

MINUTES
MEDICAL UNIVERSITY HOSPITAL AUTHORITY
BOARD OF TRUSTEES MEETING
December 13, 2013

The Board of Trustees of the Medical University Hospital Authority convened Friday, December 13, 2013, with the following members present: Thomas L. Stephenson, Esquire, Chairman; Dr. James E. Wiseman, Jr., Vice Chairman; Dr. Stanley C. Baker, Jr.; The Honorable James A. Battle; Mr. William H. Bingham, Sr.; Mr. William B. Hewitt; Dr. Harold W. Jablon; Dr. Donald R. Johnson II; Ms. Barbara Johnson-Williams; Dr. Ragin C. Monteith; Dr. E. Conyers O'Bryan, Jr.; Dr. Thomas C. Rowland, Jr.; Mr. Charles W. Schulze; The Honorable Robin M. Tallon; Dr. G. Murrell Smith, Sr.; Mr. Michael E. Stavrinakis and Dr. Charles B. Thomas, Jr.

The following administrative officials were present: Dr. Mark Sothmann, Interim President and Vice President for Academic Affairs and Provost; Dr. Etta Pisano, Vice President for Medical Affairs, and Dean, College of Medicine; Ms. Lisa Montgomery, Executive Vice President for Finance and Operations; Dr. Pat Cawley, Vice President for Clinical Operations and Executive Director, MUHA; Dr. Frank Clark, Vice President for Information Technology and CIO.

Item 1. Call to Order-Roll Call.

There being a quorum present, Chairman Stephenson called the meeting to order. Ms. Celeste Jordan called the roll.

Item 2. Secretary to Report Date of Next Meeting.

The date of the next regularly scheduled meeting is Friday, February 14, 2014.

Item 3. Approval of Minutes of the Regular Meeting of the Medical University Hospital Authority of October 11, 2013.

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 Interim President.

Chairman Stephenson stated not everyone had met Mr. John Hicks, the consultant who is leading the search for MUSC's president. He thought it would be good for John to give a general report of the outline and timetable of the search. He reminded everyone that no specifics of candidates should be discussed in open session.

Mr. Hicks said that, in higher education circles, it is considered that the most important function of a board is to appoint leadership. He reported that he came to the University in October and met with a number of faculty and staff and talked with some board members and legislators and community members to develop a profile of the position to use as the main recruitment tool to attract top quality candidates to the position. The profile is public and is on-line. He highlighted the attributes of the successful candidate as follows:

- MUSC is a talent rich academic community in a time of historic change in the healthcare delivery systems. MUSC is also part of an economic hot bed in the community with Boeing and others coming to Charleston. So there is the issue of how a university that has been in Charleston for so long and done so well will continue to be vigorous in its growth and in growing its research and patient care profiles in this changing environment and in continuing to support the community in what it is doing. That is the overall challenge that the new president is going to have.
- The new president needs to help build a vision that will help set the course for the university for the next ten years at least and be a measurable vision that could be tracked to determine if the university is on course.
- The next president must be a very effective external advocate for the university in the state, nationally and even internationally. Particularly, the people of South Carolina need to understand the enormous role the university plays in the state and the importance of their support for the institution.
- The next president needs to support the three-pronged mission of the university by promoting the further integration of academic, research and patient care components.
- The next president will have to be a leader in building fund raising and support for the proposed Women's and Children's hospital project which will be about a \$100 million project.
- The next president needs to maintain a robust, high-quality research environment that will enable faculty to obtain the necessary support to grow the portfolio for the university.
- The successful candidate needs to be a leader in helping develop multi-disciplinary programs among the colleges and with external partners to anticipate the rapidly changing demands of the healthcare environment.
- The next president needs to have an MD or PhD or other terminal degree, with experience and understanding of the complexities of academic healthcare and the healthcare delivery systems.
- The next president needs to be a strategic thinker, a motivator, committed to personal excellence with the ability to balance the needs of multiple constituencies. The successful candidate needs to be someone with experience at a large scale multi-faceted organization.
- The president should have a strong fiscal management background given the financial complexities of the university.
- The president needs to understand the current healthcare environment and the new models of delivery to help the university anticipate what's coming and being ready for it and being a leader in getting there.
- The president needs to be an open and energetic manager that welcomes innovation, sets high standards, makes difficult decisions and engenders confidence among faculty, staff, students, patients and all constituencies..

