UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES MEETINGS

MACQUEEN ALUMNI CENTER - CHIEF CALVIN W. MCGHEE GRAND BALLROOM

In compliance with University policies governing social distancing and other COVID-19 protocol, in-person attendance will be limited.

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JUNE 3, 2021
1:30 P.M.

AUDIT COMMITTEE – RON GRAHAM, CHAIR

1 Roll Call
2 Approve: Minutes
3 Report: Office of Internal Audit
4 Approve: Quality Assessment and Improvement Program

DEVELOPMENT, ENDOWMENT AND INVESTMENTS COMMITTEE – JIM YANCE, CHAIR

5 Roll Call
6 Approve: Minutes
7 Report: Endowment and Investment Performance * Jaguar Investment Fund
8 Recommendation to Approve: Authority to Sell Alcohol at Select Locations on Campus
9 Report: Development and Alumni Relations

HEALTH AFFAIRS COMMITTEE – SCOTT CHARLTON, M.D., CHAIR

10 Roll Call
11 Approve: Minutes
12 Recommendation to Approve: USA Health Hospitals Medical Staff Appointments and Reappointments for February, March and April 2021
13 Recommendation to Approve: USA Health Hospitals Medical Staff Bylaws and Associated Documents Revisions
14 Report: USA Health and College of Medicine

ACADEMIC AND STUDENT AFFAIRS COMMITTEE – MIKE WINDOM, CHAIR

15 Roll Call
16 Approve: Minutes
17 Recommendation to Approve: Tenure and Promotion
18 Recommendation to Approve: Tuition, Fees, and Housing and Dining Rates, 2021-2022
19 Report: Academic Affairs
20 Report: Student Affairs
21 Report: Research and Economic Development

BUDGET AND FINANCE COMMITTEE – TOM CORCORAN, CHAIR

22 Roll Call
23 Approve: Minutes
24 Report: Quarterly Financial Statements for the Six Months ended March 31, 2021
25 Recommendation to Approve: Director of the University of South Alabama Research and Technology Corporation
26 Recommendation to Approve: Bond Refunding Parameters for Series 2021B Bond

LONG-RANGE PLANNING COMMITTEE – CHANDRA BROWN STEWART, CHAIR

27 Roll Call
28 Approve: Minutes
29 Report: Strategic Planning Process

COMMITTEE OF THE WHOLE – JIMMY SHUMOCK, CHAIR

30 Roll Call
31 Approve: Minutes of the Committee of the Whole, Evaluation and Compensation Committee, and Executive Committee
32 Report: Board Actions for President Search
33 Report: President Search Committee
34 Recommendation to Approve: 2021-2022 Board Meeting Schedule
35 Recommendation to Approve: Commendation of President Tony G. Waldrop
36 Approve: Executive Session

JUNE 4, 2021
11:00 A.M.

BOARD OF TRUSTEES – JIMMY SHUMOCK, CHAIR PRO TEMPORE

1 Roll Call
2 Approve: Minutes
3 Approve: 2021-2022 Board Meeting Schedule
4 Report: University President
5 Report: Faculty Senate President
6 Report: Student Government Association President
7 Approve: Consent Agenda Resolutions
- Authority to Sell Alcohol at Select Locations on Campus
- USA Health Hospitals Appointments and Reappointments for February, March and April 2021
- USA Health Hospitals Medical Staff Bylaws and Associated Documents Revisions
- Director of the University of South Alabama Research and Technology Corporation

8 Report: Audit Committee
9 Report: Development, Endowment and Investments Committee
10 Report: Health Affairs Committee
11 Report: Academic and Student Affairs Committee
12 Approve: Tenure and Promotion
13 Approve: Tuition, Fees, and Housing and Dining Rates, 2021-2022
14 Report: Budget and Finance Committee
15 Approve: Bond Refunding Parameters for Series 2021B Bonds
16 Report: Long-Range Planning Committee
17 Approve: Commendation of President Tony G. Waldrop
Unveil: Portrait

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

MEETING SCHEDULE

THURSDAY, JUNE 3, 2021:

1:30 p.m.	**Committee Meetings (Consecutive)**	**MacQueen Alumni Center** **Chief Calvin W. McGhee Grand Ballroom**

FRIDAY, JUNE 4, 2021:

11:00 a.m.	**Board of Trustees Meeting**	**MacQueen Alumni Center** **Chief Calvin W. McGhee Grand Ballroom**

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UNIVERSITY OF SOUTH ALABAMA

BOARD OF TRUSTEES

STANDING COMMITTEES
2019-2022

EXECUTIVE COMMITTEE:

- James H. Shumock, **Chair *pro tempore***
- Arlene Mitchell, **Vice Chair**
- Katherine Alexis Atkins, **Secretary**
- E. Thomas Corcoran
- Steven P. Furr, M.D.
- Kenneth O. Simon
- James A. Yance

ACADEMIC AND STUDENT AFFAIRS COMMITTEE:

- Scott A. Charlton, M.D.
- Steven P. Furr, M.D., **Vice Chair**
- William Ronald Graham
- Robert D. Jenkins III
- Lenus M. Perkins
- Margie Malone Tuckson
- Michael P. Windom, **Chair**

AUDIT COMMITTEE:

- Katherine Alexis Atkins, **Vice Chair**
- E. Thomas Corcoran
- William Ronald Graham, **Chair**
- Robert D. Jenkins III
- Lenus M. Perkins
- Kenneth O. Simon

BUDGET AND FINANCE COMMITTEE:

- Katherine Alexis Atkins
- Chandra Brown Stewart
- E. Thomas Corcoran, **Chair**
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- Steven H. Stokes, M.D.

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EVALUATION AND COMPENSATION COMMITTEE:

- Scott A. Charlton, M.D.
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- Michael P. Windom

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- Arlene Mitchell
- Steven H. Stokes, M.D.
- Margie Malone Tuckson, **Vice Chair**
- James A. Yance
- John V. Marymont, M.D., ex officio
- Edward Panacek, M.D., ex officio
- Tony G. Waldrop, Ph.D., ex officio

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

MEETING AGENDA
AND MINUTES

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES MEETINGS

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11:00 A.M.

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10 Report: Health Affairs Committee
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Unveil: Portrait

UNIVERSITY OF SOUTH ALABAMA

MEMORANDUM

Board of Trustees

DATE: March 25, 2021

TO: USA Board of Trustees

FROM: Alexis Atkins
Secretary, Board of Trustees

SUBJECT: Meeting Minutes

Included herein are the unapproved minutes for the Board of Trustees and standing committee meetings held on March 4 and 5, 2021, as well as for meetings of the Executive Committee held on April 13 and 15, 2021. Please review these documents for amendment or approval at the June 2 and 3, 2021, meetings.

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

March 5, 2021
11:00 a.m.

A meeting of the University of South Alabama Board of Trustees was duly convened by Mr. Jimmy Shumock, Chair *pro tempore*, on Friday, March 5, 2021, at 11:00 a.m. in the Chief Calvin W. McGhee Grand Ballroom of the MacQueen Alumni Center. Public access was provided via YouTube livestream.

Members:	Alexis Atkins, Chandra Brown Stewart, Tom Corcoran, Steve Furr, Ron Graham, Lenus Perkins, Jimmy Shumock, Steve Stokes, Mike Windom and Jim Yance were present and Scott Charlton, Ron Jenkins, Arlene Mitchell and Margie Tuckson participated remotely.
Members Absent:	Kay Ivey and Ken Simon.
Administration & Guests:	Owen Bailey, Raj Chaudhury, Lynne Chronister, John Cleary (Faculty Senate), Errol Crook, Rochelle Darragh, Kristin Dukes, Joel Erdmann, Julie Estis, Monica Ezell, Paul Frazier, Cameron Grier-Shepperd (BSU), Mike Haskins, Andi Kent, Nick Lawkis, John Marymont, Abe Mitchell, Mike Mitchell, Tia Nickens (SGA), Laura Schratt, John Smith, Angelia Stokes, Margaret Sullivan, Tony Waldrop, Scott Weldon and Kaya Wilkinson (NAACP).

Following introductory remarks by Chairman Shumock, which included an acknowledgement of the life and service of the late Mr. Donald L. Langham, USA Trustee *emeritus*, the meeting came to order and the attendance roll was called, **Item 1**.

Mr. Shumock introduced Ms. Kaya Wilkinson, President of USA's student chapter of the NAACP (National Association for the Advancement of Colored People), and Mr. Cameron Grier-Shepperd, BSU (Black Student Union) President. Ms. Wilkinson and Mr. Grier-Shepperd shared frustration and disappointment on behalf of fellow students over the conduct of the former Mitchell College of Business (MCOB) dean and two MCOB professors in 2013 that had been publicized recently and the Administration's response. They urged everyone at the University to come together to work for meaningful change and prioritize diversity, inclusion, equality and unity on campus. Chairman Shumock advised that the Board had been in discussions on the matter and he acknowledged the work that needed to be done. He thanked Ms. Wilkinson and Mr. Grier-Shepperd for taking the opportunity to discuss their concerns with the Board.

Chairman Shumock called for adoption of the revised agenda, **Item 1.A**. On motion by Mr. Yance, seconded by Judge Windom, the Board voted unanimously to adopt the revised agenda. Mr. Shumock called for consideration of the minutes of the meeting held on December 3, 2020, **Item 2**. On motion by Ms. Mitchell, seconded by Ms. Atkins, the Board voted unanimously to adopt the minutes.

Chairman Shumock recognized President Waldrop for his contributions to the University and for the significant achievements accomplished at South over his term as President. He asked President Waldrop to share his President's Report, **Item 3**. President Waldrop announced that Distance Learning Specialist II with the Innovation in Learning Center (ILC) Ms. Rochelle

Darragh was selected as employee of the Quarter. He introduced Dr. Raj Chaudhury, Executive Director of the ILC/USA Online, who read an excerpt from his nomination of Ms. Darragh and presented Ms. Darragh with a certificate commemorating the award. Ms. Darragh shared remarks of appreciation for the recognition and credited her coworkers for their support. President Waldrop thanked Ms. Darragh for her contributions.

President Waldrop called on Ms. Chronister, who announced that South's central vivarium in the College of Medicine (COM), which houses animals for research under the supervision of Dr. Michele Schuler, earned an "exemplary" accreditation designation from the American Association of the Accreditation of Lab Animal Care. She added that this designation was rarely given. She said Chairman Shumock had recently visited the vivarium and was impressed with the cleanliness of the facility.

President Waldrop introduced Mr. Bailey for a report. Mr. Bailey mentioned the report given to the Health Affairs Committee on March 4 about the USA Health vaccination drive taking place at Friendship Missionary Baptist and showed the flyer that was distributed to residents in the Cody Road area encouraging them to attend the drive and be vaccinated.

Mr. Bailey introduced and shared background on Abraham A. Mitchell Professor and Chair of Internal Medicine/Center for Healthy Communities (CHC) Director Dr. Errol Crook. He noted the importance of Dr. Crook's leadership and grasp of the culture at USA Health amid a time of exponential growth, and stated diversity and inclusion advancement was at the forefront of USA Health conversations. Dr. Crook talked about the work of the CHC to improve social and health inequities and COVID-19 vaccination barriers in marginalized communities as identified through a qualitative study he and colleagues conducted during the pandemic. He discussed equity initiatives at USA Health involving pathways for employees to advance their careers and collaborations with Bishop State Community College and the Mobile and Baldwin county school systems to identify students with specific skillsets for possible employment. He shared details about an event sponsored in observance of Black History Month and Martin Luther King's birthday that featured Harvard Assistant Debate Coach and CEO of The Harvard Diversity Project Mr. Brandon Fleming as keynote speaker. Ms. Tuckson offered Dr. Crook the opportunity to network with Tuckson Health Connections to improve CHC messaging to underserved communities.

On behalf of Chairman Shumock, Ms. Atkins called on Mr. Lawkis for a governmental relations update. Mr. Lawkis noted that the delay of legislative business in 2020 due to the pandemic had caused an upsurge in legislative activity during the 2021 regular session. He said the budget estimates for 2021-2022 were positive despite the pandemic and stated the education budget at approximately $7.65 billion could possibly be one of the largest budgets in state history. He anticipated an increase in state appropriations, adding that Governor Ivey's recommendation was for an approximate six percent increase. He advised that, out of the 815 active legislative bills, he was tracking close to 260 and was actively engaged with 20 bills that were of particular interest to the University and/or USA Health.

Ms. Atkins called on Dr. Erdmann, who shared that South Alabama hosted the Alabama High School Athletic Association's North-South All-Star Football Classic and the Reese's Senior Bowl at Hancock Whitney Stadium (HWS) in December 2020 and January 2021, respectively. As game-

day photos were shown, he discussed the statewide and national exposure South Alabama received through these competitions and said the feedback from visitors to HWS, including those representing the National Football League, was positive. He anticipated long-term relationships with both organizations.

Ms. Atkins called for a report from the Faculty Senate President, **Item 4**. Dr. Cleary noted that his term as Faculty Senate President would soon end. He thanked President Waldrop for the positive working relationship shared between the Faculty Senate and the Leadership and, though acknowledging the University's progress over recent years, he stated more work was needed as demonstrated recently. He reported that the Senate had been busy with COVID-19 matters and working to ensure a safe working environment for faculty, staff and students while providing an exceptional academic product. He credited the faculty for accommodating the students and adjusting to multiple modes of classroom instruction. He advised that the Senate's Diversity and Inclusion Committee was focused on creating guidelines and plans for improving diversity in terms of faculty hiring and retention and on collaborating with others outside of the Senate to implement undergraduate and graduate certificate programs related to diversity and inclusion efforts that would benefit South students and citizens in the community. He reinforced that the Senate was committed to working with all parties to advance the culture at USA.

Ms. Atkins called for a report from the Student Government Association (SGA) President, **Item 5**. Ms. Nickens advised that her term as SGA President would conclude soon. She reviewed some of the significant SGA projects completed over the year or ongoing, which included the implementation of water bottle refill stations in the freshman residence halls; a printing program for the residence halls; an athletics appreciation project; a partnership with the Office of Admissions to email prospective students; a partnership with Troy University for student awareness of Battle of the Belt activities; and a Give Back to Campus project. She stated the SGA would continue to work diligently for progress despite pandemic and race-related setbacks. She urged President Waldrop, the Administration and the Board to take student concerns seriously and said the SGA would formally respond to the racial insensitivities on campus in a proactive manner that would serve the good of all students once all voices were heard. She thanked everyone for their efforts in promoting diversity, equity and inclusion and said it had been a pleasure to serve as SGA President. Mr. Windom thanked Ms. Nickens for giving the Trustees the opportunity to speak at SGA meetings. At Ms. Brown Stewart's request, Ms. Nickens gave an update on diversity and inclusion training developed for students. She noted that approximately 2,000 students had enrolled; Dr. Frazier and diversity and inclusion officers from the various campus units were involved; and an incentive plan was added to encourage student participation.

Ms. Atkins called for a report from the Audit Committee, **Item 7**. Mr. Graham, Committee Chair, stated, at a meeting on March 4, Ms. Schratt reported that new staff had been hired in the Office of Internal Audit and Mr. Weldon reported on the reengagement of KPMG to provide auditing services for the fiscal years 2021 through 2023 and presented the KPMG report on intercollegiate athletics for the 2020 fiscal year, which did not include exceptions or findings.

Chairman Shumock presented certificates of appreciation thanking Dr. Cleary, Ms. Nickens and Mr. Grier-Shepperd for their service as president of the Faculty Senate, SGA and BSU, respectively, **Item 6**. He noted that the 2020-2021 academic year presented unique challenges that required strong leadership.

Chairman Shumock called for a report from the Development, Endowment and Investments Committee, **Item 8**. Mr. Yance, Committee Chair, stated Mr. Albano discussed endowment results for the first quarter of fiscal year 2021 at a meeting on March 4, 2021, reporting an investment return of 9.72 percent that outperformed the relative index by 57 basis points; an annualized return since inception of 5.85 percent that outperformed the index by 1.08 percent; and investment earnings totaling approximately $116.5 million. He said Mr. Matt Kinnear of Gerber/Taylor updated the Committee on the University's investments, and Ms. Sullivan reported that more than $8.2 million had been raised thus far in fiscal year 2021; construction of a new emergency center at USA Children's & Women's Hospital (CWH) would move forward thanks to a transformational gift made by a passionate and dedicated South Alabama friend; $285,525 had been secured for pandemic-related needs; and $181,180 had been raised for the Leadership in Social Justice and Perseverance Endowed Scholarship Fund. He said Ms. Sullivan also discussed upcoming development events.

Chairman Shumock called for a report from the Health Affairs Committee, **Item 9**. On behalf of Dr. Charlton, Committee Chair, Dr. Furr stated that, at a meeting on March 4, 2021, Dr. Natalie Fox, Assistant Administrator/Chief of Nursing Operations for USA Health Physicians Group, presented an overview on USA Health's COVID-19 testing and vaccination response; Mr. Bailey discussed ribbon-cutting ceremonies for the Fanny Meisler Trauma Center and USA Health Midtown and showed a sketch of the proposed CWH pediatric emergency center; and Dr. Marymont advised that Dr. Benjamin Estrada, USA Health Assistant Dean for Educational Strategies and Faculty Development/Vice Chair and Professor of Pediatrics, had been appointed to the Sun Belt Conference's COVID-19 Advisory Panel. He advised of the Committee's recommendation of **Item 10** as follows and Chairman Shumock called for a vote. On motion by Ms. Atkins, seconded by Mr. Graham, the Board voted unanimously to approve the resolution:

RESOLUTION
USA HEALTH HOSPITALS MEDICAL STAFF APPOINTMENTS AND REAPPOINTMENTS FOR NOVEMBER AND DECEMBER 2020 AND JANUARY 2021

WHEREAS, the Medical Staff appointments and reappointments for November and December 2020 and January 2021 for the USA Health Hospitals are recommended for Board approval by the Medical Executive Committees and the USA Health Credentialing Board,

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

Chairman Shumock called for a report from the Academic and Student Affairs Committee, **Item 11**. Mr. Windom, Committee Chair, stated that, at a meeting on March 4, 2021, Associate Vice President for Finance and Administration Ms. Julie Schwindt and ILC/USA Online Executive Director Dr. Raj Chaudhury discussed student and faculty support during the COVID-19 pandemic, reporting that South had received more than $30 million in federal stimulus funding and more than $5.5 million in state CARES (Coronavirus Aid, Relief and Economic Security) awards; Director of the Office of Veterans Affairs Mr. Joshua Missouri gave an overview on the PAVE (Peer Advisors for Veteran Education) program and two peer mentors shared testimonials; and information on a new talent development program, designed to meet the region's industry workforce needs via sequential certificate and degree programs in conjunction with community college partnerships, was provided by Dr. Harold Pardue, Associate Vice President for Academic

Affairs/Dean of the Graduate School; General Steve Duff, University Consultant/Talent Development Program Director; and Dr. John Usher, College of Engineering Dean. He moved for the approval of **Item 12** as follows, noting that the Committee voted to recommend approval. Mr. Corcoran seconded and the Board voted unanimously to approve the resolution:

RESOLUTION
TENURE

WHEREAS, in accordance with University policy, faculty applications for tenure have been reviewed by the respective faculty peers and departmental chair, the Dean of the College of Medicine/Vice President for Medical Affairs, and the President and, as a result of this review process, the individuals listed are hereby recommended for tenure,

THEREFORE, BE IT RESOLVED, the University of South Alabama Board of Trustees approves and grants tenure to these individuals effective March 5, 2021.

MITCHELL CANCER INSTITUTE:
Dr. Martin J. Heslin

COLLEGE OF MEDICINE:
- Dr. Christopher Davies
- Dr. James R. Slauterbeck

Chairman Shumock called for a report from the Budget and Finance Committee, **Item 13**. Mr. Corcoran, Committee Chair, stated that, at a meeting on March 4, 2021, Mr. Weldon presented the quarterly financial statements for the three-months ended December 31, 2020, reporting an increase in net position of approximately $46.4 million compared to that of approximately $37.2 million reported for the quarter ended December 31, 2019. He stated Mr. Albano his discussed the results of the sale of Series 2021 bonds issued at an all-in interest rate of 2.58 percent and reported that the net proceeds totaling approximately $50 million would be used for various USA Health projects. He added that a bond purchase agreement for the sale of the bonds had been signed and he moved for the approval of **Item 14** as follows, noting that the Committee voted to recommend approval. Mr. Perkins seconded and the Board voted unanimously to approve the resolution:

A RESOLUTION AUTHORIZING THE ISSUANCE OF THE $40,555,000 UNIVERSITY FACILITIES REVENUE BONDS, SERIES 2021

BE IT RESOLVED by the Board of Trustees (herein called the "Board") of the **UNIVERSITY OF SOUTH ALABAMA** (herein called the "University") as follows:

Section 1.

(a) Findings

The Board has determined and hereby finds and declares as follows:

(1) it is necessary, advisable, in the interest of the University and the public that the University design, acquire, construct, install, furnish and equip various public capi-

tal improvements, equipment and assets on the campus of the University including, without limitation, (i) improvements and assets to increase capacity within USA Health, a division of the University, including without limitation a new medical office building, operating room expansion and pediatric emergency room construction, and other improvements and assets, and (ii) roadway improvements, sidewalk improvements, retention pond improvements, utility improvements, and other public capital improvements, equipment and assets for the University (herein collectively called the "2021 Improvements"); and

(2) it is necessary, advisable and in the interest of the University and the public that the University issue its $40,555,000 University Facilities Revenue Bonds, Series 2021, in order to (i) pay the costs of the 2021 Improvements, (ii) pay the costs and expenses of issuing the said Series 2021 Bonds, and (iii) pay the premium for the municipal bond insurance policy respecting those of the Series 2021 Bonds maturing on April 1 of the years 2024 through 2041, inclusive.

(b) Series 2021 Bonds to be Issued as Additional Bonds Under the Indenture; Special Findings Under Section 8.2(b) of the Indenture

The Series 2021 Bonds shall be issued as additional parity bonds under Article VIII of the Indenture hereinafter referred to. In accordance with the provisions of Section 8.2(b) of the Indenture, the Board hereby finds and declares as follows:

(1) the University is not now in default under the Indenture, and no such default is imminent;

(2) the Series 2021 Bonds shall be designated "Series 2021";

(3) the persons to whom the Series 2021 Bonds are to be delivered are set forth in Section 6 hereof;

(4) the Series 2021 Bonds are to be issued by sale in accordance with, and at the sale price set forth in, Section 6 hereof;

(5) the only bonds that have previously been issued by the University under the Indenture are its (i) $31,680,000 original principal amount University Tuition Revenue Refunding and Capital Improvement Bonds, Series 1996, dated February 15, 1996 (herein called the "Series 1996 Bonds"), which were issued under and pursuant to the Trust Indenture dated as of February 15, 1996 further described in Section 2 hereof; (ii) $7,055,000 original principal amount University Tuition Revenue Refunding Bonds, Series 1996B, dated October 15, 1996 (herein called the "Series 1996B Bonds"), which were issued under and pursuant to the First Supplemental Trust Indenture dated as of October 15, 1996; (iii) $40,130,000.70 original principal amount University Tuition Revenue Bonds, Series 1999, dated March 1, 1999 (herein called the "Series 1999 Bonds"), which were issued under and pursuant to the Second Supplemental Trust Indenture dated as of October 15, 1999; (iv) $51,080,000 original principal amount Tuition Revenue Refunding and Capital Improvement Bonds, Series 2004, dated March 15, 2004 (herein called the "Series 2004 Bonds"), which were issued under and pursuant to the Fourth Supplemental Trust Indenture dated March 15, 2004; (v) $100,000,000 original principal amount University Tuition Revenue Refunding and Capital Improvement Bonds, Series 2006, dated December 1, 2006 (herein called the "Series 2006 Bonds"), which were issued under

and pursuant to the Fifth Supplemental Trust Indenture dated as of December 1, 2006; (vi) $112,885,000 original principal amount University Facilities Revenue Capital Improvement Bonds, Series 2008, dated September 1, 2008 (herein called the "Series 2008 Bonds"), which were issued under and pursuant to the Sixth Supplemental University Facilities Revenue Trust Indenture dated as of September 1, 2008; (vii) $29,750,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2010, dated June 16, 2010 (herein called the "Series 2010 Bond"), which was issued under and pursuant to the Seventh Supplemental University Facilities Revenue Trust Indenture dated as of June 16, 2010 and will be paid with proceeds of the Series 2019-C Bond hereinafter authorized; (viii) $25,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2012-A, dated January 4, 2012 (herein called the "Series 2012-A Bond"), which was issued under and pursuant to an Eighth Supplemental University Facilities Revenue Trust Indenture dated as of January 4, 2012 (herein called the "Eighth Supplemental Indenture"); (ix) $7,740,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2012-B, dated January 4, 2012 (herein called the "Series 2012-B Bond"), which was issued under and pursuant to the Eighth Supplemental Indenture; (x) $32,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-A, dated June 28, 2013 (herein called the "Series 2013-A Bond"), which was issued under and pursuant to the Ninth Supplemental University Facilities Revenue Trust Indenture dated June 28,2013 (herein called the "Ninth Supplemental Indenture"); (xi) $8,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-B, dated June 28, 2013 (herein called the "Series 2013-B Bond"), which was issued under and pursuant to the Ninth Supplemental Indenture; (xii) $10,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-C, dated June 28, 2013 (herein called the "Series 2013-C Bond"), which was issued under and pursuant to the Ninth Supplemental Indenture; (xiii) $41,245,000 original principal amount University Facilities Revenue Refunding Bond, Series 2014-A, dated March 14, 2014 (herein called the "Series 2014-A Bond"), which was issued under and pursuant to the Tenth Supplemental University Facilities Revenue Trust Indenture dated March 14, 2014; (xiv) $6,000,000 University Facilities Revenue Capital Improvement Bond, Series 2015, dated June 15, 2015 (herein called the "Series 2015 Bond"), which was issued under and pursuant to the Eleventh Supplemental University Facilities Revenue Trust Indenture dated June 15, 2015; (xv) $85,605,000 University Facilities Refunding Revenue Bonds, Series 2016, dated September 14, 2016 (herein called the "Series 2016 Bonds") which were issued under and pursuant to the Twelfth Supplemental University Facilities Revenue Trust Indenture dated as of March 14, 2014; (xvi) $20,000,000 original principal amount University Facilities Revenue Refunding Bond, Series 2016-B, dated December 7, 2016 (herein called the "Series 2016-B Bond") which was issued under and pursuant to the Thirteenth Supplemental University Facilities Revenue Trust Indenture dated as of December 7, 2016 (herein called the "Thirteenth Supplemental Indenture"), (xvii) $35,000,000 original principal amount University Facilities Revenue Refunding Bond, Series 2016-C, dated December 7, 2016 (herein called the "Series 2016-C Bond") which was issued under the Thirteenth Supplemental Indenture, (xviii) $45,000,000 original principal amount University Facilities Revenue Refunding Bond, Series 2016-D, dated December 7, 2016 (herein called the "Series 2016-D Bond") which was issued under the Thirteenth Supplemental Indenture, (xix) $38,105,000 original principal amount University Facilities Revenue Bonds, Series 2017, dated June 15,2017 (herein called the "Series 2017 Bonds") which were issued under a Fourteenth Supplemental University Facilities Revenue Trust Indenture dated June 15, 2017; (xx) $47,750,000 original principal amount University Facilities Revenue Bonds, Series 2019-A, dated February 7, 2019 (herein called the "Series 2019-A Bonds") which were issued under a Fifteenth Supplemental University Facilities Revenue Trust Indenture dated February 7, 2019 (herein called the "Fifteenth Supplemental

Indenture"), (xxi) $18,440,000 original principal amount Taxable University Facilities Revenue Bonds, Series 2019-B, dated February 7, 2019 (herein called the"Series 2019-B Bonds") which were issued under the Fifteenth Supplemental Indenture, (xxii) $19,086,000 original principal amount University Facilities Revenue Bond, Series 2019-C, dated December 12, 2019 (herein called the "Series 2019-C Bond") which was issued under a Sixteenth Supplemental University Facilities Revenue Trust Indenture dated December 12, 2019, and (xxiii) $37,005,000 original principal amount University Facilities Revenue Bonds, Series 2020, dated March 10, 2020 (herein called the "Series 2020 Bonds") which were issued under a Seventeenth Supplemental University Facilities Revenue Trust Indenture dated March 10, 2020. The Series 2012-A Bond, the Series 2013-A Bond, the Series 2013-B Bond, the Series 2013-C Bond, the Series 2014-A Bond,the Series 2015 Bond, the Series 2016 Bonds, the Series 2016-B Bond, the Series 2016-C Bond, the Series 2016-D Bond, the Series 2017 Bonds, the Series 2019-A Bonds, the Series 2019-B Bonds, the Series 2019-C Bond and the Series 2020 Bonds are herein collectively called the "Outstanding Bonds";

(6) the Outstanding Bonds are the only bonds heretofore issued under the Indenture that are at this time and upon issuance of the Series 2021 Bonds outstanding under the Indenture; and

(7) the Series 2021 Bonds will be issued for the purposes described in paragraph (2) of Section 1 hereof.

The Trustee is hereby requested to authenticate and deliver the Series 2021 Bonds to the purchasers specified in Section 6 hereof upon payment of the purchase price designated therein.

Section 2. Authorization of the Series 2021 Bonds.

For the purposes specified in Section 1 of this resolution, the Board does hereby authorize to be issued by the University its $40,555,000 University Facilities Revenue Bonds, Series 2021, dated their date of initial issuance (herein called the "Series 2021 Bonds"), all under the terms, conditions and provisions set out in an Eighteenth Supplemental University Facilities Revenue Trust Indenture dated the date of issuance of the Series 2021 Bonds (herein called the "Eighteenth Supplemental Indenture"), between the University and The Bank of New York Mellon Trust Company, N.A., as trustee (herein called the "Trustee"), which is supplemental to the University Facilities Revenue Trust Indenture between the University and the Trustee dated as of February 15, 1996 (the said Trust Indenture, as heretofore supplemented and amended and as further supplemented and amended by the said Eighteenth Supplemental Indenture, herein called the "Indenture"). All the provisions of the Indenture respecting the Series 2021 Bonds are hereby adopted as a part of this resolution as fully as if set out at length herein.

