

# MUSC

## Bylaws and Charter of the Board of Trustees

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**BOARD OF TRUSTEES OF THE**  
**MEDICAL UNIVERSITY OF SOUTH CAROLINA**

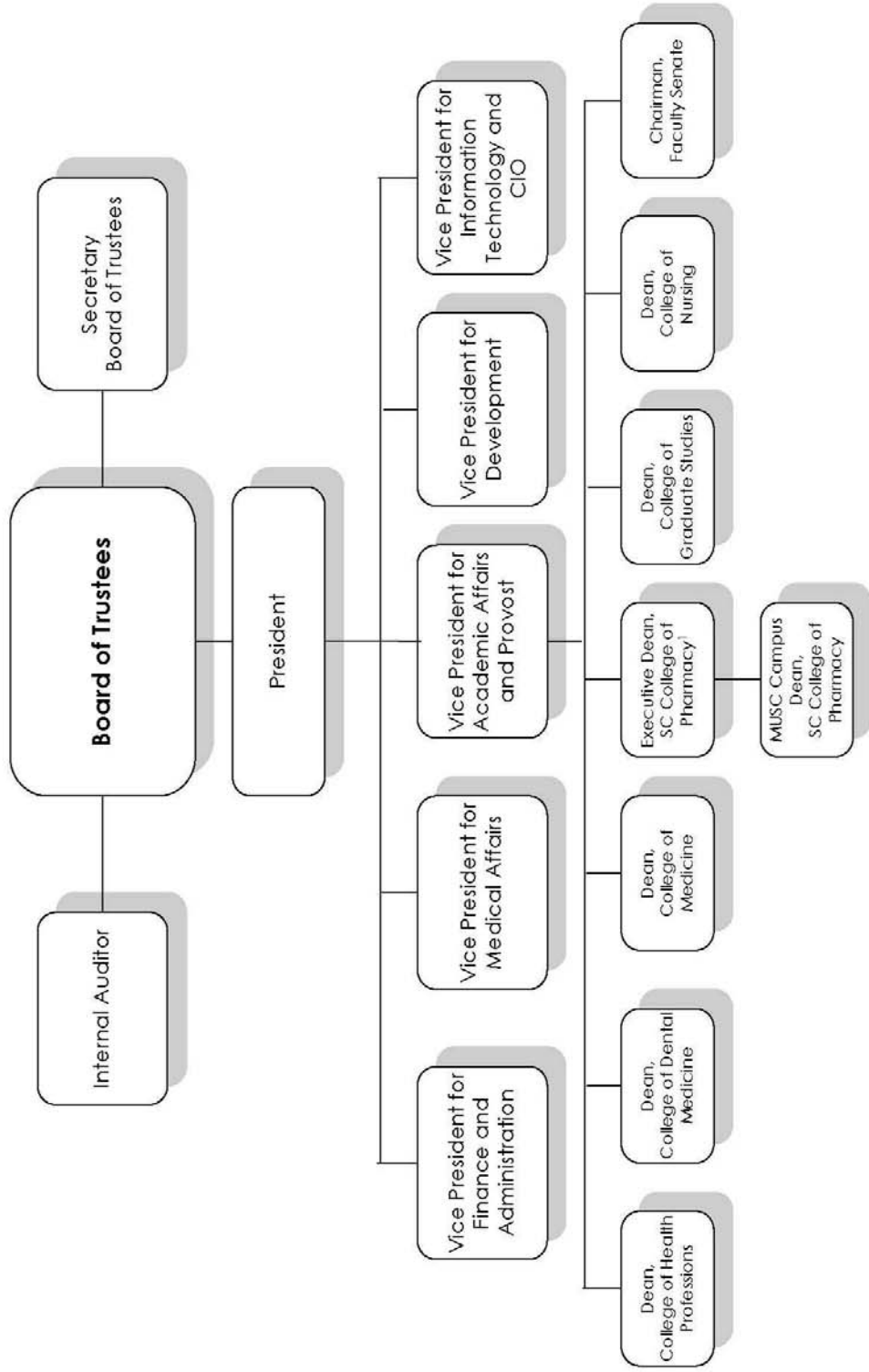
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## FOREWORD

1. The Medical University of South Carolina does not discriminate on the basis of race, color, creed, sex, age, national origin, veteran status, or marital status in the administration of admission policies, educational policies, financial aid, employment, or any other University activity.
2. Since the English language contains no singular pronoun which includes both sexes, wherever a masculine term appears in this document it signifies both genders.
3. The meetings of the Board of Trustees are held in conformance with the Freedom of Information Act as amended, passed by the General Assembly of the State of South Carolina and approved by the Governor on June 12, 1998.

# Medical University of South Carolina Organizational Chart

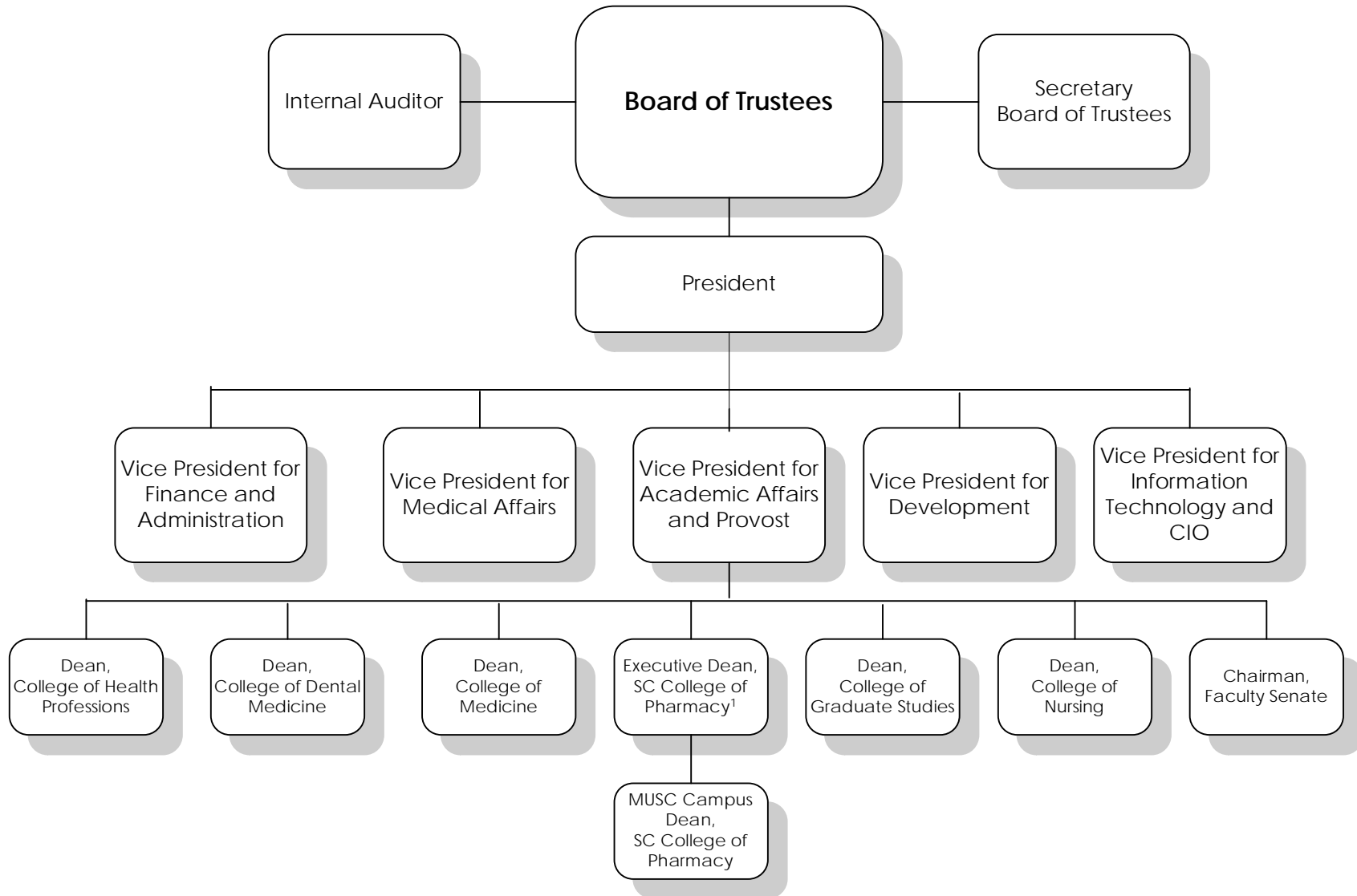
(As referenced in these Bylaws)



<sup>1</sup>This Dean reports jointly to MUSC's Vice President for Academic Affairs and Provost and to USC's Vice President for Health Sciences and Research.

# Medical University of South Carolina Organizational Chart

(As referenced in these Bylaws)



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# BYLAWS OF THE BOARD OF TRUSTEES OF THE MEDICAL UNIVERSITY OF SOUTH CAROLINA

## Section I. Powers and Duties of the Board of Trustees.

(A) The final authority and responsibility for the governance of the Medical University of South Carolina (MUSC), its colleges, the outreach programs, and ancillary functions are vested in the Board of Trustees of the Institution in accordance with the statutes of the State of South Carolina pertaining thereto.

(B) The Board of Trustees, directly or through its authorized committees, shall establish the general policies of the University, shall define its general program of educational activity, shall annually at its August meeting fix and approve the University's application for State appropriations, and shall approve the budget for the next fiscal year.

(C) The Board of Trustees avoids conflict of interest. Any Trustee having a potential or perceived conflict of interest should make a full disclosure of the facts to the Chairman and should refrain from voting on the matter. The minutes of the meeting should reflect that disclosure was made and the member abstained from voting.

(D) The Board of Trustees shall name the principal officers of the University as prescribed in Section V of these Bylaws, but it may delegate to those elected officers the employment of subordinate officers and employees.

(E) The Board of Trustees shall confer appropriate degrees in medicine, dental medicine, pharmacy, nursing, health professions, and graduate studies in related health fields. These degrees shall be conferred upon students and such other persons as the Board of Trustees deems qualified to receive them.

(F) The Board of Trustees may confer honorary degrees to individuals deemed appropriate and worthy by a majority vote of the Board.

(G) The Board of Trustees shall review these Bylaws at least every two (2) years, adopting amendments as needed.

## Section II. Meetings of the Board of Trustees.

(A) **Regular Meetings.** Regular meetings of the Board of Trustees shall be held on the second Friday of February, April, August, October, and December and on the day before the Commencement Exercises, provided that the place and/or time of any regular meeting may be changed by the Chairman of the Board of Trustees.

**(B) Special Meetings.**

(1) Special meetings of the Board of Trustees may be called at the will of the Chairman.

(2) Upon the written request of three or more members, the Chairman shall call a special meeting of the Board. At least seven (7) days' written notice of any such meeting shall be given to the members of the Board of Trustees.

**(C) Agenda.** Prior to each regular meeting of the Board of Trustees and with the notice of any special meeting, the Secretary of the Board shall include a proposed Agenda and pertinent information for the meeting.

**(D) Quorum.** A majority of the elected and ex-officio voting Trustees shall constitute a quorum.

**(E) Order of Business.** The order of business for all meetings of the Board of Trustees shall be as follows:

(1) Roll call.

(2) Corrections and approval of all minutes of regular and special Board and Committee meetings not previously approved.

(3) Reports and recommendations of the President of the University, who may at his discretion call upon other officials of the University for reports on their areas of authority.

(4) Reports of standing committees.

(5) Reports of special committees.

(6) Old business.

(7) New business.

**(F) Rules of Order.** Except as charged by specific rules and regulations of the Board of Trustees, the current edition of *Robert's Rules of Order* shall constitute the rules of parliamentary procedure applicable to all meetings of the Board and its several Committees.

### **Section III. Officers of the Board of Trustees.**

**(A) Ex-Officio Chairman.** The Governor of the State of South Carolina is the voting ex-officio Chairman of the Board of Trustees and he shall preside at those meetings of the Board which he attends. The Governor's designee will vote for the Governor in his absence.

(B) **Chairman.** Biennially (every even-numbered year), at its August meeting, by a majority vote of the Trustees, taken by secret ballot, the Board of Trustees shall elect from its membership a Chairman to serve for a term of two years or until his successor is elected. Trustees must be present to vote. Votes shall not be cast by proxy, telephone, facsimile, electronic mail, or by any other communication device. Should the office of Chairman of the Board become vacant or should the Chairman suffer disability that obviously would be of an extended duration, a special election shall be held for a new Chairman. Such election shall take place at the second Board meeting within four months following such an eventuality. No Chairman shall be eligible to succeed himself after he has served two consecutive terms as the Chairman of the Board. The Chairman shall:

- (1) Preside at all meetings at which the ex-officio Chairman does not preside,
- (2) Appoint all board committees not otherwise provided for,
- (3) Be an ex-officio member of all standing committees of the board,
- (4) Execute all legal documents and instruments on behalf of the Board, and
- (5) Represent the Board in making its budget requests to the General Assembly of the State.

The Chairman of the Board shall be the official spokesman of the Board.

(C) **Vice Chairman.** At the same time, by a like method and for a like term of office as the Chairman, the Board of Trustees shall elect from its membership a Vice Chairman to perform the duties of the Chairman in his absence, disability, or unavailability.

(D) **Secretary.**

(1) A Secretary of the Board of Trustees shall be elected by a majority of the Board to serve at the will of the Board. The vote will be taken by secret ballot. Trustees must be present to vote. Votes shall not be cast by proxy, telephone, facsimile, electronic mail, or by any other communication device. The Secretary need not be a member of the Board and may be an officer or employee of the University in another capacity. The Secretary shall also serve as Secretary of all committees of the Board.

(2) Duties. It is the duty of the Secretary to arrange for all Board meetings and to act as Secretary to all Board committees, to keep records and minutes of Board actions, to review the bylaws of the Board every two (2) years, and to complement the links with the President. In this role, the Secretary's primary responsibility is to the Board members.

## **SPECIFICALLY, THE SECRETARY WILL:**

- (a) Prepare agenda, place requests in proper format for Board meetings and Board action, record minutes of all meetings, and mail notices and other information to Trustees;
- (b) Assist the Board in reviewing the bylaws of the Board every two (2) years. Upon completion of the review by the Board, incorporate all adopted amendments, and submit changes to other parts of the bylaws which are reasonably implied by the adopted amendments;
- (c) Obtain necessary legal opinions pertaining to the Board of Trustees as an entity and to individual members in their official capacities;
- (d) Receive all direct correspondence, reports, telephone calls, etc., for the Board. Formulate proposed actions and communicate results to the Chairman and Board members;
- (e) Relay to the President requests received by Board members from constituents;
- (f) Make all arrangements for meetings of the Board of Trustees and committees, make travel accommodations and meal arrangements, including social functions when appropriate;
- (g) Keep all records of Board actions taken via mail or telephone between meetings;
- (h) Administer the Board of Trustees budget covering annual supplies, printing, binding, travel, subsistence, per diem;
- (i) Take care of routine correspondence on behalf of the Chairman and Board members;
- (j) Provide copies of minutes of Board of Trustees meetings to members and other addressees as appropriate;
- (k) Arrange for screening of the General Assembly's daily calendars and journals, proposed legislation, relevant newspapers, and other information sources. Report pertinent information to the Board and to the President;
- (l) Keep a log of term of office and appropriate filing duties and procedures for Trustee members;
- (m) Insure compliance with the requirements of the South Carolina

Freedom of Information Act as it pertains to Board meetings and records;  
and

(n) The Board of Trustees shall fill certain seats on affiliate boards, as specified by the affiliates' Bylaws. As such positions come available, all Board members will be made aware of the open seat prior to the Board electing an individual to fill the seat. Where two or more seats are available on an affiliate board, consideration shall be given to filling the slots with one professional and one lay person from the Board of Trustees.

**(E) Internal Auditor.**

(1) The Internal Auditor shall be elected by a majority of the Board of Trustees to serve at the will of the Board. The vote will be taken by secret ballot. Trustees must be present to vote. Votes shall not be cast by proxy, telephone, facsimile, electronic mail, or by any other communication device. The Board directs that the Internal Auditor's position and its support staff shall report and be accountable directly to the Board of Trustees of the Medical University of South Carolina. It is further directed that the Board of Trustees for the Medical University of South Carolina shall be responsible for managing the Internal Auditor's tenure and for setting the financial budget for the Internal Audit Department, including salaries, operational expenses, and support costs.

(2) Duties. The Internal Auditor is responsible for managing a professional Internal Audit Department to provide analyses, appraisals, recommendations, counsel, and information concerning the activities reviewed to management, and ultimately to the Board of Trustees.

(3) The Internal Auditor is also responsible for providing the Board of Trustees with information about the adequacy and effectiveness of the organization's system of internal control and the quality of performance.

(4) The Internal Auditor will assist the Audit Committee of the Board of Trustees in carrying out their duties as stated in Section IV(D)(5) of these Bylaws.

(5) The Internal Auditor will assist the Audit Committee in the selection, oversight, and evaluation of the External Auditor.

**(F) Trustees Emeriti.** The MUSC Board of Trustees may recognize a former trustee for loyal, dedicated and significant service to the University. Trustee Emeritus status will be granted when a former Board member is nominated in writing by a current Board member and elected by a two-thirds majority vote. To be eligible, the former Board member must have served at least eight (8) consecutive years or have been awarded an honorary degree by the Medical University of South Carolina.

Trustees Emeriti will be elected for life. Trustees Emeriti will be non-voting, ex-officio

members who are not reimbursed from appropriated funds. These Board members will be invited to all Board functions and events and will provide support for the University as knowledgeable friends and ambassadors.

#### **Section IV. Committees of the Board.**

(A) **Standing Committees.** In addition to such special committees as from time to time may be appointed or elected by the Board of Trustees, there shall be the following standing committees:

- (1) Education, Faculty and Student Affairs
- (2) Research and Institutional Advancement
- (3) Finance and Administration
- (4) Physical Facilities
- (5) Audit

(B) **Organization and Terms of Office.** All standing committee assignments shall be made by the Chairman of the Board of Trustees from the membership of the Board within 30 days following the August meeting each even numbered year. Their terms of service shall be for two (2) years. Each standing committee shall be composed of a minimum of three (3) members. Each standing committee shall elect its own chairman from its members by a majority vote taken by secret ballot at the first committee meeting following the August meeting of the Board at which a Board Chairman is elected, excluding special elections, or at the first regular meeting of a new standing committee. Board members may only serve as Chairman of more than one standing committee of the University or the Medical University Hospital Authority Boards when the same committee (e.g., Physical Facilities, Audit) serves both entities.

(C) **Quorum.** A majority of the membership of any standing committee shall constitute a quorum.

(D) **Powers and Duties of Standing Committees.** The standing committees shall have the following powers and duties:

(1) **Education, Faculty and Student Affairs Committee:**

(a) The Education, Faculty and Student Affairs Committee shall concern itself with the formation of policy regarding matters affecting the quality, character, extent and relative standards in instruction and research.

(b) Also, the Committee shall concern itself with the formation of policy affecting student life, welfare, and morale.

(c) The Committee shall concern itself with the faculty organization, quality, effectiveness, welfare, and morale.

(d) The Committee shall create, with approval of the Board, multi-specialty group practice plan(s) whose membership shall be comprised of qualifying faculty and employees of the University. These practice plan(s) will develop administrative board(s) and bylaws for approval by the MUSC Board of Trustees. Thus, the faculty of the Medical University who are involved with practice plans may have two contracts: (1) one with the Medical University for teaching/research (state salary) and (2) one with the appropriate practice plan (non-state salary).

(e) The Education, Faculty and Student Affairs Committee will make appropriate and timely reports and recommendations to the Board of Trustees which, upon approval by the Board of Trustees, these shall become established policy of the Board.

(f) The Committee, whenever needed, shall make available to the Board reports and recommendations regarding grants and scholarships from trust funds and endowments. Upon approval by the Board of Trustees, these recommendations shall become established policy. The Committee shall also report to the Board the recipients of such grants and scholarships.

(g) The Committee shall report any and all financial details in regard to its areas of concern.

**(2) Research and Institutional Advancement Committee:**

(a) The Research and Institutional Advancement Committee shall concern itself with the development, promotion, and stimulation of research efforts of the University and the development, promotion, execution, and management of the institutional advancement programs of the University.

(b) The Committee shall make reports and recommendations to the Board of Trustees on institutional advancement, research advancement, animal care, and the establishment and maintenance of research facilities.

(c) This Committee will recommend and seek Board approval for necessary changes to academic facilities as determined by the academic community within the University. The Committee will recommend to the Physical Facilities Committee any changes, deletions or additions to the physical plant for their consideration.

(d) The Committee shall study and report to the Board of Trustees on future

opportunities for academic development. This Committee shall be directly and specifically interested in fundraising, both in the private and public sectors, in order to provide future revenues for academic and operational needs of the University.

(e) This Committee shall be concerned with external affairs matters including, but not limited to governmental relations, both state and federal, and the University's efforts in industrial recruitment.

(f) This Committee shall concern itself with the identification, cultivation, solicitation, and stewardship of leadership philanthropy to ensure the maximization of private investment in the University's academic, research, and clinical care programs.

(g) This Committee shall recommend to the Board of Trustees appropriate policies and/or programs required to achieve these objectives and shall report to the Board on the implementation, performance, and progress in these areas.

(h) In addition, this Committee shall report to the Board on all financial matters in its areas of concern.

(i) The Research and Institutional Advancement Committee will make appropriate and timely reports and recommendations to the Board of Trustees which upon approval by the Board of Trustees, shall become established policy of the Board.

**(3) Finance and Administration Committee:**

(a) The Finance and Administration Committee shall concern itself with the broad financial overview of the University, as well as with the operation, routine care, and maintenance of the existing physical facilities of the University. Specific financial details will be provided in the other respective standing committees of the Board of Trustees.

(b) The Committee shall especially concern itself with such matters as procurement, accounting, budgeting, and information systems.

(c) The Committee will concern itself with the financial and fiscal policies and procedures of the University.

(d) The annual requests for appropriation and the proposed annual budgets shall be prepared by the appropriate University officers for review by the Committee.

(e) The Committee shall concern itself with personnel policies and

personnel administrative programs to achieve satisfactory quality, productivity, and morale of personnel of the University.

(f) This Committee will assist the Audit Committee in setting the appropriate tone in communicating the importance of internal control and directing management to establish appropriate internal controls.

(g) The Committee will make appropriate and timely reports and recommendations to the Board of Trustees which, upon approval by the Board of Trustees, shall become established policy of the Board.

**(4) Physical Facilities Committee:**

(a) The Physical Facilities Committee shall concern itself with the real property and improvements thereto of the Medical University of South Carolina and its affiliates. It shall be responsible for prioritizing and implementing all development plans for University properties and their improvements. It shall solicit, evaluate, and select suggestions and proposals from administration, consultants, and other professionals relating to the development and capital improvements of the physical facilities and make recommendations to the Board of Trustees. This Committee will only be concerned with capital projects exceeding cost limits specified in approved Board policies. This Committee shall assume full responsibility of the MUSC Facility Plan, to include, but not limited to, 1) selecting architects, engineers, and other related professionals, 2) prioritizing all requests for facilities, 3) conducting feasibility studies, and 4) reviewing major renovations required for the installation of equipment.

