

# **MINUTES**

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

October 13, 2006

It Is Understood that the Minutes Herein Recorded Have Not as  
Yet Been Approved and Cannot be Considered as Official Action  
Of the Board Until Such Approval Has Been Given

101 Colcock Hall  
Medical University of South Carolina  
Charleston, South Carolina

**MINUTES**  
**MEDICAL UNIVERSITY OF SOUTH CAROLINA**  
**BOARD OF TRUSTEES MEETING**  
**OCTOBER 13, 2006**

The Board of Trustees of the Medical University Hospital Authority convened Friday, October 13, 2006, with the following members present: Dr. Charles B. Thomas, Jr., Chairman; Thomas L. Stephenson, Esquire, Vice Chairman; Dr. Stanley C. Baker, Jr.; Mr. Melvyn Berlinsky; Mr. William H. Bingham, Sr.; 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. 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; Dr. Jerry Reves, Vice President for Medical Affairs, and Dean, College of Medicine; Ms. Lisa Montgomery, Vice President for Finance and Administration; Mr. Stuart Smith, Vice President for Clinical Operations and Executive Director, MUHA; and Dr. Frank Clark, Vice President for Information Technology and CIO.

The following deans were present: Dr. Jack Sanders, College of Dental Medicine; Dr. Becki Trickey, Interim Dean, College of Health Professions; Dr. Jerry Reves, College of Medicine; Dr. Gail Stuart, College of Nursing; and Dr. Arnold Karig, 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 December 8, 2006.

**Item 3. Approval of Minutes of the Regular Meeting of the Medical University of South Carolina Board of Trustees of August 11, 2006.**

Board Action: It was moved that the Minutes of the August 11, 2006 MUSC Board Meeting 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 Dr. Feussner to introduce the speaker. Dr. Feussner introduced Dr. Darwin Bell, Nephrology Research Endowed Professor. Dr. Bell, having been recently recruited from the University of Alabama, discussed his

reasons for relocating to MUSC. He also presented information on his research interest in polycystic kidney disease.

Dr. Greenberg distributed the list of his activities since the last meeting (attached). He discussed his participation on the Governor's Higher Education Task Force and distributed an executive summary of the Task Force's final report (attached).

Dr. Greenberg also discussed the development of SC Light Rail. The Light Rail is an ultra high-speed fiber optic network connecting healthcare, education, and research entities across the state of SC and to the national Lambda Rail. Dr. Greenberg said creation of this network is fundamental to economic development in the state. The cost could be fairly significant but funding options are being reviewed.

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).**

**OLD BUSINESS:** None.

**NEW BUSINESS:**

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

Statement: Dr. Fishburne reported that Dr. Raymond had informed the committee that the value of grants and contracts awarded in was \$189.7 million another record year for MUSC. FY2007 is projected to be flat in NIH funding.

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 reported Mr. Fisher said gifts and pledges received through August 30, 2006 reached \$7 million. He noted that more than \$65 million has been raised in the first phase of MUSC's \$300 million Capital Campaign.

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.**

Statement: Dr. Fishburne said Mr. Anderson reported the increase of total assets of the Foundation by 10.7% to a record total of \$238 million. Funded grants and endowment payouts to MUSC during FY2006 totaled \$16.4 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 9. General Report of the Executive Director of the Foundation for Research Development.**

Statement: Dr. Fishburne said Mr. Hood had provided a report to the Committee. Dr. Fishburne commented on the enthusiasm Mr. Hood is bringing with him to his new position with the Foundation and commended him for recruiting some excellent individuals to the Foundation's research and development area.

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

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

Board Action: Received as information.

**Item 10. Other Committee Business.**

Statement: Dr. Fishburne informed the Board that the Committee had received a report from Dr. Steve London on research development in the College of Dental Medicine (CODM). Dr. Fishburne noted that the College had no research, grants or dual degree students prior to Dr. London's joining the faculty. He commented that the CODM had gone from virtually no research to being one of the two emerging centers for research in the nation.

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.

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

**OLD BUSINESS:** None.

**NEW BUSINESS:**

**Item 11. General Report of the Vice President for Academic Affairs and Provost.**

Statement: Dr. John Raymond reported the Committee had received stellar presentations from the following: Dr. Julius Sagel; Dr. Leonard Egede; Dr. Frank Medio; Dr. Kevin Schey. Reports were also received from the Deans and the AHEC director. Dr. Valerie West gave an update on the search for Dean of the College of Health Professions and campus student activities.

Dr. Raymond welcomed the Dr. Steve Lanier, the new Associate Provost for Research who thanked the Board and Administration for their support and said he is grateful for the opportunity to be back at MUSC. He discussed some challenges and opportunities he sees for the University.

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 12. Other Committee Business.**

**A. University Appointments**

Statement: Administration presents for approval, a request for the appointment of **Stephen M. Lanier, Ph.D.**, to the status of University Professor, effective December 1, 2006.

Dr. Lanier has been recommended by administration for appointment as Associate Provost for Research.

Recommendation of Administration: That this request for a University appointment be approved.

Recommendation of Committee: That this request for a University appointment be approved.

Board Action: A motion was made, seconded and unanimously voted that the appointment of Dr. Stephen M. Lanier as University Professor be approved.

**B. Endowed Chairs (Informational Item)**

Statement: At the request of the Dean of the College of Medicine, administration presents as information, the following Endowed Chair appointment:

**Robert H. Hawes, M.D.**, Professor, Department of Medicine, Division of Internal Medicine, as the Peter Cotton, M.D. Endowed Chair for Endoscopic Innovation, effective October 13, 2006.

Recommendation of Administration: That this appointment as Endowed Chair for Endoscopic Innovation be received as information.

Recommendation of Committee: That this appointment as Endowed Chair for Endoscopic Innovation be received as information.

Board Action: Received as information.

**Item 13: Administrative Appointments**

Statement: Administration presents for approval the appointment of Stephen M. Lanier, Ph.D., F.A.H.A., as Associate Provost for Research, effective December 1, 2006.

Recommendation of Administration: That this administrative appointment be approved.

Recommendation of Committee: that this administrative appointment be approved.

Board Action: A motion was made, seconded and unanimously voted that the appointment of Dr. Stephen M. Lanier as Associate Provost for Research be approved.

**Item 14: Faculty Tenure Recommendations**

Statement: At the request of the Deans of the Colleges of Medicine and Nursing, their respective Appointments, Promotions and Tenure Committees, and the University Tenure Committee, administration presents tenure recommendations to be effective January 1, 2007.

College of Medicine

**Ziad Nahas, M.D.**, Associate Professor, Psychiatry and Behavioral Sciences

**Scott T. Reeves, M.D.**, Professor, Anesthesia and Perioperative Medicine

**Kumar Sambamurti, Ph.D.**, Associate Professor, Neurosciences, Division of Neuroscience Research

**Girish S. Shirali, M.B.B.S.**, Associate Professor, Pediatrics, Division of Pediatric Cardiology, Dual in Obstetrics and Gynecology

**Edward B. Soltis, Ph.D.**, Professor, Neurosciences, Division of Neuroscience Research, Joint in Pharmaceutical Sciences

**Lisa L. Steed, Ph.D.**, Associate Professor, Pathology and Laboratory Medicine

**Himanshu Upadhyaya, M.B.B.S., M.S.**, Associate Professor, Psychiatry and Behavioral Sciences

**Daynna J Wolff, Ph.D.**, Associate Professor, Pathology and Laboratory Medicine

College of Nursing

**Tara M. Hulsey, Ph.D.**, Associate Professor, Department of Nursing

**Carolyn H. Jenkins, Ph.D.**, Professor, Department of Nursing

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

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

Board Action: A motion was made, seconded and unanimously voted that the tenure recommendations be approved.