- The next president needs to be committed to diversity and engaging in the assets of a diverse constituently-led organization.

Those are the attributes that are being sought in the successful candidate and broadly covers where the search is going. The task is to conduct the search which was launched on November 18 and applications will be accepted until the position is filled. The search committee will begin reviewing applications on March 5 to narrow the list so that by mid-April three or four candidates could be brought to campus for meetings with faculty, staff, trustees, etc. After the campus visits, the search committee would give its recommendations to the board around April 25.

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

Board Action: Received as information.

Item 5. Other Business. None.

MEDICAL UNIVERSITY HOSPITAL AUTHORITY OPERATIONS, QUALITY AND FINANCE COMMITTEE. CHAIRMAN: DR. STANLEY C. BAKER, JR. (Detailed Committee Minutes Are Attached To These Minutes)

OLD BUSINESS: None.

NEW BUSINESS:

Item 6. Medical University Hospital Authority Status Report.

Statement: Dr. Baker said the committee had received a report on the hospital from Dr. Cawley. He also stated that Dr. Cawley asked for approval of a feasibility study to review and update the previous study of the Children's Hospital/Women's Pavilion. The goal is to raise the money for the new facility and construct it on the peninsula next to the Ashley River Tower in 2020.

Recommendation of Administration: That the feasibility study be approved.

Recommendation of Committee: That the feasibility study be approved.

Board Action: A motion was made, seconded and unanimously voted to approve a feasibility study to review and update the previous study for the Children's Hospital/Women's Pavilion.

Item 7. MUSC Medical Center Financial and Statistical Report.

Statement: Dr. Baker said Mr. Hargett had provided a positive financial report to committee which was received as an information item.

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

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

Board Action: Received as information.

Item 8. Report on Quality and Patient Safety.

Statement: Dr. Baker stated Dr. Danielle Scheurer had provided a report to committee.

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 9. Report of the Vice President for Medical Affairs and Dean, College of Medicine.

Statement: Dr. Baker stated Dean Pisano presented a report to committee

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 10. Update on MUSC Physicians.

Statement: Dr. Baker stated Dr. David Cole presented a report to committee and also asked for approval of the following capital purchase:

The Department of Ophthalmology requested approval to purchase a Catalys Femtophaco Laser at a cost of \$432,000 of which all funds were raised through private contributions.

Recommendation of Administration: That this capital purchase be approved.

Recommendation of Committee: That the capital purchase be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the capital purchase as presented.

Item 11. Legislative Update.

Statement: No 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 12. Other Committee Business. None

Item 13. Medical University Hospital Authority Appointments, Reappointments and Delineation of Privileges (Consent Item).

Statement: An updated list of appointments, reappointments and delineation of privileges to the medical staff were presented for approval.

Recommendation of Administration: That the appointments, reappointments and delineation of privileges to the medical staff be approved.

Recommendation of Committee: That the appointments, reappointments and delineation of privileges to the medical staff be approved.

Board Action: Dr. Baker moved that the list of appointments, reappointments and delineation of privileges to the medical staff for September and October be approved. The motion was seconded, voted on and unanimously carried.

Item 14. Revisions to the Medical Staff Bylaws (Consent Item).

Statement: Revisions to the Medical Staff Bylaws were presented for approval.

Recommendation of Administration: That the revisions be approved.

Recommendation of Committee: That the revisions be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the revisions to the Medical Staff Bylaws as presented.

Item 15. Revisions to the Medical Staff Rules and Regulations (Consent Item).

Statement: Revisions to the Medical Staff Rules and Regulations were presented for approval.

Recommendation of Administration: That the revisions be approved.

