

MINUTES OF THE MEETING
OF THE
BOARD OF TRUSTEES
UNIVERSITY OF SOUTH ALABAMA

The Board of Trustees of the University of South Alabama met in Room 220 of the University Center at the University on December 16, 1973, commencing at 11:30 a. m.

There were present: Messrs. L. W. Brannan, Jr., Ernest G. Cleverdon, Arthur Cook, Roland Cooper, Ed Dannelly, Mylan R. Engel, Aubrey Green, John Tyson, Sr., John Tyson, Jr., Mrs. Virginia Oglesby and President Whiddon. Visitors at the meeting were Vice President Robert M. Bucher, Vice President Howard M. Phillips, Mr. William Pipas and Mr. Bernard Justesen from the University. Mr. Harry Myers from J. B. Converse Company attended a portion of the meeting.

Absent were: The Honorable George C. Wallace, Dr. Leroy Brown, Mrs. Earl Goodwin, Mr. Gillis Griffin, Mr. Sam Sawyer, Mrs. Antoinette Watson, Mr. Charles Woods.

Mr. Brannan delivered an appropriate invocation for Divine guidance.

Mr. Cleverdon presented the minutes of October 20, 1973 and the Executive Committee minutes of September 28, 1973 and October 19, 1973, stating that copies had been mailed to the Trustees prior to the meeting. Upon the motion of Mr. Engel, seconded by Mr. Cooper, minutes of the Board and Executive Committee meetings were approved with the deletion of the third paragraph on page 229 of Executive Committee minutes of September 28, 1973 which read "Dr. Whiddon mentioned that financing for this will be received from the State Board of Health Maternal and Infant Care division in the form of a grant for support of nursing staff".

Mr. Cleverdon stated that at the last meeting of the Board, the University budget was tentatively approved until December 31, 1973, or prior to that, depending upon when the Board could meet, or until the Hospital budget was ready. Mr. Cleverdon stated that the Hospital budget will be presented today and he called upon Dr. Bucher to present the budget.

Dr. Bucher pointed out that the main problem in the Hospital is the indigent care patients and he showed a chart which indicated that there would not be sufficient increase of funds to handle these patients. He said one possibility for gaining funds would be through a higher occupancy of paying patients but that since Thanksgiving the occupancy had dropped to 60 percent. Several

factors were discussed regarding the Hospital and it was decided that since it was not known if the drop in occupancy was due to the Thanksgiving holidays or the fact that some of the other hospitals had added beds, it would be necessary to wait a short period to determine the outcome. It was further stated that gaining approval of the Foundation for Medical Care would greatly relieve the burden.

Upon the motion of Mr. Engel, seconded by Mr. Green, it was unanimously approved to continue on the existing budget which was presented today until the next meeting of the Board depending upon approval of the Foundation for Medical Care.

It was the consensus of the meeting that a decision regarding the additional beds in the Hospital would be made at a subsequent meeting.

Dr. Whiddon referred to change orders for provisions in the Basic Medical Sciences building requested for approval by the Office of Development of the University. He asked Dr. Bucher and Mr. Pipas to address the subject.

Dr. Bucher explained that an area was left unfinished on the ground floor of the building because of the time schedule to be met in taking 64 students in the fall of 1974 and that this area would house an Electron Microscope Suite, a Research Laboratory and a Cadaver Pre-Storage Facility. He pointed out that hiring another contractor for the work would cause a delay and the time schedule would not be met. It was decided that the change orders would be the only satisfactory approach.

Mr. Pipas said highlighting such arguments is the tremendously accelerated nature of the College of Medicine's over-all programs, coupled with certain price as well as delivery advantages stemming from original purchase orders, an estimated \$50,000.00 savings to the University, and consequently the general public, can be undoubtedly effected via the change-order route.

After discussion and upon the motion of Mr. Tyson, seconded by Mr. Dannelly, change orders 4 and 5 for the installation of an Electron Microscope Suite, a Research Laboratory and a Cadaver Pre-Storage Facility in the Basic Medical Sciences building were unanimously approved.

Mr. Harry Myers of the firm of J. B. Converse Company was introduced and it was stated that he was invited for the purpose of commenting on the study conducted to determine the most desirable way in which to expand the Central Utilities Plant in order to handle the new buildings on the campus.