**Item 15. Faculty Appointments (Consent Items for Approval).**

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

College of Health Professions

**Gary Reid Haynes, M.D.**, as Professor in the Department of Clinical Services, effective June 7, 2006.

College of Medicine

**Kimberly G. Lee, M.D.**, as Associate Professor on the Clinician Educator track, in the Department of Pediatrics, Division of Neonatology, effective September 1, 2006.

**Rebecca G. Knapp, Ph.D.**, (dual appointment) as Professor Emerita in the Department of Psychiatry and Behavioral Sciences, effective August 1, 2006.

Dr. Knapp's primary appointment rests in the Department of Biostatistics, Bioinformatics and Epidemiology.

**Michael I. Nishimura, Ph.D.**, (dual appointment) as Associate Professor with tenure, on the Academic Investigator track, in the Department of Surgery, Division of General Surgery with a dual appointment as Associate Professor in the Department of Microbiology and Immunology, effective September 1, 2006.

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

Dr. Swaja will also hold the South Carolina Research Centers of Economic Excellence Endowed Chair in Regenerative Medicine.

College of Nursing

**Boyd H. Davis, Ph.D.**, as Adjunct Research Professor in the Department of Nursing, effective September 1, 2006.

Recommendation of Administration: That these faculty appointments be approved.

Recommendation of Committee: That these faculty appointments be approved.

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

**Item 16: Changes in Faculty Status**

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

College of Medicine

**B. Christoher Frueh, Ph.D.**, from Professor to Adjunct Professor, in the Department of Psychiatry and Behavioral Sciences, effective August 1, 2006.

**Stuart R. Lipsitz, Sc.D.**, from Professor to Adjunct Professor in the Department of Biostatistics, Bioinformatics, and Epidemiology, effective September 1, 2006.

**Joseph F. John, Jr., M.D.**, from Professor to Clinical Professor in the Department of Medicine, Division of Infectious Disease, effective July 1, 2006.

**James H. Hardin, Ph.D.**, from Professor to Professor Emeritus in the Department of Cell Biology and Anatomy, effective October 1, 2006.

**Robert W. Ogilvie, Ph.D.**, from Professor to Professor Emeritus in the Department of Cell Biology and Anatomy, effective July 1, 2006.

**Donald L. Wilbur, Ph.D.**, from Professor to Professor Emeritus in the Department of Cell Biology and Anatomy, effective July 1, 2006.

**Richard M. Dom, Ph.D.**, from Professor to Professor Emeritus in the Department of Cell Biology and Anatomy, effective October 1, 2006.

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

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

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

**Item 17: CHE Center Designations MUSC Center Designation – Center for Health Disparities Research**

Statement: At the request of the Dean of the College of Medicine, administration presents for approval, CHE center designation for the following center, effective October 13, 2006.

**Center for Health Disparities Research**

Recommendation of Administration: That the Center for Health Disparities Research be approved for official MUSC center designation.

Recommendation of Committee: That the Center for Health Disparities Research be approved for official MUSC center designation.

Board Action: A motion was made, seconded and unanimously voted that the Center for Health Disparities Research be approved for official MUSC Center designation.



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

**OLD BUSINESS:** None.

**NEW BUSINESS:**

**Item 18. General Report by the Vice President for Finance and Administration.**

Statement: Mr. Schulze stated that Ms. Lisa Montgomery had presented to committee a general report on the status of Finance and Administration. She noted the Budget and Control Board had approved the financing of the Bee Street Garage.

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 19. Update on the MUSC Childcare Center.**

Statement: Mr. Schulze stated Ms. Montgomery had presented an update on the childcare initiative as MUSC. The Board previously approved a \$90,000 per year subsidy of the operation. Recent projections call for an increase in the subsidy to \$120,000 per year by the institution. He requested approval of the increase.

Recommendation of Administration: That the increase to \$120,000 in the annual subsidy to the Childcare Center be approved.

Recommendation of Committee: That the increase to \$120,000 in the annual subsidy to the Childcare Center be approved.

Board Action: A motion was made, seconded and unanimously voted that the increase to \$120,000 in the annual subsidy to the Childcare Center be approved.

**Item 20. Update on Human Resources and Payroll Services for IT.**

Statement: Mr. Schulze said Dr. Greenberg gave the Committee an update on Human Resources and Payroll Services for Information Technology.

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 21. Status Report on EEO/AA Compliance.**

Statement: Mr. Schulze said Mr. Wallace Bonaparte had provided a report to

Committee on EEO/AA Compliance.

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 22. Revisions to MUSC Expenditure Authority Policy.**

Statement: Mr. Schulze said Ms. Montgomery presented the proposed revisions to the MUSC Expenditure Authority Policy and stated the committee recommended 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 that the revisions to the MUSC Expenditure Authority Policy (now known as the MUSC Budget Policy) be approved.

**Item 23. 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.

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

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

Board Action: Received as information.

**Item 24. Financial Status Report of University Medical Associates.**

Statement: Mr. Schulze said Mr. Bruce Quinlan had presented a combined report on the financial status of University Medical Associates and Carolina Family Care.

In addition to the financial update, Mr. Quinlan requested approval of \$371,564 in Capital equipment purchases for the West Ashley cardiology practice. These three items were not included in the capital budget:

- Echo Machine (Vivid 7 w/workstation, refurb) - 108,700
- EKG and Stress Testing (Mac 5000 and Case T2100) - 28,979
- Nuclear Camer (Ventri Cardiac Specific Camera) - \$233,885

Recommendation of Administration: That this report be received as information and the capital equipment purchases be approved.

Recommendation of Committee: That the \$371,564 in capital equipment purchases

be approved.

Board Action: A motion was made, seconded and unanimously voted that the \$371,564 in capital equipment purchases be approved.

**Item 25. 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.

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

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

Board Action: Received as information.

**Item 26. Other Committee Business.** None

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

**OLD BUSINESS:** None.

**NEW BUSINESS:**

**Item 27. Facilities Procurements/Contracts.**

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

- Lease renewal for 31,763 square feet of office space located on the 3<sup>rd</sup> and 4<sup>th</sup> floors located at 135 Cannon Street - \$4,312,751.40
- Lease for 9,653 square feet of space located on the 4<sup>th</sup> floor of McClennan Banks - \$428,400.14

Recommendation of Administration: That these leases be approved

Recommendation of Committee: That these leases be approved.

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

**Item 28. Request for Conservation Easement for Cypress Gardens.**

Statement: Mr. Bingham stated that Dr. Greenberg had discussed with the committee a request for a conservation easement for Cypress Gardens. It was agreed that Dr. Greenberg would have further discussion with Berkeley County and return to the Board at a later date.

Recommendation of Administration: That the request for a conservation easement

be considered by the board.

