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June 30, 2009

Dear MUSC Faculty, Staff, Students and Friends:

Today marks the end of the fiscal year for the University and for the hospital. It has been a year of uncertainty and anxiety for all of us, and without question, we feel a certain sense of relief in closing the books on this year. In doing so, however, I want you to know what an amazing job you have done, individually and collectively.

In spite of some of the largest percentage cuts to higher education appropriations in the nation, we will finish this year with positive operating margins in both the University and the hospital. Back in October, when the deepest cuts were sustained, I doubt that many of us thought that it would have been possible to finish with a balanced budget. To be honest, there were many days when it seemed unlikely to me that we would get there. The simple fact of the matter is that you rose to the occasion and demonstrated once again the amazing resolve of the MUSC family.

On the University side, many faculty and staff took furloughs, but still were able to get their work done, often with more limited resources. The research community submitted more grant proposals than in any corresponding period of time, and we are very optimistic that many of these applications will be successful. The National Cancer Institute designation was won this year, and within a few weeks, we hope to hear a final decision on funding for the Clinical and Translational Science Award, which is critical to our future research efforts.

On the hospital side, all of the beds in Ashley River Tower are open, and the demand for our clinical services continues to rise. Our operating room activity, for example, is more than 14% higher than a year ago, despite the effects of the recession. While other hospitals nationally and locally are experiencing declines in volume, we have experienced all-time peaks in recent months.

At a time when private philanthropy to most universities is in decline, we have surpassed last year's record of \$67 million in gifts and pledges. We have almost reached the \$300 million goal of our capital campaign a full two years in advance of the original schedule.

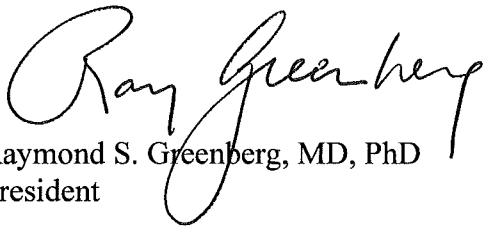
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Donors are supporting us because they believe in the amazing work that you do each and everyday.

As we look to the coming year, we are all aware that the economy is still struggling and that we will continue to face many challenges. The state's Board of Economic Advisors recently revised its revenue projections downward by 2%. We have set aside some contingency funds to cover this anticipated shortfall and we have built in an additional cushion in case the economy weakens further. While we do not have resources to grant cost of living increases on the University side, we hope that these contingency funds will limit the need for any furloughs or layoffs. Our goal is to provide you with as secure an employment environment as possible in the coming year.

I, like most of you, have always taken great pride in what we do here. Yet never before have I felt such a sense of awe and admiration for your commitment to each other and to the people of our State. Well done!

With deepest appreciation and best wishes,

A handwritten signature in cursive script that reads "Ray Greenberg". The signature is written in black ink and is positioned above the printed name and title.

Raymond S. Greenberg, MD, PhD
President