

MINUTES

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

December 8, 2006

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

Colcock Hall
Medical University of South Carolina
Charleston, South Carolina

MINUTES
MEDICAL UNIVERSITY OF SOUTH CAROLINA
BOARD OF TRUSTEES MEETING
December 8, 2006

The Board of Trustees of the Medical University convened Friday, December 8, 2006, with the following members present: Dr. Charles B. Thomas, Jr., Chairman; Thomas L. Stephenson, Esquire, Vice-Chairman; Dr. Stanley C. Baker, Jr.; Mr. Melvyn Berlinsky; Mr. William H. Bingham, Sr.; Mr. William B. Hewitt; Dr. Donald R. Johnson II; Dr. E. Conyers O'Bryan, Jr.; Dr. Paula E. Orr; Dr. Thomas C. Rowland, Jr.; Mr. Charles W. Schulze; The Honorable Robin M. Tallon; Mrs. Claudia W. Peeples, Emerita. Absent: Dr. Cotesworth P. Fishburne, Jr.; Dr. James E. Wiseman, Jr.

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; Mr. Stuart Smith, Vice President for Clinical Operations and Executive Director, MUHA; Dr. Frank Clark, Vice President for Information Technology and CIO.

The following deans were present: Dr. John Sanders, College of Dental Medicine; Dr. Becki Trickey, representing the College of Health Professions; Dr. Jerry Reves, College of Medicine; Dr. Gail Stuart, College of Nursing; and Dr. Arnold Karig, College of Pharmacy; Dr. Joseph DiPiro, South Carolina College of Pharmacy.

Item 1. Call to Order-Roll Call.

There being a quorum present, Chairman Thomas called the meeting to order at 9:45 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 February 9, 2007.

Item 3. Approval of Minutes of the Regular Meeting of the Medical University of South Carolina Board of Trustees of October 13, 2006.

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:

Item 4. General Informational Report of the President.

Dr. Greenberg distributed a list of his activities since the last meeting. Dr. Greenberg asked Dr. Raymond to introduce Dr. Richard Swaja. Dr. Raymond said Dr. Swaja joined the faculty in October as the Center of Economic Excellence Chair in

Regenerative Medicine. He received a Ph.D. in Nuclear Science from Carnegie-Mellon University in 1973. He is serving as the Director of the South Carolina BioEngineering Alliance and is in charge of the planning for the new BioEngineering Building on the MUSC campus.

Dr. Swaja said he was excited about the opportunity to work collaboratively with the three excellent universities in a statewide bioengineering initiative to foster research, education and some commercialization programs across the state. The alliance of Clemson, USC, and MUSC in a bioengineering program has as its mission to promote unified bioengineering research and education in South Carolina. He discussed initiatives and his vision to move the program forward.

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

Board Action: Received as information.

Item 5. Report of the General Counsel.

Mr. Joe Good introduced Ms. Sally Young, Director of the Office of International Support for Students, Faculty and Staff. He stated her office is responsible for all immigration and visa work that happens at MUSC. Ms. Young reported on the support her office provides with regard to immigration issues.

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

Board Action: Received as information.

Item 6. Other Business. None.

RESEARCH AND INSTITUTIONAL ADVANCEMENT COMMITTEE. CHAIRMAN: DR. COTESWORTH P. FISHBURNE, JR. (Detailed committee minutes are attached to these minutes).

OLD BUSINESS: None.

NEW BUSINESS:

Item 7. General Report of the Associate Provost for Research.

Statement: In Dr. Fishburne's absence, Mr. Tallon reported that Dr. Raymond welcomed Dr. Stephen Lanier as the new Associate Provost for Research. Dr. Raymond reported that MUSC will be the lead institution in a regional consortium with the Medical College of Georgia and the University of South Carolina to develop a Clinical and Translational Science Award (CTSA) which could be as large as \$9-10 million per year.

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. General Report of the Vice President for Development.

Statement: Mr. Tallon said Mr. Fisher reported that new pledges and commitments are at \$35 million as of November 15 and that brings the silent phase of the Capital Campaign to \$72.4 million in gifts and pledges. He reported that recent meetings with Capital Campaign consultants had been very productive. The next step is identifying a campaign cabinet to provide leadership.

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. General Report of the Chief Executive Officer of the MUSC Foundation.

Statement: Mr. Tallon stated that Mr. Anderson reported that as of November 30 the Foundation's total assets were nearly \$250 million. The net worth is currently \$150 million up almost 12% over the previous year. The MUSC Foundation's investments had a return of just over 11% and are on track for a double-digit year.

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. MUSC Board of Visitors.

Statement: Mr. Tallon stated the Committee reviewed the excellent recommendations for the MUSC Board of Visitors and the Committee recommends approval of the slate as presented.

Recommendation of Administration: That the nominations for the MUSC Board of Visitors be approved.

Recommendation of Committee: That the nominations for the MUSC Board of Visitors be approved.

Board Action: A motion was made, seconded and voted unanimously to approve the nominations for the MUSC Board of Visitors.

Item 11. Other Committee Business.

Statement: Mr. Tallon reported that Mr. Chip Hood reported to Committee that the

MUSC Foundation for Research Development had 29 new invention disclosures as compared to 19 during the same period last year. There have been 10 new patent filings to date. The Foundation is expecting a one-half million dollar payment on an existing license which is due December 18.

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.

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

OLD BUSINESS: None.

NEW BUSINESS:

Item 12. General Report of the Vice President for Academic Affairs and Provost.

Statement: Dr. John Raymond reported there was an outstanding presentation given by Dr. Rick Silver, one of MUSC's master teachers, along with Dr. Gary Gilkeson. The Committee was given an update on the University's initial SACS Accreditation report which was outstanding. There were only a few minor questions to be resolved before the site visit early next year. The Committee was provided a brief summary on the College of Pharmacy's progress on working with the USC College of Pharmacy to have joint programs, faculty, curriculum and admissions process. There were also brief reports from each of the Deans and the Executive Director of AHEC which were all very positive.

Mr. Berlinsky said that Dr. Reves had talked briefly to the Committee about Dr. Amy Blue who has assumed the leadership role for the institution's QEP component of the University's SACS Accreditation process. Dean Reves spoke highly of Dr. Blue.

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

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

Board Action: Report received as information.

Item 13. Other Committee Business. None

Item 14: Conferring of Degrees – December 2006.

At the request of the deans of the Colleges of Dental Medicine, Graduate Studies, Health Professions, Medicines, Nursing and Pharmacy, Administration presented for approval the candidates for December 2006 graduation, effective December 8, 2006.

Recommendation of Administration: That the candidates for December 2006

graduation be approved.

Recommendation of Committee: That the candidates for December 2006 graduation be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the candidates for December 2006 graduation.

Item 15: Faculty Appointments.