Recommendation of Committee: That Dr. Greenberg would have further discussions with Berkeley County regarding the easement and come back to the board at a later date.

Board Action: Received as information.

**Item 29. Update on Projects.**

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

Recommendation of Administration: That this be received as information.

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

Board Action: The report was received as information.

**Item 30. Other Committee Business.**

Statement: Mr. Bingham reported that he and Mr. Schulze had interviewed firms to provide indefinite delivery industrial hygiene services to the University. The following two firms were selected:

- Trident Environmental - Charleston, SC
- S&ME - Charleston, SC

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

Board Action: The report was received as information.

**Item 31. 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 32. 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 33. Report of Internal Auditor.**

Statement: Mr. Paul Taylor provided the report in executive session.

Board Action: Received as information.

**Item 34. New Business for the Board of Trustees.** None

**Item 35. Report from the Chairman.**

No Report.

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

Respectfully submitted,

Hugh B. Faulkner III  
Secretary

/wcj  
Attachments

**Report of President's Activities  
Medical University of South Carolina  
to Board of Trustees  
October 13, 2006**

Since the August 11, 2006 meeting of the Board of Trustees, Dr. Greenberg's activities have been concentrated in the following areas:

**1. Meetings with public officials:**

- a. Centers of Excellence Review Board – 8/28, 9/5
- b. Congressman Brown – 9/13
- c. Congressman Clyburn's senior staff – 9/13
- d. Senator Graham's senior staff – 9/13-14
- e. Presentation to Governor Sanford's Results Team – 9/25
- f. Dr. Lynn, SC CHE – 9/25

**2. Media Interviews/Invited Public Presentations:**

- a. Press Conference announcing Duke Endowment Grant – 8/15
- b. Video for SACS – 8/23
- c. Interview, *Charleston Regional Business Journal* – 9/7
- d. Interview, Robert Wood Johnson Foundation re Nursing – 9/18
- e. Video for Lowcountry Graduate Center – 9/19

**3. Presentations to/Meetings with MUSC constituencies:**

- a. College of Dental Medicine Ground Breaking – 8/11
- b. MUSC Foundation Board – 8/18, 9/26
- c. New student orientation – 8/21
- d. Honorary Degree ceremony and reception – 8/21
- e. MUSC Faculty Convocation and Address – 8/22
- f. President's Council – 8/23, 9/20, 9/27
- g. Vice Presidents – 9/6
- h. Presidential Scholars Orientation and Dinner – 9/6
- i. Office of Institutional Advancement – 9/8
- j. Follow-up to BOT Retreat – 9/18
- k. Human Resources Management Service Awards – 9/21
- l. CTSA meeting – 9/25
- m. Advisory Board Chairs – 9/26
- n. Preparation for FHA – 9/26
- o. DBBE portrait unveiling – 10/11

**4. Meetings with outside constituencies:**

- a. Architects, Drug Discovery Building – 8/22, 10/3
- b. KPMG – 9/6
- c. SCRA Board – 9/8, 10/4
- d. Higher Education Task Force – 9/11
- e. Governor's School of Science and Mathematics Board – 9/12
- f. Board of Scientific Counselors, National Council on Health Statistics – 9/14-15
- g. Rawle-Murdy Associates re Capital Campaign – 9/25
- h. Annual meeting, Association for Academic Health Centers – 10/5-8
- i. Trident Urban League Board – 10/11

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

- a. Greenville Hospital System – 8/29
- b. Health Sciences South Carolina Board – 8/31, 9/27-29
- c. Greetings to Halsted Society – 9/7
- d. Roper St. Francis – 8/23

**6. Meetings with donors:**

- a. Development lunch – 8/16, 8/18, 8/21, 8/23, 9/27
- b. Development dinner – 8/19, 8/20
- c. Development phone calls – 8/22, 9/11, 9/22
- d. Development visit – 9/11, 9/19, 10/10
- e. Dedication: Elizabeth Griffith Women's Pavilion, HCC – 9/7

**7. Collaborative discussions:**

- a. Duke University – 8/24
- b. Homeland Security – 9/6
- c. Mayor Riley and Johnson Controls – 9/21
- d. VAMC collaborative group – 10/10

# **Final Report of the Higher Education Task Force**

## ***September 2006***

### **Executive Summary**

Through Executive Order 2006-01, Governor Mark Sanford launched a Higher Education Task Force (Task Force) on February 8, 2006, to work with the South Carolina Commission on Higher Education (CHE) to identify steps to reduce tuition, encourage more collaboration, and reduce duplication. The Governor charged the Task Force with examining ways to improve our system of higher education for South Carolina families to include, but not be limited to, the following: a) identifying concrete steps that can be undertaken to lower tuition at the state's public institutions of higher learning; b) reducing program duplication; c) improving business management practices; and d) improving and increasing statewide coordination and collaboration of higher education.

Convened in late spring 2006, the Task Force met throughout the summer and reviewed recent research and data and considered testimony from various state and national higher education officials, the Governor, and legislators.

The Task Force finds the evidence overwhelmingly supports that many of the issues surrounding higher education are symptoms of a pressing need to coordinate activities through a comprehensive statewide strategic plan for higher education. Further, this plan must be developed mindful of meeting the state's human, economic and educational needs, and with thoughtful alignment to the state's current plans for economic development, educational improvement, and desires for increased quality of life.

The Task Force believes a plan that best serves South Carolina will take into consideration the needs of the state in a logical and results-oriented manner; be externally driven with selfless input from the higher education, K-12, the governor, the legislature and the private sector, particularly the business community; be based in best academic and business practices with incentives for innovations in the effective and efficient delivery of higher education; and provide affordable educational options that can be exercised following market principles of consumer information and consumer choice aligned with the academic capabilities of all citizens desiring a higher education.

To seize upon opportunities for the intellectual development of the state's citizens, their improved quality of life, and realization of the state's economic development hopes and aspirations, the Task Force finds it is imperative that the governor and legislature collaboratively take the steps necessary to cause the development of this plan.

In light of these beliefs, the Task Force recommends

- That the governor and legislature, at their most immediate opportunity, together, convene a committee ("Committee") of limited duration that is appropriately funded and staffed, and comprised of a representative collection of knowledgeable members of the higher education, public education (K-12), and business communities, (and others as deemed necessary by the governor and legislature);



- That the Committee be charged to develop and recommend an evolving, multi-year, Statewide Strategic Plan (“Plan”) for higher education in South Carolina to meet the needs of the state as can be addressed by higher education; and
- That following the development of the Plan, the governor and legislature, together, continue to provide appropriate support necessary for successful implementation and fulfillment of the recommended Plan.

Further, it is recommended that this Committee consider a series of suggestions of elements for that Plan as detailed in this report and develop measures necessary for effective implementation, oversight maintenance, and administration of that Plan.

As summarized here, the Task Force addresses in this report principal considerations for the successful development of the Plan. First, the Task Force finds it is essential to provide a strong foundation for the Plan by giving due consideration to the current higher education mission and goals as articulated by the legislature. Second, as the Plan is shaped from this foundation, the Task Force asks that five key aspects be considered as these features have proven productive in states which now enjoy effective strategic plans. Critical elements for which the Task Force has outlined suggested recommendations for consideration in the development of the Plan focus on: institutional missions and academic program and planning; enrollment; funding and institutional cost; buildings, facilities, and information technology; and organization and plan implementation.

