

MINUTES
MEDICAL UNIVERSITY OF SOUTH CAROLINA
BOARD OF TRUSTEES MEETING
February 13, 2009

The Board of Trustees of the Medical University of South Carolina convened Friday, February 13, 2009, 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.; Dr. Cotesworth P. Fishburne, Jr.; 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 Tallon; Dr. James E. Wiseman, Jr.; Emeritus Member: The Honorable Phillip D. Sasser. Absent: 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; Mr. Stuart Smith, Vice President for Clinical Operations and Executive Director, MUHA; Dr. Jerry Reves, Vice President for Medical Affairs and Dean, College of Medicine; Ms. Lisa Montgomery, Vice President for Finance and Administration; Mr. Jim Fisher, Vice President for Development and Dr. Frank Clark, Vice President for Information Technology and CIO.

The following deans were present: Dr. Jack Sanders, College of Dental Medicine; Dr. Mark Sothmann, Dean, College of Health Professions; Dr. Jerry Reves, College of Medicine; Dr. Joseph DiPiro, Executive Dean, South Carolina College of Pharmacy and Dr. Arnold Karig, MUSC Campus Dean, College of Pharmacy.

Item 1. Call to Order-Roll Call.

There being a quorum present, Chairman Thomas called the meeting to order.

Item 2. Secretary to Report Date of Next Meeting.

The date of the next regularly scheduled meeting is Friday April 17, 2009.

Item 3. Approval of Minutes of the Regular Meeting of the Medical University of South Carolina Board of Trustees of December 12, 2008 and the Conference Call of January 21, 2009.

Board Action: It was moved that the Minutes be approved as written. 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 asked Mr. Berlinsky, to present a resolution, on behalf of the Board, to Dr. Valerie West upon her retirement from MUSC.

Dr. Greenberg distributed his report of activities since the last Board meeting. He reported that a fair amount of time has been spent working with the legislature. Also, given the financial issues, he has spent time with constituencies around campus and also with in pursuing collaborative discussions around the state of SC.

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

Board Action: The reports were received as information.

Item 5. Other Business. None

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

Dr. Fishburne thanked everyone for the sympathy card about his daughter, Anne Fishburne. He said the family is waiting for a favorable change in his daughter's condition.

OLD BUSINESS: None.

NEW BUSINESS:

Item 6. General Report of the Associate Provost for Research.

Statement: Dr. Fishburne reported that Dr. Steve Lanier spoke to the committee about how the regular research activity is holding up in spite of the downturn. Dr. Lanier said a team has been assembled to pursue major grant opportunities anticipated as a result of the Federal Economic Stimulus Package.

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.

Item 7. General Report of the Vice President for Development.

Statement: Dr. Fishburne said that Mr. Fisher reported to committee that fundraising as of January was at \$46.8M vs. \$29M for the same period last year. He also talked about the relationship that has been developed with the Duke Endowment. Dr. Fishburne reported that Dr. Mike Zile, whose cardiovascular research is sponsored by the Duke Endowment, made a presentation to committee on heart failure.

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 Chief Executive Officer of the MUSC Foundation for Research Development.

Statement: Dr. Fishburne said Mr. Chip Hood gave a report on the Foundation for Research Development to committee. Dr. Fishburne noted everyone had received the MUSC FRD audit report.

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. Other Committee Business.

Statement: Dr. Fishburne stated the committee had received a recommendation to rename the Education/Library Building the James W. Colbert Education Center. Dr. Colbert was the first academic vice president and provost at MUSC.

Recommendation of Administration: That the naming be approved.

Recommendation of Committee: That the naming be approved.

Board Action: A motion was made, seconded and unanimously voted to rename the Education/Library Building the James W. Colbert Education Center.

Statement: Dr. Fishburne said Mr. Tom Anderson, CEO of the MUSC Foundation provided a report on the Foundation to the committee. The Endowment's return was -23.9% for the 12 months ending December 31, 2008. Even though that was a negative, it was considerably better than the S&P's -37% return and is about average for college and university endowments nationally.

Recommendation of Administration: That this be received as information.

Recommendation of Committee: That this 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: Mr. Berlinsky asked for an executive session to discuss personnel and contractual matters, at the appropriate time.

Item 10. General Report of the Vice President for Academic Affairs and Provost.

Statement: Mr. Berlinsky stated that Dr. Raymond had reported that the South Carolina College of Pharmacy had just completed a successful accreditation site visit from ACPE. Many of the accreditation team's initial concerns from previous visits have been addressed.

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 11. Conflict of Interest Policy.

Statement: Mr. Berlinsky said the Conflict of Interest Policy had been presented to committee for approval.

Recommendation of Administration: That the Conflict of Interest Policy be approved.

Recommendation of Committee: That the Conflict of Interest Policy be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the Conflict of Interest Policy.

Item 12. Revisions to the MUSC Faculty Handbook.

Statement: Mr. Berlinsky said the committee recommended approval of the Revisions to the MUSC Faculty Handbook (Section 8.11 – Faculty Appointment Contract Dispute Resolution).

Recommendation of Administration: That the revisions to the MUSC Faculty Handbook be approved.

Recommendation of Committee: That the revisions to the MUSC Faculty Handbook be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the revisions to Section 8.11 – Faculty Appointment Contract Dispute Resolution of the MUSC Faculty Handbook.

Item 13. Out of State Tuition Adjustments.

Statement: Mr. Berlinsky said the committee recommended the Board approve the Out-of-State Tuition Adjustments as presented. In addition, a resolution was presented to clarify the University policy on granting instate status and tuition based on residency.

Recommendation of Administration: That the Out-of-State Tuition Adjustments be approved. That the resolution to clarify the University policy on granting instate status and tuition based on residency be approved.

Recommendation of Committee: That the Out-of-State Tuition Adjustments be approved. That the resolution to clarify the University policy on granting instate status and tuition based on residency be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the Out-of-State Tuition Adjustments as presented. A motion was made, seconded and unanimously voted to approve the Resolution as presented.

Item 14. Other Committee Business.

Tenure Recommendations

Statement: At the request of the Executive Dean of the South Carolina College of Pharmacy, administration presented for approval the following limited tenure recommendations, effective February 13, 2009:

Sondra H. Berger, Ph.D., Associate Professor, Department of Pharmaceutical and Biomedical Sciences (USC campus)

James M. Chapman, Jr., Ph.D., Associate Professor, Department of Basic Pharmaceutical Sciences (USC campus)

W. Michael Dickson, Ph.D., Professor, Department of Clinical Pharmacy and Outcome Sciences (USC campus)

Earl W. Lingle, Ph.D., Associate Professor, Department of Pharmacy Administration (USC campus)

Richard M. Schulz, Ph.D., Professor, Department of Clinical Pharmacy and Outcome Sciences (USC campus)

Theresa J. Smith, Ph.D., Associate Professor, Department of Pharmaceutical and Biomedical Sciences (USC campus)

Michael D. Wyatt, Ph.D., Associate Professor, Department of Pharmaceutical and Biomedical Sciences

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

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

Board Action: A motion was made, seconded and unanimously voted to approve the limited tenure recommendations.

Changes in Faculty Status

Statement: At the request of the Dean of the College of Health Professions, administration presented the following recommendation for change in faculty status:

Valerie T. West, Ed.D., from Professor to Professor Emerita in the Department of Health Studies, College of Health Professions, effective March 13, 2009.

Recommendation of Administration: That this request for change in faculty status be approved.

Recommendation of Committee: That this request for change in faculty status be approved.

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

Item 15. Sabbatical Leave (Consent Item).

Statement: At the request of the Dean of the College of Medicine, administration presented for approval the following request for sabbatical leave:

Janice D. Key, M.D., Professor, Department of Pediatrics, for a six-month sabbatical, retroactive to September 15, 2008 and ending March 13, 2009.

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

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

Board Action: A motion was made, seconded and unanimously voted to approve the sabbatical leave request.

Item 16. Faculty Appointments (Consent Item).

Statement: At the request of the deans of the Colleges of Medicine and Dental Medicine, and their respective Appointments, Promotions and Tenure Committees, administration presented for approval the following faculty appointments:

College of Dental Medicine and Medicine

Thomas K. Borg, Ph.D., as Research Professor in the Department of Cell Biology and Anatomy, effective December 1, 2008.

College of Medicine

Jihad Obeid, M.D., as Associate Professor on the Clinician Educator track, in the Department of Biostatistics, Bioinformatics and Epidemiology, effective December 1, 2008.

Dr. Obeid also will hold the Centers of Economic Excellence Endowed Chair in Biomedical Informatics, associated with the Clinical Effectiveness and Patient Safety Center of Economic Excellence.

Joelle Roche, Ph.D., as Professor on the Academic Investigator track, in the Department of Medicine, Division of Hematology/Oncology, effective February 1, 2009.

Barton L. Sachs, M.D., M.B.A., as Professor on the Clinician Educator track, in the Department of Orthopaedic Surgery, effective January 1, 2009.

Peter Shamamian, M.D., as Professor with tenure, on the Clinician Educator track, in the Department of Surgery, Division of General Surgery, effective January 2, 2009.

Dr. Shamamian also will serve as Chief of Surgery at the Ralph H. Johnson VA Medical Center.

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 17. Changes in Faculty Status

Statement: At the request of the deans of the Colleges of Dental Medicine, Health Professions and Medicine, and their respective Appointments, Promotions and Tenure Committees, administration presented for approval the following changes in faculty status.

College of Dental Medicine

Robert A. Draughn, D.Sc., from Professor to Professor Emeritus in the Department of Craniofacial Biology, effective January 1, 2009.