Statement: At the request of the deans of the Colleges of Dental Medicine and Medicine, administration presents for approval the following faculty appointments:

College of Dental Medicine

Richard E. Swaja, Ph.D., (joint appointment) as Professor, on the academic Investigator track, in the Department of Cell Biology and Anatomy, effective October 1, 2006.

Dr. Swaja's primary appointment rests in the College of Medicine, and he holds the South Carolina Research Centers of Economic Excellence Endowed Chair in Regenerative Medicine.

College of Dental Medicine and Medicine

V. Catalin Buhusi, Ph.D., as Associate Professor, on the Academic Investigator track, in the Department of Neurosciences, Division of Neuroscience Research, effective December 1, 2006.

Recommendation of Administration: That these faculty appointments be approved.

Recommendation of Committee: That these faculty appointments be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the faculty appointments.

Item 16: Changes in Faculty Status.

Statement: At the request of the Dean of the College of Medicine, administration presents for approval the following changes in faculty status:

College of Dental Medicine

Leo E. Hershon, D.D.S., from volunteer Clinical Associate Professor to part-time Clinical Associate Professor in the Department of Pediatric Dentistry and Orthodontics, effective January 2, 2007.

College of Medicine

Sally A. Webb, M.D., from Clinical Associate Professor to Associate Professor, on the Clinician Educator track, in the Department of Pediatrics, Division of Pediatric Emergency Medicine and Critical Care, effective October 1, 2006.

South Carolina College of Pharmacy

William Alexander Morton, Jr., Pharm.D., from Professor to Professor Emeritus, in

December 8, 2006

the Department of Pharmacy and Clinical Sciences, South Carolina College of Pharmacy, MUSC Campus, effective December 1, 2006.

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

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

Board Action: A motion was made, seconded and unanimously voted to approve the changes in faculty status.

Item 17: Post-Tenure Review

Statement: At the request of the Dean of the College of Nursing and its Appointments, Promotions and Tenure Committee, administration presents as information, Post-Tenure Review approval for the following faculty appointment:

Susan C. Benedict, DSN, RN, CRNA, FAAN, Professor in the Department of Nursing, College of Nursing

Recommendation of Administration: That this Post-Tenure Review be received as information.

Recommendation of Committee: That this Post-tenure review be received as information

Board Action: Received as information.

Item 18: MUSC License Plate Design

Statement: Administration presents as information, the MUSC License Plate Design.

Recommendation of Administration: That the MUSC License Plate Design be received as information.

Recommendation of Committee: That the MUSC License Plate Design be received as information.

Board Action: Received as information.

Item 19: Revisions to the University Student Honor Code

Statement: At the request of the Student Government Association, administration presents as information, revisions to the University Student Honor Code.

Recommendation of Administration: That these revisions to the University Student Honor Code be received as information.

Recommendation of Committee: Received as information.

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

OLD BUSINESS: None.

NEW BUSINESS:

Item 20. General Report by the Vice President for Finance and Administration.

Statement: Mr. Schulze stated that Ms. Lisa Montgomery presented a general report to the committee. She reported that the University had received a clean audit from KPMG which would be reported during 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 21. Smoke-Free Update

Statement: Mr. Schulze stated that Ms. Lisa Montgomery presented to Committee a smoke-free campus update.

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 22. Major Purchases.

Statement: Mr. Schulze asked for approval of the following major purchase:

- Applied Biosystems 4800 MALDI TOF/TOF Analyzer - \$380,000

Recommendation of Administration: That the purchase be approved as presented.

Recommendation of Committee: That the purchase be approved as presented.

Board Action: It was moved that the Board approve the major purchase. The motion was seconded, voted on and unanimously carried.

Item 23. Financial Status Report of the Medical University of South Carolina.

Mr. Schulze said Mr. Wamsley presented a revised financial statement of October 31 showing an increase in net assets of \$9.1 million; a favorable budget to actual

variance of about \$4.8 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.

Item 24. Financial Status Report of University Medical Associates.

Mr. Schulze said Mr. Quinlan reported to Committee a change in net assets of \$7.2 million with UMA collections up about 16% and volumes up about 13% over this time last year.

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 25. Financial Status Report of the MUSC Foundation for Research Development.

Mr. Schulze said a financial report was given by Ms. Janet Scarborough on the MUSC Foundation for Research Development. Total assets as of October 31 were \$1.1 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 26. Other Committee Business. None

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

OLD BUSINESS: None.

NEW BUSINESS:

Item 27. Facilities Procurements/Contracts.

Statement: Mr. Bingham asked for approval of the procurements/contracts as follows:

- Parking Garage Elevator Addition - \$1.6 million
- Parking Garage II Structural Repairs - \$1.25 million
- Lease Renewal of Rutledge Tower Parking Garage - \$980,000
- 166 Ashley Avenue Renovation - \$293,000

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 unanimously carried.

Item 28. Presentation of College of Pharmacy Feasibility Study and Fund Raising Plan.

Statement: Mr. Bingham stated the Committee had received a presentation on the Feasibility Study for a new College of Pharmacy facility. Based on the facility being built in G-Lot, the facility would cost approximately \$32 million. The Committee asked that the following resolution be approved by the Board:

Whereas the MUSC Board of Trustees recognizes the need to upgrade or replace the facilities of the College of Pharmacy so that they are consistent with the quality of our educational, research and service missions, and that of our students, faculty and staff,

Therefore, be it resolved that the Board enthusiastically charges the MUSC Administration and the College of Pharmacy to develop a plan to renovate or replace the existing facilities in a manner consistent with our campus master plan, and with a preferred replacement site in the "G-lot" on President Street.

The Board further charges Administration with developing a funding plan and time line for the project.

It is understood that Administration will periodically update the Board on progress, and will seek all appropriate approvals in a timely manner.

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 29. Update on Projects.

Statement: Mr. Bingham stated that Mr. John Malmrose had provided an update to the committee.

Recommendation of Administration: That this be received as information.

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

Board Action: The report was received as information.

Item 30. Other Committee Business.

Statement: Mr. Bingham stated that he had distributed a list of indefinite delivery selection dates and if any member of the board would like to serve on the selection committees, please let Ms. Jordan know.

Board Action: Received as information.

Item 31. Facilities Contracts Awarded (consent item).

Statement: The facilities contracts awarded since the last board meeting were presented for information.

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

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

Board Action: Received as information.

UNIVERSITY AUDIT COMMITTEE. CHAIRMAN: Thomas L. Stephenson, Esquire (Detailed committee minutes are attached to these minutes).

OLD BUSINESS: None.

NEW BUSINESS:

Item 32. MUSC and UMA Annual Compliance Update.

Statement: Mr. Stephenson stated the Committee had received a report from the compliance officers of MUSC, UMA and the Authority. A number of items were reviewed including a new policy adopted by the three entities which includes detailed information on the following:

- The False Claims Act
- Administrative remedies for false claims and statements
- State false claims laws
- Whistleblower protections
- Roles of the False Claims laws
- Policies and procedures for detecting fraud.

