, effective September 1, 2005.

Dr. Harvey's primary appointment rests in the Department of Anesthesia and Perioperative Medicine.

John W. Hallet, Jr., M.D., as Clinical Professor, in the Department of Surgery, Division of Cardiothoracic Surgery, effective September 1, 2005.

Frank K. Mielck, M.D., as Visiting Associate Professor, in the Department of Anesthesia and Perioperative Medicine, effective August 16, 2005.

**Recommendation of Administration:** That these faculty appointments be approved.

**Recommendation of Committee:** That these faculty appointments be approved.

**Board Action:**

**Item 23:** Changes in Faculty Status

**Statement:** At the request of the deans of the College of Medicine and Nursing, and the respective Appointment and Promotions Committees, Administration presented for approval the following changes in faculty status.

**College of Health Professions**

Ervin B. Holladay, Ph.D., from Professor to Adjunct Professor in the Department of Clinical Services, effective July 1, 2005.

**College of Medicine**

Lawrence D. Middaugh, Ph.D., from Professor to Professor Emeritus, in the Department of Psychiatry and Behavioral Sciences, effective September 1, 2005.

**Recommendation of Administration:** That these changes in faculty status be approved.

**Recommendation of Committee:** That these changes in faculty status be approved.

**Board Action:**

**Item 24:** Faculty Handbook Revision

**Statement:** Administration presented for approval the following revised wording for the approved revision in the Faculty Handbook, Section 13.01, State Insurance Program, to provide part-time permanent faculty members with benefits coverage.

“All permanent faculty members employed by MUSC at least 50% of the time, or 20 hours per week, will be eligible to participate in the University's benefits program. Please see the MUSC Department of Human Resources web site at [www.musc.edu/hrm/benefits/](http://www.musc.edu/hrm/benefits/) for specific information. Desired coverage must be elected within 31 days of the faculty member's employment date. Late enrollment for health, life or disability insurance is permitted at any time with medical evidence of good health. Change in coverage, including adding coverage without medical evidence, is also permitted within 31 days of a life qualifying event (e.g., marriage, divorce, birth, adoption, death, loss or gain of coverage by spouse).”
Recommendation of Administration: That revisions to the wording of the Faculty Handbook, Section 13.01 – State Insurance Program, be approved.

Recommendation of Committee: That this recommendation for revisions to the wording of the Faculty Handbook, Section 13.01 – State Insurance Program, be approved.

Board Action:

Item 25: Approval of Official Naming of the John C. West Endowed Chair in Cancer Research

Statement: Administration presented for approval the official naming of the John C. West Endowed Chair in Cancer Research, South Carolina Centers of Economic Excellence, effective February 11, 2005. The Chair is currently held by Kenneth D. Tew, M.D., Professor and Chair, Department of Cell and Molecular Pharmacology and Experimental Therapeutics.

Recommendation of Administration: That the official name of the John C. West Endowed Chair in Cancer Research be approved.

Recommendation of Committee: That the official name of the John C. West Endowed Chair in Cancer Research be approved.

Board Action:
COMMITTEE ON FINANCE AND ADMINISTRATION  
October 6, 2005  
Minutes

Attendees:  
Mr. Charles Schulze, Chair  
Mr. Charles L. Appleby, Jr.  
Dr. Stanley C. Baker, Jr.  
Mr. William H. Bingham, Sr.  
Dr. Paula E. Orr  
Dr. Thomas C. Rowland, Jr.  
Dr. James E. Wiseman, Jr.  
Dr. Raymond S. Greenberg  
Ms. Susan H. Barnhart  
Dr. Frank Clark  
Dr. John Feussner  
Ms. Susan Haskill  
Mr. Mike Keels  
Mr. Stewart Mixon  
Ms. Lisa Montgomery  
Mr. Bruce Quinlan  
Dr. John Raymond  
Dr. Jerry Reves  
Ms. Janet Scarborough  
Mr. Stuart Smith  
Mr. J. Paul Taylor  
Mr. Patrick Wamsley

Mr. Schulze called the meeting to order.

REGULAR Items

Item 26  General Report by the Vice President for Finance and Administration

In the interest of time, Ms. Montgomery did not present her report.

Recommendation of Committee: That this report be received as information.

Item 27  Revision of MUSC Expenditure Authority Policy

Ms. Montgomery presented a revision to the MUSC Expenditure Authority Policy.

Recommendation of Committee: That the revision be approved as presented

Item 28  Major Purchases Proposed

Ms. Montgomery presented the major purchases for approval.

Recommendation of Committee: That the purchases be approved as presented

Item 29  Financial Status Report of the Medical University of South Carolina

Mr. Patrick Wamsley presented the financial status of the University. Operating cash continued to be strong with a balance of $60.9 million, up 50% from August 2004. This equated to 59 days of operating cash. The Statement of Revenues, Expenses and Changes in Net Assets showed an increase in net assets of $1.3 million, down from $14.6 million as of August 2004. The Current Operating Funds Statement showed a net decrease in fund balance of $2.8 million. Mr. Wamsley addressed the operations compared to the budget and explained that it is difficult to predict annual operations in a decentralized institution based upon only two months of operations. He discussed the results of budget projections using weighted average changes in monthly actual
revenues and expenditures based upon three years of historical data. He said this process would become more accurate once the Internet Budgeting Solution (IBS) module was implemented.

Recommendation of Committee: That this report be received as information.