Section 3. Sources of Payment of the Series 2021 Bonds

The principal of and the interest on the Series 2021 Bonds shall be payable solely from Pledged Revenues as defined in the Indenture. Nothing contained in this resolution, in the Series 2021 Bonds or in the Indenture shall be deemed to impose any obligation on the University to pay the principal of or the interest on the Series 2021 Bonds except from and to the extent of the Pledged Revenues. The Series 2021 Bonds shall not represent or constitute obligations of any nature whatsoever of the State of Alabama (herein called the "State") and shall not be payable out of moneys appropriated to the University by the State. The agree-

ments, covenants and representations contained in this resolution, in the Series 2021 Bonds and in the Indenture do not and shall never constitute or give rise to any personal or pecuniary liability or charge against the general credit of the University, and in the event of a breach of any such agreement, covenant or representation, no personal or pecuniary liability or charge payable directly or indirectly from the general revenues of the University shall arise therefrom. Neither the Series 2021 Bonds nor the pledge or any agreement contained in the Indenture or in this resolution shall be or constitute an obligation of any nature whatsoever of the State, and neither the Series 2021 Bonds nor any obligations arising from the aforesaid pledge or agreements shall be payable out of any moneys appropriated to the University by the State. Nothing contained in this section shall, however, relieve the University from the observance and performance of the several covenants and agreements on its part herein contained and contained in the Indenture.

Section 4. Series 2021 Bonds Payable at Par

All remittances of principal of and interest on the Series 2021 Bonds to the holders thereof shall be made at par without any deduction or exchange or other cost, fees or expenses. The bank at which the Series 2021 Bonds shall at any time be payable shall be considered by acceptance of its duties under the Indenture to have agreed that it will make or cause to be made remittances of principal of and interest on the Series 2021 Bonds, out of the moneys provided for that purpose, in bankable funds at par without any deduction for exchange or other cost, fees or expenses. The University will pay to such bank all reasonable charges made and expenses incurred by it in making such remittances in bankable funds at par.

Section 5. Authorization of Eighteenth Supplemental Indenture

The Board does hereby authorize and direct the President of the University to execute and deliver, for and in the name and behalf of the University, to The Bank of New York Mellon Trust Company, N.A., as Trustee under the aforesaid Indenture, the Eighteenth Supplemental Indenture in substantially the form presented to the meeting at which this resolution is adopted and attached as Exhibit I to the minutes of said meeting (which form is hereby adopted in all respects as if set out in full in this resolution), and does hereby authorize and direct the Secretary of the Board to affix to the Eighteenth Supplemental Indenture the corporate seal of the University and to attest the same.

Section 6. Sale of the Series 2021 Bonds

The Series 2021 Bonds are hereby sold and awarded to Raymond James & Associates, Inc., Hancock Whitney Investment Services, Securities Capital Corporation, and The Frazer Lanier Company Incorporated (collectively herein called the "Underwriters"), at and for a purchase price equal to $50,372,096.70 (representing the principal amount of the Series 2021 Bonds, less an underwriting discount of $162,943.75, plus original issue premium of $9,980,040.45). The Board does hereby approve, ratify and affirm that certain Bond Purchase Agreement dated February 25, 2021 (the "Bond Purchase Agreement") between the University and the Underwriters, a copy of which is presented to the meeting at which this resolution is adopted and attached as Exhibit II to the minutes of said meeting (which such Bond Purchase Agreement is hereby adopted in all respects as if set out in full in this resolution). The Board does hereby ratify and affirm the execution of the Bond Purchase Agreement on behalf of the University by the Vice President for Finance and Administration. The Series 2021 Bonds shall bear such date, shall mature at such times and in such manner, shall bear such rate or rates of interest, shall be payable at such place, shall be in such de-

nomination, shall bear such numbers and shall be in such form and contain such provisions as are set out in the said Bond Purchase Agreement and the Eighteenth Supplemental Indenture authorized in Section 5 above.

Section 7. Preliminary Official Statement; Official Statement.

(a) The actions of the Underwriters in circulating, on behalf of the University, a Preliminary Official Statement dated February 17, 2021, respecting the Series 2021 Bonds, a copy of which is attached hereto as Exhibit III, are hereby ratified and affirmed, and the said Preliminary Official Statement is hereby adopted as the Preliminary Official Statement of the University. The Board hereby ratifies and affirms the actions of the President and of other officers of the University in causing the said Preliminary Official Statement to be "deemed final" as of its date within themeaning of Rule 15c2-12(b)(1) promulgated by the U.S. Securities Exchange Commission (the "Rule").

(b) The Board does hereby authorize and direct the President of the University and the Vice President for Finance and Administration to execute, for and in the name and behalf of the University, an Official Statement dated February 25, 2021, with respect to the Series 2021 Bonds dated the date of sale of the Series 2021 Bonds, in substantially the form of Exhibit IV attached hereto, with such changes as shall be necessary to conform to the provisions of this resolution and to reflect such other changes as shall be approved by the President of the University or the Vice President for Finance and Administration and acceptable to the Underwriters (the "Official Statement"). The Board does hereby declare that the Official Statement so executed by the President of the University or the Vice President for Finance and Administration shall be the Official Statement of the University with respect to the Series 2021 Bonds.

Section 8. Authorization of Continuing Disclosure Agreement

The President of the University is hereby authorized and directed to execute and deliver, on behalf of the University, a Continuing Disclosure Agreement for the benefit of the beneficial owners of the Series 2021 Bonds, in substantially the form presented to the meeting at which this resolution is adopted (which form shall be attached as Exhibit V to the minutes of said meeting and which is hereby adopted in all respects as if set out in full in this resolution). The said Continuing Disclosure Agreement is to be entered into contemporaneously with the issuance of the Series 2021 Bonds in order to assist the Underwriters of the Series 2021 Bonds in complying with the Rule. The rights of enforcement of the said Continuing Disclosure Agreement shall be as provided therein, and in no event shall a default by the University thereunder constitute a default hereunder or under the Indenture.

Section 9. Execution and Delivery of the Series 2021 Bonds

The Board does hereby authorize the President of the University to execute the Series 2021 Bonds, in the name and on behalf of the University, by manually signing each said bond, and does hereby authorize the Secretary of the Board to cause the corporate seal of the University to be imprinted or impressed on each of the Series 2021 Bonds and to attest the same by signing the Series 2021 Bonds, and the President of the University is hereby authorized and directed to deliver the Series 2021 Bonds, subsequent to their execution as provided herein and in the Indenture, to the Trustee under the Indenture, and to direct the Trustee to

authenticate all the Series 2021 Bonds and to deliver them to the Underwriters, upon payment to the University of the purchase price therefor in accordance with the provisions of Section 6 hereof.

Section 10. Application of Proceeds.

The entire proceeds derived by the University from the sale of the Series 2021 Bonds, less the underwriter's discount in the amount of $162,943.75 to be retained by the Underwriters and the $155,712.34 premium for the municipal bond insurance policy to be wired directly by the Underwriters to Build America Mutual Assurance Company, the provider thereof, shall be paid to the Trustee under the Indenture, which is thereupon authorized and directed to apply and disburse such moneys for the purposes and in the order specified in Section 1.6 of the Eighteenth Supplemental Indenture herein authorized.

Section 11. Resolution Constitutes Contract; Severability.

The provisions of this resolution shall constitute a contract between the University and the holders of the Series 2021 Bonds. The various provisions of this resolution are hereby declared to be severable. In the event any provision hereof shall be held invalid by a court of competent jurisdiction, such invalidity shall not affect any other portion of this resolution.

Section 12. General Authorization; Authorization to Execute Series 2021 Bonds and Other Instruments by the Chair Pro Tempore and the Vice President for Finance and Administration.

(a) The President of the University, the Vice President for Finance and Administration of the University, and the Secretary of the Board are hereby authorized to execute such further agreements, certifications, instruments or other documents, and to take such other actions as any of them may deem appropriate or necessary, for the consummation of the transactions covered by this resolution and to the end that the Series 2021 Bonds may be executed, issued and delivered.

(b) Each of the Chair Pro Tempore of the Board and the Vice President for Finance and Administration of the University, is hereby further authorized to (i) sign and deliver the Series 2021 Bonds, the Eighteenth Supplemental University Facilities Revenue Trust Indenture, the Continuing Disclosure Agreement, the Official Statement, and such other documents as have been authorized for signature by the President of the University in the event it is desirable for the Chair Pro Tempore of the Board or for the Vice President of Finance and Administration of the University, as the case may be, to execute such instruments, or any of them, and (ii) affix the seal of the University to, and to attest, the Series 2021 Bonds, the Eighteenth Supplemental University Facilities Revenue Trust Indenture, and such other documents as the Secretary of the Board has been so authorized in the event it is desirable for the Chair Pro Tempore of the Board or for the Vice President of Finance and Administration of the University, as the case may be, to do so.

Chairman Shumock called for a report from the Long-Range Planning Committee, **Item 15**. Ms. Brown Stewart, Committee Chair, stated that, at a meeting on March 4, 2021, Associate Vice President for Institutional Effectiveness Dr. Angela Coleman gave an update on the strategic planning process, discussing the timeline; a modification of the process to update only the objectives of the existing strategic priorities that set clear expectations until a new president can

develop a strategic planning agenda; that dialogue on the objectives would produce information beneficial in generating the next quality enhancement plan, which is a SACSCOC (Southern Association of Colleges and Schools Commission on Colleges) requirement; and that the strategic planning process would also serve the SACSCOC requirement for a strategic plan that informs the Institution's budgetary and assessment systems.

Chairman Shumock called for a report from the Evaluation and Compensation Committee, **Item 16**. Capt. Jenkins, Committee Chair, stated that, at a meeting on March 4, 2021, he reported that a summary of the primary University goals for 2020-2021 had been submitted to the Committee for review, as was a comprehensive package outlining significant accomplishments achieved in 2020. He stated the outstanding results conveyed in the reports were a product of close collaboration between the University President, President's Council, faculty and staff. On behalf of the Committee, he thanked everyone who had been involved in compiling the information that reflected very positively on the progress of the University.

Chairman Shumock presented Item **16.A** as follows and encouraged Trustees to sit in on meetings of the Presidential Search Committee as a way of preparing for the important decision the Board would ultimately make in selecting the next president. He moved for the approval of the resolution and Mr. Yance seconded. The Board voted unanimously to approve the resolution:

RESOLUTION
AMENDMENTS TO *PRESIDENTIAL SEARCH GUIDELINES*
AND APPOINTMENT OF PRESIDENTIAL SEARCH COMMITTEE

WHEREAS, President Waldrop has announced his intent to retire from the University of South Alabama effective July 1, 2021, and

WHEREAS, a committee composed of representatives of the University of South Alabama Board of Trustees, Faculty, Student Government Association, Administration, National Alumni Association, and Mobile community developed recommended guidelines to be followed in searches for presidents of the University, and

WHEREAS, at a regular meeting of the Board on August 24, 2000, the *Presidential Search Guidelines (*"Guidelines"*)* were adopted, a revision of same was adopted by the Board on August 27, 2001, and additional revisions were adopted by the Board on June 6, 2014, and

WHEREAS, the Guidelines call for a search committee to be appointed by the Board at the outset of the search for a new University President,

NOW, THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama hereby adopts the University of South Alabama *Presidential Search Guidelines* as amended and in the form attached hereto and incorporated herein by reference, and

BE IT FURTHER RESOLVED, the Board of Trustees of the University of South Alabama hereby appoints the search committee as set forth in the attachment hereto which is incorporated herein by reference.

There being no further business, the meeting was adjourned at 12:22 p.m.

Attest to:

Katherine Alexis Atkins, Secretary

Respectfully submitted:

James H. Shumock, Chair *pro tempore*

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES



AUDIT COMMITTEE

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Audit Committee

March 4, 2021
1:30 p.m.

A meeting of the Audit Committee of the University of South Alabama Board of Trustees was duly convened by Mr. Ron Graham, Chair, on Thursday, March 4, 2021, at 1:32 p.m. in the Chief Calvin W. McGhee Grand Ballroom of the MacQueen Alumni Center. Public access was provided via YouTube livestream.

Members:	Alexis Atkins, Tom Corcoran, Ron Graham and Lenus Perkins were present and Ron Jenkins and Ken Simon participated remotely.
Other Trustees:	Chandra Brown Stewart, Steve Furr, Arlene Mitchell, Jimmy Shumock, Steve Stokes, Margie Tuckson, Mike Windom and Jim Yance.
Administration & Guests:	Owen Bailey, Lynne Chronister, Kristin Dukes, Joel Erdmann, Julie Estis, Monica Ezell, Paul Frazier, Mike Haskins, Andi Kent, Nick Lawkis, John Marymont, Mike Mitchell, Laura Schratt, John Smith, Margaret Sullivan, Tony Waldrop and Scott Weldon.

Following introductory remarks by Chairman Shumock, the meeting came to order and the attendance roll was called, **Item 1**. Mr. Graham called for consideration of **Item 2**, the minutes of the December 2, 2020, meeting of the Audit Committee. On motion by Ms. Atkins, seconded by Capt. Jenkins, the Committee voted unanimously to adopt the minutes.

Mr. Graham called on Ms. Schratt, who advised of new staff hired in the Office of Internal Audit. She gave background on Internal Auditor Ms. DeAndra Hudson and Sr. Internal Auditor Mr. Geoffrey Bunting.

Mr. Graham called on Mr. Weldon, who reported on the reengagement of KPMG for auditing services for fiscal years 2021 through 2023, **Item 3**. He stated KPMG's work for the University began in 2004 and advised that KPMG fees over the next three years would be commensurate with those charged the previous two years.

Mr. Weldon discussed **Item 4**, the KPMG report on intercollegiate athletics for the year ended September 30, 2020. He advised that the report, a requirement of the National Collegiate Athletic Association bylaws, was clean and did not contain findings or exceptions.

There being no further business, the meeting was adjourned at 1:37 p.m.

Respectfully submitted:

William Ronald Graham, Chair

UNIVERSITY OF SOUTH ALABAMA

2021

Office of Internal Audit Quarterly Report

Key Performance Indicators as of FY21Q2

1/1/2021 to 3/31/2021

Prepared for the:

University of South Alabama Board of Trustees Audit Committee

Issued: 6/2021

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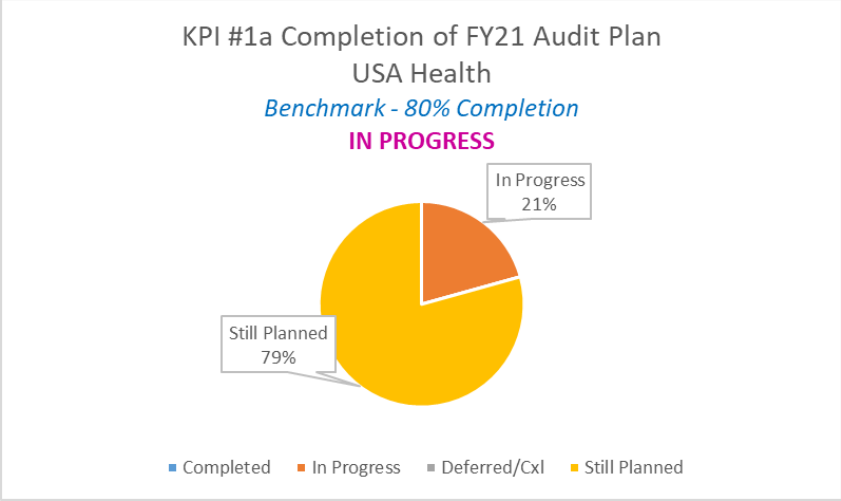
EXECUTIVE SUMMARY

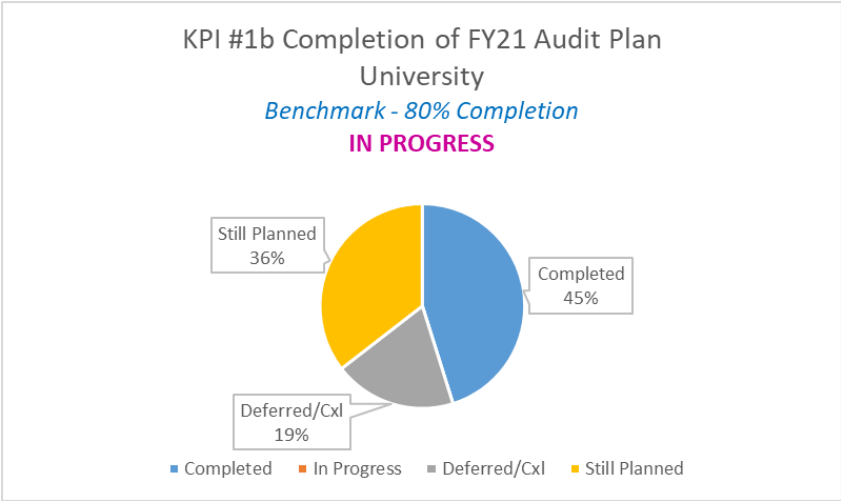
The Fiscal 2021, Quarter 2 (FY21Q2) Office of Internal Audit (OIA) Quarterly KPI Report provides quantitative and qualitative data for benchmarking key departmental operational factors in addition to an update on outstanding OIA issued recommendations. All data is as of 3/31/2021.

KEY PERFORMANCE INDICATORS

In accordance with the Institute of Internal Auditors (IIA) Standards included as part of the *International Professional Practices Framework (IPPF),* OIA developed performance measurements designed to evaluate the effectiveness and efficiency of the internal audit function. Four initial Key Performance Indicator (KPI) areas were identified (some with numerous components); Completion of the Audit Plan, Client Satisfaction, Staff Qualifications and Stakeholder Communication. A fifth KPI, Implementation of 2019 Warren Averett QAR recommendations has been added to this report. A chart or table indicating performance to the established benchmark is included for each of these KPI as well as an indication of **ACHIEVED** or **IN PROGRESS**.

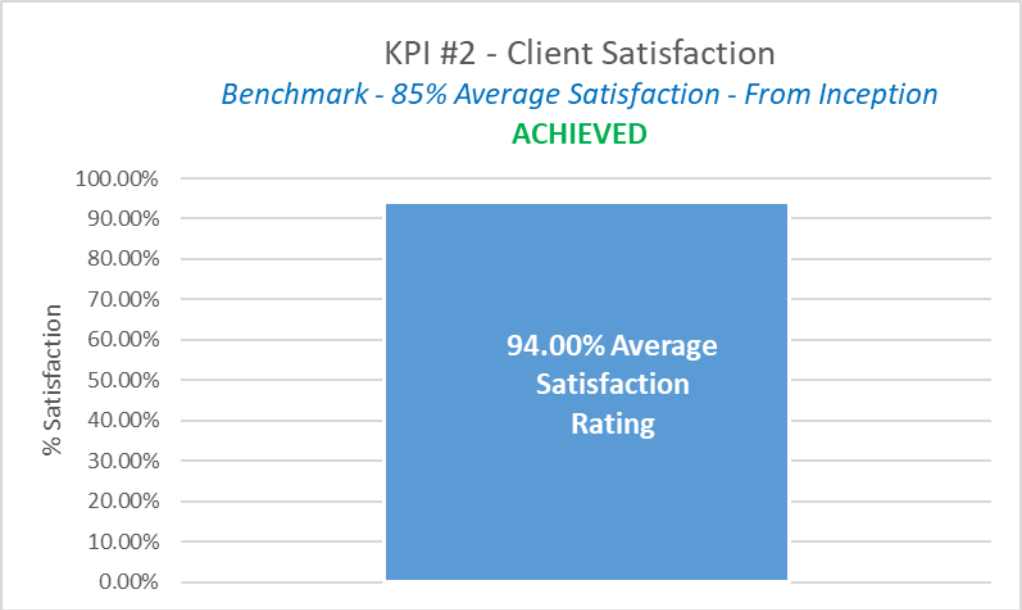
KPI #1 – Completion of the Audit Plan



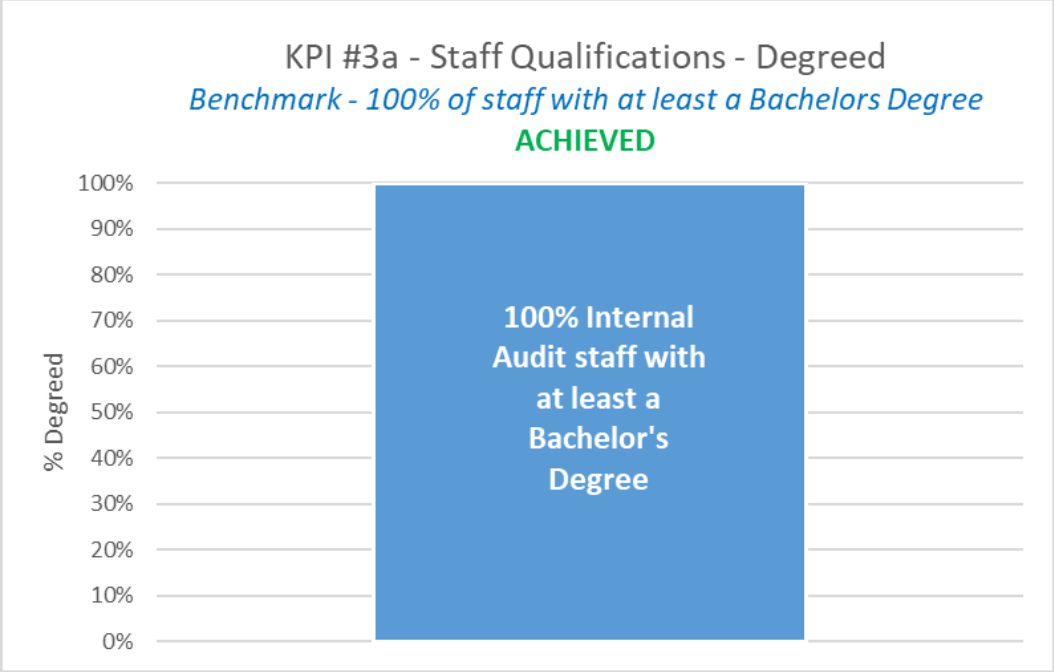


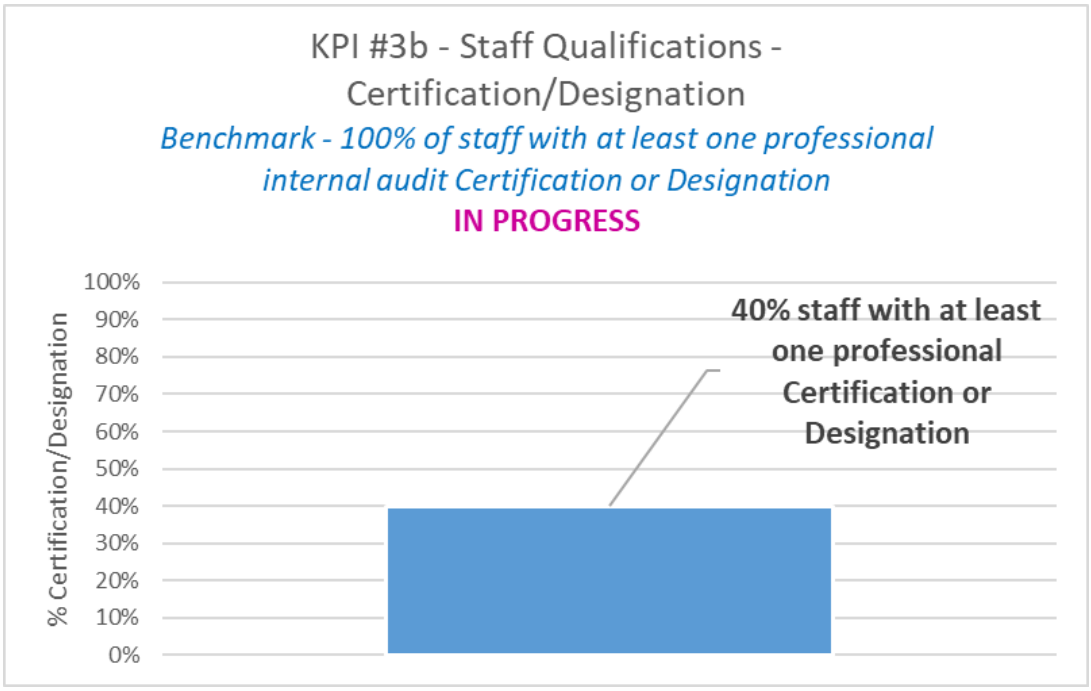
**Note: Three NCAA related audits, included on the FY21 audit plan, have been cancelled (Cxl) due to COVID-19 related waivers, temporary regulation changes, or lack of associated activity. This represents the 19% Deferred/Cxl on the chart above.*

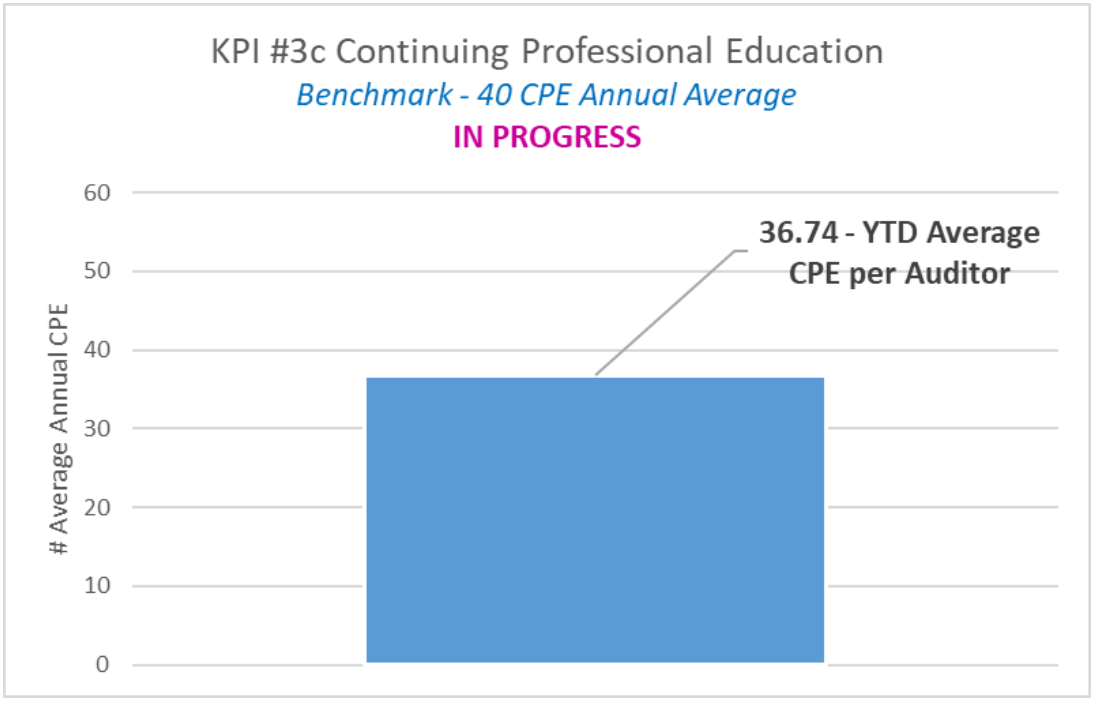
KPI # 2 – Client Satisfaction



KPI #3 – Staff Qualifications




KPI #3b - Staff Qualifications - Certification/Designation
Benchmark - 100% of staff with at least one professional internal audit Certification or Designation
IN PROGRESS
% Certification/Designation
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
40% staff with at least one professional Certification or Designation

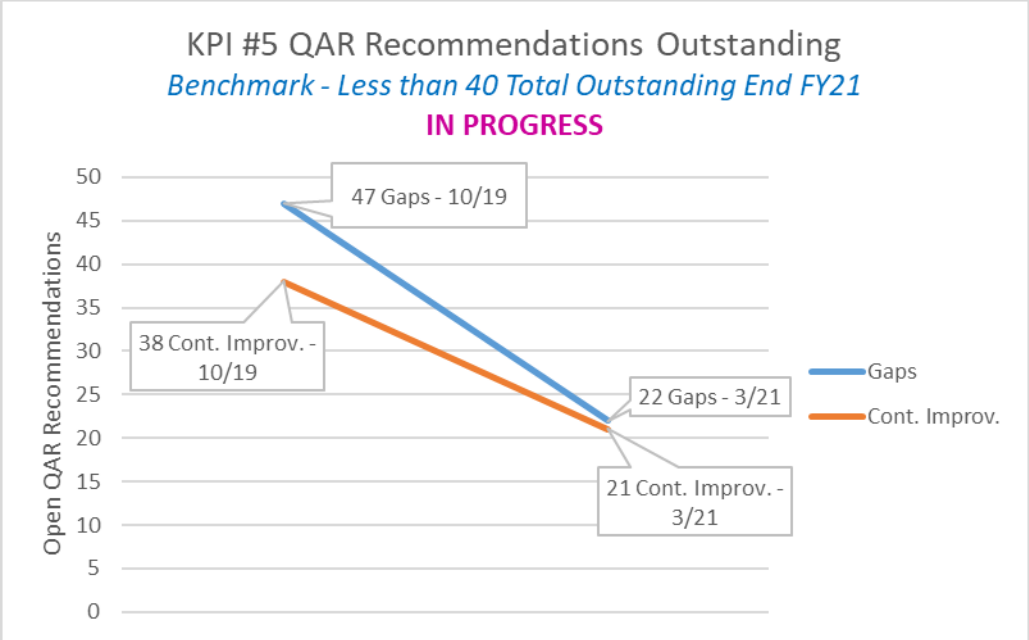

KPI #3c Continuing Professional Education
Benchmark - 40 CPE Annual Average
IN PROGRESS
Average Annual CPE
60
50
40
30
20
10
0
36.74 - YTD Average CPE per Auditor

KPI #4 – Stakeholder Communication



**Note: Benchmark increased to 10 communications to include informal updates throughout the year..*

KPI #5 – Implementation of 2019 Warren Averett Quality Assessment Review Recommendations



OUTSTANDING ISSUED RECOMMENDATIONS

OIA is required to determine if management has taken appropriate action regarding observations noted in audit reports. OIA created a recommendation tracking process, beginning with FY21Q1 data, which includes FY2018 through current audits. This process requests quarterly updates from management as to the implementation status of stated management action plans. The below table provides detail on recommendation actions during FY21Q2.

