

MINUTES
OF THE
BOARD OF TRUSTEES
UNIVERSITY OF SOUTH ALABAMA

A meeting of the Board of Trustees of the University of South Alabama was held Monday, December 17, 1979, in Room 224 of the University Center on campus, commencing at 11:00 a.m.

There were present: Messrs. Otha Biggs, L. W. Brannan, Jr., Hubert Bruister, E. G. Cleverdon, Aubrey Green, Mayer Mitchell, Ed Dannelly, Sam Sawyer, Arthur Tonsmeire, Jr., Mrs. Earl Goodwin and President Frederick P. Whiddon. Representing the University: Drs. Arthur Richardson, James Bobo, Ralph W. Jones, Malcolm Howell, Messrs. Doyle Dillard, Gordon Moulton, William Pipas and Ms. Maxey Roberts.

Absent: Messrs. W. M. Collins, Gillis Griffin, Harry Sonneborn, Charles Woods, Drs. John M. Bell, Jr., Wayne Teague and Governor Fob James.

Mr. Brannan delivered an appropriate invocation for Divine guidance.

Mr. Cleverdon called the meeting to order and presented for approval the minutes of the Board of Trustees meeting of November 30, 1979, which were mailed to the Trustees prior to the meeting. Upon the motion of Mr. Brannan, seconded by Mr. Dannelly, the minutes were unanimously approved.

Referring to suspense items, Mr. Cleverdon asked for progress reports on (1) fraternity housing for Kappa Sigma Fraternity and (2) the development of a Forensic Sciences Facility. Information will be made available to the Trustees at the next meeting of the Board regarding fraternity housing. Mr. Pipas reported that preliminary plans are being developed for a Forensic Sciences facility to be located adjacent to the existing Hospital on Fillingim Street and further details will be presented at the next meeting of the Board of Trustees.

Mr. Cleverdon reviewed briefly the next item, Financial Statement as of October 31, 1979, copies of which were mailed to the Trustees prior to the meeting. Dr. Whiddon commented on various items in the Statement.

An announcement was made by Dr. Whiddon of a gift which will serve to fund a second endowed chair in the College of Medicine. The gift consists of real property that has been conveyed to the University of South Alabama by Mr. Harold W. Ripps and Mr. and Mrs. Herbert A. Meisler. Dr. Whiddon noted that the gift was secured through the efforts of Mr. Mayer Mitchell. The property, which is located on Michigan Avenue in the City of Mobile, has been appraised at \$325,000, and an offer to purchase the subject property has been proffered to the University of South Alabama by First Step Investment

Venture, an Alabama partnership, for the purchase price of \$335,000, with \$50,000 as a down payment at the time of closing, with the balance of \$285,000 to be paid over a twenty-year period of time.

Ms. Roberts enumerated items relating to the property and the offer to purchase the property. The property is a 30 year-old neighborhood shopping center, which has been listed for sale for a period of three to four years. The market for the sale of such property is limited because the placement of a substantial amount of capital in the property for renovation is required, as well as the use of entrepreneurial talent in securing additional leases for the square footage which is not leased. In analysing the offer to purchase, the University had the property appraised by two M.A.I. certified appraisal firms: Courtney & Morris, Inc. and M. D. Bell Company. The appraisals of \$291,000 and \$325,000, respectively, were below the offer to purchase, as made by First Step Investment Venture. Based upon the market for such property and the appraisals of the property, the offer to purchase has been evaluated and is recommended for approval. It was noted that the real estate commission for the sale of the property by Julius Marx Real Estate Company will be approximately \$26,000, which will be paid by the University at the time of closing. Mr. Mitchell requested that the record show that his companies are not involved in any way in the selling or the purchasing of the property. Discussion followed, and upon the motion of Mr. Mitchell, seconded by Mr. Green, the following resolution authorizing the sale of this property was unanimously approved:

WHEREAS, Rime Investments, a general partnership composed of Harold W. Ripps and Berfan Company (a partnership composed of Herbert A. Meisler and Fanny R. Meisler, Partners), have granted and conveyed to the University of South Alabama certain real property located on Michigan Avenue in the City of Mobile, Alabama, a description of which is attached hereto as Exhibit A; and

WHEREAS, an offer to purchase the subject property has been proffered to the University of South Alabama by First Step Investment Venture, an Alabama Partnership; and

WHEREAS, the offer to purchase is for the amount of THREE HUNDRED THIRTY-FIVE THOUSAND AND NO/100 (\$335,000.00) DOLLARS, payable as follows: the payment of FIFTY THOUSAND AND NO/100 (\$50,000.00) DOLLARS, at the time of closing, and the balance of TWO HUNDRED EIGHTY-FIVE THOUSAND AND NO/100 (\$285,000.00) DOLLARS, with interest, over a twenty (20) year period; and

