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University of South Carolina
BOARD OF TRUSTEES

Intercollegiate Athletics Committee

June 13, 2014

The Intercollegiate Athletics Committee of the University of South Carolina Board of Trustees met at 9:30 a.m. on Friday, June 13, 2014, in the 1600 Hampton Street Board Room.

Members present were: Mr. Mark W. Buyck, Jr., Chairman; Mr. Chuck Allen; Mr. William W. Jones, Jr.; Mr. Toney J. Lister; Ms. Leah B. Moody; Mr. Mack I. Whittle, Jr.; Mr. Eugene P. Warr, Jr., Board Chairman; and Mr. John C. von Lehe, Jr., Board Vice Chairman. Mr. William C. Hubbard joined the meeting by telephone. Dr. C. Edward Floyd was absent.

Other Trustees present were: Mr. Robert "Eddie" Brown; Mr. Tommy C. Cofield; Mr. A. C. "Bubba" Fennell; Mr. Miles Loadholt; Mr. Hubert F. Mobley; Dr. C. Dorn Smith III; Mr. Thad Westbrook; and Mr. Charles H. Williams.

Chairman of the Faculty Senate James H. Knapp and Student Government President Lindsey Richardson were present. Also in attendance was NCAA/SEC Representative for the University and Associate Dean for Academic Affairs, College of Education, Zach Kelehear.

Others present were: President Harris Pastides; Secretary Amy E. Stone; Provost Michael D. Amiridis; Chief Operating Officer Edward L. Walton; General Counsel Walter "Terry" H. Parham; Chief Financial Officer Leslie Brunelli; Vice President for Student Affairs Dennis A. Pruitt; Palmetto College Chancellor Susan Elkins; Chief Communications Officer Wes Hickman; Athletics Director Ray Tanner; University Treasurer Susan D. Hanna; Executive Director of Internal Audit Pam Doran; Chief of Staff, President's Office, J. Cantey Heath, Jr.; College of Arts and Sciences Dean Mary Anne Fitzpatrick; Associate Director of Strategic Planning and Assessment Cameron Howell; Chief Financial Officer, Athletics Department, Jeff Tallant; Associate Athletics Director and Senior Women's Administrator Judy Van Horn; University Controller Jennifer Muir; Director of State Relations Trey Walker; Director of Governmental and Community Relations and Legislative Liaison Shirley D. Mills; Risk Manager, Division of Environmental Health and Safety and Risk Management, Brian Hann; Director of Contract and Grant Accounting, Controller's Office, Tony Huggins; Executive Vice Chancellor for Academic Affairs, USC

Aiken, Jeff Priest; Tom McNeish with the audit firm of Elliott Davis, LLC; USC student Melissa Hanna; University Technology Services Production Manager Matt Warthen; and Board staff members Debra Allen and Terri Saxon.

I. Call to Order

Chairman Buyck called the meeting to order, welcomed everyone, and asked Board members to introduce themselves. Mr. Hickman introduced members of the media who were in attendance: Scott Hood with *Gamecock Central*; David Cloninger with *The State*; John Whittle with *The Big Spur*; and Pete Iacobelli with the Associated Press.

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

II. Department of Athletics FY 2014-15 Budget Summary

Chairman Buyck called on Mr. Tanner who stated that the FY 2014-15 Athletics Department budget included proposed revenues of \$94,066,400; expenditures of \$83,465,600; and proposed transfers of \$10,242,800; with a projected net increase to athletics reserves of \$358,000. Increased revenues of \$2 million would be generated from the new Southeastern Conference (SEC) Bowl agreements, while capital project private gifts would increase revenues \$3 million. Increased expenses reflected in the budget result from \$3.8 million in coaches and staff salaries; \$1 million start-up costs for the new SEC Network; and \$1.3 million for football guarantees.

The Athletics Department is totally self-supporting, funding all direct and indirect expenses. In addition, the department provides funds to the University's General Fund. All athletic revenues, including Gamecock Club donations, are non-appropriated state funds and are deposited with the University. In FY 2014-15 the Athletics Department will provide the University \$4.2 million in financial support, including \$3.2 million for scholarships.