(b) To help carry out the duties of the Physical Facilities Committee, the Committee Chairman can appoint one member of the Physical Facilities Committee and two members of the Board of Trustees at large as a separate project committee for each major building project for architect/engineer and related construction professionals selections. There may be multiple project committees with different Trustees functioning concurrently for different projects. A project committee is an active part of the Physical Facilities Committee and serves at the supervision, control, and direction of the Physical Facilities Committee. The Physical Facilities Committee Chair shall take into account any expertise or experience of Board members and of their willingness to serve on a committee for a specific project.

(c) The Committee shall be familiar with and report preliminary details of costs associated with various developments and improvements of physical facilities to the Board of Trustees.

(d) The Committee shall be charged with the responsibility of all Board matters relating to the physical properties of the University; the design and location of

new buildings, master planning, improvements or remodeling of buildings, and all other matters having to do with the preservation of the University's physical facilities. It shall report to the Board of Trustees with its recommendations thereon and on all contracts relating to new construction, capital improvements, and major repairs/renovations to existing buildings and grounds.

(e) This Committee will establish a formal mechanism decreeing the time and appropriate ceremony to formally accept any completed project.

(f) At each Board meeting, the Vice President for Finance and Administration or his designee (i.e., the Director of Physical Plant) will update the Physical Facilities Committee on: 1) construction progress, 2) budgetary increases on construction/facility improvements, and 3) all change orders to date.

(g) Once the Physical Facilities Committee accepts and prioritizes capital project(s) for development, the project(s) will be forwarded to the Finance and Administration Committee of the Board of Trustees for funding consideration. The Finance and Administration Committee will have the responsibility of seeking appropriate funding in consideration of the University's budgetary status, bonding requirements, and other financial requirements or restrictions of the University. In accordance with approved Board policies, the Finance and Administration Committee will make recommendations for approval of expenditures to the full Board.

**(5) Audit Committee:**

(a) The Audit Committee shall concern itself with assisting the Board of Trustees in discharging its fiduciary and stewardship obligations relative to the reliability and integrity of 1) systems of internal control, 2) accounting practices, 3) annual reporting, 4) internal and external audit processes, 5) management of business exposures and 6) compliance with legal, regulatory, and ethical requirements.

(b) The Committee will provide an open avenue of communication among the internal and external auditors, management, and the Board. The full Board will continue to have complete access to management and the Internal Audit department and may continue to request the Internal Audit department to review areas of concern to them.

(c) The role of this Committee is oversight. It is not the duty of the Committee to prepare financial statements or to conduct audits to independently verify management's representations or to determine that the financial statements are complete and fairly present the financial condition of MUSC and its affiliates. These are the responsibilities of management and the external auditors.

(d) The Audit Committee has the full authority to review/investigate any matter or activity within the scope of its responsibilities. It shall have direct access to management, Internal Audit, Legal Counsel and any other members of or resources within MUSC and its affiliated organizations. All employees shall be directed to cooperate as requested by members of the Committee. The Committee shall also have the resources and authority to retain special legal, accounting, or other experts it deems necessary in the performance of its responsibilities.

(e) In accordance with Section IV(B) of these bylaws, the Chairman of the Board shall appoint the Audit Committee members, all of whom shall be Trustees, and the Committee members will elect one individual to serve as Committee Chairman. Each member of the Committee, including the Chairman, shall be independent and by reason of education or experience possess such degree of financial literacy as required to oversee the performance of the internal and external auditors, review MUSC's financial statements, and otherwise faithfully execute the role of the Audit Committee set forth in the bylaws. At least one member of the Committee should have appropriate experience with internal controls, an understanding of applicable accounting principals, the application of such principals in preparing or auditing financial statements, and an understanding of audit committee functions.

(f) Members of the Committee shall uphold their duty of care by attending and participating in meetings, strengthening his or her understanding of the institution and its operations, maintaining professional skepticism, addressing appropriate subjects, gathering adequate facts, making reasonable and prudent inquiries before making a decision, and seeking outside counsel when necessary.

(g) The Audit Committee shall meet at least two times per year. Internal Audit will coordinate the Committee's agenda in consultation with the Committee Chair. All Board members are encouraged to attend and participate in the Audit Committee meeting.

(h) This Committee will set the appropriate tone in communicating the importance of internal control and direct management to establish appropriate internal controls.

**(i) With respect to accounting and financial matters, this Committee shall:**

(i) Review with management, Internal Audit, and any outside professionals as the Committee considers appropriate items such as important trends, professional developments, or emerging issues relative to accounting and financial reporting practices and requirements and their effect on the financial statements.

(ii) Review reports and disclosures of internal and affiliated party transactions and operations.

(iii) Review the Comprehensive Annual Financial Report (CAFR) before its release and consider whether the information is adequate and consistent with members' knowledge about MUSC and its affiliates' operations. Internal Audit may perform this duty on behalf of the Committee when directed by a majority vote of the Committee. This review does not relieve management of its duties with regard to preparing the financial statements and supplemental information presented in the Report such that the Report completely and fairly presents the financial condition and operations of MUSC and its affiliates.

(iv) Be satisfied that regulatory compliance matters have been considered in the preparation of the financial statements.

**(j) With respect to internal control, this Committee shall:**

(i) Review and assess the internal practices for determining and managing the following key exposure areas as part of the control environment: 1) non-compliance with laws, regulations, standards and best practice guidelines; 2) important judgments and accounting estimates; 3) unusual transactions; 4) litigation and claims; 5) fraud and theft; and 6) other relevant business threats.

(ii) Review with management, Internal Audit and the external auditor the quality, adequacy and effectiveness of internal controls and the control environment regarding 1) all significant deficiencies and material weaknesses in the design or operation of internal control and 2) any significant changes to internal controls over financial reporting, including corrective actions, since the last report to the Committee.

**(k) With respect to Internal Audit, this Committee shall:**

(i) Review Internal Audit staffing needs and budget requirements to ensure appropriate structure and capability to effectively carry out responsibilities.

(ii) Oversee the scope of Internal Audit services and have access to the internal audit function without management presence.

(iii) Consult and concur with the Board, who will continue to have ultimate responsibility, in the appointment, compensation,

evaluation, replacement, reassignment, or dismissal of the Chief Audit Executive.

(iv) Review Internal Audit's annual risk assessment and audit plan, including any subsequent significant modifications to the audit plan, such as special requests by the Board or management.

(v) Provide an effective reporting line and maintain the independence and objectivity of the internal audit function.

(vi) Ensure that Internal Audit has the right to seek information and explanations from MUSC and its affiliated organizations. No unjustified restrictions or limitations shall be placed on Internal Audit, which shall have all necessary access to management and all employees and records of MUSC and its affiliated organizations.

(vii) Meet with Internal Audit at each meeting of the Audit Committee to discuss any necessary matters, to provide a forum for private comments including discussion of any restrictions on audit scope or access to required information, resources, or personnel and to communicate the Committee's expectations.

(viii) Review and consider the implications of all significant comments and suggestions noted by Internal Audit in its reports.

(ix) Evaluate management's responsiveness to Internal Audit's comments and suggestions to ensure that significant comments and suggestions are received, discussed and acted upon in an appropriate and timely manner.

(x) Work with Internal Audit to offer assistance in matters where the department has requested such advice.

(xi) Internal Audit shall act as the premier resource to aid the Committee in its oversight duties, as Internal Audit is independent, is on-site at all times, has significant experience with accounting practices and internal control, and has in-depth knowledge of the institution.

(xii) Internal Audit is accountable to the Board and shall report to the Board. Internal Audit shall also work with the Audit Committee and meet with and make reports to the Committee as required.

**(I) With respect to the external auditor, this Committee shall:**

(i) Be responsible for appointing, terminating, compensating, and overseeing the performance of the external auditor. The Committee will decide on the appointment process to include identifying and prioritizing selection criteria. Internal Audit will provide assistance in fulfilling this responsibility.

(ii) Review and pre-approve, as appropriate, any engagement of an external audit firm for audit, audit-related and non-audit services. Before approving non-audit services, review the related scope and fees, and consider how the performance of such services may affect the external auditor's independence, seeking Internal Audit's advice when necessary.

(iii) Review and confirm the external auditor's assertion of independence in accordance with professional standards.

(iv) Meet with the external auditor in an entrance conference, coordinated by Internal Audit, to review the audit plan for the annual financial statement audit before work begins. Discuss audit scope and general audit approach, staffing needs, locations, the reliance upon management, and the impact of rotation requirements and other independence rules.

(v) Meet with the external auditor in an exit conference, coordinated by Internal Audit, to examine and discuss audit results and consider the implications of external audit findings. The Committee should meet with the external auditor without management present to discuss the audit outcomes.

(vi) Meet annually with the external auditors of each of the affiliated organizations in a joint conference for the purposes of coordinating audit effort, deadlines, the transfer of information, etc. Internal Audit may perform this duty on behalf of the Committee as directed by the Committee.

(vii) Attend the entrance and exit conferences with, and have direct access to, the external auditors of each of MUSC's affiliated organizations. Further, the affiliated organizations and their auditors shall share their audit results (financial statements, audit findings, etc.) with the Committee. Internal Audit may perform this duty on behalf of the Committee as directed by the Committee.

(viii) Monitor and examine management's response to the external auditor's findings and recommendations to ensure that significant

findings and recommendations are received, discussed and acted upon in an appropriate and timely manner, seeking Internal Audit's assistance when necessary.

(ix) Examine all representation letters signed by management and ensure all information provided is complete and appropriate.

(x) Review with the external auditors any booked or waived audit adjustments and any audit problems or difficulties encountered in the course of the audit work, including any restrictions on the scope of external audit activities or on access to requested information, and any significant disagreements with management, as well as management's response thereto.

(xi) Evaluate, at least annually, the external auditor's experience, qualifications, rotation requirements and performance. This review will include an evaluation of the lead partner of the external audit firm and shall take into account the opinions of management and Internal Audit. The Committee shall present its conclusions with respect to the external auditor to the full Board.

(xii) Establish hiring policies with respect to employees or former employees of the external auditor.

(xiii) The external auditor is ultimately accountable to the Board and shall report directly to the Audit Committee.

**(m) With respect to reporting, this Committee shall:**

(i) Conduct in the manner the Committee deems appropriate, a self-evaluation, comparing performance with the requirements set forth in the bylaws in order to increase the effectiveness of the Committee as a whole.

(ii) Review the bylaws governing the Committee biennially in conjunction with the self-evaluation to determine the adequacy of the bylaws for current circumstances and recommend to the Board the formal adoption of any revisions for future operations of the Committee.

(iii) Request, if necessary, that any employees, members of management, Internal Audit, Legal Counsel, or outside firms attend Committee meetings and provide pertinent information or meet with any of the Committee's members or consultants.

(iv) On a regular basis, report to the Board significant matters covered at each Audit Committee meeting.

**(n) With respect to compliance, this Committee shall:**

(i) Receive annual reports for all entities regarding compliance.

(ii) Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) on any fraudulent acts or other irregularities.

(iii) Receive reports on and monitor responses to complaints received by the institution or confidential anonymous submissions by employees (via the hotline or other avenues) regarding accounting, internal controls, general ethical conduct, fraud, inefficiencies, or unlawful activity. Review procedures for the receipt, retention and treatment of such information.

(iv) Review, as needed or requested, the results of the various audits or investigations performed by all areas that perform oversight or review functions.

**(o) With respect to other matters, this Committee shall:**

(i) Review and discuss with Legal Counsel significant legal, environmental, and regulatory issues.

(ii) Receive and review all outside audits, including the findings of any significant examinations by regulatory agencies or the results of significant consulting engagements not reported to another standing committee.

(iii) Advise the Board on appropriate ethical standards for the management of the organization.

(iv) Ensure the internal and external auditors keep the Committee informed about fraud, illegal or unethical acts, deficiencies in internal control, and other audit-related matters.

(v) Review as requested property and casualty insurance coverage including coverage of clinical and environmental risks. Consider the claims to which the organization may be liable in the conduct of its activities, the potential losses associated with such liability, and the manner in which protection is afforded through either purchased or self-insured programs, or a combination thereof.

(vi) Perform any other oversight functions as requested by the Board or deemed necessary in accordance with the bylaws.

## **Section V. The Officers and Administration of the University.**

(A) **The President.** The Chief Executive Officer of the University shall be its President who shall be elected by the Board of Trustees to serve at the will of the Board at a rate of remuneration specified by the Board. The President will be elected by a majority vote of the Trustees, taken by secret ballot. Trustees must be present to vote. Votes shall not be cast by proxy, telephone, facsimile, electronic mail, or by any other communication device.

(1) The President shall have and exercise full executive powers over the University and its related operations within the framework of the policies established by the Board of Trustees.

(2) More specifically, the President shall be charged with the organization of the administrative and professional personnel of the University and the method of selecting personnel, subject only to the limitations imposed by these bylaws, South Carolina laws, and applicable State policies and procedures. He shall be the medium of formal communication between the Board of Trustees and the faculty and administrative organization of the University and also the official spokesman of the University except as to matters within the special province of the Board of Trustees, in which realm the Chairman of the Board of Trustees shall be the official spokesman. The President, with his appropriate executive officers and the appropriate committees, shall prepare or receive and forward all requisite reports, budgets, and presentations to public agencies and to the Board of Trustees of the University.

(3) The President shall present to the Board of Trustees an organizational chart showing divisions, departments, and lines of reporting and command in the instructional and administrative organization of the University. After approval of such organizational chart, any changes shall be made only after the proposed change has been approved by the Board.

(B) **Other Executive Officers.** By and with the advice of the President and/or appropriate standing committee, the Board of Trustees shall elect and approve the total compensation packages and subsequent changes thereto of the following additional executive officers. Other executive officers will be elected by a majority vote of the Trustees, taken by secret ballot. Trustees must be present to vote. Votes shall not be cast by proxy, telephone, facsimile, electronic mail, or by any other communication device.

(1) **Vice President for Academic Affairs and Provost.** This officer is administratively responsible to the President for all academic matters. In the absence of the

President of the University, he shall act as the Chief Executive Officer. The Vice President for Academic Affairs and Provost is responsible for the coordination of planning for education and research and shall formulate plans to implement policy approved by the President and the Board of Trustees. The deans of all colleges and the directors of the academic support units shall report to and through this officer to the President of the University. Associated duties include responsibilities for overseeing the educational and clinical activities of the MUSC affiliates (those organizations that are included as component units in MUSC's financial statements), except University Medical Associates (UMA), the Medical University Hospital Authority (MUHA), and the Health Sciences Foundation (HSF), including purview over the organizations as they relate to the total program of the Medical University. The Chief Executive Officers of the MUSC affiliates, except UMA, MUHA, and HSF will report to the Vice President for Academic Affairs.

(2) **Vice President for Finance and Administration.** This officer is administratively responsible to the President for financial and administrative matters. He shall have immediate oversight of all general and financial operations of the University and responsibility for the physical facilities of the University. All financial and administrative support services of the University shall report to and through him to the President of the University. This officer shall be the financial advisor to the President and the Board of Trustees and serve as Treasurer of the University.

(3) **Vice President for Medical Affairs.** The position of Vice President for Medical Affairs may be held jointly with the position of Dean of the College of Medicine. As Vice President, this officer shall report to the President for all clinical matters involving the faculty as they relate to UMA. Associated duties as Vice President for Medical Affairs include responsibility for the activities of the University Medical Associates (UMA) including purview over the organization as it relates to the total program of the Medical University. The Chief Executive Officer of the UMA reports to the Vice President for Medical Affairs. Also, the Vice President for Medical Affairs in collaboration with the Vice President for Operations and Executive Director of the Medical Center, will recommend a candidate(s) for the position of Medical Director of the Medical University Hospital Authority to the President for approval. As Dean, he reports to the Vice President for Academic Affairs and Provost for all academic matters, both educational and research.

(4) **Vice President for Development.** This officer is administratively responsible to the President and has immediate oversight in the procurement of private funds for the development of the University's projected and long-range plans. This officer shall have the responsibility for the Office of Development, the Office of Alumni Affairs, and the Health Sciences Foundation, of which he may serve as vice president. This officer is also responsible for the management of the University's Board of Visitors.

(5) **Vice President for Information Technology and Chief Information Officer.** This officer is administratively responsible to the President for information technology

(IT) matters. He shall oversee the effective management, facilitation, and coordination of the use of Information Management activities and services in support of the institution's mission. Under his direction, the Office of the CIO shall coordinate and oversee all IT activities and services across the MUSC enterprise; manage all IT vendors and contractors; effectuate IT standardization and consistency; manage all IT contracts; manage all IT projects; develop an IT strategic plan; in conjunction with MUSC leadership, conduct a value review of IT outsourcing; in conjunction with MUSC leadership, refine MUSC IT Governance; promote workflow improvement and process redesign; and serve as the MUSC web authority.

## **Section VI. The Faculty.**

(A) **Employment.** The President of the University is responsible to the Board of Trustees for the qualitative and quantitative performance of the faculty. Therefore, the President is vested with the power to select the membership of the faculty. He shall appoint the instructional staff of the University. Upon recommendation of the President, the Board of Trustees shall appoint the following:

- (1) Deans
- (2) Associate Professor (regular, adjunct, or clinical)
- (3) Professor (regular, adjunct, or clinical)
- (4) Any faculty position to tenured rank.

(B) **Organization of the Faculty.** All members of the instructional staff of the University shall be embraced in one or more organizations within the University faculty. This will allow the Administration and the Board of Trustees to have the benefit of the aid and advice of the faculty in those matters which are the special concern of the faculty. Such matters include curricula, leaves of absence, sabbatical leaves, termination of employment, and academic matters of concern to both faculty and students. It will also facilitate communication and understanding among the faculty, the administration, and the Board of Trustees.

The Faculty Senate of the Medical University acts as the sole representative body for organizing and executing the business of the faculty submitted to it by members of the faculty, the administration, or the Senate itself. The Senate advises the administration and the faculty in matters pertaining to the faculty.

(C) **Faculty Privileges and Immunities.** The rules, regulations, conditions, and definitions of such matters of faculty concern as tenure, leaves of absence, outside practice, conflict of interest, and the presentation of grievances shall be clearly set forth by the Board and established as policies of the University. These policies and procedures are documented in the Faculty Handbook, which is made available to all members of the faculty and others concerned. The Faculty Handbook is subject to periodic revision, with changes reviewed and approved by the Board of Trustees, upon the recommendation of the Faculty Senate and the Administration.

The South Carolina College of Pharmacy will have a separate Faculty Handbook which will be created by the administration and faculty of the College subject to approval by the Board of Trustees of the Medical University of South Carolina and the University of South Carolina. Once created and approved, this handbook will pertain to all faculty of the South Carolina College of Pharmacy. The faculty of the MUSC College of Pharmacy will abide by the MUSC Faculty Handbook until the Faculty Handbook for the South Carolina College of Pharmacy is created and appropriately approved.

## **Section VII. Appeals to the Board.**

(A) **Faculty.** The right of appeal to the Board of Trustees by any member of the faculty or the administration is a right recognized by the Board and shall be exercised in accordance with the respective grievance procedures for the faculty as approved by the Board of Trustees.

(B) **Administrative Personnel.** With respect to administrative personnel, the Board of Trustees, in its sole discretion, may grant a review of any adverse administrative action. However, if this review is granted, the Board shall not be required to conduct a hearing or hear arguments but shall review the record of any proceedings.

## **Section VIII. Board of Visitors.**

### **(A) Membership.**

(1) The members of the Board of Visitors shall be elected by vote of the Board of Trustees upon nominations made by members of the Board of Trustees to the President of the Medical University of South Carolina.

(2) Nominations for membership on the Board of Visitors shall be made as follows:

(a) The two (2) members of the Board of Trustees from each of the six (6) Congressional Districts shall each make two (2) nominations which may be from the state or outside the state. The voting ex-officio member (or his designee) and the at-large trustee may nominate from the state or outside the state.

(b) The voting ex-officio member (or his designee) and the at-large trustee of the Board shall each submit two (2) nominations. Members Emeriti may also submit one (1) nomination each.

(c) All nominations shall be sent to the President of the Medical University four (4) weeks prior to each December meeting of the Board of Trustees.

(3) Terms of appointment shall be two (2) years with appointments made biennially (once every two (2) years). Any vacancy that may occur from time to time shall be filled by the Board of Trustees.

(B) **Duties.** The Board of Visitors shall be oriented as to the purposes, goals and objectives of the Medical University. They shall, through the orientation process, become familiar with the University's assets, capabilities, services, desires, and needs. They shall be encouraged to assist actively in obtaining support morally, fiscally, and politically to accomplish the University's purposes, goals and objectives. Other specific duties may be assigned from time to time as the Board of Trustees may direct.

(C) The Board of Visitors shall be advisory in nature and will be considered an extension of the development efforts of the University.

(D) **Expenses.** Reimbursement for transportation, parking, and room and board, all within the limits allowed by the State, may be requested by and paid to each Board of Visitors member for each official trip.

## **Section IX. Amendment.**

These bylaws may be amended at any regular meeting of the Board of Trustees by a favorable vote of at least two-thirds of the members present and voting, but the proposed amendment must first have been stated in writing and sent to each member of the Board at least 15 days prior to such meeting.

Revisions: October 1992, October 14, 1994, October 10, 1998, February 11, 2000, December 8, 2000, October 12, 2001, February 13, 2004, April 7, 2006

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**CHARTER OF THE MEDICAL UNIVERSITY OF SOUTH CAROLINA  
AND EXTRACTS FROM CODE OF LAWS, SOUTH CAROLINA 1976  
WITH AMENDMENTS THROUGH THE 2005 SESSION OF THE GENERAL ASSEMBLY  
(Posted on January 9, 2006)  
[www.scstatehouse.net/code/statmast.htm](http://www.scstatehouse.net/code/statmast.htm)**

**CHARTER**  
(See Appendix page 73)

The Medical University of South Carolina was founded as The Medical College of South Carolina in 1824 under the auspices of the Medical Society of South Carolina. On December 20, 1832, it was chartered as a corporate body and named the Medical College of the State of South Carolina. The term of the charter was for a period of twenty-one years. The charter was "renewed and revived" periodically until January 25, 1900, when the Secretary of State renewed the Charter in PERPETUITY. On February 19, 1913, all property of the Medical College was conveyed and transferred to the State of South Carolina and thus was established a "State Medical College." This 1913 Act, numbered 126, repealed "all Acts or parts of Acts inconsistent with the provisions of this Act." Subsequent changes or additions are referable to the 1913 Act and take the form of Amendments. Additional historical information is provided on page 74 under the title *History of the Medical University Charters and Powers*.

