Medical University of South Carolina (MUSC) and Medical University Hospital Authority (MUHA)
Board of Trustees
Joint Special Called Meeting Minutes
June 19, 2026

The MUSC and MUHA Board of Trustees convened a joint special called meeting on Friday, June 19, 2026, at the MUSC Health Columbia Medical Center Downtown Classroom in Columbia, South Carolina, with the following Board members present: Mr. Charles Schulze, Chairman; Dr. Melvin Brown, Vice Chairman; Mrs. Terri Barnes; Mr. Jim Battle; Dr. Fritz Butehorn; Dr. Guy Castles; Dr. Richard Christian; Dr. Paul Davis; Dr. Don Johnson; Mrs. Barbara Johnson-Williams; Dr. James Lemon; Dr. Murrell Smith; Mr. Michael Stavrinakis; Mr. Tom Stephenson; and Dr. Bart Witherspoon.

Item 1. Call to Order.

There being a quorum present, Chairman Charles Schulze called the meeting to order at 8:30 a.m.

Chairman Schulze thanked Mr. Matt Littlejohn, Chief Executive Officer, MUSC Health Midlands Division, for hosting the annual budget meeting. Mr. Littlejohn expressed his appreciation for the opportunity to host again and credited his team for organizing the event, noting the importance of the Board's presence to the facility and community. Chairman Schulze then acknowledged Dr. Mac Leppard, who welcomed attendees and reflected on the positive transformation of the Midlands facility under MUSC's leadership emphasizing its impact on patient care and the community, while expressing appreciation for the Board's continued support.

Chairman Schulze then introduced Mr. Bill Wiseman, a new Board of Trustees member, noting the significance of his appointment as the first second-generation trustee, following in the footsteps of his father, Dr. Jim Wiseman. Mr. Wiseman expressed his appreciation for the opportunity and his enthusiasm for contributing to the Board.

Chairman Schulze then called on Dr. Dave Cole, MUSC President, who introduced Mr. Don Esposito as the new Enterprise General Counsel. Dr. Cole highlighted Mr. Esposito's experience in academic and healthcare systems. Mr. Esposito briefly addressed the group, expressing gratitude for the warm welcome, acknowledging the support he has received during his transition, and sharing his enthusiasm for joining MUSC.

Item 2. Roll Call.

Ms. Katherine Haltiwanger, Board Secretary, called the roll.

Item 3. Correction to Item 12 of the Minutes of the May 16, 2025, MUHA Board of Trustees Meeting for Approval.

Chairman Charles Schulze made a motion to approve the correction to Item 12 of the minutes of the May 16, 2025, MUHA Board of Trustees meeting that were approved on August 8, 2025, which misstated the subject matter under Item 12 of the MUHA Board of Trustees Regular Agenda. The minutes should reflect the following for Item 12: Mr. Rick Anderson, Executive Vice President for Finance and Operations, MUSC, presented and Mrs. Terri Barnes, MUHA and MUSC Physical Facilities Committee Chair, made a motion to approve a budget increase of $20,769,028 for construction of a MUSC Campus Connector Bridge from the 2nd floor of the Ashley River Tower to the 2nd floor of the Bioengineering Building. The original budget of $34,399,710 was approved on April 8, 2022.

Board Action: The motion was seconded, voted on, and unanimously carried.

Item 4. Executive Session.

Mr. Jim Battle moved that the Board go into executive session to discuss negotiations of contracts related to the development of clinical services and possible purchase or sale of real property; strategy and trade secrets; personnel matters; and legal advice on matters covered by the attorney/client privilege.

Mr. Battle also made a special announcement recognizing Chairman Charles Schulze. On June 6, 2026, at Fort Jackson, in Columbia, South Carolina, Chairman Charles Schulze was inducted into the inaugural class of the South Carolina Military Veterans Hall of Fame. It was noted that his father, Mr. Dusty Schulze, was also inducted, posthumously, making them the first father-son duo to receive this distinction. Mr. Battle highlighted Chairman Schulze's military service in the United States Air Force, including assignments in Korea and Vietnam, and noted that his service was recognized with multiple U.S. Air Force Outstanding Unit Awards with Valor and the Republic of Vietnam Gallantry Cross. In addition to his military accomplishments, Chairman Schulze was recognized for his extensive contributions to community service, including more than 24 years on the MUSC Board of Trustees. Chairman Schulze responded with appreciation, humbly acknowledging the recognition while emphasizing his respect for combat veterans and noting that his service occurred toward the latter part of the Vietnam era.

Board Action: The motion was seconded, voted on, and unanimously carried. The Board of Trustees moved into executive session at the conclusion of Item 9.

Item 5. MUSC Health FY2027 Budget Presentation.

Mr. Doug Lischke, Chief Financial Officer, MUSC Health, presented the FY2027 MUSC Health budget for information. Mr. Lischke highlighted the key investment priorities of the FY2027 budget, including faculty and provider recruitment and retention, strategic investments in facilities and infrastructure, and initiatives to optimize financial performance across the health system.