Description	Period	# of Recommendations
Outstanding Recommendations	Beginning FY21Q1	34
LESS: Management Noted as Implemented	During FY21Q2	(18)
LESS: IA Closed (due to follow-up/other)	During FY21Q2	(12)
LESS: Management Accepted Risk	During FY21Q2	(2)
ADD: Newly Issued OIA Recommendations	During FY21Q1	8
Outstanding Recommendations	End FY21Q1	10

For further information regarding this report, please contact:

Laura Anne Schratt, MBA, CIA - Executive Director of Internal Audit & CFCO

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251-460-6147

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UNIVERSITY OF SOUTH ALABAMA

MEMORANDUM

Office of Internal Audit

DATE: June 03, 2021

TO: Audit Committee of the USA Board of Trustees

CC: Mr. Jimmy Schumock, Chair pro tempore, Board of Trustees
Dr. John Smith, Acting President

FROM: Laura Anne Schratt, Executive Director of Internal Audit and CFCO

SUBJECT: Fiscal Year 2021 Quality Assessment and Improvement Program

The Institute of Internal Auditors' (IIA) Professional Practices Framework provides standards by which the Office of Internal Audit (OIA) is to conform. The IIA standards require that the chief audit executive/director develop and maintain a quality assessment and improvement program (QAIP) that covers all aspects of the internal audit activity.

The main elements of an entity's internal audit activity can be categorized into three areas; Governance, Professional Practices and Communication. Operating within a culture of continuous improvement, these elements are enhanced based on components of an effective QAIP framework:

- Ongoing Monitoring (internal) – engagement level feedback, quarterly reporting of key performance indicators to senior management and the Audit Committee.
- Periodic Self-Assessment (internal) – annual or semi-annual comprehensive quality assessment review (QAR) of compliance with the Standards and Code of Ethics as well as alignment with the Definition of Internal Auditing and the Core Principles.
- External Assessment – every 5 years, an external QAR of an entity's internal audit activity must be completed.

To conform with the IIA Professional Practices Framework, OIA developed a QAIP categorized into initial, ongoing, annual/semi-annual and quinquennial responsibilities. This program is summarized in the table on the next page of this memo.

QAIP Timeline

As required by the USA Internal Audit Charter, the QAIP requires review and approval of the Audit Committee.

Initial QAIP Timeline (started 2020)

Month/Year	Action
November 2020	Finalize high level QAIP planning work & timeline
November 2020	Create QAR recommendation tracking document noting WA "Gaps" and "Continuing Improvement" recommendations
Nov/Dec 2020	Fill in QAR recommendation tracking document with items that have already been addressed
Dec 2020-Ongoing	Address outstanding QAR recommendations in the following order →WA, Gaps (D-1, D-2, D-3, D-4), Continuous Improvement (D-1, D-2, D-3, D-4)
January 2021	Complete Appendix A-0 Background Information & Document Request List
Jan/Feb 2021	Complete Appendix A-1 Internal Audit Governance
Jan/Feb 2021	Complete Appendix A-2 Internal Audit Staff
Mar/Apr 2021	Complete Appendix A-3 Internal Audit Management
Mar/Apr 2021	Complete Appendix A-4 Internal Audit Process
Ongoing	Update QAR recommendation tracking sheet
Feb/Mar 2021	Prepare KPI data - WA QAR recommendations; include in quarterly report
May-July 2021	Internal Self-Assessment (B-Surveys, C-Interviews, D-Program, E-Evaluation, F-Reporting)
Aug/Sept 2021	Compile Internal Self-Assessment results & prepare KPI data – WA QAR recommendations; include in quarterly report
Ongoing	*Process improvement activities*

Annual/Semi-Annual Internal Assessment (QAIP) Timeline (starting 2021)

Month/Year	Action
Ongoing	*Process improvement activities*
May/June	Internal Self-Assessment (A-Planning Guides, B-Surveys, C-Interviews, D-Program, E-Evaluation, F-Reporting)
Aug/Sept	Compile Internal Self-Assessment results & prepare KPI data - WA QAR recommendations; include in quarterly report

Quinquennial External Assessment (QAIP) Timeline (2024)

Month/Year	Action
Ongoing	*Process improvement activities*
May/June	External Assessment (A-Planning Guides, B-Surveys, C-Interviews, D-Program, E-Evaluation, F-Reporting)
Aug/Sept	Obtain External Assessment results and present to the Audit Committee

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

DEVELOPMENT, ENDOWMENT AND INVESTMENTS COMMITTEE

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Development, Endowment and Investments Committee

March 4, 2021
1:37 p.m.

A meeting of the Development, Endowment and Investments Committee of the University of South Alabama Board of Trustees was duly convened by Mr. Jim Yance, Chair, on Thursday, March 4, 2021, at 1:37 p.m. in the Chief Calvin W. McGhee Grand Ballroom of the MacQueen Alumni Center. Public access was provided via YouTube livestream.

Members:	Chandra Brown Stewart, Steve Stokes, Mike Windom and Jim Yance were present and Scott Charlton, Arlene Mitchell and Margie Tuckson participated remotely.
Other Trustees:	Alexis Atkins, Tom Corcoran, Steve Furr, Ron Graham, Ron Jenkins, Lenus Perkins, Jimmy Shumock and Ken Simon.
Administration & Guests:	Terry Albano, Owen Bailey, Lynne Chronister, Kristin Dukes, Joel Erdmann, Julie Estis, Monica Ezell, Paul Frazier, Mike Haskins, Andi Kent, Matt Kinnear (Gerber/Taylor), Nick Lawkis, John Marymont, Mike Mitchell, Laura Schratt, John Smith, Margaret Sullivan, Tony Waldrop and Scott Weldon.

The meeting came to order and the attendance roll was called, **Item 5**. Mr. Yance called for consideration of the minutes of the meeting held on December 2, 2020, **Item 6**. On motion by Mr. Windom, seconded by Dr. Stokes, the Committee voted unanimously to adopt the minutes.

Mr. Yance called on Mr. Albano to present **Item 7**, a report on endowment and investment performance. Mr. Albano advised of an investment return of 9.72 percent for the first quarter of fiscal year 2021 ended December 31, 2020, versus the relative index performing at 9.15 percent, an outperformance by 57 basis points. He reviewed manager results and addressed asset allocation, noting an investment value of just under $190 million at the end of the quarter. He reported an annualized performance since inception of 5.85 percent versus the index performing at 4.77 percent, an outperformance by 1.08 percent. He said investment earnings and appreciation for the first quarter totaled approximately $116.5 million and noted earnings since inception had surpassed $100 million.

Mr. Albano introduced Mr. Matt Kinnear of the management firm of Gerber/Taylor. Mr. Kinnear provided background on Gerber/Taylor and discussed the University's investment portfolio.

Mr. Windom asked if investment results past December 2020 were available. Mr. Albano reported an 8.97 percent return at the end of January 2021, an outperformance by 52 basis points when compared to the relative index. He said the ability to provide more up-to-date information hinged on the availability of hedge fund and private equity statements.

Mr. Yance called for an update on the activities of the Division of Development and Alumni Relations, **Item 8**. Ms. Sullivan reported close to $8.3 million raised for fiscal year 2021 through February 26, and noted this amount included a transformative gift to USA Health. She advised of $90,000 raised for the Leadership in Social Justice & Perseverance Endowed Scholarship fund

and said matching funds made possible by the Mitchell-Moulton Scholarship Initiative increased the fund total to $181,180 as of March 3. She said generous support for the scholarship was provided by Ms. Margie Tuckson, President Tony and Dr. Julee Waldrop, Hancock Whitney Bank, Regions Bank and ATT. She added that a collective gift of $35,000 was recently pledged by the Waldrops, Dr. Angela Coleman, Dr. Mike Mitchell, Dr. Errol Crook, Dr. André Green and Dr. Paul Frazier. She reported $285,525 raised for the Pandemic Emergency Fund as of March 3. She shared that the South Fund employee giving campaign was currently under way through March and that USA Giving Day was scheduled for April 22. She gave details on upcoming USA Health events, including the Hope Cup Golf Tournament set for May 27 and the Local Goodness benefit for USA Children's & Women's Hospital slated for May, and conveyed excitement for projects pending, such as the proposed College of Medicine education building and Jaguar Marching Band facility.

There being no further business, the meeting was adjourned at 1:55 p.m.

Respectfully submitted:

James A. Yance, Chair

University of South Alabama Endowment Investment Performance Review/Analysis

Fiscal Year 2021

USA Endowment Fund Performance

October 1, 2020 to March 31, 2021

- Total USA Endowment returned 13.26% versus its blended benchmark return of 12.36%, outperforming by 0.90%.

USA Endowment Manager Performance

October 1, 2020 to March 31, 2021

Individual Manager versus Index performance:

- Commonfund returned 10.72% versus its benchmark return of 8.42%.
- Charles Schwab returned 19.77% versus its benchmark return of 19.74%.
- Douglas Lane returned 21.37% versus its benchmark return of 19.07%.
- Gerber Taylor returned 11.64% versus its benchmark return of 11.36%.
- Forester Diversified returned 12.02% versus its benchmark return of 11.36%.
- Gerber Taylor International returned 18.75% versus its benchmark return of 20.08%.
- Hancock Whitney returned 9.70% versus its benchmark return of 11.83%.
- JP Morgan returned 21.05% versus its benchmark return of 23.37%.

USA Endowment Asset Allocation Breakdown

As of March 31, 2021

- Money Market balance is $2,699,000 or <1% of invested assets.
- Large Cap Equity balance is $72,769,000 or 37% of invested assets.
- Small Cap Equity balance is $9,706,000 or 5% of invested assets.
- International Equity balance is $21,358,000 or 11% of invested assets.
- Fixed Income balance is $42,514,000 or 22% of invested assets.
- Private Equity balance is $6,289,000 or 3% of invested assets.
- Hedged Investments balance is $40,336,000 or 21% of invested assets.
- Invested assets total balance is $195,671,000 as of March 31, 2021.

USA Endowment Performance Since Inception

March 31, 2000 to March 31, 2021

- Total USA Endowment Fund returned 5.94% versus its blended benchmark return of 4.87%, outperforming by 1.07%.

RESOLUTION

AUTHORITY TO SELL ALCOHOL AT SELECT LOCATIONS ON CAMPUS

WHEREAS, the University of South Alabama complies with and upholds all federal, state, and local laws that regulate and prohibit the possession, use, and distribution of alcohol, prescription drugs not prescribed by medical personnel, and/or illicit drugs, and

WHEREAS, students, faculty, staff, and employees of the University of South Alabama are hereby notified of the University's alcoholic beverages policy and are expected to adhere to the guidelines set forth by the University, and

WHEREAS, the University already contracts with Aramark Educational Services, LLC, to serve and/or sell alcoholic beverages at several venues on the University's main campus, specifically Hancock Whitney Stadium (football), the Faculty Club, and the Mitchell Center (basketball and special events), and

WHEREAS, the University desires to extend Aramark's authority to serve and/or sell alcohol at the following locations: the MacQueen Alumni Center, located at 100 Alumni Drive, Mobile, AL 36688; the outdoor areas immediately surrounding the Mitchell Center located at 5950 Old Shell Road, Mobile, AL 36608; Moulton Tower and Alumni Plaza, located at 5985 USA South Drive, Mobile, AL 36688; Laidlaw Performing Arts Center, located at 5751 USA South Drive, Mobile, AL 36688; Mitchell College of Business, located at 5811 USA South Drive, Mobile, AL 36688; HAHN Health Sciences Building, located at 5721 USA North Drive, Mobile, AL 36688; USA Technology and Research Park, located at 650 Clinic Drive, Mobile, AL 36688 and 775 North University Boulevard, Mobile, AL 36608; Alfred and Lucile Delchamps Archeology Museum, located at 6050 USA South Drive, Mobile, AL 36688; Mitchell Cancer Institute, located at 1660 Springhill Avenue, Mobile, AL 36604; the Strada Patient Care Center, located at 1601 Center Street, Mobile, AL 36604; Shelby Hall, located at 150 Student Services Drive, Mobile, AL 36688; USA's Toulmin House (formerly Alumni Hall), located at 5930 USA South Drive, Mobile, AL 36688; USA's Mobile Townhouse, located at 5910 USA South Drive, Mobile, AL 36688; USA's Seamen's Bethel Church, located at 5920 USA South Drive, Mobile, AL 36688; the SGA Pavilion, located at 6431 John Counts Drive, Mobile, AL 36688; Stanky Field, 70 Jaguar Boulevard, Mobile, AL 36688; and Jaguar Field, located at 6080 Old Shell Road, Mobile, AL 36688; and

WHEREAS, the Board of Trustees has been vested with full management and control over the University of South Alabama pursuant to Section 16-55-1 of the Code of Alabama, 1975,

THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama hereby authorizes the University of South Alabama to contract with Aramark Educational Services, LLC, to obtain the necessary and specific license(s) to serve and/or sell alcoholic beverages on the campuses of the University of South Alabama at the above-described locations.

UNIVERSITY OF SOUTH ALABAMA

MEMORANDUM

Development and Alumni Relations

DATE: April 15, 2021

TO: Dr. John W. Smith
Acting President

FROM: Mrs. Margaret M. Sullivan
Vice President for Development and Alumni Relations

SUBJECT: Alcohol Sales Resolution

I would like to recommend presentation of the attached resolution to the Board of Trustees.

This resolution will allow authority for Aramark to extend serving and selling alcohol at select locations for the University.

With your support, this commendation by the Board of Trustees will be an effective method for continued service for the University of South Alabama.

attachment

Cc: Mrs. Monica Ezell

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

HEALTH AFFAIRS
COMMITTEE

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Health Affairs Committee

March 4, 2021
1:55 p.m.

A meeting of the Health Affairs Committee of the University of South Alabama Board of Trustees was duly convened by Dr. Steve Furr on behalf of Dr. Scott Charlton, Chair, on Thursday, March 4, 2021, at 1:55 p.m. in the Chief Calvin W. McGhee Grand Ballroom of the MacQueen Alumni Center. Public access was provided via YouTube livestream.

Members:	Chandra Brown Stewart, Steve Furr, Steve Stokes and Jim Yance were present and Scott Charlton, Arlene Mitchell and Margie Tuckson participated remotely.
Other Trustees:	Alexis Atkins, Tom Corcoran, Ron Graham, Ron Jenkins, Lenus Perkins, Jimmy Shumock, Ken Simon and Mike Windom.
Administration & Guests:	Owen Bailey, Lynne Chronister, Kristin Dukes, Joel Erdmann, Julie Estis, Monica Ezell, Natalie Fox, Paul Frazier, Mike Haskins, Andi Kent, Nick Lawkis, John Marymont, Mike Mitchell, Laura Schratt, John Smith, Margaret Sullivan, Tony Waldrop and Scott Weldon.

The meeting came to order and the attendance roll was called, **Item 9**. Dr. Furr called for consideration of the minutes of the meeting held on December 2, 2020, **Item 10**. On motion by Dr. Charlton, seconded by Mr. Yance, the Committee voted unanimously to adopt the minutes.

Dr. Furr called for consideration of a resolution authorizing the USA Health Hospitals medical staff appointments and reappointments for November and December 2020 and January 2021, **Item 11**. (To view approved resolutions, policies and other authorized documents, refer to the minutes of the Board of Trustees meeting held on March 5, 2021.) On motion by Dr. Stokes, seconded by Ms. Brown Stewart, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Dr. Furr called on Dr. Marymont for an update on the activities of USA Health and the College of Medicine, **ITEM 12**. Dr. Marymont advised of the appointment of USA Health Assistant Dean for Educational Strategies and Faculty Development/Vice Chair and Professor of Pediatrics Dr. Benjamin Estrada, whose specialty is infectious disease, to serve on the Sun Belt Conference's COVID-19 Advisory Panel. He added that Dr. Estrada had worked closely with Dr. Erdmann on COVID-19 testing of student athletes.

Dr. Marymont gave background on USA Health Physicians Group Assistant Administrator and Chief of Nursing Operations Dr. Natalie Fox, describing her as the driving force behind USA Health's COVID-19 testing and vaccination initiative and infrastructure. Mr. Bailey read a letter from a citizen complimenting USA Health's vaccination clinic at the Mobile Civic Center and he introduced Dr. Fox, noting she was joining remotely from Friendship Missionary Baptist Church where a COVID-19 vaccination drive was underway. Dr. Fox presented an overview on USA Health's pandemic response program and partnership with the City of Mobile to test and vaccinate citizens with the help of a dedicated team of staff, volunteers, and College of Nursing

and College of Allied Health Professions students. She discussed attributes unique to USA Health's pandemic response program; the expansion of vaccinations at the Civic Center to more than 1,000 per day; and opportunities for outreach, including vaccination drives held in underrepresented areas in the community and a mass vaccination clinic held for educators. A video showcasing the drive-through clinic at the Mobile Civic Center was shown. Mr. Shumock and Mr. Yance told of their positive encounters with USA Health COVID-19 prevention and treatment professionals and conveyed pride for USA Health's leadership role in the community. Dr. Marymont noted that everyone who visited the vaccine clinics received a marketing flyer that listed services offered by USA Health and facility locations in Mobile and Baldwin counties.

Dr. Marymont called on Mr. Bailey for an update on capital projects. Mr. Bailey reported on a ribbon-cutting ceremony held in January at the Fanny Meisler Trauma Center at University Hospital, with Governor Ivey in attendance, and on the opening of the USA Health Mobile Diagnostics Midtown Clinic on Old Shell Road on March 1, which offers endocrinology and ear, nose and throat care. A rendering of the proposed pediatric emergency center to be constructed at USA Children's & Women's Hospital was shown and Mr. Bailey announced that a generous University supporter had made a transformational gift that would enable the project to move forward. He stated the certificate-of-need application was submitted earlier in the week; the approval process should be complete within three months and plans for breaking ground were slated for the summer. He gave an update on the pending certificate-of-need application for the USA Health Mapp Family Campus project in Baldwin County. Brief discussion took place about dialysis treatment provided through a partnership with Fresenius Kidney Care and plans for USA Health to hire a pediatric nephrologist and develop the nephrology service line.

There being no further business, the meeting was adjourned at 2:24 p.m.

Respectfully submitted:

Steven P. Furr, M.D.

On behalf of:

Scott A. Charlton, M.D., Chair

UNIVERSITY OF SOUTH ALABAMA

MEMORANDUM

USA Health

DATE: May 5, 2021

TO: John W. Smith, Ed.D.
Acting President

FROM: Owen Bailey, Chief Executive Officer

SUBJECT: Board Meeting Documents

Attached for review and approval by the Health Affairs Committee and the Board of Trustees are:

Resolution – USA Health Hospitals Medical Staff Appointments and Reappointments for February, March and April 2021

- Medical Staff Appointments/Reappointments Board of Trustees Report

Resolution - USA Health Hospitals Medical Staff Bylaws and Associated Documents Revisions

- Bylaws/Associated Documents Revisions

OB/kh

Attachments

RESOLUTION

USA HEALTH HOSPITALS MEDICAL STAFF APPOINTMENTS AND REAPPOINTMENTS FOR FEBRUARY, MARCH AND APRIL 2021

WHEREAS, the Medical Staff appointments and reappointments for February, March and April 2021 for the USA Health Hospitals are recommended for Board approval by the Medical Executive Committees and the USA Health Credentialing Board,

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

USA HEALTH HOSPITALS
MEDICAL STAFF APPOINTMENTS/REAPPOINTMENTS
BOARD OF TRUSTEE REPORT
February 2021, March 2021, and April 2021

The following is a listing of recommendations for approval of new appointments, reappointments and other status changes of physicians and APP staff professionals. These have been reviewed and are recommended by the Medical Executive committee of the respective hospitals.

NAME	USA Health Children's & Women's Hospital			USA Health University Hospital			USA Health Ambulatory Care		
	Type/Stat	Category	Dept/Ser	Type/Stat	Category	Dept/Ser	Type/Stat	Category	Dept/Ser
Adams, II, Curtis L., MD	New Appt.	Active	Radiology	New Appt.	Active	Radiology	NA	NA	NA
Alexander, Kaitlin A., PharmD	NA	NA	NA	Reappt.	APP	Surgery	NA	NA	NA
Alford, Chad M., MD	NA	NA	NA	New Appt.	Active	Internal Medicine	NA	NA	NA
Anderson, Stephanie J., MD	Reappt.	Active USA	Pediatrics	NA	NA	NA	Reappt.	Active USA	Pediatrics
Asher, William M., MD	Reappt.	Consulting	Radiology	Reappt.	Consulting	Radiology	NA	NA	NA
Bartel, Tracy E., CRNP	Reappt.	APP USA	Neurosurgery	Reappt.	APP USA	Neurosurgery	Reappt.	APP USA	Neurosurgery
Battle, Taria, CRNP	New Appt.	APP USA	OBGYN	New Appt.	APP USA	OBGYN	New Appt.	APP USA	OBGYN
Baugh, Victoria L., CRNP	NA	NA	NA	New Appt.	APP USA	Surgery	New Appt.	APP USA	Surgery
Bedwell, Noel W., MD	New Appt.	Active	Internal Medicine	New Appt.	Active	Internal Medicine	NA	NA	NA
Benson-Inge, Antrias L., CMD	NA	NA	NA	Reappt.	APP USA	Radiology	NA	NA	NA
Bishop, Haley J., CRNP	NA	NA	NA	New Appt.	APP USA	Surgery	New Appt.	APP USA	Surgery
Bixler, Quin A., MD	Reappt.	Courtesy	OBGYN	NA	NA	NA	NA	NA	NA
Bodie, Frankie L., MD	Reappt.	Active USA	OBGYN	Reappt.	Courtesy USA	OBGYN	Reappt.	Act./Court. USA	OBGYN
Brown, Christopher S., MD	New Appt.	Active	Internal Medicine	New Appt.	Active	Internal Medicine	NA	NA	NA
Browning, Savannah I., MD	Reappt.	Community Staff	Pediatrics	NA	NA	NA	NA	NA	NA
Bryan, Kimberly R., MD	Reappt.	Consulting HCA	Internal Medicine	Reappt.	Active HCA	Internal Medicine	Reappt.	Cons./Active HCA	Internal Medicine
Burckhartt, Barbara A., MD	NA	NA	NA	Reappt.	Academic	Internal Medicine	NA	NA	NA
Butler, Michelle O., CRNP	NA	NA	NA	New Appt.	APP USA	Surgery	New Appt.	APP USA	Surgery
Byrd, Laurey A., RN	Reappt.	APP	OBGYN	Reappt.	APP	OBGYN	NA	NA	NA
Calderon, Eduardo G., MD	Reappt.	Courtesy USA	Internal Medicine	Reappt.	Active USA	Internal Medicine	Reappt.	Court/Active USA	Internal Medicine
Choquette, Christopher H., CRNP	Reappt.	APP	Orthopaedics	Reappt.	APP	Orthopaedics	NA	NA	NA
Cochran, Melissa R., CRNP	Reappt.	APP USA	OBGYN	NA	NA	NA	Reappt.	APP USA	OBGYN
Coronado, Yun A., MD	New Appt.	Active USA	Internal Medicine	New Appt.	Active USA	Internal Medicine	New Appt.	Active USA	Internal Medicine
Crocker, Percy V., MD	Reappt.	Active USA	Surgery	Reappt.	Active USA	Surgery	Reappt.	Active USA	Surgery
Curtiss, Rebecca V., MD	Reappt.	Comm. Staff HCA	Internal Medicine	Reappt.	Comm. Staff HCA	Internal Medicine	Reappt.	Comm. Staff HCA	Internal Medicine
Daoust, William S., CRNA	Reappt.	APP Locums	Anesthesiology	Reappt.	APP Locums	Anesthesiology	NA	NA	NA
Dauenheimer, Kelly V., CRNP	NA	NA	NA	Reappt.	APP HCA	Internal Medicine	Reappt.	APP HCA	Internal Medicine
DeAndrade, Kevin B., MD	New Appt.	Active	Internal Medicine	New Appt.	Active	Internal Medicine	NA	NA	NA
Delgado, Myrtle A., MD	New Appt.	Active USA	Pediatrics	NA	NA	NA	New Appt.	Active USA	Pediatrics
Divittorio, Gino, MD	Reappt.	Consulting HCA	Internal Medicine	Reappt.	Courtesy HCA	Internal Medicine	Reappt.	Cons./Court HCA	Internal Medicine
Dobbins, Devin M., RTT	NA	NA	NA	Reappt.	APP USA	Radiology	NA	NA	NA
Dobbs, Tonya R., MD	Reappt.	Community Staff	Pediatrics	Reappt.	Community Staff	Pediatrics	NA	NA	NA
Douglas, Allison B., MD	Reappt.	Consulting HCA	Internal Medicine	Reappt.	Active HCA	Internal Medicine	Reappt.	Cons./Active HCA	Internal Medicine
Eisenbeis, Elizabeth B., PA	New Appt.	APP HCA/JAG	Internal Medicine	New Appt.	APP HCA/JAG	Internal Medicine	NA	NA	NA
Elliott, Kimberly A., MD	Reappt.	Active	Surgery	NA	NA	NA	NA	NA	NA
Estis, Julie M., PhD, CCC-SLP	Reappt.	APP USA	Surgery	Reappt.	APP USA	Surgery	Reappt.	APP USA	Surgery
Evans, Gregory, MD	Reappt.	Community Staff	Internal Medicine	Reappt.	Community Staff	Internal Medicine	NA	NA	NA
Eves, Matthew M., MD	NA	NA	NA	Reappt.	Consulting	Internal Medicine	NA	NA	NA
Frost, James R., MD	New Appt.	Active	Radiology	New Appt.	Active	Radiology	NA	NA	NA
Gaither, Myra E., CRNA	New Appt.	APP	Anesthesiology	New Appt.	APP	Anesthesiology	NA	NA	NA
Gallaspy, III, Glenn T., MD	Reappt.	Courtesy	OBGYN	NA	NA	NA	NA	NA	NA

USA HEALTH HOSPITALS
MEDICAL STAFF APPOINTMENTS/REAPPOINTMENTS
BOARD OF TRUSTEE REPORT
February 2021, March 2021, and April 2021

NAME	USA Health Children's & Women's Hospital			USA Health University Hospital			USA Health Ambulatory Care		
	Type/Stat	Category	Dept/Ser	Type/Stat	Category	Dept/Ser	Type/Stat	Category	Dept/Ser
Gamble, Charlotte A., CRNP	Reappt.	Non-Priv. APP	Family Medicine	Reappt.	Non-Priv. APP	Family Medicine	NA	NA	NA
Garand, Kendrea L., CCCSLP, PhD	NA	NA	NA	Reappt.	APP USA	Surgery	Reappt.	APP USA	Surgery
Gardner, Debra E., MD	Reappt.	Community Staff	Pediatrics	NA	NA	NA	NA	NA	NA
Gavrilita, Cristina E., MD	Reappt.	Active USA	Pediatrics	Reappt.	Consulting USA	Pediatrics	Reappt	Act./Consult USA	Pediatrics
Gerjoi, Marcelo N. PA	Reappt.	APP USA	Neurosurgery	Reappt.	APP USA	Neurosurgery	Reappt.	APP USA	Neurosurgery
Giambrone, Melanie J., CRNP	Reappt.	APP USA	Neurosurgery	Reappt.	APP USA	Neurosurgery	Reappt.	APP USA	Neurosurgery
Granberry, Michael L., MD	Reappt.	Consulting	Orthopaedics	Reappt.	Consulting	Orthopaedics	NA	NA	NA
Grantham, Lauren C., CRNP	NA	NA	NA	New Appt.	APP USA	Surgery	New Appt.	APP USA	Surgery
Griffis, Chrystal M., MD	Reappt.	Consulting HCA	Internal Medicine	Reappt.	Active HCA	Internal Medicine	Reappt.	Cons/Act. HCA	Internal Medicine
Grimm, Jr., Leander M., MD	Reappt.	Active USA	Surgery	Reappt.	Active USA	Surgery	Reappt.	Active USA	Surgery
Gulati, Rashmi, MD	Reappt.	Active USA	Pediatrics	NA	NA	NA	Reappt.	Active USA	Pediatrics
Gulledge, Crystin N., PA	New Appt.	APP-USA	Internal Medicine	New Appt.	APP-USA	Internal Medicine	New Appt.	APP-USA	Internal Medicine
Hardy, Warren Dale, MD	New Appt.	Active	Internal Medicine	New Appt.	Active	Internal Medicine	NA	NA	NA
Harrell, James B., MD	Reappt.	Community Staff	Pediatrics	NA	NA	NA	NA	NA	NA
Helmer, II, Robert S., PharmD	NA	NA	NA	Reappt.	APP	Internal Medicine	NA	NA	NA
Heslin, Martin J., MD	New Appt.	Active USA	Surgery	New Appt.	Active USA	Surgery	New Appt.	Active USA	Surgery
Holliday, Nicolette P., MD	Reappt.	Active USA	OBGYN	Reappt.	Courtesy USA	OBGYN	Reappt.	Active/Court.	OBGYN
Honkanen, Mary H., MD	Reappt.	Consulting HCA	Internal Medicine	Reappt.	Consulting HCA	Internal Medicine	Reappt.	Consulting HCA	Internal Medicine
Hooks, III, Samuel B., MD	NA	NA	NA	Reappt.	Consulting	Internal Medicine	NA	NA	NA
Howard, IV, Clinton W., MD	Reappt.	Consulting	Orthopaedics	Reappt.	Courtesy	Orthopaedics	NA	NA	NA
Israel, Robert W., MD	Reappt.	Consulting HCA	Internal Medicine	Reappt.	Courtesy HCA	Internal Medicine	Reappt.	Cons./Court. HCA	Internal Medicine
Jones, Kelly M., DMD	Reappt.	APP	Surgery	Reappt.	APP	Surgery	NA	NA	NA
Keel, Christopher E., DO	Reappt.	Consulting HCA	Surgery	Reappt.	Active HCA	Surgery	Reappt.	Cons./Active	Surgery
Kessler, Isabel C., PA	Reappt.	APP USA	Neurology	Reappt.	APP USA	Neurology	Reappt.	APP USA	Neurology
Knowles, Kurt J., MD	Reappt.	Active USA	Pathology	Reappt.	Active USA	Pathology	NA	NA	NA
Krueger, Margaret S., MD	Reappt.	Courtesy	OBGYN	NA	NA	NA	NA	NA	NA
Kumar, Deepak, MD	NA	NA	NA	New Appt.	Community Staff	Internal Medicine	NA	NA	NA
Lambert, Marla M., MD	Reappt.	Comm. Staff HCA	Internal Medicine	Reappt.	Comm. Staff HCA	Internal Medicine	Reappt.	Comm. Staff HCA	Internal Medicine
Lambrecht, Lauren E., MD	Reappt.	Courtesy	OBGYN	NA	NA	NA	NA	NA	NA
Lenz, Cara, MD	Reappt.	Courtesy	OBGYN	NA	NA	NA	NA	NA	NA
Liles, Joe S., MD	Reappt.	Active USA	Surgery	Reappt.	Active USA	Surgery	Reappt.	Active USA	Surgery
Lolley, Bentley B., CRNA	Reappt.	APP-Contr./Locums	Anesthesiology	Reappt.	APP Contr./Locums	Anesthesiology	NA	NA	NA
Lucas, Julie R., PA	New Appt.	APP USA	Family Medicine	New Appt.	APP USA	Family Medicine	New Appt.	APP USA	Family Medicine
Luterman, Arnold, MD	Reappt.	Academic	Surgery	Reappt.	Academic	Surgery	NA	NA	NA
Makino, Akiko I., CRNP	NA	NA	NA	Reappt.	APP USA	Internal Medicine	Reappt.	APP USA	Internal Medicine
Maltese, Carl, MD	Reappt.	Courtesy	Surgery	Reappt.	Active	Surgery	NA	NA	NA
May, Carmen G., CRNP	Reappt.	APP HCA	Internal Medicine	Reappt.	APP HCA	Internal Medicine	Reappt.	APP HCA	Internal Medicine
McColgin, Sterling W., MD	Reappt.	Contract/Locums	OBGYN	NA	NA	NA	NA	NA	NA
McCraney, Eric A., CRNP	Reappt.	Non-Priv. APP	Family Medicine	Reappt.	Non-Priv. APP	Family Medicine	NA	NA	NA
McMurphy, Andrea B., MD	Reappt.	Consulting	Surgery	NA	NA	NA	NA	NA	NA
McQuiston, Jr., Samuel A., MD	Reappt.	Active USA	Radiology	Reappt.	Active USA	Radiology	Reappt.	Active USA	Radiology
Mevorach, Robert A., MD	New Appt.	Active HCA	Surgery	NA	NA	NA	New Appt.	Active HCA	Surgery
Moses, Andrew J., MD	New Appt.	Active USA	Internal Medicine	New Appt.	Active USA	Internal Medicine	New Appt.	Active USA	Internal Medicine
Myers, Thomas C., MD	Reappt.	Consulting HCA	Internal Medicine	Reappt.	Active HCA	Internal Medicine	Reappt.	Cons./Act. HCA	Internal Medicine
Nall, Molly A., PA	New Appt.	APP	Surgery	New Appt.	APP	Surgery	NA	NA	NA