**EXTRACTS FROM CODE OF LAWS, SOUTH CAROLINA, 1976 WITH  
AMENDMENTS THROUGH THE 2005 SESSION OF THE GENERAL ASSEMBLY**  
(May not be all-inclusive)

**SECTION 1-5-40.** Duty to monitor state boards and commissions; certification of dates of terms of office.

(A) The office of Secretary of State is designated as the state office whose responsibility it is to monitor positions on the state boards and commissions specified in this subsection and any elected or appointed state boards and commissions established after the effective date of this section. The dates of the terms of office for appointments to boards and commissions made with the advice and consent of the Senate are the dates as certified to the Secretary of State by the Senate. The dates of the terms of office for all other elected or appointed boards and commissions are the dates certified to the Secretary of State by the Governor for his direct appointments and the dates for the terms of office for members of boards and commissions elected by the General Assembly shall be the dates as certified to the Secretary of State by the clerks of the two houses. The specified boards and commissions referred to in this subsection are:...(63) Medical University of South Carolina Board of Trustees...

(B) The Secretary must keep in a public record available for inspection an up-to-date compilation of the membership of the boards and commissions listed in subsection (A) and information about the memberships received from state boards and commissions pursuant to Section 1-1-1310 so that members of the General Assembly and interested citizens may be informed of the current composition of these boards and commissions. This compilation must include:

- (1) length of term for each office;
- (2) the month and year in which terms have expired or will expire;
- (3) terms which have expired;

- (4) vacancies;
- (5) the body or authority which elects or appoints, as appropriate;
- (6) any qualifications including, but not limited to, residency requirements or limitations required for a particular vacancy; and
- (7) any additional information received from state boards or commissions as required by Section 1-1-1310.

(C) The Secretary must publicize vacancies, expired terms, and those terms expiring within one year on a semiannual basis statewide.

**SECTION 2-13-240.** Distribution of the Code of Laws of South Carolina, 1976.

(a) Sets of the Code of Laws of South Carolina, 1976, shall be distributed by the Legislative Council as follows: ... (30) Medical University of South Carolina, two; ...

(b) If any technical college or center offers a course in paralegal practice such college or center shall be allowed two additional sets of the Code.

(c) All remaining copies of the Code may be sold or distributed in the best interest of the State as may be determined by the Legislative Council.

(d) The provisions of Sections 8-15-30 and 8-15-40 of the 1976 Code shall not apply to members of the General Assembly, members of the Legislative Council and the Code Commissioner.

**SECTION 2-75-5.** Short title; legislative intent.

(A) This chapter is known and may be cited as the "South Carolina Research Centers of Economic Excellence Act".

(B) The General Assembly finds that:

(1) it is in the public interest to create incentives for the senior research universities of South Carolina consisting of Clemson University, the Medical University of South Carolina, and the University of South Carolina to raise capital from the private sector to fund endowments for professorships in research areas targeted to create well-paying jobs and enhanced economic opportunities for the people of South Carolina;

(2) these endowed professorships should be used to recruit and maintain leading scientists and engineers at the senior research universities of South Carolina for the purposes of developing and leveraging the research capabilities of the universities for the creation of well-paying jobs and enhanced economic opportunities in knowledge-based industries for all South Carolinians;

(3) in communities across the United States in which better paying jobs and enhanced economic development in knowledge-based industries has flourished, the local or state government has created incentives and made a long-term commitment to public and private funding for a significant number of endowments for professorships in targeted knowledge-based industries;

(4) the South Carolina Education Lottery provides a source of funding and an incentive for the senior research universities to raise, in dollar-for-dollar matching amounts, sums from private sources sufficient to create endowed professorships;

(5) these endowed professorships should be awarded to the senior research universities through a competitive application process, provided that the competitive process must encourage the senior research universities to submit cooperative applications with one another as well as in cooperation with other institutions of higher education; and

(6) these endowed professorships, funded equally from the South Carolina Education Lottery and from other private sources, provide a foundation for the creation of centers of economic excellence.

**SECTION 8-11-260.** Exemptions from application of article [*Chapter 11, State Officers and Employees; Article 3, Personnel Administration*].

The provisions of this article apply to all state employees except the following: ...

(j) Employees of the Medical University Hospital Authority.

**SECTION 8-17-370.** Exemptions [*Chapter 17, State or Local Employees Grievance Procedure; Article 5, State Employee Grievance Procedure*].

The provisions of this article do not apply to:

(14) employees of the Medical University Hospital Authority, provided the Medical University Hospital Authority has promulgated an employee grievance plan in accordance with its enabling provision; ...

**SECTION 11-9-80.** Fiscal year starts July 1 and ends June 30.

In accordance with the terms of Section 10, Article 10 of the Constitution of South Carolina, as amended, the fiscal year of the State shall begin on the first day of July and end on the thirtieth day of June each year. All officers or servants of the State who are required to perform any duty at a specific time contingent upon the beginning and ending of the fiscal year shall perform such duties at such a time as will conform to the fiscal year beginning July first and ending June thirtieth. Nothing herein contained shall be held to affect the date for the assessment, levying or collection of any tax now provided for by law nor to affect the submitting of reports to the General Assembly. All officers or servants of the State shall keep their accounts and records in conformity with such fiscal year, opening them on the first day of July and closing them on the thirtieth day of June each year.

**Note:** *The SC Consolidated Procurement Code can be found in its entirety in Title 11-Public Finance, Chapter 35-South Carolina Consolidated Procurement Code of the SC Code of Laws.*

**SECTION 11-35-710.** Exemptions.

The board, upon the recommendation of the Office of General Services, may exempt governmental bodies from purchasing certain items through the respective chief procurement officer's area of responsibility. The board may exempt specific supplies or services from the purchasing procedures required in this section and for just cause by unanimous written decision limit or may withdraw exemptions provided for in this section. The following exemptions are granted in this chapter: ...

(6) expenditure of funds at state institutions of higher learning derived wholly from athletic or other student contests, from the activities of student organizations and from the operation of canteens and bookstores, except as the funds are used for the procurement of construction, architect-engineer, construction-management and land surveying services; ...

(14) Medical University Hospital Authority, provided the Medical University Hospital Authority has promulgated a procurement process in accordance with its enabling provision.

**SECTION 11-51-30.** Definitions.

As used in this chapter [*Title 11, Public Finance; Chapter 51, South Carolina Research University Infrastructure Act*]:

(1) "Facilities and administration costs" means depreciation and use allowances, interest on debt associated with buildings, equipment and capital improvements, operation and maintenance expenses, library expenses, general administration expenses, departmental administration, sponsored projects administration, and student administration and services.

(2) "General obligation debt" means any indebtedness of the State which must be secured in whole or in part by a pledge of the full faith, credit and taxing power of the State, including, but not limited to, bonds, notes, and other evidences of indebtedness, and issued pursuant to the provisions of this chapter.

(3) "Research Centers of Excellence Review Board" means the board created pursuant to Section 2-75-10.

(4) "Research infrastructure project" or " project" means a project that would advance economic development and create a knowledge based economy, thereby increasing job opportunities, or facilitate and increase externally funded research at the research universities, including, but not limited to, land acquisition, acquisition or construction of buildings, equipment, furnishings, site preparation, road and highway improvements, water and sewer infrastructure, and other things necessary or convenient to advance economic development or to facilitate and increase research at the research universities.

(5) "Research universities" means Clemson University, The Medical University of South Carolina, and the University of South Carolina--Columbia.

(6) "State board" means the South Carolina State Budget and Control Board.

### **SECTION 13-17-20.** South Carolina Research Authority; divisions; objectives.

The SCRA (authority) is organized to enhance the research capabilities of the state's public and private universities, to establish a continuing forum to foster greater dialogue throughout the research community within the State, and to promote the development of high technology industries and research facilities in South Carolina. The SCRA shall contain at least two divisions: the South Carolina Research Division (SCRD) and the South Carolina Research Innovation Centers (SCRIC). The SCRD shall perform those duties as outlined in this chapter that relate to the core mission of the SCRA. The SCRIC shall perform those duties as outlined in this chapter that establish innovation centers in South Carolina. The objectives of the authority include but are not limited by the following to:

(1) advance the general welfare of the people;

(2) increase the opportunities for employment of citizens of South Carolina;

(3) develop the human, economic, and productive resources of South Carolina;

(4) promote and encourage expansion of the research and development sector, with emphasis on capital formation and investments in research and development within South Carolina;

(5) create and maintain a dialogue between the public and private research communities;

(6) enhance the potential for private support for South Carolina colleges and universities, to promote cooperative research efforts between the private sector and South Carolina universities and colleges, and to strengthen the partnership among state government, higher education, and business and industry;

(7) assist South Carolina colleges and universities in attracting nationally prominent academic researchers and professors and to serve as an initial linkage between the state's outstanding existing research and the business and industrial sector;

(8) maximize the research capabilities of the public and private universities and colleges in South Carolina; and

(9) foster the perception of South Carolina as an international leader in the idea generation and the development, testing, and implementation of new advances in science and technology.

### **SECTION 13-17-30.** [Reserved by 2005 Act No. 133 Section 1 effective June 7, 2005]. Establishment and operation of research parks.

**SECTION 13-17-40.** Members of board; terms; vacancies; compensation; annual reports; meetings.

The SCRA shall consist of a board of twenty-three trustees that includes the following ex officio members: President of the Council of Private Colleges of South Carolina, Chairman of the South Carolina Commission on Higher Education, President of Clemson University, President of the Medical University of South Carolina, President of South Carolina State College, President of the University of South Carolina, President of Francis Marion University, Chairman of the State Board for Technical and Comprehensive Education, Governor of South Carolina or his designee, Chairman of the House Ways and Means Committee's designee, Chairman of the Senate Finance Committee's designee, and the Secretary of Commerce or his designee.

**SECTION 13-17-83.** South Carolina Research Division to operate research parks in cooperation with other entities.

The SCRD shall operate existing research parks in cooperation with Clemson University, the Medical University of South Carolina, and the University of South Carolina at Columbia. The authority may establish and operate additional research parks and research, computer and technology-related projects, and facilities as determined by the board of trustees. The authority is responsible for the decisions and operations of a research park, project, or facility established pursuant to this chapter.

**SECTION 13-17-87.** Establishment of Research Innovation Centers; purposes; operation; locations; funding.

(A) The SCRIC shall establish three Research Innovation Centers (innovation centers) in South Carolina. The innovation centers shall:

- (1) enhance the research and technology transition capabilities of the state's three research universities;
- (2) establish a continuing forum to foster greater dialogue between the state's three research universities and industry;
- (3) promote the development of high technology industries and applied research facilities in South Carolina;
- (4) focus their efforts on the development, testing, and implementation of new advances in the life sciences, pharmaceuticals, biotechnology, hydrogen and fuel cells, military and defense technology, chemical products, high tech fibers, advanced materials, automotive, aerospace, and information technology; and
- (5) maximize the use of the funds and activities of the innovation centers for partnerships among the research universities and between the public and private sectors for the purpose of generating professional research and development jobs in South Carolina.

(B) The SCRIC shall operate in conjunction with the three research universities in South Carolina. One innovation center must be located in each of the following areas:

- (1) Charleston, to be associated with the Medical University of South Carolina;
- (2) Columbia, to be associated with the University of South Carolina; and
- (3) the Upstate, to be associated with Clemson University.

**SECTION 17-5-570.** Release and burial of dead bodies; preservation and disposition of unidentified dead bodies.

(A) After the post-mortem examination, autopsy, or inquest has been completed, the dead body must be released to the person lawfully entitled to it for burial. If no person claims the body, the coroner or

medical examiner must notify the board created pursuant to Section 44-43-510. If the board does not accept the body, the body must be turned over to the coroner of the county where death occurred for disposition as provided by law. If the deceased has an estate out of which burial expenses can be paid either in whole or in part, the estate must be taken for that purpose before an expense under this section is imposed upon a county.

(B) If the body cannot be identified through reasonable efforts, the coroner must forward the body to the Medical University of South Carolina or other suitable facility for preservation. The body must be preserved for not less than thirty days, unless the body is identified within that time. If the body has not been identified at the end of that time, the Medical University may retain possession of the body for its use and benefit or return the body to the coroner of the county where death occurred for disposition as provided by law. A facility other than the Medical University utilized by the coroner for storage of an unidentified body may dispose of the body as provided by law or return the body to the coroner of the county where death occurred for disposition.

(C) If an unidentified body is preserved at the Medical University, the county is responsible for transporting the body to and from the Medical University; however, the county is not responsible for the cost of preserving the body at the Medical University. If an unidentified body is preserved at the Medical University, the Medical University must absorb the cost of preserving the body for not less than thirty days.

### **SECTION 28-3-20.** Right of eminent domain conferred on certain state authorities.

All state authorities, commissions, boards, or governing bodies established by the State of South Carolina, (hereinafter referred to as "state authority") which have been, or may be created in the future, to develop waterways of the State for use in intrastate, interstate, and foreign commerce; to construct, maintain, and operate powerhouses, dams, canals, locks, and reservoirs; to produce, transmit, sell, and distribute electric power; to reclaim and drain swampy and flooded lands; to improve health conditions of the State; and to reforest watersheds, and for which purposes the acquisition of property is necessary, have the right of eminent domain.

***Note: The SC Freedom of Information Act can be found in its entirety in Title 30-Public Records, Chapter 4-Freedom of Information Act of the SC Code of Laws.***

### **SECTION 30-4-30.** Right to inspect or copy public records; fees; notification as to public availability of records; presumption upon failure to give notice; records to be available when requestor appears in person.

(a) Any person has a right to inspect or copy any public record of a public body, except as otherwise provided by Section 30-4-40, in accordance with reasonable rules concerning time and place of access.

(b) The public body may establish and collect fees not to exceed the actual cost of searching for or making copies of records. Fees charged by a public body must be uniform for copies of the same record or document. However, members of the General Assembly may receive copies of records or documents at no charge from public bodies when their request relates to their legislative duties. The records must be furnished at the lowest possible cost to the person requesting the records. Records must be provided in a form that is both convenient and practical for use by the person requesting copies of the records concerned, if it is equally convenient for the public body to provide the records in this form. Documents may be furnished when appropriate without charge or at a reduced charge where the agency determines that waiver or reduction of the fee is in the public interest because furnishing the information can be considered as primarily benefiting the general public. Fees may not be charged for examination and review to determine if the documents are subject to disclosure. Nothing in this chapter prevents the custodian of the public records from charging a reasonable hourly rate for making records available to the public nor requiring a reasonable deposit of these costs before searching for or making copies of the records.

(c) Each public body, upon written request for records made under this chapter, shall within fifteen days (excepting Saturdays, Sundays, and legal public holidays) of the receipt of any such request notify the person making such request of its determination and the reasons therefore. Such a determination shall constitute the final opinion of the public body as to the public availability of the requested public record and, if the request is granted, the record must be furnished or made available for inspection or copying. If written notification of the determination of the public body as to the availability of the requested public record is neither mailed nor personally delivered to the person requesting the document within the fifteen days allowed herein, the request must be considered approved.

(d) The following records of a public body must be made available for public inspection and copying during the hours of operations of the public body without the requestor being required to make a written request to inspect or copy the records when the requestor appears in person:

(1) minutes of the meetings of the public body for the preceding six months;

(2) all reports identified in Section 30-4-50(A)(8) for at least the fourteen-day period before the current day; and

(3) documents identifying persons confined in any jail, detention center, or prison for the preceding three months.

#### **SECTION 30-4-40. Matters exempt from disclosure.**

(a) A public body may but is not required to exempt from disclosure the following information:

(1) Trade secrets, which are defined as unpatented, secret, commercially valuable plans, appliances, formulas, or processes, which are used for the making, preparing, compounding, treating, or processing of articles or materials which are trade commodities obtained from a person and which are generally recognized as confidential and work products, in whole or in part collected or produced for sale or resale, and paid subscriber information. Trade secrets also include, for those public bodies who market services or products in competition with others, feasibility, planning, and marketing studies, marine terminal service and nontariff agreements, and evaluations and other materials which contain references to potential customers, competitive information, or evaluation.

(2) Information of a personal nature where the public disclosure thereof would constitute unreasonable invasion of personal privacy. Information of a personal nature shall include, but not be limited to, information as to gross receipts contained in applications for business licenses and information relating to public records which include the name, address, and telephone number or other such information of an individual or individuals who are handicapped or disabled when the information is requested for person-to-person commercial solicitation of handicapped persons solely by virtue of their handicap. This provision must not be interpreted to restrict access by the public and press to information contained in public records.

(3) Records of law enforcement and public safety agencies not otherwise available by state and federal law that were compiled in the process of detecting and investigating crime if the disclosure of the information would harm the agency by:

(A) disclosing identity of informants not otherwise known;

(B) the premature release of information to be used in a prospective law enforcement action;

(C) disclosing investigatory techniques not otherwise known outside the government;

(D) by endangering the life, health, or property of any person; or

(E) disclosing any contents of intercepted wire, oral, or electronic communications not otherwise disclosed during a trial.

(4) Matters specifically exempted from disclosure by statute or law.

(5) Documents of and documents incidental to proposed contractual arrangements and documents of and documents incidental to proposed sales or purchases of property; however:

(a) these documents are not exempt from disclosure once a contract is entered into or the property is sold or purchased except as otherwise provided in this section;

(b) a contract for the sale or purchase of real estate shall remain exempt from disclosure until the deed is executed, but this exemption applies only to those contracts of sale or purchase where the execution of the deed occurs within twelve months from the date of sale or purchase;

(c) confidential proprietary information provided to a public body for economic development or contract negotiations purposes is not required to be disclosed.

(6) All compensation paid by public bodies except as follows:

(A) For those persons receiving compensation of fifty thousand dollars or more annually, for all part-time employees, for any other persons who are paid honoraria or other compensation for special appearances, performances, or the like, and for employees at the level of agency or department head, the exact compensation of each person or employee;

(B) For classified and unclassified employees, including contract instructional employees, not subject to item (A) above who receive compensation between, but not including, thirty thousand dollars and fifty thousand dollars annually, the compensation level within a range of four thousand dollars, such ranges to commence at thirty thousand dollars and increase in increments of four thousand dollars;

(C) For classified employees not subject to item (A) above who receive compensation of thirty thousand dollars or less annually, the salary schedule showing the compensation range for that classification including longevity steps, where applicable;

(D) For unclassified employees, including contract instructional employees, not subject to item (A) above who receive compensation of thirty thousand dollars or less annually, the compensation level within a range of four thousand dollars, such ranges to commence at two thousand dollars and increase in increments of four thousand dollars.

(E) For purposes of this subsection (6), "agency head" or "department head" means any person who has authority and responsibility for any department of any institution, board, commission, council, division, bureau, center, school, hospital, or other facility that is a unit of a public body.

(7) Correspondence or work products of legal counsel for a public body and any other material that would violate attorney-client relationships.

(8) Memoranda, correspondence, and working papers in the possession of individual members of the General Assembly or their immediate staffs; however, nothing herein may be construed as limiting or restricting public access to source documents or records, factual data or summaries of factual data, papers, minutes, or reports otherwise considered to be public information under the provisions of this chapter and not specifically exempted by any other provisions of this chapter.

(9) Memoranda, correspondence, documents, and working papers relative to efforts or activities of a public body and of a person or entity employed by or authorized to act for or on behalf of a public body to attract business or industry to invest within South Carolina; however, an incentive agreement made with an industry or business: (1) requiring the expenditure of public funds or the transfer of anything of value, (2) reducing the rate or altering the method of taxation of the business or industry, or (3) otherwise impacting the offeror fiscally, is not exempt from disclosure after:

(a) the offer to attract an industry or business to invest or locate in the offeror's jurisdiction is accepted by the industry or business to whom the offer was made; and

(b) the public announcement of the project or finalization of any incentive agreement, whichever occurs later.

(10) Any standards used or to be used by the South Carolina Department of Revenue for the selection of returns for examination, or data used or to be used for determining such standards, if the commission determines that such disclosure would seriously impair assessment, collection, or enforcement under the tax laws of this State.

(11) Information relative to the identity of the maker of a gift to a public body if the maker specifies that his making of the gift must be anonymous and that his identity must not be revealed as a condition of making the gift. For the purposes of this item, "gift to a public body" includes, but is not limited to, gifts to any of the state-supported colleges or universities and museums. With respect to the gifts, only information which identifies the maker may be exempt from disclosure. If the maker of any gift or any member of his immediate family has any business transaction with the recipient of the gift within three years before or after the gift is made, the identity of the maker is not exempt from disclosure.

(12) Records exempt pursuant to Section 9-16-80(B) and 9-16-320(D).

(13) All materials, regardless of form, gathered by a public body during a search to fill an employment position, except that materials relating to not fewer than the final three applicants under consideration for a position must be made available for public inspection and copying. In addition to making available for public inspection and copying the materials described in this item, the public body must disclose, upon request, the number of applicants considered for a position. For the purpose of this item "materials relating to not fewer than the final three applicants" do not include an applicant's income tax returns, medical records, social security number, or information otherwise exempt from disclosure by this section.

(14)(A) Data, records, or information of a proprietary nature, produced or collected by or for faculty or staff of state institutions of higher education in the conduct of or as a result of study or research on commercial, scientific, technical, or scholarly issues, whether sponsored by the institution alone or in conjunction with a governmental body or private concern, where the data, records, or information has not been publicly released, published, copyrighted, or patented.

(B) Any data, records, or information developed, collected, or received by or on behalf of faculty, staff, employees, or students of a state institution of higher education or any public or private entity supporting or participating in the activities of a state institution of higher education in the conduct of or as a result of study or research on medical, scientific, technical, scholarly, or artistic issues, whether sponsored by the institution alone or in conjunction with a governmental body or private entity until the information is published, patented, otherwise publicly disseminated, or released to an agency whereupon the request must be made to the agency. This item applies to, but is not limited to, information provided by participants in research, research notes and data, discoveries, research projects, proposals, methodologies, protocols, and creative works.

(C) The exemptions in this item do not extend to the institution's financial or administrative records.

(15) The identity, or information tending to reveal the identity, of any individual who in good faith makes a complaint or otherwise discloses information, which alleges a violation or potential violation of law or regulation, to a state regulatory agency.

(16) Records exempt pursuant to Sections 59-153-80(B) and 59-153-320(D).

(17) Structural bridge plans or designs unless: (a) the release is necessary for procurement purposes; or (b) the plans or designs are the subject of a negligence action, an action set forth in Section 15-3-530, or an action brought pursuant to Chapter 78 of Title 15, and the request is made pursuant to a judicial order.

(18) Photographs, videos, and other visual images, and audio recordings of and related to the performance of an autopsy, except that the photographs, videos, images, or recordings may be viewed

and used by the persons identified in Section 17-5-535 for the purposes contemplated or provided for in that section.

(19) Private investment and other proprietary financial data provided to the Venture Capital Authority by a designated investor group or an investor as those terms are defined by Section 11-45-30.

(b) If any public record contains material which is not exempt under subsection (a) of this section, the public body shall separate the exempt and nonexempt material and make the nonexempt material available in accordance with the requirements of this chapter.

