



MEMORANDUM

UNIVERSITY OF SOUTH ALABAMA

May 29, 2012

TO: USA Board of Trustees

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

Included herein are the unapproved minutes for the Board meetings held March 8 and 9, and April 25, 2012. Please review these documents for amendment or approval at the Annual Meeting on June 8.

BRM:mgc

Enclosures

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

**March 9, 2012
11:00 a.m.**

A meeting of the University of South Alabama Board of Trustees was duly convened by Mr. Jim Yance, Chair *Pro Tempore*, on Friday, March 9, 2012, at 11:00 a.m. in the Board Room of the Frederick P. Whiddon Administration Building.

Members Present: Trustees Scott Charlton, Tom Corcoran, Steve Furr (via phone), Cecil Gardner, Sam Jones, Bettye Maye, Christie Miree, Arlene Mitchell, Bryant Mixon, John Peek, Jimmy Shumock, Ken Simon, Steve Stokes and Jim Yance.

Members Absent: Trustees Robert Bentley and Tommy Bice.

Administration and Others: President Gordon Moulton; Drs. Keith Blackwell, Mike Boyd, Joe Busta, Philip Carr (Faculty Senate), Bruce Chabner, Joel Erdmann, Ron Franks, Jim Laier, Russ Lea, Mike Mitchell, John Smith, David Stearns and Sam Strada; Messrs. Owen Bailey, Wayne Davis, Stan Hammack, Abe Mitchell and Steve Simmons; Mss. Lauren Gessner, Penny Hatcher (USA National Alumni), Jean Tucker and Kate Wilson.

Press: Ms. Cassie Fambro (*The Vanguard*).

Chairman Yance convened the meeting and expressed condolences for the passing of USA Trustee Mr. Larry Striplin. He said a formal tribute of Mr. Striplin for his service to the University would take place at a later meeting when Mrs. Striplin could be present.

Chairman Yance called for adoption of the revised agenda. On motion by Judge Simon, seconded by Mayor Jones, the revised agenda was unanimously approved. Chairman Yance called for consideration of **ITEM 1**, the minutes of the December 9, 2011, meeting of the Board of Trustees. On motion by Ms. Miree, seconded by Mr. Peek, the minutes were unanimously adopted.

President Moulton presented **ITEM 2**, the President's Report. He greeted Sheriff Mixon and conveyed well wishes for a swift recovery by Trustee Emeritus Mr. Donald Langham. He talked about the Distinguished Alumni and Service Awards event held March 8 and thanked Ms. Penny Hatcher, President of the USA National Alumni Association, for the role she played. He called for reports from Drs. Smith and Stearns about housing and recruitment. Dr. Smith said the demand for housing is strong, with 176 more applications received by the end of February compared to last year, and 300 more occupants in the dorms this spring compared to last spring. He stated the Administration is pursuing plans to address increasing needs, inclusive of the new residence hall that is soon to be under construction. Dr. Stearns said recruitment is going well and applications have increased from last year. He discussed USA's *Scholar Showcase*, an event held one month prior for prospective students with ACT scores of 30 or higher. He reported 74 students attended with their parents.

President Moulton introduced the University's latest recruitment commercial and called upon Ms. Lauren Gessner to comment on USA's impact in her life. Ms. Gessner thanked the Board of

Trustees for the opportunities made available to students. President Moulton discussed a flyer detailing scholarships available to entering freshmen. He noted that more scholarships are available from the academic departments.

President Moulton provided insight on legislative matters, including participation by USA students, faculty, staff, administrators and supporters at Alabama's Higher Education Day on the steps of the state capitol on March 1. He added the University shares a harmonious relationship with members of the local legislative delegation. He told Trustees the fiscal outlook for the state is not the most favorable. The Governor's budget for 2012-2013 proposes a four percent cut to higher education. President Moulton said negotiations could restore funding for the coming year to 2011-2012 levels by the end of the current legislative session. He reported on the condition of the Alabama general fund, forecasting that state-sponsored programs may be cut.

President Moulton announced that the *Red and Blue Spring Football Game* would take place on Saturday, March 24, at 2:00 p.m. at Ladd-Peebles Stadium, and would be preceded at 11:00 a.m. by the College of Medicine's Fourth Annual Gumbo/Chili Showdown, benefitting the *Regan Robinson Young Scholarship Fund*. He said the University of South Alabama would be host to the *Mobilian of the Year* banquet at the Mitchell Center on Thursday, April 12. USA partners with the Cottage Hill Civitan Club in presenting the *Mobilian of the Year* event. This year's honoree is longtime Mobile City Council member and current council President Mr. Reggie Copeland.