As to each of these five broad categories of consideration, the Task Force presents approximately fifty questions the Committee should explore and suggestions it could consider in the thoughtful development of the Plan. Examples of suggested considerations across the areas include: 1) institutional missions, such that missions when considered individually and collectively, are aligned with the state’s Plan, and academic offerings are in support of the missions; 2) a statewide, multi-year enrollment plan with enrollment plans required of each institution such that each plan is specifically aligned with the state’s enrollment plan and needs; 3) a method of establishing institutional cost, which when coupled with expected levels of public funding, gives rise to an acceptable range of tuition increases; 4) determinations that buildings, facilities, and information technology are adequate and used in a compatible manner with the Plan; and 5) measures to ensure authority and oversight are appropriately vested for accountability and effective implementation of the Plan.

Like other states across the nation, South Carolina is at a crossroads. We must prepare greater numbers of our citizens for life and work in the 21<sup>st</sup> century if we are to remain competitive in the knowledge-based global economy. With an improving economy, we have an opportunity to invest in our state’s future through higher education and in doing so, enhance our possibility for success. Many exciting initiatives are underway in South Carolina, such as the Research Centers of Economic Excellence program and the implementation of the 2005 Education and Economic Development Act, which are strengthening our state’s ability to compete. Now, more than ever, it is necessary to our success that we must all work together better and our institutions must be more efficient and productive not only individually, but in collaboration with each other. The rapidly changing environment demands it if we are to position our state for future economic success and well-being.

**Medical University of South Carolina**  
**RESEARCH AND INSTITUTIONAL ADVANCEMENT COMMITTEE**  
**MINUTES**

**October 12, 2006**

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

Members Not in Attendance: Mr. William B. Hewitt, Dr. Paula E. Orr

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

Other Participants: Mr. Thomas Anderson, Ms. Susan Barnhart, Mr. Jim Fisher, Dr. John Feussner, Dr. Ray Greenberg, Mr. William Hood, Dr. Steven London, Ms. Leigh W. Manzi, Dr. John R. Raymond, Dr. J.G. Reves, Dr. Jack Sanders, Ms. Janet Scarborough, Ms. Margaret P. Schachte, Mr. Paul Taylor

**Regular Agenda**

Call to Order and Approval of Minutes

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

Item 6.

General Report of the Associate Provost for Research

Dr. Raymond presented a general report on research activities. The total value of grants and contracts awarded in FY2006 was \$189.7 million, another record year for MUSC. There was a decline of about \$4 million in dollars awarded by the National Institutes of Health, and most of the increase for the year related to state funding for the Centers of Economic Excellence program. The trend of flat or declining NIH funding is likely to continue for the next four or five years, due to the federal budget situation and increasing competitiveness for fewer NIH grant dollars. He stated that the extramural research funding received through August 31, 2006, is approximately \$1 million less than the same period last year, and the annualized projection for FY2007 is flat at \$190 million. Dr. Raymond noted that MUSC is expected to name its 7<sup>th</sup> Centers for Economic Excellence (COEE) endowed chair tomorrow, Dr. Richard Swaja. He also said that the entire COEE program is beginning an external audit commissioned by the State of South Carolina. Dr. Raymond gave an update on the MUSC-USC Joint Research Foundation Pilot Project. He said the pilot activities are progressing smoothly. Health Sciences South Carolina (HSSC) has decided to use the joint foundation as the vehicle for holding grant revenues. There was additional discussion about the Duke Endowment grant to HSSC to be paid over the next three years, as well as the decline in increased competitiveness for NIH grant funds at the national level. Dr. Raymond distributed the FY2006 Annual Report of Grants and Contracts provided by the Office of Research and Sponsored Programs.

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

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

Board Action. N/A

Item 7.            General Report of the Vice President for Development

Mr. Fisher presented a general report on institutional advancement activities. Mr. Fisher noted that gifts and pledges received through August 30, 2006 reached \$7 million. He highlighted a few of the numerous gifts and pledges recently received, which are detailed in the meeting booklet. These include a gift of \$200,000 from Sherman Financial Group towards its pledge of \$1 million to support a cervical cancer prevention program. A verbal commitment of \$2 million from a College of Medicine golden graduate will be used to endow a scholarship and a chair in the donor's name. A \$500,000 gift from Joseph P. Griffith dedicated the Hollings Cancer Center Women's Pavilion in memory of Elizabeth Smith Griffith. Nobel Biocare finalized a five-year commitment of in-kind goods valued at \$468,000 to the Department of Prosthodontics. A verbal pledge of \$100,000 was made by Mr. and Mrs. Harry Butler to name the Lobby of the Department of Pediatric Dentistry in the new Clinical Education Center. Mr. Fisher also noted that more than \$65 million has been raised thus far in the first phase of MUSC's \$300 million Capital Campaign. Public announcement of the campaign will occur when the \$100 million mark is reached. Mr. Fisher also requested that the board members complete their nominations for the MUSC Board of Visitors. Names of new members will be presented for approval at the December Board of Trustees Meeting.

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

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

Board Action. N/A

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

Mr. Hood presented a general report on the MUSC Foundation for Research Development. He noted that invention disclosures, which are an initial step in the intellectual property and technology process, have increased to 22 thus far this year, compared to 11 at this date last year. Patent and licensing activities this year are approximately even with last year. Several good licensing discussions are in process, as well as two new startup negotiations. Mr. Hood praised the South Carolina Research Authority and SC Bio for their expertise and assistance and noted excellent collaborations with the technology transfer offices at both the University of South Carolina and Clemson. He also presented a "report card" on FRD progress toward goals, highlighting hiring of new staff as an area of notable achievement.

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

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

Board Action. N/A

Item 9.            General Report of the Chief Executive Officer of the MUSC Foundation

Mr. Tom Anderson presented a general report on the MUSC Foundation. Highlights include increasing the total assets of the Foundation by 10.7% to a record total of \$238 million. The MUSC Foundation total asset percentile rank has moved into the upper half of reporting institutions, based on FY05 data (most recent available). Funded grants and endowment payouts supporting MUSC during FY2006 totaled \$16.4 million, and investment performance equaled or exceeded benchmarks and average peer

performance. Representative achievements of the past year include refinancing the Charleston County Parking Garage property, launching a \$300 million Capital Campaign in partnership with the MUSC Development Office, and changing the entity name to the more recognizable MUSC Foundation.

Recommendation of Administration. That this report be received as information

Recommendation of Committee. That this report be received as information preparatory to the full board meeting.