Recommendation of Administration: That this be received as information.

Recommendation of Committee: That this be received as information.

Board Action: Received as information.

Item 33. MUSC External Audit Report.

Statement: Mr. Stephenson stated the Committee had received a report from the external auditors on the Authority and the University. Both entities received an unqualified opinion. Management letter comments were also reviewed for both entities.

Recommendation of Administration: That this be received as information.

Recommendation of Committee: That this be received as information.

Board Action: Received as information.

Item 34. Update on Centers of Economic Excellence Audit.

Statement: Mr. Stephenson stated Dr. Raymond reported to Committee on the status of the audit.

Recommendation of Administration: That this be received as information.

Recommendation of Committee: That this be received as information.

Board Action: Received as information.

Item 35. Update on Selection of External Auditor.

Statement: Mr. Stephenson stated the Committee discussed the selection of the external auditor. The Committee appointed a group of staff and trustees to review the bids and make a recommendation to the Board in February 2007. The group appointed is as follows: Mr. Stephenson, Mr. Schulze, Mr. Steve Hargett, Mr. Patrick Wamsley and Ms. Susan Barnhart. Ms. Barnhart will coordinate the efforts of the group.

Recommendation of Administration: That this be received as information.

Recommendation of Committee: That this be received as information.

Board Action: Received as information.

OTHER BUSINESS FOR THE BOARD OF TRUSTEES:

Item 36. 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.

Item 37. Report of Internal Auditor.

Statement: Mr. Paul Taylor previously reported on several recent audits performed by Internal Audit.

Board Action: Received as information.

Item 38. New Business for the Board of Trustees.

None

Item 39. 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

**Report of President's Activities
Medical University of South Carolina
to Board of Trustees
December 8, 2006**

Since the October 13th meeting of the Board of Trustees, Dr. Greenberg's activities have been concentrated in the following areas:

1. Meetings with public officials:

- a. Centers of Excellence Review Board – 10/30
- b. Congressman Brown's senior staff – 11/6
- c. HUD Representatives – 11/8
- d. Mr. Robbie Kerr – 11/9
- e. Congressman Buyer – 11/30, 12/1, 12/4
- f. Speaker Harrell – 11/30
- g. Senator Graham – 11/30, 12/5
- h. Senator Graham's senior staff – 12/4, 12/5, 12/6

2. Media Interviews/Invited Public Presentations:

- a. Interview, *The State* – 10/18
- b. Interview, *Congressional Quarterly* – 10/26
- c. Press conference, Enterprise Health Center – 11/6
- d. *Spartanburg Herald Journal* – 12/4
- e. Interview, *Charleston City Paper* – 12/6

3. Presentations to/Meetings with MUSC constituencies:

- a. Host Student Government Association Dinner – 10/18
- b. Memorial Service, Dr. Edward Conradi – 10/19
- c. CTSA meeting – 10/25, 11/15
- d. President's Council – 10/25, 11/13
- e. Reception honoring Dr. Silvestri – 10/30
- f. Foundation for Research Development Board – 11/2
- g. Reception honoring Dr. Halushka – 11/2
- h. Faculty Senate – 11/14
- i. Finance All-Staff meeting – 11/14
- j. MUSC Foundation – 11/17
- k. SACS Reaffirmation Oversight Committee – 11/20
- l. Art Committee – 11/29, 12/2
- m. Open House, Colcock Hall – 11/30
- n. Dedication of McCurdy Endowed Chair – 11/30

- o. Medical University Women's Club Brunch – 12/3

4. Meetings with outside constituencies:

- a. Standard and Poor's – 10/16
- b. Drug Discovery Building architects – 10/18, 10/26, 11/21
- c. College of Charleston Friends of Library – 10/19
- d. Enterprise Health Center 5-Year Anniversary – 11/6
- e. Coastal Community Foundation – 11/9
- f. Trident Urban League Gala – 11/14
- g. SCRA Board Meeting – 11/15
- h. National Philanthropy Association – 11/15
- i. Governor's School for Science and Mathematics Foundation – 11/15
- j. Welcome to Judges and Attorneys Seminar – 12/1
- k. Association of Academic Health Centers – 12/5

5. Meetings with members of local and non-local medical community:

- a. Health Sciences South Carolina Board – 11/9
- b. Palmetto Health dinner honoring Kester Freeman – 11/13
- c. Spartanburg Regional Health System new hospital groundbreaking – 12/4

6. Meetings with donors:

- a. The Duke Endowment – 10/16
- b. Development lunches – 10/31, 11/1, 11/13, 11/20, 11/21, 12/1
- c. Development dinners – 11/4, 11/11, 11/28, 12/2, 12/4, 12/6
- d. Development phone calls – 10/17, 10/19, 10/30, 11/1, 11/2, 11/13, 11/14, 11/21
- e. Development visits – 10/17, 10/25, 11/1, 11/9, 11/27, 12/5
- f. Awareness reception, Debordieu – 10/26
- g. Storm Eye Institute 30th anniversary and donor wall dedication – 11/2
- h. Society of 1824 Gala – 11/3
- i. Johanna Foundation – 11/6
- j. Trident United Way leadership event – 11/9

7. Collaborative discussions:

- a. VAMC Collaborative group – 10/16, 11/9
- b. Conference call re HUD meetings – 10/25
- c. USC re SC COP – 10/31

d. SC LightRail – 11/29

Medical University of South Carolina
RESEARCH AND INSTITUTIONAL ADVANCEMENT COMMITTEE

MINUTES

December 7, 2006

Committee Members Present: Mr. William H. Bingham, Sr., Dr. Paula E. Orr, Mr. Thomas L. Stephenson, The Honorable Robin Tallon (Acting Chair)

Members Not in Attendance: Mr. William B. Hewitt, Dr. Cotesworth P. Fishburne, Jr.,

Other Trustees Present: Dr. Stanley C. Baker, Jr.

Other Participants: Mr. Thomas Anderson, Mr. Jim Fisher, Dr. Gary Gilkeson, Dr. Ray Greenberg, Mr. William Hood, Dr. Stephen Lanier, Ms. Leigh W. Manzi, Dr. John R. Raymond, Dr. J.G. Reves, Ms. Janet Scarborough, Dr., Richard Silver, Ms. Margaret P. Schachte, Mr. Marion Woodbury

Regular Agenda

Call to Order and Approval of Minutes

Congressman Tallon called the meeting to order at 1:00 PM in the Colcock Hall Board Room. The minutes of the previous meeting were approved as distributed.

Item 7.