USA HEALTH HOSPITALS
MEDICAL STAFF APPOINTMENTS/REAPPOINTMENTS
BOARD OF TRUSTEE REPORT
February 2021, March 2021, and April 2021

NAME	USA Health Children's & Women's Hospital			USA Health University Hospital			USA Health Ambulatory Care		
	Type/Stat	Category	Dept/Ser	Type/Stat	Category	Dept/Ser	Type/Stat	Category	Dept/Ser
Neese, Leslie LeAnn, CRNA	Reappt.	APP USA	Anesthesiology	Reappt.	APP USA	Anesthesiology	NA	NA	NA
Newburn, Constance L., RN	Reappt.	APP	OBGYN	Reappt.	APP	OBGYN	NA	NA	NA
Niland, Benjamin R., MD	Reappt.	Courtesy USA	Internal Medicine	Reappt.	Active USA	Internal Medicine	Reappt.	Court./Active USA	Internal Medicine
Ozment, Jr., Elmo D., MD	Reappt.	Community Staff	Family Medicine	Reappt.	Community Staff	Family Medicine	NA	NA	NA
Perry, Candace I., MD	Reappt.	Consulting	Psychiatry	Reappt.	Consulting	Psychiatry	NA	NA	NA
Petersen, III, Bendt P., MD	Reappt.	Consulting	Orthopaedics	Reappt.	Consulting	Orthopaedics	NA	NA	NA
Planchard, Jeffrey A., MD	New Appt	Contract/Locums	Anesthesiology	New Appt	Contract/Locums	Anesthesiology	NA	NA	NA
Pringle, Blair H., CRNP	Reappt.	APP HCA	Internal Medicine	Reappt.	APP HCA	Internal Medicine	Reappt.	APP HCA	Internal Medicine
Rebowe, Ryan E., MD	Reappt.	Consulting	Surgery	Reappt.	Consulting	Surgery	NA	NA	NA
Reddy Loupe, Vyshali M., MD	Reappt.	Consulting HCA	Internal Medicine	Reappt.	Courtesy HCA	Internal Medicine	Reappt.	Consult/Court	Internal Medicine
Riggs, Michael B., PCT	NA	NA	NA	Reappt.	APP	Internal Medicine	NA	NA	NA
Rippey, Peter C., MD	New Appt.	Active USA	Family Medicine	New Appt.	Active USA	Family Medicine	New Appt.	Active USA	Family Medicine
Rocconi, Rodney, MD	Reappt.	Active USA	OBGYN	Reappt.	Active USA	OBGYN	Reappt.	Active USA	OBGYN
Rodrigo, Joseph A., DO	NA	NA	NA	New Appt.	Contract/Locums	Anesthesiology	NA	NA	NA
Scott, William D., CRNA	New Appt.	APP USA	Anesthesiology	New Appt.	APP USA	Anesthesiology	NA	NA	NA
Seaman, Rachel T., MD	Reappt.	Active USA	Internal Medicine	Reappt.	Active USA	Internal Medicine	Reappt.	Active USA	Internal Medicine
Shepler, Lisa A., MD	Reappt.	Courtesy HCA	Internal Medicine	Reappt.	Courtesy HCA	Internal Medicine	Reappt.	Courtesy HCA	Internal Medicine
Shouse, Courtney, CRNA	New Appt.	APP USA	Anesthesiology	New Appt.	APP USA	Anesthesiology	NA	NA	NA
Shultz, Walter A., CNIM	New Appt.	APP	Neurosurgery	New Appt.	APP	Neurosurgery	NA	NA	NA
Skinner, Leslie K., MD	Reappt.	Community Staff	Pediatrics	NA	NA	NA	NA	NA	NA
Slauterbeck, James R., MD	New Appt.	Active USA	Orthopaedics	New Appt.	Active USA	Orthopaedics	New Appt.	Active USA	Orthopaedics
Sternberg, Michael E., MD	NA	NA	NA	Reappt.	Active USA	Emergency Med.	NA	NA	NA
Stewart, Regina A., CRNP	Reappt.	APP USA	Surgery	Reappt.	APP USA	Surgery	Reappt.	APP USA	Surgery
Subramanian, Veerakesari, MD	NA	NA	NA	New Appt.	Active USA	Internal Medicine	New Appt.	Active USA	Internal Medicine
Swigler, Colin W., MD	New Appt.	Courtesy	Orthopaedics	New Appt.	Courtesy	Orthopaedics	NA	NA	NA
Thompson, Marina L., MD	Reappt.	Community Staff	Pediatrics	NA	NA	NA	NA	NA	NA
Tisdale, Timothy S., PA	NA	NA	NA	New Appt.	APP HCA/JAG	Internal Medicine	NA	NA	NA
Torres, Billy, Medical Physicist	NA	NA	NA	Reappt.	APP USA	Radiology	NA	NA	NA
Trammell, Randall H., DO	Reappt.	Active USA	Internal Medicine	Reappt.	Active USA	Internal Medicine	Reappt.	Active USA	Internal Medicine
Tramont, Sr, John M., MD	New Appt.	Active USA	OBGYN	New Appt.	Active USA	OBGYN	New Appt.	Active USA	OBGYN
Tyler, Shannon K., MD	Reappt.	Consulting USA	Internal Medicine	Reappt.	Courtesy USA	Internal Medicine	Reappt.	Cons./Court. USA	Internal Medicine
Walker, James L., MD	Reappt.	Consulting HCA	Internal Medicine	Reappt.	Courtesy HCA	Internal Medicine	Reappt.	Cons./Court. HCA	Internal Medicine
Walker, Kathy E., CRNP, DNP	Reappt.	APP HCA	Internal Medicine	Reappt.	APP HCA	Internal Medicine	Reappt.	APP HCA	Internal Medicine
Walks, Debra M., MD	Reappt.	Community Staff	Pediatrics	Reappt.	Community Staff	Pediatrics	NA	NA	NA
Weaver, Katrina L., MD	Reappt.	Active USA	Surgery	Reappt.	Courtesy USA	Surgery	Reappt.	Active/Court. USA	Surgery
Wei, Eric X., MD	New Appt.	Active USA	Pathology	New Appt.	Active USA	Pathology	New Appt.	Active USA	Pathology
Wells, Mary S., MD	Reappt.	Community Staff	Pediatrics	NA	NA	NA	NA	NA	NA
Wells, Rose A., CRNP	Reappt.	APP USA	Internal Medicine	Reappt.	APP USA	Internal Medicine	Reappt.	APP USA	Internal Medicine
Wilder, LaTonya, MD	NA	NA	NA	New Appt.	Active HCA/JAG	Internal Medicine	NA	NA	NA
Wolf, Laura J., CRNP	Reappt.	Non-Priv. APP	Pediatrics	NA	NA	NA	NA	NA	NA
Wong, Matthew H., MD	Reappt.	Consulting	Neurology	Reappt.	Consulting	Neurology	NA	NA	NA
Wood, Brian K., DO	New Appt.	Active USA	Radiology	New Appt.	Active USA	Radiology	New Appt.	Active USA	Radiology
Wood, Amanda, CRNP	Reappt.	APP	OBGYN (SANE)	Reappt.	APP	OBGYN (SANE)	NA	NA	NA
Wood, Amanda, CRNP	Reappt.	APP USA	OBGYN	NA	NA	NA	Reappt.	APP USA	OBGYN

USA HEALTH HOSPITALS
MEDICAL STAFF APPOINTMENTS/REAPPOINTMENTS
BOARD OF TRUSTEE REPORT
February 2021, March 2021, and April 2021

NAME	USA Health Children's & Women's Hospital			USA Health University Hospital			USA Health Ambulatory Care		
	Type/Stat	Category	Dept/Ser	Type/Stat	Category	Dept/Ser	Type/Stat	Category	Dept/Ser
Wood, Nancy O., MD	New Appt.	Community Staff	Pediatrics	NA	NA	NA	NA	NA	NA
Woodward, Amy E., MD	Reappt.	Consulting HCA	Internal Medicine	Reappt.	Active HCA	Internal Medicine	Reappt.	Cons/Act. HCA	Internal Medicine
Wrights, Sharienne E., MD	Reappt.	Community Staff	Pediatrics	Reappt.	Community Staff	Pediatrics	NA	NA	NA
Xing, Yanming, MD	Reappt.	Consulting HCA	Internal Medicine	Reappt.	Courtesy HCA	Internal Medicine	Reappt.	Cons/Court. HCA	Internal Medicine
Zieman, Gregory A., DMD	Reappt.	Courtesy	Surgery	NA	NA	NA	NA	NA	NA

NAME	USA Health Children's & Women's Hospital			USA Health University Hospital			USA Health Ambulatory Care		
Change Requests	Type/Stat	Category	Dept/Ser	Type/Stat	Category	Dept/Ser	Type/Stat	Category	Dept/Ser
Donnellan, Kimberly A., MD	Chg. Status	Active HCA	Surgery	Chg. Status	Active HCA	Surgery	Chg. Status	Active HCA	Surgery
Changed status from Courtesy (Private Physician) to Active HCA (USA Physician).									
Ehlers, Scott, CRNP	Chg. Coll. Phy.	APP USA	Pediatrics	NA	NA	NA	Chg. Coll.	APP USA	Pediatrics
Changed Collaborative Physician to Charles M. Harmon, MD									
Planchard, Jeffrey, MD	Chg. Status	Active USA	Anesthesiology	Chg. Status	Active USA	Anesthesiology	NA	NA	NA
Changed from Contract/Temporary status to Active USA status.									

NAME	USA Health Children's & Women's Hospital			USA Health University Hospital			USA Health Ambulatory Care		
Resigned/Retired	Reason	Date	Dept.	Reason	Date	Dept.	Reason	Date	Dept.
Baker, Channin J., CRNA	Resigned	3/20/2021	Anesthesiology	Resigned	3/20/2021	Anesthesiology	NA	NA	NA
Bhowmick, Samar K., MD	Resigned	3/31/2021	Pediatrics	NA	NA	NA	Resigned	3/31/2021	Pediatrics
Blunck, Joshua T., DO	Resigned	1/15/2021	Radiology	Resigned	1/15/2021	Radiology	NA	NA	NA
Brooks, III, William B., MD	Retired	3/18/2021	Psychiatry	Retired	3/18/2021	Psychiatry	NA	NA	NA
Butts-Wilkerson, Ashleigh, MD	Resigned	12/31/2020	Family Medicine	Resigned	12/31/2020	Family Medicine	Resigned	12/31/2020	Family Medicine
Crissinger, Karen D., MD	Resigned	3/1/2021	Pediatrics	Resigned	3/1/2021	Pediatrics	Resigned	3/1/2021	Pediatrics
Donahue, Mark A., MD	Resigned	2/23/2021	Pediatrics	Resigned	2/23/2021	Pediatrics	NA	NA	NA
Greene, Ashley B., RN	NA	NA	NA	Resigned	1/15/2021	Internal Medicine	NA	NA	NA
Heidbreder, Amanda M., CRNA	Resigned	3/17/2021	Anesthesiology	NA	NA	NA	NA	NA	NA
Isom, Jonathan, MD	Resigned	1/6/2021	Anesthesiology	Resigned	1/6/2021	Anesthesiology	NA	NA	NA
Kappel, Margaret, CRNP	NA	NA	NA	Resigned	2/5/2021	Internal Medicine	NA	NA	NA
Morrison, Esther E., MD	NA	NA	NA	Resigned	2/23/2021	Internal Medicine	Resigned	2/23/2021	Internal Medicine
Noh, Paul, MD	Resigned	3/16/2021	Surgery	Resigned	3/16/2021	Surgery	Resigned	3/16/2021	Surgery
Pant, Amit, MD	Resigned	12/31/2020	Ped. Emerg. Med.	NA	NA	NA	NA	NA	NA
Pinkston, John A., MD	NA	NA	NA	Resigned	2/16/2021	Radiology	Resigned	2/16/2021	Radiology
Planchard, Jeffrey A., MD	Resigned	3/31/2021	Anesthesiology	Resigned	3/31/2021	Anesthesiology	NA	NA	NA
Rankin, Nakia A., CRNP	NA	NA	NA	Resigned	12/21/2020	Internal Medicine	Resigned	12/21/2020	Internal Medicine
Riehl, John T., MD	Resigned	2/22/2021	Orthopaedics	Resigned	2/22/2021	Orthopaedics	NA	NA	NA
Rocha, Jason R., MD	Resigned	2/23/2021	Orthopaedics	Resigned	2/23/2021	Orthopaedics	NA	NA	NA
Wilson, Rosanne, CRNP	NA	NA	NA	Resigned	2/5/2021	Internal Medicine	NA	NA	NA

RESOLUTION

USA HEALTH HOSPITALS MEDICAL STAFF BYLAWS AND ASSOCIATED DOCUMENTS REVISIONS

WHEREAS, revisions to USA Health Hospitals Medical Staff Bylaws and associated documents, approved May 3, 2021, by the active voting General Medical Staff members via email and attached hereto, are recommended for approval by the Medical Executive Committees and the Executive Committee of USA Health Hospitals,

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

Proposed Amendments to the USA Health Hospitals Medical Staff Bylaws/Documents
Revisions Approved via email vote by the USA Health Hospitals Active Medical Staff on May 3, 2021

Bold and Underline are <u>additions</u> - Strikethroughs are ~~deletions~~

<u>MEDICAL STAFF BYLAWS</u>

1. ARTICLE 4-CLINICAL DEPARTMENTS AND SERVICE LINES
   Clinical department chairs duties changed to approve credentialing packets for both hospitals

2. ARTICLE 9-AMENDMENTS Section 9.A
   Streamlining the Bylaws approval process

3. ARTICLE 9-AMENDMENTS Section 9.B
   Streamlining the associated medical staff documents approval process

<u>MEDICAL STAFF ASSOCIATED DOCUMENTS</u>

CREDENTIALING POLICY

1. ARTICLE 3-PROCEDURE FOR INITIAL APPOINTMENT
   Clinical department chairs duties changed to approve credentialing packets for both hospitals

2. ARTICLE 5-PROCEDURE FOR REAPPOINTMENT
   Clinical department chairs duties changed to approve credentialing packets for both hospitals

POLICY ON ADVANCED PRACTICE PROFESSIONALS

3. ARTICLE 5-CREDENTIALING PROCEDURE
   Clinical department chairs duties changed to approve credentialing packets for both hospitals

ORGANIZATION MANUAL

4. ARTICLE 3-MEDICAL STAFF COMMITTEE
   Added Infection Control System Committee composition and description of the committee's duties

RULES AND REGULATIONS

5. SECTION 4.0-PHYSICIAN ORDERS- Verbal or Telephone Orders
   Added LPNs to list who can take verbal orders and medical assistants allowed to accept orders.

Proposed Amendments to the USA Health Hospitals Medical Staff Bylaws/Documents
Revisions Approved via email vote by the USA Health Hospitals Active Medical Staff on May 3, 2021

Bold and Underline are additions - Strikethroughs are ~~deletions~~

MEDICAL STAFF BYLAWS

ARTICLE 4-CLINICAL DEPARTMENTS AND SERVICE LINES

4.B. ASSIGNMENT TO DEPARTMENTS ~~OR SERVICE LINES~~

(1) Upon initial appointment to the Medical Staff, each Medical Staff member shall be assigned to a clinical department ~~or service line~~. Assignment to a particular department ~~or service line~~ does not preclude a Medical Staff member from seeking and being granted clinical privileges typically associated with another department ~~or service line~~.

(2) A Medical Staff member may request a change in department ~~or service line~~ assignment to reflect a change in his or her clinical practice.

(3) Department ~~or service line~~ assignment may be transferred at the discretion of the MEC.

4.F. DUTIES OF DEPARTMENT CHAIRS AND SERVICE LINE CHAIRS

Department chairs and service line chairs shall work in collaboration with Medical Staff Leaders and other Hospital personnel to collectively be responsible for the following:

(1) all clinically related activities of the department or service line;

(2) all administratively related activities of the department or service line, unless otherwise provided for by the Hospital;

SEE below for new section- moving 3, 4 and 5 to Dept Chair duties

~~(6)~~ (3) the integration of the department or service line into the primary functions of the Hospital;

~~(7)~~ (4) the coordination and integration of interdepartmental and intradepartmental services;

~~(8)~~ (5) the development and implementation of policies and procedures that guide and support the provision of care, treatment and services;

~~(9)~~ (6) determination of the qualifications and competence of department personnel who are not licensed independent practitioners and who provide patient care, treatment and services;

~~(10)~~ (7) recommendations for a sufficient number of qualified and competent persons to provide care or services; and

~~(11)~~ (8) continuous assessment and improvement of the quality of care and services provided;

4.G. CREDENTIALING DUTIES OF DEPARTMENT CHAIRS

~~(3)~~ (1) continuing surveillance of the professional performance of all individuals in the department ~~or service line~~ who have delineated clinical privileges;

~~(4)~~ (2) recommending criteria for clinical privileges that are relevant to the care provided in the department ~~or service line~~;

~~(5)~~ (3) evaluating requests for clinical privileges for each member of the department ~~or service line~~;

ARTICLE 9 – AMENDMENTS

9.A. MEDICAL STAFF BYLAWS

(1) Amendments to these Bylaws may be proposed by a petition signed by at least ten voting members of the Medical Staffs, by the Bylaws Committee, or by the MECs.

(2) All proposed amendments to these Bylaws must be reviewed by the Bylaws Committee and **approved by** both MECs prior to a vote by the Medical Staff. The MECs may hold a Medical Staff meeting with the relevant Medical Staff to discuss proposed amendments; however, voting shall not take place at a meeting but, rather, will be accomplished in accordance with this section. The MECs shall present all proposed amendments to the voting staffs by written or electronic ballot to be returned to the Medical Staff Office by the date indicated on the ballot, which date shall be at least ~~7~~ **5** days after the proposed amendment was provided to the voting staffs. Along with the proposed amendments, the MEC may, in its discretion, provide a written report on them either favorably or unfavorably. To be adopted, the amendment must receive a majority of the votes cast. **Any voting staff member comments of recommended change would be reviewed by both MECs prior to forwarding the amendment to the next approval step.** The amendment would then be presented to the Executive Committee for approval.

Proposed Amendments to the USA Health Hospitals Medical Staff Bylaws/Documents
Revisions Approved via email vote by the USA Health Hospitals Active Medical Staff on May 3, 2021

Bold and Underline are <u>additions</u> - Strikethroughs are ~~deletions~~

(3) The MECs shall have the power to adopt such clarifications to these Bylaws which are needed because of renumbering, punctuation, spelling or errors of grammar, change of name(s) or title(s), or as mandated by law as determined by Hospital legal counsel.

(4) All amendments shall be effective only after approval by the Board.

<u>9.B. OTHER MEDICAL STAFF DOCUMENTS</u>

(1) In addition to the Medical Staff Bylaws, there shall be policies, procedures and Rules and Regulations that shall be applicable to all members of the Medical Staff and other individuals who have been granted clinical privileges or a scope of practice. All Medical Staff policies, procedures, and Rules and Regulations shall be considered an integral part of the Medical Staff Bylaws but will be amended in accordance with this section. These additional documents are the Medical Staff Credentials Policy, the Advance Practice Professionals Policy, the Medical Staff Organization Manual, and the Medical Staff Rules and Regulations.

(2) An amendment to the Credentials Policy, Medical Staff Organization Manual, Advance Practice Professionals Policy, or the Medical Staff Rules and Regulations may be **<u>referred to the Bylaws committee or</u>** made by a majority vote of the members of each MEC present and voting at any meeting of that Committee where a quorum exists. ~~Notice of all proposed amendments shall be provided to each voting staff member of the Medical Staff at least 7 days prior to the respective MEC meeting, and any voting staff member may submit written comments to the MEC.~~ If there is any disagreement between the MECs for the two Hospitals with respect to an amendment(s), a joint meeting shall be scheduled to discuss and resolve the disagreement. **<u>The MECs shall present all proposed amendments to the voting staffs by written or electronic ballot to be returned to the Medical Staff Office by the date indicated on the ballot, which date shall be at least 5 days after the proposed amendment was provided to the voting staffs. Along with the proposed amendments, the MEC may, in its discretion, provide a written report on them either favorably or unfavorably. To be adopted, the amendment must receive a majority of the votes cast. Any voting staff member comments of recommended change would be reviewed by both MECs prior to forwarding the amendment to the next approval step. The amendment would then be presented to the Executive Committee for approval.</u>**

(3) The present Medical Staff Rules and Regulations are hereby readopted and placed into effect insofar as they are consistent with these Bylaws, until such time as they are amended in accordance with the terms of these Bylaws. To the extent any present Rules and Regulations are inconsistent with these Bylaws, they are of no force or effect.

(4) All other policies of the Medical Staff may be adopted and amended by a majority vote of the MEC. No prior notice is required. **<u>The amendment would then be presented to the Executive Committee for approval.</u>**

CREDENTIALING POLICY

<u>ARTICLE 3- PROCEDURE FOR INITIAL APPOINTMENT</u>

3.A.4. Department Chair ~~or Service Line Chair~~ Procedure:

(a) The Medical Staff Office shall transmit the complete application and all supporting materials to the chair of each department in which the applicant seeks clinical privileges. The department chair ~~or service line chair~~ shall prepare a written report regarding whether the applicant has satisfied all of the qualifications for appointment and the clinical privileges requested on a form provided by the Medical Staff Office.

(b) The department chair ~~or service line chair~~ shall be available to the Combined Credentials Committee, the MEC, and the Board to answer any questions that may be raised with respect to the report and findings of that individual.

<u>ARTICLE 5-PROCEDURE FOR REAPPOINTMENT</u>

5.A.4. Processing Applications for Reappointment:

(a) The Medical Staff Office shall forward the application to the relevant department chair ~~or service line chair~~ and the application for reappointment shall be processed in a manner consistent with applications for initial appointment.

(b) Additional information may be requested from the applicant if any questions or concerns are raised with the application or if new privileges are requested.

POLICY ON ADVANCED PRACTICE PROFESSIONALS

ARTICLE 5-CREDENTIALING PROCEDURE

5.A.3. Department Chair ~~or Service Line Chair~~ Procedure:

(a) The Medical Staff Office shall transmit the complete application and all supporting materials to the appropriate department chair ~~or service line chair~~ or the individual to whom the chair has assigned this responsibility. Each chair shall prepare a report (on a form provided by the Medical Staff Office) regarding whether the applicant has satisfied all of the qualifications for permission to practice and the clinical privileges requested.

(b) As part of the process of making this report, the department chair ~~or service line chair~~ has the right to meet with the applicant and the Supervising Physician (if applicable) to discuss any aspect of the application, qualifications, and requested clinical privileges. The department chair ~~or service line chair~~ may also confer with experts within the department and outside of the department in preparing the report (e.g., other physicians, relevant Hospital department heads, nurse managers). Applicants do not have the right to be accompanied by counsel to interviews that are held pursuant to this Section.

(c) The department chair ~~or service line chair~~ shall be available to answer any questions that may be raised with respect to that individual's report and findings.

ORGANIZATION MANUAL

ARTICLE 3-MEDICAL STAFF COMMITTEES

3.N. INFECTION CONTROL SYSTEM COMMITTEE

3.N.1. Composition

The USA Health Infection Control System Committee shall consist of appropriate medical staff representation from the medical staff department, health system epidemiologists, infection prevention staff, quality staff and other staff as indicated.

3.N.2 Duties

The USA Health Infection Control System Committee shall:

(a) identify and analyze the incidence and cause of infections, establish, and develop a practical system for reporting and evaluating infections in patients, personnel and discharged patients,

(b) implement a prevention and correction program designed to minimize infection hazards, supervise infection control in all phases of clinical activities,

(c) perform periodic assessments and continuing studies on the appropriate utilization and efficacy of antimicrobial agents,

(d) regularly prepare and distribute to clinical personnel those reports that are pertinent to infection control, report specific notifiable infections to the health authorities,

(e) assist in developing and reviewing policies and procedures relative to any infection control issues, and

(f) report to the Quality/PI Council and the Medical Executive Committee

RULES AND REGULATIONS

Section 4-Physician Orders

4.5 Verbal or telephone orders

Physicians should enter **orders using** CPOE into the Medical Record. Verbal orders should be rare and are to be accepted only in emergent/urgent situations or when physicians are performing procedures. Telephone orders should

be utilized ~~be communicated by CPOE physicians~~ only when the physician is unable to access the medical record. Both verbal and telephone orders shall be authenticated by the **ordering** physician **or another practitioner responsible for the patient's care** as soon as possible but no more than 30 days following entry of the order. In appropriate situations, verbal or telephone orders may be accepted by licensed, certified registered staff members, within the limits established by the Medical Staff and consistent with the State Practice Acts, from an attending physician or designee. A verbal order shall be considered to be complete once given to a registered **or licensed practical** nurse functioning within his/her sphere of competence and subsequently authenticated by the responsible practitioner or another practitioner responsible for the care of the patient.

Other personnel authorized to accept or carry out orders within the confines of their respective departments are as follows: Registered Physical Therapist, Registered Respiratory Therapist, Registered Pharmacist, Registered Radiology Technologist, Registered Dietician, Licensed Social Worker, qualified Occupational and Speech Therapists, Ultrasonographer, Registered Medical Technologist, Medical Laboratory Technician, Physician Assistant and Advance Practice Nurse Practitioner. **Medical assistants are allowed to accept orders in the clinic setting.** All orders dictated shall be identified by the date and time of the order, the appropriate notation (TOV or VOV for either telephone or verbal order verified), the name of the practitioner, and the name and title of the individual to whom the order was dictated. Verbal orders are to be accepted only in emergent/urgent situations. Based upon the Code of Federal Regulations all entries must be legible, complete, and must be authenticated by the person identified by name and discipline or another person covering who is responsible for ordering, providing, or evaluating the service furnished. The responsible physician or another authorized physician who is responsible for the care of the patient shall authenticate, date and time any order promptly but in no case more than 30 days following the order. The exceptions are:

- Orders for restraints which have specified time frames for authentication or
- change in Life Sustaining Medical Treatment status that must be signed within 24 hours.

The physician shall take full responsibility for any order given to include written, telephone (TOV) or verbal (VOV).

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

ACADEMIC AND STUDENT AFFAIRS COMMITTEE

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Academic and Student Affairs Committee

March 4, 2021
2:24 p.m.

A meeting of the Academic and Student Affairs Committee of the University of South Alabama Board of Trustees was duly convened by Mr. Mike Windom, Chair, on Thursday, March 4, 2021, at 2:24 p.m. in the Chief Calvin W. McGhee Grand Ballroom of the MacQueen Alumni Center. Public access was provided via YouTube livestream.

Members:	Steve Furr, Ron Graham, Lenus Perkins and Mike Windom were present and Scott Charlton, Ron Jenkins and Margie Tuckson participated remotely.
Other Trustees:	Alexis Atkins, Chandra Brown Stewart, Tom Corcoran, Arlene Mitchell, Jimmy Shumock, Ken Simon, Steve Stokes and Jim Yance.
Administration & Guests:	Zack Aggen, Owen Bailey, Raj Chaudhury, Lynne Chronister, Steve Duff, Kristin Dukes, Joel Erdmann, Julie Estis, Monica Ezell, Paul Frazier, Sage Garris, Mike Haskins, Andi Kent, Nick Lawkis, John Marymont, Joshua Missouri, Mike Mitchell, Harold Pardue, Laura Schratt, Julie Schwindt, John Smith, Margaret Sullivan, John Usher, Tony Waldrop and Scott Weldon.

The meeting came to order and the attendance roll was called, **Item 13**. Mr. Windom called for consideration of the minutes of the meeting held on December 2, 2020, **Item 14**. On motion by Mr. Graham, seconded by Dr. Charlton, the Committee voted unanimously to adopt the minutes.