President Moulton said Spring Commencement will take place on Saturday, May 12, and Congressman Jo Bonner will deliver the keynote address. Approximately 1,400 degrees are expected to be awarded, bringing the total number of degrees for the 2011-2012 academic year close to 3,000, and the University's historical total to nearly 73,000. President Moulton reminded Trustees of the Annual Meeting scheduled for June 8. Also on the horizon – the 2012-2013 academic year marks the founding of the University of South Alabama 50 years ago in May 1963. A committee has been formed to coordinate a variety of celebration events, and an official anniversary logo featuring Moulton Tower has been adopted. As a precursor to the year-long schedule of special events, a press conference was held on March 8 to announce a 50th Anniversary Annual Fund Campaign. Next on the schedule will be a dedication of Shelby Hall on Sunday, September 9, to officially launch anniversary activities in conjunction with a Board meeting on Monday, September 10. Festivities will culminate with a gala on May 3, 2013. Also planned is a dedication of ceiling murals at Moulton Tower which depict campus life, which are 95 percent complete, as is a pictorial publication showcasing the University's 50-year history.

President Moulton reported the University of South Alabama had received unexpected publicity on February 13 during the airing of the popular television drama *Hawaii 5-0*. A photo clip of the episode was shown featuring an admission ticket to the *South Alabama vs. Hawaii* football game on December 1, which is confirmed as part of USA's 2012 football season.

President Moulton announced that Dr. Russ Lea, Vice President for Research, would join the National Ecological Observatory Network (NEON) as Chief Executive Officer effective March 20. NEON is a project of the National Science Foundation charged with studying and forecasting the impacts of climate change, land-use change and invasive species on the nation's ecology and

providing information to a wide range of federal constituencies. President Moulton said Dr. Lea had been instrumental in moving USA's research program forward and increasing the University's visibility in many areas since his appointment in 2007, and he offered his congratulations. Dr. Lea said he will miss the support of the Board of Trustees and USA's sound financial management and strong leadership – three characteristics that make South Alabama a unique environment.

Relative to a petition to the Alabama Commission on Higher Education (ACHE) for new programs, President Moulton announced news that ACHE, in a concurrent meeting, granted unanimous approval for USA to offer a Doctor of Science in Engineering Systems (DSES) degree program, as well as two additional Nursing specializations and a new concentration for Professional Health Sciences. He introduced Dr. Jim Laier, Associate Dean of the College of Engineering, for comments. Dr. Laier shared that approval from ACHE was significant in that USA will be the only institution in the state to offer a terminal degree for Engineering Systems, giving USA an edge to work with high profile clients. President Moulton commended Drs. Johnson, Steadman and Exline for their efforts defending USA's arguments for program adoption at the ACHE meetings in Montgomery.

President Moulton updated Board members on the status of construction projects as photos and architectural drawings were shown of Shelby Hall, the campus portals, Children's and Women's Hospital, and the specialized laboratory for infectious disease research. Also detailed was a beautification campaign to bring art to the campus grounds. Photos were shown of previously existing and recently dedicated sculptures, and President Moulton gave information about the artists and donors who have perpetuated this project. He discussed plans for five new sculptures to be installed, including "Southpaw," to be positioned in front of Alumni Hall, and "Einstein," to be placed near Shelby Hall. Both pieces are designed to function as interactive props for souvenir photography. President Moulton directed attention to the three sample sculptures displayed on the meeting table. Drawings were shown of a proposed redesign of the courtyard between Meisler Hall and the Student Center.

Chairman Yance called for a report of health affairs items. On behalf of Dr. Furr, Chair of the Health Affairs Committee, Dr. Charlton presided and moved approval of **ITEM 3** as follows. Dr. Stokes seconded and the resolution was approved unanimously:

RESOLUTION

USA HOSPITALS MEDICAL STAFF APPOINTMENTS AND REAPPOINTMENTS FOR DECEMBER 2011, JANUARY AND FEBRUARY 2012

WHEREAS, the Medical Staff appointments and reappointments for December 2011, January and February 2012 for the University of South Alabama Hospitals are recommended for Board approval by the Medical Executive Committees and the Executive Committee of the University of South Alabama Hospitals,

THEREFORE, BE IT RESOLVED, that the Board of Trustees of the University of South Alabama approves the appointments and reappointments as submitted.