**Item 30  Financial Status Report of University Medical Associates**

Mr. Bruce Quinlan presented the financial status of University Medical Associates. He stated that UMA is off to a great start this year with $24 million in revenues and $38 million in collections. Corporate operating expenditures are down slightly and transfers to MUSC have increased. Carolina Family Care is doing well with revenues and expenses up slightly. Combined, the change in net assets for UMA and CFC for the period ending 8/31/05 is $1,084,288 as compared with $252,928 for the same period last year.

Recommendation of Committee: That this report be received as information.

**Item 31  Financial Status Report of Foundation for Research Development**

Ms. Janet Scarborough presented the financial status of Foundation for Research Development. Total Assets as of August 31, 2005 were $2 million which reflect an increase of $31,000 since June 30, 2005 year end. Liabilities of $1.3 million reflect a decrease of $65,000 since year end. Net Assets through August 31, 2005 increased $97,000; however, a part of this increase was due to the 2005 fiscal year end accruals and the subsequent lag time in receipt of 2006 invoices.

The revenue component which actually reflects the mission of the Foundation, technology transfer, is entitled “Other operating revenues.” In the total as of August 31, 2005, $13,500 was derived from License Revenues. As of September 30, 2005, the total is $47,000. In 2005, royalty and license revenues were $750,000 plus the gain on the Micrus stock of $225,000 for total technology transfer revenues of $975,000 of which $586,000 was distributed or earmarked for MUSC and the inventors.

Recommendation of Committee: That this report be received as information.

**Item 32  Other Committee Business**

Ms. Montgomery advised the committee that MUSC is participating with USC in a solicitation for an Enterprise Resource Planning system. The RFP includes USC and other higher educational agencies within the State of South Carolina. If MUSC deems it beneficial at some point to purchase from the contract, the purchase will be brought to the Board in the capital budget or as a major purchase request.

CONSENT AGENDA

NONE

There being no further business, the meeting was adjourned.
Attendees:
Mr. William H. Bingham, Chair
Mr. Charles L. Appleby, Jr.
Dr. Stanley C. Baker, Jr.
Mr. Melvyn Berlinsky
Dr. Donald R. Johnson, II
Dr. Paula E. Orr
Dr. Thomas C. Rowland, Jr.
Mr. Charles W. Schulze
Dr. James E. Wiseman, Jr.
Ms. Susan Barnhart
Mr. Wayne Brannan
Mr. John Cooper
Ms. Annette Drachman

Mr. Dennis Frazier
Mr. Joe Good
Mr. Chris Malanuk
Mr. John Malmrose
Ms. Casey Martin
Mr. Stewart Mixon
Ms. Lisa Montgomery
Dr. John Raymond
Dr. Jerry Reves
Dr. Sabra Slaughter
Mr. Stuart Smith
Mr. J. Paul Taylor

Mr. Bingham called the meeting to order.

REGULAR Items

Item 33     Facilities Procurements/Contracts Proposed

Mr. John Malmrose presented the facilities procurements/contracts for approval. An additional item was presented in the amount of $800,000 to install a third elevator in the Ashley-Rutledge Parking Garage (copy attached).

Recommendation of Committee: That the Procurements/Contracts be approved as presented.

Item 34     Update on Projects

Mr. John Malmrose presented an update on University projects. (copy attached)

Recommendation of Committee: That the report be received as information.

Item 35     Other Committee Business

Mr. Malmrose stated that a committee of Board members, chaired by Mr. Bingham had interviewed five firms to provide mechanical engineering services to the University under an indefinite delivery contract. The firms selected were RMF Engineering, Inc., and MECA, Inc.
Mr. Bingham updated the Committee on the status of the University Master Plan. He stated that since the last Board meeting, focus groups consisting of faculty, students, staff and deans had met with the firm of Ayers Saint Gross (ASG) to provide input to the planning process.

Mr. Bingham joined the Senior Administrators for a meeting with ASG. He shared some items that had been identified as a result of the meetings. Ayers Saint Gross representatives will be present at the December Board meeting to provide a formal report and to hear any recommendations from the Board.

CONSENT Items for Information:

Item 36 Facility Contracts Awarded

With no further business, the meeting was adjourned.
FACILITIES

ACADEMIC

ESTABLISH PROJECT

FOR APPROVAL

October 7, 2005

PROJECT TITLE: Ashley-Rutledge Parking Garage Improvement

PROJECT NUMBER: N/A

TOTAL ESTIMATED BUDGET: $800,000

SOURCE(S) OF FUNDS: Parking Revenues

JUSTIFICATION: This 640 space Parking Garage was placed in service in June of 2005. The Garage primarily serves to park patients and visitors to our hospitals and clinics, especially the ambulatory care clinics located at the Rutledge Tower complex.

The Garage was designed with two elevators, one on each of the north and south sides. The magnitude of the volume of garage users migrating to the Rutledge Tower clinics has simply overwhelmed the elevator on the south side of the Garage. This unanticipated volume of pedestrian movement, coupled with eight levels of parking, makes the overall elevator service situation unacceptable.

As a solution, a second elevator tower will be constructed on the south side of the Garage. Design and construction will likely be complicated by the existence of underground fuel tanks on this south side area. At least one of the two tanks will need to be replaced in order to construct the additional elevator. The total project cost estimate is preliminary at this point, but does include funds for the replacement of these fuel tanks should that be necessary to construct the new elevator.