General Report of the Associate Provost for Research

Dr. Raymond welcomed Dr. Stephen Lanier on board as the new Associate Provost for Research, and said a press release would be issued the following day in conjunction with the Board of Trustees meeting. Dr. Raymond briefly reported on university research activities. As of October 31, total dollars of grants and contracts awarded in FY2006 are slightly behind last year; that this level of performance was expected due to diminished NIH funding at the federal level. Dr. Raymond also noted that MUSC's efforts to develop a Clinical and Translational Science Award (CTSA) would involve partnering with the University of South Carolina and the Medical College of Georgia in a regional consortium. The CTSA award could be as large as \$9-\$10 million per year.

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

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

Board Action. N/A

Item 8.

General Report of the Vice President for Development

Mr. Fisher presented the general report on institutional advancement activities. Development and fundraising commitments through November 15 are at \$35 million. The silent phase of the Capital Campaign continues to progress with \$72.4 million in gifts and pledges received towards the \$300 million goal. Mr. Fisher shared information from two recent meetings with MUSC's Capital Campaign consultants, which focused on integration of the alumni affairs programs, annual fund programs, planned giving programs and communication program. The consultants provided program analysis and assessment followed by recommendations, best practice and metrics discussion, and benchmark indicators. Current tasks involve: campaign budgeting and financing options, development of "one-pagers" to articulate campaign priorities and initiatives,

establishing recruiting priorities, developing a timeline, and the immediate priority of developing a Campaign Cabinet. Campaign Cabinet's responsibilities will include: participating in identifying campaign prospects and cultivating campaign gifts, recruiting other volunteer campaign leadership, serving as spokespersons for the campaign, monitoring and evaluating campaign progress, and reviewing and approving the overall campaign plan and policies.

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

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

Board Action. N/A

Item 9.

General Report of the Chief Executive Officer of the MUSC Foundation

Mr. Tom Anderson presented a general report on the MUSC Foundation. Highlights include increasing the total assets of the Foundation to nearly \$250 million as of November 30. Currently, the net worth of the MUSC Foundation is at \$150 million, up almost 12% over the previous year. Mr. Anderson noted that the MUSC Foundation's investments had a return of just over 11%, and is on track for a double-digit year.

Recommendation of Administration. That this report be received as information

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

Board Action. N/A

Item 10.

MUSC Board of Visitors

Mr. Fisher presented the slate of nominations for the MUSC Board of Visitors. The Committee approved by acclamation a motion to recommend the full slate for formal approval by the Board of Trustees.

Recommendation of Administration. That the nominations for the MUSC Board of Visitors be approved.

Recommendation of Committee. That the nominations for the MUSC Board of Visitors be approved.

Board Action.

Item 11.

Other Committee Business

General Report on Foundation for Research Development

Mr. Hood presented a general report on the MUSC Foundation for Research Development. To date, 29 invention disclosures been generated by MUSC faculty, compared to 19 at the same time last year. There have been 10 new patent filings to date. Several good licensing discussions are in process, with a half-million dollar payment on an existing license due on December 18.

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

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

Board Action. N/A

Faculty Presentation: Developing Research in Inflammatory & Fibrosing Diseases

Dr. Raymond introduced Richard Silver, M.D., Professor and Director of the Division of Rheumatology & Immunology in the Department of Medicine, and Gary Gilkeson, M.D., Professor of Rheumatology & Immunology and Vice Chairman for Research in the Department of Medicine. Dr. Silver gave an excellent overview of the Division's clinical, research and educational activities. The Division has 10 full-time clinical faculty and 15 full-time research faculty members. MUSC has one of only eight Multidisciplinary Clinical Research Centers (MCRC) in the country funded by the National Institute of Arthritis and Musculoskeletal and Skin Diseases (NIAMS). The MCRC focuses on special strengths represented by expertise in scleroderma and lupus as well as health disparities and the disproportionate burden of these diseases in the African American population. The MCRC is in its fourth year and will compete for renewal next year. Notable achievements for the Division of Rheumatology & Immunology include 13 NIH grants, 5 foundation awards, 2 VA Merit Awards, and responsibility for 2 University Shared Research Resources. A proposal for a new Rheumatology Research Core Center was just submitted to NIAMS. The division is active in basic and clinical research that has high priority and high visibility, with major publications in prestigious journals such as the *New England Journal of Medicine*. The division provides outstanding clinical service in two sites currently, with a third site to be added in North Charleston. With regard to education and training, the division has 8 graduate students, 8 postdoctoral research fellows, and 3 of the 7 NIH K awardees (junior faculty) in the Department of Medicine's. With a current total of 7 clinical fellows, the division is one of the larger medical training programs nationally. A total of 60 rheumatologists (including 3 division chiefs) have trained at MUSC since inception of fellowship training in 1976. Dr. Silver also pointed out some of the weaknesses that exist in the division, including patient satisfaction, flat collections despite increased charges, and not having an endowed chair in Rheumatology. Goals for 2007 include hiring an Adult Rheumatologist for the new clinic in North Charleston, expanding clinical trials, helping at least one junior faculty member submit a K01 grant application, securing the Core Center (P30) grant, and renewing the MCRC (P60) grant. Dr. Gary Gilkeson was asked to address some of the reasons that attracted him to MUSC from Duke University School of Medicine. He cited outstanding opportunities to pursue his clinical and basic research interests related to health disparities in systemic lupus erythematosus, the collaborative research relationship with the local VA Medical Center and Research Service, the availability of high quality research space in the Strom Thurmond Building that was being completed at the time, and a very strong, supportive University Administration.

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

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

Board Action. N/A

There being no further business, the meeting was adjourned at 1:45 PM.

EXECUTIVE SUMMARY - RESEARCH AND INSTITUTIONAL ADVANCEMENT COMMITTEE

December 7, 2006

Faculty Presentation: Developing Research in Inflammatory & Fibrosing Diseases

- Dr. Rick Silver Professor and Director, Division of Rheumatology & Immunology, Department of Medicine, College of Medicine
- Dr. Gary Gilkeson, Professor of Rheumatology & Immunology and Vice Chairman for Research in the Department of Medicine.
- MUSC has 1 of 8 NIH-funded Multidisciplinary Clinical Research Centers (MCRC) in the country.
- Division is one of largest and most productive in the nation.
- Division has 7 clinical Rheumatology Fellows currently, and has trained 60 Rheumatologists since 1976, including 3 division chiefs.
- Special strengths of the division include:
 - Expertise in scleroderma and lupus
 - Focus on health disparities and burden of disease in African Americans

General Report of the Vice President for Development (Mr. Jim Fisher)

- New pledges and commitments are at \$35 million as of Nov. 15.
- Silent phase of the Capital Campaign has reached \$72.4 million in gifts and pledges.
- Recent meetings with Capital Campaign consultants were very productive.
- A major next step is identifying the "Campaign Cabinet" to provide leadership

Nominations for MUSC Board of Visitors

REQUIRES FORMAL APPROVAL BY FULL BOARD. Committee recommends approval of the slate as presented. Board of Visitors is meeting concurrently. A tour of Phase 1 of the Hospital Replacement Project will be offered. If the Trustees would like to join the Board of Visitors, the tour will depart at 11:15 from the Gazes Cardiac Research Institute (corner of Courtenay and Doughty Streets),

General Report of the Chief Executive Officer of the MUSC Foundation (Mr. Tom Anderson)

- As of Nov. 30, Foundation assets hit \$250 million mark.
- Net worth is current \$150 million.
- Investment return is about 11%, double-digit year is expected.