WHEREAS, in evaluating the subject offer, the University has secured two independent appraisals of the subject property, from M. D. Bell Company, and Courtney and Morris Appraisals, Inc., and the fair market value of the property has thereunder been appraised at TWO HUNDRED NINETY-ONE THOUSAND AND NO/100 (\$291,000.00)

DOLLARS and THREE HUNDRED TWENTY-FIVE THOUSAND AND NO/100 (325,000.00) DOLLARS;

NOW THEREFORE BE IT RESOLVED that the Board of Trustees of the University of South Alabama accept the offer to purchase as extended by First Step Investment Venture; and

FURTHER BE IT RESOLVED that the Board of Trustees hereby directs and duly authorizes its Vice Chairman, Ernest G. Cleverdon, and its Secretary, Aubrey Green, to execute, on behalf of the University of South Alabama, a Vendor's Lien Deed conveying the subject real property in accordance with the provisions of the offer and to execute such other documents, including an Assignment of Leases, as may be necessary to convey such property to the purchaser, First Step Investment Venture.

Dr. Whiddon stated that this gift will enable the University of South Alabama to establish a second chair in the College of Medicine within one academic year, and the earnings from the gift will be used to support the chair in perpetuity. Mr. Green then moved that an expression of appreciation by the University and the Board of Trustees of this very substantial gift be phrased in an appropriate resolution and presented to the donors. The motion was seconded and carried unanimously.

Dr. Whiddon stated that a request has been made by the United States Sports Academy to terminate the contract between the United States Sports Academy and the University of South Alabama. He said that it should be made very clear that it is an amiable separation which is at the request of the Academy and that the administration of the University recommends compliance with the request. Upon the motion of Mr. Sawyer, seconded by Mr. Green, the following resolution was unanimously approved:

BE IT RESOLVED that the Board of Trustees, the University of South Alabama, accepts the United States Sports Academy request to terminate the current contract between the University and the Academy.

BE IT ALSO RESOLVED that the Board of Trustees, the University of South Alabama, express its appreciation to the Board of Directors, the United States Sports Academy, for the many useful relationships that developed during the three-year period the two institutions worked together.

BE IT FURTHER RESOLVED that the Board of Trustees, the University of South Alabama, express its warmest best wishes for the development of the United States Sports Academy in its future endeavors.

Mr. Sawyer observed that the University is to be commended for the favorable comments by the news media pertaining to the financial records of the University of South Alabama. Dean Dillard explained the University's system of record reporting stating that the records of the University of South Alabama are open and that the University follows the recommended accounting procedures of the National Association of College and University Business Offices. Dean Dillard also stated that the University's records are audited by the State Examiner and that the University has responded to the Alabama Commission on Higher Education and other state offices in supplying them with the financial statements and other financial records requested from the University.

Dr. Whiddon then spoke of proliferation of education in the State of Alabama noting that the senior institutions in the state are being undermined because of the diluting of resources to off-campus centers. He said the Governor and those others in Montgomery who are trying to bring costs under control and restrain spending deserve the support of the senior institutions. Mr. Sawyer suggested that Dr. Whiddon formulate the necessary information so that letters may be forwarded by the Trustees to the appropriate areas in Montgomery objecting to the wide-spread proliferation of academic programs and supporting the efforts being made to maintain quality education and control activities in the State of Alabama.

Dr. Glenn Sebastian, President of the University of South Alabama Faculty Senate, addressed the Board stating that the Alabama Council of College and University Faculty Presidents also is questioning the academic soundness of this proliferation of academic programs. He reiterated Dr. Whiddon's statement that the quality of education is suffering because of it.

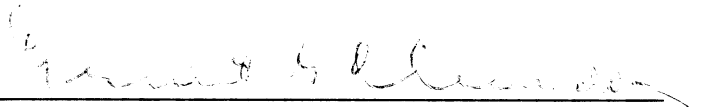
Dr. Whiddon spoke briefly stating that the standards of the University of South Alabama are high, that the University has experienced a 5% increase in enrollment and the level of the student body is increasing, the reason being that the University of South Alabama has the reputation as a serious academic institution.

Moving on, Dr. Whiddon observed that the University is getting national attention because of the men's baseball and basketball teams. He noted that the University also is receiving good publicity in the area of women's sports.

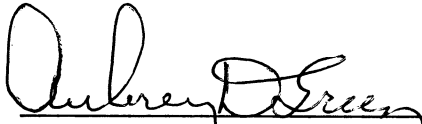
Discussion followed regarding the recently enacted legislation by the Alabama Legislature naming the University of South Alabama baseball field, Eddie Stanky Field. Upon the motion of Mr. Green, seconded by Mr. Mitchell, it was unanimously approved that an official dedication of the baseball field be arranged to formally recognize Coach Eddie Stanky.

Upon motion duly made, seconded and unanimously approved, the meeting adjourned at 12:30 p.m.

Respectfully submitted:


Ernest G. Cleverdon, Vice President

ATTEST:


Aubrey D. Green, Secretary