A lengthy discussion was held and upon the motion of Mr. Cooper, seconded by Mr. Engel, it was unanimously approved to carry over a decision to the next meeting and to furnish all Trustees with reports from the Mobile Gas Company, the Alabama Power Company and any other pertinent data prior to the next meeting of the Board.

Upon the motion of Mr. Cooper, seconded by Mr. Engel, the following resolution was unanimously approved:

WHEREAS, in the course of normal fiscal year operations the University of South Alabama receives various funds from research and auxiliary operations that are not incorporated within the formal operating budget and,

WHEREAS, additional such items have been received this year totaling \$81,619.02 as of September 30, 1973.

THEREFORE BE IT RESOLVED that the current operating budget of \$10,475,765.42 be increased by \$81,619.02 for the following items, increasing the budget to \$10,557,384.44.

<u>SOURCE</u>	<u>AMOUNT</u>	<u>AREA OF APPLICATION</u>
ROTC deposits	\$ 545.00	ROTC budget for annual ball
Publications xerox	6,035.45	Publications xerox rental budget
Publications printing	12,417.58	Publications supplies budget
Theatre ticket sale	1,529.42	Added to theatre budget
Financial aid overhead	649.34	Added to financial aid budget
Speech clinic income	20.00	Added to speech clinic budget
Computer center		
income	69,331.33	Added to computer center budget
Computer lab fees	3,925.00	Added to computer center budget
Dennison machine	857.21	Added to Dean of Students student
		budget \$2,101.45
		Added to Admissions general
		expenses budget \$200.00
		Added to College of Education
		budget \$155.00
Overhead reserve	5,578.26	Added to College of Education budget
Donation from Alcoa		
Foundation	(21,726.02)	Balance removed to 15 fund
		Coordinate College budget
	<u>\$81,619.02</u>	

Upon the motion of Mr. Cooper, seconded by Mrs. Oglesby the following resolution was unanimously approved:

WHEREAS, this Board approved the budgetary guidelines for the Fiscal Year ending September 30, 1973 and,

WHEREAS, the actual Fiscal Year operations closely corresponded to these guidelines and,

WHEREAS, this Board recognizes that, in the course of normal burgetary operations, certain accounts will reflect overages and other accounts will reflect deficiencies.

NOW THEREFORE BE IT RESOLVED THAT the free balances and the deficiencies listed below be netted out for the year-end Financial Report.

ANALYSIS OF CURRENT FUND - UNRESTRICTED FREE BALANCES

Excess Revenue

State Fund - University	\$ 77, 126. 28	
State Fund - Medical College	236, 613. 89	
Agency Fund - University	<u>224 907. 21</u>	
Total Excess Revenue		\$538, 647. 38

Summary of Auxiliary Operations

Intercollegiate Athletics	(225, 864. 18)	
ERD Center	(144, 008. 39)	
Cafeteria	(6, 106. 39)	
Single Student Housing	(773. 96)	
Dormitory	21, 907. 35	
Hillsdale Surplus	23, 473. 04	
Central Housing	6, 561. 48	
Bookstore	<u>3, 372. 62</u>	
Net Auxiliary Deficits		\$(321, 438. 43)
ERD Center Capitalizations		\$(35, 383. 63)
Plant Fund Expenditures		\$(11, 541. 21)
Net Surplus - Current Funds Unrestricted		<u>\$170, 284. 11</u>

After discussion and upon the motion of Mr. Tyson, seconded by Mr. Cooper, it was unanimously approved to defer the increase of registration fee from \$4.00 to \$10.00 and increasing the cost of quarterly meal tickets on a 5-day meal plan to \$175.00 and on the 7-day meal plan to \$235.00, effective the fall quarter, 1974. It was stated that this represents an increase of \$23.00 plus sales tax on the entire amount for the 5-day plan, per quarter, and an increase of \$40.00, plus sales tax on the entire amount, for the 7-day plan, per quarter.

A contingent offer of \$8,000.00 for the south portion of Lot 5, Block 1 of Kahn's subdivision of Western Hills (about 1/2 acre on South side of Old Shell Road west of University Boulevard) from Better Homes, Inc. was presented. This parcel was purchased by the University in July, 1968 and is carried in the Endowment Fund. After discussion and upon the motion of Mr. Engel, seconded by Mr. Dannelly, it was unanimously carried that the offer be rejected.