Recommendation of Committee: That the revisions be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the revisions to the Medical Staff Rules and Regulations as presented.

Item 16. Revisions to the Medical Staff Credentials Manual (Consent Item).

Statement: Revisions to the Medical Staff Credentials Manual were presented for approval.

Recommendation of Administration: That the revisions be approved.

Recommendation of Committee: That the revisions be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the revisions to the Medical Staff Credentials Manual as presented.

Item 17. Plan for Provision of Care (Consent Item).

Statement: The Plan for Provision of Care was presented for approval.

Recommendation of Administration: That the plan be approved.

Recommendation of Committee: That the plan be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the Plan for Provision of Care.

Item 18. Update on Performance Improvement Plan (Consent Item).

Statement: The updated Performance Improvement Plan was presented for approval.

Recommendation of Administration: That the plan be approved.

Recommendation of Committee: That the plan be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the updated Performance Improvement Plan.

Item 19. Transplant Quality Plan (Consent Item).

Statement: The Transplant Quality Plan was presented for approval.

Recommendation of Administration: That the Plan be approved.

Recommendation of Committee: That the Plan be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the Transplant Quality Plan.

Item 20. Medical Executive Committee Minutes (Consent Item).

Statement: Minutes of the Medical Executive Committee for were presented for information.

Recommendation of Administration: That this be received as information.

Recommendation of Committee: That this be received as information.

Board Action: The minutes of the Medical Executive Committee for September and October 2013 were received as information.

Item 21. Medical Center Contracts and Agreements (Consent Item).

Statement: Contracts and Agreements which have been signed since the last board meeting were presented for information.

Recommendation of Administration: That this be received as information.

Recommendation of Committee: That this be received as information.

Board Action: Received as information.

**MEDICAL UNIVERSITY HOSPITAL AUTHORITY PHYSICAL FACILITIES COMMITTEE.
CHAIRMAN: MR. WILLIAM H. BINGHAM, SR. (Detailed Committee Minutes Are Attached
To These Minutes)**

OLD BUSINESS: None

NEW BUSINESS:

Item 22. Facilities Procurements/Contracts Proposed.

Statement: Mr. Bingham presented the following for approval:

- New lease for 16,785 sq. ft. of office space located on the 2nd floor of Parkshore center, 1 Poston Road. Total amount of lease: \$5,253,099.17 for a 10 year term.
- New lease for 11,137 sq. ft. of office space located on the 1st floor of Parkshore Center, 1 Poston Road. Total amount of lease: \$3,485,478.89.
- Lease renewal for 10,578 sq. ft. of office space located on the 3rd floor of Cannon Park Place at 261 Calhoun Street. Total amount of lease: \$349,860.58 for the term of 1 year, 9 months.

Recommendation of Administration: That the leases be approved.

Recommendation of Committee: That the leases be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the leases as presented.

Item 23. Project Update.

Statement: None.

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

Recommendation of Committee: That this be received as information.

Board Action: Received as information.

Item 24. Other Committee Business. None

Item 25. Facilities Contracts Awarded (Consent Item).

Statement: Facilities Contracts awarded since the last meeting were presented for information.

Recommendation of Administration: That this be received as information.

Recommendation of Committee: That this be received as information.

Board Action: Received as information.

MEDICAL UNIVERSITY HOSPITAL AUTHORITY AUDIT COMMITTEE. CHAIRMAN: MR. WILLIAM B. HEWITT. (Detailed Committee Minutes Are Attached To These Minutes)

OLD BUSINESS: None

NEW BUSINESS:

Item 26. External Financial Statement and Audit Report of MUHA for Fiscal Year End June 30, 2013.

Statement: Mr. Hewitt reported that Mr. Brian Wiese, Partner with KPMG, stated to committee that MUHA received, in accordance with the GAAS and Governmental Auditing Standards, an unmodified opinion which is a fair representation in all material aspects. Mr. Wiese reported full cooperation from management and staff; KPMG was given full access to all records; and there were no disagreements with management on accounting issues or financial reporting matters. Mr. Wiese offered, to management, control observations for improvement in several areas that were not material.

