



MEMORANDUM
UNIVERSITY OF SOUTH ALABAMA

May 27, 2008

TO: USA Board of Trustees
FROM: Bettye R. Maye *BRM*
Secretary, USA Board of Trustees

Enclosed are the unapproved minutes for the March 13, 2008, meeting of the USA Board of Trustees. Please review them for amendment or approval during the June 5 meeting of the Board.

BRM:mgc

Enclosure

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES MEETING**

**March 13, 2008
10:00 a.m.**

A meeting of the University of South Alabama Board of Trustees was duly convened by Dr. Steven H. Stokes, Chair Pro Tempore, on Thursday, March 13, 2008, at 10:00 a.m. in the Board Room of the Frederick P. Whiddon Administration Building.

Members Present: Trustees Steven Furr, Samuel Jones, Donald Langham, Bettye Maye, Christie Miree, Arlene Mitchell, Bryant Mixon, James Nix, John Peek, Steven Stokes, Larry Striplin, and James Yance.

Members Absent: Trustees Scott Charlton, J. L. Chestnut, Cecil Gardner, Joseph Morton, and Bob Riley.

Administration and Others: President Gordon Moulton; Drs. Michael Boyd, Joseph Busta, Pat Covey, Becky Devillier, Lamar Duffy (COM Alumni Assn.), Ron Franks, Michael Jacobs, Russ Lea, Carl Moore, Robert Moore, John Sachs (Faculty Senate), Robert Shearer, John Smith, and David Stearns; Messrs. Terry Albano, Ken Davis, Wayne Davis, Stan Hammack, Norman Pitman, and Tommy Zoghby (USA National Alumni Assn.); and Mss. Vicki Tate (Faculty Senate) and Jean Tucker.

Press: Mr. George Altman (Press-Register).

Upon the call to order, Chairman Stokes called for adoption of the revised agenda. On motion by Mayor Nix, seconded by Dr. Furr, the revised agenda was unanimously approved.

Chairman Stokes called for consideration of **ITEM 1**, the minutes of the December 6, 2007, meeting of the Board of Trustees, as well as the minutes of the December 5, 2007, Committee of the Whole meeting. On motion by Ms. Miree, seconded by Ms. Maye, the minutes were unanimously adopted.

President Moulton presented **ITEM 2**, the President's Report. He recognized Ms. Vicki Tate and Dr. John Sachs of the Faculty Senate, and introduced Mr. Tommy Zoghby, Vice President of the USA National Alumni Association and new member of the USA Foundation Board of Directors. He welcomed Drs. Lamar Duffy, President of the Medical Alumni Association, and John Smith, Vice President for Student Affairs.

President Moulton welcomed Dr. Carl Moore, Dean of the Mitchell College of Business. He announced that the University's annual Spring Concert would take place on March 27. He provided an update about the EADS/Northrup Grumman contract, saying that USA had been actively engaged with the city, county, and state during the bid process. He discussed the proposed new building for the College of Engineering, a project that has received federal funding through the efforts of U.S. Senator Richard Shelby. A detailed outline of direct appropriations was distributed, showing a total

of \$155 million in federal appropriations since 1998, including \$40 million for the engineering building and \$43 million for the Mitchell Cancer Institute. President Moulton thanked the congressional delegation for its support of the University of South Alabama.

President Moulton reported that USA hosted the Sun Belt Conference Basketball Tournament in February. The final game was broadcast on ESPN. Video clips were shown of the Distinguished Alumni and Service Awards Program; Homecoming, at which head football coach Joey Jones and family were introduced; and the Bell Tower and Alumni Plaza groundbreaking ceremony on February 15 and 16. President Moulton thanked Mr. Yance for serving on the Search Committee for the Head Football Coach, as well as Mr. Joe Gottfried for his tireless efforts throughout the search process. Mr. Gottfried expressed appreciation to the Board for their leadership, and introduced Coach Jones. He conveyed appreciation for the opportunity to serve as USA's first head football coach.