Dr. Charlton presented **ITEM 4** as follows. On motion by Mr. Peek, seconded by Ms. Maye, the resolution was approved unanimously:

RESOLUTION
USA HOSPITALS MEDICAL STAFF RULES AND REGULATIONS, REVISIONS OF FEBRUARY 1, 2012

WHEREAS, revisions to USA Hospitals Medical Staff Rules and Regulations, approved at the February 1, 2012, Medical Staff meeting and attached hereto, are recommended for approval by the Medical Staffs and the Executive Committee of the University of South Alabama Hospitals,

THEREFORE, BE IT RESOLVED that the Board of Trustees of the University of South Alabama approves the revisions as submitted.

Dr. Charlton called upon Dr. Franks for presentation of **ITEM 5**, a report on the activities of the USA Health System and the Division of Health Sciences. Dr. Franks introduced Dr. David Lewis, Chair of Obstetric and Gynecology who specializes in high risk pregnancy. Dr. Lewis elaborated on a variety of activities taking shape at Children's and Women's Hospital, including services reorganization made possible in conjunction with the facilities expansion, implementation of a new marketing campaign, and faculty collaboration on studies with pharmaceutical companies.

Dr. Charlton called for discussion of **ITEM 6**, a report on the Mitchell Cancer Institute (MCI). On behalf of Dr. Boyd, President Moulton presented a brief history of the MCI and shared statistics on its remarkable growth since inception in 2002, including completion of a state-of-the-art facility in 2008. Today, the MCI encompasses 11 major research programs and 300 faculty and staff who received 56,000 visits from patients in 2011. President Moulton projected, by year's end, the building will be filled to capacity and the Administration will need to consider ways to expand. He noted the impressive success rate of principal investigators in securing extramural grant funds for their research and in producing valuable intellectual property. He gave an update on recruitment in 2012 and discussed the financial viability of the MCI. To date, capital investments total in excess of \$150 million, and the MCI has an annual operating budget of \$80 million and is expected to sustain a positive operating balance beginning in fiscal year 2012.

President Moulton talked about the MCI's external advisory structure made up of four panels – the Board of Trustees, the MCI Development Council, and the recently formed Patient Advocacy Council and Executive Advisory Council. He elaborated specifically on the charge, composition and proposed meeting frequency of the Executive Advisory Council. Serving as chair of the Executive Advisory Council will be internationally renowned physician and scientist Dr. Bruce Chabner, Professor of Medicine at the Harvard Medical School. President Moulton shared highlights of Dr. Chabner's distinguished career and introduced him to make comments. Dr. Chabner discussed his background, why he accepted the opportunity to be involved with the MCI, and his vision for the program, and he offered to answer questions. Board and guests thanked Dr. Chabner with a round of applause.

President Moulton called attention to a new volume of *Looking South*, a publication of the USA National Alumni Association, and to an interview with Chairman Yance featured within. Mr. Yance thanked Ms. Jennifer Ekman, Associate Director of Publications, for assistance during the interview process.

Chairman Yance called for consideration of academic and student affairs items. Ms. Miree, Chair of the Academic and Student Affairs Committee, called for consideration of **ITEM 7.A** as follows and welcomed remarks from Mr. Peek. Mr. Peek made note of a longstanding friendship between USA and Congressman Bonner, and referenced the many occasions Congressman Bonner had visited campus and shared uplifting words about the University. On motion by Mr. Peek, seconded by Ms. Miree, the resolution was approved unanimously:

**RESOLUTION
HONORARY DOCTORATE DEGREE FOR UNITED STATES CONGRESSMAN JO BONNER**

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, Congressman Jo Bonner has served with distinction as U.S. Congressman for the First District of the State of Alabama since 2002, and

WHEREAS, Congressman Bonner serves as Chairman of the House Ethics Committee and as a member of the House Appropriation Subcommittees for Commerce, Justice and Science, Defense, and Financial Services, and

WHEREAS, Congressman Bonner, as Chairman of the House Ethics Committee, has gained national recognition for his oversight in matters relating to the Code of Official Conduct of the House, and

WHEREAS, Congressman Bonner has earned the reputation as a tireless and effective advocate for his constituents in southwest Alabama, and

WHEREAS, Congressman Bonner has worked aggressively with the Governor's office and other leaders in recruiting several significant economic projects to the state that will continue to fuel the economic engine of Alabama for generations to come, and

WHEREAS, Congressman Bonner has furthered his public service as a member of the board of directors for the Mobile Area Chamber of Commerce, Rotary Club, Leadership Mobile and the Mobile Chapter of the University of Alabama Alumni Association, and

WHEREAS, Congressman Bonner is a long-time supporter of the activities and interests of the students, faculty, staff, and alumni of the University of South Alabama, and

WHEREAS, Congressman Bonner has been instrumental in directing federal funding to the University of South Alabama to support numerous educational programs and research efforts,

THEREFORE, BE IT RESOLVED, for his commitment to serving the citizens of the State of Alabama and of the United States of America, and for his dedication to a strong and prosperous nation, and for his constant efforts in the interest of those he represents, the University of South Alabama is pleased to bestow upon Congressman Jo Bonner, this day, the degree of Doctor of Humane Letters (L.H.D.), *honoris causa*.