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

Recommendation of Committee: That this be received as information.

Board Action: Received as information.

Item 27. Information Technology Update.

Statement: Mr. Hewitt stated Dr. Frank Clark presented an update on the Office of the Chief Information Office security efforts. He reviewed a good deal of material about what is being done in that area.

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

Recommendation of Committee: That this be received as information.

Board Action: Received as information.

Item 28. Report of the Office of Internal Audit.

Statement: Mr. Hewitt stated a report had been received from the Internal Auditor and since there were no questions or suggestions the report would be received as information.

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

Recommendation of Committee: That this be received as information.

Board Action: Received as information.

Item 29. Other Committee Business.

Statement: Mr. Hewitt stated that the Compensation Committee had recommended to the Audit Committee and the Board the pilot implementation of the Incentive Compensation Plan for the senior staff to include the President, Vice Presidents and Associate Provost for Research. At the end of the fiscal year their performance would be measured according to the criteria developed, but no money would be paid this year. Next year, any needed changes would be made and the board will be asked for approval to implement the plan. He asked for approval of the pilot implementation.

Recommendation of Administration: That the pilot implementation of the Incentive Compensation Plan be approved.

Recommendation of Committee: That the pilot implementation of the Incentive Compensation Plan be approved.

Board Action: A motion was made seconded and unanimously voted to approve the pilot implementation of the Incentive Compensation Plan as presented.

OTHER BUSINESS FOR THE BOARD OF TRUSTEES:

Item 30. Approval of Consent Agenda.

Statement: Approval of the Authority 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 31. New Business for the Board of Trustees. None.

Item 32. Report from the Chairman. None

There being no further business, the Medical University Hospital Authority meeting was adjourned and the University Board of Trustees meeting was convened.

Respectfully submitted,



Hugh B. Faulkner III
Secretary

HBF:wj

**Medical University Hospital Authority
Hospital Operations, Finance and Quality Committee
December 12, 2013
Minutes**

Attendees:

Dr. Stanley Baker, Chair	Mr. Matt Wain
Mr. Jim Battle	Dr. Sabra Slaughter
Mr. William Bingham, Sr.	Dr. Rita Ryan
Mr. William B. Hewitt	Dr. Deborah Deas
Dr. Harold Jablon	Dr. David Cole
Dr. Donald Johnson, II	Mr. Dennis Frazier
Ms. Barbara Johnson-Williams	Dr. Marilyn Schaffner
Dr. Ragin Monteith	Mr. Steve Hargett
Dr. Conyers O'Bryan	Annette Drachman, Esq.
Mr. Charles Schulze	David McLean, Esq.
Dr. Murrell Smith	Gina Ramsey
Mr. Michael Stavrinakis	Dr. Bart Sachs
Thomas Stephenson, Esq.	Dr. Danielle Scheurer
The Honorable Robin Tallon	Mr. Allan Stalvey
Dr. Charles Thomas	Mr. John Cooper
Dr. James Wiseman, Jr.	Mr. Mark Sweatman
Dr. Pat Cawley	Dr. John Feussner
Dr. Frank Clark	Ms. Sarah King
Dr. Mark Sothmann	Mr. Greg Weigle
Ms. Lisa Montgomery	Mr. Steve Valerio
Mr. Jim Fisher	Ms. Angie Baldwin
Dr. Lisa Saladin	Mr. Patrick Wamsley
Mr. H. B. Faulkner	

The meeting was called to order at 8:35 a.m. by Dr. Stanley Baker, Chair.

Item 6. MUSC Medical Center Status Report

MUHA Status Report

Dr. Patrick Cawley shared an excerpt from article in the October issue of the *GSA Business* that talks about how the SC economic environment is improving. The article points out that the Charleston market has benefitted the most in the state from the rising economy and Charleston is 9th top performing city in the nation since the recession ended. Dr. Cawley pointed out that the article mentions the key drivers for the Charleston market's performance include MUSC, Boeing and SPAWARS.

