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University of South Carolina  
BOARD OF TRUSTEES

Intercollegiate Athletics Committee

June 9, 2017

The Intercollegiate Athletics Committee of the University of South Carolina Board of Trustees met at 11:15 a.m. on Friday, June 9, 2017, in the Alumni Center's C. Edward Floyd Boardroom.

Members present were: Mr. Mack I. Whittle Jr., Chairman; Mr. Chuck Allen; Mr. Mark W. Buyck Jr.; Mr. Toney J. Lister; Mr. Miles Loadholt; Mr. Charles H. Williams; and Mr. John C. von Lehe Jr., Board Chairman. Mr. J. Egerton Burroughs joined by telephone.

Other Trustees present were: Mr. Thomas C. Cofield; Mr. A. C. "Bubba" Fennell; Mr. William C. Hubbard; Mr. Hubert F. Mobley; Ms. Leah B. Moody; Mr. Tommy Preston Jr.; Mr. Eugene P. Warr Jr.; and Mr. Thad Westbrook. Dr. C. Edward Floyd and Dr. C. Dorn Smith III joined by telephone.

Also present were USC Lettermen's Association President Britanna Wilson; USC Columbia Faculty Senate Chairman August E. "Augie" Grant; and USC Columbia Student Government President Ross Lordo. Gamecock Club Executive Committee Chairman Kent Eddy, joined by telephone.

Others present were: President Harris Pastides; Secretary J. Cantey Heath Jr.; General Counsel Walter "Terry" H. Parham; Provost Joan T. A. Gabel; Chief Operating Officer Edward L. Walton; Chief Financial Officer Leslie Brunelli; Vice President for Student Affairs Dennis A. Pruitt; Vice President for Research Prakash Nagarkatti; Vice President for Development Jancy Houck; Vice President for Human Resources Chris Byrd; Vice President for Information Technology Doug Foster; Vice President for System Planning Mary Anne Fitzpatrick; Vice President for Facilities and Transportation Derrick Huggins; Chief Communications Officer Wes Hickman; Athletics Director Ray Tanner; Chief Financial Officer, Athletics Department, Jeff Tallant; Chief Operating Officer, Athletics Department, Kevin O'Connell; Executive Associate Athletics Director for Sport & Risk Management Judy Van Horn; Senior Associate Athletics Director for Academics and Student Development Maria Hickman; Executive Director of Audit & Advisory Services Pam Doran; USC Aiken Chancellor Sandra Jordan; Palmetto College Chancellor Susan Elkins; USC Upstate Chancellor Brendan Kelly; College of Arts and Sciences Dean Lacy Ford; University Treasurer Pat Lardner; Executive Director of Economic Engagement William D. "Bill" Kirkland; Chief

Diversity Officer John H. Dozier; Associate Provost for Academic Programs Tena Crews; Associate Director of Public Relations, USC's Office of Communications and Public Affairs, Jeff Stensland; Executive Director of My Carolina Alumni Association Jack W. Claypoole; Director of Governmental and Community Relations and Legislative Liaison Shirley D. Mills; USC Aiken Executive Vice Chancellor for Academic Affairs Jeff Priest; USC Upstate Vice Chancellor for Administrative and Business Affairs Sheryl Turner-Watts; Rachel and Matthew Warr, children of Trustee Warr; University Technology Services Production Manager Matt Warthen; and Board staff members Terri Saxon and Ina Wilson.

I. Call to Order

Chairman Whittle 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: Avery Wilks with *The State*; Mike Woodel with the *Daily Gamecock*; and John Whittle with *The Big Spur*.

Chairman Whittle said 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. 2016-17 Academic Success

Mr. Tanner proudly announced that seven teams earned NCAA Academic Progress Rate (APR) awards: baseball, women's basketball, men's soccer, women's swimming and diving, men's and women's tennis, and volleyball. The Gamecocks posted a multi-year APR score of 950 or better for the sixth consecutive year, and 14 teams had a perfect single-year score of 1,000 for the 2015-16 academic year.