Board Action. N/A

Item 10. Other Committee Business

Research Development in the College of Dental Medicine

Dr. Jack Sanders, Dean of the College of Dental Medicine introduced Dr. Steven London, Associate Dean for Research & Basic Sciences. Dr. London gave an excellent summary of steps in developing a culture and environment for oral and craniofacial research at MUSC. He stressed the collaborative nature of these developments, noting specific interactions with the College of Medicine, College of Health Professions and the General Clinical Research Center. Notable achievements include establishment of a University Center for Oral Health Research, becoming one of the first two dental schools in the nation to obtain an NIH Centers of Biomedical Research Excellence (COBRE) grant, winning one of only seven Research Infrastructure Development Awards from the National Institute of Dental and Craniofacial Research, establishing the Oral Health Research Core Laboratory in partnership with the Hollings Cancer Center and the University Research Resource Facilities Program, and developing one of the most successful DMD/PhD dual degree programs in the nation. MUSC was the only new dental school in FY2006 to win a major comprehensive NIH training grant in oral and craniofacial research. Dr. London emphasized the emerging role of oral health in systemic chronic disease and pointed to the prevalence of oral and head/neck cancers in South Carolina. He displayed a chart of milestones as part of the oral health research strategic plan and spoke about the important of the Clinical and Translational Science Award Program. In thanking Dr. London for his presentation, Dr. Fishburne pointed out that the College of Dental Medicine had no research, no grants and no dual degree students prior to the Dr. London's joining the faculty.

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

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

Board Action. N/A

There being no further business, the meeting was adjourned at 2:05 PM.

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

**Minutes**

**October 12, 2006**

Members Present: Mr. Melvyn Berlinsky; Dr. Don Johnson; Dr. Cotesworth Fishburne; Dr. Stanley Baker; The Honorable Robin Tallon; Mr. William Bingham; Dr. Conyers O'Bryan; Dr. Paula Orr; Dr. Thomas Rowland; Mr. Charles Schulze; Mr. Thomas Stephenson; Dr. Charles Thomas; Dr. James Wiseman; Mr. Bo Faulkner

Other Participants: Ms. Susan Barnhart; Dr. Frank Clark; Dr. Leonard Egede; Dr. Jack Feussner; Dr. David Garr; Mr. Joe Good; Dr. Ray Greenberg; Dr. Perry Halushka; Dr. Arnold Karig; Ms. Sarah King; Dr. Frank Medio; Dr. John Raymond; Dr. Jerry Reves; Dr. Julius Sagel; Dr. Jack Sanders; Dr. Kevin Schey; Dr. Sabra Slaughter; Dr. Gail Stuart; Mr. Mark Sweatman; Mr. Paul Taylor; Dr. Becki Trickey; Dr. Valerie West;

**REGULAR AGENDA**

**Item 11. General Report of the Vice President for Academic Affairs**

Statement: A general report was given by Dr. John Raymond.

As a part of the outstanding educator series, Dean Jerry Reves introduced Dr. Julius Sagel, Professor of Medicine in the Division of Endocrinology and Vice Chair for Medical Education, who gave an excellent presentation of his teaching philosophy, as well the importance of MUSC's affiliation with the Ralph H. Johnson VA Medical Center.

Dr. Reves introduced Dr. Leonard Egede, Professor of Medicine, Division of General Internal Medicine, who presented a summary of the Center for Health Disparities Research, for which he is requesting MUSC center designation. Dr. Egede gave a brief presentation on the mission, strategies, goals and objectives of the Center, and the importance of center designation in fostering collaboration.

Dr. Reves introduced Dr. Frank Medio, ACGME-designated Institutional Officer and Associate Dean for Graduate Medical Education. Dr. Medio gave an annual update on residency status, accredited programs, and accomplishments (including receiving full accreditation for twelve programs).

Dr. Raymond introduced Dr. Kevin Schey, Professor in the Department of Cell and Molecular Pharmacology and Experimental Therapeutics. Dr. Schey gave an excellent report on the goals and accomplishments of his sabbatical leave, which took place at Auckland University in New Zealand.

Academic Deans, Arnold Karig, Gail Stuart, Perry Halushka, Jerry Reves, Becki Trickey and Jack Sanders, gave brief updates on the Colleges' applicant status and upcoming events.

Dr. David Garr, Executive Director of SC AHEC, briefly summarized developments in collaborations with the South Carolina Department of Education involving career

clusters focused on working with teachers and students for early identification, disaster training efforts, and SC AHEC and the College of Nursing involvement in the Healthcare Workforce Research Center.

Dr. Valerie West, Associate Provost for Education and Student Life, reported that the College of Health Professions Dean Search is under way with interviews of eight candidates (from a total of forty) to begin in November. Dr. West also reported on a number of activities involved in interprofessional education.

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

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

Board Action:

## **Item 12. Other Committee Business**

### **A. University Appointments**

Statement: Administration presents for approval, a request for the appointment of **Stephen M. Lanier, Ph.D.**, to the status of University Professor, effective December 1, 2006.

Dr. Lanier has been recommended by administration for appointment as Associate Provost for Research.

Recommendation of Administration: That this request for a University appointment be approved.

Recommendation of Committee: That this request for a University appointment be approved.

Board Action:

### **B. Endowed Chairs (Informational Item)**

Statement: At the request of the Dean of the College of Medicine, administration presents as information, the following Endowed Chair appointment:

**Robert H. Hawes, M.D.**, Professor, Department of Medicine, Division of Internal Medicine, as the Peter Cotton, M.D. Endowed Chair for Endoscopic Innovation, effective October 13, 2006.

Recommendation of Administration: That this appointment as Endowed Chair for Endoscopic Innovation be received as information.

Recommendation of Committee: That this appointment as Endowed Chair for Endoscopic Innovation be received as information.

Board Action:

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

**CONSENT AGENDA**

**Item 13. Administrative Appointments**

Statement: Administration presents for approval the appointment of Stephen M. Lanier, Ph.D., F.A.H.A., as Associate Provost for Research, effective December 1, 2006.

Recommendation of Administration: That this administrative appointment be approved.

Recommendation of Committee: that this administrative appointment be approved.

Board Action:

**Item 14. Faculty Tenure Recommendations**

Statement: At the request of the Deans of the Colleges of Medicine and Nursing, their respective Appointments, Promotions and Tenure Committees, and the University Tenure Committee, administration presents tenure recommendations to be effective January 1, 2007.

College of Medicine

**Ziad Nahas, M.D.**, Associate Professor, Psychiatry and Behavioral Sciences

**Scott T. Reeves, M.D.**, Professor, Anesthesia and Perioperative Medicine

**Kumar Sambamurti, Ph.D.**, Associate Professor, Neurosciences, Division of Neuroscience Research

**Girish S. Shirali, M.B.B.S.**, Associate Professor, Pediatrics, Division of Pediatric Cardiology, Dual in Obstetrics and Gynecology

**Edward B. Soltis, Ph.D.**, Professor, Neurosciences, Division of Neuroscience Research, Joint in Pharmaceutical Sciences

**Lisa L. Steed, Ph.D.**, Associate Professor, Pathology and Laboratory Medicine

**Himanshu Upadhyaya, M.B.B.S., M.S.**, Associate Professor, Psychiatry and Behavioral Sciences

**Daynna J Wolff, Ph.D.**, Associate Professor, Pathology and Laboratory Medicine

College of Nursing

**Tara M. Hulsey, Ph.D.**, Associate Professor, Department of Nursing

**Carolyn H. Jenkins, Ph.D.**, Professor, Department of Nursing

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

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

Board Action:

Item 15    Faculty Appointments

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

College of Health Professions

**Gary Reid Haynes, M.D.**, as Professor in the Department of Clinical Services, effective June 7, 2006.

College of Medicine

**Kimberly G. Lee, M.D.**, as Associate Professor on the Clinician Educator track, in the Department of Pediatrics, Division of Neonatology, effective September 1, 2006.