College of Medicine and Dental Medicine

Karl J. Karnaky, Ph.D., from Professor to Professor Emeritus in the Department of Cell Biology and Anatomy, effective December 1, 2008.

College of Medicine

Robert F. Woolson, Ph.D., from Professor to Professor Emeritus in the Department of Biostatistics, Bioinformatics and Epidemiology, effective July 1, 2009.

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

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

Board Action: A motion was made, seconded and unanimously voted that the changes in faculty status be approved.

Item 18. Distinguished University Professor Designation (consent Item).

Statement: Administration presented as information, the following Distinguished University Professor designation, effective February 13, 2009:

Fred A. Crawford, Jr., Professor and Chair, Department of Surgery

Recommendation of Administration: That this request for Distinguished University Professor designation be received as information.

Recommendation of Committee: That this request for Distinguished University Professor designation be received as information.

Board Action: 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 19. Major Purchases.

Statement: Mr. Schulze said Ms. Montgomery had presented the following major purchase for approval and he asked for Board approval of the item.

- \$4.82 million to purchase an Elekta Leksell Gamma Knife with grant funding from the Hollings Cancer Center.

Recommendation of Administration: That the major purchase be approved.

Recommendation of Committee: That the major purchase be approved.

Board Action: a motion was made, seconded and unanimously voted to approve the major purchase.

Item 20. Financial Status Report of the Medical University of South Carolina.

Statement: Mr. Schulze said Mr. Patrick Wamsley had presented the financial status of the University as of December 2008 and reported adjusted year-to-date operating revenues of \$254 million and operating expenses of \$267 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 21. Financial Status Report of University Medical Associates.

Statement: Mr. Schulze said Mr. Mike Keels reported on the UMA financial status as of December 2008 and UMA is holding pretty much on budget considering these

challenging times.

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

Statement: Mr. Schulze said Ms. Janet Scarborough reported to committee on the financial status of the MUSC Foundation for Research Development and reported a net loss of \$10,000.

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 23. Other Committee Business.

Statement: Mr. Schulze asked Mr. Wamsley to comment on the State Ethics Forms to be completed by Board members. Mr. Wamsley stated the Board members could submit paper forms this years but going forward the Ethics Commission would require an on-line submission.

Board Action: Received as information.

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

OLD BUSINESS: None.

NEW BUSINESS:

Item 24. Facilities Procurements/Contracts.

Statement: Mr. Bingham asked for approval of the following leases:

- Lease renewal of 772 parking spaces in the Rutledge Tower Garage. Total Cost of two-year term: \$980,000.

Recommendation of Administration: That the lease be approved

Recommendation of Committee: That the lease be approved.

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

Item 25. Update on Projects.

Statement: Mr. Bingham stated that Mr. John Malmrose had provided an update to the committee which was received as information.

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 26. Other Committee Business.

Statement: Mr. Bingham asked for volunteers to serve on the IDC Selection Committees. There are two remaining selections this year. One will be before September and one before November when the projects run out. He asked for two volunteers to serve.

Mr. Bingham stated that Mr. Malmrose reported on the IDC selection to provide signage design services for the University. The two firms selected were:

- LTC Associates, Inc.
- The Fitts Company, Inc.

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

Board Action: The report was received as information.

Item 27. Facilities Contracts Awarded (consent item).

Statement: The facilities contracts awarded since the last 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.

OTHER BUSINESS FOR THE BOARD OF TRUSTEES:

Item 28. 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 29. New Business for the Board of Trustees.

Statement: Dean Reves stated that due to the unprecedented budget cuts from the State of South Carolina, there was a need for structural changes in the College of Medicine. He proposed changes that should net between this year and next a savings of approximately \$4.4M. The sooner the changes could be made the sooner the savings would be realized. The timelines for the proposed departmental changes should be no later than July 1, 2009. He asked for approval of the following reorganization plan:

1. Department of Biostatistics, Bioinformatics and Epidemiology to be dissolved and major programs move to the Department of Medicine; 2. the Departments of Biochemistry and Molecular Biology, Microbiology and Immunology, Cell and Molecular Pharmacology and Experimental Therapeutics be dissolved and major programs be combined into a single unit of Foundational Sciences in the College of Medicine, and 3. the Department of Anatomy and Cell Biology be dissolved and major programs be moved into a new Department entitled the Department of Regenerative Medicine.

Board Action: A motion was made, seconded and unanimously voted that the reorganization be approved as presented.

Statement: Dr. O'Bryan made a motion for an executive session to discuss contractual and personnel matters. The motion was seconded and approved to go into executive session.


Board Action: At the conclusion of the executive session, the Chairman returned the Board to open session and stated no actions had been taken by the Board.

Item 30. Report from the Chairman.

Dr. Thomas said despite the economic hard times he is excited hearing Dr. Kraft and Dr. Glazier talk about the positive things going on at the University. He encouraged University employees to continue their good work.

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

Respectfully submitted,


Hugh B. Faulkner III
Secretary

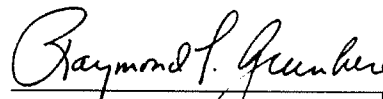
Resolution in Appreciation of Valerie T. West, Ed.D.

- WHEREAS the Medical University of South Carolina Board of Trustees is grateful for the outstanding contributions of our most successful faculty members; therefore, be it known that Valerie T. West, Ed.D., Associate Provost for Education and Student Life, Director of the Division of Education and Student Services, and Professor in the Department of Health Administration and Policy in the College of Health Professions, has been one of our institution's most successful and influential teachers, administrators, leaders, mentors and role models throughout her forty years of affiliation with, and service to, the Medical University of South Carolina, and
- WHEREAS Dr. West earned a B.S. in Medical Record Administration from Colby-Sawyer College; an M.A. in Management, and an M.A. in Human Relations from Webster College of St. Louis, Missouri; and an Ed.D. in Curriculum and Instruction from the University of South Carolina, and
- WHEREAS she joined the faculty at the Medical University of South Carolina as Assistant Professor in 1969, rising through the faculty ranks to full Professor with tenure in 1983, while carrying a large teaching load and performing diverse administrative and scholarly duties, and
- WHEREAS she served twice as Interim Dean of the College of Health Professions and as Associate Dean for Academic Affairs; as Assistant Dean for Admissions and Interim Chair and/or Chair of three different departments in the College of Health Professions; and as Director of the Division of Continuing Professional Education, Director of the School of Evening Hours, and Director of the Medical Records Administration Program, and
- WHEREAS she has served with distinction as the Associate Provost for Education and Student Life and the Director of the Division of Education and Student Services, and previously as Interim Dean of Students, and
- WHEREAS she has made many substantial contributions to the Medical University of South Carolina, such as leading the Presidential Scholars Program, creating the Student Leadership Academy, and bringing the National Coalition Building Institute to the Medical University of South Carolina campus, and
- WHEREAS she reorganized the Office of Student Diversity and played a major role in the implementation of the Creating Collaborative Care Initiative and in developing Interprofessional Day, and
- WHEREAS she has served as one of our most dedicated teachers in classroom settings and in the SCRIPT Program; she has been one of our most visible student advocates and supporters; and has conducted herself with equanimity, poise, grace, good humor and total dedication to our students and to the institution throughout her career, and
- WHEREAS those contributions have been recognized through being named as an Outstanding Woman Leader by the YWCA; receipt of the Governor's Distinguished Professor Award; designation as the College of Health Professions Teacher of the Year; and receipt of the Medical University of South Carolina Foundation Distinguished Faculty Service Award.

HEREBY, BE IT KNOWN, that the Board of Trustees of the Medical University of South Carolina expresses its sincere admiration for Dr. Valerie T. West's many remarkable accomplishments and selfless contributions, and appreciation for her successes as a faculty member and institutional leader; unanimously and enthusiastically resolved this Thirteenth day of February in the year Two Thousand and Nine.



Charles B. Thomas, Jr., M.D.
Chairman, Board of Trustees



Raymond S. Greenberg, M.D., Ph.D.
President

Medical University of South Carolina

RESEARCH AND INSTITUTIONAL ADVANCEMENT COMMITTEE

MINUTES

February 12, 2009

Committee Members Present: Mr. William H. Bingham, Sr., Dr. Cotesworth P. Fishburne, Jr., (Chair), Dr. Donald R. Johnson II, Dr. Thomas C. Rowland, Jr., Mr. Thomas L. Stephenson, Esq., The Honorable Robin Tallon, Dr. James E. Wiseman, Jr.

Other Trustees Present: Dr. Stanley C. Baker, Jr., Mr. Melvyn Berlinsky, Mr. Charles W. Schulze, Dr. Charles B. Thomas, Jr.

Others Present: Mr. Thomas P. Anderson, Ms. Susan Barnhart, Mr. Sheldon Bates, Ms. Annette Drachman, Mr. Jim Fisher, Mr. Dennis Frazier, Dr. Raymond S. Greenberg, Mr. William C. Hood, Dr. Arnold Karig, Dr. Stephen M. Lanier, Ms. Leigh Manzi, Ms. Lisa Montgomery, Dr. John R. Raymond, Dr. J.G. Reves, Dr. Jack Sanders, Mr. Maurice Snook, Ms. Margaret P. Schachte, Mr. Stuart Smith, Mr. Maurice Snook, Ms. Elizabeth Waters, Dr. Valerie West, Dr. Michael Zile

Regular Agenda

Item 6. General Report of the Associate Provost for Research

Dr. Lanier reported that extramural awards for grants and contracts are slightly ahead of last year for the first 6 months, with \$103.8M as of 12/31/08 vs. \$95.9M as of 12/31/07. In materials provided in advance, Dr. Lanier reported special honors recently attained by two faculty members: Dr. Mirko Hennig, Assistant Professor of Biochemistry and Molecular Biology will receive a prestigious National Science Development Career Development Award, only the 3rd such grant to be awarded to an MUSC faculty member. Dr. Gary Gilkeson, Professor and Vice Chair for Research in the Department of Medicine, will be inducted into the Henry Kunkel Society, a national scientific honorary. Dr. Lanier noted that a team has been assembled to prioritize and pursue major grant opportunities anticipated as a result of the Federal Economic Stimulus Package.