(c) Information identified in accordance with the provisions of Section 30-4-45 is exempt from disclosure except as provided therein and pursuant to regulations promulgated in accordance with this chapter. Sections 30-4-30, 30-4-50, and 30-4-100 notwithstanding, no custodian of information subject to the provisions of Section 30-4-45 shall release the information except as provided therein and pursuant to regulations promulgated in accordance with this chapter.

**SECTION 30-4-45.** Information concerning safeguards and off-site consequence analyses; regulation of access; vulnerable zone defined.

(A) The director of each agency that is the custodian of information subject to the provisions of 42 U.S.C. 7412(r)(7)(H), 40 CFR 1400 "Distribution of Off-site Consequence Analysis Information", or 10 CFR 73.21 "Requirements for the protection of safeguards information", must establish procedures to ensure that the information is released only in accordance with the applicable federal provisions.

(B) The director of each agency that is the custodian of information, the unrestricted release of which could increase the risk of acts of terrorism, may identify the information or compilations of information by notifying the Attorney General in writing, and shall promulgate regulations in accordance with the Administrative Procedures Act, Sections 1-23-110 through 1-23-120(a) and Section 1-23-130, to regulate access to the information in accordance with the provisions of this section.

(C) Regulations to govern access to information subject to subsections (A) and (B) must at a minimum provide for:

(1) disclosure of information to state, federal, and local authorities as required to carry out governmental functions; and

(2) disclosure of information to persons who live or work within a vulnerable zone.

For purposes of this section, "vulnerable zone" is defined as a circle, the center of which is within the boundaries of a facility possessing hazardous, toxic, flammable, radioactive, or infectious materials subject to this section, and the radius of which is that distance a hazardous, toxic, flammable, radioactive, or infectious cloud, overpressure, radiation, or radiant heat would travel before dissipating to the point it no longer threatens serious short-term harm to people or the environment.

Disclosure of information pursuant to this subsection must be by means that will prevent its removal or mechanical reproduction. Disclosure of information pursuant to this subsection must be made only after the custodian has ascertained the person's identity by viewing photo identification issued by a federal, state, or local government agency to the person and after the person has signed a register kept for the purpose.

**SECTION 30-4-50.** Certain matters declared public information; use of information for commercial solicitation prohibited.

(A) Without limiting the meaning of other sections of this chapter, the following categories of information are specifically made public information subject to the restrictions and limitations of Sections 30-4-20, 30-4-40, and 30-4-70 of this chapter:

- (1) the names, sex, race, title, and dates of employment of all employees and officers of public bodies;
- (2) administrative staff manuals and instructions to staff that affect a member of the public;
- (3) final opinions, including concurring and dissenting opinions, as well as orders, made in the adjudication of cases;
- (4) those statements of policy and interpretations of policy, statute, and the Constitution which have been adopted by the public body;
- (5) written planning policies and goals and final planning decisions;
- (6) information in or taken from any account, voucher, or contract dealing with the receipt or expenditure of public or other funds by public bodies;
- (7) the minutes of all proceedings of all public bodies and all votes at such proceedings, with the exception of all such minutes and votes taken at meetings closed to the public pursuant to Section 30-4-70;
- (8) reports which disclose the nature, substance, and location of any crime or alleged crime reported as having been committed. Where a report contains information exempt as otherwise provided by law, the law enforcement agency may delete that information from the report.
- (9) statistical and other empirical findings considered by the Legislative Audit Council in the development of an audit report.

(B) No information contained in a police incident report or in an employee salary schedule revealed in response to a request pursuant to this chapter may be utilized for commercial solicitation. Also, the home addresses and home telephone numbers of employees and officers of public bodies revealed in response to a request pursuant to this chapter may not be utilized for commercial solicitation. However, this provision must not be interpreted to restrict access by the public and press to information contained in public records.

**SECTION 30-4-60.** Meetings of public bodies shall be open.

Every meeting of all public bodies shall be open to the public unless closed pursuant to Section 30-4-70 of this chapter.

**SECTION 30-4-70.** Meetings which may be closed; procedure; circumvention of chapter; disruption of meeting; executive sessions of General Assembly.

(a) A public body may hold a meeting closed to the public for one or more of the following reasons:

- (1) Discussion of employment, appointment, compensation, promotion, demotion, discipline, or release of an employee, a student, or a person regulated by a public body or the appointment of a person to a public body; however, if an adversary hearing involving the employee or client is held, the employee or client has the right to demand that the hearing be conducted publicly. Nothing contained in this item shall prevent the public body, in its discretion, from deleting the names of the other employees or clients whose records are submitted for use at the hearing.
- (2) Discussion of negotiations incident to proposed contractual arrangements and proposed sale or purchase of property, the receipt of legal advice where the legal advice relates to a pending, threatened, or potential claim or other matters covered by the attorney-client privilege, settlement of legal claims, or the position of the public agency in other adversary situations involving the assertion against the agency of a claim.
- (3) Discussion regarding the development of security personnel or devices.

- (4) Investigative proceedings regarding allegations of criminal misconduct.
- (5) Discussion of matters relating to the proposed location, expansion, or the provision of services encouraging location or expansion of industries or other businesses in the area served by the public body.
- (6) The Retirement System Investment Commission, if the meeting is in executive session specifically pursuant to Section 9-16-80(A) or 9-16-320(C).
- (b) Before going into executive session the public agency shall vote in public on the question and when the vote is favorable, the presiding officer shall announce the specific purpose of the executive session. As used in this subsection, "specific purpose" means a description of the matter to be discussed as identified in items (1) through (5) of subsection (a) of this section. However, when the executive session is held pursuant to Sections 30-4-70(a)(1) or 30-4-70(a)(5), the identity of the individual or entity being discussed is not required to be disclosed to satisfy the requirement that the specific purpose of the executive session be stated. No action may be taken in executive session except to (a) adjourn or (b) return to public session. The members of a public body may not commit the public body to a course of action by a polling of members in executive session.
- (c) No chance meeting, social meeting, or electronic communication may be used in circumvention of the spirit of requirements of this chapter to act upon a matter over which the public body has supervision, control, jurisdiction, or advisory power.
- (d) This chapter does not prohibit the removal of any person who wilfully disrupts a meeting to the extent that orderly conduct of the meeting is seriously compromised.
- (e) Sessions of the General Assembly may enter into executive sessions authorized by the Constitution of this State and rules adopted pursuant thereto.
- (f) The Board of Trustees of the respective institution of higher learning, while meeting as the trustee of its endowment funds, if the meeting is in executive session specifically pursuant to Sections 59-153-80(A) or 59-153-320(C).

### **SECTION 30-4-80. Notice of meetings of public bodies.**

- (a) All public bodies, except as provided in subsections (b) and (c) of this section, must give written public notice of their regular meetings at the beginning of each calendar year. The notice must include the dates, times, and places of such meetings. Agenda, if any, for regularly scheduled meetings must be posted on a bulletin board at the office or meeting place of the public body at least twenty-four hours prior to such meetings. All public bodies must post on such bulletin board public notice for any called, special, or rescheduled meetings. Such notice must be posted as early as is practicable but not later than twenty-four hours before the meeting. The notice must include the agenda, date, time, and place of the meeting. This requirement does not apply to emergency meetings of public bodies.
- (b) Legislative committees must post their meeting times during weeks of the regular session of the General Assembly and must comply with the provisions for notice of special meetings during those weeks when the General Assembly is not in session. Subcommittees of standing legislative committees must give notice during weeks of the legislative session only if it is practicable to do so.
- (c) Subcommittees, other than legislative subcommittees, of committees required to give notice under subsection (a), must make reasonable and timely efforts to give notice of their meetings.
- (d) Written public notice must include but need not be limited to posting a copy of the notice at the principal office of the public body holding the meeting or, if no such office exists, at the building in which the meeting is to be held.
- (e) All public bodies shall notify persons or organizations, local news media, or such other news media as may request notification of the times, dates, places, and agenda of all public meetings, whether

scheduled, rescheduled, or called, and the efforts made to comply with this requirement must be noted in the minutes of the meetings.

**SECTION 30-4-90.** Minutes of meetings of public bodies.

(a) All public bodies shall keep written minutes of all of their public meetings. Such minutes shall include but need not be limited to:

(1) The date, time and place of the meeting.

(2) The members of the public body recorded as either present or absent.

(3) The substance of all matters proposed, discussed or decided and, at the request of any member, a record, by an individual member, of any votes taken.

(4) Any other information that any member of the public body requests be included or reflected in the minutes.

(b) The minutes shall be public records and shall be available within a reasonable time after the meeting except where such disclosures would be inconsistent with Section 30-4-70 of this chapter.

(c) All or any part of a meeting of a public body may be recorded by any person in attendance by means of a tape recorder or any other means of sonic or video reproduction, except when a meeting is closed pursuant to Section 30-4-70 of this chapter, provided that in so recording there is no active interference with the conduct of the meeting. Provided, further, that the public body is not required to furnish recording facilities or equipment.

**SECTION 40-15-175.** Instructor's license for dentists licensed in another state who teach dental medicine full-time at the Medical University of South Carolina College of Dental Medicine.

(A) The State Board of Dentistry may issue an instructor's license to a dentist who:

(1) holds a valid license in another state;

(2) passes an examination as prescribed by the board; and

(3) is teaching dental medicine in South Carolina full-time at the Medical University of South Carolina College of Dental Medicine only.

(B) A dentist with an instructor's license is authorized to practice at or on behalf of the Medical University of South Carolina College of Dental Medicine.

(C) An instructor's license must be renewed annually in accordance with procedures and fees as established by the board in regulation.

(D) A dentist holding an instructor's license issued pursuant to this section is subject to the provisions of this chapter and regulations promulgated under this chapter unless otherwise provided for in this section.

**SECTION 44-7-185.** Establishment of a task force; conducting a study regarding open-heart surgery and therapeutic cardiac catheterization.

**SECTION 44-7-210.** Notification that application for Certificate of Need has been completed; review process; proposal to grant or deny certificate; final decision; methadone treatment facilities.

**SECTION 44-7-260.** Requirements for licensure.

(A) If they provide care for two or more unrelated persons, the following facilities or services may not be established, operated, or maintained in this State without first obtaining a license in the manner provided by this article and regulations promulgated by the department:

- (1) hospitals, including general and specialized hospitals;
- (2) nursing homes;
- (3) residential treatment facilities for children and adolescents;
- (4) ambulatory surgical facilities;
- (5) chiropractic inpatient facilities;
- (6) community residential care facilities;
- (7) facilities for chemically dependent or addicted persons;
- (8) end-stage renal dialysis units;
- (9) day-care facilities for adults;
- (10) any other facility operating for the diagnosis, treatment, or care of persons suffering from illness, injury or other infirmity and for which the department has adopted standards of operation by regulation.
- (11) habilitation centers for the mentally retarded or persons with related conditions.
- (12) freestanding or mobile technology.
- (13) facilities wherein abortions are performed.

(B) the licensing provisions of this article do not apply to:

- (1) infirmaries for the exclusive use of the student bodies of privately-owned educational institutions which maintain infirmaries; or
- (2) community-based housing sponsored, licensed, or certified by the South Carolina Department of Disabilities and Special Needs. The Department of Disabilities and Special Needs shall provide to the Department of Health and Environmental Control the names and locations of these facilities on a continuing basis.

(C) The department is authorized to investigate, by inspection or otherwise, any facility to determine if its operation is subject to licensure.

(D) Each hospital must have a single organized medical staff that has the overall responsibility for the quality of medical care provided to patients. Medical staff membership must be limited to doctors of medicine or osteopathy who are currently licensed to practice medicine or osteopathy by the State Board of Medical Examiners, dentists licensed to practice dentistry by the State Board of Dentistry and podiatrists licensed to practice podiatry by the State Board of Podiatry Examiners. No individual is automatically entitled to membership on the medical staff or to the exercise of any clinical privilege merely because he is licensed to practice in any state, because he is a member of any professional organization, because he is certified by any clinical examining board, or because he has clinical privileges or staff membership at another hospital without meeting the criteria for membership established by the governing body of the respective hospital. Patients of podiatrists and dentists who are members of the medical staff of a hospital must be coadmitted by a doctor of medicine or osteopathy who is a member of the medical staff of the hospital who is responsible for the general medical care of the patient. Oral surgeons who have successfully completed a postgraduate program in oral surgery

accredited by a nationally recognized accredited body approved by the United States Office of Education may admit patients without the requirement of coadmission if permitted by the bylaws of the hospital and medical staff.

(E) No person, regardless of his ability to pay or county of residence, may be denied emergency care if a member of the admitting hospital's medical staff or, in the case of a transfer, a member of the accepting hospital's medical staff determines that the person is in need of emergency care. "Emergency care" means treatment which is usually and customarily available at the respective hospital and that must be provided immediately to sustain a person's life, to prevent serious permanent disfigurement, or loss or impairment of the function of a bodily member or organ, or to provide for the care of a woman in active labor if the hospital is so equipped and, if the hospital is not so equipped, to provide necessary treatment to allow the woman to travel to a more appropriate facility without undue risk of serious harm. In addition to or in lieu of any action taken by the South Carolina Department of Health and Environmental Control affecting the license of any hospital, when it is established that any officer, employee, or member of the hospital medical staff has recklessly violated the provisions of this section, the department may require the hospital to pay a civil penalty of up to ten thousand dollars.

**SECTION 44-7-370.** Residential Care Committee; Renal Dialysis Advisory Council.

**Title 44 - Health**  
**CHAPTER 7.**  
**HOSPITALS, TUBERCULOSIS CAMPS AND HEALTH SERVICES DISTRICTS**  
**ARTICLE 25 - MEDICAL UNIVERSITY OF SOUTH CAROLINA**

**SECTION 44-7-3110.** Lease and sale of certain assets; terms and conditions.

The General Assembly authorizes and grants to the Board of Trustees of the Medical University of South Carolina authority to enter into reasonable agreements to transfer the management and operations of the Medical University Hospital to one or more private operators, including authority to:

(A) Lease certain Medical University Hospital land, together with all easements, rights, privileges, and appurtenances appertaining thereto, and all of the buildings, structures, fixtures, and other improvements existing and situated on that land, all as described in Section 44-7-3120; and

(B) Sell furniture, fixtures, equipment, accounts receivable, and other incidental assets associated with or employed in the operation of the Medical University Hospital on the land.

Provided, however, that the following terms and conditions must be observed and included and accepted in the agreements:

(1) The term of the lease and any extensions may not exceed a total aggregate period of thirty years.

(2) The leased premises may be used only for the operation of hospitals and clinics, and for other uses reasonably related to hospitals, clinics, and health care, provided that those operations and uses are consistent with all Joint Commission on Accreditation and Healthcare Organizations standards.

(3) Any private operator or operators chosen by the Medical University of South Carolina's Board of Trustees to operate the Medical University Hospital shall not transfer, sell, lease, or assign control of the Medical University Hospital, or of the entity operating or controlling the Medical University Hospital or of any of its related real estate or other assets, to any other private operator without the prior express written approval of the Medical University of South Carolina Board of Trustees and without compliance with the same terms and conditions provided in this article. Prior to any such transfer, sale, lease, or assignment of control, the Medical University of South Carolina shall have the right of first refusal and be given sufficient time to consider and decide whether to exercise the right of first refusal.

(4) Any private operator or operators chosen by the Medical University of South Carolina's Board of Trustees to operate the Medical University Hospital must provide indigent care in the same manner as is being provided by the Medical University of South Carolina through the operation of this Medical University Hospital and its clinical programs.

(5) The Medical University of South Carolina and the State of South Carolina must be protected from any tort liability arising from the private operation of the Medical University Hospital by the private operator, unless and except to the extent the tort liability is caused by or attributed to the Medical University of South Carolina or the State of South Carolina, or both. The agreement will require the operator of the Medical University Hospital to acquire and keep in effect sufficient insurance policies to provide a reasonable amount and type of coverage and naming the Medical University of South Carolina as an additional insured.

(6) The name and logo of the Medical University of South Carolina and its affiliates shall not be used by any private operator to market and promote health care services.

(7) The proceeds from this lease and from the sale of these assets must be used for the retirement of outstanding indebtedness incurred to finance Medical University Hospital facilities, and all other revenues and payments received from or in connection with this lease or sale must be dedicated solely for use of the Medical University of South Carolina's business and operations as the Board of Trustees of the Medical University of South Carolina may direct, subject to review by the appropriate bodies of state governments.

(8) All agreements, the manner in which all agreements are made and the implementation of all agreements must comply with all applicable laws.

(9) Access for any person or group to use the services of the Medical University Hospital and clinical services shall not be limited, restricted, denied, or allowed in a discriminatory manner that is prohibited by law; nor shall such access be denied based on lack of participation or membership in a particular health plan or network.

(10) The Medical University of South Carolina shall have access at all times to all records of all patients treated at the Medical University Hospital, and all patients shall have access at all times to their own records.

Provided, further, that the lease and sale may not be finalized until the Budget and Control Board is satisfied that the consideration paid by the private operator or operators for the agreements authorized by this article reflects a fair and reasonable value to the State of South Carolina, based upon either the net book value of the hospital, capitalization of income from operation of the hospital over a period of years, the net present value of future cash flow of the hospital, a direct comparison to a comparable transaction, or some other financially sound and general practiced method of business evaluation.

The Budget and Control Board is directed to cause the lease and purchase agreements regarding the Medical University Hospital to contain provisions requiring and ensuring compliance with the terms and conditions stated above. To assist the board in performing this function, the Medical University of South Carolina is required to provide, at its expense, any information, studies, evaluations, agreements, reports, or other data requested by the Budget and Control Board, including any such items with regard to University Medical Associates or any of its employees, officers, and affiliates. The approval requirement for the transaction authorized in this act shall be governed by the provisions of Section 1-11-65 of the 1976 Code, and compliance with the provisions of this act is exclusive and shall satisfy the approval requirements of any and all other statutory provisions requiring the review and/or approval of any agency, department, or division.

No lease or other agreement pursuant to this article shall be valid unless and until the provisions of this article have been complied with fully and the Budget and Control Board has certified that the provisions of this article have been complied with fully.

**SECTION 44-7-3120.** Legal description of land and improvements.

The legal description of the land and improvements thereon referenced in Section 44-7-3110(A) is as follows:

All that certain property and parcels of land in Charleston County together with improvements thereon lying on the north side of Albert B. Sabin Street, between Ashley Avenue and Jonathan Lucas Street consisting of the MUSC Teaching Hospital and the MUSC Children's Hospital but saving and excepting the Clinical Sciences Building and the Storm Eye Institute;

Together with a rectangular parcel located on the south side of Albert B. Sabin Street containing certain fuel oil tanks;

Together with the Psychiatric Institute located on the west side of President Street and the playground area located to the rear of such institute but saving and excepting the auditorium, the lobby area, and the University Services Building.

The above referenced properties are as shown on a survey prepared by Forsburg Engineering & Surveying, Inc., to be recorded and reference is made thereto for a description of the metes and bounds thereof.

**SECTION 44-7-3130.** Nature of University Medical Associates (UMA).

Notwithstanding any other provision of law to the contrary, University Medical Associates (UMA) is a public body as defined by Chapter 4, Title 30 (the Freedom of Information Act) for purposes of the act and the provisions of the act apply to records maintained by UMA.

**SECTION 44-7-3140.** Employee grievances.

Upon approval of the proposed sale or lease of MUSC's facilities and assets to HCA, HCA shall take the steps necessary to create an employee grievance committee for the review of all employee disciplinary actions and terminations by HCA. The grievance procedure must provide that the final decision in any grievance involving a former MUSC employee rests with the board of directors of MUSC and that the final decision in grievances involving HCA employees rests with the official designated by HCA.

**SECTION 44-7-3150.** Consultation required.

Notwithstanding any other provision of law, the Budget and Control Board must consult the South Carolina Commission on Higher Education prior to granting authorization to effectuate the transaction provided for in this article.

**SECTION 44-7-3160.** Personal profiting prohibited.

Notwithstanding any other provision of law to the contrary, upon approval of the proposed lease and sale of Medical University of South Carolina facilities and assets, no one who is currently an employee of MUSC or UMA may personally profit from the transaction by accepting compensation or other financial incentives from the purchasing and/or leasing company if that individual played a substantial role in the negotiation process. As used in this section "substantial role" means a role where one is providing direct advice to the members of a negotiating team or being a member of a negotiating team.

**SECTION 44-7-3170.** Shared participation permitted.

No condition of any lease or agreement shall restrict MUSC employees to shared participation with one company's health care third party providers.

**SECTION 44-7-3180.** Valuation of purchase upon default or expiration of lease.

At the time of default by Columbia HCA or end of the lease, MUSC shall not be required to purchase the Medical Center as a going concern but rather at the appraised value of the tangible assets owned by the lessee as personal property inventory.

**SECTION 44-7-3190.** Written consent requirement for discontinuation or transfer of inpatient clinical service.

Any discontinuation or transfer of any inpatient clinical service offered at the Medical Center shall be with the prior written consent of the MUSC Board of Trustees.

**SECTION 44-7-3200.** UMA agreements subject to review and approval; agreements must not conflict.

All agreements between University Medical Associates and any of its servants, agents, and subsidiaries and partners are subject to review and approval by the Board of Trustees of the Medical University of South Carolina and the terms of any such agreements shall not conflict with the terms and conditions of the lease authorized by this section.

**SECTION 44-7-3210.** Co-payment for members of the General Assembly.

Notwithstanding any other provision of law to the contrary, including any provision of the Annual General Appropriations Act for FY 1996-97, members of the General Assembly must pay any co-payment or deductible as may be applicable for receiving services at a hospital facility in this State whether or not their services are provided by the MUSC hospital or its successor in interest.

**SECTION 44-7-3220.** Indigent patient services.

Notwithstanding any other provision of law to the contrary, upon approval of the proposed sale or lease of MUSC's facilities and assets, MUSC must maintain the current level of services currently offered to indigent patients at Charleston Memorial Hospital unless the MUSC Board of Trustees approves otherwise.

**SECTION 44-7-3230.** Guarantee of financial obligations.

Notwithstanding any other provision of law to the contrary, any financial obligation under the agreements entered into by a subsidiary corporation must be unconditionally guaranteed by the ultimate parent corporation of the purchaser/tenant.

**Title 44 - Health**

**CHAPTER 7.**

**HOSPITALS, TUBERCULOSIS CAMPS AND HEALTH SERVICES DISTRICTS**

**ARTICLE 27 - HOSPITAL PATIENT SAFETY ACT**

**SECTION 44-7-3410.** Citation of article.

This article may be cited as the "Lewis Blackman Hospital Patient Safety Act".

**SECTION 44-7-3420.** Definitions.

For purposes of this article:

(1) "Clinical staff" means persons who work in a hospital whose duties include the personal care or

medical treatment of patients. "Clinical staff" includes, but is not limited to, credentialed physicians, physicians' assistants, nurses, nursing aides, medical technicians, therapists, and other individuals involved in the personal care or medical treatment of patients.

(2) "Clinical trainees" means persons who are receiving health care professional training in a hospital, either paid or unpaid, students or licensed professionals, whose training includes the personal care or medical treatment of patients. "Clinical trainees" includes, but is not limited to, resident physicians, medical students, nursing students, and other students and individuals in health care professional training in a hospital.