**Rebecca G. Knapp, Ph.D.**, (dual appointment) as Professor Emerita in the Department of Psychiatry and Behavioral Sciences, effective August 1, 2006.

Dr. Knapp's primary appointment rests in the Department of Biostatistics, Bioinformatics and Epidemiology.

**Michael I. Nishimura, Ph.D.**, (dual appointment) as Associate Professor with tenure, on the Academic Investigator track, in the Department of Surgery, Division of General Surgery with a dual appointment as Associate Professor in the Department of Microbiology and Immunology, effective September 1, 2006.

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

Dr. Swaja will also hold the South Carolina Research Centers of Economic Excellence Endowed Chair in Regenerative Medicine.

College of Nursing

**Boyd H. Davis, Ph.D.**, as Adjunct Research Professor in the Department of Nursing, effective September 1, 2006.

Recommendation of Administration: That these faculty appointments be approved.

Recommendation of Committee: That these faculty appointments be approved.

Board Action:

Item 16.    Changes in Faculty Status

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

College of Medicine

**B. Christoher Frueh, Ph.D.**, from Professor to Adjunct Professor, in the Department of Psychiatry and Behavioral Sciences, effective August 1, 2006.

**Stuart R. Lipsitz, Sc.D.**, from Professor to Adjunct Professor in the Department of



Biostatistics, Bioinformatics, and Epidemiology, effective September 1, 2006.

**Joseph F. John, Jr., M.D.**, from Professor to Clinical Professor in the Department of Medicine, Division of Infectious Disease, effective July 1, 2006.

**James H. Hardin, Ph.D.**, from Professor to Professor Emeritus in the Department of Cell Biology and Anatomy, effective October 1, 2006.

**Robert W. Ogilvie, Ph.D.**, from Professor to Professor Emeritus in the Department of Cell Biology and Anatomy, effective July 1, 2006.

**Donald L. Wilbur, Ph.D.**, from Professor to Professor Emeritus in the Department of Cell Biology and Anatomy, effective July 1, 2006.

**Richard M. Dom, Ph.D.**, from Professor to Professor Emeritus in the Department of Cell Biology and Anatomy, effective October 1, 2006.

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

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

Board Action:

Item 17. MUSC Center Designation

Statement: At the request of the Dean of the College of Medicine, administration presents for approval, CHE center designation for the following center, effective October 13, 2006.

**Center for Health Disparities Research**

Recommendation of Administration: That the Center for Health Disparities Research be approved for official MUSC center designation.

Recommendation of Committee: That the Center for Health Disparities Research be approved for official MUSC center designation.

Board Action:

**COMMITTEE ON FINANCE AND ADMINISTRATION**  
**OCTOBER 12, 2006**  
**Minutes**

**Attendees:**

Mr. Charles W. Schulze, Chair	Dr. Jack Feussner
Dr. Stanley C. Baker, Jr.	Ms. Susan Haskill
Mr. Melvyn Berlinsky	Mr. Chip Hood
Mr. William H. Bingham, Sr.	Mr. Mike Keels
Dr. Cotesworth P. Fishburne, Jr.	Mr. Stewart Mixon
Dr. Thomas C. Rowland, Jr.	Ms. Lisa Montgomery
Thomas L. Stephenson, Esquire	Mr. Bruce Quinlan
The Honorable Robin M. Tallon	Dr. John Raymond
Dr. James E. Wiseman, Jr.	Dr. Jerry Reves
Dr. Raymond S. Greenberg	Ms. Janet Scarborough
Ms. Susan H. Barnhart	Dr. Sabra Slaughter
Mr. Wallace Bonaparte	Mr. J. Paul Taylor
	Mr. Patrick Wamsley

Mr. Schulze called the meeting to order. The Committee re-elected Mr. Schulze Chairman of the Committee.

**REGULAR Items**

**Item 18**      **General Report by the Vice President for Finance and Administration**

Ms. Lisa Montgomery stated that she planned to return to the December Board meeting with financial plans for the initiatives presented to the Board at the June 23<sup>rd</sup> Retreat.

She informed the Committee that the Budget & Control Board had approved the financing of the Bee Street Garage; therefore, plans for the garage construction are moving forward.

The Finance and Administration Division of the University is participating in the MUSC Excellence initiative and, as a result, Ms. Montgomery expects customer service by the Division will be improved throughout the campus.

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

**Item 19**      **Update on the MUSC Childcare Center**

Ms. Montgomery presented an update on the childcare initiative at MUSC. The vendor, Today Care, Inc., has been selected and will begin providing childcare for up to 25 children between the ages of 3 and 5. The final issues are being resolved and the center is scheduled to open by January 1, 2007.

The Board previously approved a \$90,000 per year subsidy of the operation. Recent projections call for an increase in the subsidy to \$120,000 per year by the institution.

Recommendation of Committee: That the increase in the subsidy to the MUSC Childcare Center to \$120,000 per year be approved.

**Item 20 Update on Human Resource and Payroll Services for IT**

Dr. Greenberg provided an update on the in-sourcing of Quovadex employees. He informed the Committee that the State pay scale has improved for information technology employees such that MUHA will be able to provide competitive benefit and payroll services for this specialized employee group. After an extensive review of options, it was decided MUHA should provide these services as opposed to the University or University Medical Associates.

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

**Item 21 Status Report on EEO/AA Compliance**

Mr. Wallace Bonaparte provided an update on the status of EEO/AA Compliance at MUSC.

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

**Item 22 Revisions to MUSC Expenditure Authority Policy**

Ms. Montgomery presented the proposed revisions to the MUSC Expenditure Policy.

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

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

Mr. Patrick Wamsley presented the financial status of the University. As of August 31 he reported operating cash continues to be strong and an increase in net assets of \$21k reflecting a \$2m transfer from UMA. The University continues to monitor the moderation in funding from NIH grants.

He reported that the FY'06 financial statement audit has gone to the State and the University continues to work with the Controller Generals Office to finalize. He commended Ms. Susan Haskill for her work in this area.

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

**Item 24 Financial Status Report of University Medical Associates**

Mr. Bruce Quinlan reported that as of August 31, UMA has a healthy bottom line reflecting increased revenues and collections. CFC has engaged a consultant to asses the direction of primary care.

He presented for approval \$370,000 in capital equipment purchases for the West Ashley cardiology practice. These three items were not included in the capital budget.

Mr. Mike Keels reported the UMA audit is complete and expects to receive an unqualified opinion and will meet all bond covenants.

Recommendation of Committee: That \$370,000 in capital equipment purchases for the West Ashley cardiology practice be approved...

**Item 25 Financial Status Report of Foundation for Research Development**

Ms. Janet Scarborough presented financial information on the Foundation for Research Development . The Foundation reports, as of August 31, an increase in net assets of \$2,500 and total liabilities and net assets of \$1.2 million.

Recommendation of Committee: That this report be received as information

**Item 26 Other Committee Business**

CONSENT AGENDA

**None**

There being no further business, the meeting was adjourned.