Mr. Windom called on Dr. Marymont to present **Item 15**, a resolution awarding tenure to College of Medicine faculty. (To view approved resolutions, policies and other authorized documents, refer to the minutes of the Board of Trustees meeting held on March 5, 2021.) Dr. Marymont briefly discussed the credentials of Associate Dean of Research Dr. Christopher Davies, Chair of Orthopedic Surgery Dr. James Slaughterbeck and USA Health Mitchell Cancer Institute Director Dr. Martin Heslin, who he noted had recently joined the faculty and whose applications had passed through the appropriate tenure-review channels and were being recommended for approval. On motion by Mr. Graham, seconded by Dr. Furr, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Mr. Windom called upon Dr. Kent to address **Item 16**, a report on the activities of the Division of Academic Affairs. Dr. Kent advised of approximately $30 million in federal stimulus money and more than $5.5 million in state CARES (Coronavirus Aid Relief and Economic Security) Act funding awarded to South exclusive of money received by USA Health. She introduced Associate Vice President for Finance and Administration Ms. Julie Schwindt and Executive Director of the Innovation in Learning Center (ILC)/USA Online Dr. Raj Chaudhury to discuss the use of these funds. Ms. Schwindt shared information pertaining to two rounds of HEERF (Higher Education Emergency Relief Fund) federal funding that enabled South to award emergency grants to students experiencing financial hardship due to the pandemic, as well as issue refunds for housing and dining plan costs; expand wireless internet on campus; and offset lost revenue as a result of the pandemic. She advised that the CARES Act awards allowed the University to address needs related to personal protective equipment, telework, payroll and remote learning. She talked about the success of a new *Study Smart* program designed to help students adjust to distance learning

and of the *One Stop* student resource initiative. Dr. Chaudhury reviewed the pivot to remote instruction in March 2020 and reported on hardware, software and support investments for optimizing the faculty's ability to connect with remote students. He shared details on a three-phase expansion of classroom technology; implementation of the *Canvas* learning management system (LMS); ILC faculty development workshops and courses; a lightboard video recording system and other centralized resources for faculty; and incentives for faculty that included computer equipment and supplies. He shared examples of the positive feedback received from faculty regarding LMS training. Drs. Kent and Chaudhury addressed questions about plans for education delivery moving forward and teaching methods for coursework that is not conducive to online instruction.

Mr. Windom called on Dr. Mitchell for a report on the activities of the Division of Student Affairs, **Item 17**. With reference to USA's objective of improving student retention and graduation rates and helping students to connect, Dr. Mitchell introduced Associate Director of the Office of Veterans Affairs Mr. Joshua Missouri to discuss South's PAVE (Peer Advisors for Veteran Education) program, which he noted was one of 46 chapters nationwide that paired current veteran students with incoming veteran students. Mr. Missouri advised that the core of PAVE was veterans helping veterans and said interactions extend from assistance with government benefits and campus resources to conversations and referrals regarding financial security and wellness. He stated that communications and outreach had transitioned to a virtual environment during the COVID-19 crisis and compared contact tracking data for the 2019 fall and 2020 spring semesters. He introduced Mr. Zack Aggen and Mr. Sage Garris, who gave brief testimonials about their experiences as peer mentors. Mr. Missouri answered questions about the number of veterans and dependents enrolled in the program and eligibility of National Guard members. Mr. Windom shared that he served in the armed forces and volunteered to help with programming.

Mr. Windom asked Ms. Chronister for an update on the activities of the Division of Research and Economic Development, **Item 18**. Ms. Chronister shared that a new talent development program was being created to address concerns expressed by industry leaders that recruiting qualified workers had become a challenge. She introduced members of the program's leadership team Associate Vice President for Academic Affairs/Dean of the Graduate School Dr. Harold Pardue; University consultant and Talent Development Program Director General Steve Duff; and College of Engineering Dean Dr. John Usher to give more information. Each discussed the particulars of the talent development model through which South and community colleges, including Bishop State, would partner to train rising high school seniors via a path of integrated certificate and degree programs synchronized throughout their professional careers leading toward retirement, thus building a pipeline of career learners. They asserted that the program would impact transformational change in the community, provide underrepresented groups with access to rewarding careers, and meet the region's workforce needs. They and Ms. Chronister answered questions about the program anticipated to be implemented during the 2021 fall semester.

There being no further business, the meeting was adjourned at 3:16 p.m.

Respectfully submitted:

Michael P. Windom, Chair

RESOLUTION

TENURE AND PROMOTION

WHEREAS, in accordance with University policy, faculty applications for tenure and/or promotion have been reviewed by the respective faculty peers, departmental chair and college dean, and by the Provost and Senior Vice President for Academic Affairs or the Vice President for Medical Affairs, and the President and, as a result of this review process, the individuals listed are hereby recommended for tenure and/or promotion,

THEREFORE, BE IT RESOLVED, the University of South Alabama Board of Trustees approves and grants tenure and/or promotion to these individuals, all effective August 15, 2021.

COLLEGE OF ALLIED HEALTH PROFESSIONALS:

Tenure:
- Dahye Choi
- Kimberly Smith

Promotion to Associate Professor:
- Dahye Choi
- Kimberly Smith

Promotion to Senior Instructor:
- Grayson Hill

COLLEGE OF ARTS AND SCIENCES:

Tenure:
- Samuel Baker
- Scott Liebertz
- Heidi Lyn
- Timothy Lombardo
- Elena Pavelescu
- Charlotte Pence
- Steven Schultze
- Delbert Smee
- Armin Straub

Promotion to Associate Professor:
- Samuel Baker
- Sinead Ni Chadhain
- Scott Liebertz
- Timothy Lombardo
- Elena Pavelescu
- Charlotte Pence
- Steven Schultze
- Armin Straub

Promotion to Senior Instructor:
- Sheila Wattier

Promotion to Professor:
- Nicole Carr
- Joseph Currier
- John Lehrter
- Becky McLaughlin
- Delbert Smee

MITCHELL COLLEGE OF BUSINESS:

Tenure:
- Ying Huang

Promotion to Associate Professor:
- Ying Huang

SCHOOL OF COMPUTING:

Tenure:
- Ryan Benton
- Aviv Segev

Promotion to Associate Professor:
- Ryan Benton

Promotion to Professor:
- Aviv Segev

COLLEGE OF EDUCATION AND PROFESSIONAL STUDIES:

Tenure:
- Geoffrey Hudson

Promotion to Professor:
- Shelley L. Holden
- James R. Stefurak

Promotion to Associate Professor:
- Geoffrey Hudson

COLLEGE OF ENGINEERING:

Promotion to Professor:
- T. Grant Glover

MARX LIBRARY:

Tenure:
- Rachel Fenske

Promotion to Associate Librarian:
- Rachel Fenske

COLLEGE OF MEDICINE:

Tenure:
- Natalie Gassman
- Wito Richter

Promotion to Professor:
- Ronald Balczon
- Shikha Gupta
- Sandra Parker
- Walter George Rusyniak
- Anne Michele Schuler
- Anne Michele Schuler (Joint in Microbiology)

Promotion to Associate Professor:
- Ronald Brooks
- Casey Daniel
- Daniel Dees
- Natalie Gassman
- Joe Spencer Liles
- Christopher Malozzi
- Praveen Narahari
- Wito Richter
- Marirose Trimmier

COLLEGE OF NURSING:

Tenure:
- Chrystal Lewis

Promotion to Associate Professor:
- Linda Sue Hammonds
- Chrystal Lewis
- Susan Williams

SIMULATION:

Promotion to Associate Professor:

- Anjanetta Davis
- Alison Rudd

UNIVERSITY OF SOUTH ALABAMA

MEMORANDUM

Academic Affairs

DATE: May 18, 2021

TO: Dr. John W. Smith

FROM: Dr. Andrea M. Kent

SUBJECT: Faculty Tenure and Promotion Recommendations, 2021

Recommend Awarding Tenure:

Samuel H. Baker – Philosophy
Ryan G. Benton – Computer Science
Dahye Choi – Speech Pathology and Audiology
Rachel F. Fenske – Biomedical Library
Huang, Ying – Economics, Finance and Real Estate
Geoffrey M. Hudson – Health, Kinesiology and Sport
Crystal L. Lewis – Adult Health Nursing
Scott S. Liebertz – Political Science and Criminal Justice
Timothy J. Lombardo – History
Heidi Lyn – Psychology
Elena Pavelescu – Mathematics and Statistics
Charlotte J. Pence – English
Steven R. Schultze – Earth Sciences
Aviv Segev – Computer Science
Delbert L Smee – Marine Sciences
Kimberly A. Smith – Speech Pathology and Audiology
Armin Straub – Mathematics and Statistics

Recommend Promotion to Senior Instructor:

Grayson B. Hill– Speech Pathology and Audiology
Sheila R. Wattier – Mathematics and Statistics

Recommend Promotion to Associate Librarian:

Rachel F. Fenske – Biomedical Library

Recommend Promotion to Associate Professor:

Samuel H. Baker – Philosophy
Ryan G. Benton – Computer Science
Dahye Choi – Speech Pathology and Audiology
Sinead M. Ni Chadhain – Biology
Anjanetta Davis - Simulation
Linda Sue Hammonds – Community Mental Health Nursing
Ying Huang – Economics, Finance and Real Estate
Geoffrey M. Hudson – Health, Kinesiology and Sport
Chrystal L. Lewis - Adult Health Nursing
Scott S. Liebertz – Political Science and Criminal Justice
Timothy J. Lombardo – History
Elena Pavelescu, Mathematics and Statistics
Charlotte J. Pence – English
Alison B. Rudd - Simulation
Steven R. Schultze – Earth Sciences
Kimberly A. Smith – Speech Pathology and Audiology
Armin Straub – Mathematics and Statistics
Susan G. Williams - Community Mental Health Nursing

Recommend Promotion to Full Professor:

Nicole T. Carr – Sociology, Anthropology and Social Work
Joseph M. Currier – Psychology
T. Grant Glover – Chemical and Biomolecular Engineering
Shelley L. Holden - Health, Kinesiology and Sport
John C. Lehrter – Marine Sciences
Becky R. McLaughlin – English
Aviv Segev – Computer Science
Delbert L. Smee – Marine Sciences
James R. Stefurak – Counseling and Instructional Services

All portfolios and recommendations with accompanying rationales are available for your review. Upon your final action, a resolution for the Board of Trustees will be forwarded.

Approved 

Disapproved_____

AMK/pbm

UNIVERSITY OF SOUTH ALABAMA

MEMORANDUM

VP Medical Affairs/Dean's Office/College of Medicine

DATE: April 30, 2021

TO: Dr. John W. Smith
Acting President, University of South Alabama

FROM: Dr. John V. Marymont
Vice-President for Medical Affairs and Dean of the College of Medicine

SUBJECT: College of Medicine Faculty Tenure and Promotion Recommendations, 2021

I recommend the awarding of tenure and/or promotion to College of Medicine faculty as specified below. Information for each faculty member is being forwarded for your review. With your approval, I request presentation of the recommendation to the Board of Trustees at the June meeting.

Promotion to Professor:

- Ronald D. Balczon, Ph.D.
- Shikha Gupta, M.D.
- Sandra K. Parker, M.D.
- Walter George Rusyniak, M.D.
- Anne Michele Schuler, D.V.M., Ph.D.
- Anne Michele Schuler, D.V.M., Ph.D. (Joint in Microbiology)

Promotion to Associate Professor:

- Ronald M. Brooks, M.D.
- Casey L. Daniel, Ph.D.
- Daniel D. Dees, M.D.
- Natalie R. Gassman, Ph.D.
- Joe Spencer Liles, M.D.
- Christopher M. Malozzi, D.O.
- Praveen Narahari, M.D.
- Wito H. Richter, Ph.D.
- Marirose C. Trimmier, M.D.

Tenure:

- Natalie R. Gassman, Ph.D.
- Wito H. Richter, Ph.D.

RESOLUTION

TUITION, FEES, AND HOUSING AND DINING RATES, 2021-2022

WHEREAS, the University of South Alabama is committed to maintaining high-quality educational and student services programs at a competitive cost, and

WHEREAS, in-person tuition and fees of the University are priced below peer public institutions in the state of Alabama, and

WHEREAS, the University has not increased tuition rates over the past three years while instituting cost saving measures and budget cuts to maintain operations during a period of rising operational costs and declining revenue from enrollment, and

WHEREAS, online tuition rates of the University are significantly higher than in-person rates, and

WHEREAS, tuition rates for in-person and online classes should be more closely aligned than at present, and

WHEREAS, housing and dining services must make facility and operational improvements to maintain and enhance campus life for students, and

WHEREAS, with the proposed tuition, fees, housing and dining rates for 2021-2022, as set forth in the attached schedules, such costs of attendance at the University would continue to be among the lowest in effect at peer public institutions in the state of Alabama,

THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama approves the tuition, required student fees, housing and dining rates for the 2021-2022 academic year as set forth in the attached schedules.

UNIVERSITY OF SOUTH ALABAMA
2021-2022 Tuition Rate Proposal
Peer Public University Comparison - Tuition Plus Required Fees

Ranking - Current Rates

Institution	Undergraduate 2020-2021		Graduate 2020-2021	
	Resident	Non-Resident	Resident	Non-Resident
University of Montevallo	$13,708	$26,728	$11,916	$26,532
Auburn University	$11,796	$31,956	$11,796	$31,956
University of Alabama	$11,620	$31,090	$11,470	$30,940
University of Alabama in Huntsville	$11,338	$23,734	$11,918	$25,716
Jacksonville State University	$11,120	$20,840	$10,600	$20,200
Troy University	$11,110	$20,860	$11,308	$21,508
Alabama State University	$11,068	$19,396	$12,628	$22,516
University of West Alabama	$10,990	$20,090	$9,264	$18,168
Auburn University at Montgomery	$10,918	$23,368	$10,930	$23,554
University of North Alabama	$10,800	$20,400	$9,600	$18,480
University of Alabama in Birmingham	$10,710	$25,500	$10,800	$25,584
University of South Alabama	$10,070	$19,940	$10,808	$21,416
Alabama A&M University	$10,024	$18,634	$11,542	$21,574
Athens State University	$7,710	$13,890	$8,160	$13,224
Median	**$11,029**	**$20,850**	**$11,119**	**$22,045**

Ranking - Proposed Rates

Institution	Undergraduate Estimated 2021-2022		Graduate Estimated 2021-2022	
	Resident	Non-Resident	Resident	Non-Resident
University of Montevallo	$13,708	$26,728	$11,916	$26,532
Auburn University	$11,796	$31,956	$11,796	$31,956
University of Alabama	$11,620	$31,090	$11,470	$30,940
University of Alabama in Huntsville	$11,338	$23,734	$11,918	$25,716
Jacksonville State University	$11,120	$20,840	$10,600	$20,200
Troy University	$11,110	$20,860	$11,308	$21,508
Alabama State University	$11,068	$19,396	$12,628	$22,516
University of West Alabama	$10,990	$20,090	$9,264	$18,168
Auburn University at Montgomery	$10,918	$23,368	$10,930	$23,554
University of North Alabama	$10,800	$20,400	$9,600	$18,480
University of Alabama in Birmingham	$10,710	$25,500	$10,800	$25,584
University of South Alabama - Proposed	$10,520	$20,840	$11,258	$22,316
Alabama A&M University	$10,024	$18,634	$11,542	$21,574
Athens State University	$7,710	$13,890	$8,160	$13,224
Median	**$11,029**	**$20,850**	**$11,283**	**$22,416**

SOURCE: Alabama Commission on Higher Education Annual Tuition and Fee Schedule

NOTES:

a. Institutions listed in descending order by Resident Undergraduate Tuition and Fees.

b. Tuition amounts are based on undergraduate load of 30 credit hours and graduate load of 24 credit hours, or a per term amount reported by the institution. Required Fees include all fixed sum charges that are required of all students. Other specific surcharges and fees may be required for certain programs.

UNIVERSITY OF SOUTH ALABAMA
2021-2022 Tuition Rate Proposal
Base Tuition Rate Changes

Student Classification	Current 2020-2021	Proposed 2021-2022	Change
In-Person			
Undergraduate, In-State	$329	$344	$15
Graduate, In-State	$442	$457	$15
Online			
Undergraduate, In-State	$433	$418	($15)
Graduate, In-State	$525	$525	$0

UNIVERSITY OF SOUTH ALABAMA
2021-2022 Tuition Rate Proposal
Current and Proposed Rates by College

Undergraduate						
Tuition Rate by College	**In-State**		**Out-of-State**		**Online**	
	Current	**Proposed**	**Current**	**Proposed**	**Current**	**Proposed**
College of Arts and Sciences College of Education and Professional Studies	$329	$344	$658	$688	$433	$418
Pat Capps Covey College of Allied Health Professions School of Computing	$344	$359	$688	$718	$447	$432
Mitchell College of Business	$354	$369	$708	$738	$457	$442
College of Engineering	$359	$374	$718	$748	$464	$449
College of Nursing	$378	$393	$756	$786	$482	$467
RN to BSN	-	-	-	-	$328	$328

Graduate						
Tuition Rate by College	**In-State**		**Out-of-State**		**Online**	
	Current	**Proposed**	**Current**	**Proposed**	**Current**	**Proposed**
College of Arts and Sciences College of Education and Professional Studies	$442	$457	$884	$914	$525	$525
Pat Capps Covey College of Allied Health Professions						
Clinical Programs (PA,OT,SLP,PT,AUD)	$465	$480	$1,084	$1,118	$550	$550
Non-clinical programs	$465	$480	$930	$960	$550	$550
School of Computing Mitchell College of Business	$465	$480	$930	$960	$550	$550
College of Engineering	$480	$495	$960	$990	$564	$564
College of Nursing	-	-	-	-	$594	$594

USA College of Medicine
AAMC Tuition and Fees Report
Public Medical Schools
2021 Survey

School	Tuition		Fees		Tuition & Fees		Health Insurance
	Resident	Non-Resident	Resident	Non-Resident	Resident	Non-Resident	
South Alabama	31,004	62,008	856	856	**31,860**	62,864	3,264
Alabama	29,702	62,714	3,365	3,365	**33,067**	66,079	2,356

Proposed 2022 Tuition and Fees

($930 tuition increase)	*279,036*						
South Alabama	**31,934**	**63,868**	**886**	**886**	**32,820**	**64,754**	**3,264**
(3% tuition increase)							
Alabama	30,593	64,595	3,365	3,365	**33,958**	67,960	2,356

*USA Fees include escrow at $378 plus the resource fee at $508

UNIVERSITY OF SOUTH ALABAMA

MEMORANDUM

Auxiliary Services

Date:
April 6, 2021

To:
Dr. John Smith

From:
Dr. Chris Cleveland

Subject:
Housing & Dining Proposed Rate Increase for 2021-2022

Despite the challenges of the COVID-19 pandemic, Housing maintained an 83% annualized occupancy for the 2020-2021 academic year.

Increases in operating expenses are anticipated for the upcoming year. More than $5 million dollars of housing facilities improvements are anticipated for completion over the next 18 months. Roof replacement of seven buildings will be completed this summer and new HVAC will be installed in five buildings next summer. Security upgrades, including installation of enhanced key and card access systems, are planned throughout all Housing facilities over the next three months.

The recommended rate structure for 2021-2022 is attached and an average rate increase of 2.29% for room and 2.2% for board is proposed. We again recommend no increase in summer session rates.

With the proposed increase, USA would continue to remain very competitive within the state of Alabama and the Gulf Coast region. I have attached the rate proposal and comparison for your review. Please let me know if you would like additional information regarding this proposal.

APPROVED
5/12/21

2021- 2022 Proposed Semester Room Rates

ROOM TYPE	2020-2021 Current Rate	2021-2022 Proposed Rate	Difference
APT for 2 (B/G)	$3,100	$3,140	$40
APT for 4 (B)	$2,050	$2,130	$80
LG PVT Room (D)	$2,825	$2,900	$75
LG PVT Room (G/X)	$2,825	$2,900	$75
LG PVT Room (D6)	$3,094	$3,140	$46
LG Room for 2 (D)	$2,050	$2,130	$80
PVT Room (D)	$2,675	$2,760	$85
PVT Room (D6)	$2,740	$2,825	$85
PVT Room (S/X1)	$3,100	$3,140	$40
PVT Studio APT (B/G)	$3,100	$3,140	$40
Room for 2 (A/C/E)	$2,700	$2,760	$60
Room for 2/3 (D)	$2,050	$2,130	$80
Room for 2/3 (D6)	$2,475	$2,570	$95
Studio APT 2 (B/G)	$2,740	$2,825	$85
Suite for 1 (G)	$2,825	$2,900	$75
Suite for 1 (S)	$3,100	$3,140	$40

A-Azalea
B-Beta
C-Camellia
D-Delta
D6-Delta 6
E-Epsilon
G-Gamma
S-Stokes
X-Greek SC
X1-Greek KA/PKA

1) A multiplier of 1.5 will be applied to the Beta/Gamma Apt for 2 rate for all Housing graduate student staff apartments.
2) A multiplier of 1.25 will be applied to the current Room for 2 rate for private rooms in freshmen residence halls.

Housing Comparison
Semester Rates

USA ***(2020-2021)***

Two person suite	$2,050 - $2,700
Private room /suite	$2,700 - $3,100
Two person apartment	$2,740 - $3,100
Four person apartment	$2,050

USA (*2021-2022*) ***Proposed average increase –2.29%***

Two person suite	$2,130 - $2,760
Private room /suite	$2,760 - $3,140
Two person apartment	$2,825 - $3,140
Four person apartment	$2,130

Auburn University (*2020-2021*)

Two person suite	$3,120 - $3,690
Private room/suite	$3,910 - $4,530
Two person apartment	$5,000 - $5,930
Private apartment	$5,000 - $6,040

University of Alabama *(2020-2021)*

Two person room / community bath	$2,950 - $3,450
Private room / community bath	$3,350 - $3,850
Private apartment / suite	$4,900 - $5,300
Four person apartment / suite	$4,500 - $4,900

University of Alabama at Birmingham *(Spring 2021)*

Freshmen two person suite	$3,400
Upperclassmen two bedroom unit	$4,430
Upperclassmen four bedroom unit	$3,630

Troy University *(2020-2021)*

Two person suite	$1,900 - $2,880
Private room	$2,210 - $3,600
Two person apartment style unit	$3,090

2021- 2022 Proposed Semester Meal Plan Rates

Meal Plan Type	2020-2021 Current Rate	2021-2022 Proposed Rate	Difference
All Access Pass with $175 Bonus Bucks*	$1,900	$1,945	$45
All Access Pass with $300 Bonus Bucks	$2,025	$2,070	$45
All Access Pass with $450 Bonus Bucks	$2,180	$2,225	$45
10 Meals Per Week with $500 Bonus Bucks	$1,900	$1,945	$45
7 Meals Per Week with $100 Bonus Bucks**	$1,085	$1,130	$45
$1400 Bonus Bucks	$1,400	$1,400	$0

**Default freshman and sophomore plan*

***Default junior, senior, graduate plan*

Dining Comparison
Meal Plans

USA (*2020-2021)*

Freshmen/Sophomore residential	$1,900 - $2,180
Junior/Senior/Graduate Residential	$1,085 - $2,180

USA (*2021-2022)* ***Proposed average increase of meal plans – 2.2%***

Freshmen/Sophomore residential	$1,945 - $2,225
Junior/Senior/Graduate Residential	$1,130 - $2,225

Auburn University (*2020-2021)*

All residential	$1,100* - $2,117
All commuters	$350

*Advertised as a half semester plan

University of Alabama *(2020-2021)*

Freshmen residential	$2,406*
Upperclass residential	$1,364 - $2,406**
All students above 9 credit hours	$350

*$2,056 base plan + separate $350 fee

**$1,014 base plan + separate $350 fee

University of Alabama at Birmingham *(Spring 2021)*

Freshmen residential	$2,215 - $2,315*
Upperclass residential	$735 - $2,315**
All students above 12 credit hours	$225

*$1,990 - $2,090 base plan + separate $225 fee

**$510 - $2,090 base plan + separate $225 fee

Troy University *(2020-2021)*

Residential	$1,752*
All commuters above 9 credit hours	$301**

* $1,600 base plan + 9.5% tax

**$275 base plan + 9.5% tax

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

BUDGET AND FINANCE COMMITTEE

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Budget and Finance Committee

March 4, 2021
3:16 p.m.

A meeting of the Budget and Finance Committee of the University of South Alabama Board of Trustees was duly convened by Mr. Tom Corcoran, Chair, on Thursday, March 4, 2021, at 3:16 p.m. in the Chief Calvin W. McGhee Grand Ballroom of the MacQueen Alumni Center. Public access was provided via YouTube livestream.

Members:	Alexis Atkins, Chandra Brown Stewart, Tom Corcoran, Ron Graham, Lenus Perkins and Steve Stokes were present and Ken Simon participated remotely.
Other Trustees:	Scott Charlton, Steve Furr, Ron Jenkins, Arlene Mitchell, Jimmy Shumock, Margie Tuckson, Mike Windom and Jim Yance.
Administration & Guests:	Terry Albano, Owen Bailey, Lynne Chronister, Kristin Dukes, Joel Erdmann, Julie Estis, Monica Ezell, Paul Frazier, Mike Haskins, Rod Kanter (Bradley Arant), Andi Kent, Nick Lawkis, John Marymont, Josh McCoy (PFM), Mike Mitchell, Laura Schratt, John Smith, Margaret Sullivan, Tony Waldrop and Scott Weldon.

The meeting came to order and the attendance roll was called, **Item 19**. Mr. Corcoran called for consideration of the minutes of the meeting held on December 2, 2020, **Item 20**. On motion by Mr. Perkins, seconded by Dr. Stokes, the Committee voted unanimously to adopt the minutes.

Mr. Corcoran called on Mr. Weldon to discuss the quarterly financial statements for the three months ended December 31, 2020, **Item 21**. Mr. Weldon advised of an increase in net position of approximately $46.4 million for the first quarter of fiscal year 2021 compared to that of approximately $37.2 million reported in the same quarter of fiscal year 2020. He stated the primary reasons for the increase were improvements in financial markets and the recognition of CARES (Coronavirus Aid, Relief and Economic Security) stimulus money.

Mr. Corcoran asked Mr. Weldon to address a resolution ratifying a Series 2021 bond issue, **Item 22**. (For copies of resolutions, policies and other authorized documents, refer to the minutes of the Board of Trustees meeting held on March 5, 2021.) Mr. Weldon reminded the group that the Board had approved the execution of a bond purchase agreement in December 2020, which was subject to ratification at the March 2021 Board meeting following the pricing and sale of the bonds. He stated the bonds had been priced the preceding week and reported a positive outcome despite volatile market conditions. He thanked Mr. Terry Albano and Assistant Investment Manager Mr. Drew Underwood for guiding the process, and acknowledged the efforts of South's financial advisors, bond underwriters and bond counsel. He called for comments from Mr. Albano, who advised that the bonds totaling approximately $50 million would be used to fund the construction of a physician office building and other USA Health projects. Mr. Albano said the average annual debt service over 20 years would be just over $3.2 million and the all-in interest rate was 2.582 percent. He introduced Mr. Josh McCoy of PFM, South's financial advisor, who said the University received credit ratings of A+ and A1 from the Standard & Poor's and Moody's credit rating agencies, respectively, and that the bonds were sold by BAM Insurance at an AA rat-

ing. Mr. McCoy presented a historical comparison of costs in relation to the University's prior bond transactions; shared context on the bond pricing environment; gave an overview of the bonds ordered and advised that Raymond James was the bond underwriter. Mr. Albano addressed the resolution and recognized Mr. Rod Kanter of Bradley Arant, the University's bond attorney. It was noted the bond closing would take place on March 10, 2021. On motion by Ms. Atkins, seconded by Dr. Stokes, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

There being no further business, the meeting was adjourned at 3:25 p.m.

Respectfully submitted:

E. Thomas Corcoran, Chair

University of South Alabama
(A Component Unit of the State of Alabama)

Basic Financial Statements

Six Months Ended March 31, 2021 and 2020

Unaudited

University of South Alabama
(A Component Unit of the State of Alabama)

Quarterly Financial Statements

Six Months Ended March 31, 2021 and 2020

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- Statements of Revenues, Expenses and Changes in Net Position 9
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UNIVERSITY OF SOUTH ALABAMA
(A Component Unit of the State of Alabama)
Management's Discussion and Analysis

Introduction

The following discussion presents an overview of the financial position and financial activities of the University of South Alabama (the University). This discussion has been prepared by University management and should be read in conjunction with the financial statements and notes thereto, which follow.

During the fiscal year ended September 30, 2020 and into fiscal year 2021, the University realized the impact of the pandemic COVID-19 health crisis. For a complete discussion of the potential impact, see the Economic Outlook section of Management's Discussion and Analysis.

Financial Highlights

At March 31, 2021 and 2020, the University had total assets and deferred outflows of $1,693,202,000 and $1,392,436,000, respectively; total liabilities and deferred inflows of $1,437,186,000 and $1,286,694,000, respectively; and net position of $256,016,000 and $105,742,000, respectively. Net position increased $42,383,000 for the six months ended March 31, 2021 compared to an increase of $15,279,000 for the six months ended March 31, 2020. An overview of each statement is presented herein along with financial analysis of the transactions impacting each statement.