A total of 135 current and former student-athletes participated in the Fall 2016 and Spring 2017 graduation ceremonies.

The Fall 2016 departmental grade point average (GPA) was 3.245. The women's tennis team achieved the highest GPA at 3.738. Also in Fall 2016: 15 of 18 teams recorded a 3.0 or higher GPA; 62 student-athletes made the President's List (4.0 GPA); 187 student-athletes made the Dean's List (3.5 GPA or 3.25 GPA for freshman); 395 student-athletes made the Athletic Director's Honor Roll (3.0 GPA); the football team earned its highest Fall GPA at 2.847; and the women's track team earned its second highest team GPA at 3.449.

The Spring 2017 departmental GPA was 3.230, making it the 21<sup>st</sup> consecutive semester in which student-athletes surpassed a 3.0 GPA. The women's swimming team earned the highest GPA at 3.705. Other Spring academic highlights included: 14 of 18 teams recorded a 3.0 or higher GPA; 66 student-

athletes made the President's List (4.0 GPA); 164 student-athletes made the Dean's List (3.5 GPA or 3.25 GPA for freshmen); and 353 student-athletes made the Athletic Director's Honor Roll (3.0 GPA).

At this point in the meeting, Mr. Tanner recognized Senior Associate Athletics Director for Academics and Student Development Maria Hickman and thanked her for being an outstanding academic student-athlete leader.

In addition to their academic successes, Mr. Tanner reported Gamecock student-athletes logged approximately 9,298 hours of community service during the 2016-2017 academic year, earning them 1<sup>st</sup> place in the SEC by 3,000 hours. For the second consecutive year, the volleyball team earned the SEC Community Outreach Team of the Year, by logging an average of 95 hours per student-athlete. The overall student-athlete average was 17 hours.

### III. Department of Athletics FY 2017-18 Budget Summary

Mr. Tanner stated the FY 2017-18 Athletics Department Budget included proposed revenues of \$121,852,857; expenditures of \$102,900,953; and proposed transfers of \$18,254,306; with a projected net increase to athletics reserves of \$697,598 as of June 30, 2018. Increased revenues of \$9.1 million would be generated from several sources, including \$2 million from the N.C. State football game in Charlotte and \$4.9 million from media rights (\$4 million from the Colonial Life Arena Video Board and \$900,000 from sponsorships).

The increased expenses reflected in the budget result from \$3.6 million in coaches and staff salaries; and \$1.2 million for Event/Game Services resulting from University Law Enforcement and Safety expenses being moved from Transfers to Operating.

Mr. Tanner said 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 2017-18, the Athletics Department will provide the University \$7,117,100 in financial support, including \$3,234,000 for scholarships.

The total revenue from departmental operations for FY 2017-18 reflects an 8.09% increase over the FY 2016-17 Budget. The FY 2017-18 total expenditures from departmental operations reflect a 5.56% increase over the FY 2016-17 Budget. Mr. Tanner discussed the individual line items in the following revenue and expenditures summary:

Revenues

\$21,764,779	Ticket Sales
\$ 2,005,000	Guarantees
\$ 6,180,984	Premium Seat Payments
\$ 2,725,275	Student Fees
\$13,519,000	Gamecock Club (net)
\$10,695,000	Gifts and Donations
\$40,137,600	SEC/NCAA Distributions
\$ 3,995,500	Ancillary Sales
\$17,895,000	Sponsorship, Media Rights and Royalties
<u>\$ 2,934,719</u>	Other Revenue
\$121,852,857	Total Revenues