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

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

Board Action:

Item 7. General Report of the Vice President for Development

Mr. Fisher reported that fundraising as of 01/20/09 totals \$46.8M vs. \$29M for the same period last year. MUSC has accrued \$261M toward the Capital Campaign goal of \$300M. The Campaign Cabinet will meet later in February to discuss whether to hold or expand the \$300M goal. Two major ongoing supporters of MUSC have indicated that they may have to put a hold on new awards for the next year or two, due to market pressures on their grant-making resources. The MUSC Furlough Relief Fund received \$175K in contributions from employees to assist fellow employees. These funds will help restore 100% of income for furloughed MUSC employees earning less than \$30K/yr, with a sliding scale of assistance to employees earning between \$30K/yr and \$40K/yr. The Board of Visitors meeting will coincide with the April Board of Trustees meeting; this will be the inaugural visit for the currently constituted Board of Visitors. Mr. Fisher requested Committee Approval to name the Education Center in honor of James W. Colbert, MUSC's first Vice President for Academic Affairs and Provost. Dr. Rowland so moved, with committee approval by acclamation.

Recommendation of Administration: That the Education Center be named the James W. Colbert Education Center.

Recommendation of Committee: That the Education Center be named the James W. Colbert Education Center.

Board Action:

Item 8. General Report of the Executive Director of the MUSC Foundation for Research Development

Mr. Hood reported that FRD completed more deals in the first 6 months of the fiscal year than in the entire previous year. While he expects activities to slow down during the second half of the year, at least two more deals are in the pipeline. He is optimistic about an active relationship focused on developing a cardiovascular-related product, with potential to have a product on the market by 2011. The Foundation for Research Development is making internal changes to become more efficient and increase the number of patent filings. The FRD Board will consider proposing a change in the bylaws to waive the term limit for at-large directors under extraordinary circumstances, requiring approval of at least 75% of the members voting. The Fuji relationship is progressing; their research division is presently analyzing data to confirm MUSC's results.

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

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

Board Action:

Item 9. Other Committee Business

General Report of the CEO of the MUSC Foundation

Mr. Anderson reported that the MUSC Endowment's return was -23.9% for the 12 months ending Dec. 31, 2008. While negative, the performance was substantially better than the S&P's -37% for the same period, and about average for college and university endowments nationally. For endowment accounts that may have dropped below their adjusted starting value, or "impaired endowments," the impact will prohibit paying funds out to support the endowed purpose until the account recovers. The overall financial impact of impaired endowments is \$1.9M in ineligible payouts. The MUSC Foundation will make a one-time advance to MUSC of \$1M to offset the impact of impaired endowments, to be repaid from future investment returns.

Development Presentation by Mr. Jim Fisher – MUSC and The Duke Endowment: A Long-Term Partnership

Mr. Fisher gave an overview of the history of The Duke Endowment, which was established in 1924 with a focus on education and health in the two Carolinas. The initial endowment of in February 1924 was \$40M. This grew by \$67M in October 1924 upon the death of founder, J.B. Duke. The asset value as of 12/31/06 had grown to \$2.9B, after grant distributions of a like amount during the decades spanning 1924-2006. Mr. Fisher listed approximately 20 of the dozens of programs at MUSC that have received Duke Endowment support in the past decade. MUSC has received a total of \$23.3M in direct support from The Duke Endowment, not counting the "\$1/day" distribution formula to the hospital during the 20th century. The Duke Endowment currently supports 5 MUSC programs, with 4 proposals pending review during May/June. However, the prospect for funding new programs this year is uncertain due to market conditions.

Research Presentation by Dr. Michael Zile – Cardiovascular Research Sponsored by The Duke Endowment

Michael Zile, MD, Charles Ezra Daniel Professor of Medicine (Cardiology) summarized facts, effects and outcomes associated with The Duke Endowment's support of

cardiovascular research at MUSC. The Cardiology Division has had 3 Duke Endowment grants, two direct grants and one indirectly through Health Sciences South Carolina. Dr. Zile highlighted the leveraging effect of these grants, which helped secure additional funding from sources such as the Centers of Economic Excellence Program, Spalding-Paolozzi Foundation, and the Seinsheimer Fund. The ultimate outcome is improved patient care. Nationally, cardiovascular disease rates are improving with one exception; heart failure rates are not improving. Cardiovascular disease and heart failure have a disproportionate impact on women, especially in South Carolina. Dr. Zile and colleagues are conducting research to develop protein signaling profiles that could potentially be used for screening, early detection and improved outcomes for heart failure. The Duke Endowment support helped launch a research project that has already enrolled more than 400 subjects statewide. The support also enabled infrastructure development, such as a biomarker development core. The research team has worked with the Foundation for Research Development to generate 6 pending patents thus far, and a substantial research agreement with a major company for product development. The basic goal is to identify a small number of proteins, e.g., 3 or 4, as the basis for a counter-top risk-profiling system to be deployed at point-of-care in physician offices.

EDUCATION, FACULTY AND STUDENT AFFAIRS COMMITTEE. CHAIRMAN: MR. MELVYN BERLINSKY
February 13, 2009

REGULAR AGENDA

Item 10. General Report of the Vice President for Academic Affairs

Statement: Dr. Raymond briefly noted that the South Carolina College of Pharmacy had just completed a successful accreditation site visit from ACPE. Many of the accreditation team's initial concerns from previous visits have been addressed.

Mr. Berlinsky spoke briefly of Dr. Valerie West's impending retirement from MUSC. Dr. West commented briefly on her career at MUSC, the institution's accomplishments, and the many friends made along the way.

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

Recommendation of Committee: That this report be received as information

Board Action:

Item 11. Conflict of Interest Policy.

Statement: Administration presented for approval the Conflict of Interest Policy.

Recommendation of Administration: That the Conflict of Interest Policy be approved.

Recommendation of Committee: That the Conflict of Interest Policy be approved.

Board Action

Item 12. Revisions to the MUSC Faculty Handbook.

Statement: At the request of the MUSC Faculty Senate, administration presented for approval revisions to Section 8.11 – Faculty Appointment Contract Dispute Resolution, effective February 13, 2009.

Recommendation of Administration: That these revisions to Section 8.11 of the MUSC Faculty Handbook be approved.

Recommendation of Committee: That these revisions to Section 8.11 of the MUSC Faculty Handbook be approved.

Board Action

Item 13. Out-of-State Tuition Adjustments.

Statement: Administration will present proposed changes for academic charges for out-of-state students for several colleges. Also presented was a resolution to clarify the mandatory one year residency requirements of obtaining instate tuition.

Recommendation of Administration: That the proposed changes for academic charges for out-of-state students and the accompanying resolution be approved.

Recommendation of Committee: That the proposed changes for academic charges for out-of-state students and the accompanying resolution be approved.

Board Action

Item 14. Other Committee Business.

A. Tenure Recommendations

At the request of the Executive Dean of the South Carolina College of Pharmacy, administration presented for approval the following limited tenure recommendations, effective February 13, 2009:

Sondra H. Berger, Ph.D., Associate Professor, Department of Pharmaceutical and Biomedical Sciences (USC campus)

James M. Chapman, Jr., Ph.D., Associate Professor, Department of Basic Pharmaceutical Sciences (USC campus)

W. Michael Dickson, Ph.D., Professor, Department of Clinical Pharmacy and Outcome Sciences (USC campus)

Earl W. Lingle, Ph.D., Associate Professor, Department of Pharmacy Administration (USC campus)

Richard M. Schulz, Ph.D., Professor, Department of Clinical Pharmacy and Outcome Sciences (USC campus)

Theresa J. Smith, Ph.D., Associate Professor, Department of Pharmaceutical and Biomedical Sciences (USC campus)

Michael D. Wyatt, Ph.D., Associate Professor, Department of Pharmaceutical and Biomedical Sciences

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

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

Board Action:

B. Item 17. Changes in Faculty Status

Statement: At the request of the Dean of the College of Health Professions, administration presented the following recommendation for change in faculty status:

Valerie T. West, Ed.D., from Professor to Professor Emerita in the Department of Health Studies, College of Health Professions, effective March 13, 2009.

Recommendation of Administration: That this request for change in faculty status be approved.

Recommendation of Committee: That this request for change in faculty status be approved.

Board Action:

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

February 13, 2009

CONSENT AGENDA

Item 15. Sabbatical Leave

Statement: At the request of the Dean of the College of Medicine, administration presented for approval the following request for sabbatical leave:

Janice D. Key, M.D., Professor, Department of Pediatrics, for a six-month sabbatical, retroactive to September 15, 2008 and ending March 13, 2009.

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

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

Board Action

Item 16. Faculty Appointments

Statement: At the request of the deans of the Colleges of Medicine and Dental Medicine, and their respective Appointments, Promotions and Tenure Committees, administration presented for approval the following faculty appointments:

College of Dental Medicine and Medicine

Thomas K. Borg, Ph.D., as Research Professor in the Department of Cell Biology and Anatomy, effective December 1, 2008.

College of Medicine

Jihad Obeid, M.D., as Associate Professor on the Clinician Educator track, in the Department of Biostatistics, Bioinformatics and Epidemiology, effective December 1, 2008.