Condensed financial statements for the University at and for the six months ended March 31, 2021 and 2020 follow (in thousands):

Condensed Schedules of Net Position

	2021	2020
Assets:		
Current	$ 286,065	$ 182,345
Capital and other noncurrent assets	1,231,538	1,120,203
Deferred outflows	175,599	89,888
	1,693,202	1,392,436
Liabilities:		
Current	198,611	137,437
Noncurrent	1,112,340	1,050,573
Deferred inflows	126,235	98,684
	1,437,186	1,286,694
Net position:		
Net investment in capital assets	390,863	373,212
Restricted, nonexpendable	67,099	57,435
Restricted, expendable	92,504	74,334
Unrestricted	(294,450)	(399,239)
	$ 256,016	$ 105,742

Condensed Schedules of Revenues, Expenses and Changes in Net Position

	2021	2020
Operating revenues:		
Tuition and fees, net	$ 69,782	$ 74,965
Patient service revenues, net	300,334	280,130
Federal, state and private grants and contracts	18,888	18,372
Other	27,954	27,317
	416,958	400,784
Operating expenses:		
Salaries and benefits	286,797	263,817
Supplies and other services	156,470	150,366
Other	40,436	38,246
	483,703	452,429
Operating loss	(66,745)	(51,645)
Nonoperating revenues (expenses):		
State appropriations	60,783	59,920
Net investment income (loss)	24,949	(13,420)
Other, net	16,639	12,041
Net nonoperating revenues	102,371	58,541
Income (loss) before capital contributions and grants and additions to endowment	35,626	6,896
Capital contributions and grants and additions to endowment	6,757	8,383
Increase in net position	42,383	15,279
Beginning net position	213,633	90,463
Ending net position	$ 256,016	$ 105,742

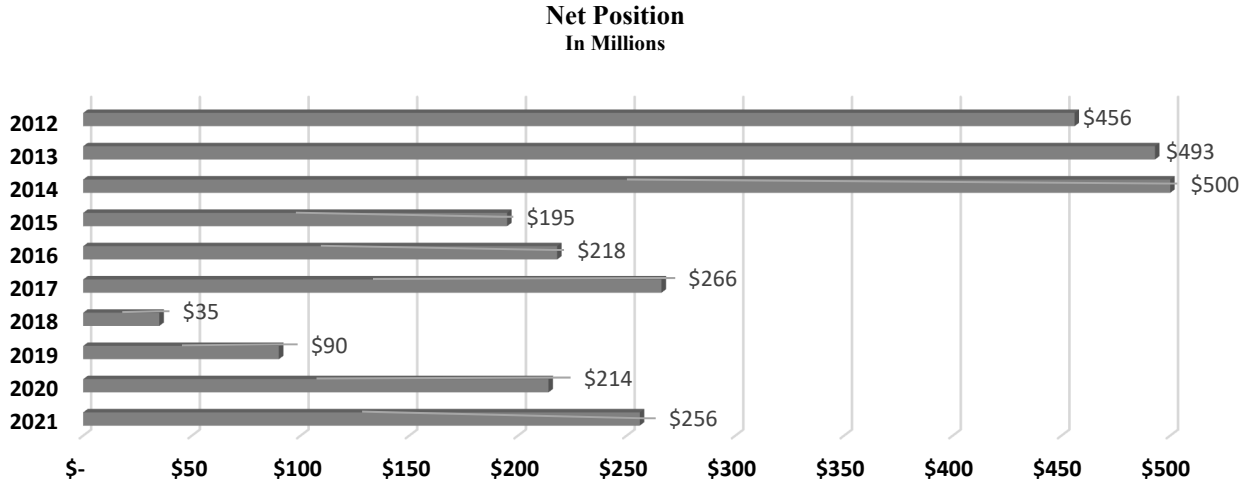
Analysis of Financial Position and Results of Operations

Statements of Net Position

The statements of net position present the assets, deferred outflows, liabilities, deferred inflows and net position of the University as of the end of the current reporting period. Net position is displayed in three parts: total investment in capital assets net of related debt, restricted and unrestricted. Restricted net position may either be expendable or nonexpendable and are those assets that are restricted by law or by external donors. Unrestricted net position is generally designated by management for specific purposes, and is available for use by the University to meet current expenses for any purpose. The statements of net position, along with all of the University's basic financial statements, are prepared under the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred, regardless of when cash is exchanged.

Assets included in the statements of net position are classified as current or noncurrent. Current assets consist primarily of cash and cash equivalents, investments, net patient receivables and accounts receivable. Noncurrent assets consist primarily of restricted cash and cash equivalents, restricted investments and net capital assets.

Net position represents the residual interest in the University's assets after liabilities are deducted. Net position of the University as of the end of the current reporting period is as follows:



Net investment in capital assets represents the University's capital assets less accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets.

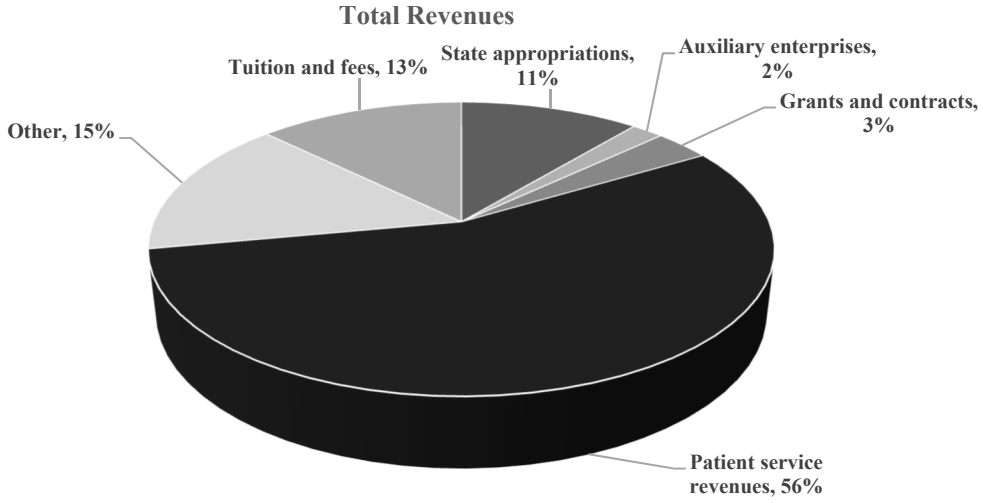
Restricted nonexpendable net position consists primarily of the University's permanent endowment funds. In accordance with the policies of the University, the earnings from these funds may be expended, but the corpus may not be expended and must remain intact with the University in perpetuity. Restricted expendable net position is subject to externally imposed restrictions governing their use. The funds are restricted primarily for debt service, capital projects, student loans and scholarship purposes.

Statements of Revenues, Expenses and Changes in Net Position

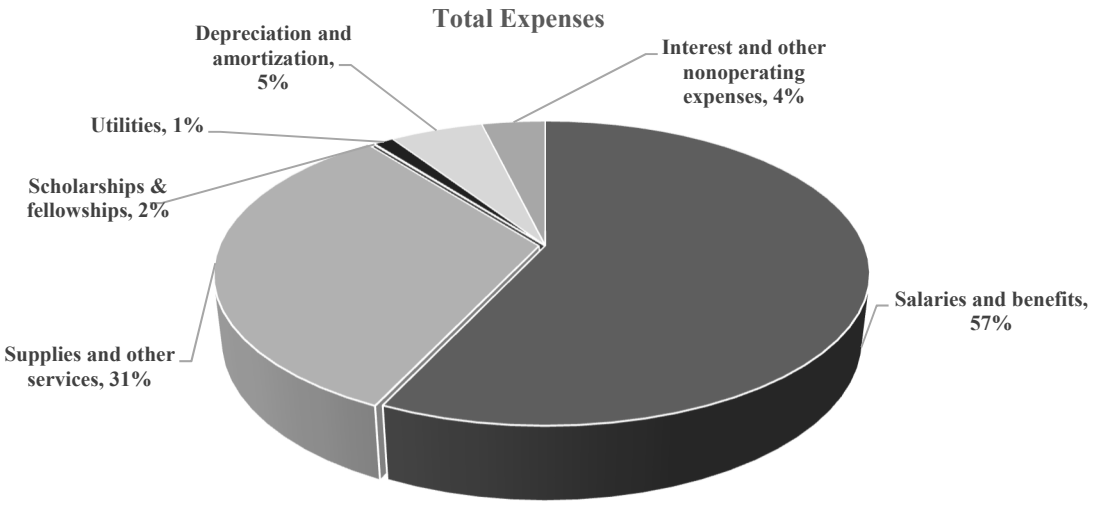
Changes in total University net position are based on the activity presented in the statements of revenues, expenses and changes in net position. The purpose of the statements is to present the changes in net position resulting from operating and nonoperating revenues earned by the University, and operating and nonoperating expenses incurred by the University, as well as any other revenues, expenses, gains and losses earned or incurred by the University.

Generally, operating revenues have the characteristics of exchange transactions and are received or accrued for providing goods and services to the various customers and constituencies of the University. Operating expenses are those expenses paid or incurred to acquire or produce the goods and services provided in return for the operating revenues, and to carry out the mission of the University. Nonoperating revenues have the characteristics of nonexchange transactions and are generally earned when no goods or services are provided. State appropriations are required by GASB Statement No. 34 to be classified as nonoperating revenues.

Approximately 56% of total revenues of the University are patient service revenues. The remainder consists primarily of tuition and fees, state appropriations, grants and contracts and auxiliary enterprise revenues. The following illustration presents the major sources of total University revenues (operating, nonoperating and other) for the current period:



University expenses are presented using natural expense classifications. Salaries and benefits and supplies and other services represent the majority of the University's total expenses. The following illustration presents the University's total expenses, using natural classifications for the current period:



Capital Assets and Debt Administration

During the current period, significant construction projects that remain in progress at March 31, 2021 include University Commons Clinic, Freestanding Emergency Room, Supply Warehouse, the Fanny Meisler Trauma Center, the Transportation building, and major upgrades of infrastructure on the University's main campus. Major projects completed and placed into service in fiscal year 2020 include the Medical Simulation Lab Building, Mitchell Center renovations and MacQueen Alumni Center.

In February 2019, the University issued new revenue bonds, Series 2019AB, with a face value of $66,190,000. The proceeds, along with internal contributions from the University, are financing the construction of Hancock Whitney Stadium and intramural fields. In December 2019, the University refinanced the Series 2010 Bond with the University Facilities Revenue Bond, Series 2019-C, with a face value of $19,086,000. In February 2020, the University issued a new University Facilities Revenue Bond, Series 2020, with a face value of $37,005,000. The proceeds, along with internal contributions from the University, are financing the transportation building, supply warehouse and certain USA Health facilities. In March 2021, the University issued a new University Facilities Revenue Bond, Series 2021, with a face value of $45,555,000. The proceeds will be used for USA Health facilities construction.

The University's bond credit rating is A1 (Stable) as rated by Moody's Investors Service and A+ (Stable) as rated by Standard and Poor's Global Ratings. Both ratings were upgraded from Negative to Stable outlook during the quarter ended March 31, 2021. Moody's Investors Service and Standard and Poor's Global Ratings affirmed their ratings in conjunction with their assessment of the Series 2019, 2020 and 2021 Bond issuances.

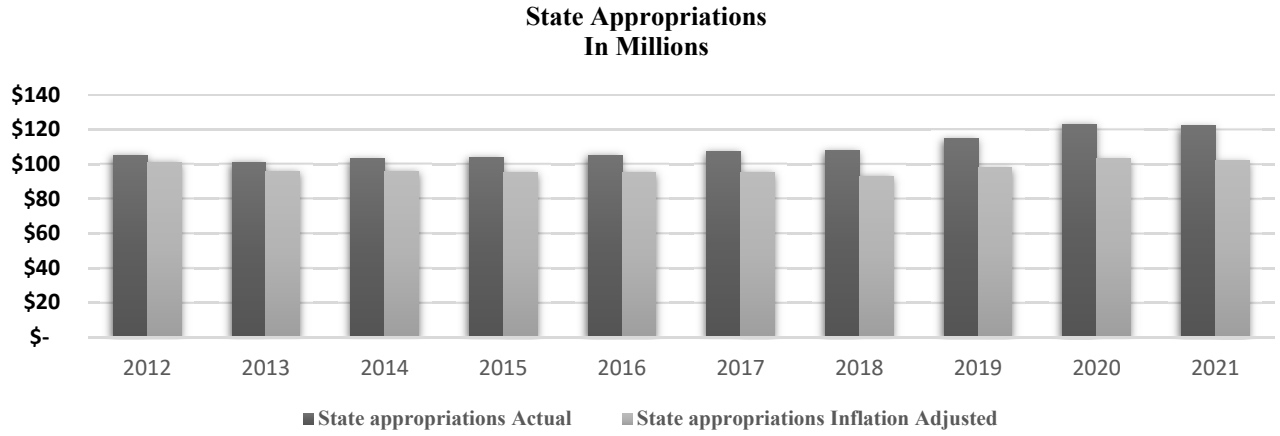
Economic Outlook

While, tuition and fee rates per credit hour have increased over the past ten years, there have been declines in enrollment since 2016. The University experienced a decline in enrollment of approximately 3% from Fall 2018 to Fall 2019 and an additional decline of 1% between Fall 2019 and Fall 2020, with declines primarily resulting from a decrease in international student enrollment and a decrease in the number of incoming freshmen. Tuition rate increases of approximately 5% were approved and became effective for academic year 2018-2019. There was no tuition rate increase for academic year 2019-2020 or 2020-2021.

A state appropriation in the amount of approximately $118,299,000 and $115,209,000 was authorized and received for the years ended September 30, 2020 and 2019, respectively. An additional appropriation of approximately $4,764,000 was received during fiscal year 2020 for advancement and technology, and certain healthcare initiatives.

A state appropriation in the amount of $121,564,000, representing an increase of approximately 2.76% over the 2020 fiscal year, has been authorized for the year ending September 30, 2021. While reductions in the current year appropriation are possible, management does not anticipate such reduction in fiscal year 2021.

The ten-year trend of state appropriations (actual and inflation-adjusted) for the University is as follows:



In addition to state appropriations, the University is subject to declines in general economic and political conditions in the United States and, specifically, the State of Alabama. Weakening of the economy on financial matters, as well as changes in federal and state funding policies, could potentially have a negative impact on the University's enrollment, external funding, endowment performance and health care operations.

During the second fiscal quarter of 2020, The United States was thrust into the midst of a pandemic health crisis related to the spread of the novel coronavirus, or COVID-19 (the "Crisis"). While the impact of the pandemic has been managed to date, the ultimate economic impact on the operations of the University could be significant both from an operational and financial standpoint.

As a result of the Crisis, the University moved the delivery of all instruction to an on-line format in March 2020 and required that students, where possible, vacate on-campus residence halls, resulting in a pro-rated refund of housing and dining fees. Additionally, all instruction for the May 2020 and summer terms was delivered online and residence halls remained largely closed. The University returned to modified in-person delivery of education for the 2020 fall semester and residence halls reopened at a lower capacity level. As noted earlier fall enrollment remained relatively constant. The University is anticipating a return to normal operations in the fall of 2021.

This Crisis also impacted the operations of USA Health as most elective procedures at USA University Hospital and USA Children's and Women's Hospital were postponed or canceled resulting in a decline in revenues. As of the first quarter of fiscal year 2021, USA Health operations have returned to a normal level with minimum impact on the finances of USA Health.

Management has taken a number of actions to mitigate the anticipated declines in operations, including a reduction of operational expenses throughout the University, including USA Health. Additionally, the University has taken all necessary steps to ensure that the University takes full advantage of the Coronavirus Aid, Relief and Economic Security Act of 2020 (the "CARES Act"). As of March 31, 2021, the University has been awarded $58,655,000 in grants from federal and state sources. Of those grants, revenues in the amount of $13,087,000 were recognized in the March 31, 2021 quarterly financial statements.

Other than the issues presented above, University administration is not aware of any other currently known facts, decisions, or conditions that are expected to have a significant effect on the University's financial position or results of operations during the remainder of fiscal year 2021 or beyond.

University of South Alabama

Statements of Net Position

March 31, 2021 and 2020

(In thousands)

	2021	2020
Assets		
Current assets		
Cash and cash equivalents	$ 151,133	$ 87,745
Investments	37,357	19,538
Net patient receivables	51,539	47,392
Accounts receivable	26,305	15,226
Notes receivable, net	7,574	2,785
Prepaid expenses, inventories and other	12,157	9,659
Total current assets	286,065	182,345
Noncurrent assets		
Restricted cash and cash equivalents	93,309	121,717
Restricted investments	229,678	155,336
Investments	64,826	26,299
Accounts receivable	5,673	6,483
Notes receivable, net	432	5,878
Other noncurrent assets	17,895	20,591
Capital assets, net	819,725	783,899
Total noncurrent assets	1,231,538	1,120,203
Deferred outflows	175,599	89,888
Total assets and deferred outflows	1,693,202	1,392,436
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	78,113	59,184
Unrecognized revenues	88,971	44,717
Deposits	3,592	3,379
Current portion of other long-term liabilities	3,310	3,310
Current portion of long-term debt	24,625	26,847
Total current liabilities	198,611	137,437
Noncurrent liabilities		
Long-term debt, less current portion	478,017	449,791
Net pension liability	315,591	282,739
Net OPEB liability	260,646	265,128
Other long-term liabilities, less current portion	58,086	52,915
Total noncurrent liabilities	1,112,340	1,050,573
Deferred inflows	126,235	98,684
Total liabilities and deferred inflows	1,437,186	1,286,694
Net position		
Net investment in capital assets	390,863	373,212
Restricted, nonexpendable		
Scholarships	35,394	28,055
Other	31,705	29,380
Restricted, expendable		
Scholarships	30,343	23,283
Other	62,161	51,051
Unrestricted	(294,450)	(399,239)
Total net positon	$ 256,016	$ 105,742

University of South Alabama

Statements of Revenues, Expenses and Changes in Net Position

Six Months Ended March 31, 2021 and 2020

(In thousands)

	2021	2020
Revenues		
Operating revenues		
Tuition and fees (net of scholarship allowances)	$ 69,782	$ 74,965
Patient service revenues (net of provision for bad debts)	300,334	280,130
Federal grants and contracts	11,844	9,290
State grants and contracts	2,455	5,132
Private grants and contracts	4,589	3,950
Auxiliary enterprises (net of scholarship allowances)	10,823	10,610
Other operating revenues	17,131	16,707
Total operating revenues	416,958	400,784
Expenses		
Operating expenses		
Salaries and benefits	286,797	263,817
Supplies and other services	156,470	150,366
Scholarships and fellowships	7,810	5,793
Utilities	6,631	7,505
Depreciation and amortization	25,995	24,948
Total operating expenses	483,703	452,429
Operating loss	(66,745)	(51,645)
Nonoperating revenues (expenses)		
State appropriations	60,783	59,920
Net investment income	24,949	(13,420)
Interest on indebtedness	(5,655)	(3,893)
Other nonoperating revenues	35,097	21,477
Other nonoperating expenses	(12,803)	(5,543)
Net nonoperating revenues	102,371	58,541
Income (loss) before capital contributions and additions to endowment	35,626	6,896
Capital contributions and grants	2,758	3,635
Additions to endowment	3,999	4,748
Increase in net position	42,383	15,279
Net position		
Beginning of period	213,633	90,463
End of period	$ 256,016	$ 105,742

University of South Alabama

Statements of Cash Flows

Six Months Ended March 31, 2021 and 2020

(in thousands)

	2021	2020
Cash flows from operating activities:		
Receipts related to tuition and fees	$ 66,990	$ 54,867
Receipts from and on behalf of patients and third-party payers	303,485	299,571
Receipts from grants and contracts	13,192	20,370
Receipts related to auxiliary enterprises	8,590	10,340
Payments to suppliers and vendors	(176,931)	(154,104)
Payments to employees and related benefits	(212,667)	(258,929)
Payments for scholarships and fellowships	(7,393)	(5,228)
Other operating receipts	16,014	8,352
Net cash provided by (used in) operating activities	11,280	(24,761)
Cash flows from noncapital financing activities:		
State appropriations	50,653	59,920
Endowment gifts	3,999	4,748
Agency funds received	1,033	1,548
Agency funds disbursed	(992)	(992)
Student loan program receipts	46,054	64,476
Student loan program disbursements	(46,269)	(64,805)
Other nonoperating revenues	(42,015)	19,235
Other nonoperating expenses	(12,910)	(6,379)
Net cash provided by (used in) noncapital financing activities	(447)	77,751
Cash flows from capital and related financing activities:		
Capital gifts and grants	2,758	3,635
Purchases of capital assets	(26,576)	(46,722)
Proceeds from sale of capital assets	-	8
Proceeds from issuance of capital debt	50,535	64,528
Principal payments on capital debt	(19,051)	(33,455)
Interest payments on capital debt	(13,364)	(4,158)
Net cash provided by (used in) capital and related financing activities	(5,698)	(16,164)
Cash flows from investing activities:		
Interest and dividends and realized gains (losses) on investments	4,832	1,750
Proceeds from sales of investments	35,317	48,292
Purchases of investments	(75,208)	(28,285)
Net cash provided by (used in) investing activities	(35,059)	21,757
	(29,924)	58,583
Cash and cash equivalents (unrestricted and restricted):		
Beginning of period	274,366	150,879
End of period	$ 244,442	$ 209,462

University of South Alabama

Statements of Cash Flows

Six Months Ended March 31, 2021 and 2020

(in thousands)

	2021	2020
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	$ (66,745)	$ (51,645)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation and amortization expense	25,994	24,948
Changes in operating assets and liabilities, net:		
Student receivables	4,253	2,851
Net patient service receivables	(5,743)	5,712
Grants and contracts receivables	(2,269)	2,278
Other receivables	(2,247)	(7,669)
Prepaid expenses, inventories and other	(4,562)	16,671
Accounts payable and accrued liabilities	75,360	(6,482)
Unrecognized revenue	(12,761)	(11,425)
Net cash used in operating activities	$ 11,280	$ (24,761)

See accompanying notes to basic financial statements.

(1) Summary of Significant Accounting Policies

Reporting Entity

The accompanying basic financial statements present the financial position and activities of the University of South Alabama (the University), which is a component unit of the State of Alabama.

The financial reporting entity, as defined by Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, and amended by GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, GASB Statement No. 61, *The Financial Reporting Entity: Omnibus,* and GASB Statement No. 80, *Blending Requirements for Certain Component Units,* consists of the primary government and all of its component units. Component units are legally separate organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the financial statements to be misleading or incomplete. Accordingly, at year-end, the basic financial statements include the accounts of the University, as the primary government, and the accounts of the entities discussed below as component units.

GASB Statement No. 61 amends GASB Statements No. 14 and No. 39, and provides criteria for determining whether certain organizations should be reported as component units based on the nature and significance of their relationship with the primary government. Such criteria include the appointment of a voting majority of the board of the organization, the ability to impose the will of the primary government on the organization and the financial benefits/burden between the primary government and the potential component unit. The statement also clarifies reporting and disclosure requirements for those organizations. Based on these criteria, the University reports the University of South Alabama Foundation (USA Foundation), the USA Research and Technology Corporation (the Corporation) and the University of South Alabama Health Care Authority (HCA) as discretely presented component units in its annual financial statements. For quarterly reporting purposes, discretely presented component unit financial statements are not presented in the basic financial statements of the University.

The University is also affiliated with the South Alabama Medical Science Foundation (SAMSF), Gulf Coast TotalCare (Gulf Coast) and the University of South Alabama Foundation for Research and Commercialization (FRAC). These entities are considered component units of the University under the provisions of GASB Statements No. 14, 39, 61 and 80, but the University does not consider these entities significant enough to warrant inclusion in the University's reporting entity.

GASB Statement No. 61 and GASB Statement No. 80 require the University, as the primary government, to include in its basic financial statements, as a blended component unit, organizations that, even though they are legally separate entities, meet certain requirements as defined by GASB Statement No. 61 and No. 80. Based on these criteria, the University reports the Professional Liability Trust Fund (PLTF), General Liability Trust Fund (GLTF), USA HealthCare Management, LLC (HCM), USA Health Physician Billing Services, LLC, USA Health Hospital Billing Services, LLC and USA Health Anesthesia Billing Services, LLC as blended component units. For quarterly reporting purposes, only HCM is presented as a blended component unit in the basic financial statements of the University. All significant transactions among the University and its blended component unit have been eliminated in consolidation.

Professional Liability and General Liability Trust Funds

The medical malpractice liability of the University is maintained and managed in its separate Professional Liability Trust Fund in which the University, HCM, SAMSF and HCA are the only participants. In accordance with the bylaws of the PLTF, the president of the University is responsible for appointing members of the PLTF policy committee. Additionally, the general liability of the University, HCM, SAMSF, the Corporation and HCA is maintained and managed in its General Liability Trust Fund for which the University, as defined by GASB Statement No. 14, is responsible. The PLTF and GLTF are separate legal entities, which are governed by the University Board of Trustees through the University president.

USA HealthCare Management, LLC

In June 2010, the University's Board of Trustees approved the formation of USA HealthCare Management, LLC. HCM was organized for the purpose of managing and operating on behalf of, and as agent for, substantially all of the health care clinical enterprise of the University. The University is the sole member of HCM.

USA Health Billing Limited Liability Companies

In fiscal year 2019, the University formed the USA Health Physician Billing Services, LLC, USA Health Hospital Billing Services, LLC, USA Health Anesthesia Billing Services, LLC and USA Health Reference Lab Billing Services, LLC as non-profit limited liability companies, whereby the University is the sole member. These companies were created to assist with the complex patient and insurance billing of USA Health, a division of the University that includes two hospitals and a cancer treatment center. There was no activity in these entities in Fiscal Year 2019 and 2020, and so far, there has been limited activity in Fiscal Year 2021.

University of South Alabama Health Care Authority

In May 2017, the University's Board of Trustees approved the formation of the University of South Alabama Health Care Authority. The HCA is a public corporation created under and pursuant to the provisions of the State of Alabama University Authority Act of 2016 and employs physicians and staff of certain physician practice groups as determined appropriate by the University. Operations commenced on August 1, 2017. Since inception, HCA's operations have been partially funded by the University. Total support amounted to $10,480,000 during the year ended September 30, 2020 and $9,394,000 during the year ended September 30, 2019. Due to the significance of the relationship between the University and HCA, the HCA is considered a component unit of the University.

University of South Alabama Foundation

The University of South Alabama Foundation is a not-for-profit corporation that was organized for the purpose of promoting education, scientific research, and charitable purposes, and to assist in developing and advancing the University in furthering, improving, and expanding its properties, services, facilities, and activities. Because of the significance of the relationship between the University and the USA Foundation, the USA Foundation is considered a component unit of the University. The Board of Directors of the USA Foundation is not appointed or controlled by the University. The University receives distributions from the

USA Foundation primarily for scholarship, faculty and other support. The USA Foundation presents its financial statements in accordance with standards issued by the Financial Accounting Standards Board (FASB). The USA Foundation has a June 30 fiscal year end, which differs from the University's September 30 fiscal year end.

USA Research and Technology Corporation

USA Research and Technology Corporation is a not-for-profit corporation that exists for the purpose of furthering the educational and scientific mission of the University by developing, attracting, and retaining technology and research industries in Alabama that will provide professional and career opportunities to the University's students and faculty. Because of the significance of the relationship between the University and the Corporation, the Corporation is considered a component unit of the University. The Corporation presents its financial statements in accordance with GASB.

Measurement Focus and Basis of Accounting

For financial reporting purposes, the University is considered a special purpose governmental agency engaged only in business type activities, as defined by GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis for State and Local Governments*, as amended by GASB Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*. Accordingly, the University's basic financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires that management make estimates and assumptions affecting the reported amounts of assets and liabilities, revenues and expenses, as well as disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

In particular, laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates related to these programs could change by a material amount in the near term.

Cash and Cash Equivalents

Cash and cash equivalents are defined as petty cash, demand accounts, certificates of deposit, and any short-term investments that take on the character of cash. These investments have maturities of less than three months at the time of purchase and include repurchase agreements and money market accounts.

Investments and Investment Income

The University reports the fair value of investments using the three-level hierarchy established under GASB Statement No. 72, *Fair Value Measurement and Application*. The fair value of alternative investments (low-volatility multi-strategy funds of funds) and certain private equity partnerships do not have readily ascertainable market values and the University values these investments in accordance with valuations

provided by the general partners or fund managers of the underlying partnerships or companies, typically based on net asset value (NAV) of the partnership or commingled vehicle. Because some of these investments are not readily marketable, the estimated fair value is subject to uncertainty and, therefore, may differ from the fair value that would have been used had a ready market for the investment existed. Investments received by gift are recorded at fair value at the date of receipt. Changes in the fair value of investments are reported in net investment income (loss).

Derivatives

The University has adopted the provisions of GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*. GASB Statement No. 53 establishes a framework for accounting and financial reporting related to derivative instruments, requiring the fair value of derivatives to be recognized in the basic financial statements. At March 31, 2021, the University had two hedging derivative instruments, interest rate swaps, in effect. In accordance with hedge accounting, the changes in fair values of the interest rate swaps are reported as changes in deferred inflows and outflows of resources and the fair values of the interest rate swaps are recognized in other long-term liabilities and deferred inflows and outflows of resources on the statements of net position since the interest rate swaps were deemed effective.

Deferred Outflows and Inflows of Resources

Deferred outflows of resources consist of employer contributions to the Teacher's Retirement System of Alabama and the Public Education Employees Health Insurance Plan subsequent to the plans' measurement dates, changes in proportion and differences between employer contributions and proportionate share of contributions related to the OPEB plan, changes in actuarial and other assumptions related to the pension plan and the loss on the defeasement of certain bond amounts.

Deferred inflows of resources consist of the proportionate share of the differences between expected and actual experience related to the pension plan, net difference between projected and actual earnings on pension and OPEB plan investments, changes of assumptions in OPEB plan, changes in proportion and differences between employer contributions and proportionate share of contributions in pension plan, fair values of interest rate swaps and gain on the refunding of certain bond amounts.

Bond Premiums, Discounts and Debt Extinguishment Costs

Bond premiums, discounts, and debt extinguishment costs associated with the issuance of certain bond series are capitalized and amortized over the life of the respective bond series on a straight-line basis in accordance with generally accepted accounting principles.

Accounts Receivable

Patient receivables primarily result from hospital and ambulatory patient service revenues. Accounts receivable - other includes amounts due from students, the federal government, state and local governments, or private sources in connection with reimbursement of allowable expenditures made pursuant to the University's grants and contracts. Accounts and patient receivables are recorded net of estimated uncollectible amounts.

Inventories

The University's inventories primarily consist of medical supplies and pharmaceuticals. Medical supplies and pharmaceuticals are stated at the lower of cost (first-in, first-out method) or market.

Capital Assets

Capital assets are recorded at cost, if purchased, or, if donated, at acquisition value at the date of donation. Depreciation is provided over the estimated useful life of each class of depreciable assets using the straight-line method. Major renewals and renovations are capitalized. Costs for repairs and maintenance are expensed when incurred. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and the gain or loss, if any, is included in nonoperating revenues (expenses) in the statements of revenues, expenses, and changes in net position.

All capital assets other than land are depreciated using the following asset lives:

Buildings, infrastructure and certain building components	40 to 100 years
Fixed equipment	10 to 20 years
Land improvements	8 to 20 years
Library materials	10 years
Other equipment	4 to 15 years

Certain buildings are componentized for depreciation purposes.

Interest costs for certain constructed assets are capitalized as a component of the cost of acquiring those assets. The amount of interest capitalized for the periods ended March 31, 2021 and 2020 was $1,839,000 and $916,000, respectively.

Unrecognized Revenues

Student tuition, fees, and dormitory rentals are initially recorded as unrecognized revenues and then recognized over the applicable portion of each school term.

Cost Sharing Multiple-Employer Pension Plan

Employees of the University are covered by a cost sharing multiple-employer defined benefit pension plan (the Plan) administered by the Teachers' Retirement System of Alabama (TRS). The TRS financial statements are prepared using the economic resources measurement focus and accrual basis of accounting. Contributions are recognized as revenues when earned, pursuant to plan requirements. Benefits and refunds are recognized as expenses when due and payable in accordance with the terms of the Plan. Expenses are recognized when the corresponding liability is incurred, regardless of when the payment is made. Investments are reported at fair value. Financial statements are prepared in accordance with requirements of the GASB. Under these requirements, the Plan is considered a component unit of the State of Alabama and is included in the State's Comprehensive Annual Financial Report.