Expenditures

\$44,607,171	Personnel
\$12,999,300	Grants-in-Aids
\$ 1,986,400	Guarantees
\$ 7,078,800	Team Travel
\$ 582,495	General Travel
\$ 1,870,200	Recruiting
\$ 1,394,950	Team & Department Functions
\$ 7,517,518	Uniforms, Equipment & Supplies
\$ 7,605,500	Event/Game Services
\$ 3,786,708	General Services
\$ 7,947,986	Facilities
\$ 1,211,575	Marketing Services
<u>\$ 4,312,350</u>	General and Administrative
\$102,900,953	Total Operational Expenditures
\$ 18,254,306	Transfers
\$ 697,598	Projected-Net Increase To Athletics Reserves

The FY 2016-17 projected ticket sales revenue was \$22,694,143. Budgeted ticket sales of \$21,764,779 by sport for FY 2017-18: Football, \$18,091,074; Baseball, \$1,385,000; Men's Basketball, \$1,350,000; Women's Basketball, \$382,150; Softball, \$40,000; Soccer, \$12,000; Volleyball, \$9,000; other women's sports, \$10,000; and \$485,555 in handling and mail orders fees.

The outstanding athletics' debt on June 30, 2017, will be \$186,280,000 with a debt service of \$12,920,705 from the following sources:

Football Bond Fee of \$8 per ticket	\$3,364,000
Men's Basketball \$4 and Women's Basketball \$1 Bond Fee per ticket	\$ 700,000
Student Facility Fee \$34.50 per semester	\$1,780,000
Interest	\$ 150,000
Athletics – (Operating/Debt Service Fund)	\$6,926,705

The projected outstanding debt as of June 30, 2018, will be \$181,805,000 with estimated annual debt service payments totaling \$12,876,506.

Trustee Williams asked about the potential of fundraisers to service debt and Mr. Tanner responded the Athletics Department Development staff continues to explore revenue options.

Mr. Tanner recognized Mr. Tallant and his staff for the budget development.

Following Mr. Tanner's presentation, Chairman Whittle stated the budget summary was received as information and would be included in the University's FY 2017-18 Budget, which would be considered by the Executive Committee and the full Board on June 23, 2017.

#### IV. 2016-17 Athletic Success

Mr. Tanner began his presentation by showing a video of Gamecock athletes in action that included the Men's Basketball Final Four journey and the Women's Basketball National Championship. He reported USC placed 16<sup>th</sup> nationally and 3<sup>rd</sup> in the SEC in the 2016-17 Learfield Sports Directors' Cup standings.

Sindarius Thornwell and A'ja Wilson were each named SEC Basketball Player of the Year for their respective teams.

Men's Basketball Head Coach Frank Martin was named the 2017 Jim Phelan National Coach of the Year. The men's basketball team experienced a record setting season by advancing to the Final Four for the first time in the program's history, earning the first NCAA postseason win in 44 years, and finishing the season ranked 6<sup>th</sup> in the USA Today Coaches Poll.

Women's Basketball captured the program's first NCAA Championship and finished the season 1<sup>st</sup> in the USA Today Coaches Poll. Head Coach Dawn Staley received the Winged Foot Award. Three former Lady Gamecocks were picked in the Women's National Basketball Association's 2017 draft: Alaina Coates by the Chicago Sky; Alisha Gray and Kaela Davis by the Dallas Wings.

Beach Volleyball earned its first NCAA Championship berth and set a new program record with 23 wins.

Women's Golf made its 19<sup>th</sup> straight NCAA postseason appearance and won its 3<sup>rd</sup> consecutive NCAA regional title. Katelyn Dambaugh won medalist honors at the 2017 SEC Championship after totaling the lowest 54-hole mark in tournament and school history. Assistant Coach Puggy Blackmon was named the Golf Pride Grips Women's Golf Coaches Association Assistant Coach of the Year.

Softball earned its 5<sup>th</sup> consecutive NCAA postseason bid and reached the Regional Finals for the 2<sup>nd</sup> consecutive year.

Head Women's Diving Coach Todd Sherritt was named SEC Women's Diving Coach of the Year.

Men's Tennis advanced to the second round of the NCAA tournament before finishing its season 21-7, the most program wins since 1998.