Dr. Cawley gave an update on progress with the strategic and operational goals. Cawley reported that under the service pillar, we are doing well in the Adult inpatient and the Peds ER areas, but have opportunities to improve patient satisfaction in the other areas. Under CGCAHPS, we have moved from 0 to 1, but need to get to 3 to meet goal. Under Quality, we are close to reaching our CAUTI goal of 7.3. The CLABSI goal is a very aggressive goal and we must continue to work towards meeting this goal. Under the finance pillar, Cawley reported on

the Huron recommendations. Cawley reported that the initial midpoint target Huron identified prior to coming to MUSC was \$57.5 but once on site, additional savings were identified and the midpoint target increased to \$64.8M. \$49.6M has been implemented to date and \$19.2M has been confirmed. As the year goes on, more of the savings will move to the confirmed column with the majority of savings hitting the bottom line by the end of the year.

Dr. Cawley gave a quick update on the new MUSC Health Plan. The new plan will go into effect in January 2014. It is anticipated that this pilot insurance plan will run for 2 to 3 years.

Dr. Cawley announced the leadership of the new MUSC Center for Telehealth -Dr. James McElligott, Medical Director and Mr. Shawn Valenta, Program Director.

Dr. Cawley gave an update on GME Task Force. Cawley mentioned that the full draft of the report came out last night and copies were emailed to the Board members. This draft report will go to the committee next week. Cawley shared that the potential for MUSC to be hurt by the recommendations is significant. Extensive conversation around the task force recommendations / report ensued.

New Children's Hospital / Women's Pavilion Update

Information Item:

Matt Wain, Chief Operating Officer, gave an update on the planning for the new Children's Hospital / Women's Pavilion. Wain gave a recap on the planning to date; reviewed the plan that was initially approved by the Board in 2011 and recapped the costs associated with building the new facility.

Action Item:

Approval was requested for a feasibility study to review and update the previous study. Findings from this study will be presented at the April 2014 BOT meeting.

Action: Recommend approval.

Item 9. General Report of the Dean, COM and Vice President for Medical Affairs

Dr. Etta Pisano gave an update on College of Medicine activities in the areas of clinical affairs, education, research and administration.

Action: Report received as information.

At 10:00 a.m. Board Chair, Mr. Tom Stephenson announced that Board is going into Executive Session and excused the committee.

At 11:45 am the Hospital Operations, Finance and Quality Committee reconvened.

Item 7. MUSC Medical Center Financial and Statistical Report

Steve Hargett gave an update on the Medical Center's financial performance through October. Mr. Hargett reported that we are \$8 million ahead of budget through

October. Days cash on hand are at 18 and this does not include the ART 7 construction or the telemedicine funding. Mr. Hargett also reported that we have locked into a refinancing rate of 3.85% for Central Energy Plant. Hargett reported that we are currently paying at rate of 5.755% so this refinancing will result in a net present value savings of a \$2.7 million dollars. Closing date is set for December 30, 2013.

Action: Report received as information.

Item 8. Report on Quality and Patient Safety

Dr. Danielle Scheurer gave an update on the Medical Center's quality rankings within UHC and Leapfrog.

Action: Report received as information

Item 10. Update on MUSC Physicians

Outreach

Dr. David Cole reported Dr. Joshua Washer was approved to build the Vascular access program by working at the North Area Surgical Center. (SCA facility).

The Department of Radiology responded to an RFP from East Cooper Regional Medical Center to provide professional imaging services in which he department was successful and was approved.

Capital Purchase

The Department of Ophthalmology requested approval to purchase a Catalys Femtophaco Laser at a cost of \$432,000 of which are all funds were raised through private contributions.

Action: Recommend approval

Item 11. Legislative Update

No report.

Item 12: Other Committee Business

No other business.