(3) "Credentialed caregiver" means a nurse practitioner or physician's assistant who is licensed to care for patients within his or her scope of practice.

(4) "Credentialed physician" means a licensed physician who has completed his or her postgraduate medical training who has medical staff privileges at a hospital.

(5) "Attending physician" means a licensed physician who has completed his or her postgraduate medical training and who has medical staff privileges at a hospital and who has primary responsibility for a patient's care while the patient is in the hospital.

(6) "Designee" means a credentialed physician or a credentialed caregiver whom a patient's attending physician has designated to care for the patient in the absence of the attending physician.

(7) "Medical student" means an individual enrolled in a program culminating in a degree in medicine.

(8) "Patient" means an individual who is being treated by a physician in a hospital and includes a patient's representative or an individual allowed by law to make health care decisions for a patient who is a minor or who is unable to consent to health care treatment for himself or herself, or both.

(9) "Resident physician" means an individual who is participating in any graduate medical education program and whose relationship to the patient is under the auspices of the medical education program.

(10) "Intern" means an individual who is an advanced student or graduate in medicine gaining supervised practical experience.

#### **SECTION 44-7-3430. Identification badges.**

All clinical staff, clinical trainees, medical students, interns, and resident physicians of a hospital shall wear badges clearly stating their names, their departments, and their job or trainee titles. All clinical trainees, medical students, interns, and resident physicians must be explicitly identified as such on their badges. This information must be clearly visible and must be stated in terms or abbreviations reasonably understandable to the average person, as recognized by the Department of Health and Environmental Control.

#### **SECTION 44-7-3440. Written information to be provided to patient.**

Except in emergency admissions, a hospital shall provide to each patient prior to, or at the time of the patient's admission to the hospital for inpatient care or outpatient surgery, written information describing the general role of clinical trainees, medical students, interns, and resident physicians in patient care. The written information must also notify the patient that the attending physician is the person responsible for the patient's care while the patient is in the hospital and that the patient's attending physician may change during the patient's hospitalization depending on the type of care or services required for the patient. The written information must also contain the information described in Section 44-7-3450. The written material must also state generally whether medical students, interns, or resident physicians may be participating in a patient's care, may be making treatment decisions for the patient, or may be participating in or performing, in whole or in part, any surgery on the patient. This document must be separate from the general consent for treatment.

**SECTION 44-7-3450.** Right of patient to contact attending physician; nurse's duty to assist; mechanism for resolution of patient's personal medical care concerns.

(A) If at any time a patient requests that a nurse call his or her attending physician regarding the patient's personal medical care, the nurse shall place a call to the attending physician or his or her designee to inform him or her of the patient's concern. If the patient is able to communicate with and desires to call his or her attending physician or designee, upon the patient's request, the nurse must provide the patient with the telephone number and assist the patient in placing the call. A nurse or other clinical staff to whom such a request is made or who receives multiple requests may notify his or her immediate supervisor for assistance.

(B) Each hospital must provide a mechanism, available at all times, through which a patient may access prompt assistance for the resolution of the patient's personal medical care concerns.

For purposes of this section, "mechanism" means a telephone number, beeper number, or other means of allowing a patient to independently access the patient assistance system and must not be construed as requiring a patient to request information or assistance in order to access the system; however, a clinical staff member or clinical trainee must promptly access the system on behalf of a patient if a patient requests such assistance. A description of this mechanism and the method for accessing it must be included in the written material described in Section 44-7-3440.

(C) The hospital must establish procedures for the implementation of the mechanism, providing for initiation of contact with administrative or supervisory clinical staff who shall promptly assess, or cause to be assessed, the urgent patient care concern and cause the patient care concern to be addressed.

**SECTION 44-7-3455.** Mental hospital exception.

The provisions of this article do not apply to hospitals owned or operated by the Department of Mental Health.

**SECTION 44-7-3460.** Administration and enforcement of article.

The Department of Health and Environmental Control shall administer and enforce the provisions of this article in accordance with procedures and penalties provided in law and regulation.

**SECTION 44-7-3470.** Civil cause of action; other claim.

This article does not create a civil cause of action; however, this article must not be construed to preclude a claim that may have otherwise been asserted under common law or any other provision of law.

**SECTION 44-9-70.** Administration of Federal funds; development of mental health clinics.

**SECTION 44-21-80.** Regional tertiary level developmental evaluation centers.

**SECTION 44-36-20.** Advisory committee; membership; duties; prohibition against compensation [*Alzheimer's Disease Registry*].

**SECTION 44-37-40.** Universal Newborn Hearing Screening and Intervention Act.

**SECTION 44-38-30.** Head and Spinal Cord Injury Information System Council; establishment and purpose; composition; election of chairman; appointment of advisors; compensation and expenses.

**SECTION 44-38-510.** Spinal Cord Injury Research Board.

**SECTION 44-39-20.** Establishment of Diabetes Initiative of South Carolina Board; purpose; members; terms; filling vacancies; election of chair; meetings; expenses.

**SECTION 44-39-30.** Powers and duties of board [*Diabetes Initiative of South Carolina Board*].

**SECTION 44-39-40.** Establishment of Diabetes Center of Excellence; powers; duties; functions; advisory committee; council.

**SECTION 44-39-50.** Establishment of Diabetes Outreach Council; powers; duties; functions.

**SECTION 44-40-30.** Creation, purpose, and membership of South Carolina Agent Orange Advisory Council; compensation of voting members.

**SECTION 44-40-40.** Establishment, administration, and duties of Agent Orange Information and Assistance Program.

**SECTION 44-43-70.** Bone marrow donor programs established; purpose; dissemination of information; recruitment of donors.

**SECTION 44-43-140.** Designation of donee; use of eyes if no donee designated.

**SECTION 44-43-510.** Composition of Board [*for the distribution and delivery of dead human bodies as and for the purpose provided in this article*].

**SECTION 44-43-1370.** Particular application of trust funds [*GIFT OF LIFE TRUST FUND*] excluding administrative fees.

**SECTION 44-61-30.** Standards and regulations for improvement of emergency medical services; creation and membership of Emergency Medical Services Advisory Council.

**SECTION 48-45-40.** Membership; terms.

The membership of the consortium [*South Carolina Sea Grant Consortium*] consists of The Citadel, the College of Charleston, Clemson University, the Medical University of South Carolina, South Carolina State College, the University of South Carolina, and the Department of Natural Resources. These members are designated as charter members.

The terms of the members are perpetual, and a majority of the charter members may vote the admission of a new member into the consortium.

**SECTION 59-101-10.** Designation of State colleges and universities.

There are universities and colleges as follows: one located in the City of Columbia, styled the University of South Carolina; another in or near the Town of Orangeburg, styled South Carolina State University; Clemson University; Winthrop University; another styled The Citadel, the Military College of South Carolina; the College of Charleston; another in or near the Town of Greenwood, styled Lander University; another in or near the City of Florence, styled Francis Marion University; the Medical University of South Carolina, and another in or near the City of Conway styled Coastal Carolina University. They are separate and distinct institutions, each under its separate board of trustees or visitors.

**SECTION 59-101-40.** Presidents of student bodies may be ex officio members of boards of trustees.

Notwithstanding any other provisions of law relating to the composition of the various boards of trustees of State-supported institutions of higher learning, the president of the student body of each of these institutions may be, ex officio, a nonvoting member of the board of trustees of the institution he attends and represents.

The term of office of the student body president shall be contemporaneous with his term as president.

**SECTION 59-101-50.** Enrollment preference given to residents.

The colleges and other institutions of learning of this State supported in whole or in part by the State shall receive as students those applicants residing within the State in preference to those residing without; provided, however, that the applications of those residing within the State shall be filed with the president or secretary of such college or institution of learning at least thirty days before the opening of such college or institution.

**SECTION 59-101-80.** Degree of licentiate of instruction.

The universities and colleges of this State may provide a course of study, to be approved by the State Board of Education, the completion of which by a student will entitle him to the degree of licentiate of instruction and they may issue a diploma showing the degree has been conferred.

**SECTION 59-101-90.** Suspending exercises for Christmas and New Year's Day.

All State colleges and universities shall suspend exercises for a period of not exceeding ten days, including the time required for going from and returning to such colleges and universities, such period to include Christmas Day and New Year's Day.

**SECTION 59-101-110.** Display of State flag on buildings of State University and State colleges.

The State flag shall be displayed daily, except in rainy weather, from a staff upon one building of the University of South Carolina and of each State college. The officer or officers in charge of such buildings shall purchase suitable flags and cause them to be displayed, the expense to be borne out of the funds provided for maintenance.

**SECTION 59-101-120.** Charge for diplomas.

At no State institution of higher learning shall any graduate be charged more than the actual cost for his diploma. But a graduate from any such institution of higher learning may pay a greater price for his diploma if such graduate should elect to do so.

**SECTION 59-101-130.** High schools shall report to Superintendent of Education; institutions of higher learning shall report to high schools.

On or before May first of each calendar year, every high school which issues a State high school diploma shall submit to the State Superintendent of Education in such form as he may prescribe the following data:

- (1) The number of high school graduates that entered the freshman class of an institution of higher learning, either in or out of this State, for whom a first semester report has been received.
- (2) A breakdown showing all courses passed by such group.
- (3) A breakdown showing all courses failed by such group.

Every high school shall seek diligently to obtain such data from out-of-State institutions of higher learning. Any high school which fails to file a report or files a false report shall lose its accreditation.

Every institution of higher learning in this State shall submit to the State high school from which each freshman was graduated a report on the first semester accomplishments of each freshman.

**SECTION 59-101-140.** Tabulation of reports.

After such reports have been received, the State Superintendent of Education shall cause them to be tabulated so as to show the academic performance of graduates from the respective high schools who entered institutions of higher learning. When such tables have been prepared, they shall be included in the annual report of the State Superintendent of Education as presented to the General Assembly. The State Superintendent of Education shall acquaint the proper officials of the institutions of higher learning with the requirements of Section 59-101-130.

**SECTION 59-101-150.** Approval of new programs.

No new program shall be undertaken by any State-supported institution of higher learning without the approval of the Commission or the General Assembly.

**SECTION 59-101-170.** Liability insurance.

All institutions of higher learning in the State are authorized to procure liability insurance in amounts deemed reasonable and necessary by their respective boards of trustees for the benefit and protection of employees who may be liable to third persons who are injured or killed or whose property is damaged as a result of negligence of the employee in the performance of his or her regularly assigned duties. Provided, that such insurance shall not include physicians' and dentists' professional (malpractice) liability insurance coverage.

The premiums on all insurance contracts as herein authorized shall be paid from funds of the institution concerned and shall be considered a part of the general expense of that institution.

Actions brought for damages or injury covered by the insurance authorized by this section shall be brought directly against the individuals insured by such policies and neither the State nor the particular institution concerned shall be a party to such action nor shall any provision of this section be construed as a waiver of the State's general immunity from liability and suit.

**SECTION 59-101-180.** Sale and disposal of real property.

The governing body for each state-supported college and university shall review the real property titled in the name of its institution to determine if such property is in excess of the institution's anticipated needs and is available for disposal. All real properties determined to be in excess may be disposed of with the approval of the Budget and Control Board and the governing body for the college or university. The proceeds of such sales are to be disposed of as follows:

(1) if the property was acquired as a gift, or through tuition, student fees or earned income, the proceeds may be retained by the selling institution for use in accord with established needs;

(2) if the property was acquired through state appropriations, state capital improvement bonds, or formula funds, the proceeds shall revert to the state general fund.

The responsibility for providing any necessary documentation including, but not limited to, documenting the fund source of any real property proposed for sale rests with each respective institution.

**SECTION 59-101-185.** Governing boards of state institutions of higher learning authorized to maintain financial management and accounting systems.

Authority to maintain financial management and accounting systems is delegated to the Board of Trustees or Boards of Visitors of the following state institutions of higher learning: The University of South Carolina, Clemson University, The Medical University of South Carolina, The Citadel, Winthrop University, South Carolina State University, Francis Marion University, The College of Charleston, Lander University, and Coastal Carolina University. Such systems shall provide financial information to the Comptroller General's Statewide Accounting and Reporting System (STARS) in the format and level of detail as prescribed by the Comptroller General.

**SECTION 59-101-187.** Events recognizing academic and research excellence; funding sources.

Pursuant to a written policy adopted by the governing board of a public institution of higher learning, as defined in Section 59-103-5, the institution may expend funds from the sources listed in this section for events which recognize academic and research excellence and noteworthy accomplishments of members of the faculty and staff, students, and distinguished guests of the institution. Sources of the funds for these expenditures include only:

- (1) revenues derived from athletics or other student contests;
- (2) the activities of student organizations;
- (3) the operations of canteens and bookstores; and
- (4) approved private practice plans and all nonappropriated state funds.

The expenditures of funds from these sources pursuant to the written policy of the board for the purposes stated in this section are considered to meet the public purpose test for the expenditure of public funds. A copy of the written policy adopted by the board must be forwarded to the Commission on Higher Education.

**SECTION 59-101-190.** Deans' Committee on Medical Education.

**SECTION 59-101-195.** Maximum compensation of medical school physicians and employees.

The maximum compensation of any physician or other employee of a medical school of the State of South Carolina shall be approved in advance annually by the President or the Board of Trustees of that medical school. All compensation must be approved by someone other than the recipient thereof. Compensation shall include all remuneration obtained, through a professional service organization or otherwise, with use of state owned facilities, equipment or supplies.

**SECTION 59-101-197.** Reporting requirement of financial information for medical school receiving state appropriation.

(A) For purposes of this section "affiliate" means any entity controlled by or under common control with another entity, whether through ownership, interlocking boards or officers, charter, bylaws, or otherwise and including each professional staff office or practice of each medical school receiving an appropriation from the State, and each trust or foundation which has as one of its significant purposes the support of a medical school receiving an appropriation from the State.

(B) Not later than September first of each year, each medical school receiving an appropriation from the State shall provide to the General Assembly a written report setting forth:

- (1) for the prior fiscal year the total compensation paid or accrued by the medical school and its affiliates, including cash, fringe benefits, retirement accounts or arrangements, deferred compensation accounts or arrangements, consultant's, director's, and trustee's fees and honoraria, from all sources to or for each

officer, dean, department chairman, and each of the fifty most highly compensated physicians employed by or utilizing the facilities of the medical school or its affiliates;

(2) a description of each element of the compensation;

(3) the source of each element of the compensation; and

(4) the number of out-of-state students and the total number of students in each academic program.

**SECTION 59-101-200.** Hazing prohibited; penalties.

**SECTION 59-101-280.** Colleges and universities to emphasize teaching as career opportunity.

**SECTION 59-101-285.** Governing board meeting attendance requirements for board members.

Notwithstanding any other provision of law or special provision applicable to a particular institution, a member of the governing board of an institution of higher learning as defined in Section 59-103-5 must attend at least two-thirds of the regular and special meetings of the board during any calendar year or a vacancy in that office is deemed to exist as of January first of the next year which shall be filled in the manner provided by law. The chairman of that board when a violation of this section occurs shall report the violation to the appointing or electing authority within thirty days after the close of the calendar year in which the violation occurred. The member of the governing board who missed such meetings thereby causing the vacancy is ineligible for reelection or reappointment to that board for a period of ten years thereafter.

Time effective

**SECTION 59-101-335.** Authorization to establish penalties and bonds for traffic and parking violations; availability of schedule of penalties and bonds for such offenses.

The governing boards of all state-supported colleges, universities, and technical schools shall be authorized to establish penalties and bonds for traffic and parking violations occurring on property which is owned, leased, supervised, or otherwise controlled by the institution. A schedule of penalties and bonds for such offenses shall be available for inspection during normal business hours at the institution at a location designated by the board.

**SECTION 59-101-340.** Allocation of funds appropriated for the "Cutting Edge: Research Investment Initiative".

Twenty-five percent of funds appropriated by the General Assembly for the "Cutting Edge: Research Investment Initiative" must be allocated to the state's senior public colleges. If the number of quality proposals for funding submitted by the senior colleges does not require the full allocation, the balance of the allocation must be distributed by the Commission on Higher Education to the state's public universities.

**SECTION 59-101-350.** Commission on Higher Education annual report; submission of information by educational institutions for inclusion in report; alumni surveys.

(A) The Commission on Higher Education shall submit an annual report to the Governor and to the General Assembly. The annual report must be published before January fifteenth of each year and presented in a readable format so as to easily compare with peer institutions in South Carolina and other Southern Regional Education Board states the state's public, post-secondary institutions. Prior to publication, the Commission on Higher Education shall distribute a draft of the report to all public, post-secondary institutions and shall allow comment upon the draft report. The Commission on Higher

Education shall develop and adopt a format for the report and shall ensure consistent reporting and collecting of the data in the report by the institutions.

(B) Each four-year, post-secondary institution shall submit to the commission the following information for inclusion in the report, with the South Carolina Department of Corrections' students identified and reported separately:

- (1) the number and percentage of accredited programs and the number and percentage of programs eligible for accreditation;
- (2) the number and percentage of undergraduate and graduate students who completed their degree program;
- (3) the percent of lower division instructional courses taught by full-time faculty, part-time faculty, and graduate assistants;
- (4) the percent and number of students enrolled in remedial courses and the number of students exiting remedial courses and successfully completing entry-level curriculum courses;
- (5) the percent of graduate and upper division undergraduate students participating in sponsored research programs;
- (6) placement data on graduates;
- (7) the percent change in the enrollment rate of students from minority groups and the change in the total number of minority students enrolled over the past five years;
- (8) the percent of graduate students who received undergraduate degrees at the institution, within the State, within the United States, and from other nations;
- (9) the number of full-time students who have transferred from a two-year, post-secondary institution and the number of full-time students who have transferred to two-year, post-secondary institutions;
- (10) student scores on professional examinations with detailed information on state and national means, passing scores, and pass rates, as available, and with information on such scores over time, and the number of students taking each exam;
- (11) assessment information for the institution's Title II of the federal Higher Education Act of 1998 report that collects and analyzes data on applicant qualifications and the performance of the candidates and graduates;
- (12) appropriate information relating to each institution's role and mission to include policies and procedures to ensure that academic programs support the economic development needs in the State by providing a technologically skilled workforce;
- (13) any information required by the commission in order for it to measure and determine the institution's standard of achievement in regard to the performance indicators for quality academic success enumerated in Section 59-103-30.

(C) Each two-year, post-secondary institution shall submit to the commission the following information for inclusion in the report:

- (1) the number and percentage of accredited programs and the number and percentage of programs eligible for accreditation;
- (2) the number and percentage of undergraduate students who completed their degree program;
- (3) the percent of courses taught by full-time faculty members, part-time faculty, and graduate assistants;

(4) placement rate on graduates;

(5) the percent change in the enrollment rate of students from minority groups, the number of minority students enrolled, and the change in the total number of minority students enrolled over the past five years;

(6) the number of students who have transferred into a four-year, post-secondary institution and the number of students who have transferred from four-year, post-secondary institutions;

(7) appropriate information relating to the institution's role and mission to include policies and procedures to ensure that academic programs support the economic development needs in the State by providing a technologically skilled workforce;

(8) any information required by the commission in order for it to measure and determine the institution's standard of achievement in regard to the performance indicators for quality academic success enumerated in Section 59-103-30.

(D) The commission also shall develop with the cooperation of the public, post-secondary institutions, a uniform set of questions to be included in surveys to be used by each public, post-secondary institution in determining alumni satisfaction. The survey instruments must address the issues of overall satisfaction, satisfaction with major instruction, impact of general education, and current societal participation of alumni. Every two years the graduating class of three years prior must be surveyed by each institution using appropriate statistical techniques. Information from these surveys must be included every two years in the annual report as required herein.

(E) The commission shall make no funding decision, capital outlay decision, distribution or certification on behalf of any public, post-secondary institution that has not submitted the information required pursuant to this section.

(F) After discussions with the institutions, the Commission on Higher Education in consultation with the House Education and Public Works Committee and the Senate Education Committee shall develop the format for the higher education report as required herein.

(G) The Commission on Higher Education also is required in the annual report to report on the progress of institutions of higher education in implementing assessment programs, in their achievement of effectiveness goals, and on each institution's standard of achievement in regard to the performance indicators for academic success established in Section 59-103-30.

(H) The report required by this section must be filed in magnetic media form if the information is available in that form.

**SECTION 59-101-395.** Refund of tuition and academic fees when activated for military service; opportunity to complete courses.

(A) When any person is activated for full-time military service during a time of national crisis and, therefore, is required to cease attending a public institution of higher learning without completing and receiving a grade in one or more courses, the assistance provided in this section is required with regard to courses not completed. A complete refund of tuition and academic fees as are assessed against all students at the institution shall be granted to the student. The refund shall be distributed proportionately to the student after considering other resources received by the student for paying applicable tuition and fee charges. The proportionate distribution shall take into account appropriate federal and state regulations governing resources received by the student. Proportionate refunds of room and board, if applicable, and other special fees which were paid to the institution must be provided to the student, based on the date of withdrawal. If an institution contracts for room and board services covered by fees which have been paid by and refunded to the student, the contractor shall provide a pro rata refund to the institution. If the institution has a policy of repurchasing textbooks, students must be offered the maximum price, based on condition, for the textbooks associated with the courses.

(B) When a student is required to cease attendance because of such military activation without completing and receiving a grade in one or more courses, the institution shall provide a reasonable opportunity for completion of the courses after deactivation.

**SECTION 59-101-410.** Loan of endowment funds and auxiliary enterprise funds.

(A) As used in this section, "auxiliary enterprise funds" means athletics revenues and funds derived from bookstore, licensing, vending, concessions, and food service operations.

(B) The governing boards of all state-supported colleges, universities, and technical schools may lend from time to time their endowment funds and auxiliary enterprise funds, including interest derived therefrom, currently on deposit with the State Treasurer's Office to separately chartered not-for-profit legal entities whose existence is primarily providing financial assistance and other support to the institution and its educational program. The governing boards of all state-supported colleges, universities, and technical schools also may lend from time to time their future endowment funds and auxiliary enterprise funds received, including interest derived therefrom, currently on deposit with the State Treasurer's Office to separately chartered not-for-profit legal entities whose existence is primarily to provide financial assistance and other support to the institution and its educational program, provided however, that all of these funds must first be recorded with the State Treasurer's Office. Income from the loan of auxiliary funds as provided in this section must be used solely for scholarship purposes. The loans must be in accordance with such terms and conditions as determined by the respective institution's governing body.

**SECTION 59-101-420.** Annual reporting of out-of-state undergraduate student population and policy.

Any public institution of higher education is required to annually report the number of out-of-state undergraduate students in attendance at the respective university for the fall and spring semester. Each university will also be required to report an out-of-state undergraduate student policy and how that policy was enacted by each university. The report will be required to be submitted to the Governor and each member of the General Assembly no later than September fifteenth of each year for the latest completed school year.