He also reviewed the significant growth of the integrated academic health system since FY2013. Operating revenues have increased 439%, growing from $1.9 billion in FY2013 to a budgeted $10.1 billion in FY2027. During the same period, operating cash flow has improved by more than 1,700%, increasing from $32 million to a budgeted $583 million. The FY2027 consolidated operating budget reflects strong financial performance with budgeted EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) of $583 million.

Mr. Lischke then reviewed the FY2027 clinical enterprise key performance indicators, which demonstrate continued year-over-year growth across the system. The FY2027 clinical enterprise capital budget was also presented, outlining $1.3 billion in planned capital investments to support strategic priorities. These investments will be funded through a combination of operating cash flow, debt financing, and other external funding sources. Finally, Mr. Lischke reviewed the FY2027 budgeted days cash on hand and operating cash flow metrics for the clinical enterprise.

Board Action: Received as information.

Item 6. **MUSC FY2027 Budget Presentation.**

Mrs. Susie Edwards, Chief Financial Officer, MUSC, presented the FY2027 MUSC budget for information, outlining how MUSC aligned resources to support its mission while maintaining long-term financial strength. The operating budget reflected $1.24 billion in diversified, largely self-generated revenue and $1.32 billion in expenses with the majority of spending supporting personnel who deliver education, research, and patient care. The budget included approximately $74 million in one-time, strategic investments funded by prior-year resources, which increased current-year expenses but were fully offset by non-operating revenue, resulting in a sustainable underlying expense base.

Mrs. Edwards reported that the capital plan focused on maintaining and enhancing existing facilities and infrastructure without significant expansion, while MUSC's debt remained manageable and conservative relative to peers, positioning the University to invest strategically while preserving financial flexibility and a strong overall financial position.

Board Action: Received as information.

Item 7. **Purchase of Real Property in Charleston County for Approval.**

Dr. Pat Cawley, Chief Executive Officer, MUSC Health, requested authorization for MUHA to acquire real property in Charleston County to be used for clinical and support services.

Board Action: Chairman Charles Schulze made a motion to approve, the motion was seconded, voted on, and unanimously carried.

Item 8. **MUHA Professional Services Selection(s) for Approval.**

Dr. Tom Crawford, Chief Operating Officer, MUSC Health, requested approval to select the following firms for architect/engineering indefinite quantity contracts for the MUSC Health Charleston Division:

- Array Architecture
- GreenbergFarrow (GF)
- Little Diversified Architectural Consulting
- McMillan Pazdan Smith Architecture
- Michael Edwards Architecture, LLC

Board Action: Chairman Charles Schulze made a motion to approve, the motion was seconded, voted on, and unanimously carried.

Item 9. **Careers in Healthcare – Advising, Mentorship, and Pathways (CHAMP) Program.**

Dr. Michael de Arellano, Enterprise Chief Organizational Excellence Officer, presented on Careers in Healthcare – Advising, Mentorship, and Pathways (CHAMP) program. CHAMP is a new, centralized pre-health advising initiative aimed at improving consistency, responsiveness, and effectiveness across MUSC's various academic programs.

Drawing on extensive experience in admissions and advising, Dr. de Arellano emphasized the need for a coordinated approach to better support prospective applicants, particularly considering institutional growth, increasing program competition, and inconsistent advising practices both within MUSC and at external undergraduate institutions. The proposed model introduces a "onestop shop" or centralized hub with a tiered advising system that will provide basic admissions information, personalized guidance, and direct connections to program representatives, along with structured follow-up and applicant tracking to ensure continuity of support. The initiative also seeks to reduce applicant anxiety through timely communication and improved transparency, while addressing common concerns such as delayed responses and lack of clarity during the admissions process.

Additional goals include strengthening collaboration with external pre-health advisors to ensure accurate guidance, enhancing recruitment efforts—particularly for under-enrolled or high-need programs—and expanding outreach to rural student populations in partnership with the MUSC Office of Workforce Development. He reinforced the importance of the initiative by highlighting widespread inconsistencies and inaccuracies in undergraduate advising, further underscoring the value of centralized, admissions-informed guidance. Overall, the program is expected to benefit students, academic programs, and the institution by improving recruitment outcomes, reducing administrative burden, and fostering a more cohesive and strategic approach to advising and admissions.

Board Action: Received as information.

Item 10. FY2027 Leadership Compensation Review for Approval.

The Board returned to open session and Chairman Charles Schulze recognized Mr. Tom Stephenson who made a motion to approve the leadership compensation plan for FY2027.

Board Action: The motion was seconded, voted on, and unanimously carried.

Item 11. New Business for the Board of Trustees.

None.

There being no further business, the meeting was adjourned at 1:57 p.m.

Respectfully submitted,
Katherine S. Haltiwanger
Board Secretary