General Report on Foundation for Research Development (Mr. Chip Hood)

- 29 new invention disclosures have been generated, compared to 19 at this time last year.
- There have been 10 new patent filings to date.
- A half-million dollar payment on an existing license due on December 18.

Report of the Associate Provost for Research (Dr. John Raymond)

- Dr. Stephen Lanier is now on board as the new Associate Provost for Research.
- As of October 31, total dollars of grants and contracts awarded in FY2006 are slightly behind last year, due to diminished NIH funding at the federal level.
- MUSC's will be the lead institution in a regional consortium with the Medical College of Georgia and the University of South Carolina to develop an NIH Clinical and Translational Science Award (CTSA). The CTSA award could be as large as \$9-\$10 million per year.

Board of Visitors Appointments 2007-2008 – 11/15/06

Board of Trustees Member	Nominee	Nominee
Dr. Stanley Baker	Mr. Brad Dyer III	Mr. John M. Heydel
Mr. Melvyn Berlinsky	Mr. Robert Harrell, Sr.	Mrs. H.B. Limehouse III (Sue)
Mr. William Bingham	Mr. Thad Westbrook	Mr. G.N. Wallace
Dr. Coty Fishburne	Dr. William Culp, Jr.	Dr. Jeff Brooker & Mr. H.P. Tuttle
Mr. William Hewitt		
Dr. Donald Johnson	Mr. John McGrath	Mr. Benedict Marino
Dr. E. Conyers O'Bryan	Mr. Henry Swink	Mr. Ken Ard
Dr. Paula Orr	Dr. Delores Gibbs	Dr. Larry Ferguson
Dr. Tommy Rowland	Dr. Anthony Lowman	Mr. Thomas E. Collins & Dr.
Mr. Charles Schulze	Mr. H. Keith Anderson	Mr. John Pillman
Mr. Thomas Stephenson	Mrs. Janie Hindman Yeargin	Ms. Stephanie R. Stephenson
The Honorable Robin Tallon	Mr. John Scruggs	Ms. Marva A. Smalls
Dr. Charles Thomas	Mr. Hays Reynolds	Mr. Parks McLeod
Dr. James Wiseman	Mr. Steve Griffith	Mr. Joe Hudgens
Mrs. Margaret Addison (Emeritus)	Mr. Donnie Hilliard	****
Dr. Charlie Hanna (Emeritus)	Mr. Stewart Heath Johnson	Mr. David White
Senator Robert Lake (Emeritus)	Dr. Mark Quarterman	****
Mrs. Claudia Peeples (Emeritus)	Mr. Joe E. Taylor, Jr.	****
The Honorable Phil Sasser (Emeritus)	Mrs. Linda Gainey	****
Senator J. Verne Smith (Emeritus)	Mrs. Ernest Clayton III (Elizabeth)	****

EDUCATION, FACULTY AND STUDENT AFFAIRS COMMITTEE – CHAIRMAN: MR. MELVYN BERLINSKY

Minutes

December 7, 2006

Members Present: Mr. Melvyn Berlinsky; Dr. Don Johnson; Dr. Stanley Baker; The Honorable Robin Tallon; Mr. William Bingham; Dr. Conyers O'Bryan; Dr. Thomas Rowland; Mr. Charles Schulze; Mr. Thomas Stephenson; Dr. Charles Thomas.

Other Participants: Ms. Susan Barnhart; Dr. Frank Clark; Dr. Jack Feussner; Dr. David Garr; Mr. Joe Good; Dr. Ray Greenberg; Dr. Perry Halushka; Dr. Tom Higerd; Dr. Arnold Karig; Dr. John Raymond; Dr. Jerry Reves; Dr. Jack Sanders; Dr. Rick Silver; Dr. Sabra Slaughter; Dr. Gail Stuart; Mr. Mark Sweatman; Mr. Paul Taylor; Dr. Becki Trickey; Dr. Valerie West;

REGULAR AGENDA

Item 12. General Report of the Vice President for Academic Affairs

As a part of the outstanding educator series, Dr. Raymond introduced Dr. Richard M. Silver, Professor of Medicine and Director, Division of Rheumatology and Immunology, who gave an excellent presentation of his teaching philosophy. Drs. Reves and Feussner identified Dr. Silver as one of our finest teachers and mentors, emblematic of the old school triple threat model, further commenting on the outstanding leadership that he has shown in building a world class rheumatology program at MUSC.

Dr. Tom Higerd, Associate Provost for Institutional Research and Assessment gave a brief update on the status of MUSC's SACS (Southern Association of Colleges and Schools) Accreditation/Reaffirmation. Dr. Higerd reported the Compliance (Core Requirements) Certification component involved fourteen committees and over 120 faculty and staff. The report was submitted in September 2006, and was favorably received with only five minor compliance issues that need to be addressed. The QEP (Quality Enhancement Program) will be the next important aspect and is currently being developed. The On-site review will take place in March 2007.

Dr. Reves commented briefly on Dr. Amy Blue, who has agreed to assume the leadership role for the institution's QEP component of our SACS Reaffirmation/Reaccreditation process. Dr. Blue will take over the leadership of this plan from Dr. David Ward, who will leave MUSC to assume the Deanship of the University of New England College of Health Professions.

Academic Deans Karig, Halushka, Reves, Stuart, Trickey, and Sanders gave brief updates on the admissions process and applicant pools of their respective colleges.

Dr. Valerie West, Associate Provost for Education and Student Life reported on the upcoming 2nd annual Interprofessional Day, and the status of the dean search for the College of Health Professions. Five of eight candidates have been interviewed, and recommendations will be made to the Provost in early February 2007.

Dr. David Garr, Executive Director of the South Carolina AHEC, updated the Committee on AHEC's Disaster Preparedness Program grant, which has received recognition as a national grant model.

Item 13. Other Committee Business

EDUCATION, FACULTY AND STUDENT AFFAIRS COMMITTEE – CHAIRMAN: MR. MELVYN BERLINSKY

CONSENT AGENDA

Item 14. Conferring of Degrees – December 2006

Statement: At the request of the deans of the Colleges of Dental Medicine, Graduate Studies, Health Professions, Medicine, Nursing, and Pharmacy, Administration presents for approval the candidates for December 2006 graduation, effective December 8, 2006.

Recommendation of Administration: That the candidates for December 2006 graduation be approved.

Recommendation of Committee: That the candidates for December 2006 graduation be approved.