The FY 2014-15 total revenue from departmental operations reflects an 11.85 percent increase over the FY 2013-14 budget. The FY 2014-15 total expenditures from departmental operations reflects a 10.83 percent increase over the FY 2013-14 budget. Mr. Tanner offered the following summary of revenue and expenditures:

<u>Revenues</u>		<u>Expenditures</u>	
\$21,822,000	Admissions/Ticket Sales	\$36,285,900	Personnel Services
\$ 3,500	Guarantees	\$ 9,505,700	Grants-in-Aids

\$ 5,803,400	Premium Seat Payments	\$ 6,074,000	Team Travel
\$ 2,425,000	Student Fees	\$ 628,300	General Travel
\$13,645,000	Gamecock Club Revenues	\$ 1,215,900	Recruiting
\$ 9,920,000	Gifts and Donations	\$ 5,832,100	Game Services
\$23,070,000	SEC Revenue	\$ 3,903,400	Other Services
\$ 4,010,200	Ancillary Sales	\$ 4,535,300	Uniforms, Equipment & Supplies
\$ 9,700,000	Sponsorship and Royalties	\$ 6,468,700	Facilities
\$ <u>3,667,300</u>	Other Revenue	\$ 2,977,700	Guarantees
		\$ <u>6,038,600</u>	General and Administrative
\$94,066,400	Total Revenues	\$83,465,600	Total Expenditures
		\$ 10,242,800	Transfers
		\$ <u>358,000</u>	Projected-Net Increase To Athletics Reserves
		\$94,066,400	

Mr. Whittle drew the committee's attention to data in a recent edition of *USA Today* in that provided comparison information on athletic revenues and salaries. Chairman Buyck asked Secretary Stone to provide the information referenced by Mr. Whittle to the full Board.

The outstanding athletics' debt on June 30, 2014, will be \$119,250,000 with a debt service of \$8,343,888 from the following sources:

Football Bond Fee of \$8 per ticket	\$3,465,816
Men's Basketball (\$4) and Women's Basketball (\$1) Bond Fee per ticket	\$ 425,000
Student Facility Fee \$34.50 per semester	\$1,600,000
Athletics – (Operating/Debt Service Fund)	\$2,853,072

The FY 2014-15 debt issuance will be \$39,900,000. The projected outstanding debt as of June 30, 2015, will be \$156,380,000 with estimated annual debt service payments totaling \$10,847,988.

Mr. Whittle asked about the University's potential revenues from the SEC Network. Discussion ensued. Mr. Tanner responded that it was too early to project the actual revenues and he explained the proposed revenue distribution process.

Following Mr. Tanner's presentation, Chairman Buyck stated that this Athletics Department budget would be included in the University's FY 2014-15 Budget, which would be considered by the Executive Committee and by the full Board on June 20, 2014.

III. Academic Success – Academic Year 2013-14

Chairman Buyck called on Mr. Tanner who reported that the Spring 2014 student-athlete grade point average (GPA) of 3.222 was the 15th consecutive semester average above a 3.0 GPA. Also, 16 of 17 teams maintained a GPA of 3.0 or better in Fall 2013. The Fall 2013 GPA was 3.161. In this time period, a total of 92 student-athletes graduated, including 16 from football.

Fall 2013 academic accolades included: Men’s soccer posted the top cumulative GPA in Division I; football posted an Academic Progress Rate (APR) multi-year score in the top 10 percent among the Football Bowl Subdivision (FBS) schools; USC student-athletes led the SEC in the Fall 2013 Academic Honor Roll for the 8th consecutive year, with 66 students from football, men’s and women’s soccer, and volleyball. In addition, women’s tennis earned the highest team GPA in the Fall and Spring semesters - 3.916 in Fall 2013 and 3.656 in Spring 2014.

- 105 Student-Athletes made the President’s List (requires 4.0 GPA)

Spring 2014	46 Student-Athletes had a 4.0 GPA
Fall 2013	59 Student-Athletes had a 4.0 GPA

- 336 Student-Athletes made the Dean’s List
(requires a 3.5 GPA over 30 hours and a 3.25 GPA under 30 hours)

Spring 2014	157 Student-Athletes had a 3.5 or 3.25 GPA
Fall 2013	179 Student-Athletes had a 3.5 or a 3.25 GPA

- 644 Student-Athletes made the AD’s Honor Roll (requires 3.0 GPA)

Spring 2014	309 Student-Athletes had a 3.0 GPA
Fall 2013	355 Student-Athletes had a 3.0 GPA

Mr. Tanner explained that the APR was a point system established by the NCAA based on scholarship student-athletes’ eligibility and retention for a four-year period. Each student-athlete has the ability to earn two points per semester. The NCAA calculates team APR using the total points earned, divided by total points possible. He reported the Gamecock’s 2012-2013 APR statistics: all teams had a multi-year score of at least 955; football posted its multi-year high score of 980; men’s basketball posted a multi-year high score of 983; women’s basketball posted a multi-year high score of 990; and 10 teams posted a perfect single year APR of 1000.

In addition to their academic successes, Gamecock student-athletes logged 7,740 hours of community service during the 2013-2014 academic year, the most ever.

Mr. Tanner said that deserving much of the credit for the student-athletes’ academic success was Associate Athletics Director for Academics and Student Development Marie Hickman, who directs the Athletics Enrichment Program.

IV. Athletic Success – Academic Year 2013-14

Chairman Buyck called on Mr. Tanner to provide the athletic success report.