**Medical University of South Carolina  
Budget Policy**

Formatted: Left: 1", Right: 1",  
Top: 1", Bottom: 1"  
Formatted: Font: Century Gothic  
Deleted: Expenditure Authority

**Operating Budget:**

Each fiscal year, MUSC shall submit an Operating Budget to the Board of Trustees for approval. The Operating Budget will be submitted to the Board prior to the start of the fiscal year, unless otherwise authorized by the Board of Trustees. The Operating Budget shall be approved in aggregate for all operating expenses up to the approved amount. MUSC must maintain documentation of their budgeting process in sufficient detail to allow the tracking of expenses at an appropriate organizational level (i.e., entity-wide, department, or unit). Should MUSC determine that operating expenses will exceed the Board aggregate amount of the approved Operating Budget, additional approval shall be sought prior to expending funds in excess of the approved Operating Budget. The Operating Budget shall include operating leases and will include details of each operating lease, such as the lease term and total extended cost of the lease. Additionally, separate schedules detailing the following budgeted operating expenses will be included in the operating budget:

Formatted: Font: Century Gothic

- Consulting contracts of \$50,000 or more, including all expenses; and
- Real estate leases where the value exceeds \$150,000 for the term of the lease including options.

Formatted: Font: Century Gothic

Formatted: Font: Century Gothic, Highlight

Formatted: Bulleted + Level: 1 + Aligned at: 0.31" + Tab after: 0.56" + Indent at: 0.56"

Formatted: Font: Century Gothic

Formatted: Font: Century Gothic, Highlight

Formatted: Font: Century Gothic

Deleted: ¶  
¶

Formatted: Font: Century Gothic

Deleted: ¶

Formatted: Font: Century Gothic

Formatted: Font: Century Gothic, Highlight

Formatted: Font: Century Gothic

Formatted: Font: Century Gothic, Highlight

Formatted: Font: Century Gothic

Formatted: Font: Century Gothic, Highlight

Formatted: Font: Century Gothic, Highlight

Formatted: Font: Century Gothic

Formatted: Font: Century Gothic, Highlight

Deleted: A

Formatted: Font: Century Gothic

Formatted: Right

Formatted: Right

In compliance with the Board of Trustees retained authority, leases of real estate where the value exceeds \$150,000 for the term of the lease including options that were not detailed in the operating budget, shall have prior approval of the Board of Trustees. The decision to incur operating expenses that will continue into subsequent years shall receive prior written approval of the Board of Trustees.

**Capital Budget:**

Each fiscal year, MUSC shall submit a Capital Budget to the Board of Trustees for approval. The Capital Budget will be submitted to the Board prior to the start of the fiscal year, unless otherwise authorized by the Board of Trustees. This budget will include expected Capital Improvement projects (as defined below) and capital equipment purchases. The Board's approval of the Capital Budget is line-item approval for the specified capital purchases. The Capital Budget must provide sufficient line item detail to track capital purchases back to the line item Capital Budget. Each year, management may include in the Capital Budget an amount for unspecified capital purchases. This amount will not exceed \$5 million and the line-item will be included in the Capital Budget that will be brought to the Board for approval. For all line-items over \$250,000, administration must seek additional approval for capital purchases if the purchase exceeds by 10% or \$250,000, whichever is less, the line-item amount

approved in the Capital Budget prior to expending any funds on the item. Any additional cost over the line-item amount will come from the Board approved allowance for unspecified items unless other funds are identified, disclosed, and available. For line-items under \$250,000, amounts in excess of the line-item approved amount will come out of the Board approved allowance for unspecified capital purchases as long as the total cost does not exceed \$250,000. The Capital Budget shall include capital leases and will include details of each capital lease, such as the lease term and total extended cost of the lease.

Formatted: Font: Century Gothic, Highlight

Formatted: Font: Century Gothic

Formatted: Font: Century Gothic

Formatted: Font: Century Gothic

Permanent Improvements are defined by the State as:

1. Any acquisition of land, regardless of cost;
2. Any acquisition (as opposed to the construction) of buildings or other structures, regardless of cost;
3. Construction of facilities and any work on existing facilities including their renovation, repair, maintenance, alteration or demolition in those instances where the total cost of all work involved is \$100,000 or more;
4. Architectural, engineering and other types of planning and design work, regardless of the cost, which is intended to result in a permanent improvement project. Master plans and feasibility studies are not permanent improvement projects and, therefore, are not to be included;
5. Capital lease purchase of any facility acquisition or construction; and
6. Equipment that either becomes a permanent fixture of a facility, or does not become permanent but is included in the construction contract.

Formatted: Font: Century Gothic

Formatted: Font: Century Gothic

Formatted: Indent: Left: 0.26", Hanging: 0.24"

Formatted: Font: Century Gothic

Formatted: Font: Century Gothic

Formatted: Indent: Hanging: 0.24"

Formatted: Font: Century Gothic

Formatted: Font: Century Gothic

Formatted: Font: Century Gothic

Formatted: Font: Century Gothic

Formatted: Indent: Left: 0.26", Hanging: 0.24"

Formatted: Font: Century Gothic

Any capital equipment purchases or Capital Improvement projects valued at more than \$250,000 which were not included in the annual Capital Budget shall have prior approval of the Board of Trustees. Unspecified capital purchases (those items that were not specified in the Capital Budget) up to \$250,000 must be approved in writing by the President or the Vice President for Finance and Administration, until the aggregate amount of these unspecified expenses meets the Board approved allowance for unspecified capital purchases (not to exceed \$5 million), as provided for in the Capital Budget. The President or the Vice President for Finance and Administration may designate an individual in writing to approve unspecified capital purchases between \$5,000 and \$50,000 on his/her behalf. In the event of urgent circumstances, the President may approve Capital Improvement projects valued at more than \$250,000 with the concurrence of the Chairman of the Board, and seek the full Board's approval at the next Board of Trustees meeting.

Deleted: Unbudgeted

Deleted: \$5 million

Formatted: Font: Century Gothic, Highlight

Formatted: Font: Century Gothic

Formatted: Font: Century Gothic, Highlight

Formatted: Font: Century Gothic

When a Capital Improvement project has been submitted to and approved by the Board of Trustees, consequential individual construction contracts, which are mandated by law to be awarded to the lowest responsible and responsive

Formatted: Tabs: Not at 0.26"

Formatted: Font: Century Gothic

Formatted: Right

Formatted: Right

bidder, shall not require a second Board of Trustees approval (unless the amount of such contract exceeds the initial approval by 10% or \$250,000 whichever is less). When construction contracts fall within the approved amount for the project, the final contract amount will be submitted to the Board of Trustees for information.

Formatted: Font: Century Gothic

The Total Budget for MUSC shall be the sum of the Operating Budget and the Capital Budget. And the total budget shall not exceed expected revenues unless management identifies additional funding and the Board approves such excess.

Deleted: ¶  
Capital expenditures from active grant funds for grant specified equipment need not be included in the Capital Budget and do not require separate approval by the Board of Trustees if the grant contains sufficient detail regarding the capital items to be purchased.

Formatted: Font: Century Gothic, Highlight

Formatted: Font: Century Gothic

**Grant Expenditures:**

Expenditures that are fully funded from active grant funds for grant specified equipment, supplies, services, etc. do not require separate approval by the Board of Trustees if the grant contains sufficient detail regarding the items to be purchased, except consultant and construction services. All purchases for consultant services in excess of \$50,000 and construction services in excess of \$100,000, including expenses, shall receive prior approval of the Board of Trustees.