Women's Tennis reached the NCAA Sweet Sixteen and won its 20<sup>th</sup> match this year for the first time since 1995. Head Coach Kevin Epley was named the Wilson/Intercollegiate Tennis Association Carolina Region Coach of the Year.

Track and Field standout Tyler Brockington came in 1st place in the women's 400m hurdles to win the individual SEC title. Maya Evans was named SEC Brad Davis Community Service Leader of the Year.

Mr. Tanner ended his presentation by showing a motivational video titled "Man in the Mirror," in which Football Strength & Conditioning Director Jeff Dillman's voice is heard encouraging student-athletes through strength training.

Chairman Whittle stated this report was received as information.

#### V. SEC Annual Spring Meeting Report

Chairman Whittle called on President Pastides for updates from the annual SEC meeting. President Pastides reported SEC schools are experiencing leadership turnover, resulting in eight of the 14 university presidents attending their first Spring meeting. The President noted that he is the longest serving president in the SEC.

The President said four overarching themes discussed at the meeting were: continuing a tradition of athletic success; preserving the SEC's outstanding culture; reaffirming the SEC's commitment to integrity; and innovating whenever possible, through the use of state-of-the-art technology, media and marketing.

Proudly, President Pastides reported the SEC had a phenomenal year winning national and regional championships. Also at the meeting, University of Kentucky Head Men's Basketball Coach John Calipari told him that at the coaches' meeting, Coach Frank Martin received a standing ovation when he entered the room. Coach Dawn Staley also received a standing ovation upon entering her meeting.

President Pastides said SEC schools are faced with the challenge of increasing fan interest in the game day experience, not just now, but 10 years down the road. He explained consideration must be given to the "millennials" and "Generation X, Y, and Z," who when faced with increased ticket costs, may decide to spend their money differently; and who may not be willing to pay a monthly cable bill to get the SEC Network when other viewing options are available. President Pastides reported SEC Network revenue was down, but that the SEC had been able to supplant the revenue loss with a digital platform of online viewers. He noted USC was lucky to have Gamecock Alumna Roz Durant serving as ESPN Senior Vice President for College Networks.

President Pastides reported no decisions were made at the meeting to expand conference sports. Currently, the SEC competes in 12 women's sports and nine men's sports.

President Pastides noted the SEC is concerned about the legal environment of athletics and is doing a better job of communicating with federal representatives of states hosting SEC teams. He said USC's

federal lobbyist, Steven Beckham, was a leader in his field.

President Pastides said he was proud USC Provost Joan Gabel serves as the chair of the conference's academic initiative, SECU, which among other things provides collaboration opportunities among deans, CFOs, and other senior administrators.

The President also expressed his pride in Maya Evans, a graduate of USC's Arnold School of Public Health, being named SEC Brad Davis Community Service Leader of the Year. He said she will use the \$10,000 scholarship award for post-graduate education.

Mr. Tanner responded to Trustee Allen's questions about sensitivity in the SEC, on the issue of graduate and undergraduate transfers in football.

On behalf of the faculty, Dr. Grant commended Mr. Tanner and his staff for emphasizing the "student" in student-athletes as realized in their academic accomplishments.

Chairman Whittle stated this report was received as information.

#### VI. Other Matters

Chairman Whittle called for any other matters to come before the committee.

#### **Motion for Executive Session**

Chairman Whittle stated there were proposed contractual matters dealing with athletics, appropriate for discussion in Executive Session. Mr. Lister moved to enter Executive Session and Mr. Allen seconded the motion. The vote was taken and the motion carried.

The following persons were invited to remain: Dr. Pastides, Secretary Heath, Members of the President's Executive Council, Dr. Grant, Mr. Lordo, and Ms. Doran.

#### **Executive Session**

#### **Return to Open Session**

#### VII. Adjournment

There being no other matters to come before the committee, Chairman Whittle declared the meeting adjourned at 12:15 p.m.

Respectfully submitted,

J. Cantey Heath, Jr.  
Secretary