**Title 59 - Education**

**CHAPTER 101.**

**COLLEGES AND INSTITUTIONS OF HIGHER LEARNING GENERALLY**

**ARTICLE 2 - PUBLIC INSTITUTIONS OF HIGHER LEARNING**

**SECTION 59-101-610.** Use of funds for lump-sum bonus plans.

A public institution of higher learning may spend federal and other nonstate appropriated sources of revenue to provide lump-sum bonuses at levels outlined in a plan approved by the governing body of the respective public institution of higher learning and according to guidelines established in the plan. The public institution of higher learning must maintain documentation to show that the use of federal funds for this purpose is in compliance with federal law. This payment is not a part of the employee's base salary and is not earnable compensation for purposes of employee and employer contributions to the respective retirement systems.

**SECTION 59-101-620.** Educational fee waivers.

A public institution of higher learning may offer educational fee waivers to no more than four percent of the undergraduate student body.

## **SECTION 59-101-630.** Funding research grant positions.

Notwithstanding any other provision of law, and in recognition and support of the opportunities for economic development presented through the expansion of research activities, a public institution of higher learning may establish research grant positions funded by federal grants, public charity grants, private foundation grants, research grants, medical school practice plans, individual private gifts, externally generated revenue for service or testing activities, and grant generated revenue or a combination of these, without regard to the authorized number of full-time equivalency (FTE) positions allocated to the public institution of higher learning, provided that:

(1) state appropriated funds must not be used to fund any portion of research grant positions. FTE positions funded solely or partially by state or other funding sources shall remain subject to the number of FTE positions authorized for each public institution of higher learning;

(2) research grant positions shall not occupy FTE positions;

(3) research grant positions may be established using other funds during the proposal development or pre-award stages of grant funding in anticipation of specific grant or project funding;

(4) research grant positions may be established for multiple years; however, research grant positions are limited to and may not exist beyond the duration of the funding for the project or grant or any subsequent renewal. At the discretion of the public institution of higher learning other funds may be used to fund continued employment between the expiration of one grant and the subsequent renewal of the same or similar grant or the award of an additional grant. When funding for the project or grant ends or is insufficient to continue payments under the conditions of the project or grant, research grant employees must be terminated and these positions must cease to exist. Research grant employees are exempt from the provisions of Sections 8-17-310 through 8-17-380;

(5) persons occupying research grant positions may be eligible for all benefits, not to exceed those benefits available to covered state employees, provided that funds are available within the grant or project or by use of grant-generated revenue;

(6) persons occupying research grant positions are employed at-will and do not have grievance rights afforded to covered state employees or faculty of the respective public institution of higher learning. Research grant employees are not entitled to compensation beyond the date of termination, other than for the part of the project or grant that has been performed; and

(7) discretionary determinations by a public institution of higher learning as to whether to hire an employee pursuant to this section are final and not subject to administrative or judicial appeal.

## **SECTION 59-101-640.** Graduate assistant health insurance.

A public institution of higher learning may offer and fund, from any source of revenue other than state approved sources, health insurance to full-time graduate assistants according to a plan approved by the governing body of the respective public institution of higher learning.

## **SECTION 59-101-650.** Eminent domain.

The board of trustees of a public institution of higher learning is vested with the power of eminent domain. The authority granted in this section applies only to private lands. The lands condemned must be used by the public institution of higher learning in the performance of its functions in the acquisition, construction, and operation of facilities for the public institution of higher learning, and is subject to the approval of the State Budget and Control Board.

## **SECTION 59-101-660.** Annual audit and quality review process; negotiation with preapproved public accountant firms.

A public institution of higher learning may negotiate for its annual audit and quality review process with reputable certified public accountant firms selected from a list preapproved by the State Auditor's office.

**SECTION 59-104-440.** Allocation of funds.

(A) With the exception of the University of South Carolina, Clemson University, and the Medical University of South Carolina, institutions seeking financial support from the fund for research projects shall submit proposals to the commission for its review and approval.

(B) The portion of the fund allocated to the three senior universities excepted in subsection (A) must be distributed in a manner that takes into account the previous year's expenditures of externally generated funds for research which each university reported to the commission.

(C) No funds allocated under the provisions of this chapter nor matching funds received pursuant to terms of this chapter may be used to increase an institution's future years' formula funding as computed by the Commission on Higher Education.

**SECTION 59-107-10.** Institutions to which chapter is applicable; "State institution" defined.

The several state-supported institutions of higher learning, within the contemplation of this chapter, are declared to be:

The University of South Carolina,  
Clemson University, in Clemson,  
The Citadel,  
The Medical University of South Carolina,  
Winthrop University,  
South Carolina State University,  
Francis Marion University,  
Lander University,  
The College of Charleston,  
Coastal Carolina University,  
Technical Education Colleges and Centers.

Hereafter in this chapter such institutions shall be denoted by the term "state institution".

**SECTION 59-107-20.** Tuition fees required at State institutions; "State Board" defined.

Tuition fees (as such term is defined in Section 59-107-30) shall be required to be paid in such amount or amounts and under such conditions as the respective Board of Trustees, Area Commissions or, for any Technical Education College or Center not governed or supervised by an Area Commission, the State Board for Technical and Comprehensive Education, of such state institutions shall prescribe, with the approval of the State Budget and Control Board, hereafter in this chapter referred to as the "State Board". The provisions of this section shall not be construed as requiring uniformity of tuition fees at such state institutions nor shall they preclude a higher scale for non-residents of South Carolina.

**SECTION 59-107-30.** Remittance and application of tuition fees.

All tuition fees received by any State institution shall be remitted from time to time to the State Treasurer under such regulations as he shall prescribe. The State Treasurer shall apply the same as directed by this chapter. For all purposes of this chapter the term "tuition fees" shall include those fees charged by any State institution for tuition, matriculation and registration. The term "tuition fees" shall not include sums charged for enrolling in courses or classes offered at any summer school term or in any special seminar, nor shall the term relate to or include fees levied or charged for purposes other than for the purposes of this chapter.

**SECTION 59-107-40.** Application for funds for permanent improvements and other expenses; content of application.

The respective Boards of Trustees, Area Commissions, through the State Board for Technical and Comprehensive Education, or the State Board for Technical and Comprehensive Education for any Technical Education College or Center not governed and supervised by an Area Commission of such state institutions may make application to the State Board for funds to be used for any one or more of the following purposes: (a) to construct, reconstruct, maintain, improve, furnish and refurnish the buildings and other permanent improvements for such state institutions, (b) to defray the costs of acquiring or improving land needed as sites for such improvements or for the campus of any such state institution, (c) to reimburse such institution for expenses incurred in anticipation of the issuance of such bonds, or (d) to refund state institution bonds heretofore issued for such institutions and which shall on such occasion be outstanding. Such application shall contain:

- (1) A description of the improvement sought, or the amount of outstanding bonds it wishes to have refunded;
- (2) An estimate of cost, or an estimate of the money required to effect the refunding;
- (3) A statement establishing the aggregate sum received from tuition fees for the fiscal year immediately preceding the fiscal year in which such application is dated;
- (4) The schedule of tuition fees in effect;
- (5) A suggested maturity schedule for bonds issued pursuant to this chapter; and
- (6) A statement showing the unmatured state institution bonds theretofore issued for such state institution.

The application shall contain an agreement upon the part of the Board of Trustees, Area Commission, or State Board for Technical and Comprehensive Education that such schedule of tuition fees shall be revised from time to time and whenever necessary to provide the annual principal and interest requirements on the proposed bonds and on all outstanding state institution bonds issued for such state institution.

**SECTION 59-107-50.** Authority of State Board as to applications.

The State Board may approve, in whole or in part, or modify in any way that it sees fit any application made by any Board of Trustees, Area Commission, or by the State Board for Technical and Comprehensive Education of any of the state institutions and may direct the application of the principal proceeds of any bonds, issued pursuant to this chapter for such purpose if it shall have found:

- (1) That a definite and immediate need therefor exists, or, in the event that the issuance of refunding bonds is sought, that it is to the advantage of the institution to effect the refunding of its outstanding bonds;
- (2) That a satisfactory and proper schedule of tuition fees is in effect at such State institution;
- (3) That the annual debt service on all state institution bonds issued for such state institution, including the bonds then proposed to be issued, shall not exceed ninety percent of the sums received by such state institution of higher learning from tuition fees for the preceding fiscal year;
- (4) That the Board of Trustees, Area Commission, or State Board for Technical or Comprehensive Education of the state institution has agreed that such schedule of tuition fees may be revised from time to time and whenever necessary to provide not less than the sum needed to pay the annual principal and interest requirements on the proposed bonds and on all outstanding state institution bonds issued for such state institution.

**SECTION 59-107-60.** Request for issuance of State institution bonds.

Upon making the finding required of it by Section 59-107-50, the State Board shall transmit to the Governor and to the State Treasurer a request for the issuance of State institution bonds. Such request shall set forth:

- (1) The name of the State institution seeking funds, the amount of its application, and the annual principal and interest requirements on all outstanding State institution bonds issued for such State institution;
- (2) A statement that the State Board has made the findings required of it by Section 59-107-50, and the extent to which it has approved or modified the original application;
- (3) The proposed maturity schedule of the bonds;
- (4) The anticipated interest cost for each year during the life of the bonds;
- (5) The anticipated aggregate annual principal and interest requirements for the bonds;
- (6) The numbers and maturity dates of the bonds which shall be subject to redemption prior to their stated maturities;
- (7) The proposed redemption premium schedule;
- (8) The sum received by such state institution from tuition fees for the fiscal year preceding the fiscal year in which the application was made pursuant to Section 59-107-40; and
- (9) The tuition fee schedule in effect at such State institution.

**SECTION 59-107-70.** Governor and State Treasurer empowered to authorize issuance of bonds.

It shall be the duty of the Governor and the State Treasurer to examine the request mentioned in Section 59-107-60, and if they shall jointly approve it, and, for themselves, determine that the schedule of tuition fees in force at such state institution will, upon the basis of the sum received by such state institution from tuition fees for the fiscal year preceding the fiscal year in which the application made pursuant to Section 59-107-40, produce funds sufficient to meet the principal and interest requirements on the proposed bonds and on all outstanding state institution bonds issued for such state institution, and provide the margin for such principal and interest requirements to the extent required by paragraph (3) of Section 59-107-50, they shall be empowered to provide for the issuance of state institution bonds in the amount approved by the state board.

**SECTION 59-107-80.** Single issue of bonds may cover several applications.

If it shall happen that more than one application by State institutions shall receive the approvals required by Sections 59-107-50 to 59-107-70, at approximately the same time, the State institution bonds in an amount equal to the aggregate of the approved applications may be issued as a single issue.

**SECTION 59-107-90.** Maximum amount of outstanding bonds.

The maximum amount of annual debt service on all outstanding state institution bonds for each state institution shall not exceed ninety percent of the sums received by such state institution from tuition fees for the preceding fiscal year, as provided in Section 13(6)(b) of Article X of the South Carolina Constitution.

**SECTION 59-107-100.** Full faith, credit and taxing power of State pledged to pay bonds.

For the payment of the principal and interest on all state institution bonds, whose issuance is authorized by this chapter, there shall be pledged the full faith, credit, and taxing power of the State, and in addition,

the revenues derived from the tuition fees received by the particular institution of higher learning for which such state institution bonds are issued must also be pledged.

#### **SECTION 59-107-110.** Negotiability and registration.

State institution bonds issued pursuant to this chapter may be in the form of negotiable coupon bonds, payable to bearer, with the privilege to the holder of having them registered in his name on the books of the State Treasurer as to principal only, or as to both principal and interest, and such principal, or both principal and interest, as the case may be, thus made payable to the registered holder, subject to such conditions as the State Treasurer may prescribe. State institution bonds so registered as to principal in the name of the holder may thereafter be registered as payable to bearer and made payable accordingly.

State institution bonds may also be issued as fully registered bonds with both principal and interest thereof made payable only to the registered holder. Such fully registered bonds shall be subject to transfer under such conditions as the State Treasurer may prescribe. Such fully registered bonds may, if the proceedings authorizing their issuance so provide, be convertible into negotiable coupon bonds with the attributes set forth in the first paragraph of this section.

#### **SECTION 59-107-120.** Denominations of bonds; interest rate; maturity; redemption.

The state institution bonds must be in the denomination of one thousand dollars or in any multiple thereof. They shall bear interest, payable semiannually, at a rate or rates not exceeding the maximum interest rate specified in the State Board's request for the issuance of the state institution bonds. Each issue of state institution bonds shall mature in annual series or installments, the last of which shall mature not more than twenty years after the date of the bonds. The installments or series may be equal or unequal in amount. The state institution bonds may, in the discretion of the State Board, be made subject to redemption at par and accrued interest, plus such redemption premium as it may approve, and on such occasions as may be specified in the request for the issuance of the state institution bonds. State institution bonds may not be redeemable before maturity unless they contain a statement to that effect.

#### **SECTION 59-107-140.** Bonds exempt from taxes.

The bonds authorized by this chapter and all interest to become due thereon shall have the tax-exempt status prescribed by Section 12-1-60.

#### **SECTION 59-107-150.** Bonds as legal investments.

It shall be lawful for all executors, administrators, guardians, fiduciaries and sinking fund commissions to invest any moneys in their hands in State institution bonds.

#### **SECTION 59-107-160.** Sale of bonds.

State institution bonds may be privately placed if the terms and conditions of such disposition shall be approved by resolution duly adopted by the state board and the terms of such proposal meet the financial test prescribed in the second paragraph of this section.

All other state institution bonds shall be sold by the Governor and the State Treasurer upon sealed proposals, after publication of notice of the sale one or more times at least ten days before the sale in a newspaper of general circulation in the State and also in a financial paper published in New York City which regularly publishes notices of sale of state or municipal bonds. In all calls for bids, the right shall be reserved to reject all bids and readvertise for the sale of the bonds. Upon the opening of bids the Governor and the State Treasurer shall determine the most advantageous bid, and if such bid produces principal and interest payments on such proposed issue which are in compliance with the provisions outlined in paragraph (3) of Section 59-107-50, they may award the state institution bonds on such bid, at a price not less than par and accrued interest to the date of delivery. For the purpose of bringing about a successful sale of such bonds, the state board may do all things ordinarily and customarily done in

connection with the sale of state or municipal bonds. All expenses incident to the sale of the bonds shall be paid from the proceeds of the bonds.

**SECTION 59-107-170.** Deposit and use of proceeds of bonds.

The proceeds of sale of state institution bonds must be received by the State Treasurer and placed in a fund to the credit of the state board subject to withdrawal on their order, except that all accrued interest received must be used by the State Treasurer to discharge the first installment of interest coming due. On the occasion that he receives the proceeds of state institution bonds from the purchaser, the State Treasurer shall segregate the proceeds for the account of the state institution or institutions for which the bonds are issued. The purchasers of the state institution bonds are not liable for the application of the proceeds of the bonds to the purposes for which they are intended.

**SECTION 59-107-180.** Tuition fees placed in special fund to pay bonds; application of surplus.

Immediately following the issuance of state institution bonds, the State Treasurer shall segregate into a special fund all tuition fees of the state institution for which state institution bonds have been issued and shall apply such special fund to the payment of the principal, interest, and redemption premium, if any, on all bonds issued pursuant to this chapter for such institution; provided, however, that in the event the monies on deposit in such special fund at any time shall exceed all payments of principal and interest due in the then current fiscal year, plus the maximum annual debt service requirements in any succeeding fiscal year of all state institution bonds outstanding for such institution that were issued prior to March 1, 1991, plus any additional amount described in the last sentence of this section, the State Treasurer shall thereupon establish within the special fund created by this section separate funds for each issuance of state institution bonds for such state institution to be designated "special debt service and reserve funds", and (1) shall deposit in the special debt service and reserve fund for each issuance of state institution bonds that was issued prior to March 1, 1991, an amount equal to all payments of principal and interest due in the then current fiscal year on such issuance, plus the maximum annual debt service requirements in any succeeding fiscal year of such issuance, and (2) shall deposit in the special debt service and reserve fund for each issuance of such state institution bonds that was issued on or after March 1, 1991, an amount equal to all payments of principal and interest due on such issuance of state institution bonds in the then current fiscal year. Upon the establishment and funding of such special debt service and reserve funds for the state institution bonds for any state institution in accordance with the foregoing sentence, the State Treasurer shall apply tuition fees later received to maintain the levels of the special debt service and reserve funds at the level required by the foregoing sentence as such level may be adjusted as current annual and maximum annual requirements vary, and may apply any remaining tuition fees and any monies still remaining in the general special fund after the complete funding of the special debt service and reserve funds: to the defeasance of state institution bonds for such institution as provided in Section 59-107-200; or to any purpose set forth in subitems (a), (b), and (c) of the first paragraph of Section 59-107-40. In the event the surplus is to be applied to the defeasance of bonds, the computation of annual debt service requirements for purposes of this section shall be made as though the bonds to be defeased had already been defeased. Notwithstanding the foregoing, it is expressly provided that the State Treasurer may increase the required level for a special debt service and reserve fund for an issuance of state institution bonds issued on or after March 1, 1991, to an amount equal to all payments of principal and interest due on such issuance of state institution bonds in the then current fiscal year plus an amount equal to all payments of principal and interest due on such issuance of state institution bonds to become due between the end of the then current fiscal year and the date at which the State Treasurer anticipates receiving sufficient deposits of tuition fees from such state institution in the ensuing fiscal year to provide an adequate cash flow to meet debt service requirements for such ensuing fiscal year.

**SECTION 59-107-190.** Declaration of sufficiency of tuition fees to pay bonds.

The General Assembly finds that the tuition fees charged at the several State institutions, if maintained and applied in the manner prescribed by this chapter, will be sufficient to provide for the payment of the principal and interest on State institution bonds issued pursuant to this chapter, without resorting to a property tax.

**SECTION 59-107-200. Defeasance of bonds; trust fund established.**

Upon the direction of the state board, the State Treasurer may apply all or any part of the excess, as defined in Section 59-107-180, of the special fund established pursuant to Section 59-107-180, applicable to the state institution bonds of any state institution to the defeasance of any of such bonds by establishing an irrevocable trust therefor which shall consist of either monies in an amount which shall be sufficient, or direct obligations of the United States of America, or obligations unconditionally guaranteed by the United States of America, the principal and interest on which when due will provide the sums required to pay the principal, interest, and redemption premium, if any, of the particular state institution bonds sought to be defeased. The trust fund shall be established in such manner as to designate the state institution bonds intended to be defeased. When so established, the state institution bonds shall be deemed to be defeased and shall not be deemed to be outstanding for all purposes of this chapter. Notwithstanding the establishment of the irrevocable trust fund, the obligation of the State to pay to the holders of the defeased bonds all sums due by way of principal and interest shall not be deemed to be impaired.

The General Assembly is mindful of the fact that the law in effect at the time of the issuance of any state institution bonds is a part of the contract between the State and the holders of such bonds.

It is not intended that Sections 59-107-50, 59-107-90, 59-107-180 and 59-107-200 shall impair or modify the contract existing between the State and the holders of state institution bonds now outstanding. Accordingly, the use of surplus money in the sinking funds established by Section 59-107-180 for capital improvements shall not be undertaken until all bonds outstanding on May 11, 1976 have been paid or provision for their payment has been made. It is further prescribed that in the event of a deficiency in revenues required to pay the principal or interest of any state institution bonds outstanding on May 11, 1976, resort may be had by the holders of such bonds to any special trust established to defease other state institution bonds outstanding on May 11, 1976 and, in which event, it shall become the duty of the trustees, Area Commissions, or the State Board for Technical and Comprehensive Education of the applicable state institutions to increase tuition fees to the extent necessary to restore such special Trust Fund.

**Title 59 - Education  
CHAPTER 111.  
SCHOLARSHIPS**

**SECTION 59-111-20. Free tuition for certain veterans' children.**

(A) A child of a wartime veteran, upon application to and approval by the South Carolina Department of Veterans Affairs, may be admitted to any state-supported college, university, or post high school technical education institution free of tuition so long as his work and conduct is satisfactory to the governing body of the institution, if the veteran was a resident of this State at the time of entry into service and during service or has been a resident of this State for at least one year and still resides in this State or, if the veteran is deceased, resided in this State for one year before his death, and provided the veteran served honorably in a branch of the military service of the United States during a war period, as those periods are defined by Section 101 of Title 38 of the United States Code and:

- (1) was killed in action;
- (2) died from other causes while in the service;
- (3) died of disease or disability resulting from service;

- (4) was a prisoner of war as defined by Congress or Presidential proclamation during such war period;
- (5) is permanently and totally disabled, as determined by the Veterans Administration from any cause;
- (6) has been awarded the Congressional Medal of Honor;
- (7) is missing in action;
- (8) the applicant is the child of a deceased veteran who qualified under items (4) and (5); or
- (9) has been awarded the Purple Heart for wounds received in combat."

(B) The provisions of this section apply to a child of a veteran who meets the residency requirements of Chapter 112 of this title, is twenty-six years of age or younger, and is pursuing any type of undergraduate degree.

**SECTION 59-111-60.** Scholarship, free tuition, and other financial assistance for trustee or member of immediate family prohibited; exceptions.

(A) No person who is a member of the board of trustees or other governing body of a state institution as defined in Section 59-112-10 or member of his immediate family may receive a scholarship, free tuition, or other financial assistance except as provided in subsection (B).

"Immediate family" includes the spouse, natural or adoptive child, stepchild, or legal dependent.

(B) Nothing in subsection (A) prohibits a person from obtaining a scholarship, free tuition, or other financial assistance based on criteria applicable to all persons eligible for scholarships, free tuition, or other financial assistance.

**SECTION 59-111-110.** Tuition not charged children of firemen, law-enforcement officers and government employees totally disabled or killed in line of duty.

No tuition may be charged for a period of four school years by any state-supported college or university or any state-supported vocational or technical school for children of:

(1) firemen, both regularly employed and members of volunteer organized units, organized rescue squad members, members of the Civil Air Patrol, law enforcement officers, or corrections officers, as defined herein, including reserve and auxiliary units of counties or municipalities who become totally disabled or are killed in the line of duty on or after July 1, 1964;

(2) government employees who become totally disabled or are killed in the line of duty while working on state time on or after July 1, 1996, as a result of a criminal act committed against them which constitutes a felony under the laws of this State.

The tuition authorized to be paid by this section applies only to undergraduate courses or curriculum and may be paid for a period not exceeding four years, regardless of the number of state-supported colleges, universities, or state-supported vocational or technical schools the child attends.

**SECTION 59-111-320.** Persons age sixty and over may attend classes without payment of tuition.

State-supported colleges and universities, and institutions under the jurisdiction of the State Board for Technical and Comprehensive Education, are authorized to permit legal residents of South Carolina who have attained the age of sixty to attend classes for credit or noncredit purposes on a space available basis without the required payment of tuition, if these persons meet admission and other standards deemed appropriate by the college, university, or institution, and if these persons do not receive compensation as full-time employees.

**SECTION 59-111-420.** Exemption of member of South Carolina National Guard from one-half of tuition charges; conditions and limitations; administration by State Commission on Higher Education.