Relative to **ITEM 7**, a report on academic affairs activities and on behalf of Dr. Johnson, Dr. Smith called upon Dr. Keith Blackwell, Associate Professor in the Department of Earth Sciences, for a presentation about winter weather trends. With the aid of graphic slides, he explained the *El Nino* and *La Nina* weather models and introduced Miss Kate Wilson, a Meteorology major, who described how these weather systems can influence the weather in the Gulf Coast region.

Dr. Smith addressed **ITEM 8**, a report on the activities of the Division of Student Affairs. He reminded Trustees of discussion at the December 9 Board meeting about plans to resolve parking

constraints near residence halls. A drawing of the proposed plan was distributed. Dr. Smith said the proposal can accommodate up to 800 additional parking spaces.

Chairman Yance called for consideration of budget and finance items. Mr. Corcoran, Budget and Finance Committee Chair, acknowledged receipt of **ITEM 9** reports titled *Monthly Fund Financial Reports for October, November and December 2011*; *Quarterly GASB Financial Statement for the Three Months Ended December 2011*; and *Summary Comparison of Fund Financial Reports to GASB Financial Statements, December 31, 2011 and 2010*. There was no discussion.

Mr. Corcoran presented **ITEM 10**, a report on the amended budget for 2011-2012. He referenced supporting documents in the revised agenda package and stated the budget modification was a result of the one-time salary supplement for regular, full-time employees of the general University side of the Institution approved by the Board of Trustees at the December 9 meeting. The supplement was equal to two percent of an employee's base salary, or a minimum of \$1,000. There was no discussion.

Mr. Corcoran introduced **ITEM 11**, the KPMG report on USA Intercollegiate Athletics for the year ended September 30, 2011. He said the full report was provided in the revised materials and invited remarks from Mr. Steve Simmons, Sr. Associate Vice President for Financial Affairs. Mr. Simmons briefly described the process by which the University files an annual report of procedures with the NCAA, which, in turn, submits the report to the auditors for a formal review. There were no questions.

As Chair of the Development, Endowment and Investments Committee, Chairman Yance called upon Messrs. Terry Albano and Norman Pitman to address **ITEM 12**, a report of endowment and investment performance. As Board members viewed the data distributed, Mr. Albano reported the return for fiscal year 2012 outperformed the relative index by .24 percent. From October 1, 2011, through January 31, 2012, the return was 8.07 percent vs. a relative index of 7.83 percent. Mr. Pitman discussed the performance by individual managers and gave reasons why some investments underperformed. Judge Simon asked which allocations yielded the majority of outperforming investments, to which Mr. Pitman replied allocations with international exposure. Mr. Albano reviewed the asset allocation for the 2012 fiscal year and stated the allocations fell within the University's investment guidelines. He discussed performance since inception, noting a 3.80 percent return vs. a relative index of 3.01 percent – an outperformance of .79 percent.

Relative to **ITEM 19**, Evaluation of the University President, Chairman Yance said it is time to initiate this procedure, which is a requirement of the SACS reaffirmation process. He asked Mr. Corcoran to take charge and give a report at the June 8 Annual Meeting.

In other discussion, Judge Simon stated he had an opportunity to visit with Dr. Phil Carr, Faculty Senate Chair-Elect and Associate Professor of Anthropology, at USA's Alfred and Lucile Delchamps Archaeology Museum, and was impressed with the scope of the University's involvement in archaeological digs in the region. He commended Dr. Carr for the work being accomplished. Dr. Carr summarized the activities taking place, including a grand opening event

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for the museum in the fall and the preparation of exhibits. Judge Simon said the museum will provide a tremendous experience for new students.

There being no further business, the meeting was adjourned at 12:30 p.m.

Attest to:

Respectfully Submitted:

Bettye R. Maye, Secretary

James A. Yance, Chair Pro Tempore

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES**

Executive Committee Meeting

**April 25, 2012
3:00 p.m.**

The Executive Committee of the University of South Alabama Board of Trustees was duly convened by Mr. Jim Yance, Chair *Pro Tempore*, on Wednesday, April 25, 2012, at 3:03 p.m. in the Board Room of the Frederick P. Whiddon Administration Building.

Members Present: Trustees Steve Furr (via phone), Cecil Gardner, Sam Jones, Bettye Maye (via phone), John Peek and Jim Yance.

