



November 1, 2019

Dr. Belle S. Wheelan  
President  
Southern Association of Colleges and Schools  
Commission on Colleges  
1866 Southern Lane  
Decatur, GA 30033-4097

Dear Dr. Wheelan:

This is in response to your letter dated October 2, 2019, regarding SACSCOC's ongoing review of the University of South Carolina's compliance with SACSCOC Standard 4.2.f (External Influence) in connection with its recent presidential search. The University appreciates the guidance it has received from SACSCOC on this matter and the opportunity to provide additional information for the consideration of the SACSCOC Committee on Compliance and Reports in December.

The Board of Trustees acknowledges that external factors in its recent presidential search process created a perception that it was impacted by undue influence. Such a perception is damaging to the University's reputation and, to the extent it resulted from undue influence, is inconsistent with Standard 4.2.f. As a result, the board recognizes that it must reexamine its existing governance practices. The board is committed to establishing guidelines and procedures that instill public confidence in its activities and that ensure board members fulfill their fiduciary responsibility to protect the institution from attempts by interested parties to unduly influence its independent decision-making. The board has begun this process in earnest and has engaged the Association of Governing Boards of Universities and Colleges (AGB) – a premier consultant group focused on best practices in institutional governance – to assist and guide the institution.

As indicated in SACSCOC's correspondence to and discussions with the University, Governor Henry McMaster's involvement in the presidential search process is the focus of SACSCOC's review of the University's compliance with Standard 4.2.f. Governor McMaster has acknowledged that he contacted board members to express his support for Robert L. Caslen, Jr.'s election as president.

The board has discussed this issue with its AGB consultants and reviewed the "AGB Statement on External Influences on Universities and Colleges," which provides in part:

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Acting as the oversight body of a public trust, boards should always bear in mind the following:

Although boards should respect, encourage and welcome the input of all stakeholders in considering a policy, they must ensure that their decision making processes are free from any undue pressure from external stakeholders – from policy makers (including appointing authorities and regulators), donors, alumni and boosters, corporate sponsors, or political-interest groups/organizations.

Boards have ultimate responsibility to sustain higher education's inherent values – academic freedom, institutional autonomy, and self-regulation – and protect them from those who attempt to leverage influence to affect institutional policy.

Board independence is a basic requisite in meeting fiduciary standards of obedience and loyalty that define a board's legal obligations.

AGB has advised that the University's compliance with Standard 4.2.f is not determined simply by whether the Governor's calls to board members affected the outcome of the presidential election<sup>1</sup>. Compliance requires, in part, a determination of whether the board has in place appropriate educational programs and policies to guide board members on avoiding and preventing undue influence from parties interested in issues of importance to the University.

Working in consultation with AGB, the University will establish best practices and appropriate policies that will:

1. clarify roles and responsibilities of the board and individual board members;
2. improve institutional and system governance;
3. build stronger board governance practices and board leadership; and
4. develop comprehensive orientation and annual education programs for board members.

Since Summer 2019, the AGB consulting team has been engaged in a comprehensive review of key governance documents (board bylaws, policies and procedures), conducted interviews with board members, University administrators and legislators, and attended board meetings to make observations about the functioning of the board. The AGB consulting team will present findings and recommendations at the next Board of Trustees retreat, currently scheduled for January 24 and 25, 2020.

The University is committed to implementing best practices in connection with its governance activities and to ensuring compliance with the SACSCOC *Principles of Accreditation*. The University will use the findings and recommendations from the AGB consulting team, as well as lessons learned through reflection on the SACSCOC review of the University's compliance with Standard 4.2.f, to take appropriate actions such as to:

1. adopt best practices defining the appropriate roles and responsibilities for board members, including elected and *ex officio* members, and members appointed or designated by the Governor;
2. enhance the existing orientation program for new board members with particular emphasis on individual trustee fiduciary responsibilities to the University;

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<sup>1</sup> Note: The University contacted each board member who voted to elect Robert L. Caslen, Jr. as the University's 29<sup>th</sup> president. Each board member advised that he/she supported Mr. Caslen because he/she felt Mr. Caslen was the most qualified candidate for the position, independent of Governor McMaster's expressed support.



3. develop a targeted, focused and mandatory annual training session for all board members that highlights board member's obligations to protect the institution from external influence;
4. strengthen and articulate a clear process of integrity for future presidential searches with the expressed obligation to conduct all searches in accordance with published procedures, regulations and bylaws; and
5. review and modify board bylaws and policies to address areas in which board governance can be strengthened.

The presidential search process has also resulted in much public comment about the political process by which the Board of Trustees is constituted. Pursuant to state law<sup>2</sup>, the board is composed of twenty (20) members, sixteen of whom are elected by the South Carolina General Assembly from each of the sixteen judicial circuits in South Carolina. The Governor (or his designee), the State Superintendent of Education, the President of the Greater University of South Carolina Alumni Association, and an at-large appointee of the Governor fill the remaining four positions on the board. As stated previously, the Governor serves as the *ex officio* chairman of the board at all regular and special meetings of the board in which he is in attendance<sup>3</sup>. A bill to restructure the Board of Trustees was introduced in the South Carolina General Assembly in April 2019. ([Senate Bill 798](#)). The current version of the bill does not change the Governor's role on the board or his authority to appoint a designee and an at-large member. The Senate Education Committee has met two times – on Tuesday, August 20, 2019 and Thursday, October 31, 2019 – to discuss the bill. Representatives from AGB appeared before the Committee on October 31 and testified regarding the composition of governing boards nationally. A copy of the AGB representatives' remarks to the Committee is attached.

As requested, enclosed are five (5) flash drives, each loaded with the University's September 23, 2019 response to SACSCOC and supporting documentation. If you have problems accessing information included on the flash drives, please contact the University of South Carolina SACSCOC Liaison Donald Miles at 803.777.9088. You also can receive assistance by emailing him at [dmiles@mailbox.sc.edu](mailto:dmiles@mailbox.sc.edu).

On behalf of the Board of Trustees, thank you for the opportunity to provide additional information regarding the University's compliance with Standard 4.2.f as well as the steps the University is taking to improve its overall governance practices to ensure compliance with all SACSCOC *Principles of Accreditation*. Please let me know if you have questions or require additional information at this time.

Respectfully,



John C. von Lehe, Jr., Chairman  
Board of Trustees

Enclosures (6)

cc: Members, Board of Trustees  
Robert L. Caslen, Jr., President  
Donald Miles, Director of Institutional Effectiveness and Accreditation

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<sup>2</sup> See Section 59-117-10 and 59-117-20 of the *Code of Laws of South Carolina* (1976), as amended.

<sup>3</sup> See Section 59-117-50 of the *Code of Laws of South Carolina* (1976), as amended.