Upon the motion of Mr. Dannelly, seconded by Mr. Engel, the following resolution was unanimously approved:

WHEREAS, this Board, in its meeting of December 5, 1970, approved the beginning estimate of \$3,500,000.00 toward the construction of the Basic Medical Sciences building and,

WHEREAS, in a subsequent meeting, dated November 10, 1972, this Board approved an additional \$3,500,000.00 for the same project, raising the authorized estimate to \$7,000,000.00 and,

WHEREAS, the current basic project cost now totals \$7,676,881.00 and,

WHEREAS, it has been determined that \$400,000.00 in additional moveable equipment is also needed and,

WHEREAS, it has also been determined that a \$76,000.00 satellite computer is a necessity in the medical program,

NOW THEREFORE BE IT RESOLVED, that the entire cost of the Basic Medical Sciences Building project be approved at \$8,152,881.00.

BE IT FURTHER RESOLVED, that the additional \$400,000.00 in moveable equipment be obtained through the Alabama Public School and College Authority Funds and that the \$76,000.00 for the satellite computer be paid from the Mobile city and county capital funds.

Mr. Cleverdon stated that in order for the Mobile General Hospital to receive Hill-Burton funds, it must provide a certain amount of services for persons unable to pay. He stated further that the Executive Committee had approved a recommendation to the Board to take the following course in compliance with the Federal Regulation 53.11 which is as follows: "submission of an annual budget for the support of, and make available on request, uncompensated services at a level not less than 3% of operating costs as determined in accordance with cost determination principles and requirements of Title 18 of the Social Security Act and further provided that

actual or estimated reimbursement for services received or to be received pursuant to Title 18 of the Social Security Act shall be deducted in determining costs".

Upon the motion of Mr. Green, seconded by Mr. Dannelly, the above recommendation was unanimously approved.

The Public Educational Building Authority of the City of Mobile Financial and Operating Report for the Fiscal Year ending September 30, 1973 and the University of South Alabama Financial Report for the year ended September 30, 1973 were distributed and Mr. Cleverdon commented briefly on each report.

Dr. Whiddon asked Dr. Phillips to address the graduate program and Dr. Phillips stated that this Board approved the implementation of program at an earlier meeting but it was delayed due to lack of funds. He said after re-evaluating the finances, it was found that funds are available and plans can be made to initiate the program. Upon the motion of Mr. Engel, seconded by Mr. Tyson, it was unanimously approved to begin the graduate program in the fields of Biology, Mathematics, English and Psychology, effective with the summer quarter, 1974.

Upon the motion of Mr. Cooper, seconded by Mr. Tyson, it was unanimously approved that Mr. Wm. Pipas, Executive Director for Development, be designated contract officer, reviewing and signing contracts for the University.

Upon the motion of Mr. Cooper, seconded by Mr. Green, it was unanimously approved to name the Surge Space building at the Mobile General Hospital the Monte L. Moorner building if agreeable with Mrs. Moorner. Dr. Whiddon stated that the Board approved naming a building for Dr. Moorner at an earlier meeting and that he would approach Mrs. Moorner to determine her thoughts on naming the building for her husband.

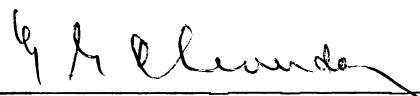
The Chairman asked if all trustees had received a copy of the report of the University as of September 30, 1972 by the State Department of Examiners and if any additional information was desired.

Upon the motion of Mr. Cooper, seconded by Mr. Dannelly, it was unanimously approved to commend the President and the Business Office personnel for such a fine financial report by the State Department of Examiners of Public Accounts

While in executive session, the Board unanimously approved to amend the budget for the purpose of increasing President Whiddon's compensation by \$3,000.00 annually, effective October 1, 1973. It was further approved that it be determined by Dr. Whiddon whether the increase be designated as salary or expense.

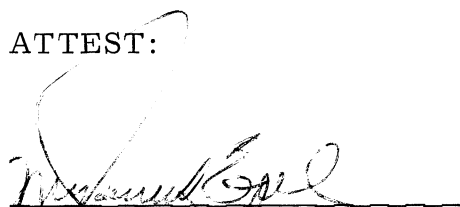
After motion duly made, seconded and unanimously approved,
the meeting adjourned at approximately 3 p. m.

Respectfully submitted:



Ernest G. Cleverdon
Vice Chairman

ATTEST:



Mylan R. Engel
Secretary