- Baseball – The team was ranked among the nation’s top 20 all season, en route to becoming one of just five programs in the country to qualify for every NCAA Regional since 2000.

The following Gamecocks were drafted by Major League Baseball: Grayson Greiner and Joey Pankake, Detroit Tigers; Jordan Montgomery, New York Yankees; Tanner English, Minnesota Twins; Joel Seddon, Oakland Athletics; Kyle Martin, Los Angeles Angels (who will return to USC for his senior season); and Evan Beal, Kansas City Royals.

- Women's Basketball – The team finished as the 2014 SEC Regular-Season Champions. Coach Dawn Staley was awarded the following honors: recognized by *Fortune Magazine* as one of the “World’s Greatest Leaders,” sharing 20th place with Mike Krzyzewski and Gregg Popovich; named the “SEC Coach of the Year,” the “*Basketball Times* National Coach of the Year: and named the 2014 “Russell Athletic Women’s Basketball Coaches Association NCAA Division I Region 3 Coach of the Year.” In addition to these honors, Coach Staley was named an assistant coach for the 2014 USA Basketball Women’s World Championship Team and the head coach of the USA Basketball U18 International Basketball Federation (FIBA) Americas Championship Team.

- Equestrian – The team became USC’s first team to win back-to-back SEC Championships, after defeating Georgia on Saturday, March 29, 2014. Coach Boo Majors was named the “SEC Coach of the Year” for the 2nd straight season and the “National Collegiate Equestrian Association National Coach of the Year.”

- Football – The team finished 4th in the final Associated Press and *USA Today*/ESPN Coaches polls, the highest postseason ranking in USC’s history.

The 2013 Capital One Bowl marked Coach Steve Spurrier’s 8th bowl game appearance while at USC. No other coach in the University’s history has taken the Gamecocks to more than three bowl games.

The following Gamecocks were drafted by the National Football League: Jadeveon Clowney, Houston Texans; and Bruce Ellington, San Francisco 49ers.

- Men’s Golf – The team played its 2nd straight NCAA Championship and posted the second-best finish in the program’s history, in 9th place.

- Women’s Golf – The team played its 16th straight NCAA Regional, and qualified for its 5th consecutive NCAA Championship, the longest streak in the program’s history, with a 13th place finish.

- Men’s Soccer – The team earned the National Soccer Coaches Association of America Team Academic Award, earning the highest men’s soccer team GPA in Division I.

- Women’s Soccer – The team was named the Community Outreach Team of the Year.

- Softball – The team earned its 2nd consecutive NCAA Tournament berth and posted

back-to-back 30-win seasons for the first time in a decade.

- Men's Tennis – The team earned its 3rd straight NCAA Tournament bid, winning its first match at the event since 2005.

- Women's Tennis – The team earned its 20th consecutive NCAA Tournament bid.

Assistant Coach Georgia Rose was named “Intercollegiate Tennis Association Carolina Region Assistant Coach of the Year.”

- Volleyball – Assistant coaches R J Abella and Julie Darty were recognized by the American Volleyball Coaches Association, as one of 30 rising coaching stars in its “Thirty Under 30” [years old] list.

- Sand Volleyball – The program, launch by Head Coach Moritz Moritz and Assistant Coach RJ Abella, is the University’s 21st intercollegiate sport. The last time a new sport was added was 1997. The team beat the University of Oregon in its first home match in front of 1,102 fans.

V. SEC Annual Spring Meeting Report

Mr. Tanner stated that the meeting was uneventful. The group did, however, talk about the SEC Network. In reference to the SEC meeting, President Pastides said that there was a “family” feeling among the members of the SEC and the SEC University Presidents.

Mr. Allen asked if the University currently provided student-athletes with health and dental insurance coverage. Mr. Tallant responded yes to the health insurance, noting that dental coverage was limited.

Mr. Fennell noted that in the May 21, 2014, issue of *Spurs & Feathers* the Greenwood County Gamecock Club was recognized for hosting the largest “Fan Fest” ever, with over 1,000 attendees.

Mr. Tanner concluded by commending the coaches and student-athletes for their commitment to the University.

Chairman Buyck thanked Mr. Tanner for his informative presentations and stated that these reports were received as information.

Chairman Buyck called for a motion to enter Executive Session for the receipt of legal advice. Mr. Allen so moved and Mr. Lister seconded the motion. The vote was taken and the motion carried.

Chairman Buyck invited the Trustees, President Pastides, Secretary Stone and Mr. Parham to remain.

Executive Session

Return to Open Session

VI. Other Matters

Chairman Buyck thanked the Board and University family for the support given his family following the tragic loss of his grandson, Hugh Willcox Buyck, Jr.

There being no other matters to come before the committee, Chairman Buyck declared the meeting adjourned at 11:05 a.m.

Respectfully submitted,

Amy E. Stone
Secretary