Mr. Gottfried introduced Basketball Coach Ronnie Arrow, and provided highlights of a successful season, noting a 26 - 6 record. He added that Coach Arrow had been named the Sun Belt Conference's *Coach of the Year*. President Moulton read aloud **ITEM 1.A** as follows. On motion by Mr. Striplin, seconded by Ms. Mitchell, the resolution was unanimously approved. Coach Arrow expressed gratitude for the recognition and said that the team's accomplishments were a reflection of the community and the leadership at USA. He invited guests to campus on Sunday, March 16, to watch the NCAA Tournament broadcast for wildcard team selection:

**RESOLUTION
COMMENDATION OF COACH RONNIE ARROW AND THE JAGUAR MEN'S BASKETBALL TEAM**

WHEREAS, the USA Men's Head Basketball Coach Ronnie Arrow has guided the USA Jaguars to one of its best seasons in history with an overall record of 26-6, including the Sun Belt Conference's best regular season record of 25-5, and

WHEREAS, the Sun Belt Conference has named Coach Arrow Coach of the Year for the third time, and

WHEREAS, four Jaguar players – Demetric Bennett (first team), Daon Merritt (second team), Brandon Davis and Domonic Tilford (third team) – have been awarded All Conference honors for their outstanding performances during the 2007-2008 season,

THEREFORE, BE IT RESOLVED, that the Board of Trustees commends Coach Ronnie Arrow and the USA Jaguars men's basketball team for these outstanding achievements.

Dr. Stokes called for a report of the Long-Range Planning Committee. Mayor Jones, Committee Chair, called upon Dr. Shearer to address. Dr. Shearer presented **ITEM 3** as follows (refer to **APPENDIX A** for copies of policies and other authorized documentation). He referenced the report entitled *University of South Alabama Long-Range Planning Goals and Objectives (2008-2013)* and discussed the University's ongoing planning and assessment process. He said conducting an exhaustive study allows the University to be in compliance with entities and bodies to which it is accountable and for the purpose of continuous improvement. On motion by Mr. Langham, seconded by Sheriff Mixon, the resolution was unanimously approved:

RESOLUTION
UNIVERSITY OF SOUTH ALABAMA LONG-RANGE PLANNING GOALS AND OBJECTIVES (2008 - 2013)

WHEREAS, in 2003 the University of South Alabama adopted long-range institutional goals and objectives for the period 2003-2008, and

WHEREAS, as a matter of continuous assessment and improvement, the University mission statement and overarching institutional goals and objectives have been reviewed and revised to address future challenges and opportunities,

NOW, THEREFORE BE IT RESOLVED, the Board of Trustees adopts the attached long-range planning report entitled *University of South Alabama: Long-Range Planning Goals and Objectives (2008 – 2013)*.

Chairman Stokes called for consideration of health affairs items. Dr. Furr, Chair of the Health Affairs Committee, moved for the approval of **ITEM 4** as follows. Ms. Mitchell seconded and the resolution was unanimously approved:

RESOLUTION
USA HOSPITALS MEDICAL STAFF APPOINTMENTS AND REAPPOINTMENTS FOR NOVEMBER AND DECEMBER 2007, JANUARY 2008, AND JANUARY 28, 2008

WHEREAS, the Medical Staff appointments and reappointments for November and December 2007, January 2008, and January 28, 2008, for the University of South Alabama Hospitals are recommended for approval by the Medical Executive Committees of the University of South Alabama Hospitals,

THEREFORE, BE IT RESOLVED, that the appointments and reappointments be approved as submitted.