Dr. Obeid also will hold the Centers of Economic Excellence Endowed Chair in Biomedical Informatics, associated with the Clinical Effectiveness and Patient Safety Center of Economic Excellence.

Joelle Roche, Ph.D., as Professor on the Academic Investigator track, in the Department of Medicine, Division of Hematology/Oncology, effective February 1, 2009.

Barton L. Sachs, M.D., M.B.A., as Professor on the Clinician Educator track, in the Department of Orthopaedic Surgery, effective January 1, 2009.

Peter Shamamian, M.D., as Professor with tenure, on the Clinician Educator track, in the Department of Surgery, Division of General Surgery, effective January 2, 2009.

Dr. Shamamian also will serve as Chief of Surgery at the Ralph H. Johnson VA Medical Center.

Recommendation of Administration: That these faculty appointments be approved.

Recommendation of Committee: That these faculty appointments be approved.

Board Action

Item 17. Changes in Faculty Status

Statement: At the request of the deans of the Colleges of Dental Medicine, Health Professions and Medicine, and their respective Appointments, Promotions and Tenure Committees, administration presented for approval the following changes in faculty status.

College of Dental Medicine

Robert A. Draughn, D.Sc., from Professor to Professor Emeritus in the Department of Craniofacial Biology, effective January 1, 2009.

College of Medicine and Dental Medicine

Karl J. Karnaky, Ph.D., from Professor to Professor Emeritus in the Department of Cell Biology and Anatomy, effective December 1, 2008.

College of Medicine

Robert F. Woolson, Ph.D., from Professor to Professor Emeritus in the Department of Biostatistics, Bioinformatics and Epidemiology, effective July 1, 2009.

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

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

Board Action:

Item 18. Distinguished University Professor Designation (Informational Item)

Statement: Administration presented as information, the following Distinguished University Professor designation, effective February 13, 2009:

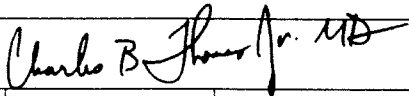
Fred A. Crawford, Jr., Professor and Chair, Department of Surgery

Recommendation of Administration: That this request for Distinguished University Professor designation be received as information.

Recommendation of Committee: : That this request for Distinguished University Professor designation be received as information.

Board Action:

Medical University of South Carolina and Medical University Hospital Authority Policies and Procedures

| | | | |
|--|--------------|-------------------------------------|--------------------|
| Policy Name: MUSC/MUHA – Conflict of Interest Policy | | | |
| Approved – Board of Trustees  | | Date: 2/13/09 | |
| Effective Date: 2/13/09 | Page 1 of __ | Section: General (Miscellaneous) | Policy Number: N/A |
| Replaces Policy: N/A | | | Dated: N/A |

Persons covered by this policy

This policy applies to all Trustees, Officers, Faculty, Administrators, and Staff, including all full-time, part-time, temporary, and contract Employees of Medical University of South Carolina (“MUSC”) and Medical University Hospital Authority (“MUHA”). Affiliates (entities which derive their not for profit status from MUSC, such as University Medical Associates, the MUSC Foundation, and the MUSC Foundation for Research Development) shall as a condition of continued business with MUSC and MUHA adopt a policy substantially similar to this Policy, adapted to accommodate those affiliate employees who are not public employees.

Preamble

1. Enhancing the public good through improved health initiatives and superior economic development is the foundation of many government policies. MUSC, as a contemporary, public research university, has a responsibility to actively participate and promote these initiatives even if conflicts of interest are more likely and many times unavoidable. Conflicts of interest, therefore, may arise from ordinary and appropriate activities as a part of assigned employment duties so the existence of a conflict should not imply wrongdoing. When conflicts of interest do arise, however, they must be recognized and disclosed, then eliminated or appropriately managed. The Board of Trustees for MUSC and MUHA has a duty to govern those State entities in a manner such that conflicts are appropriately reviewed and acted on to maintain public confidence in the integrity of our institutions.

2. This policy provides a framework for recognizing and managing employee conflicts of interest, and should minimize even the appearance of conflicts of interest. The primary goal of this policy is to prevent an employee's activities from adversely influencing MUSC or MUHA operations.

3. Particular departments and activities of MUSC or MUHA may have specific conflict of interest policies. It is intended, however, that this policy will apply to the entire MUSC enterprise, providing a framework for those specific additional policies to operate under, such that those specific policies will not supersede this policy unless approved by the Board of Trustees.

4. This policy references South Carolina Code (S.C. Code § 8-13-10 *et seq.*) (the “Ethics Law”), which makes it unlawful for public officials, public members, and public employees to use their position to obtain an economic interest or to have a financial interest in most any contract or purchase connected with MUSC/MUHA, unless certain exceptions apply. This policy is implemented in addition to all requirements of the Ethics Law and does not supersede it. The South Carolina Ethics Law is at www.scstatehouse.net/code/t08c013.htm.

5. As MUSC conducts research funded by the Public Health Service and other federal agencies, it is required by federal law to maintain an appropriate written, enforced policy on conflict of interest that complies with 42 CFR Part 50 Subpart F – “Responsibility of Applicants for Promoting Objectivity in Research for which Public Health Service Funding is Sought” (http://grants.nih.gov/grants/compliance/42_CFR_50_Subpart_F.htm) as well as all other relevant policies of federal funding and oversight agencies.

A. Statement of general policy

1. MUSC/MUHA policy is that its employees conduct the affairs of MUSC/MUHA in accordance with the highest legal, ethical and moral standards.

2. MUSC/MUHA policy is that employees of MUSC/MUHA shall disclose perceived and real conflicts of interest.

3. MUSC/MUHA policy is that employees shall not use their position to secure personal financial benefits or economic interest for themselves, any member of their immediate family, any individuals or entity with whom the employee has a business relationship that renders an employee economic benefit. A perceived and/or real conflict of interest arises whenever the employee has the opportunity to influence University or Authority operations or business decisions in ways that could result in a personal financial benefit or economic gain to the employee, a member of an employee's immediate family, or individuals or entities with whom the employee has a business relationship which renders the employee economic benefit. Although certain specific examples of conflicts of interest are provided in this policy, they are meant only as illustrations, and supervisors and employees are expected to use good judgment to identify possible conflicts of interest that may adversely influence MUSC/MUHA operations, and to avoid or manage them as appropriate.

4. This policy is not intended to prohibit approved and appropriately managed economic development activities related to MUSC/MUHA generated intellectual property, including MUSC/MUHA employee involvement with startup companies, Small Business Administration (SBIR/STTR) funded research and Centers of Economic Excellence Activities. However, any such activities by MUSC/MUHA employees that make use of University or Authority property, facilities, equipment or other resources for personal benefit shall be approved as required herein, of benefit to MUSC/MUHA, and for fair value.

5. Nothing in this policy shall be construed to permit, even with disclosure, any activity that is prohibited by law.

B. Definitions

1. *Conflicts of interest* occur when an employee or immediate family member receives personal financial benefit or an economic interest from the employee's position in a manner that may inappropriately influence the employee's judgment, compromise the employee's ability to carry out MUSC/MUHA responsibilities or, be a detriment to MUSC/MUHA integrity.

2. *Immediate family* includes the employee's parents, spouse, siblings, children, stepchildren, and grandchildren.

3. *Manage and managing* means an affirmative action by the University or the Authority to establish parameters or conditions that minimize or eliminate the risk of the perceived or real conflict of interest.

4. *Personal financial benefit or economic benefit* is defined as anything of monetary value, including salary, commissions, fees, honoraria, gifts of more than nominal value, equity interests, interests in real or personal property, dividends, royalty, rent, capital gains, intellectual property rights, loans, and forgiveness of debt. "Personal financial benefit" does not include:

a. compensation or payments received from MUSC/MUHA or any of its affiliates or the Ralph H. Johnson Department of Veterans Affairs Medical Center;

b. payments for participation in seminars, lectures or other educational activities as long as not acting in the employee's official capacity, or reasonable expenses for the same activities even if acting in official capacity;

c. payments for participation in seminars, lectures or other educational activities, and reasonable expenses for the same activities as long as acting within the context of an individual's Faculty Appointment Contract;

d. any financial interest arising solely by means of investment in a mutual, pension, or other institutional investment fund over the management and investments of which the employee or an associated immediate family member does not exercise control; and

e. investments in publicly traded entities as long as employee owns less than a five percent and/or less than \$10,000 stake in said entity.

5. *University* means Medical University of South Carolina.

6. *Authority* means the Medical University Hospital Authority.

7. *MUSC or MUHA responsibilities* are defined as the responsibilities of an employee to perform MUSC or MUHA activities as defined by management or contract.

C. Policy provisions

1. An employee shall disclose any situation in which the employee has, or may have, a real or potential conflict of interest as defined herein. These conflicts of interest must be reported annually to the appropriate Office of Compliance. Modifications to existing disclosures or a new activity will require submittal of an additional disclosure in a timely manner. An authorized group of employees shall review the disclosure and recommend to the appropriate Vice President a suitable action plan to eliminate or manage the conflict of interest so as to ensure that MUSC or MUHA business is not improperly influenced or adversely affected. In the event that there is no reasonable way to manage a conflict of interest, then the employee may be prohibited from participating in related MUSC/MUHA affairs until such a time as the conflict is eliminated. In other words, employees and Officers of MUSC/MUHA have a duty to immediately disclose, manage or eliminate any real or potential conflicts of interest that are not in the best interests of the University or Authority.

a. An employee shall disclose conflicts of interest in writing on an approved paper or digital Conflicts of Interest Disclosure Form, including a statement describing the nature and extent of the conflict, to their supervisor and to the appropriate Compliance Office. This disclosure must be completed annually, on a form designated for such purposes. A new disclosure form must be completed whenever a new conflict of interest arises or when a significant change occurs concerning an existing disclosure. See the following Web site for this disclosure form: Annual Conflict of Interest Disclosure < _____ >.

b. If a supervisor becomes aware of a conflict of interest that an employee has not disclosed, the supervisor shall discuss the situation with the employee, require that a written disclosure be made as provided in this policy, and inform the Office of Compliance to anticipate the receipt of a new Disclosure Form.

c. All conflicts of interest shall be reported to the MUSC or MUHA Office of Compliance. The Board of Trustees or its designee will retain authority to take such action as it deems appropriate regardless of any action or inaction by an Officer of MUSC and/or MUHA.