(A) A member of the South Carolina National Guard enrolled as a student in state-supported institutions of higher learning or technical colleges, as these institutions are enumerated in Section 59-111-340, is exempt from one-half of the tuition charges for up to twelve credit hours as long as the student is a member in good standing of the South Carolina National Guard. The student must be a resident of South Carolina in order to be eligible for such one-half tuition. This one-half tuition exemption may be claimed for a period of five years or until the receipt of a bachelor's degree, whichever occurs first. The State Commission on Higher Education shall administer the provisions of this section and has the authority to issue an exemption for one-half of the tuition fees for up to twelve credit hours per semester to a member of the South Carolina National Guard so qualifying. This exemption shall remain in effect for one full academic year and may be renewed in accordance with regulations prescribed by the commission.

(B) The one-half tuition benefits provided by this section are optional with the particular institution or college and are based on availability of seats. Availability of seats shall be determined on a course-by-course basis during registration by the institution or college.

(C) If the student terminates his enlistment in the South Carolina National Guard or if the student's work and conduct are no longer satisfactory to the governing body of the institution the student attends, the exemption is forfeited immediately, and the student shall pay the institution all tuition charges from which the student was exempt for that period.

(D) To receive the exemption, a student must be a member in good standing of the South Carolina National Guard for the entire semester for which the exemption is claimed.

(E) The Adjutant General shall promulgate the regulations necessary for the implementation of this article and submit a list of eligible participants to the State Commission on Higher Education for validation.

(F) The State Commission on Higher Education shall validate the South Carolina National Guard list and forward an exemption certificate for each student to the registrar of the appropriate institution.

**Title 59 - Education**  
**CHAPTER 112.**  
**DETERMINATION OF RATES OF TUITION AND FEES**

**Title 59 - Education**  
**CHAPTER 123.**  
**THE MEDICAL UNIVERSITY OF SOUTH CAROLINA**

**SECTION 59-123-10.** Change of name; programs limited to health area; new programs and organizational changes.

The name of the Medical College of South Carolina is hereby changed to "The Medical University of South Carolina," it being the intent that this institution will limit its programs to those in the health area. It is further intended that any new programs undertaken by the institution will first be approved by the Commission on Higher Education and that no organizational changes in the operation and management of the institution shall be made as a result of the change in name.

**Attorney General's Opinions-**

Patient medical records at the Medical University of South Carolina are required by law to be treated as confidential records, and they may be released only with consent of the patient or by mandatory Court Order. 1976-77 Op Atty Gen, No 77-407, p 335.

**SECTION 59-123-20.** Acceptance of transfer of property.

The State of South Carolina hereby expressly declares that it accepts the conveyance and transfer of the

property, real and personal, of The Medical University of South Carolina and the State Treasurer may receive and securely hold such property, both real and personal, and execute the necessary papers and receipts therefor as soon as the trustees and faculty of The Medical University of South Carolina shall convey and transfer such property to the State.

#### **SECTION 59-123-30.** Charter confirmed.

The charter of The Medical University of South Carolina is hereby confirmed and extended with all the rights and privileges granted heretofore by the original act of incorporation or by any subsequent extension of its charter.

#### **SECTION 59-123-40.** Composition of board of trustees.

The management and control of the university shall be vested in a board of trustees, to be composed as follows: The Governor (or his designee), ex officio, twelve members to be elected by the General Assembly in joint assembly and one member to be appointed by the Governor. The Governor shall make the appointment based on merit regardless of race, color creed, or gender and shall strive to assure that the membership of the board is representative of all citizens of the State of South Carolina.

##### **Attorney General's Opinions-**

"Chairman emeritus" of the board of trustees of The Medical College of South Carolina possesses an honorary title only and may not exercise legal responsibilities as member of the board of trustees. 1965-66 Ops. Att'y Gen., No 2096, p 200.

#### **SECTION 59-123-50.** Election of board members; terms.

The present members of the board of trustees shall continue to serve until July 1, 1966, at which time their terms shall terminate and the members of the board to succeed the present members, and to fill the additional membership provided in Section 59-123-40, must be elected at a joint session of the General Assembly on the following dates: On the first Wednesday in February 1966, members representing the medical profession (medical doctor, dentist, registered nurse, or licensed pharmacist) and on the second Wednesday in February 1966, lay members or nonmedical members. One member of the medical profession from each congressional district and one layman or member of a nonmedical profession from each congressional district must be elected. The terms of all members elected commence on July 1, 1966. Of those first elected, the member who represents the medical profession from the first, second, and third congressional districts and lay members or members of the nonmedical profession from the fourth, fifth, and sixth congressional districts must be elected for terms of four years or until their successors are elected and qualify. The member of the board of trustees who represents the medical profession from the fourth, fifth, and sixth congressional districts and the members who are laymen or members of nonmedical professions from the first, second, and third congressional districts must be elected for terms of two years or until their successors are elected and qualify. Their successors must be elected for terms of four years or until their successors are elected and qualify. After its 1984 session, the General Assembly shall elect successors to those members it elects not earlier than the first day of April for a term to begin the following July first. Elections to fill vacancies on the board which are caused by the death, resignation, or removal of an elective trustee may be held earlier than the first day of April of the year in which the unexpired term terminates, but the term of the person elected to succeed the member expires on the last day of June of the year in which the term of the former member would have expired. In electing members of the board, the General Assembly shall elect members based on merit regardless of race, color, creed, or gender and shall strive to assure that the membership of the board is representative of all citizens of the State of South Carolina.

The term of the at-large trustee appointed by the Governor is effective upon certification to the Secretary of State and is four years. Any vacancy in the office of the member appointed by the Governor must be filled by appointment for the unexpired term in the same manner of original appointment. If the Governor chooses to designate a member to serve in his stead, as permitted by Section 59-123-40, the appointment is effective upon certification to the Secretary of State and shall continue, at the pleasure of the Governor making the appointment, so long as he continues to hold the specified office.

**SECTION 59-123-60.** Organization and powers of board; designation as Medical University Hospital Authority.

(A) The board of trustees shall elect one of its members to be chairman and is authorized to elect a university president, one or more vice presidents, and a secretary, prescribe their duties and terms of office, and fix their compensation. It shall elect teachers of professorial rank in the various colleges which make up the Medical University of South Carolina and other officers and employees as may be necessary for the proper conduct of the university and fix their compensation, the fees and charges of students, and the rules for the government of the university. The board of trustees also has the following powers:

(1) to make bylaws and regulations considered expedient for the management of its affairs and its own operations not inconsistent with the constitution and laws of this State or of the United States;

(2) to confer the appropriate degrees in medicine, dental medicine, pharmacy, nursing, health-related professions, and graduate studies in related health fields upon students and other persons as in the opinion of the board of trustees may be qualified to receive them; and

(3) to make contracts and to have, to hold, to purchase, and to lease real estate and personal property for corporate purposes; and to sell and dispose of personal property and any buildings that are considered by it as surplus property or no longer needed and any buildings that it may need to do away with for the purpose of making room for other construction. These powers must be exercised in a manner consistent with the provisions of Chapter 35 of Title 11.

(B) All revenues of the Medical University of South Carolina, the Medical University Hospital, and any funds transferred to the Medical University from a practice plan must be expended for a public purpose as that purpose is defined in the applicable state law and regulations. For purposes of this subsection, and in addition to all other applicable laws and regulations, public purposes also do not include expenditures for purchasing gifts, making political or other contributions, and reimbursing officers' and employees' travel and subsistence expenses in excess of those authorized by law for state employees away from their job site on official business.

(C) The provisions of the Freedom of Information Act apply to the Medical University Hospital Authority, except that access is not allowed under this section to patient records or insurance information with respect to patients.

(D) Members of the Medical University Board, while serving as members of the hospital authority and the officers and employees of the hospital authority, shall be subject to applicable state ethics and accountability provisions of law.

(E) As shall be provided in an implementing resolution by the Board of Trustees of the Medical University of South Carolina, the Board of Trustees of the Medical University of South Carolina becomes the governing body of the Medical University hospitals, clinics, and other health care and related facilities (hereinafter 'hospital') as shall be determined from time to time by resolution of the board. Whenever the board functions in its capacity as the governing body of the hospital, the board of trustees is constituted and designated as the Medical University Hospital Authority, an agency of the State of South Carolina (hereinafter called authority). The board, as the governing body of the authority, has the powers granted the Board of Trustees of the Medical University of South Carolina under this chapter and the following powers:

(1) make and amend bylaws for its governance consistent with the purposes of this chapter;

(2) make bylaws for the management, regulation, and operation of the hospital;

(3)(a) make contracts and have, hold, purchase, and lease real estate and personal property for corporate purposes; and sell and dispose of personal property and any buildings that are considered by it as surplus property or no longer needed and any buildings that it may need to do away with for the purpose of making room for other construction. These contracts are exempt from the South Carolina

Consolidated Procurement Code and Regulations, but the authority must adopt a procurement policy requiring competitive bidding for construction contracts, which must be filed with and approved by the State Budget and Control Board;

(b) sell, convey, mortgage, lease, exchange, and otherwise dispose of any real property subject to the authority and approval of the Budget and Control Board. These activities under this subitem are exempt from all regulations and general laws governing disposal of surplus government property. The proceeds derived from the lease of any real property, net of transaction costs and payment of any debts secured by such property, shall be remitted to the MUSC Board of Trustees to be used exclusively for the support of the Medical University. The proceeds derived from the disposition of any real property, net of transaction costs and payment of any debts secured by such property, shall be remitted to the MUSC Board of Trustees to be used exclusively for the support of the Medical University;

(c) make contracts and guarantees, to incur liabilities, to issue its notes, bonds, and other obligations, and secure any of its obligations by mortgage or pledge of any of its property, or income in a manner to be in the best interest of the authority. Any guarantee or indebtedness of the authority shall not create an obligation of the State, nor shall such guarantee or indebtedness be considered a debt against the general revenue of the State;

(d) for the purpose of effectuating the provisions of subitem (c) above, utilize all provisions of the Hospital Revenue Bond Act. The issuance by the authority of any bonds, notes, or other obligations or indebtedness, except as provided in this subitem, shall be subject to the approval thereof by resolution of the State Budget and Control Board. Except for such approving resolution, the requirements of Section 44-7-1590 of the Hospital Revenue Bond Act shall be applicable to obligations issued by the authority. The authority may issue revenue anticipation notes and such notes shall have a maturity of not exceeding six months from date of issuance and shall not exceed, in the aggregate, ten percent of the net patient service revenue for the fiscal year of the authority preceding the fiscal year in which such obligations are issued;

(4) receive contributions, donations, and payments and invest and disburse its funds; provided, however, that these funds are funds which must be used for public purposes, and further, that the authority may not use or authorize the use of funds, property, or time to influence the outcome of an election;

(5) construct, operate, and maintain the hospital and related premises, buildings and facilities, and infrastructure;

(6) appoint such officers, employees, personnel, and agents of the authority and define such duties and fix their compensation in such manner as is necessary to carry out the authority's activities and affairs; the policies of the authority's personnel and employees are exempt from Budget and Control Board personnel policies and applicable laws; all personnel employed by the authority are exempt from the provisions of Article 5, Chapter 17 of Title 8, the State Employee Grievance Procedure, but the board shall adopt a grievance procedure substantially similar to the provisions of that article to govern personnel and employees of the authority, and this procedure must be filed with and approved by the State Budget and Control Board. All employees of the authority must be furnished a copy of this grievance procedure; all personnel employed by the authority are employees-at-will and are state employees for purposes of eligibility for participation in the South Carolina Retirement System, the State Health Insurance Group plans, and pursuant to the South Carolina Tort Claims Act;

(7) make pension payments to the South Carolina Retirement Systems on behalf of personnel or employees employed by the authority who qualify in the same manner as other state employees in the executive branch of government;

(8) pay contributions to the Office of Insurance Services for health and dental plans on behalf of personnel employed by the authority who qualify in the same manner as other state employees in the executive branch of government;

(9) receive, expend, and control under its own name and account any appropriated funds, federal funds,

donations, and grants made available to the authority; provided, however, that these funds are funds which must be used for a public purpose, and further, that the authority may not use or authorize the use of funds, property, or time to influence the outcome of an election;

(10) conduct an annual fiscal audit by certified public accountants selected by the authority who shall review the accounts of the authority and report such findings of the audit to the Governor and the General Assembly in accordance with generally accepted auditing standards;

(11) prepare and submit an annual budget to the General Assembly and the Budget and Control Board for review;

(12) establish management controls and staffing of personnel as the authority deems most appropriate for the prudent conduct of the activities and affairs of the hospital; provided, that they establish an internal audit function that would report directly to the authority;

(13) establish such not-for-profit corporations as the board considers necessary to assist the authority in carrying out its functions; provided, that any entity created pursuant to this subsection is considered to be an entity of the authority and subject to all laws and regulations applicable to the authority under this section. The formation of for-profit corporations by the authority is strictly prohibited.

(F) Upon review of the audit report required in Section 59-123-60(E)(10), the legislature, by joint resolution, or the Governor, by Executive Order, may request audits to be completed by the State Auditors Office or the Legislative Audit Council. Based on the findings reported in the audit required in Section 59-123-60(E)(10) by the State Auditors Office or by the Legislative Audit Council, the legislature, by joint resolution, may require intervention by the Budget and Control Board for the purposes of rectifying any material findings reflected in the audits.

(G) A member of the Medical University Board, an officer in the administration of the university, including deans of the various colleges, the President of the Medical University, or any other officer of the authority or any of its affiliates who have been found guilty of malfeasance, misfeasance, incompetence, absenteeism, conflict of interest, misconduct, persistent neglect of duty in office, or incapacity shall be subject to removal by the Governor upon any of the foregoing causes being made to appear to the satisfaction of the Governor. But before removing any such person, the Governor shall inform him in writing of the specific charges against him and give him an opportunity on reasonable notice to be heard. The Governor shall appoint a successor to fill the vacancy created by his removal. The successor appointed by the Governor is to serve in that position until a successor is elected and qualified in accordance with Section 59-123-50.

(H) The authority shall offer and provide to the Medical University of South Carolina the services necessary for the training and education of health professionals.

(I) Beginning in fiscal year 2000-2001 state appropriations to the Medical University of South Carolina for support of the Medical University hospitals and clinics shall be redirected to the Department of Health and Human Services. These funds shall be used as match funds for the disproportionate share for the hospital's federal program. Any excess funding may be used for hospital base rate increases. Beginning in fiscal year 2000-2001 and in subsequent years, the Department of Health and Human Services shall pay to the Medical University of South Carolina Hospital Authority an amount equal to the amount appropriated for its disproportionate share to the Department of Health and Human Services. This payment shall be in addition to any other funds that are available to the authority from the Medicaid program inclusive of the disproportionate share for the hospital's federal program. The authority shall continue to operate the hospital as a health provider for the citizens of South Carolina and the clinical site for the education and training programs of the Medical University of South Carolina.

(J) The board, as the governing body of the authority, shall adopt a written policy for the hospital for the expenditure of public funds. Public funds may be expended for events which recognize academic and research excellence and noteworthy accomplishments of members of the faculty and staff, students, and distinguished guests of the authority. Sources of the funds for these expenditures include only

nonappropriated state funds. The expenditure of funds from these sources pursuant to the written policy of the board for the purpose stated in this section are considered to meet the public purpose test for expenditure of public funds.

(K) The authority and its permanent improvements and the financing thereof shall be exempt from the provisions of Chapter 47 of Title 2, and the leasing of property and the granting of easements and rights of way by the authority shall be exempt from the provisions of Sections 1-11-55, 1-11-56, 1-11-57(1), and 10-1-130.

(L) The authority and the board of trustees as the governing body of the authority shall succeed to all of the rights, duties, and obligations of the Medical University of South Carolina and the board of trustees, respectively, as owner and operator of the hospital. All property, real, personal, tangible, or intangible (including, without limitation, deposits, investments, and accounts receivable) of the Medical University relating to the hospital shall be and become the property of the authority. The Medical University and its officers are authorized to execute and deliver such instruments of conveyance or agreements as may be determined by the board to be necessary or useful to effect or evidence such transfer."

HISTORY: 1962 Code § 22-355; 1952 Code § 22-355; 1942 Code § 5796; 1932 Code § 5796; Civ. C. '22 § 2815; 1913 (28) 188; 1937 (40) 486; 1953 (48) 402; 1967 (55) 643; 1969 (56) 444; 1980 Act No. 302, § 1; 1987 Act No. 13 § 1.

HISTORY: Amended by 1999 Act No. 100, Part II, § 78, eff June 30, 1999; 1999 Act No. 116, § 2, (see Editor's Note for effective date).

<General Materials (GM) - References, Annotations, or Tables>

#### **EDITOR'S NOTES--**

This section was amended by 1999 Act No. 100, Part II, § 78 and by 1999 Act No. 116, § 2. The amendments are being read together at the direction of the Code Commissioner.

1999 Act No. 116, §§ 1, 4, provide as follows:

#### **"SECTION 1. The General Assembly finds that the:**

"(1) Medical University Hospitals and Clinics are required to provide critical medical and hospital care while at the same time serving the role of teaching hospitals and clinics supporting the training of medical professionals;

"(2) Medical University Hospitals and Clinics operate in a highly competitive health care environment, and of necessity, must have maximum flexibility in their management and operations to realize greater efficiencies, enhance revenues, and reduce expenditures in order for the hospitals and clinics to continue to succeed in their critical and comprehensive public mission;

"(3) Board of Trustees of the Medical University of South Carolina should have greater management and operational flexibility to achieve these goals."

"SECTION 4. This act takes effect upon approval by the Governor (approved June 30, 1999) or upon adoption by the Board of Trustees of the Medical University of South Carolina of a resolution endorsing the provisions of this act, whichever occurs later."

#### **EFFECT OF AMENDMENT--**

The first 1999 amendment (by Act 100), in the first paragraph, subsequently designated by 1999 Act No. 116 as subsection (A), added item (3).

The second 1999 amendment (by Act 116) designated the existing provisions as subsection (A) and added subsections (B) to (E).

## **CROSS REFERENCES--**

Powers and duties of board in connection with the issuance of revenue bonds for student and faculty housing, §§ 59-123-210 et seq.

## **RESEARCH AND PRACTICE REFERENCES--**

14 CJS, Colleges and Universities § 18.

## **CASE NOTES**

In general

1. In general

Medical university's board of trustees had no authority to dispose of buildings or personal property. *Medical Soc. of South Carolina v. Medical University of South Carolina*, 513 S.E.2d 352 (S.C. 1999).

## **ATTORNEY GENERAL'S OPINIONS**

1. In General

The authority of a college president or the college's board of trustees in matters involving tenure and contracts of employment depends upon how much authority has been delegated or retained by the board of trustees. Any limitations imposed by the Freedom of Information Act, such as ratifying action taken in executive session, must necessarily take into consideration delegation of authority, which would be a factual determination made on a college-by-college basis. 1986 Op Att'y Gen, No. 86-8, p 36.

Medical University Hospital may require persons entering and leaving premises to submit to search of bags and parcels as there is a demonstrable public purpose; individuals must have the option to avoid search by checking bags and parcels upon entry. 1978 Op Att'y Gen, No 78-3, p 7.

A member of the Board of Trustees of the Medical University of South Carolina may not vote by proxy for the election of the Chairman of the Board. 1975-76 Op Atty Gen, No 4405, p 250.

A member of the Board of Trustees of the Medical University of South Carolina may not vote in the election of the Chairman of the Board by absentee ballot. 1975-76 Op Atty Gen, No 4418, p 270.

The South Carolina Medical College Hospital may employ a chaplain. 1966-67 Ops. Att'y Gen., No 2284, p 99.

## **SECTION 59-123-70. Annual report of board.**

The board of trustees shall meet annually at the call of the chairman of the board and at such meeting shall prepare and present to the General Assembly a report on the condition of the university and of their receipts and expenditures for the preceding year and shall also prepare for presentation to the General Assembly an estimate of the sum required for the maintenance of the university for the next succeeding year.

**SECTION 59-123-80.** Board authorized to grant rights-of-way for widening and extending streets; president authorized to sign necessary documents.

The board of trustees of The Medical University of South Carolina may grant rights-of-way, easements, or otherwise convey to the city council of Charleston such property as they deem necessary and required for the purpose of widening and extending streets through The Medical University land when it shall be to the advantage of The Medical University. The president of The Medical University may sign all documents necessary to complete the transactions herein provided for, after they have been approved in writing by the board of trustees in each such instance.

**SECTION 59-123-90.** Board vested with power of eminent domain.

The board of trustees of The Medical University of South Carolina is vested with the power of eminent domain. The authority granted in this section applies only to private lands. The lands condemned must be used by The Medical University in the performance of its functions in the acquisition, construction, and operation of facilities for the University. Any new construction undertaken by The Medical University within the corporate limits of the City of Charleston must be done in compliance with the parking regulations and ordinances of that city to the degree that the number of parking spaces required by the regulations and ordinances must be provided on Medical University property.

**Attorney General's Opinions-**

A State agency may exercise power of condemnation only with permission given by the General Assembly. 1974-75 Op Att'y Gen, No. 3952, p 27  
Bill No. S-75 [Code 1976 §59-123-90] providing for the power of eminent domain be given to the Board of Trustees of the Medical University of South Carolina is constitutionally valid. 1974-75 Op Att'y Gen, No 3972, p 44.

**SECTION 59-123-95.** Board may borrow to purchase diagnostic and therapeutical equipment.

In order to raise moneys which are required to pay the cost of diagnostic and therapeutical equipment for use in the hospital operated by The Medical University of South Carolina (The Medical University), the Board of Trustees of the University with the approval of the State Budget and Control Board of South Carolina (the state board) may borrow such amounts as shall be required for such purposes. Not more than two million dollars of debt created pursuant to this section shall be outstanding at any time.

The borrowing authorized by this section shall be in the form of notes of The Medical University payable solely from charges for the service or use rendered by the equipment. Upon its acquisition, an appropriate schedule of charges shall be placed in effect and maintained. All moneys received from the charges shall be remitted to the State Treasurer and deposited in a special fund to be applied to the payment of the principal and interest on the notes. With the approval of the state board any surplus in such fund may be used as a revolving fund to purchase additional diagnostic and therapeutic equipment.

No note may be issued hereunder unless the use of its proceeds, its terms, its maturities and the service charge to be imposed for the use of the purchased equipment is approved by the state board.

The charges imposed by authority of this section shall be in addition to the "special charge" established and maintained pursuant to Section 14 of act 1654 of 1972 imposed to secure in part all Plant Improvement Bonds of The Medical University now or hereafter issued.

**SECTION 59-123-100.** Rules governing admissions not changed.

Nothing contained in Sections 59-111-510 to 59-111-580 shall be construed to alter in any manner the law, rules or regulations governing admissions of students to The Medical University of South Carolina and all admissions of beneficiaries of scholarships under said sections shall be likewise subject to approval by the admitting authorities in the same manner as otherwise provided by law.