Member Absent: Trustee Steve Stokes.

Administration President Gordon Moulton; Dr. John Smith; Mr. Wayne Davis; and Ms. Jean Tucker.

Press: Mss. Renee Busby (*Press-Register*) and Cassie Fambro (*Vanguard*).

Upon the call to order, President Moulton introduced **ITEM 1** as follows. He thanked Executive Committee members for being available and said time is short to complete construction of a new residence hall by the 2013 fall semester. He referenced an outline of bids received from contractors, and stated the companies were reputable and the quotes were competitive. He noted the low bid was from Yates Construction. Dr. Smith said the new facility will accommodate 350 beds, compared to 332 in Stokes Hall. The rooms are designed for double occupancy and will include a shared bathroom with two sinks. Mr. Gardner asked if the proposed residence facility will cover the students on the housing wait list. Dr. Smith said the demand for the 2012 fall semester is significant and filling the rooms will not be difficult. Mr. Peek asked what factors account for the difference in bids. President Moulton stated that this sort of information is not known without additional inquiry:

**RESOLUTION
GENERAL CONTRACTOR FOR STUDENT RESIDENTIAL FACILITY**

WHEREAS, the University of South Alabama has a growing enrollment, and

WHEREAS, the quality of student life is strongly enhanced by excellent residential facilities, and

WHEREAS, the recruitment of students is strongly enhanced by high quality residential facilities, and

WHEREAS, the number of students seeking residence on campus is growing significantly every year, and

WHEREAS, providing additional/high quality residential space is most beneficial at the beginning of a fall semester, and

WHEREAS, due to the increasing demand for on campus living-learning facilities, the fall of 2013 is the target date for this new student residential facility, and

WHEREAS, request for bids for the General Contractor for this residential building project was first advertised March 28, 2012, with bids opened on April 19, 2012, and

WHEREAS, the lowest responsible and responsive bid for general contracting services was W.G. Yates and Sons, Inc., with a base construction bid of \$14,190,000.00.

THEREFORE, BE IT RESOLVED, that the Board of Trustees of the University of South Alabama hereby authorizes the President of the University to approve and contract with W.G. Yates and Sons, Inc., the lowest responsible and responsive general contractor pursuant to the bid process as prescribed by Alabama law, to build the new student residential facility, and to pay all professional fees and other related costs of the project.

President Moulton presented **ITEM 2** as follows, noting the Board of Trustees had discussed the project at previous meetings. He reminded Committee members that construction is fully funded through a federal grant award from the National Institutes of Health. The Committee viewed a list of contractors' bids. President Moulton indicated the proposals were favorable and competitive, and stated Flintco, LLC, the successful bidder, is a large, well-known firm. He recommended approval, adding it has long been the Administration's practice to involve the Board of Trustees in decisions which require only the President's authorization.

**RESOLUTION
GENERAL CONTRACTOR FOR SPECIALIZED LABORATORY BUILDING**

WHEREAS, the University of South Alabama has a strong medical research capability, and

WHEREAS, the quality of research is strongly enhanced by modern research facilities, and

WHEREAS, the National Institutes of Health has recognized the value of the University's research effort with a grant to expand capabilities with a new Specialized Laboratory Building, and

WHEREAS, the President was authorized by the Board of Trustees of the University to engage an architectural firm for this project as well as to file documents necessary and required by federal regulations to affirm the federal interests in the Specialized Laboratory Building, and

WHEREAS, bids for the General Contractor for this Specialized Laboratory Building were opened October 20, 2011, and

WHEREAS, the lowest responsible and responsive bid for general contracting services was Flintco, LLC, with a construction base bid plus alternate totaling \$11,741,000.00,

THEREFORE, BE IT RESOLVED, that the Board of Trustees of the University of South Alabama hereby ratifies the contract executed by the University for the general contracting services of Flintco, LLC, the lowest responsible and responsive general contractor pursuant to the bid process prescribed by Alabama law, for the construction of the Specialized Laboratory Building, and further authorizes the President of the University to approve and to pay all professional fees and other related costs of the project.

Following brief comments about Stokes Hall, President Moulton provided perspective on the 2012-2013 budget. He said tuition would be addressed at the Board's Annual Meeting on June 8.

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Consideration of the resolutions resumed and, on motion by Mr. Gardner, seconded by Mr. Peek, **ITEM 1** was approved unanimously. On motion by Mayor Jones, seconded by Mr. Peek, **ITEM 2** was approved unanimously.

There being no further business, the meeting was adjourned at 3:43 p.m.

Attest to:

Respectfully Submitted:

Bettye R. Maye, Secretary

James A. Yance, Chair *Pro Tempore*