Mr. Hammack presented **ITEM 5** as follows. A visual rendering of the proposed expansion of USA Children's and Women's Hospital was shown to Board members. Mr. Hammack said that the plan called for adding an area almost one-third of the size of the current space, and added that a future second phase would include space for clinical operations. On motion by Mr. Striplin, seconded by Dr. Furr, the resolution was unanimously approved:

RESOLUTION
UNIVERSITY OF SOUTH ALABAMA CHILDREN'S AND WOMEN'S HOSPITAL EXPANSION PLAN

WHEREAS, USA Children's and Women's Hospital, "Hospital," offers regionally unique services and educational experiences specific to the health care needs of women, newborns and children, and

WHEREAS, the Hospital has experienced substantial growth demonstrated by increases in average daily census (20%), deliveries (15%) and surgical cases (14%), and

WHEREAS, this growth is expected to continue through growth in the region's population, the uniqueness of the services offered, the recruitment of additional specialized and regionally unique surgeons and other medical professionals, and

WHEREAS, the USA Mitchell Cancer Institute and the addition of several clinics near the Hospital will have substantial impact on the Hospital's support services including food, security and environmental services, and

WHEREAS, the Hospital's current facilities for patient care, academic programs and support services are not adequate for the continued and predicted growth, and

WHEREAS, the University of South Alabama desires to address these needs by expanding and improving the Hospital's current facilities,

NOW THEREFORE, BE IT RESOLVED, that the Board of Trustees authorizes the University President to initiate the necessary planning and engineering studies to expand and to improve USA Children's and Women's Hospital.

Concerning **ITEM 6**, a report on the USA / IHS Strategic Health Alliance, President Moulton called upon Dr. Franks to introduce Dr. Robert Moore, Chair - Department of Speech Pathology and Audiology, and Dr. Michael Jacobs - Director of the USA Simulation Laboratories. He discussed the intricate capabilities of the simulators to mimic most physical conditions. He talked about opportunities identified by the University to provide emergency response training and other health services in conjunction with the local EADS / Northrup Grumman and Thyssen Krupp industrial initiatives.

Dr. Boyd presented **ITEM 7**, a report on the USA Mitchell Cancer Institute (MCI). Photos of the building were shown, including space for treatment, research, and administrative areas. Dr. Boyd reminded the Trustees that the design process began five years ago, and said that completion of the facility is anticipated for June 2008. In-patient activities will be conducted at Mobile Infirmary which can be easily accessed via a connected walkway from the MCI. Responding to questions, Dr. Boyd provided an update on positions and stated that the appointment of USA College of Medicine graduates is not an option at the present time, adding that cancer training at the University of South Alabama is an opportunity for the future.

Dr. Stokes called for a consideration of the Academic and Student Affairs Committee. Ms. Miree, Committee Chair, called upon Dr. Covey to present **ITEM 8**, a report of academic affairs. Dr. Covey announced that a new Ph.D. program in Combined Clinical and Counseling Psychology will soon be evaluated by the Alabama Commission on Higher Education. She said that a huge market demand for psychologists exists in the immediate area, as well as the state and nation. She discussed a \$471,000 annual pledge by the USA Foundation to provide 22 new research fellowships in engineering, environmental toxicology, the new Ph.D. program in psychology, computer and information sciences, and communication sciences and disorders. She introduced Dr. Carl Moore, Dean of the Mitchell College of Business, who talked about overwhelming public interest in the recent *Gulf Coast Commercial Real Estate Summit* sponsored by Dr. Don Epley, Professor of Marketing and E-Commerce and holder of a Distinguished Professorship in Real Estate. Dr. Moore and President Moulton thanked Ms. Mitchell for a gift of \$2 million for the Mitchell College of Business general endowment. Dr. Moore noted that private giving and support such as this allows the College to attain a higher level of quality, and added that Ms. Mitchell's contribution would help with faculty recruitment.

Dr. Covey presented **ITEM 9** as follows, stating that the University Committee for Honorary Doctorate Degrees had approved the awarding of an honorary degree to Dr. Benjamin Carson, a leading pediatric neurosurgeon at Johns Hopkins University who will serve as Commencement Speaker on May 3. She provided brief biographical information. On motion by Ms. Maye, seconded by Ms. Miree, the resolution was unanimously approved:

RESOLUTION
HONORARY DOCTORATE DEGREE FOR DR. BENJAMIN S. CARSON, SR.