2. The following are examples of conflicts of interest requiring disclosure. These examples are illustrations only and are not meant to be exclusive.

a. Employee or immediate family member has a financial interest in a business entity with which the University or Authority does or proposes to do business, and the employee is in a decision-making role or otherwise is in a position to influence the University's or Authority's business decisions regarding the business entity. Business entity examples for which an employee disclosure is required:

- i) finance or accounting services
- ii) equipment services
- iii) marketing services
- iv) construction services

- v) consulting
- vi) counseling
- vii) catering
- viii) computer supplies
- ix) programming
- x) architectural services
- xi) legal services
- xii) grant preparation
- xiii) temporary personnel services
- xiv) office or laboratory supplies
- xv) painting services
- xvi) lawn and grounds services

b. Employee holds or assumes an executive, officer or director position in a for-profit or not-for-profit business or entity engaged in commercial, educational, or research activities similar to those in which the University or Authority engages.

c. Employee participates in consultation activities for a for-profit or not-for-profit business or entity engaged in commercial, educational or research activities similar to those of the University or Authority.

d. Employee holds or assumes an executive, officer or director position in a for-profit or not-for-profit business or entity that does business with the University or Authority.

3. The activities listed below are prohibited unless sanctioned by an Officer of the University or Authority. Sanctioned activities are those activities documented within an individual's Faculty Appointment Contract, contained within an employee's job description or expectations, appropriately authorized agreements, Memoranda of Understanding, or otherwise approved by the employee's Vice President.

a. Significant use of University or Authority property, facilities, equipment or other resources in any manner other than as part of the employee's responsibilities, that results in personal financial benefit or economic interest to an employee, a member of an employee's immediate family or business with which the employee has a business relationship.

b. Using significant University or Authority property, facilities, equipment or other resources in any manner to support an entity not associated with the University or Authority unless special permission is provided in writing by an authorized Officer of MUSC or MUHA.

c. Using University or Authority stationery, letterhead, logo, or trademark in connection with outside activities, other than activities having a legitimate relationship to the performance of University or Authority business.

d. Using University or Authority facilities, resources, or the employee's position at the University for the purpose of advocating, endorsing, or marketing the sale of any goods or services, other than as part of the employee's responsibilities, without the prior approval in writing by an authorized Officer of MUSC or MUHA.

e. Using the University or Authority name, trademark or trade name for personal business or economic gain to the employee, a member of the employee's immediate family or a business with which the employee has a business relationship.

f. Using any University or Authority intellectual property data or information that is not in the public domain for personal financial benefit or economic gain to the employee or a member of the employee's immediate family, or a business which the employee has a business relationship.

g. Using any University or Authority employee for any outside activity during normal work time for which he or she is receiving compensation from the University or Authority (not applicable when employees are on a paid or unpaid leave).

h. Participating in the selection or awarding of a contract between the University or Authority and any entity with which an employee is dually employed, is seeking employment or has been offered employment.

i. Other activities may be prohibited if there is no reasonable way to manage an associated conflict of interest.

D. Employee responsibilities

1. Employees shall not engage in the prohibited activities listed above unless sanctioned in advance or in any other activity that has been prohibited following a completed review of an employee's conflict of interest disclosure.

2. Employees shall disclose a real or perceived conflict of interest as described above:

a. As soon as the employee knows of the conflict, and then annually thereafter for as long as the conflict continues to exist;

b. In writing on the approved Conflict of Interest Disclosure Form;

c. To the appropriate MUSC or MUHA Office of Compliance;

3. Employees shall avoid any involvement with all related University or Authority activities and decisions until such time as the conflict of interest has been evaluated and the disclosed activity been approved.

4. If there is any question whatsoever about an activity representing a conflict of interest, then the employee should consult with an MUSC or MUHA Office of Compliance or an MUSC or MUHA Office of Legal Counsel for direction.

E. MUSC/MUHA responsibilities

1. Supervisors shall ensure that all new employees are informed of this policy.
2. Supervisors and administrators of MUSC and MUHA shall ensure that all current employees are reminded of this policy on a periodic basis.
3. The University and Authority shall develop a peer process to evaluate conflict of interest disclosures, and to review the conduct of approved Management Plans.
4. In the event that a reported conflict of interest is approved, the corresponding Office of Compliance shall ensure there is an appropriate Management Plan in place to monitor and manage the situation so that resources are used in an appropriate manner and that there is no improper influence on University or Authority decisions.
5. The Offices of Compliance shall ensure that Conflicts of Interest Disclosure forms are retained for future reference. Upon an employee's transfer from the unit or termination from the University or Authority, associated Conflict of Interest Forms shall be retained by the Offices of Compliance for a minimum of three years.
6. Supervisors shall establish and maintain a work environment that encourages employees to ask questions about real or potential conflicts of interest.
7. If supervisors have any question whatsoever about an external activity representing a conflict of interest, they should consult with an Office of Compliance or an Office of Legal Counsel.

F. Sanctions for violation

1. Violations of University or Authority policies, including the failure to avoid a prohibited activity or disclose a conflict of interest in a timely manner, will be dealt with in accordance with applicable policies and procedures that may include disciplinary actions up to and including termination of employment.
2. The Board of Trustees, as the ultimate governing body, or its designee retains authority to make a final determination of any matter covered by this Policy.

G. South Carolina state law

1. The South Carolina Ethics Government Accountability and Campaign Reform Act (herein the "Ethics Law") S.C. Code § 8-13-100, among other things, makes it unlawful for a public official, public member or public employee to knowingly use his official office, membership or employment to obtain economic interest for himself, a member of his immediate family, an individual with whom he is associated* or a business with whom he is associated**. This policy is implemented in addition to any requirements of the Ethics Law. Certain persons associated with the Authority or University are required to make filings with the South Carolina Ethics Commission and completion of the form attached to this policy will not satisfy that requirement.

* Defined in the Act as: "Individual with whom he is associated" means an individual with whom the person or a member of his immediate family mutually has an interest in any business of which the person or a member of his immediate family is a director, officer, owner, employee, compensated agent, or holder of stock worth one hundred thousand dollars or more at fair market value and which constitutes five percent or more of the total outstanding stock of any class.

** Defined in the Act as: "Business with which he is associated" means a business of which the person or a member of his immediate family is a director, an officer, owner, employee, a compensated agent, or holder of stock worth one hundred thousand dollars or more at fair market value and which constitutes five percent or more of the total outstanding stock of any class.

Office responsible for this policy

University and Authority Compliance Offices.

Policy Review.

This Policy, if approved, establishes a set of conditions that may have an unanticipated impact on existing MUSC, MUHA, and affiliate policies and procedures. Given the breadth of this policy, it seems reasonable that not only may some unforeseen consequences surface but that State or federal compliance regulations may require some alterations to this Policy. A periodic review of this Policy by the Vice President for Academic Affairs and Provost, acting on behalf of the Vice Presidents, seems most appropriate. If proposed change(s) is(are) considered necessary and appropriate, a Vice President may ask the Board of Trustees to modify this Policy by approving the change(s).

8.11 Faculty Appointment Contract Dispute Resolution

The Faculty Appointment Contract (FAC) clarifies an individual's activities and responsibilities for the upcoming academic year and links the listed activities to compensation. These contracts are offered in good faith between the faculty member and the chair. They serve as a platform for discussing and resolving issues that could be misinterpreted between a faculty member and the chair. To assure collegial working relationships, the primary responsibility for resolving any dispute concerning the FAC lies with the faculty member and the department chair / division chief. However, some issues in a proposed FAC occasionally cannot be resolved at the department level.