Board Action:

Item 15. Faculty Appointments

Statement: At the request of the deans of the Colleges of Dental Medicine and Medicine, administration presents for approval the following faculty appointments:

College of Dental Medicine

Richard E. Swaja, Ph.D., (joint appointment) as Professor, on the academic Investigator track, in the Department of Cell Biology and Anatomy, effective October 1, 2006.

Dr. Swaja's primary appointment rests in the College of Medicine, and he holds the South Carolina Research Centers of Economic Excellence Endowed Chair in Regenerative Medicine.

College of Dental Medicine and Medicine

V. Catalin Buhusi, Ph.D., as Associate Professor, on the Academic Investigator track, in the Department of Neurosciences, Division of Neuroscience Research, effective December 1, 2006.

Recommendation of Administration: That these faculty appointments be approved.

Recommendation of Committee: That these faculty appointments be approved.

Board Action:

Item 16. Changes in Faculty Status

Statement: At the request of the Dean of the College of Medicine, administration presents for approval the following changes in faculty status:

College of Dental Medicine

Leo E. Hershon, D.D.S., from volunteer Clinical Associate Professor to part-time Clinical Associate Professor in the Department of Pediatric Dentistry and

Orthodontics, effective January 2, 2007.

College of Medicine

Sally A. Webb, M.D., from Clinical Associate Professor to Associate Professor, on the Clinician Educator track, in the Department of Pediatrics, Division of Pediatric Emergency Medicine and Critical Care, effective October 1, 2006.

South Carolina College of Pharmacy

William Alexander Morton, Jr., Pharm.D., from Professor to Professor Emeritus, in the Department of Pharmacy and Clinical Sciences, South Carolina College of Pharmacy, MUSC Campus, effective December 1, 2006.

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

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

Board Action:

(Informational Items)

Item 17: Post-Tenure Review (Information)

Statement: At the request of the Dean of the College of Nursing and its Appointments, Promotions and Tenure Committee, administration presents as information, Post-Tenure Review approval for the following faculty appointment:

Susan C. Benedict, DSN, RN, CRNA, FAAN, Professor in the Department of Nursing, College of Nursing

Recommendation of Administration: That this Post-Tenure Review be received as information.

Recommendation of Committee: That this Post-tenure review be received as information

Board Action:

Item 18: MUSC License Plate Design (Information)

Statement: Administration presents as information, the MUSC License Plate Design.

Recommendation of Administration: That the MUSC License Plate Design be received as information.

Recommendation of Committee: That the MUSC License Plate Design be received as information.

Board Action:

Item 19: Revisions to the University Student Honor Code (Information)

Statement: At the request of the Student Government Association, administration presents as information, revisions to the University Student Honor Code.

Recommendation of Administration: That these revisions to the University Student Honor Code be received as information.

Recommendation of Committee: That these revisions to the University Student Honor Code be approved.

Board Action:

COMMITTEE ON FINANCE AND ADMINISTRATION

December 7, 2006

Minutes

Attendees:

Mr. Charles W. Schulze, Chair
Dr. Stanley C. Baker, Jr.
Mr. William H. Bingham, Sr.
Dr. Paula E. Orr
Dr. Thomas C. Rowland, Jr.
The Honorable Robin M. Tallon
Thomas L. Stephenson, Esquire
Ms. Susan H. Barnhart
Ms. Susan Haskill
Mr. Chip Hood

Dr. Stephen Lanier
Mr. Stewart Mixon
Ms. Lisa Montgomery
Mr. Bruce Quinlan
Dr. John Raymond
Ms. Janet Scarborough
Mr. Mark Sweatman
Mr. J. Paul Taylor
Mr. Patrick Wamsley

Mr. Schulze called the meeting to order.

REGULAR Items

Item 20 **General Report by the Vice President for Finance and Administration**

Ms. Montgomery stated that the University had received a clean audit from KPMG which would be reported during the Audit Committee. She was pleased to report the University had hired Ms. Susan Carullo as the new Director of Human Resources Management.

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

Item 21 **Smoke-Free Update**

Ms. Montgomery said she had provided the report to the Authority Operations Committee.

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

Item 22 **Major Purchases**

Ms. Montgomery presented the following major purchase for approval:

- Applied Biosystems 4800 MALDI TOF/TOF Analyzer - \$380,000

Recommendation of Committee: That the purchase be approved.

Item 23 **Financial Status Report of the Medical University of South Carolina**

Mr. Patrick Wamsley presented a revised financial statement for October 31 showing an increase in net assets of \$9.1 million; a favorable budget to actual variance of \$4.8 million and operating cash of \$48.4 million.

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

Item 24 Financial Status Report of University Medical Associates

Mr. Bruce Quinlan reported a Change in Net Assets of \$7.2 million with UMA collections up 16% and volumes up 13% over last year. Revenues are up \$10 million over the same period last year. He reported department expenses of \$44 million and corporate operating expenses of \$6.1 million. Transfers from UMA to the University have increased \$600,000 over last year.

He reported Carolina Family Care had a net income of \$787,703. Revenues are flat and expenses are down slightly. A consultant has been retained to assist with strategic planning.

Recommendation of Committee: Received as information.

Item 25 Financial Status Report of Foundation for Research Development

Ms. Janet Scarborough presented on the financial status of the Foundation for Research Development. Total Assets as of October 31 were \$1.1 million which reflected a decrease of \$265,000 since June 30 year end due to payment of fiscal year end accruals. She reported a decrease in liabilities since year end of \$224,000 as well as a decrease in net assets during the same period of \$39,000. Revenue reported as of October was \$329,000 and expenses were \$391,000.

Ms. Scarborough noted that the resolution of several pending contractual obligation with licensees in the next month would most likely have a negative impact on the net asset balance.

Recommendation of Committee: That this report be received as information

Item 26 Other Committee Business

None

CONSENT AGENDA

None

There being no further business, the meeting was adjourned.

**ACADEMIC
MAJOR PURCHASES FOR
BOARD OF TRUSTEES' APPROVAL
December 8, 2006**

Description of Purchase: Applied Biosystems 4800 MALDI TOF/TOF Analyzer

Estimated Cost of Purchase: \$380,000

Requisition Number: RQ267528

Department Name(s) and UDAK numbers(s): Proteomics Center
MUCU 2260000 48951 9923

Department Contact Person: Dr. Daniel Knapp

Name of Procurement Specialist: Jerry Redmon

Method of Purchase: Sole Source - The 4800 instrument is a compatible, stand alone instrument to the existing, first generation, 4700 from Applied Biosystems. The 4800 provides state-of-the art sensitivity, speed and accuracy for proteomics analysis and is able to share software and sample workflow.

Vendor Name (If Sole Source): Applied Biosystems

New Purchase X Yes No

New Contract for Existing Services? Yes X No

Extension of Existing Contract? Yes X No

Replacement of Existing Item(s) Yes X No

Name and Value of Equipment the Requested Purchase Will Be Used In Conjunction With:

Name of Equipment: ABI 4700 MALDI TOF/TOF

Value: \$686,316

How Will This Purchase Benefit MUSC: The ABI 4800 will provide state-of-the-art performance for the high-throughput, sophisticated proteomics analysis needed to make MUSC competitive in this highly visible field.