Postemployment Benefits Other Than Pensions (OPEB)

Employees of the University are covered by a cost sharing multiple-employer other post-employment benefit plan administered by the Alabama Retired Education Employees Health Care Trust (Trust). The Trust's financial statements are prepared using the economic resources measurement focus and accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Trust and additions to/deductions from the Trust's fiduciary net position. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due pursuant to plan requirements. Benefits are recognized when due and payable in accordance with the terms of the plan. In accordance with GASB, the Trust is considered a component unit of the State of Alabama and is included in the State's Comprehensive Annual Financial Report.

Classification of Net Position

The University's net position is classified as follows:

Net investment in capital assets reflects the University's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such debt is excluded from the calculation of *net investment in capital assets*.

Restricted, nonexpendable net position consists of endowment and similar type funds for which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal.

Restricted, expendable net position includes resources that the University is legally or contractually obligated to spend in accordance with restrictions imposed by external parties.

Unrestricted net position represents resources derived from student tuition and fees, state appropriations, patient service revenues, sales and services of educational activities and auxiliary enterprises. Auxiliary enterprises are substantially self-supporting activities that provide services for students, faculty, and staff. While unrestricted net position may be designated for specific purposes by action of management or the Board of Trustees, they are available for use at the discretion of the governing board to meet current expenses for any purpose. Substantially all unrestricted net position is designated for academic and research programs and initiatives, and capital programs.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the University addresses each situation on a case-by-case basis prior to determining the resources to be used to satisfy the obligation.

Scholarship Allowances and Student Financial Aid

Student tuition and fees, and certain other revenues from students, are reported net of scholarship discounts and allowances in the statements of revenues, expenses and changes in net position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the

University and the amount paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants and other federal, state, or nongovernmental programs are recorded as either operating or nonoperating revenues in the University's basic financial statements based on their classification as either an exchange or nonexchange transaction. To the extent that revenues from such programs satisfy tuition and fees and certain other student charges, the University has recorded a scholarship discount and allowance.

Donor Restricted Endowments

The University is subject to the "Uniform Prudent Management of Institutional Funds Act" (UPMIFA) of the Code of Alabama. This law allows the University, unless otherwise restricted by the donor, to spend net appreciation, realized and unrealized, of the endowment assets. The law also allows the University to appropriate for expenditure or accumulate to an endowment fund such amounts as the University determines to be prudent for the purposes for which the endowment fund was established. The University's endowment spending policy provides that 4.5% of the five-year invested net asset moving average value (inclusive of net realized and unrealized gains and losses), as measured at September 30, is available annually for spending. The University's policy is to retain the endowment interest and dividend income and net realized and unrealized appreciation with the endowment after distributions allowed by the spending policy have been made. These amounts, unless otherwise directed by the donor, are included in restricted, expendable net position.

Classification of Revenues

The University has classified its revenues as either operating or nonoperating revenues.

Operating revenues include activities that have the characteristics of exchange transactions such as student tuition and fees, net of scholarship discounts and allowances; patient service revenues, net of provision for bad debts; most federal, state and local grants and contracts; and sales and services of auxiliary enterprises, net of scholarship allowances.

Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as state appropriations, investment income and gifts and contributions.

Gifts and Pledges

Pledges of financial support from organizations and individuals representing a conditional promise to give are recognized in the basic financial statements once all eligibility requirements, including time requirements, have been met. In the absence of such a promise, revenue is recognized when the gift is received. Endowment pledges generally do not meet eligibility requirements, as defined by GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, and are not recorded as assets until the related gift has been received. Unconditional promises that are expected to be collected in future years are recorded at the present value of the estimated future cash flows.

Grants and Contracts

The University has been awarded grants and contracts for which funds have not been received or expenditures made for the purpose specified in the award. These awards have not been reflected in the basic

financial statements, but represent commitments of sponsors to provide funds for specific research or training projects. For grants that have allowable cost provisions, the revenue will be recognized as the related expenditures are made. For grants with work completion requirements, the revenue is recognized as the work is completed. For grants without either of the above requirements, the revenue is recognized as it is received.

Patient Service Revenues and Electronic Health Records Incentive Program

Patient service revenues are reported at estimated net realizable amounts due from patients, third-party payers and others for healthcare services rendered, including estimated retroactive revenue adjustments due to future audits, reviews and investigations. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered and such amounts are adjusted in future periods, as adjustments become known or as years are no longer subject to such audits, reviews and investigations.

Compensated Absences

The University accrues annual leave for employees as incurred at rates based upon length of service and job classification.

Recently Adopted Accounting Pronouncements

In 2020, the University adopted the provisions of GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*, which updates the information that is disclosed in the financial statements related to debt. The University adopted this Statement and applied the effects retroactively. All effected disclosures were updated accordingly. There was no significant impact to the University in the adoption of this statement.

(2) Income Taxes

The University is classified as both a governmental entity under the laws of the State of Alabama and as a tax-exempt entity under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3). Consistent with these designations, no provision for income taxes has been made in the accompanying basic financial statements.

(3) Cash

Pursuant to the Security for Alabama Funds Enhancement Act, funds on deposit may be placed in an institution designated as a qualified public depository (QPD) by the State of Alabama. QPD institutions pledge securities to a statewide collateral pool administered by the State Treasurer's office. Such financial institutions contribute to this collateral pool in amounts proportionate to the total amount of public fund deposits at their respective institutions. The securities are held at the Federal Reserve Bank and are designated for the State of Alabama. Additional collateral was not required for University funds on deposit with QPD institutions. At September 30, 2020 and 2019, the net public deposits subject to collateral requirements for all institutions participating in the pool totaled approximately $14.2 billion and $11.7 billion, respectively. The University's cash and cash equivalents, including restricted cash and cash equivalents, totaled $244,442,000 and $209,462,000 at March 31, 2021 and 2020, respectively.

At March 31, 2021, restricted cash and cash equivalents consist of $73,025,000 related to unspent proceeds from the issuance of University bonds for capital purchases as outlined in the bond indenture, $7,987,000 related to collateral requirements of the interest rate swaps, $3,273,000 related to investment accounts, and $9,024,000 related to contributions restricted for the construction of the football stadium.

At March 31, 2020, restricted cash and cash equivalents consist of $65,226,000 related to unspent proceeds from the issuance of University bonds for capital purchases as outlined in the bond indenture, $49,672,000 related to collateral requirements of the interest rate swaps and $6,819,000 related to contributions restricted for the construction of Hancock Whitney Stadium.

(4) Investments

The investments of the University are invested pursuant to the University of South Alabama "Non-endowment Cash Pool Investment Policies," the "Endowment Fund Investment Policy," and the "Derivatives Policy" (collectively referred to as the University Investment Policies) as adopted by the Board of Trustees. The purpose of the non-endowment cash pool investment policy is to provide guidelines by which commingled funds not otherwise needed to meet daily operational cash flows can be invested to earn a maximum return, yet still maintain sufficient liquidity to meet fluctuations in the inflows and outflows of University operational funds. Further, endowment fund investment policies exist to provide earnings to fund specific projects of the endowment fund, while preserving principal. The University Investment Policies require that management apply the "prudent person" standard in the context of managing its investment portfolio.

Certain investments, primarily related to the University's endowment assets, are pooled. The University uses this pool to manage its investments and distribute investment income to individual endowment funds.

Investments of the University, by type, at fair value, are as follows at March 31, 2021 and 2020 (in thousands):

	2021	2020
U.S. Treasury securities	$ 5,992	$ 6,022
U.S. federal agency notes	58,952	25,048
Commingled equity funds	70,696	58,118
Commingled fixed income funds	89,347	42,415
Marketable equity securities	43,936	18,616
Marketable debt securities	4,763	4,445
Real estate	—	125
Private equity	17,939	13,166
Managed income alternative investments (low-volatility multi-strategy funds of funds)	40,235	33,218
	$ 331,860	$ 201,173

At March 31, 2021, restricted investments consist of $39,930,000 related to collateral requirements of the interest rate swaps and $189,748,000 related to endowment funds.

At March 31, 2020, restricted investments consist of $4,782,000 related to collateral requirements of the interest rate swaps and $150,554,000 related to endowment funds.

At March 31, 2021 and 2020, $33,999,000 and $25,541,000, respectively, of cumulative appreciation in fair value of investments of donor-restricted endowments was recognized and is included in restricted expendable net position in the accompanying statements of net position.

(i) Credit Risk and Concentration of Credit Risk

Non-Endowment Cash Pool Investment Policy

The University Investment Policies limit investment in corporate bonds to securities with a minimum "A" rating, at the time of purchase, by both Moody's and Standard and Poor's. Investments in corporate paper are limited to issuers with a minimum quality rating of P-1 by Moody's, A-1 by Standard and Poor's or F-1 by Fitch.

Additionally, the University Investment Policies require that not more than 10% of the cash, cash equivalents and investments of the University be invested in the obligations of a single private corporation and not more than 35% of the cash, cash equivalents and investments of the University be invested in the obligations of a single government agency.

Endowment Fund Investment Policy

The University Investment Policies limit investment in fixed income securities to securities with a minimum "BAA" rating, at the time of purchase, by both Moody's and Standard and Poor's. Money Market Funds selected shall contain securities whose credit rating at the absolute minimum would be rated investment grade by Standard and Poor's, and/or Moody's. Investment in fixed income securities within the fixed income portfolio shall be restricted to only investment grade bonds rated "BAA" or higher. Any investment in below investment grade bonds shall be considered an equity or fixed income alternative investment.

Additionally, the University Investment Policies require that not more than 5% of the Endowment Fund assets of the University be allocated to an individual investment manager and no more than 25% of the Endowment Fund assets be allocated to a "Fund of Funds" or multi-manager fund.

(ii) Interest Rate Risk

The University's Investment Policies do not specifically address the length to maturity on investments, which the University must follow; however, they do require that the maturity range of investments be consistent with the liquidity requirements of the University.

(iii) Mortgage-Backed Securities

The University, from time to time, invests in mortgage backed securities such as the Federal Home Loan Mortgage Corporation (FHLMC), the Federal National Mortgage Association (FNMA), and other government sponsored enterprises of the United States government. The University invests in these securities to increase the yield and return on its investment portfolio given the available alternative investment opportunities.

(iv) Fair Value Measurement

Fair value measurements represent the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurements date. The University of South Alabama measures and records its investments using fair value measurement guidelines established by GASB Statement No. 72. These guidelines prioritize the inputs of valuation techniques used to measure fair value, as follows:

- Level 1: Quoted prices for identical investments in active markets
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs

The level in the fair value hierarchy that determines the classification of an asset or liability depends on the lowest level input that is significant to the fair value measurement. Observable inputs are derived from quoted market prices for assets or liabilities traded on an active market where there is sufficient activity to determine a readily determinable market price. Investments that are not traded on an active exchange and do not have a quoted market price are classified as unobservable inputs. The University of South Alabama's assets that have unobservable inputs consist of the investment in real estate, with fair value based on an independent third party appraisal performed by qualified appraisers specializing in real estate investments, and of investments in private capital, with fair value determined by the investment managers and primarily utilizes management assumptions and best estimates after considering internal and external factors. Other assets included in the University's investment portfolio with unobservable inputs are the shares or units in certain partnerships or other commingled funds that do not have readily determinable fair values. For these funds, fair value is estimated using the net asset value reported by the investment managers as a practical expedient to fair value. Such investments have not been categorized within the fair value hierarchy.

(5) Noncurrent Liabilities

A summary of the University's noncurrent liability activity for the period ended March 31, 2021 follows (in thousands):

	Beginning balance	Additions	Reductions	Ending balance	Less amounts due within one year	Noncurrent liabilities
Long-term debt:						
Bonds payable	$ 452,651	$ 50,535	$ (15,904)	$ 487,282	$ 17,251	$ 470,031
Notes payable	5,431	—	(529)	4,902	931	3,971
Capital lease obligations	13,272	620	(3,434)	10,458	6,443	4,015
Total long-term debt	471,354	51,155	(19,867)	502,642	24,625	478,017
Other noncurrent liabilities:						
Net pension liability	294,615	20,976	—	315,591	—	315,591
Net OPEB liability	103,288	157,358	—	260,646	—	260,646
Other long-term liabilities	56,275	6,781	(1,660)	61,396	3,310	58,086
Total other noncurrent liabilities	454,178	185,115	(1,660)	637,633	3,310	634,323
Total noncurrent liabilities	$ 925,532	$ 236,270	$ (21,527)	$ 1,140,275	$ 27,935	$ 1,112,340

A summary of the University's noncurrent liability activity for the period ended March 31, 2020 follows (in thousands):

	Beginning balance	Additions	Reductions	Ending balance	Less amounts due within one year	Noncurrent liabilities
Long-term debt:						
Bonds payable	$ 423,629	$ 64,528	$ (30,744)	$ 457,413	$ 20,397	$ 437,016
Notes payable	4,295	2,147	(490)	5,952	1,036	4,916
Capital lease obligations	15,502	551	(2,780)	13,273	5,414	7,859
Total long-term debt	443,426	67,226	(34,014)	476,638	26,847	449,791
Other noncurrent liabilities:						
Net pension liability	282,739	—	—	282,739	—	282,739
Net OPEB liability	259,418	5,710	—	265,128	—	265,128
Other long-term liabilities	61,571	32	(5,378)	56,225	3,310	52,915
Total other noncurrent liabilities	603,728	5,742	(5,378)	604,092	3,310	600,782
Total noncurrent liabilities	$ 1,047,154	$ 72,968	$ (39,392)	$ 1,080,730	$ 30,157	$ 1,050,573

Other long-term liabilities primarily consist of liabilities related to compensated absences and the fair value of derivatives. Amounts due within one year are included in current portion of other long-term liabilities and accounts payable and accrued liabilities.

During 2017, the University entered into a note payable for a period of ten years payable monthly at $19,000. This agreement commenced in November 2016 to finance improvements of the HVAC system. An amendment to this note agreement was entered into in November 2019 adding additional financed equipment. The monthly payment was increased to $30,950 for ten years. The amount outstanding on the note at March 31, 2021 and 2020 is $3,219,000 and $3,590,000, respectively.

During 2015, the University entered into a variable interest rate revolving line of credit with Compass Bank to, among other reasons, fund the acquisition of certain real property. The total amount available under the line of credit was $5,000,000 and interest on the outstanding amounts accrued at the rate of the LIBOR plus 1.00%. In July 2018, the University converted the line of credit into a term loan for a period of five years, with monthly payments of $63,000 and interest accruing at the fixed rate of 3.85% per annum. The amount outstanding at March 31, 2021 and 2020 is $1,684,000 and $2,361,000, respectively, and is reported as long-term debt (and current portion thereof) in the statements of net position.

During 2020, the University entered into a variable rate revolving line of credit with Hancock Whitney Bank to ensure the University was adequately prepared for potential cash-flow issues that could have been caused by the onset of the COVID-19 pandemic. The line of credit expires in June 2021. The total amount available

under the line of credit is $50,000,000. Interest accrues on any outstanding principal balances at a rate of LIBOR plus 1.5%. There is also an unused fee of .15% that is billed to the University quarterly. There have been no draws on the line of credit as of March 31, 2021.

(6) Bonds Payable

Bonds payable consisted of the following at March 31, 2021 and 2020 (in thousands):

	2021	2020
University Facilities Revenue Capital Improvement Bonds, Series 2012-A, 2.92%, payable through August 2032	$ 16,523	$ 17,700
University Facilities Revenue Capital Improvement Bonds, Series 2013-A, 2.83%, payable through August 2033	22,764	24,196
University Facilities Revenue Capital Improvement Bonds, Series 2013-B, 2.83%, payable through August 2033	5,691	6,049
University Facilities Revenue Capital Improvement Bonds, Series 2013-C, 2.78%, payable through August 2028	5,841	6,485
University Facilities Revenue Refunding Bonds, Series 2014-A, variable rate payable at 68% of one-month LIBOR plus 0.73%, 2.36% at June 30, 2018, payable through March 2024	24,160	31,440
University Facilities Revenue Capital Improvement Bonds, Series 2015, 2.47%, payable through August 2030	3,750	4,125
University Facilities Revenue Refunding Bonds, Series 2016, 3.00% to 5.00%, payable through November 2037	77,455	80,310
University Facilities Revenue Refunding Bonds, Series 2016-B, variable rate payable at 68% of one-month LIBOR plus 0.72%, 2.35% at June 30, 2019, payable through December 2036, pursuant to the right of the holder to cause all principal to be due after December 1, 2021	20,000	20,000
University Facilities Revenue Refunding Bonds, Series 2016-C, variable rate payable at 68% of one-month LIBOR plus 0.77%, 2.40% at June 30, 2019, payable through December 2036, pursuant to the right of the holder to cause all principal to be due after December 1, 2023	35,000	35,000

	2021	2020
University Facilities Revenue Refunding Bonds, Series 2016-D, variable rate payable at 68% of one-month LIBOR plus 0.83%, 2.46% at June 30, 2019, payable through December 2036, pursuant to the right of the holder to cause all principal to be due after December 1, 2026	$ 45,000	$ 45,000
University Facilities Revenue Bonds, Series 2017, 2.00% to 5.00%, payable through October 2037	33,690	34,990
University Facilities Revenue Bonds, Series 2019-A, 5.00%, payable through April 1, 2049	47,750	47,750
Taxable University Facilities Revenue Bonds, Series 2019-B, 3.09% to 4.10%, payable through April 1, 2033	17,205	18,440
University Facilities Revenue Bonds, Series 2019-C, 1.87%, payable through April 1, 2030	16,112	17,630
University Facilities Revenue Bonds, Series 2020, 4% to 5%, payable through April 1, 2040	36,105	37,005
University Facilities Revenue Bonds, Series 2021, 4% to 5%, payable through April 1, 2041	40,555	—
	447,601	426,120
Plus unamortized premium	41,250	32,971
Less unamortized debt extinguishment costs	(1,569)	(1,678)
	$ 487,282	$ 457,413

Substantially all student tuition and fee and auxiliary revenues secure University bonds. Additionally, security for all bonds includes USA Health Children's and Women's Hospital revenues in an amount not exceeding $10,000,000. The Series 2012-A Bonds began maturing in August 2013. The Series 2012-A Bonds are redeemable beginning in August 2021 and the Series 2012-B Bonds were paid in full in February 2018. The Series 2013-A, 2013-B and 2013-C Bonds began maturing in August 2014 and are redeemable beginning in June 2023. The Series 2014-A Bonds began maturing in March 2015 and are redeemable by the University at any time. The Series 2015 Bonds began maturing in August 2015 and are redeemable beginning in June 2020. The Series 2016 Bonds began maturing in November 2018 and are redeemable beginning in November 2026. The Series 2016-B, C and D Bonds will begin maturing in December 2024 and became redeemable as of December 2017. The Series 2017 Bonds began maturing in October 2017 and are redeemable beginning in October 2027. The Series 2019-A and B Bonds will begin maturing in April 2033 and April 2021, respectively, and are redeemable beginning in April 2029. The Series 2019-C Bonds will begin maturing on April 1, 2020 and are not subject to redemption at the option of the University. Series 2020 Bonds will begin maturing on April 1, 2021 and are redeemable beginning April 1, 2030.

In September 2016, the University issued its University Facilities Revenue Refunding Bonds, Series 2016, with a face value of $85,605,000. The proceeds from the Series 2016 Bonds were used to partially defease the Series 2008 Bonds. The funds were deposited into escrow trust funds to provide for the subsequent repayment of the Series 2008 Bonds when they were called in December 2018. Neither the assets of the escrow trust account nor the defeased indebtedness were included in the accompanying statements of net position. The loss on the defeasement of the Series 2008 Bonds of $7,859,000 was recorded as a deferred outflow and is being amortized over the remaining life of the Series 2016 Bonds. The undefeased portion of the Series 2008 bonds was paid in full in August 2018.

In December 2016, the University issued its University Facilities Revenue Refunding Bonds, Series 2016-B, C and D, with a face value totaling $100,000,000. The proceeds refunded the remaining outstanding Series 2006 Bonds. The gain on the refunding of the Series 2006 Bonds of $4,539,000 was recorded as a deferred inflow of resources and is being amortized over the remaining life of the Series 2016-B, C & D Bonds.

In February 2019, the University issued its University Facilities Revenue Bonds, Series 2019-A and Taxable University Facilities Revenue Bonds, Series 2019-B with a face value of $47,750,000 and $18,440,000, respectively. The proceeds from the Series 2019-A and B Bonds are financing the football stadium and intramural fields.

In December 2019, the University issued its University Facilities Revenue Refunding Bonds, Series 2019-C, with a face value of $19,086,000. The proceeds refunded the remaining Series 2010 Bonds.

In February 2020, the University issued its University Facilities Revenue Bonds, Series 2020, with a face value of $37,005,000. The proceeds from the Series 2020 Bonds are financing a transportation hub, a warehouse building and improvements and new construction to certain USA Health Facilities.

In March 2021, the University issued a new University Facilities Revenue Bond, Series 2021, with a face value of $50,000,000. The proceeds are financing USA Health facilities and transportation infrastructure.

Approximately $2,312,000 and $5,098,000 of proceeds from the issuance of the Series 2017 Bonds remained unspent at March 31, 2021 and 2020, respectively, and is included in restricted cash and cash equivalents on the statements of net position. Approximately $15,116,000 of proceeds from the issuance of the Series 2019-A and B Bonds remained unspent at March 31, 2020 and was included in restricted cash and cash equivalents on the statement of net position. All of the remaining cash from the issuance of Series 2019-A and B Bonds has been spent as of March 31, 2021. Approximately $20,713,000 and $45,012,000 of proceeds from the issuance of the Series 2020 Bonds remained unspent at March 31, 2021 and 2020, respectively, and is included in restricted cash and cash equivalents on the statements of net position. Approximately $50,000,000 of proceeds from the issuance of the Series 2021 Bonds remained unspent at March 31, 2021 and is included in restricted cash and cash equivalents on the statement of net position. All bond funds are restricted for capital purposes as outlined in the bond indentures. The University is subject to arbitrage restrictions on its bonded indebtedness prescribed by the U.S. Internal Revenue Service. As such, amounts are accrued as needed in the University's basic financial statements for any expected arbitrage liabilities. At March 31, 2021 and 2020, no amounts were due or recorded in the financial statements.

The University is subject to restrictive covenants related to its bonds payable. As of the end of the current reporting period, management believes the University was in compliance with such financial covenants.

Debt Service on Long-Term Obligations

Total debt service (which includes bonds and notes payable) by fiscal period March 31, 2021 is as follows (in thousands):

	Debt service on notes and bonds		
	Principal	**Interest**	**Total**
2021	$ 4,626	$ 6,046	$ 10,672
2022	22,364	15,003	37,367
2023	23,305	14,322	37,627
2024	23,656	13,746	37,402
2025	21,654	13,137	34,791
2026-2030	119,846	55,276	175,122
2031-2035	120,797	35,052	155,849
2036-2040	85,365	15,123	100,488
2041-2045	18,380	5,650	24,030
2046-2050	12,510	1,543	14,053
Subtotal	452,503	$ 174,898	$ 627,401
Plus (less):			
Unamortized bond premium	41,250		
Unamortized debt extinguishment costs	(1,569)		
Total	$ 492,184		

(7) Capital Lease Obligations

The University has entered into various capital leases as a method of financing medical equipment, computer software and hardware, a heat recovery system, transportation vehicles and other office equipment.

Future minimum capital lease payments at March 31, 2021, are as follows (in thousands):

Period ending March 31:		
2021	$	3,298
2022		5,183
2023		1,497
2024		698
2025		54
2026-2039		90
		10,820
Less amounts representing interest		(362)
Net minimum lease payments	$	10,458

These amounts are included in long-term debt (and current portion thereof) in the accompanying statements of net position.

(8) Derivative Transactions – Interest Rate Swaps

The University is a party to two derivatives with Wells Fargo Bank, the counterparty. In December 2013, Wells Fargo exercised its option with respect to the synthetic advance refunding of the Series 2004 Bonds to enter into an interest rate swap agreement with the University with an effective date of March 15, 2014. The resulting derivative is a “receive-variable, pay-fixed” interest rate swap. As part of the overall plan of the synthetic refunding of the 2004 Bonds, the University redeemed those bonds in April 2014 with proceeds from the Series 2014-A Bonds.

In September 2016, Wells Fargo exercised its option with respect to the synthetic advance refunding of the Series 2006 Bonds to enter into an interest rate swap agreement with the University with an effective date of September 1, 2016. The resulting derivative is a “receive-variable, pay-fixed” interest rate swap. As part of the overall plan of the synthetic refunding of the Series 2006 Bonds, the University redeemed those bonds in December 2016 with proceeds from the Series 2016-B, C and D Bonds (see note 6).

Objective of the transactions. As noted, both interest rate swaps were the result of the original January 2008 synthetic advance refunding of the Series 2004 and Series 2006 Bonds. The objective of these transactions was to realize debt service savings currently from future debt refunding and create an economic benefit to the University.

The 2014 swap will terminate in March 2024, when the Series 2014-A Bonds mature. The notional amount of the swap will at all times match the outstanding principal amount of the bonds. Under the swap, the University pays the counterparty a fixed semi-annual payment based on an annual rate of 4.9753% and receives on a monthly basis a variable payment of 68% of the one-month LIBOR plus 0.25%. Conversely, the Series 2014-A Bonds bear interest on a monthly basis at 68% of the one-month LIBOR rate plus 0.73%.

The 2016 swap will terminate in December 2036, when the Series 2016-B, C and D Bonds mature. The notional amount of the swap will at all times match the outstanding principal amount of the bonds. Under the swap, the University pays the counterparty a fixed semi-annual payment based on an annual rate of 5% and receives on a monthly basis a variable payment of 68% of the one-month LIBOR plus 0.25%. Conversely, the Series 2016-B, C and D Bonds bear a weighted average interest on a monthly basis at 68% of the one-month LIBOR rate plus 0.79%.

Fair value. The 2014 interest rate swap had a negative fair value of approximately $(9,138,000) at its inception. This borrowing arising from the 2014 interest rate swap, net of any amortization, is reported as other long-term liabilities on the statements of net position. The change in the fair value of the swap is reported as a deferred inflow and contra liability (other long-term liabilities) on the statements of net position since the interest rate swap is a hedging derivative instrument.

The 2016 interest rate swap had a negative fair value of approximately $(48,530,000) at its inception. This borrowing arising from the 2016 interest rate swap, net of any amortization, is reported as other long-term liabilities in the statements of net position. The change in the fair value of the swap is reported as a deferred inflow and contra liability (other long-term liabilities) on the statements of net position since the interest rate swap is a hedging derivative instrument.

The fair values of the interest rate swaps were estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement.

Risks Associated with these Transactions

Interest rate risk. As the LIBOR rate decreases, the net payments on the swaps increase. This, however, is mitigated by the fact that a decline in the LIBOR rate will also result in a decrease of the University's interest payments on the Series 2014-A and Series 2016-B, C and D Bonds. The University's exposure is limited to 0.48% and 0.54% of the notional amounts, the difference in the payment from the counterparty and the interest payment on the Series 2014-A and Series 2016-B, C and D Bonds.

Credit risk. As of March 31, 2021, and 2020, the University was not exposed to credit risk on the interest rate swaps because they had a negative fair value. However, if interest rates change and the fair value of the derivatives become positive, the University would have a gross exposure to credit risk in the amount of the derivative's fair value. The counterparty was rated Aa2 by Moody's Investor Services and A+ by Standard & Poor's Ratings Services as of September 30, 2020 and 2019.

Termination risk. The University may be required to terminate the swaps based on certain standard default and termination events, such as failure to make payments, breach of agreements, and bankruptcy. As of the current date, no events of termination have occurred.

(9) Patient Service Revenues

USA Health, a division of the University, which includes two hospitals, a cancer treatment center and a physicians group, has agreements with governmental and other third-party payers that provide for reimbursement at amounts different from their established rates. Contractual adjustments under third-party reimbursement programs represent the difference between the USA Health's billings at established rates for services and amounts reimbursed by third-party payers.

A summary of the basis of reimbursement with major-third party payers follows:

Medicare – Substantially all acute care services rendered to Medicare program beneficiaries are paid at prospectively determined rates. These rates vary according to patient classification systems that are based on clinical, diagnostic, and other factors. Additionally, USA Health is reimbursed for both direct and indirect medical education costs (as defined), principally based on per-resident prospective payment amounts and certain adjustments to prospective rate-per-discharge operating reimbursement payments. USA Health is generally paid for certain retroactively determined items at tentative rates, with final settlement determined after submission of annual cost reports by USA Health and audits by the Medicare fiscal intermediary.

USA Health University Hospital's Medicare cost reports have been audited by the Medicare fiscal intermediary through September 30, 2015.

USA Health Children's & Women's Hospital's Medicare cost reports have been audited by the Medicare fiscal intermediary through September 30, 2018.

Blue Cross – Inpatient services rendered to Blue Cross subscribers are paid at a contractually determined per diem rate based upon MS-DRG groupings. Outpatient services are reimbursed under a contractually determined reimbursement methodology based on BCBS EAPGs.

Revenues from the Blue Cross program accounted for approximately 28% and 30% of USA Health's net patient service revenues for the years ended September 30, 2020 and 2019, respectively

Medicaid – Inpatient services rendered to Medicaid program beneficiaries are reimbursed at all-inclusive prospectively determined per diem rates. Outpatient services are reimbursed based on an established fee schedule.

USA Health qualifies as a Medicaid essential provider and, therefore, also receives supplemental payments based on formulas established by the Alabama Medicaid Agency. There can be no assurance that USA Health will continue to qualify for future participation in this program or that the program will not ultimately be discontinued or materially modified.

Revenues from the Medicaid program accounted for approximately 36% and 29% of USA Health's net patient service revenues for the years ended September 30, 2020 and 2019, respectively.

Other – USA Health has entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payments to USA Health under these agreements include discounts from established charges and prospectively determined daily and case rates.

(10) Defined Benefit Cost Sharing Pension Plan

Employees of the University are covered by a cost sharing multiple-employer defined benefit pension plan administered by the TRS.

Plan Description

The TRS was established in September 1939, under the provisions of Act 419 of the Legislature of 1939 for the purpose of providing retirement allowances and other specified benefits for qualified persons employed by State-supported educational institutions. The responsibility for the general administration and operation of the TRS is vested in its Board of Control. The TRS Board of Control consists of 15 trustees. The Plan is administered by the Retirement Systems of Alabama (RSA). Title 16-Chapter 25 of the code of Alabama grants the authority to establish and amend the benefit terms to the TRS Board of Control. The Plan issues a publicly available financial report that can be obtained at www.rsa-al.gov.