WHEREAS, the University of South Alabama seeks to honor exceptional individuals who have given a substantial part of their lives to serving others and who have distinguished themselves throughout their professional careers, and

WHEREAS, Dr. Benjamin S. Carson, Sr., has achieved extraordinary distinction as an academic physician, educator and scientist and is a highly respected leader in medicine, and

WHEREAS, Dr. Carson is a Professor of Neurological Surgery, Oncology, Plastic Surgery and Pediatrics at Johns Hopkins Medical Institutions, and

WHEREAS, Dr. Carson is Director of the Division of Pediatric Neurosurgery of the Johns Hopkins Medical Institute and Co-Director of the Johns Hopkins Cleft and Craniofacial Center, and

WHEREAS, Dr. Carson is a nationally and internationally respected surgeon, teacher, and medical scientist, and is the author of numerous scientific articles, books and book chapters, and

WHEREAS, Dr. Carson is the recipient of numerous distinguished awards and honorary degrees, and

WHEREAS, in recognition of his contributions to the advancement of new knowledge in pediatric surgery and in health care, extending throughout his career,

THEREFORE, BE IT RESOLVED, for his commitment to the promotion of medical education, biomedical research, and health care delivery, the University of South Alabama bestows upon him this day the degree of Doctor of Science, *honoris causa*.

Ms. Miree called upon Dr. Smith to present **ITEM 10**, a report of student affairs. Dr. Smith reported that construction documents for the new Student Recreation Center are being prepared. He said that completion of the facility is anticipated for Fall 2010. Graphic renderings were shown of the building and amenities.

Dr. Stokes acknowledged the important role of the Mitchell Family and the Mitchell College of Business in bolstering Mobile's position as a lead candidate for the establishment of numerous major industrial enterprises.

Dr. Stokes called for consideration of budget and finance items. Mayor Nix, Chair of the Budget and Finance Committee, presented **ITEM 11** reports entitled *Monthly Fund Reports for October, November, and December 2007*, *Quarterly GASB Financial Statement for the Three Months Ended December 2007*, and *Summary Comparison of Fund Financial Reports to GASB 34 Financial Statements, December 31, 2007 and 2006*. There was no discussion.

Mr. Wayne Davis presented **ITEM 12** as follows. He discussed results of a public bid for the renovation of Alpha South for the purpose of providing additional classroom space for the Air Force ROTC program, as well as relocation of the Army ROTC program to this space. He noted that the Alpha South Building was originally constructed in 1966. The successful bidder is Trademark Construction. On motion by Dr. Furr, seconded by Ms. Maye, the resolution was unanimously approved:

**RESOLUTION
RENOVATION OF ALPHA SOUTH BUILDING**

WHEREAS, the University has the need to relocate the Army ROTC program and to renovate the Air Force ROTC program space, and

WHEREAS, the University has determined that the Alpha South Building, when renovated, will be the best location for these programs, and

WHEREAS, the University received the attached bids on February 15, 2008, for these renovations,

THEREFORE, BE IT RESOLVED, that the Board of Trustees authorizes the University President to approve the construction and renovation contract for the Alpha South Building with Trademark Construction, Inc., in the amount of \$2,599,385.

Mr. Wayne Davis presented **ITEM 13** as follows and discussed results of a public bid to construct a Central Energy Plant Satellite Facility. He said that the new site will allow the University to increase its support of the new facilities under construction on campus. The successful bidder is Donaghey Mechanical Contractors, Inc. On motion by Ms. Maye, seconded by Mayor Nix, the resolution was unanimously approved:

**RESOLUTION
CONSTRUCTION CONTRACT FOR THE CENTRAL ENERGY PLANT SATELLITE FACILITY**

WHEREAS, the University opened bids on February 27, 2008, for the construction of the Central Energy Plant Satellite Facility, and

WHEREAS, the low bid for this construction was \$5,850,000, plus \$150,000 for Alternate 1, for a total of \$6,000,000, and was submitted by Donaghey Mechanical Contractors, Inc.,

THEREFORE, BE IT RESOLVED, that the Board of Trustees of the University of South Alabama hereby authorizes the University President to award the contract to Donaghey Mechanical Contractors, Inc., in the amount of \$5,850,000, plus \$150,000 for Alternate 1, for a total of \$6,000,000 to construct the Central Energy Plant Satellite Facility, in accordance with the bid laws of the State of Alabama.