Why and How This Purchase Will Benefit MUSC By Having a Vendor Provide This Service Vs. MUSC Staff Providing the Service: Not applicable to this purchase.

**ACADEMIC
FINANCIAL INFORMATION
MAJOR PURCHASES
BOARD OF TRUSTEES' APPROVAL
December 8, 2006**

Item to be approved for purchase: Applied Biosystems 4800 MALDI TOF/TOF Analyzer

- 1. Source of Revenue/Savings:**
The instrument will be acquired using Proteomic Center funds. In addition, user fees will be assessed for use of the instrument.
- 2. Amount of Revenue/Savings to be generated:**
There is the potential to generate approximately \$10,000 in user fees the first year.
- 3. Initial cost:**
 - a. Item:** \$380,000
 - b. Physical Plant Requirements (renovations):** No physical plant renovations are required for this purchase.
- 4. Annual cost (Maintenance, supplies, etc.):**
User fees will offset operating costs. Supply costs are estimated at \$5,000 per year.
- 5. Personnel Cost (to include base salary, fringes, training, etc.):**
TBA, Postdoctoral Fellow, \$36,996 + \$7,362 = \$44,358.
- 6. Financial Analysis:**
\$429,358 total costs; approximately \$10,000 in user fees generated the first year.

**Medical University of South Carolina
Physical Facilities Committee
December 7, 2006
Minutes**

Attendees:

Mr. William H. Bingham, Sr., Chair
Dr. Stanley C. Baker, Jr.
Mr. Melvyn Berlinsky
Dr. E. Conyers O'Bryan, Jr.
Dr. Paula E. Orr
Dr. Thomas C. Rowland, Jr.
Mr. Charles W. Schulze
Thomas L. Stephenson, Esquire
The Honorable Robin M. Tallon
Ms. Susan H. Barnhart
Mr. John Cooper
Dr. Joseph DiPiro
Ms. Annette Drachman

Mr. Jim Fisher
Mr. Dennis Frazier
Dr. Arnold Karig
Dr. Stephen Lanier
Mr. Chris Malanuk
Mr. John Malmrose
Mr. Stewart Mixon
Ms. Lisa Montgomery
Mr. Earl Purdue
Dr. John Raymond
Mr. Mark Sweatman
Mr. J. Paul Taylor

Mr. Bingham called the meeting to order.

REGULAR Items

Item 27 Facilities Procurements/Contracts Proposed

Mr. John Malmrose presented the following procurements/contracts for approval:

- Parking Garage Elevator Addition Scope change - Total estimated budget \$1.6 million
- Parking Garage II Structural Repairs - Total estimated budget \$1.25 million
- Lease renewal for Rutledge Tower Garage of 772 parking spaces. Two year lease for \$980,000.
- 166 Ashley Avenue Renovation - Total estimated budget \$293,000.

Recommendation of Committee: That the procurements/contracts be approved as presented.

Item 28 Presentation of College of Pharmacy Feasibility Study and Fund Raising Plan.

Mr. Earl Purdue, with the firm of Ayers Saint Gross, made a presentation on the Feasibility Study for a new College of Pharmacy (COP) facility. Based on the new facility being built in what is now G-Lot, the facility would cost approximately \$32 million.

Dean Karig and Mr. Fisher discussed the plan to include the funding for the building in the current Capital Campaign. They felt there was a potential for COP alumni financial support of the new facility. In addition to the fund raising efforts by the College, there is a possibility some funding could become available from the Bond Bill. Currently, there is no funding available from the University.

It was noted that the ACPE which accredits the College, has required the College to provide a strategic plan for addressing the facility needs of the College. Improved facilities for the College are needed.

Recommendation of Committee: To charge Administration to identify a plan to renovate or replace the College of Pharmacy facilities and develop a funding plan for the project.

Item 29 **Update on Projects**

Mr. Malmrose presented an update on various University projects.

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

Item 30 **Other Committee Business**

Mr. Bingham distributed a projected schedule of dates for MUSC indefinite delivery contract selections for 2007. The interviews of the shortlisted firms could be held the Wednesday prior to the board meetings. He asked the members to review the dates and let Celeste Jordan know by the end of the meeting on Friday which, if any of the selections they could participate in.

CONSENT Items for Information:

Item 31 **Facilities Contracts Awarded**

The facilities contracts awarded since the last board meeting were presented for information.

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

With no further business, the meeting was adjourned.

FACILITIES
ACADEMIC
PROJECT SCOPE CHANGE
FOR APPROVAL
December 8, 2006

PROJECT TITLE: Parking Garage Elevator Addition

PROJECT NUMBER: 9780

TOTAL ESTIMATED BUDGET: \$ 1,600,000

SOURCE(S) OF FUNDS: Parking Reserves

JUSTIFICATION: As a result of increasing patient and visitor demand, the addition of an elevator to the south side of the Ashley Rutledge Garage was previously approved by the Board (\$800,000).

As the design developed, the need for an elevator lobby at each stop, to comply with the International Building Code, was identified. This requirement has doubled the physical size and cost of the addition, and has also affected the underground tank relocation. An outside canopy will also be constructed to shield pedestrians from inclement weather, as well as serve as a wayfinding tool for visitors and patients exiting and returning to the Garage.

FACILITIES
ACADEMIC/RESEARCH
ESTABLISH PROJECT
FOR APPROVAL
December 8, 2006

PROJECT TITLE: 166 Ashley Avenue Renovation

PROJECT NUMBER: To Be Determined

TOTAL ESTIMATED BUDGET: \$ 293,000

SOURCE(S) OF FUNDS: Provost Indirect Cost Fund; MUSC Foundation; and
Department of Neurosciences

JUSTIFICATION: The University plans to move the Center on Aging back onto campus by terminating a third-party lease and relocating this Center into the historic house at 166 Ashley Avenue. Occupancy has been delayed because the house has indoor mold and mildew issues.

The scope of work for this project includes asbestos abatement, drywall work, interior and exterior painting, flooring, ceiling, porch and roof repairs, as well as plumbing work and gutter replacement. Central air conditioning will also be installed.

FACILITIES

ACADEMIC

ESTABLISH PROJECT

FOR APPROVAL

December 8, 2006

PROJECT TITLE: Parking Garage II Structural Repairs

PROJECT NUMBER: Not Assigned

TOTAL ESTIMATED BUDGET: \$ 1,250,000

SOURCE(S) OF FUNDS: Parking Reserves

JUSTIFICATION: Parking Garage II located along President Street was built in 1988 from pre-stressed concrete. This Garage consists of 934 parking spaces and primarily services faculty and staff. A structural engineering study was performed on this facility earlier this year and it was noted that there are numerous problems with the pre-stressed concrete double tees on the flooring, especially where they are connected. Concrete is breaking up at the joints of the drive aisles and the slabs are moving from the weight of the cars. Damages also include spalled concrete and cracking on the panel edges. This project will repair these damages to maintain the structural integrity of the parking facility.