CONSENT ITEM FOR APPROVAL

Item 13. Medical University Hospital Authority Appointments, Reappointments and Delineation of Privileges

The committee reviewed the appointments, reappointments and delineation of privileges requests for the months of September and October 2013. These have been recommended for approval by all appropriate committees.

Action: Recommend approval

Item 14. Revisions to the Medical Staff Bylaws

The proposed revisions to the medical staff bylaws were submitted to the committee and reviewed by all appropriate groups. The committee recommended approval.

Action: Recommend approval.

Item 15. Revisions to the Medical Staff Rules & Regulations

The proposed revisions to the medical staff bylaws were submitted to the committee and reviewed by all appropriate groups. The committee recommended approval.

Action: Recommend approval.

Item 16. Revisions to the Medical Staff Credentials Manual

The proposed revisions to the medical staff bylaws were submitted to the committee and reviewed by all appropriate groups. The committee recommended approval.

Action: Recommend approval.

Item 17. Plan for Provision of Care

The committee reviewed and approved the updated Plan for Provision of Care for the Medical Center.

Action: Recommend approval.

Item 18. Update on Performance Improvement Plan

The committee reviewed and approved the updated Performance Improvement Plan for the Medical Center.

Action: Recommend approval.

Item 19. Transplant Quality Plan

The committee reviewed and approved the Transplant Quality for the Medical Center.

Action: Recommend approval.

CONSENT ITEMS FOR INFORMATION

Item 20. Medical Executive Committee Minutes

The minutes of the Medical Executive Committee from September and October 2013 were reviewed by the committee.

Action: Received as information

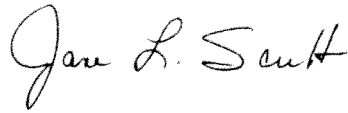
Item 21. Medical Center Contracts and Agreements

Contracts and agreements entered into since the last meeting of the board were presented for information.

Action: Received as information

There being no further business, the committee adjourned at 11:55 am

Respectfully Submitted,

A handwritten signature in black ink that reads "Jane L. Scutt". The signature is written in a cursive style with a large initial "J" and "S".

Jane L. Scutt

**Medical University Hospital Authority
Audit Committee
December 12, 2013
Minutes**

Board Members Attending:

Mr. William B. Hewitt, Chair	Mr. Charles W. Schulze
Dr. Stanley C. Baker	Dr. G. Murrell Smith, Sr.
Mr. James A. Battle	Mr. Thomas L. Stephenson
Mr. William H. Bingham, Sr.	Mr. Michael E. Stavrinakis
Dr. Harold Jablon	The Honorable Robin M. Tallon
Dr. Donald R. Johnson II	Dr. Charles B. Thomas, Jr.
Ms. Barbara Johnson-Williams	Dr. James E. Wiseman, Jr.
Dr. Ragin C. Monteith	Dr. Cotesworth Fishburne, Emeritus
Dr. E. Conyers O'Bryan, Jr.	

Mr. Hewitt called the meeting to order.

REGULAR Items

Item 26. External Financial Statement and Audit Report of MUHA for Fiscal Year End June 30, 2013.

Mr. Brian R. Wiese, KPMG Partner – Healthcare, presented an overview of the FY 2013 audit results. The audit was performed in accordance with U.S. – GAAS and Governmental Auditing Standards. MUHA received an unmodified opinion on the 2013 financial statements indicating fair presentation in all material respects. He reported full cooperation was received from management and staff; KPMG was given full access to all records and there were no disagreements with management on accounting issues or financial reporting matters.

He offered internal control observations in the following areas: enhancing controls over system access and change management; enhancing methods used to value patient accounts receivable; documentation of purchasing card statement reviews and monitoring of investment agreements. He reported there were no recorded audit differences and reviewed four unrecorded audit differences. He reviewed healthcare industry focus points as well as recently issued accounting standards.

He noted the Management Letter for the Authority including responses from management and KPMG is very comfortable with those responses.

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

Item 27. Information Technology Update.