Dr. Stokes asked Mr. Ken Davis to present **ITEM 14**, the KPMG Report on the USA Intercollegiate Athletics Department, 2007. Mr. Davis indicated that this agreed-upon procedures report is required by the NCAA bylaws. He noted that this is not an audit, thus no opinion by KPMG was rendered.

Chairman Stokes called for a report of endowment and investments items. Mr. Jim Yance, Chair of the Endowment and Investments Committee, called upon Mr. Terry Albano and Mr. Norman Pitman to make comments from the previous performance presentation given at the March 12 committee meeting. Mr. Pitman provided the Board of Trustees a snapshot of current economic conditions and the reasons for the market's extreme volatility. Mr. Albano delivered additional economic information.

Mr. Yance reported on the success to-date of *Campaign USA*, the University's first comprehensive capital campaign. He said that the second year of the public phase has been completed, and the effort is entering its third and final year. Thus far, \$64 million has been raised, an indication that the campaign is progressing on schedule toward its goal of \$75 million. He expressed appreciation

USA Board of Trustees
Page 7
March 13, 2008

to President Moulton, the Mitchell family, and Drs. Stokes, Boyd, and Busta for their tireless efforts in moving *Campaign USA* forward.

There being no further business, the meeting adjourned at 11:40 a.m.

Attest to:

Respectfully Submitted:

Bettye R. Maye, Secretary

Steven H. Stokes, MD, Chair Pro Tempore

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES**

COMMITTEE OF THE WHOLE

**March 12, 2008
2:15 p.m.**

A meeting of the Committee of the Whole was duly convened by Dr. Steven H. Stokes, Chair Pro Tempore, on Wednesday, March 12, 2008, at 2:15 p.m. in the Board Room of the Frederick P. Whiddon Administration Building.

Members Present: Trustees Steven Furr, Donald Langham, Bettye Maye, Christie Miree, Arlene Mitchell, Bryant Mixon, James Nix, John Peek, Steven Stokes, Larry Striplin, and James Yance.

Members Absent: Trustees Scott Charlton, J. L. Chestnut, Cecil Gardner, Sam Jones, Joseph Morton, and Bob Riley.

Administration and Others: President Gordon Moulton; Drs. Michael Boyd, Joe Busta, Pat Covey, Ron Franks, Russ Lea, Robert Shearer, and John Smith; Messrs. Terry Albano, Wayne Davis, and Stan Hammack; Mss. Vicki Tate (Faculty Senate) and Jean Tucker.

Press: Mr. George Altman (Press-Register).

Chairman Stokes called the meeting of the Committee of the Whole to order and President Moulton reminded Trustees of the meeting format. He called upon Dr. Shearer to discuss **ITEM 3** (for copies of resolutions, policies, and other authorized documentation, refer to the USA Board of Trustees meeting minutes, March 13, 2008), a resolution to adopt strategic planning goals as outlined in the report entitled *University of South Alabama: Long-Range Planning Goals and Objectives (2008 - 2013)*. Dr. Shearer explained that extensive planning and continuous assessment are practices that cover all departments and divisions. He advised that the University had recently completed a five-year review from which University goals were updated through 2013, inclusive of a new goal for promoting research and scholarly activities. He said that strategies will be developed to support each goal and objective.

Dr. Stokes inquired about possible partnerships should the EADS/Northrup Grumman contract move forward. President Moulton responded that USA would be poised for discussions early in the development stages for new businesses. Dr. Lea suggested that the University could seek to leverage those companies with federal grants that provide for the matching of funds. Dr. Franks and Mr. Hammack talked about Thyssen Krupp's interest in working with the University relative to burn treatment and emergency response training via USA's simulation program. Mr. Yance reported on meetings held to develop cooperative opportunities between the College of Engineering and local companies Austal USA and Atlantic Marine.