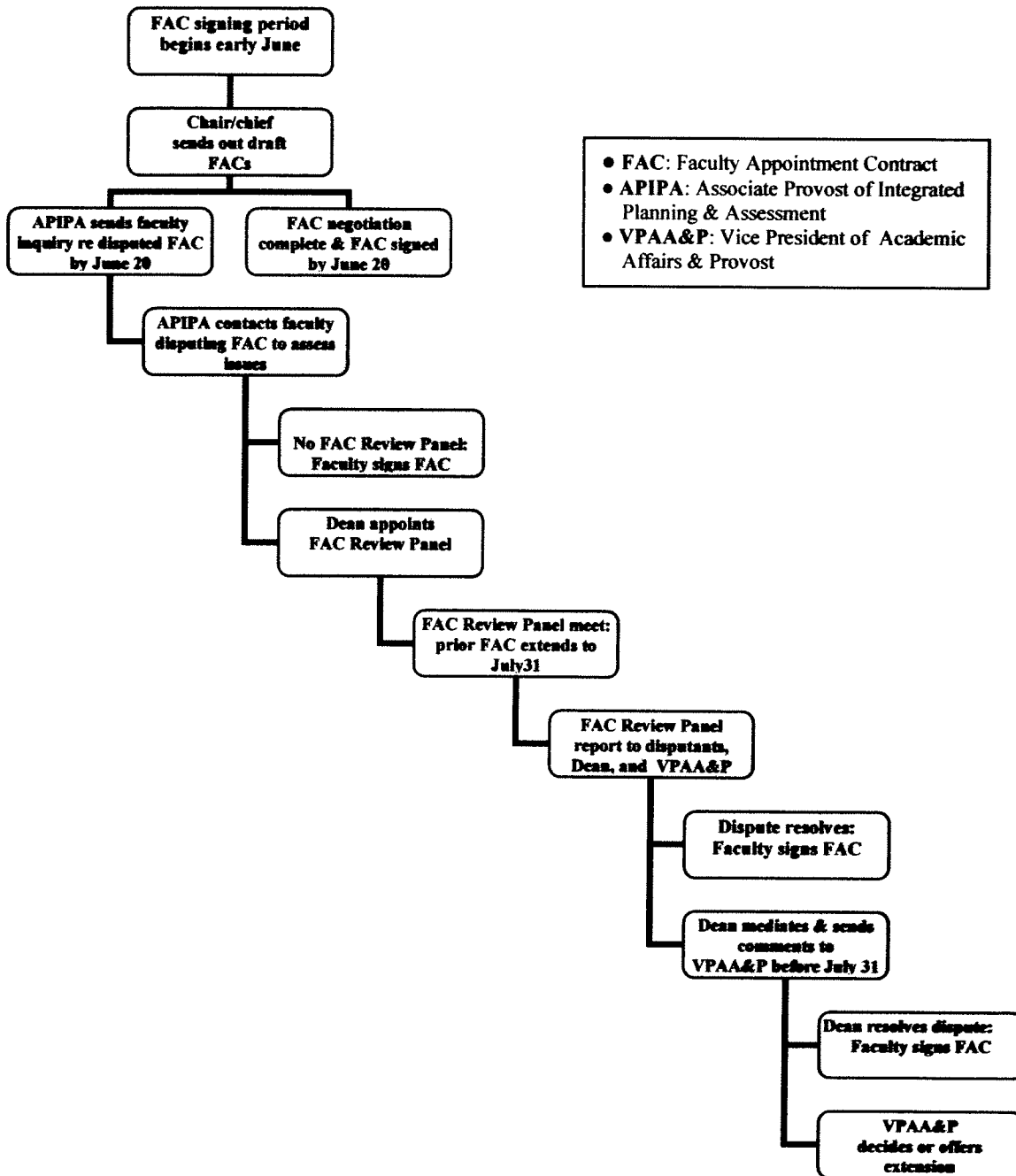
The FAC signing period begins in early June. By June 20, the Associate Provost for Integrated Planning and Assessment will send to each college a notice asking if there are any members of the full- or part-time faculty contesting their draft contracts. Any faculty member unwilling to sign his/her draft FAC will be contacted by the Associate Provost for Integrated Planning and Assessment to determine whether the faculty member wants a formal review and adjudication of the draft contract. If the faculty member requests a review, the current FAC will be extended with appointment rights continued until July 31, by the Vice President for Academic Affairs and Provost or her/his designee. This should provide sufficient time for a review panel to gather facts and hear from those involved as needed to clarify issues in dispute.

The review panel will be established by the Dean and be composed of faculty peers. The panel will have at least three senior faculty members, excluding department chairs or division chiefs, and may include faculty member(s) from another college. Panels are convened to review the issues and to render an opinion to the disputants, the Dean, and to Vice President for Academic Affairs & Provost. Each review panel member will sign a confidentiality agreement in order to encourage the free sharing of opinions and facts. Panel members may recuse themselves for perceived conflict of interest. The Vice President for Academic Affairs & Provost makes the final MUSC decision regarding the FAC being offered.

Both the faculty member and the chair or division chief shall have the opportunity to meet with the panel. The panel determines when to close fact-finding and hearing phases of the review and to begin deliberation. Following adequate deliberation on the issues, the panel shall submit a written recommendation to the disputants, the Dean, and the Vice President for Academic Affairs and Provost. The Dean may mediate and resolve the dispute; however, if necessary, upon receipt of the Dean's comments on the Panel Report prior to July 31st, the Vice President for Academic Affairs and Provost will provide the final written decision on the contested issue to all parties. If a resolution has not been achieved by July 31st, the Vice President for Academic Affairs and Provost, or designee, can grant an additional extension to facilitate the resolution.

The general grievance policy in sections 8.01 -8.10 covers complaints that cannot be resolved in an informal way at the department or college level and which are not covered by other procedures. For FAC disputes, this policy recognizes: 1) the importance of timely resolution, and 2) faculty desire for peer review at the college level. The flow chart in Appendix 8.11 outlines this policy.

Appendix 8.11 Faculty Appointment Contract Dispute Resolution



RESOLUTION

WHEREAS, the classification of students as resident or non resident students is governed by Section 59-112-10 et seq of the South Carolina Code of Laws, as amended, and

WHEREAS, there is a need to clarify the mandatory one (1) year residency in South Carolina to satisfy one of the requirements of obtaining instate tuition, and

WHEREAS, pursuant to Section 59-123-60(A)(1) of the South Carolina Code of Laws, the Board of Trustees of the Medical University of South Carolina has authority to adopt rules and regulations for the management of the University, and

WHEREAS pursuant to such authority, the Board of Trustees of the Medical University of South Carolina desires to clarify its policy on granting instate status and tuition based on residency.

NOW THEREFORE, the Board of Trustees at its regularly scheduled meeting on this 13th day of February, 2009 does hereby declare that a student initially admitted to MUSC as an out of state student, may not use the period or time at MUSC to satisfy the one year residency requirement for instate status. This clarification does not effect other requirements or exceptions of Section 59-112-10 et seq but is meant to clarify and comply with State law.



Dr. Charles B. Thomas, Jr.
Chairman



Mr. Hugh B. Faulkner, III
Secretary

2/13/09

Date

Medical University of South Carolina
Current (FY09) and Proposed (FY10) Schedule of Academic Charges
College of Dental Medicine

| | CURRENT ACADEMIC CHARGE | | PROPOSED ACADEMIC CHARGE | | % Decrease |
|------------------------------|-------------------------|--------|--------------------------|--------|--------------|
| | Out-of-State | | Out-of-State | | Out-of-State |
| Full-Time (Each Term) | | | | | |
| Semester | \$ | 29,527 | \$ | 22,979 | -22% |
| Summer | | 22,401 | | 17,873 | -20% |

Medical University of South Carolina
 Current (FY09) and Proposed (FY10) Schedule of Academic Charges
College of Medicine

| | CURRENT ACADEMIC CHARGE | | PROPOSED ACADEMIC CHARGE | | % Decrease |
|------------------------------|-------------------------|--------|--------------------------|--------|--------------|
| | Out-of-State | | Out-of-State | | Out-of-State |
| Full-Time (Each Term) | | | | | |
| Semester | \$ | 36,190 | \$ | 26,385 | -27% |
| Summer | | 18,064 | | 11,282 | -38% |
| Third Year | | 45,199 | | 30,394 | -33% |

Medical University of South Carolina
Current (FY09) and Proposed (FY10) Schedule of Academic Charges
College of Graduate Studies

| | CURRENT ACADEMIC CHARGE | | PROPOSED ACADEMIC CHARGE | | % Increase |
|--------------------------------------|-------------------------|-------|--------------------------|-------|--------------|
| | Out-of-State | | Out-of-State | | Out-of-State |
| Full-Time (Each Term) | | | | | |
| <i>Master in Biomedical Sciences</i> | | | | | |
| Semester | \$ | 7,293 | \$ | 9,116 | 25% |
| Summer | | 5,741 | | 7,176 | 25% |
| <i>Ph.D. Program</i> | | | | | |
| Semester | \$ | 6,514 | \$ | 8,143 | 25% |
| Summer | | 5,164 | | 6,455 | 25% |
| Part-Time (Each Term) | | | | | |
| <i>Master in Biomedical Studies</i> | | | | | |
| Semester | \$ | 603 | \$ | 754 | 25% |
| Summer | | 603 | | 754 | 25% |
| <i>Ph. D. Program</i> | | | | | |
| Semester | \$ | 599 | \$ | 749 | 25% |
| Summer | | 599 | | 749 | 25% |

Medical University of South Carolina
Current (FY09) and Proposed (FY10) Schedule of Academic Charges
College of Health Professions