**FACILITIES
ACADEMIC
LEASE RENEWAL
FOR APPROVAL**

DECEMBER 8, 2006

DESCRIPTION OF LEASE RENEWAL: This lease renewal is for the Rutledge Tower Parking Garage consisting of 772 parking spaces. The purpose of this lease is to provide parking for MUSC. The monthly rental rate will be \$40,833.33 (rounded), resulting in an annual cost of \$490,000.00.

NEW LEASE AGREEMENT _____
RENEWAL LEASE AGREEMENT X

LANDLORD: University Medical Associates

LANDLORD CONTACT: Marty Phillips, Financial Analyst, 852-3109

DEPARTMENT NAME AND CONTACT: Parking Management, Melinda Anderson,
Director, 792-2597

SOURCE OF FUNDS: Parking Revenues

LEASE TERMS:

RENEWAL TERM: Two (2) years
ANNUALIZED LEASE COST: \$490,000.00
TOTAL COST OF RENEWAL TERM: \$980,000.00

EXTENDED TERM(S): One (1) term of two (2) years. Terms to be negotiated.

OPERATING COSTS:
FULL SERVICE _____
NET X

**Medical University of SC
Audit Committee
December 7, 2006
Minutes**

Attendees:

Dr. Stanley Baker, Jr.	Ms. Susan Barnhart
Mr. Melvyn Berlinsky	Mr. Brad Benton, KPMG
Mr. William H. Bingham, Sr.	Ms. Roselle Bonnoitt, KPMG
Dr. E. Conyers O'Bryan	Ms. Margaret Brown, DeLoach & Williamson
Dr. Thomas Rowland, Jr.	Mr. John Cooper
Mr. Charles Schulze	Ms. Annette Drachman
Mr. Thomas Stephenson, Esq.	Dr. Bruce Elliott
The. Hon. Robin Tallon	Mr. Bo Faulkner
Dr. Charlie Thomas	Mr. Bill Hanna, KPMG
Dr. Raymond Greenberg	Ms. Susan Haskill
Dr. Frank Clark	Dr. Steve Lanier
Ms. Lisa Montgomery	Ms. Janet Scarborough
Dr. John Raymond	Ms. Reese Smith
Mr. Stuart Smith	Mr. Mark Sweatman
Mr. Patrick Wamsley	Mr. Paul Taylor
Ms. Julie Acker	
Mr. Tom Anderson	

Item 32: MUSC and UMA Annual Compliance Overview

Statement: Ms. Julie Acker presented an annual compliance report for UMA.

Ms. Acker noted there have been seventy inquiries into the compliance office. The majority of the inquiries are related to billing.

UMA finished with the compliance agreement with the Office of Inspector General in April 2006. UMA's currently operating without an Institutional Compliance Agreement and is continuing on with our regular compliance operations.

UMA worked with the hospital on the financial assistance application process and that was successfully completed. UMA and MUHA are continuing to work together on a committee that deals with payment policy type of issues so that both entities are coordinated in that area.

The three entities are compiling a new policy that is required by the Federal Deficit Reduction Act to be implemented by January 1, 2007. (See MUHA Audit Committee minutes for detail)

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

Statement: Dr. Raymond presented an annual compliance report for the University.

Dr. Raymond stated that Dr. Ed Conradi passed away several months ago. MUSC and MUHA are currently discussing ways to combine the compliance functions of the

**Medical University of SC
Audit Committee
December 7, 2006
Minutes**

University and the Hospital. We have a proposed model that we are discussing and it will involve sharing the leadership of the two offices.

We have hired auditors to do self-assessment and education of the human trials, animal trials and the bio-safety components of the research enterprise. They are half-time individuals that go in and take a good look at the records and make sure they are financially compliant and identify systemic problems in the institution that we can take care of in a better way.

We are strengthening our Conflict of Interest Committee. Many of the complaints we have received deal with nepotism, conflict of commitment, and conflict of interest on the academic side. Since we are asking our faculty to be more entrepreneurial, those are potential problems.

Item 33: MUSC External Audit Report

Statement: Brad Benton with KPMG reported on the external audits of the Authority and the University.

- o Both entities received an unqualified (clean) opinion.
- o He also reviewed the management letter comments for both entities.
- o The auditors for MUSC affiliates issued unqualified opinions.

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

Item 34: Update on Centers of Economic Excellence Audit

Statement: John Raymond reported on an audit commissioned by the CHE of the funds distributed under the Centers of Excellence program.

This audit is ongoing.

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

Item 35: Update on Selection of External Auditor

Statement: Tom Stephenson, Chairman, reported on the RFP process.

- o A Request for Proposal (RFP) has been issued for the external audits of MUSC and the Authority for fiscal years ending June 30, 2007 through 2011.

**Medical University of SC
Audit Committee
December 7, 2006
Minutes**

- Selecting an external auditor is a responsibility of the Board.
- The Audit Committee appointed a group of staff and Trustees to review the bids and make a recommendation to the Board in February 2007.
 - Tom Stephenson and Charles Schulze representing the Board
 - Steve Hargett, CFO for the Authority
 - Patrick Wamsley, CFO for the University
 - Susan Barnhart, Internal Audit
- Susan Barnhart will coordinate the review of the bids.

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

With no further business, the meeting was adjourned.

MUSC Board of Trustees
Thursday December 7, 2006
3 p.m.

Board Members Present:

Dr. Charles B. Thomas, Jr., Chairman
Thomas L. Stephenson, Esquire, V-Chairman
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
The Honorable Robin M. Tallon
Mr. Hugh B. Faulkner, III, Secretary

Board Members Absent:

Dr. Cotesworth P. Fishburne, Jr.
Mr. William B. Hewitt
Dr. Donald R. Johnson, II
Dr. James E. Wiseman, Jr.

Dr. Thomas asked for a motion to go into executive session to discuss personnel/contractual matters. The motion was seconded and approved.

At the conclusion of the Executive Session, Dr. Thomas reported on the following items:

The Board had received a report from Mr. Paul Taylor on the following audits:

- Summary of Controlled Substances Activities
- 2007-02, MUHA Purchasing Card Review
- 2007-03, MUSC/MUHA Facilities & Engineering Study

Board Action: Received as information.

The Board members had discussed giving MUSC Trustee Emeritus status to Mr. Allen E. Stalvey, a Vice President with the South Carolina Hospital Association. Mr. Stalvey served as Trustee from 1984-1992.

Board Action: A motion was made, seconded and unanimously voted to give Trustee Emeritus status to Mr. Allan Stalvey.

There being no further business the meeting was adjourned.