President Moulton addressed **ITEM 3**, a resolution to adopt a set of institutional goals as outlined in the report entitled *University of South Alabama: Long-Range Planning Goals and Objectives (2008 - 2013)*. He said this document will be incorporated as part of an extensive self-study process for institutional accreditation through the Southern Association of Colleges and Schools (SACS) which is currently underway at the University. He discussed *TracDat*, a specialized software used by the University to track outcomes. Following the discussion, it was recommended that action be deferred until the Board of Trustees meeting on March 13.

President Moulton called upon Mr. Hammack to present **ITEM 5**, a resolution authorizing the President to initiate the necessary planning and engineering studies to expand and improve USA Children's and Women's Hospital (CWH). Mr. Hammack said that the hospital census dictates that an expansion is necessary, and reported that an internal analysis had been conducted to identify the exact needs for the project. The bid for the parking component will be complete in April, which may necessitate approval by the Executive Committee for this and other components in the near future. Dr. Furr, Chair of the Health Affairs Committee, inquired if the expansion would include clinical operations as well. Mr. Hammack responded that only hospital operations are covered under the current proposal. Action was deferred until the Board meeting.

President Moulton introduced **ITEM 12**, a resolution authorizing the President to approve the contract for construction and renovation of the Alpha South Building by Trademark Construction, Inc., in the amount of \$2,599,385. He explained that the project would allow for the relocation of the Army ROTC program from the old barracks at the bell tower site, and provide additional classroom space for the Army and Air Force ROTC programs. Mr. Wayne Davis provided details of the bid process. Action was deferred until the Board meeting.

President Moulton presented **ITEM 13**, a resolution authorizing the President to award the construction contract for a Central Energy Plant Satellite Facility to Donaghey Mechanical Contractors, Inc., in accordance with the bid laws of the state of Alabama, in the amount of \$5,850,000, plus \$150,000 for Alternate 1, for a total cost of \$6 million. President Moulton explained that the University must accommodate service to new campus facilities; i.e., student recreation center, engineering building. The satellite building will be located near the College of Medicine. Mr. Wayne Davis discussed details of the bid process, and noted that the firm of Donaghey Mechanical Contractors is local. Action was deferred until the Board meeting.

Chairman Stokes called upon President Moulton to address **ITEM 15**, a report of endowment and investments. President Moulton discussed the current volatile investment environment and introduced Mr. Albano to report on performance of the total endowment and each money manager for Fiscal Year 2008: Commonfund, Arlington Partners, Gerber/Taylor, Douglas, various other fund managers, and Private Advisors. Mr. Albano said that the endowment had underperformed its relative index for the first few months of fiscal year 2008 (-4.63 percent vs. -4.07 percent), but had outperformed since inception (6.51 percent vs. 3.15 percent). The underperformance of the managers Arlington Partners, Gerber/Taylor, and Commonfund was reviewed.

Dr. Furr inquired about the future of property owned by the University at the Brookley Field complex. President Moulton responded that 300 acres belong to USA, including more than 7,000 feet of shoreline. He reported that the School of Continuing Education and Special Programs and its Conference Services Center conduct activities on this campus. Additionally, housing is rented and a golf course is maintained. President Moulton said that the University intends to work in a deliberate fashion with the city, county, and state to assure the best use of this land relative to the needs of new industry that will come to Mobile. He said that the EADS enterprise would operate on land owned by the Mobile Airport Authority. He suggested that a good approach for the University-owned land may be to seek opportunities in the private sector, but in conjunction with the land plan of the airport authority.

There being no further business, the meeting adjourned at 3:11 p.m.

Attest to:

Respectfully Submitted:

Bettye R. Maye, Secretary

Steven H. Stokes, MD, Chair Pro Tempore