Formatted: Font: Century Gothic, Highlight

Formatted: Font: Century Gothic

Formatted: Font: Century Gothic, Highlight

Formatted: Font: Century Gothic

**Affiliated Organizations:**

At a minimum, all purchases, Capital Improvement projects, contracts, and leases in excess of \$50,000 will be presented as information to the Board of Trustees. All affiliation agreements between MUSC and its affiliate organizations shall have prior approval of the Board of Trustees.

Formatted: Font: Century Gothic

Deleted: Leases of Real Property: ¶

¶  
In compliance with the Board of Trustees retained authority, leases of real estate where the value exceeds \$150,000 for the term of the lease including options, shall have prior approval of the Board of Trustees. ¶

¶

Deleted: Consultant Services: ¶

¶  
Consultant services are professional services performed by an expert (one who is very skillful and knowledgeable in a special field), who is generally not employed by the ¶ institution, and performs an advisory role or acts as a counselor in a situation in order to add value. All purchases for consultant services in excess of \$50,000 shall receive prior approval of the Board of Trustees. ¶

¶

Formatted: Indent: First line: 0"

Formatted: Indent: Left: 0"

Deleted: A

Formatted: Right

Formatted: Right

**West Ashley Cardiology Equipment Approval Request**  
**MUSC Board Approved Location (presented 12/05)**

<u>Item</u>	<u>Purchase</u>
Echo Machine (Vivid 7 w/workstation, refurb)	108,700
EKG and Stress Testing (Mac 5000 and Case T2100)	28,979
Nuclear Camera (Ventri Cardiac Specific Camera)	233,885
	<hr/>
	<b>371,564</b>

Note: The policy requiring MUSC Board approval of asset purchases was established AFTER this location was approved. The length of time between now and 12/05 is due to delays in finalizing location of services and related lease agreement.



**Medical University of South Carolina  
Physical Facilities Committee  
October 12, 2006  
Minutes**

**Attendees:**

Mr. William H. Bingham, Sr., Chair	Mr. Dennis Frazier
Dr. Stanley C. Baker, Jr.	Mr. Joe Good
Mr. Melvyn Berlinsky	Mr. Steve Hargett
Dr. Cotesworth P. Fishburne, Jr.	Dr. Arnold Karig
Dr. Paula E. Orr	Mr. Chris Malanuk
Dr. Thomas C. Rowland, Jr.	Mr. John Malmrose
Mr. Charles W. Schulze	Mr. Stewart Mixon
Thomas L. Stephenson, Esquire	Ms. Lisa Montgomery
The Honorable Robin M. Tallon	Ms. Jennifer Pearce
Dr. Charles B. Thomas, Jr.	Dr. John Raymond
Dr. James E. Wiseman, Jr.	Dr. Jerry Reves
Mr. Hugh B. Faulkner III	Ms. Marilyn Schaffner
Dr. Raymond S. Greenberg	Dr. Sabra Slaughter
Ms. Susan H. Barnhart	Mr. Mark Sweatman
Mr. John Cooper	Mr. J. Paul Taylor
Ms. Annette Drachman	Mr. Patrick Wamsley

Mr. William H. Bingham, Sr. called the meeting to order. The Committee re-elected Mr. Bingham Chairman of the Committee.

**REGULAR Items**

**Item 27      Facilities Procurements/Contracts Proposed**

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

- Lease renewal for 31,763 square feet of office space located on the 3<sup>rd</sup> and 4<sup>th</sup> floors located at 135 Cannon Street - \$4,312,751.40
- Lease for 9,653 square feet of space located on the 4<sup>th</sup> floor of McClellan Banks - \$428,400.14

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

**Item 28      Request for Conservation Easement for Cypress Gardens**

Dr. Greenberg presented a request from Berkeley County for a conservation easement for Cypress Gardens. After discussion it was decided that Dr. Greenberg would have further discussions with Berkeley County officials regarding the easement request.

Recommendation of Committee: Received as information.

**Item 29**      **Update on Projects**

Mr. Malmrose presented an update on various University projects.

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

**Item 30**      **Other Committee Business**

Mr. Malmrose reported that Mr. Bingham and Mr. Schulze had interviewed firms to provide indefinite delivery industrial hygiene services to the University. Of the firms interviewed the following two were selected:

- Trident Environmental – Charleston, SC
- S&ME – Charleston, SC

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

**CONSENT Items for Information:**

**Item 31**      **Facilities Contracts Awarded**

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

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

With no further business, the meeting was adjourned.

**FACILITIES  
ACADEMIC  
LEASE RENEWAL  
FOR APPROVAL**

**OCTOBER 13, 2006**

DESCRIPTION OF LEASE RENEWAL: This lease renewal is for 31,763 square feet of office space located on the third and fourth floor of 135 Cannon Street. The purpose of this lease is to provide space for Public Relations, Biostatistics/Bioinformatics/Epidemiology (Biometry) and Environmental Biosciences Program (EBP). The per square foot rate for this renewal is \$24.84 (rounded). An additional annual cost of \$73,311.36 is included in this lease for 153 parking spaces controlled by Parking Management. The monthly rental rate will be \$71,879.19, resulting in an annual rent amount of \$862,550.28. Rental rate is subject to an annual CPI increase not to exceed 3%.

NEW LEASE AGREEMENT \_\_\_\_\_  
RENEWAL LEASE AGREEMENT   X  

LANDLORD: University Medical Associates

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

DEPARTMENT NAME AND CONTACT: Public Relations, Sarah King, Director, 792-2539; Biometry, Beth Hansell, Business Manager, 876-1105; EBP, Gail Brubaker, Administrative Manager, 792-5505

SOURCE OF FUNDS: Department of Public Relations, EBP and the Provost Office

LEASE TERMS:

INITIAL TERM: Five (5) years  
COST PER SQUARE FOOT: \$24.84  
ANNUALIZED LEASE COST: \$862,550.28  
TOTAL COST OF INITIAL TERM: \$4,312,751.40

EXTENDED TERM(S): N/A

OPERATING COSTS:  
FULL SERVICE \_\_\_\_\_  
NET   X

**FACILITIES  
ACADEMIC  
LEASE  
FOR APPROVAL**

**OCTOBER 13, 2006**

DESCRIPTION OF LEASE: This lease is for 9,653 square feet of space located on the fourth floor of McClennan Banks. The purpose of this lease is to provide space for the Department of Psychiatry, Family Services Research Center. The per square foot rate for this lease is \$22.19. The monthly rental rate will be \$17,850.00, resulting in an annual rent amount of \$214,200.07.

NEW LEASE AGREEMENT  X   
RENEWAL LEASE AGREEMENT      

LANDLORD: Medical University Hospital Authority

LANDLORD CONTACT PERSON: Tom Moore, Charleston Memorial Hospital  
Administrator, 876-8300

DEPARTMENT NAME AND CONTACT: Ann Ashby, Administrative Coordinator,  
876-1835

SOURCE OF FUNDS: Provost Office and College of Medicine

LEASE TERMS:

INITIAL TERM: Two (2) years  
COST PER SQUARE FOOT: \$22.19  
ANNUALIZED LEASE COST: \$214,200.07  
TOTAL COST OF INITIAL TERM: \$428,400.14

EXTENDED TERM(S): N/A

OPERATING COSTS:

FULL SERVICE  X   
NET