| | CURRENT ACADEMIC CHARGE | PROPOSED ACADEMIC CHARGE | % Increase |
|--|-------------------------|--------------------------|--------------|
| | Out-of-State | Out-of-State | Out-of-State |
| Full-Time (Each Term) | | | |
| Undergraduate | | | |
| Semester | \$ 16,331 | \$ 17,474 | 7% |
| Summer | 16,331 | 17,474 | 7% |
| Web-Based Undergraduate | | | |
| Semester | \$ 6,670 | \$ 7,137 | 7% |
| Summer | 6,670 | 7,137 | 7% |
| Note: The only program that may have web-based students is BHS-E. | | | |
| Cardiovascular Perfusion | | | |
| Semester | \$ 15,589 | \$ 16,680 | 7% |
| Summer | 15,589 | 16,680 | 7% |
| Graduate | | | |
| Semester | \$ 12,471 | \$ 13,344 | 7% |
| Summer | 12,471 | 13,344 | 7% |
| Web-Based Graduate | | | |
| Semester | \$ 6,881 | \$ 7,363 | 7% |
| Summer | 6,881 | 7,363 | 7% |
| Note: The only programs that may have web-based students are: Transitional PA, Transitional CYTO, and MHA-E | | | |
| Masters in Healthcare Administration (Residential) | | | |
| Semester | \$ 11,904 | \$ 12,737 | 7% |
| Summer | 11,904 | 12,737 | 7% |
| Masters in Research Administration NEW | | | |
| Semester | \$ 6,568 | \$ 7,028 | 7% |
| Summer | 6,568 | 7,028 | 7% |
| Doctorate in Physical Therapy | | | |
| Semester | \$ 12,471 | \$ 13,344 | 7% |
| Summer | 12,471 | 13,344 | 7% |
| Doctorate in Health Administration | | | |
| Annual Tuition | \$ 32,233 | \$ 32,233 | 0% |
| PhD in Health and Rehabilitation Science NEW | | | |
| Semester | | \$ 6,970 | |
| Summer | | 5,525 | |
| Part-Time (Each Term) | | | |
| Undergraduate | | | |
| Semester | \$ 1,361 | \$ 1,456 | 7% |
| Summer | 1,361 | 1,456 | 7% |
| Web-Based Undergraduate | | | |
| Semester | \$ 557 | \$ 596 | 7% |
| Summer | 557 | 596 | 7% |
| Note: The only program that may have web-based students is BHS-E. | | | |
| Graduate | | | |
| Semester | \$ 1,368 | \$ 1,464 | 7% |
| Summer | 1,368 | 1,464 | 7% |
| Web-Based Graduate | | | |
| Semester | \$ 710 | \$ 760 | 7% |
| Summer | 710 | 760 | 7% |
| Note: The only programs that may have web-based students are: Transitional PA, Transitional CYTO, and MHA-E | | | |
| Masters in Healthcare Administration (Residential) | | | |
| Semester | \$ 1,305 | \$ 1,396 | 7% |
| Summer | 1,305 | 1,396 | 7% |
| Masters in Research Administration NEW | | | |
| Semester | \$ 677 | \$ 724 | 7% |
| Summer | 677 | 724 | 7% |

Medical University of South Carolina
Current (FY09) and Proposed (FY10) Schedule of Academic Charges
College of Nursing

| | CURRENT ACADEMIC CHARGE | | PROPOSED ACADEMIC CHARGE | | % Increase |
|--|-------------------------|--------------|--------------------------|--------------|--------------|
| | | Out-of-State | | Out-of-State | Out-of-State |
| Full-Time (Each Term) | | | | | |
| <i>Undergraduate</i> | | | | | |
| Semester | \$ | 15,905 | \$ | 11,133 | -30% |
| Summer | | 15,905 | \$ | 11,133 | -30% |
| <i>Web Based Undergraduate</i> | | | | | |
| Semester | \$ | 6,387 | \$ | 7,344 | 15% |
| Summer | | 6,387 | | 7,344 | 15% |
| <i>Graduate (including PhD)</i> | | | | | |
| Semester | \$ | 10,088 | \$ | 11,601 | 15% |
| Summer | | 10,088 | | 11,601 | 15% |
| <i>Web Based Graduate (including PhD)</i> | | | | | |
| Semester | \$ | 6,881 | \$ | 8,271 | 20% |
| Summer | | 6,881 | | 8,271 | 20% |
| Part-Time (Each Term) | | | | | |
| <i>Undergraduate</i> | | | | | |
| Semester | \$ | 1,472 | \$ | 1,030 | -30% |
| Summer | | 1,472 | | 1,030 | -30% |
| <i>Web Based Undergraduate</i> | | | | | |
| Semester | \$ | 579 | \$ | 666 | 15% |
| Summer | | 579 | | 666 | 15% |
| <i>Graduate (including PhD)</i> | | | | | |
| Semester | \$ | 1,001 | \$ | 1,151 | 15% |
| Summer | | 1,001 | | 1,151 | 15% |
| <i>Web Based Graduate (including PhD)</i> | | | | | |
| Semester | \$ | 710 | \$ | 852 | 20% |
| Summer | | 710 | | 852 | 20% |

Medical University of South Carolina
Current (FY09) and Proposed (FY10) Schedule of Academic Charges
South Carolina College of Pharmacy - MUSC Campus

| | CURRENT ACADEMIC CHARGE | | PROPOSED ACADEMIC CHARGE | |
|--|--------------------------|--------------|--------------------------|--------------|
| | Out-of-State Scholarship | Out-of-State | Out-of-State Scholarship | Out-of-State |
| Full-Time (Each Term) | | | | |
| Semester* | \$ 9,310 | \$ 15,358 | \$ 11,000 | \$ 13,000 |
| Summer | 2,748 | 4,578 | 2,575 | 3,000 |
| Part-Time** | | | | |
| **Per Credit Hour | \$ 845 | \$ 1,280 | \$ 917 | \$ 1,083 |
| *Includes \$811 per term for program fee | | | | |

COMMITTEE ON FINANCE AND ADMINISTRATION
February 12, 2009
Minutes

Attendees:

Mr. Charles Schulze, Chair
Dr. Stanley C. Baker, Jr.
Mr. Melvyn Berlinsky
Mr. William H. Bingham, Sr.
Dr. Cotesworth P. Fishburne, Jr.
Dr. Donald R. Johnson, II
Dr. E. Conyers O'Bryan, Jr.
Dr. Paula E. Orr
Dr. Thomas C. Rowland, Jr.
Thomas L. Stephenson, Esquire
The Honorable Robin M. Tallon
Dr. Charles B. Thomas, Jr.
Dr. James E. Wiseman, Jr.
Mr. Hugh B. Faulkner, III
Dr. Raymond S. Greenberg
Ms. Susan H. Barnhart
Mr. John Cooper

Ms. Susie Edwards
Ms. Annette Drachman
Mr. Steve Hargett
Mr. Dennis Frazier
Mr. Joe Good
Mr. Chip Hood
Mr. Mike Keels
Dr. Steve Lanier
Mr. John Malmrose
Mr. Stewart Mixon
Ms. Lisa Montgomery
Ms. Jennifer Pearce
Dr. John Raymond
Dr. Jerry Reves
Mr. Stuart Smith
Mr. Maurice Snook
Mr. Steve Valerio
Mr. Patrick Wamsley

Mr. Schulze called the meeting to order.

REGULAR Items

Item 19 Major Purchases.

Statement: Ms. Lisa Montgomery presented the following major purchase for approval:

- \$4.82 million to purchase an Elekta Leksell Gamma Knife with grant funding from the Hollings Cancer Center.

Recommendation of Committee: That the purchase be approved.

Item 20 Financial Status Report of the Medical University of South Carolina

Mr. Patrick Wamsley reviewed the December 2008 financial information for the University. He reported adjusted operating revenues of \$254,781,574; operating expenses of \$267,405,252 and an adjusted operating margin of -4.95%. Days of operating cash are at 39 as compared to 55 during the same period last year.

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

Item 21 Financial Status Report of University Medical Associates

Mr. Mike Keels reported on the December 2008 financial status of UMA. His “dashboard” report to the committee showed charges of \$383,617,784; collections of \$107,090,302; RVUs of \$1,263,718 and 174 days cash on hand. He reported an operating margin of 12.7%; a margin of -15.1% with debt service coverage of 4.69.

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

Item 22 Financial Status Report of the MUSC Foundation for Research Development

Ms. Janet Scarborough reported on the December 2008 financial status of the MUSC Foundation for Research Development. The results of operations for the period were a net loss of \$10,000. The Foundation had just received word that a startup company has received a grant award notice that will allow the company to reimburse the Foundation \$71,000 in receivables that had been written off by the Foundation as bad debt.

Recommendation of Committee: That this report be received as information

Item 23 Other Committee Business

None.

CONSENT AGENDA

None.

There being no further business, the meeting was adjourned.

**ACADEMIC
MAJOR PURCHASES FOR
BOARD OF TRUSTEES' APPROVAL
February 13, 2009**

Description of Purchase: Elekta Leksell Gamma Knife

Estimated Cost of Purchase: \$4.82 Million

Requisition Number:

Department Name(s) and UDAK numbers(s): MUUP 4010000 09674 2972 and MUUP 4010000 09674 2472

Department Contact Person: Karen Fulghum, Casey Liddy

Name of Procurement Specialist:

Method of Purchase: Grant Funding - Hollings Cancer Center

Vendor Name (If Sole Source): Elekta

New Purchase ☒ Yes ☐ No

New Contract for Existing Services? ☐ Yes ☐ No

Extension of Existing Contract? ☐ Yes ☐ No

Replacement of Existing Item(s) ☐ Yes ☐ No

Name of Item(s) Being Replaced:

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

Name of Equipment:

Value:

How Will This Purchase Benefit MUSC:

Our goal is to offer comprehensive, efficient, high quality services for our neurological and brain tumor patients. Patients who are candidates for this service include those with arteriovenous malformations (AVMs), trigeminal neurlagia, meningioma, glioma, acoustic and pituitary tumors, metastasis and other intracranial tumors. The use of high-intensity radiation in a single episode to treat these types of tumors is state of the art.

Length of stay is dramatically reduced with this technology as cases shift from inpatient open, invasive craniotomies to minimally invasive, outpatient treatment settings. Southeastern South

Carolina does not have easy access to a Gamma Knife at this time. MUSC has worked over the last two years with the Department of Health and Environmental Control (DHEC) to revise the Certificate of Need (CON) standards to allow for expansion of this technology beyond the single unit that now exists.

Why and How This Purchase Will Benefit MUSC By Having a Vendor Provide This Service vs. MUSC Staff Providing the Service:

Item to be approved for purchase:

1. **Source of Revenue/Savings:** Hollings Cancer Center Grant Funding
2. **Amount of Revenue/Savings to be generated:** \$2.1 Million in Year 1 escalating with volume and payment increases.
3. **Initial cost:**
 - a. **Item:** \$4.82 Million (may be less with vendor negotiations)
 - b. **Physical Plant Requirements (renovations):** Facility upfit in existing Radiation Oncology Vault: \$1.15 Million
4. **Annual cost (Maintenance, supplies, etc.):** \$426,200
5. **Personnel Cost (to include base salary, fringes, training, etc.):** \$502,500 in Year 1 with salary increases built in for subsequent years.
6. **Financial Analysis:** See attached proforma.