Dr. Frank Clark, Vice President for Information Technology, presented an update on the Office of the Chief Information Office (OCIO) security efforts. He reviewed the mission and role of the OCIO security program stating the mission is to Protect MUSC's information from: loss, corruption, and unauthorized access by providing up-to-date and robust security technology tools and software. The tools and software include: firewall, mal-ware, virus-

ware, spam filters, encryption, intrusion detection, MDM, 2FA, audit tools, network sniffers, data-loss prevention, government, risk, and compliance software, etc.

He was pleased to report that since the implementation of MDM and 2FA 22 lost mobile devices have been recovered and scores of phishing attacks have been prevented.

The Senate Finance Committee held a meeting in February to discuss the state's Department Of Revenue cyber security breach. Richard Gadsden, MUSC's Information Security Officer participated in the session which prompted the following comment from Senator William O'Dell on MUSC's information security technology tools: "It would be prudent of the State to do what they (MUSC) are doing."

Dr. Clark concluded by saying technology alone will not save MUSC since the human element remains the weak link. He said more education is needed with stricter enforcement and consequences. We need to create a culture of information security at MUSC.

Recommendation of Committee: That the report be received as information

Item 28. Report of the Office of Internal Audit.

Ms. Susan Barnhart had distributed the results of internal audit reports and there being no questions, the reports were received as information.

Recommendation of Committee: That the report be received as information

Item 29. Other Committee Business.

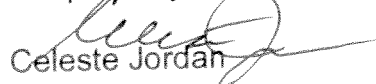
Mr. Hewitt stated that the Compensation Committee had recommended to the Audit Committee and the Board the pilot implementation of the Incentive Compensation Plan for the senior staff to include the President, Vice Presidents and Associate Provost for Research. At the end of the fiscal year their performance would be measured according to the criteria developed, but no money would be paid this year. Next year, any needed changes would be made and the board will be asked for approval to implement the plan. He asked for approval of the pilot implementation.

Recommendation of Administration: That the pilot implementation of the Incentive Compensation Plan be approved.

Recommendation of Committee: That the pilot implementation of the Incentive Compensation Plan be approved.

With no further business, the meeting was adjourned.

Respectfully Submitted,


Celeste Jordan

Medical University Hospital Authority
Physical Facilities Committee
December 12, 2013
Minutes

Attendees:

Mr. William H. Bingham, Sr., Chair
Dr. Stanley C. Baker, Jr.
The Honorable James A. Battle
Mr. William B. Hewitt
Mr. Charles Schulze
Dr. Harold Jablon
Dr. Donald R. Johnson II
Ms. Barbara Johnson-Williams
Dr. Ragin C. Monteith
Dr. E. Conyers O'Bryan
Dr. G. Murrell Smith, Sr.
Thomas L. Stephenson, Esquire
Mr. Michael E. Stavrinakis
The Honorable Robin M. Tallon
Dr. Charles B. Thomas, Jr.
Dr. James E. Wiseman
Dr. Cotesworth P. Fishburne, Jr., Emeritus

Mr. Bingham called the meeting to order.

REGULAR Items

Item 22. Facilities Procurements/Contracts Proposed

Mr. Dennis Frazier presented the following for approval:

- New Lease for 16,785 sq. ft. of office space located on the 2nd floor of Parkshore Center, 1 Poston Road. Total amount of lease: \$5,253,099.17 for 10 year term.
- New lease for 11,137 sq. ft. of office space located on the 1st floor of Parkshore Center, 1 Poston Road. Total amount of lease: \$3,485,478.89 for 10 year term.
- Lease Renewal for 10,578 sq. ft. of office space located on the 3rd floor of Cannon Park Place at 261 Calhoun Street. Total amount of lease: \$349,860.58 for the term of 1 year, 9 months.

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

Item 23. Update on Projects None

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

Item 24. Other Committee Business None

CONSENT Items for Information:

Item 25 **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.

A handwritten signature in cursive script, appearing to read "J. J. [unclear]", is written in black ink. The signature is located below the text "With no further business, the meeting was adjourned." and above a horizontal dotted line that spans the width of the page.