

**Medical University of South Carolina (MUSC) /Medical University Hospital Authority (MUHA)**  
**Board of Trustees Special Called Meeting**  
**June 26, 2020**  
**Minutes**

The MUSC/MUHA Board of Trustees convened Friday, June 26, 2020, at the Hilton Columbiana Center, in Columbia, South Carolina, with the following members present: Mr. Charles Schulze, Chair; Dr. James Lemon, Vice Chair; Ms. Terri Barnes; Mr. Jim Battle; Dr. Fritz Butehorn; Dr. Guy Castles; Dr. Richard Christian; Ms. Barbara Johnson-Williams; Dr. Murrell Smith; Mr. Michael Stavrinakis; and Mr. Tom Stephenson. Board members excused: Mr. Bill Bingham, Dr. Melvin Brown and Dr. Donald Johnson.

In addition, the following members of MUSC administration were present: Dr. David Cole; Dr. Patrick Cawley; Dr. Ray DuBois; Ms. Annette Drachman; Ms. Lisa Montgomery; Dr. Lisa Saladin; and, Mr. Mark Sweatman.

**Item 1. Call to Order**

There being a quorum present, Chairman Schulze called the meeting to order.

**Item 2. Roll Call.**

Mark Sweatman called the roll and announced the following: "In compliance with the Freedom of Information Act, notice of meetings and agendas were furnished to all news media and persons requesting notification." The date of the next meeting of the MUHA and MUSC Board of Trustees is scheduled for August 14, 2020.

**Item 3. Executive Session.**

Chairman Schulze recognized Mr. Battle who moved that the Board go into closed session to discuss the following items pursuant to sections 30-4-70(a) of the South Carolina Code:

- Discussion of pending contractual matters related to the appointment of a person or persons and educational services, proposed clinical affiliations and expansion of clinical services; and
- Receipt of legal advice related to pending litigation and contracts covered by the attorney/client privilege.

Board Action: The motion was seconded, voted on and unanimously carried. At 8:35 a.m., Chairman Schulze announced the Board would now move into closed session. At 10:40 a.m., the Board returned to open session with no action taken.

**Item 4. MUSC FY2021 Budget.**

Mr. Patrick Wamsley, MUSC CFO, presented the MUSC's proposed FY 2021 operating and capital budgets. The operating budget, with a bottom line of \$685,299 included \$71.8 million of state appropriations, \$107 million of tuition and fees, and \$215 million of grants and contracts revenues. It was noted that appropriations revenues were unchanged from FY 2020 due to the State-mandated Continuing Resolution. Mr. Wamsley separated Health System pass-through dollars from other revenues and expenses so the effect of those dollars could be understood. Salaries and Benefits expenses of \$391 million represented approximately 46% of total expenses. The second largest category of expenses (18%) were Contractual Services in the amount of \$149 million. Prior year fund use of \$9.6 million was explained. Finally, a proposed capital budget slide, representing \$15.1 million of newly proposed spending for FY 2021 was presented and explained.

Board Action: Received as information.

**Item 5. MUSC Health FY2021 Budget.**

Ms. Lisa Goodlett, MUSC Health CFO, covered the FY21 operating and capital budget with highlights of the uncertainty of operating a healthcare system with the COVID-19 pandemic. Key considerations were given to patient level of comfort utilizing services, safety and well-being of care team members through having the right personal protective equipment at escalated prices while resuming normal operations. Compounding the issues is the uncertainty and predictability of federal and state additional funding.

Consolidated MUHA is projected to have operating revenues in excess of \$3.0B with a total margin of \$68,836 M or 2.24%.

The capital requests include \$ 47.0M for strategic investment as well as \$ 52.8 M for routine capital.

Board Action: Received as information.

**Item 6. Certificate of Need Requests**

Dr. Patrick Cawley, CEO, MUSC Health requested the following:

- Approval to submit Certificate of Need (CON) Applications for up to 4 Surgical Robots to be located at MUSC Health – Charleston
- Approval to submit a Certificate of Need (CON) Application for 1 Surgical Robot to be located at MUSC Health – Florence

Board Action: Dr. Smith moved for approval, the motion was seconded, voted on and unanimously carried.

**Item 7. Increase in External Audit Fees for Approval**

Approval of a 15% increase in KPMG’s external audit fees for the Medical University Hospital Authority (MUHA) was requested.

Board Action: Mr. Stephenson moved for approval, the motion was seconded, voted on and unanimously carried.

**MUSC Approval Agenda**

**Item 8. Professor Emerita Appointment**

Approval of the appointment of Darlene L. Shaw, Ph.D., from Professor to Professor Emerita, in the Dept. of Psychiatry and Behavioral Sciences, effective July 1, 2020, was requested.

Board Action: Ms. Johnson-Williams moved for approval, the motion was seconded, voted on and unanimously carried.

**New Business for the MUHA and MUSC Board of Trustees**

**Item 9. New Business for the Board of Trustees**

Chairman Schulze asked if there was any other business that needed to be discussed. There being none, Chairman Schulze adjourned the meeting at 11:35 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark C. Sweatman". The signature is written in a cursive style with a large initial "M" and a long, sweeping tail.

Mark C. Sweatman, Secretary

MCS:js  
Attachments