

The official minutes of the University of South Carolina Board of Trustees are maintained by the Secretary of the Board. Certified copies of minutes may be requested by contacting the Board of Trustees' Office at trustees@sc.edu. Electronic or other copies of original minutes are not official Board of Trustees' documents.

University of South Carolina
BOARD OF TRUSTEES

November 21, 2014

The University of South Carolina Board of Trustees held a called meeting at 10:00 a.m. on Friday, November 21, 2014, in the 1600 Hampton Street Board Room.

Members present were: Mr. Eugene P. Warr, Board Chairman; Mr. John C. von Lehe, Jr., Vice Chairman; Mr. Chuck Allen; Mrs. Paula Harper Bethea; Mr. J. Egerton Burroughs; Mr. Mark W. Buyck, Jr.; Mr. Thomas C. Cofield; Mr. A. C. "Bubba" Fennell; Mr. William W. Jones, Jr.; Mr. Toney J. Lister; Mr. Miles Loadholt; Ms. Leah B. Moody; Dr. C. Dorn Smith III; Mr. Thad Westbrook; Mr. Mack I. Whittle, Jr.; and Mr. Charles H. Williams; while Dr. C. Edward Floyd and Mr. Hubert F. Mobley joined by telephone. Mr. William C. Hubbard and Dr. Mitchell M. Zais were absent.

Also present were faculty representative Dr. James H. Knapp and student representative Lindsay Richardson.

Others present were: President Harris Pastides; Secretary Amy E. Stone; General Counsel Walter "Terry" H. Parham; Provost Michael D. Amiridis; Chief Operating Officer Edward L. Walton; Chief Financial Officer Leslie Brunelli; Vice President for Information Technology William F. Hogue; Vice President for Human Resources Chris Byrd; Vice President for Student Affairs Dennis A. Pruitt; Chief Communications Officer Wes Hickman; Athletics Director Ray Tanner; University Foundations Executive Director Russell H. Meekins; Executive Director, Office of Economic Engagement, William D. "Bill" Kirkland; Executive Director of Audit & Advisory Services Pam Doran; Associate Vice President for Business Affairs, Division of Administration and Finance, Helen T. Zeigler; University Treasurer Pat Lardner; Senior Associate Dean, College of Arts & Sciences, Anne Bezuidenhout; Vice Chancellor for Finance and Administration, USC Aiken, Joe Sobieralski; Manager of Energy Plant Funds and Data Supervisor, Controller's Office, Deborah Crews; Chief of Staff, President's Office, J. Cantey Heath, Jr.; University Technology Services Consultant John Schell; Les Eisner and Chad Hardaway with USC's Office of Economic Engagement; Associate Director of Public Relations, Office of Communications, Jeff Stensland; Columbia Mayor Steve Benjamin and Sam Johnson, Special Assistant to the Mayor; University Technology Services Production Manager Matt Warthen; and Board staff members Debra Allen and Terri Saxon.

The following individuals attended the meeting to represent IBM: Mark Easton, Vice President, Industry Solution Sales, IBM Software Group; Cameron Art, General Manager of Application Management Services; David Miller, Director, Application Management Services North America, IBM Global Business Services; Andy Bernardin, Director of Enterprise Sales for South Carolina and Public Sector in North Carolina, IBM; Brit Moyer, Client Executive, Government, Application Management Services; and Ron S. Bolin, Client Executive, Application Management Services.

I. Call to Order

Chairman Warr called the meeting to order and welcomed everyone. Mr. Hickman introduced members of the media in attendance: Hannah Jeffrey with the *Daily Gamecock*; Andy Shane with *The State*; Scott Hood with *Gamecock Central*; Jim Hammond with the *Columbia Regional Business Report*; and John Whittle with *The Big Spur*.

Chairman Warr stated that notice of the meeting had been posted and the press notified as required by the Freedom of Information Act; the agenda and supporting materials had been provided to the committee; and a quorum was present to conduct business.

Chairman Warr stated there were proposed contractual matters that were appropriate for discussion in Executive Session. Mr. von Lehe moved to enter Executive Session and Mr. Lister seconded the motion. The vote was taken and the motion carried.

The following persons were invited to remain: President Pastides, Secretary Stone, Mr. Walton, Mr. Parham, Dr. Hogue, Mr. Byrd, Ms. Brunelli, Mr. Schell, Mr. Kirkland, Provost Amiridis, Dr. Pruitt, Mr. Hickman and Mr. Heath.

Executive Session

Return to Open Session

II. Information Technology Contract

As read by Mr. Parham, Chairman Warr called for a motion to approve a 10-year agreement between the University and IBM under which IBM will provide certain information technology services to the University, and will offer employment to USC employees currently associated with these information technology services, at a cost of \$69,934,797, as presented and described in the materials provided to the Board. This approval is contingent on IBM executing a lease agreement with Holder Properties, Inc. for not less than 20,000 square feet in the Horizon II building.

Dr. Smith so moved and Mr. Fennell seconded the motion. The vote was taken and the motion passed.

III. The Wedge Plantation Contract

Chairman Warr called for a motion to approve the sale of The Wedge Plantation for \$4 million in accordance with the terms of the Contract of Sale provided in the Board materials.

Mr. Buyck so moved and Mrs. Bethea seconded the motion. The vote was taken and the motion passed.

Chairman Warr next recognized Cameron Art and Mark Easton from IBM and Columbia Mayor Steve Benjamin, each of whom commented on the agreement that the Board approved with IBM.

On behalf of IBM, Mr. Art thanked the Board of Trustees, the University, and the City of Columbia. “We are looking forward to delivering on the promise of what we are creating together. As you can imagine, technology moves very fast and the ability to get tremendously skilled talent for our clients and for IBM is something that is absolutely critical. We see this partnership with the University as playing a critical role in allowing us to be able to do that for our clients and for us internally. Thank you for your vote of confidence.”

Mr. Easton said that from an economic perspective, the impact the private-public partnership can have on the University, the State, and all the parties involved is exciting. Already there is a tremendous groundswell of excitement about this project among the local companies with which he has had contact. However, he said he was most excited about the educational opportunities and the impact this will have with the students and their opportunities in the future.

Mayor Benjamin underscored that what is good for the University is good for Columbia. He described the agreement with IBM as a game changer. “This intersection of industry, government and of a first-class Carnegie I research university is a manifestation of several years of hard work. We are excited to be a partner in this effort.”

“It is an understatement that we are pleased to have IBM, one of the great corporations in the world, here with us. It is exciting to see what the future holds,” Chairman Warr said.

IV. Adjournment

When discussion of the announced topics had concluded, Chairman Warr declared the meeting adjourned at 11:48 a.m.

Respectfully submitted,

Amy E. Stone
Secretary