Gamma Knife Financial Models - Cash Basis
1/5/2009

Outright Purchase

| | FY 10 | FY 11 | FY 12 | FY 13 | FY 14 | FY 15 | FY 16 |
|--------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Volume | 110 | 127 | 145 | 167 | 176 | 184 | 194 |
| Net Patient Revenue | \$ 2,087,134 | \$ 2,546,604 | \$ 3,056,978 | \$ 3,678,165 | \$ 4,067,386 | \$ 4,475,527 | \$ 4,967,303 |
| HCC Funding | \$ - | \$ - | \$ - | \$ 594,440 | \$ 2,000,000 | \$ 2,000,000 | \$ 2,000,000 |
| Facility Upfit | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Software License | \$ 15,050 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Start Up Costs | \$ 15,050 | \$ - | \$ - | \$ 594,440 | \$ 2,000,000 | \$ 2,000,000 | \$ 2,000,000 |
| Service Fee | \$ 225,000 | \$ 225,000 | \$ 225,000 | \$ 225,000 | \$ 225,000 | \$ 225,000 | \$ 225,000 |
| Labor Costs | \$ 502,500 | \$ 517,575 | \$ 533,102 | \$ 549,095 | \$ 565,568 | \$ 582,535 | \$ 600,001 |
| Facilities Costs | \$ 18,000 | \$ 138,720 | \$ 139,469 | \$ 140,248 | \$ 141,057 | \$ 1,141,900 | \$ 142,776 |
| Consumables | \$ 5,500 | \$ 6,500 | \$ 8,250 | \$ 8,750 | \$ 9,188 | \$ 9,647 | \$ 10,129 |
| Total Direct Expenses | \$ 751,000 | \$ 887,795 | \$ 905,821 | \$ 923,093 | \$ 940,813 | \$ 1,959,082 | \$ 977,906 |
| Hospital Indirect Costs @ 15%* | \$ 112,650 | \$ 133,169 | \$ 135,873 | \$ 138,464 | \$ 141,122 | \$ 143,862 | \$ 146,686 |
| Depreciation Cost | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Financing | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Marketing | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 |
| Total Indirect Expenses | \$ 162,650 | \$ 183,169 | \$ 185,873 | \$ 188,464 | \$ 191,122 | \$ 193,862 | \$ 196,686 |
| Total Expenses | \$ 928,700 | \$ 1,070,964 | \$ 1,091,694 | \$ 1,705,997 | \$ 3,131,935 | \$ 4,152,944 | \$ 3,174,592 |
| Contribution Margin | \$ 1,321,084 | \$ 1,658,809 | \$ 2,151,157 | \$ 2,160,632 | \$ 1,126,573 | \$ 516,445 | \$ 1,989,397 |
| Profit/(Loss) | \$ 1,158,434 | \$ 1,475,640 | \$ 1,965,284 | \$ 1,972,168 | \$ 935,451 | \$ 322,583 | \$ 1,792,711 |
| Cumulative Profit | | \$ 2,634,074 | \$ 4,599,358 | \$ 6,571,526 | \$ 7,506,977 | \$ 7,829,559 | \$ 9,622,271 |

Gamma Knife Financial Models - Accrual Basis
1/5/2009

Outright Purchase

| | FY 10 | FY 11 | FY 12 | FY 13 | FY 14 | FY 15 | FY 16 |
|--------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Volume | 110 | 127 | 145 | 167 | 176 | 184 | 194 |
| Net Patient Revenue | \$ 2,087,134 | \$ 2,546,604 | \$ 3,056,978 | \$ 3,678,165 | \$ 4,067,386 | \$ 4,475,527 | \$ 4,967,303 |
| Operating Lease Payment | \$ 688,571 | \$ 688,571 | \$ 688,571 | \$ 688,571 | \$ 688,571 | \$ 688,571 | \$ 688,571 |
| Facility | \$ 57,500 | \$ 57,500 | \$ 57,500 | \$ 57,500 | \$ 57,500 | \$ 57,500 | \$ 57,500 |
| Software License | \$ 15,050 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Start Up Costs | \$ 761,121 | \$ 746,071 | \$ 746,071 | \$ 746,071 | \$ 746,071 | \$ 746,071 | \$ 746,071 |
| Service Fee | \$ 225,000 | \$ 225,000 | \$ 225,000 | \$ 225,000 | \$ 225,000 | \$ 225,000 | \$ 225,000 |
| Labor Costs | \$ 502,500 | \$ 517,575 | \$ 533,102 | \$ 549,095 | \$ 565,568 | \$ 582,535 | \$ 600,001 |
| Facilities Costs | \$ 18,000 | \$ 138,720 | \$ 139,469 | \$ 140,248 | \$ 141,057 | \$ 1,141,900 | \$ 142,776 |
| Consumables | \$ 5,500 | \$ 6,500 | \$ 8,250 | \$ 8,750 | \$ 9,188 | \$ 9,647 | \$ 10,129 |
| Total Direct Expenses | \$ 751,000 | \$ 887,795 | \$ 905,821 | \$ 923,093 | \$ 940,813 | \$ 1,959,082 | \$ 977,906 |
| Hospital Indirect Costs @ 15%* | \$ 112,650 | \$ 133,169 | \$ 135,873 | \$ 138,464 | \$ 141,122 | \$ 143,862 | \$ 146,686 |
| Marketing | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 |
| Total Indirect Expenses | \$ 162,650 | \$ 183,169 | \$ 185,873 | \$ 188,464 | \$ 191,122 | \$ 193,862 | \$ 196,686 |
| Total Expenses | \$ 1,674,771 | \$ 1,817,035 | \$ 1,837,765 | \$ 1,857,628 | \$ 1,878,006 | \$ 2,899,015 | \$ 1,920,663 |
| Contribution Margin | \$ 575,013 | \$ 912,738 | \$ 1,405,086 | \$ 2,009,001 | \$ 2,380,502 | \$ 1,770,374 | \$ 3,243,326 |
| Profit/(Loss) | \$ 412,363 | \$ 729,569 | \$ 1,219,213 | \$ 1,820,537 | \$ 2,189,380 | \$ 1,576,512 | \$ 3,046,640 |
| Cumulative Profit | | \$ 1,141,932 | \$ 2,361,145 | \$ 4,181,682 | \$ 6,371,062 | \$ 7,947,573 | \$ 10,994,214 |

**Medical University of South Carolina
Physical Facilities Committee
February 12, 2009
Minutes**

Attendees:

Mr. William H. Bingham, Sr., Chair
Dr. Stanley C. Baker, Jr.
Mr. Melvyn Berlinsky
Dr. Cotesworth P. Fishburne, Jr.
Dr. Donald R. Johnson, II
Dr. E. Conyers O'Bryan, Jr.
Dr. Paula E. Orr
Dr. Thomas C. Rowland, Jr.
Mr. Charles Schulze
Thomas L. Stephenson, Esquire
The Honorable Robin M. Tallon
Dr. Charles B. Thomas, Jr.
Dr. James E. Wiseman, Jr.
Mr. Hugh B. Faulkner, III
Dr. Raymond S. Greenberg
Ms. Susan H. Barnhart
Mr. John Cooper

Ms. Susie Edwards
Ms. Annette Drachman
Mr. Steve Hargett
Mr. Dennis Frazier
Mr. Joe Good
Mr. Chip Hood
Mr. Mike Keels
Dr. Steve Lanier
Mr. John Malmrose
Mr. Stewart Mixon
Ms. Lisa Montgomery
Ms. Jennifer Pearce
Dr. John Raymond
Dr. Jerry Reves
Mr. Stuart Smith
Mr. Maurice Snook
Mr. Steve Valerio
Mr. Patrick Wamsley

Mr. Bingham called the meeting to order.

REGULAR Items

Item 24. Facilities Procurements/Contracts Proposed

Mr. John Malmrose presented the following for approval:

- Lease renewal of 772 parking spaces in the Rutledge Tower Garage. Total Cost of two year term: \$980,000.

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

Item 25. Update on Projects

Mr. John Malmrose presented an update on various University projects.

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

Item 26. Other Committee Business

Mr. Bingham thanked the members who had served on the various IDC selection committees this year and said there would be selections in September and November. If anyone was interested in serving, please let him know.

Mr. Malmrose reported that Mr. Bingham, Dr. Rowland and Dr. Wiseman had served on the IDC selection of firms to provide signage design services for the University. The two firms selected were:

- LTC Associates, Inc.
- The Fitts Company, Inc.

Recommendation of Committee: Received as information.

CONSENT Items for Information:

Item 27. Facilities Contracts Awarded

The facilities contracts 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.

Respectfully submitted,

Celeste Jordan

**FACILITIES
ACADEMIC
LEASE RENEWAL
FOR APPROVAL**

FEBRUARY 13, 2009

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 continue to provide parking for the Medical University of South Carolina's employees. The per space per month rate is \$52.89 (rounded) and the monthly rental rate for this renewal 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, 792-2597

SOURCE OF FUNDS: Parking Revenues

LEASE TERMS:

RENEWAL TERM: Two (2) years
COST PER SPACE: \$52.89
ANNUALIZED RENT COST: \$490,000.00
TOTAL COST OF RENEWAL TERM: \$980,000.00

EXTENDED TERM(S): One (1) term, two (2) years, Rate to be negotiated

OPERATING COSTS:
FULL SERVICE _____
NET X