**SECTION 59-123-110.** School of Dentistry established at Medical University.

In addition to the present facilities, activities and colleges of The Medical University of South Carolina, there is hereby created and established a four-year college of dental medicine, to be located in Charleston, South Carolina, as a part of The Medical University, and to be known as the College of Dental Medicine of The Medical University of South Carolina; and the board of trustees of the University may commence operations of the college as soon as practicable.

**SECTION 59-123-115.** Area Health Education Consortium; funding formula.

The South Carolina Area Health Education Consortium shall be awarded funding for the Statewide Family Practice Residency System, the Graduate Doctor Education Program, and the Area Health Education Center Program based on the appropriate formula, as approved by the Area Health Education Consortium and the Commission on Higher Education, and the funding methodology shall be applied in a manner consistent with that of other state institutions of higher learning.

**SECTION 59-123-125.** Rural Physician Program; administration of funds; membership of managing board.

The funds appropriated to the Medical University of South Carolina for the "Rural Physician Program" shall be administered by the South Carolina Area Health Education Consortium physician recruitment office. The Medical University of South Carolina shall be responsible for the fiscal management of funds to ensure that state policies and guidelines are adhered to. A board is hereby created to manage and allocate these funds in the best interests of the citizens of South Carolina. The board shall be composed of the following: the Executive Director, or his designee, of the South Carolina Primary Care Association; the Dean, or his designee, of the University of South Carolina School of Medicine; the Executive Director, or his designee, of the South Carolina Medical Association; two representatives from rural health care settings, one to be appointed by the Chairman of the Senate Medical Affairs Committee and one to be appointed by the Chairman of the House Medical, Military, Public and Municipal Affairs Committee; the Commissioner, or his designee, of the Department of Health and Environmental Control; the Commissioner, or his designee, of the South Carolina Hospital Association; the Commissioner, or his designee, of the Commission on Higher Education; and the Director, or his designee, of the Department of Health and Human Services. The Chairman, with the concurrence of the board, shall appoint three at-large members with two representing nursing and one representing allied health services in South Carolina.

**SECTION 59-123-210.** Additional student and faculty housing authorized from bond proceeds; refunding authorized.

The trustees are authorized to acquire additional student and faculty housing facilities and to improve and renovate existing student and faculty housing facilities to the extent they shall approve; and the proceeds of bonds authorized by Sections 59-123-210 through 59-123-320 are made available for that purpose. The trustees are also authorized to refund bonds that may from time to time be outstanding pursuant to Sections 59-123-210 through 59-123-320 by exchange or otherwise.

**SECTION 59-123-220.** Trustees authorized to issue revenue bonds; limitation; refunding; use of proceeds and facilities.

Upon receiving the approval of the State Budget and Control Board and upon review of the Bond Review Committee created by Section 2-47-20, the trustees shall be permitted to issue, from time to time, revenue bonds or notes, provided that not more than ten million dollars of such obligations may be outstanding at any one time. The trustees are also hereby authorized to refund all or any part of any outstanding revenue bonds of the Medical University payable in whole or in part from the revenues also pledged to the payment of bonds issued pursuant to Sections 59-123-210 through 59-123-320 and which are outstanding on the occasion of any such refunding. So much of the proceeds of the loans herein authorized as shall not be required to retire outstanding bonds shall be used in the construction, reconstruction, and equipping of dormitories and buildings designed for student and faculty housing, and auxiliary and

related facilities, to be located on lands owned by the Medical University. Such buildings, when constructed, shall be used for the purpose of providing housing, and auxiliary and related facilities, for students and faculty of the Medical University.

**SECTION 59-123-230.** Bonds payable from net housing revenues.

All bonds issued pursuant to Sections 59-123-210 through 59-123-320 shall be payable from the net revenues derived by the Medical University from the rental of all dormitories, student dwelling quarters and facilities, houses, residences, apartment buildings, from time to time used or designed for use as student and faculty housing, and all furniture, furnishings and equipment therein, which are now owned by the Medical University, or which may hereafter be acquired by the Medical University for any of such purposes; provided, that the trustees may abandon the use of any portion of the facilities or sell or dispose of any portion of the facilities upon the receipt of a written recommendation by the chief financial officer of the Medical University and approval of the Budget and Control Board and the Joint Bond Review Committee to the effect that such action will not adversely affect the ability of the Medical University to discharge its obligations to the holders of bonds issued pursuant to Sections 59-123-210 through 59-123-320 and upon such further conditions as shall be prescribed in the resolution of the trustees providing for the issuance of bonds. For purposes of Sections 59-123-210 through 59-123-320 the term "net revenues" shall mean that sum which remains from the gross revenues derived from the rental of housing facilities after deducting the amounts required in any given year for the operation and maintenance of such facilities.

**SECTION 59-123-240.** Credit of state not to be pledged; trustees not liable on bonds.

The faith and credit of the State of South Carolina shall not be pledged for the payment of the principal and interest of such bonds, and there shall be on the face of each bond a statement plainly worded, to that effect. Neither the trustees nor any other person signing the bonds shall be personally liable therefor.

**SECTION 59-123-250.** Resolutions for issuance of bonds; maturity; interest; denominations; redemption.

In order to avail themselves of the authorizations set forth in Sections 59-123-210 through 59-123-320, the trustees shall adopt resolutions providing for the issuance of bonds of the Medical University, within the limitations herein mentioned, which resolutions shall prescribe the tenor, terms, and conditions of such bonds. Such bonds shall be issued as serial bonds, maturing in equal or unequal amounts, at such times and on such occasions as the trustees shall determine. Provided, always, that the last maturing bonds of any issue shall be expressed to mature not later than forty years from their date, and the first maturing bonds of any issue, issued pursuant to this act, shall fall due within five years from their date. They shall bear such rates of interest, payable on such occasion, as the trustees shall prescribe, and the bonds shall be in such denominations, shall be payable in such medium of payment, and at such place as such resolutions shall prescribe. All bonds may be issued with a provision permitting their redemption on any interest payment date prior to their respective maturities as the trustees shall prescribe. Bonds made subject to redemption prior to their stated maturities may contain a provision requiring the payment of a premium for the privilege of exercising the right of redemption, in such amount or amounts as the trustees shall prescribe in the resolutions authorizing their issuance. All bonds subject to redemption shall contain a statement to that effect on the face of each bond. The resolutions authorizing their issuance shall contain provisions specifying the manner of call and the notice of call that must be given.

**SECTION 59-123-260.** Form of bonds.

Such bonds may be in the form of negotiable coupon bonds, payable to bearer, with the privilege to the holder of having them registered on the books of a registrar to be named, and the principal thus made payable to the registered holder, unless the last registered transfer shall have been to bearer, upon such conditions as the trustees may prescribe, or such bonds may be issued as fully registered bonds. If issued as fully registered bonds, it may be provided that they may thereafter be converted into negotiable coupon bonds of the tenor described above.

**SECTION 59-123-270.** Bonds and interest tax exempt.

The bonds authorized by Sections 59-123-210 through 59-123-320 and all interest to become due thereon shall be exempt from taxation in the State of South Carolina as provided in Section 12-1-60.

**SECTION 59-123-280.** Bonds as legal investments for certain purchasers.

It shall be lawful for all executors, administrators, guardians, and fiduciaries, all sinking fund commissions, and the State Budget and Control Board as Trustee of the South Carolina Retirement System, to invest any monies in their hands in such bonds.

**SECTION 59-123-290.** Execution of bonds.

Such bonds and the coupons, if any, attached to such bonds, shall be executed in the name of the Medical University in such manner and by such persons as the trustees shall from time to time determine, and the seal of the Medical University shall be affixed to or impressed on each bond. Any coupons attached to such bonds shall be authenticated by the facsimile signature of one or more of the persons signing the bonds. The delivery of the bonds so executed shall be valid notwithstanding changes in officers or seal occurring after such execution.

**SECTION 59-123-300.** Sale of bonds.

The bonds shall be disposed of in such manner as the trustees shall determine, except that no sale, privately negotiated without public advertisement, shall be made unless the approval of the State Budget and Control Board shall be obtained. If the trustees shall elect to sell the bonds at public sale, at least one advertisement thereof shall appear in some newspaper of general circulation in South Carolina not less than ten days prior to the occasion fixed for the opening of bids.

**SECTION 59-123-310.** Powers and duties of trustees with respect to bonds.

To the end that the payment of the principal and interest of the bonds authorized hereby shall be adequately secured, the trustees shall be empowered in their discretion:

1. To issue bonds in such amount, within the limitations herein provided, as the trustees shall deem necessary, provided, that it shall be lawful for the trustees to use a portion of the principal proceeds derived from any sale of bonds, except bonds issued to effect refunding of outstanding bonds, to meet the payment of interest on such bonds for a period of one year, it being recognized by the General Assembly that until the facilities to be constructed with the proceeds of the loan shall be completed, an undue burden may be imposed upon then existing revenues.
2. To pledge the entire revenues specified in Section 59-123-230 for the payment of the principal of and interest on the bonds as they respectively mature.
3. To covenant that no housing facilities owned by the Medical University will be used free of charge, or to specify and limit the facilities which may be made use of free of charge.
4. To covenant to establish and maintain such system of rules as will insure the continuous use and occupancy of the facilities, whose revenues are pledged to secure any bonds.
5. To covenant that an adequate schedule of charges will be established and maintained for all the facilities, whose revenues shall be pledged to secure any bonds, to the extent necessary to produce sufficient revenues to:
  - (a) Pay the cost of operating and maintaining the facilities including the cost of fire, extended coverage and occupancy insurance;
  - (b) Pay the principal and interest of the bonds as they respectively become due;

(c) Create and at all times maintain an adequate Debt Service Reserve Fund to meet the payment of such principal and interest; and

(d) Create and at all times maintain an adequate reserve for contingencies, and for major repairs and replacement.

6. To covenant against the mortgaging or disposing of the facilities, whose revenues shall be pledged for the payment of such bonds, and against permitting or suffering any lien to be created thereon, equal or superior to the lien created for the benefit of such bonds; provided, always, that the trustees shall be empowered to discontinue the use of, or demolish, obsolete facilities and to reserve the right, under such terms as they shall prescribe, to issue additional bonds on a parity with the bonds authorized by Sections 59-123-210 through 59-123-320.

7. To covenant as to the use of the proceeds derived from the sale of any bonds issued pursuant to Sections 59-123-210 through 59-123-320.

8. To provide for the terms, form, registration, exchange, execution, and authentication of bonds, and for the replacement of lost, destroyed, or mutilated bonds.

9. To make covenants with respect to the use of facilities to be constructed with the proceeds of the bonds authorized hereby, and of the other facilities, whose revenues shall be pledged for the payment of the bonds.

10. To covenant that all revenues pledged for the payment of the bonds shall be duly segregated into special funds, and that such funds will be used solely for the purposes for which they are intended and for no other purpose.

11. To covenant for the mandatory redemption of bonds on such terms and conditions as the resolutions authorizing such bonds shall prescribe.

12. To prescribe the procedure, if any, by which the terms of the contract with the bondholders may be amended, the number of bonds whose holders must consent thereto, and the manner in which such consent shall be given.

13. To covenant as to the maintenance of the facilities, whose revenues shall be pledged for the payment of the bonds, the insurance to be carried thereon, and the use and disposition of proceeds from any insurance policy.

14. To prescribe the events of default and the terms and conditions upon which all or any bonds shall become or may be declared due before maturity, and the terms and conditions upon which such declaration and its consequences may be waived.

15. To impose a statutory lien upon the facilities, whose revenues shall be pledged to secure the bonds. Such lien shall extend to such facilities, to their appurtenances and extensions, to their additions, improvements, and enlargements to the extent specified in the resolutions and shall insure to the benefit of the holders of the bonds secured thereby. Such facilities shall remain subject to such statutory lien until the payment in full of the principal and interest of the bonds. Any holder of any of the bonds, or any of the coupons representing interest thereon, may, either at law or in equity, by suit, action, mandamus, or other proceedings, protect and enforce the statutory lien, and may, by suit, action, mandamus, or other proceedings enforce and compel performance of all duties of the trustees, including the fixing of sufficient rates, the proper segregation of the revenues, and the proper application thereof. Provided, however, that the statutory lien shall not be construed to give any such bond or coupon holder authority to compel the sale of any of the facilities, or any part thereof.

16. To covenant that if there be any default in the payment of the principal of or interest upon any of the bonds, any court having jurisdiction in any proper action may appoint a receiver to administer and operate the facilities, whose revenues shall be pledged for the payment of such bonds, with power to fix

rates and charges for the facilities, sufficient to provide for the payment of the expense of operating and maintaining such facilities, and to apply the income and revenues of such facilities to the payment of such bonds, and the interest thereon.

17. To establish on or before the occasion of the delivery of any bonds issued pursuant to Sections 59-123-210 through 59-123-320 a debt service reserve fund and to cause the same to be deposited with a corporate trustee and, to that end, the trustees shall be empowered to utilize any monies available for such purpose, including revenues previously accumulated from the facilities prior to the issuance of bonds.

**SECTION 59-123-320.** No time limit on issuance of bonds.

The authorizations granted by Sections 59-123-210 through 59-123-320 shall remain in full force and effect until they shall be rescinded by subsequent enactment, and no time limit is set for the issuance of bonds pursuant to Sections 59-123-210 through 59-123-320.

## **APPENDIX**

**Act No. 2580, VIII McCord, *Statutes at Large* 349 (1840)  
December 20, 1832**

### **CHARTER**

#### **An ACT to Incorporate the Medical College in South Carolina**

Sec. 1. Be it enacted by the Senate and House of Representatives, That a Board of Trustees and Professors be and are hereby established and declared to be a corporate body, under the style and title of the President, Trustees and Faculty of the Medical College of the State of South Carolina.

Sec. 2. And be it further enacted, That the said Board of Trustees shall consist of eleven member, viz; Nathaniel Heyward, C. J. Colcock, Henry L. Pinckney, Robert J. Turnbull, Samuel Prioleau, Elias Horry, William Drayton, Jacob Ford, H. A. Desaussure, Jasper Adams, and Mitchell King, Esquires, who shall elect a President from among themselves.

Sec. 3. And be it further enacted, That when a vacancy shall occur among the members of the said Board of Trustees, such vacancy or vacancies shall be filled by the remaining members of the Board.

Sec. 4. And be it further enacted, That the Faculty shall consist of J. Edwards Holbrook, Samuel Henry Dickson, Thomas G. Prioleau, Edmund Ravenel, Henry R. Frost, and John Wagner, Professors.

Sec. 5. And be it further enacted, That the said Board of Trustees and Faculty shall have perpetual succession of officers and members, with a common seal; shall have power to make all lawful and proper rules and by-laws, for the government and regulation of themselves and of the said College; and that the said corporation is declared capable of receiving and holding real and personal estate, not exceeding sixty thousand dollars, whether acquired by gift, devise, bequest or purchase, for the

benefit of said College.

Sec. 6. And be it further enacted, That whenever a vacancy shall occur in the Faculty of the said College, the said Board of Trustees and Faculty shall have the power to elect to the vacant Professorship, and also to establish such other or assistant Professorship, under such regulations as they may deem essential to the interests of the said College, and to remove any Professor or Professors for incapacity or misconduct.

Sec. 7. And be it further enacted, That the said Board of Trustees and Faculty shall have power to confer Medical degrees with license to practice Medicine and Surgery, on such persons as may have attended Lectures in the said College, and may be recommended by the Faculty, and on such other persons as they may propose.

Sec. 8. And be it further enacted, That this shall be deemed a public Act, that the same need not be pleaded, but may be given in evidence under the general issue.

Sec. 9. And be it further enacted by the authority aforesaid, That this Act shall be and continue in force for the term of twenty-one years.

In the Senate House, the twentieth day of December, in the year of our Lord, one thousand eight hundred and thirty-two, and the fifty-seventh year of the Sovereignty and Independence of the United States of America.

H. DEAS, President of the Senate

H. L. PINCKNEY, Speaker of the House of Representatives

### **History of the Medical University Charters and Powers<sup>1</sup>**

The Medical College of the State of South Carolina, predecessor to the present day Medical University of South Carolina, was chartered on December 20, 1832, by Act No. 2580.<sup>2</sup> VIII McCord, *Statutes at Large* 349 (1840). The duration of the charter was twenty-one years. The board of trustees and faculty were granted the "power to make all lawful and proper rules and by-laws, for the government and regulation of themselves and of the said college" and "the said corporation is declared capable of receiving and holding real and personal estate, not exceeding \$60,000, whether acquired by gift, devise, bequest or purchase, for the benefit of said College." Act No. 2580 is attached as Exhibit A.<sup>3</sup>

On December 21, 1854, the General Assembly passed Act No. 4200, which renewed the charter of, *inter alia*, the Medical College of the State of South Carolina, "with all the rights, powers and privileges heretofore granted to them respectively; and all acts done by any of the said corporations, in accordance with their respective charters, since their expiration be, and the same are hereby, allowed to be legal and valid." XII *Statutes at Large* 319 (1874). Note that the original charter, passed in 1832 with a life of twenty-one years, would have expired before Act No. 4200 was passed. Hence, the language "renewing" the charter and validating acts done after the

charter's expiration. Although the charter was not renewed in 1853, the Appropriations Act for 1853, included an appropriation of \$20,000 to the Medical College of the State of South Carolina. Act No. 4200 is attached hereto as Exhibit B.<sup>3</sup>

On December 24, 1878, Act No. 706 was passed which "renewed and revived for the term of twenty-one years" the charter of the Medical College of the State of South Carolina, "with all the rights, powers and privileges heretofore granted; and that all acts done by the said corporation in accordance with its charter since the expiration thereof be, and the same are hereby, declared legal and valid." XVI *Statutes at Large* 817 (1876 [sic]).<sup>4</sup> Act No. 706 is attached hereto as Exhibit C.<sup>3</sup>

The 1853 renewal of the original charter did not contain a time limit but, being a renewal, the limit was probably twenty-one years. If so, the charter should have been renewed in 1875. The charter was renewed in 1878 with a provision validating acts done after the expiration of the charter. Note that although the charter of the Medical College would technically have expired December 20, 1875, on March 10, 1876, the legislature passed Act No. 118 creating a board of pharmaceutical examiners, to which members were to be appointed by the Medical College of the State of South Carolina.

On March 9, 1896, the General Assembly passed Act No. 45, "An Act to Provide for the Formation of Certain Corporations and to Define the Powers Thereof," which appears to be the first general statute concerning the formation and powers of corporations. XXII *Statutes at Large* 92 (1896). That Act was amended on March 5, 1897, by Act No. 333 (XXII *Statutes at Large* 522 [1896]) and again on February 21, 1898, by Act No. 479 (XXII *Statutes at Large* 771 [1896]). Act No. 45 is attached hereto as Exhibit D<sup>3</sup>; Act No. 333 as Exhibit E<sup>3</sup>; and Act No. 479 as Exhibit F.<sup>3</sup>

Section 10, Act No. 45 provides that for "Any corporation heretofore created which has not forfeited its charter . . . may surrender its charter and secure a new charter under this Act . . . ." Various procedures are outlined in order to obtain a new charter. Under Section 12, "All charters granted under the provisions of this Act shall continue of force perpetually unless limited by the terms of the [incorporators'] petition . . . ."

Particularly important is Section 15 which provides:

Every corporation chartered under this Act shall have the following powers, to wit:

\* \* \*

5. To make contracts, to loan money, to acquire and to transfer property, both real and personal, . . . possessing the same powers in such respect as individuals now enjoy.

Section 31 provides that "Every corporation created under the provisions of this Act . . . shall have all the rights, powers and privileges now provided for by law."

Section 8 of Act No. 333 of March 5, 1897, amended Section 12 of Act No. 45 by adding the following words, "If the charter of any corporation under this Act shall hereafter expire by limitation of time, such charter may be renewed . . . in the following manner:" Thereafter, a form of petition is incorporated into the statute.

Act No. 479 of February 21, 1898, again clarified the statute by adding the following words: "If the charter of any corporation heretofore or hereafter granted by special Act . . . has expired, or shall expire by limitation of time, such charter may be renewed . . . in the following manner:" As a result of Act No. 479, legislative charters which had expired (as had the Medical College's) could be renewed by petition to the Secretary of State.

Pursuant to these statutes the trustees and faculty of the Medical College of the State of South Carolina filed a petition with the Secretary of State for a perpetual charter. The petition is handwritten and in the form specified by the statute. It is attached hereto as Exhibit G.<sup>3</sup> A transcription of the petition is attached hereto as Exhibit G-1.<sup>3</sup>

The petition recites that the original charter was granted on December 20, 1832, and asserts that the original charter was renewed from time to time until December 24, 1878, and that the charter expired on December 24, 1899. The petition cites the above statutes as the basis for the petition. The Secretary of State issued a "perpetual charter" on January 25, 1900.<sup>5</sup> That charter is attached as Exhibit H.<sup>3</sup>

On February 15, 1912, the General Assembly passed Act No. 556 amending the original charter of 1832 so as to eliminate the phrase "not exceeding \$60,000," a phrase which limited the amount of property the college could hold. *XXVII Statutes at Large* 1067 (1911). That Act is attached hereto as Exhibit I.<sup>3</sup>

Until 1913, the Medical College remained a private institution. On February 19, 1913, the General Assembly passed Act No. 126 accepting the transfer of the property of the private Medical College of the State of South Carolina and establishing a State medical college. *XXVIII Statutes at Large* 188 (1913). That Act is attached hereto as Exhibit J.<sup>3</sup>

The name was changed to The Medical University of South Carolina by Act No. 349, 1969 Acts and Joint Resolutions 444.

<sup>1</sup> Source: This historical information was prepared by H. Simmons Tate, Jr., Esquire, of Sinkler and Boyd Law Firm in Columbia, South Carolina on March 10, 1998.

<sup>2</sup> Act No. 2534 of December 17, 1831, is sometimes erroneously given as the first charter of the Medical College. That act was passed at the request of the faculty of the Medical

College of South Carolina, a private medical college created in 1824 and operated by the Medical Society of South Carolina pursuant to § XXXV of Act No. 2322 of December 20, 1823. VIII Statutes at Large 328, 333 (1840). The faculty felt the Medical Society gave the college inadequate financial support and petitioned the General Assembly to change the governance of the college. Act 2534 created a board of trustees consisting of appointees of the Medical Society and the governor. Act No. 2534 was declared unconstitutional by *The State v. N. Heyward*, 37 S.C.L. (3 Rich.) 390 (1832). The legislature responded by passing Act No. 2580 of 1832, which created another private medical school separate from the one operated by the Medical Society. The faculty of the Medical Society's medical school resigned *en masse* and joined the new medical school. The Medical Society hired a new faculty and for a number of years, the two medical schools operated in competition. The Medical Society's college went by the name of the "Medical College of South Carolina." The new college was the "Medical College of the State of South Carolina." Ultimately, the Medical Society closed its college.

<sup>3</sup> The exhibits are omitted because of their length; they are available upon request.

<sup>4</sup> I cannot explain why an Act passed in 1878 is printed in a volume whose title page has a date of 1876.

<sup>5</sup> The "perpetual charter" was "dissolved by forfeiture" in 1975. I have no information why this occurred.