Benefits Provided

State law establishes retirement benefits as well as death and disability benefits and any ad hoc increase in postretirement benefits for the TRS. Benefits for TRS members vest after ten years of creditable service. Tier 1 TRS members who retire after age sixty with ten years or more of creditable service or with twenty-five years of services (regardless of age) are entitled to an annual retirement benefit, payable monthly for life. Service and disability retirement benefits are based on a guaranteed minimum or formula method, with the member receiving payment under the method that yields the higher monthly benefit. Under the formula method, members of the TRS are allowed 2.0125% of their average final compensation (highest three of the last ten years) for each year of service.

Act 377 of the Legislature of 2012 established a new tier of benefits (Tier 2) for members hired on or after January 1, 2013. Tier 2 TRS members are eligible for retirement after age sixty-two with ten years or more of creditable service and are entitled to an annual retirement benefit, payable monthly for life. Service and disability retirement benefits are based on a guaranteed minimum or formula method, with the member receiving payment under the method that yields the highest monthly benefit. Under the formula method, Tier 2 members of the TRS are allowed 1.65% of their average final compensation (highest five of the last ten years) for each year of service. Members are eligible for disability retirement if they have ten years of credible service, are currently in-service, and determined by the RSA Medical Board to be permanently incapacitated form further performance of duty. Preretirement death benefits are calculated and paid to the beneficiary based on the member's age, service credit, employment status, and eligibility for retirement.

Contributions

Covered members of the TRS contributed 5% of earnable compensation to the TRS as required by statute until September 30, 2011. From October 1, 2011, to September 30, 2012, covered members of the TRS were required by statute to contribute 7.25% of earnable compensation. Effective October 1, 2012, covered Tier 1

members of the TRS are required by statute to contribute 7.50% of earnable compensation. Certified law enforcement, correctional officers, and firefighters of the TRS contributed 6% of earnable compensation as required by statute until September 30, 2011. From October 1, 2011, to September 30, 2012, certified law enforcement, correctional officers, and firefighters of the TRS were required by statute to contribute 8.25% of earnable compensation. Effective October 1, 2012, certified law enforcement, correctional officers, and firefighters of the TRS are required by statute to contribute 8.50% of earnable compensation.

Tier 2 covered members of the TRS contribute 6% of earnable compensation to the TRS as required by statute. Tier 2 certified law enforcement, correctional officers, and firefighters of the TRS are required by statute to contribute 7% of earnable compensation.

Participating employers' contractually required contribution rates were 12.43% of annual pay for Tier 1 members and 11.34% of annual pay for Tier 2 members. These required contribution rates are a percent of annual payroll, actuarially determined as an amount that, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, with an additional amount to finance any unfunded accrued liability. Total employer contributions to the pension plan from the University were $21,413,000 and $22,481,000 for the years ended September 30, 2020 and 2019, respectively.

Pension Liabilities, Pension Expenses, Deferred Outflows and Deferred Inflows of Resources Related to Pensions

At March 31, 2021 and 2020, the University reported a liability of $315,591,000 and $282,739,000, respectively, for its proportionate share of the collective net pension liability. At September 30, 2020, the collective net pension liability was measured as of September 30, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of September 30, 2018. The University's proportion of the collective net pension liability is based on the employer's shares of contributions to the pension plan relative to the total employer contributions of all participating TRS employers. At the measurement date of September 30, 2019, the University's proportion of contributions to the pension plan was 2.664536%, which was a decrease of 0.179184% from its proportion measured as of September 30, 2018 of 2.843720%. For the fiscal years ended September 30, 2020 and 2019, the University recognized pension expense of approximately $17,629,000 and $9,902,000, respectively, which is included in salaries and benefits on the statements of revenues, expenses, and changes in net position.

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued RSA Comprehensive Annual Report for the fiscal year ended September 30, 2019 as well as prior year reports. The supporting actuarial information is included in the GASB Statement No. 67 Report for the TRS prepared as of September 30, 2019. The auditors' report dated March 9, 2020 on the total pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense for the sum of all participating entities as of September 30, 2019 along with supporting schedules is also available. The additional financial and actuarial information is available at www.rsa al.gov.

(11) Other Employee Benefits

Other Pension Plans

Certain employees of the University also participate in a defined contribution pension plan. The defined contribution pension plan covers certain academic and administrative employees, and participation by eligible employees is optional. The plan is administered by the University and the plan assets are held in annuity contracts and custodial accounts. The annuity contracts are with, and the custodial account assets are invested through investment options offered by, Teachers Insurance and Annuity Association – College Retirement Equities Fund (TIAA CREF) and Variable Annuity Life Insurance Company (VALIC). Under this plan, contributions by eligible employees are matched equally by the University up to a maximum of 3% of current annual pay. The University contributed $462,000 and $506,000 in 2020 and 2019, respectively, representing 197 and 215 employees for 2020 and 2019, respectively, participating in this Plan.

All employees of HCM working at least half time are eligible to participate in a defined contribution pension plan. The plan is administered by HCM and the plan assets are held in annuity contracts and custodial accounts. The annuity contracts are with, and the custodial account assets are invested through investment options offered by, TIAA CREF and VALIC. Under this plan, contributions by eligible employees are matched equally by HCM up to a maximum of 5% of current annual pay. HCM contributed $5,544,000 and $4,916,000 in 2020 and 2019, respectively, representing 1,436 and 1,403 employees, respectively, participating in this plan. University employees as of September 30, 2010, who later transfer to HCM, are immediately vested in the plan. All other employees do not vest until they have held employment with HCM for thirty-six months; at which time they become 100% vested in the plan.

Compensated Absences

Regular University employees accumulate vacation and sick leave and hospital and clinical employees accumulate paid time off. These are subject to maximum limitations, at varying rates depending upon their employee classification and length of service. Upon separation of employment, employees who were hired before January 1, 2012 are paid all unused accrued vacation at their regular rate of pay up to a maximum of two times their annual accumulation rate. Employees hired after January 1, 2012 are not eligible for payment of unused accrued vacation or PTO hours upon separation of employment. The accompanying statements of net position include accruals for vacation pay and paid time off of approximately $12,794,000 and $11,168,000 at March 31, 2021 and 2020, respectively. The accrual is included in other long-term liabilities (and current portion thereof) in the accompanying financial statements. No accrual is recognized for sick leave benefits since no terminal cash benefit is available to employees for accumulated sick leave.

(12) Other Post-Employment Benefit Plans

Retirees of the University are covered by the Public Education Employees Health Insurance Plan (PEEHIP), which is a cost sharing multiple-employer defined benefit OPEB plan administered by the TRS.

Plan Description

The Alabama Retiree Health Care Funding Act of 2007 authorized and directed the Public Education Employees Health Insurance Board (Board) to create an irrevocable trust to fund postemployment healthcare

benefits to retirees participating in PEEHIP. Active and retiree health insurance benefits are paid through the PEEHIP. The PEEHIP was established in 1983 pursuant to the provisions of the Code of Alabama 1975, Title 16, Chapter 25A to provide a uniform plan of health insurance for active and retired employees of state and local educational institutions and to fund benefits related to the plan. The responsibility for the general administration and operation of the PEEHIP is vested in its Board, which consists of 15 trustees. Title 16-Chapter 25 of the code of Alabama grants the authority to establish and amend the benefit terms to the PEEHIP Board. Effective for the year ended September 30, 2018, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,* required the reporting of the net OPEB liability and the OPEB expense in the financial statements as well as enhanced financial statement note disclosures.

Benefits Provided

PEEHIP offers a basic hospital medical plan to active members and non-Medicare eligible retirees or active employees and non-Medicare eligible retirees who do not have Medicare eligible dependents can enroll in a health maintenance organization (HMO). In addition to or in lieu of the basic hospital medical plan or HMO, the PEEHIP offers four optional plans: Hospital Indemnity, Cancer, Dental, and Vision. Also, PEEHIP members (only active and non-Medicare eligible) may elect the Supplemental Plan as their hospital medical coverage instead of the PEEHIP Hospital Medical Plan. This Supplemental Plan provides secondary benefits to the member's primary plan provided by another employer.

Effective January 1, 2017, Medicare eligible members and Medicare eligible dependents who are covered on a retiree contract were enrolled in the United Healthcare Group Medicare Advantage plan for PEEHIP retirees. The Medicare Advantage Prescription Drug (MAPD) plan is fully insured by United Healthcare and members are able to have all of their Medicare Part A, Part B, and Part D in one convenient plan.

Contributions

The employer contribution to the health insurance premium is set forth by the Board annually.

Total employer contributions to the OPEB plan from the University were $7,947,000 and $7,772,000 for the years ended September 30, 2020 and 2019, respectively.

OPEB Liabilities, OPEB Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At March 31, 2021 and 2020, the University reported a liability of $260,646,000 and $265,128,000, respectively, for its proportionate share of the net OPEB liability. At September 30, 2020, the net OPEB liability was measured as of September 30, 2019 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of September 30, 2018. The University's proportion of the net OPEB liability was based on a projection of the University's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined. At the measurement date of September 30, 2019, the University's proportion of contributions to the OPEB plan was 2.737717%, which was a decrease of 0.418703% from its proportion measured as of September 30, 2018 of 3.156420%.

For the years ended September 30, 2020 and 2019, the University recognized OPEB expense of approximately $(11,830,000) and $18,634,000, respectively, which is included in salaries and benefits on the statements of revenues, expenses, and changes in net position.

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the Alabama Retired Education Employees' Health Care Trust's financial statements for the fiscal year ended September 30, 2019 and 2018, respectively. The supporting actuarial information is included in the GASB Statement No. 74 Report for PEEHIP prepared as of September 30, 2019 and 2018. Additional financial and actuarial information is available at www.rsa al.gov.

(13) Risk Management

The University, HCM, SAMSF and HCA participate in the PLTF and the University, HCM, SAMSF, the Corporation and HCA participate in the GLTF. Both funds are administered by an independent trustee. These trust funds are revocable and use contributions by the University and HCA, together with earnings thereon, to pay liabilities arising from the performance of its employees, trustees and other individuals acting on behalf of the University and HCA. Any risk related to the payment claims is the responsibility of the PLTF and GLTF. If the trust funds are ever terminated, appropriate provision for payment of related claims will be made and any remaining balance may be distributed to the participating entities in proportion to contributions made.

Claims and expenses are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Those losses include an estimate of claims that have been incurred but not reported and the future costs of handling claims. These liabilities are generally based on actuarial valuations and are reported at their present value.

The University, HCM and HCA each participate in a separate self-insured health plan, administered by unaffiliated entities. Contributions by the University and its employees, together with earnings thereon, pay liabilities arising from healthcare claims. It is the opinion of University administration that plan assets are sufficient to meet future plan obligations.

(14) Other Related Parties and Related-Party Transactions

SAMSF is a not for profit corporation that exists for the purpose of promoting education and research at the University. At September 30, 2020, SAMSF had total assets of $10,244,000, net assets of $9,097,000, and total revenues of $1,148,000. At September 30, 2019, SAMSF had total assets of $10,632,000, net assets of $9,403,000, and total revenues of $1,806,000. SAMSF reimburses the University for certain administrative expenses and other related support services. Total amounts received for such expenses were approximately $0 and $412,000 in 2020 and 2019, and are reflected as private grants and contracts in the accompanying statements of revenues, expenses, and changes in net position.

(15) Commitments and Contingencies

Grants and Contracts

At September 30, 2020 and 2019, the University had been awarded approximately $53,257,000 and $36,381,000, respectively, in grants and contracts for which resources had not been received and for which reimbursable expenditures had not been made for the purposes specified. These awards, which represent commitments of sponsors to provide funds for research or training projects, have not been reflected in the accompanying basic financial statements, as the eligibility requirements of the awards have not been met. Advances are included in unrecognized revenues, and include amounts received from grant and contract sponsors which have not been expended under the terms of the agreements and, therefore, have not yet been included in revenues in the accompanying basic financial statements. Federal awards are subject to audit by federal agencies. The University's management believes any potential adjustment from such audits will not be material.

Litigation

Various claims have been filed against the University alleging discriminatory employment practices and other matters. University administration and legal counsel are of the opinion the resolution of these matters will not have a material effect on the financial position or the statements of revenues, expenses, and changes in net position of the University.

Rent Supplement Agreements

The University has entered into two irrevocable rent supplement agreements with a financial institution. The agreements require that, in the event the Corporation fails to maintain a debt service coverage ratio of one to one with respect to all of its outstanding indebtedness, the University will pay to the Corporation any and all rent amounts necessary to cause the Corporation's net operating income to be equal to the Corporation's annual debt service obligations. As of March 31, 2021, and 2020, no amounts were payable pursuant to these agreements.

(16) Recently Issued Accounting Pronouncements

The GASB issued Statement No. 84, Fiduciary Activities, in January 2017. This statement will be effective for the University beginning with the fiscal year ending September 30, 2021. Statement 84 addresses the criteria for identifying fiduciary activities of all state and local governments. In June 2017, the GASB issued Statement No. 87, Leases, which will be effective for the University beginning with the fiscal year ending September 30, 2021. This statement establishes a single model for lease accounting whereby certain leases that were previously classified as operating leases will now be reported on the statements of net position. In June 2018, the GASB issued Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period, which will be effective beginning with fiscal year September 30, 2021. This statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. GASB Statement No. 90, Majority Equity Interests, was issued in August 2018. Effective for the University beginning with the fiscal year ending September 30, 2021, this statement specifies that a majority equity interest in a legally separate organization should be reported as an investment using the equity method, with certain exceptions, if a government holding of the equity interest meets the definition of an investment. In May 2019, the GASB issued Statement No. 91, Conduit Debt Obligations, which will be effective beginning with the fiscal year ending September 30, 2022. The objective of this statement is to clarify the definition of conduit debt obligations, establish that conduit debt is not a liability of the issuer, establish standards for reporting additional commitments and voluntary commitments extended by issuers and improve note disclosures.

In January 2020, the GASB issued Statement No. 92, Omnibus 2020. Effective for the fiscal year ending September 30, 2021, this statement adds clarifying language and implementation guidance for statements 73, 74, 84 and 87.

In March 2020, the GASB issued statement No. 93 Replacement of Interbank Offered Rates and Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements. It is not anticipated that these statements will impact the University.

In May 2020, the GASB issued statement No. 96 Subscription Based Information Technology Arrangements and statement No. 97 Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Plans Deferred Compensation Plans – An Amendment of GASG Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32.

The effect of the implementation of GASB Statement Nos. 84, 87, 89, 90, 91, 92, 96 and 97 on the University has not yet been determined. Statements 93 and 94 will not impact the University.

RESOLUTION

DIRECTOR OF THE USA RESEARCH AND TECHNOLOGY CORPORATION

WHEREAS, pursuant to the Amended Bylaws of the USA Research and Technology Corporation ("Corporation"), the Board of Trustees of the University of South Alabama ("University") shall elect directors of the Corporation who are not officers, employees, or trustees of the University, and

WHEREAS, the Board of Directors of the Corporation is authorized to nominate new directors consistent with the aforesaid for consideration and confirmation by the Board of Trustees of the University, and

WHEREAS, the Board of Directors of the Corporation has nominated for consideration and confirmation by the Board of Trustees of the University Mr. Douglas Whitmore to fill an unexpired, four-year term previously served by the late Mr. Donald L. Langham, effective May 2021 and expiring September 2024, and Mr. Whitmore has agreed to serve in this capacity if elected,

THEREFORE, BE IT RESOLVED that the Board of Trustees of the University of South Alabama does hereby elect as Director of the USA Research and Technology Corporation Mr. Douglas Whitmore to serve the remainder of an existing term of four (4) years beginning in May 2021 and ending in September 2024.

UNIVERSITY OF SOUTH ALABAMA

MEMORANDUM

Office of the Vice President for Research and Economic Development

DATE: May 25, 2021

TO: Dr. John Smith, Acting President

FROM: Lynne Chronister, Vice President, Research and Economic Development

SUBJECT: Agenda Item for June 4, 2021 University of South Alabama Board of Trustees Meeting

I recommend the attached resolution be presented to the USA Board of Trustees at the June 4, 2021, meeting. The USA Research and Technology Corporation (RTC) Board of Directors met on May 25, 2021, and approved the nomination of a RTC director.

LC/bu

Attachment

UNIVERSITY OF SOUTH ALABAMA

MEMORANDUM

Finance and Administration

DATE: May 25, 2021

TO: Acting President John W. Smith

FROM: G. Scott Weldon

SUBJECT: Resolution to Authorize Issuance of the 2021 B Private Placement Bond

Attached is a resolution for consideration by the Board of Trustees concerning the University's 2021B Private Placement Bond (2021B Bond) that will refund our existing 2012A Private Placement Bond (2012A Bond). This resolution will inform the Board of Trustees that a request for proposal has been issued, with the winning bidder to be named on June 15, and the bond closing to take place on July 8. The resolution will also provide authorization to execute any necessary documents for the issuance of the Bond. This transaction refinances existing debt and will not increase debt service.

Some of the specifics of the 2012A Bond and 2021B Bond are:

2012A Bond:

- **Original Amount**: $25,000,000
- **Maturity:** 20 Years
- **Issuer:** BBVA Compass Bank
- **Rate:** 2.92%

2021B Bond:

- **Issue Amount:** $15,387,000
- **Maturity:** 10 Years
- **Parameters:** Rate: Not to exceed 2.5% Principal: Not to exceed $15,387,000
- **Indicative Rate:** Approximately 1.6%
- **Possible NPV Savings:** Approximately $1,160,000

With your consent, this item will be presented to the Board of Trustees for discussion and approval. I recommend the adoption of the resolution by the Board of Trustees.

Attachment

A RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED $15,387,000 PRINCIPAL AMOUNT UNIVERSITY FACILITIES REVENUE BOND, SERIES 2021-B

BE IT RESOLVED by the Board of Trustees (herein called the "Board") of the **UNIVERSITY OF SOUTH ALABAMA** (herein called the "University") as follows:

Section 1. (a) Findings.

The Board has determined and hereby finds and declares that the following facts are true and correct:

(1) The University heretofore issued its $25,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2012-A, dated January 4, 2012, which is presently outstanding in the aggregate principal amount of $16,523,333 (herein called the "Series 2012-A Bond") and was issued under that certain University Facilities Revenue Trust Indenture dated as of February 15, 1996, as supplemented and amended (the "Indenture"), between the University and The Bank of New Mellon Trust Company, N.A, as successor Trustee (herein called the "Trustee");

(2) Under the Indenture the 2012-A Bond may be redeemed by the University on August 1, 2021, and on any date thereafter, and due to the currently favorable interest rate environment, acting upon the advice of PFM Financial Advisors LLC, financial advisor to the University (herein called "PFM"), the University has determined it to be necessary, wise, and in the public interest to refinance the Series 2012-A Bond with proceeds of a loan in an amount not to exceed $15,387,000 (herein called the "Loan"); such loan to be evidenced by the University Facilities Revenue Bond, Series 2021-B (herein called the "Series 2021-B Bond") to be issued by the University as herein authorized; and

(3) The University, acting upon the advice and guidance of PFM, has determined it necessary, wise and in the public interest to secure the best terms for the Loan and the Series 2021-B Bond by conducting a competitive request for proposals (herein called the "RFP") from qualified banks and financial institutions and, following the RFP process, the Vice President for Finance and Administration shall identify the bidder (herein called the "Winning Bidder") whose bid, as determined by the Vice President for Finance and Administration, offers the best terms of finance for the University based upon its adherence to the terms and requirements for the Loan and the Series 2021-B Bond set forth in the Bid Specifications hereinafter defined and the overall cost of finance to the University (such bid herein called the "Winning Bid"); provided, such bid satisfies the criteria set forth in Section 2(b) of this resolution.

(b) Series 2021-B Bond to be Issued as an Additional Bond Under the Indenture; Special Findings Under Section 8.2(b) of the Indenture.

The Series 2021-B Bond shall be issued as an additional parity bond under Article VIII of the Indenture hereinafter referred to. In accordance with the provisions of Section 8.2(b) of the Indenture, the Board hereby finds and declares as follows:

(1) the University is not now in default under the Indenture, and no such default is imminent;

(2) the Series 2021-B Bond shall be designated "Series 2021-B";

(3) the person to whom the Series 2021-B Bond is to be delivered shall be the Winning Bidder, the name of which shall be affixed as Attachment A to this resolution prior to issuance of the Series 2021-B Bond by the Vice President for Finance and Administration and deemed a part hereof as if set out in full herein;

(4) the Series 2021-B Bond is to be issued by sale in accordance with, and at the sale price determined as set forth in, Section 2(b) and Section 9 hereof;

(5) the only bonds that have previously been issued by the University under the Indenture are its (i) $31,680,000 original principal amount University Tuition Revenue Refunding and Capital Improvement Bonds, Series 1996, dated February 15, 1996 (herein called the "Series 1996 Bonds"), which were issued under and pursuant to the Trust Indenture dated as of February 15, 1996; (ii) $7,055,000 original principal amount University Tuition Revenue Refunding Bonds, Series 1996B, dated October 15, 1996 (herein called the "Series 1996B Bonds"), which were issued under and pursuant to the First Supplemental Trust Indenture dated as of October 15, 1996; (iii) $40,130,000.70 original principal amount University Tuition Revenue Bonds, Series 1999, dated March 1, 1999 (herein called the "Series 1999 Bonds"), which were issued under and pursuant to the Second Supplemental Trust Indenture dated as of October 15, 1999; (iv) $51,080,000 original principal amount Tuition Revenue Refunding and Capital Improvement Bonds, Series 2004, dated March 15, 2004 (herein called the "Series 2004 Bonds"), which were issued under and pursuant to the Fourth Supplemental Trust Indenture dated March 15, 2004; (v) $100,000,000 original principal amount University Tuition Revenue Refunding and Capital Improvement Bonds, Series 2006, dated December 1, 2006 (herein called the "Series 2006 Bonds"), which were issued under and pursuant to the Fifth Supplemental Trust Indenture dated as of December 1, 2006; (vi) $112,885,000 original principal amount University Facilities Revenue Capital Improvement Bonds, Series 2008, dated September 1, 2008 (herein called the "Series 2008 Bonds"), which were issued under and pursuant to the Sixth Supplemental University Facilities Revenue Trust Indenture dated as of September 1, 2008; (vii) $29,750,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2010, dated June 16, 2010 (herein called the "Series 2010 Bond"), which was issued under and

pursuant to the Seventh Supplemental University Facilities Revenue Trust Indenture dated as of June 16, 2010 and paid with proceeds of the Series 2019-C Bond hereinafter authorized; (viii) $25,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2012-A, dated January 4, 2012 (herein called the "Series 2012-A Bond"), which was issued under and pursuant to an Eighth Supplemental University Facilities Revenue Trust Indenture dated as of January 4, 2012 (herein called the "Eighth Supplemental Indenture"); (ix) $7,740,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2012-B, dated January 4, 2012 (herein called the "Series 2012-B Bond"), which was issued under and pursuant to the Eighth Supplemental Indenture; (x) $32,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-A, dated June 28, 2013 (herein called the "Series 2013-A Bond"), which was issued under and pursuant to the Ninth Supplemental University Facilities Revenue Trust Indenture dated June 28, 2013 (herein called the "Ninth Supplemental Indenture"); (xi) $8,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-B, dated June 28, 2013 (herein called the "Series 2013-B Bond"), which was issued under and pursuant to the Ninth Supplemental Indenture; (xii) $10,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-C, dated June 28, 2013 (herein called the "Series 2013-C Bond"), which was issued under and pursuant to the Ninth Supplemental Indenture; (xiii) $41,245,000 original principal amount University Facilities Revenue Refunding Bond, Series 2014-A, dated March 14, 2014 (herein called the "Series 2014-A Bond"), which was issued under and pursuant to the Tenth Supplemental University Facilities Revenue Trust Indenture dated March 14, 2014; (xiv) $6,000,000 University Facilities Revenue Capital Improvement Bond, Series 2015, dated June 15, 2015 (herein called the "Series 2015 Bond"), which was issued under and pursuant to the Eleventh Supplemental University Facilities Revenue Trust Indenture dated June 15, 2015; (xv) $85,605,000 University Facilities Refunding Revenue Bonds, Series 2016, dated September 14, 2016 (herein called the "Series 2016 Bonds") which were issued under and pursuant to the Twelfth Supplemental University Facilities Revenue Trust Indenture dated as of March 14, 2014; (xvi) $20,000,000 original principal amount University Facilities Revenue Refunding Bond, Series 2016-B, dated December 7, 2016 (herein called the "Series 2016-B Bond") which was issued under and pursuant to the Thirteenth Supplemental University Facilities Revenue Trust Indenture dated as of December 7, 2016 (herein called the "Thirteenth Supplemental Indenture"), (xvii) $35,000,000 original principal amount University Facilities Revenue Refunding Bond, Series 2016-C, dated December 7, 2016 (herein called the "Series 2016-C Bond") which was issued under the Thirteenth Supplemental Indenture, (xviii) $45,000,000 original principal amount University Facilities Revenue Refunding Bond, Series 2016-D, dated December 7, 2016 (herein called the "Series 2016-D Bond") which was issued under the Thirteenth Supplemental Indenture, (xix) $38,105,000 original principal amount University Facilities Revenue Bonds, Series 2017, dated June 15, 2017 (herein called the "Series 2017 Bonds") which were issued under a Fourteenth Supplemental University Facilities Revenue Trust

Indenture dated June 15, 2017; (xx) $47,750,000 original principal amount University Facilities Revenue Bonds, Series 2019-A, dated February 7, 2019 (herein called the "Series 2019-A Bonds") which were issued under a Fifteenth Supplemental University Facilities Revenue Trust Indenture dated February 7, 2019 (herein called the "Fifteenth Supplemental Indenture"), (xxi) $18,440,000 original principal amount Taxable University Facilities Revenue Bonds, Series 2019-B, dated February 7, 2019 (herein called the "Series 2019-B Bonds") which were issued under the Fifteenth Supplemental Indenture, (xxii) $19,086,000 original principal amount University Facilities Revenue Bond, Series 2019-C, dated December 12, 2019 (herein called the "Series 2019-C Bond") which was issued under a Sixteenth Supplemental University Facilities Revenue Trust Indenture dated December 12, 2019, (xxiii) $37,005,000 original principal amount University Facilities Revenue Bonds, Series 2020, dated March 10, 2020 (herein called the "Series 2020 Bonds") which were issued under a Seventeenth Supplemental University Facilities Revenue Trust Indenture dated March 10, 2020, and (xiv) $40,555,000 original principal amount University Facilities Revenue Bonds, Series 2021, dated March 10, 2021, which were issued under an Eighteenth Supplemental University Facilities Revenue Trust Indenture dated March 10, 2021. The Series 2012-A Bond, the Series 2013-A Bond, the Series 2013-B Bond, the Series 2013-C Bond, the Series 2014-A Bond, the Series 2015 Bond, the Series 2016 Bonds, the Series 2016-B Bond, the Series 2016-C Bond, the Series 2016-D Bond, the Series 2017 Bonds, the Series 2019-A Bonds, the Series 2019-B Bonds, the Series 2019-C Bond, the Series 2020 Bonds, and the Series 2021-A Bonds are herein collectively called the "Outstanding Bonds");

(6) the Outstanding Bonds are the only bonds heretofore issued under the Indenture that are at this time, and immediately prior to issuance of the Series 2021-B Bond will be, outstanding under the Indenture; and

(7) the Series 2021-B Bond is being issued for the purposes described in Section 1 hereof.

The Trustee is hereby requested to authenticate and deliver the Series 2021-B Bond to the purchaser specified in Section 6 hereof upon payment of the purchase price designated therein.

Section 2. RFP Process; Authorization of Loan; Authorization of the Series 2021-B Bond.

(a) The Board does hereby authorize the RFP process, which shall include the circulation of materials setting forth requested terms and provisions for the Loan and the Series 2021-B Bond as set forth in Exhibit I hereto, subject to change or modification as determined by the Interim President and the Vice President for Finance and Administration, or either of them (herein called the "Bid Specifications").

(b) For the purposes specified in Section 1(a) of this resolution, the Board does hereby authorize the Loan and, as evidence thereof, that there be issued by the University its University

Facilities Revenue Bond, Series 2021-B, dated its date of initial issuance (herein called the "Series 2021-B Bond"), in a principal amount of not to exceed $15,387,000, under such terms, conditions and provisions to be set out in the Nineteenth Supplemental Indenture hereinafter defined, which terms, conditions and provisions shall be determined in accordance with the Bid Specifications and, further, shall reflect the following plan of finance (herein called the "Plan of Finance"):

(i) The Series 2021-B Bond shall bear interest at a fixed rate, payable semiannually on each February and August, commencing February 1, 2022.

(ii) The Series 2021-B Bond (1) shall be callable on August 1, 2026, and on any date thereafter, or (2) shall not be subject to optional redemption, all as determined by the Vice President for Finance and Administration pursuant to the Bid Specifications.

(iii) The Series 2021-B Bond may bear interest at a rate not exceeding 2.50%.

(v) The present value of all debt service on the Series 2021-B Bond is not greater than 97.0% percent of the present value of all debt service on the Series 2012-A Bond (as such present value to be computed by PFM using a discount rate equal to the bond yield of the Series 2021-B Bond) determined as if the Series 2012-A Bond was paid and retired in accordance with its schedule annual maturities of principal.

(vi) The Series 2021-B Bond shall have a final maturity of not later than August 1, 2032, and shall have an average life that is not longer than the remaining average life of the refunded Series 2012-A Bond plus 6 months.

(vii) The Series 2021-B Bond shall be sold by September 1, 2021, and shall be issued and delivered by October 15, 2021.

Section 3. Source of Payment of the Series 2021-B Bond.

The principal of and the interest on the Series 2021-B Bond shall be payable from Pledged Revenues as defined in the Indenture. The Series 2021-B Bond shall not represent or constitute an obligation of any nature whatsoever of the State of Alabama (herein called the "State"), and shall not be payable out of moneys appropriated to the University by the State. The agreements, covenants and representations contained in this resolution, in the Series 2021-B Bond and in the Indenture do not and shall never constitute or give rise to any personal or pecuniary liability or charge against the general credit of the University, and in the event of a breach of any such agreement, covenant or representation, no personal or pecuniary liability or charge payable directly or indirectly from the general revenues of the University shall arise therefrom. Neither the Series 2021-B Bond nor the pledge or any agreement contained in the Indenture or in this resolution shall be or constitute an obligation of any nature whatsoever of the State, and neither the Series 2021-B Bond nor any obligations arising from the aforesaid pledge or agreements shall

be payable out of any moneys appropriated to the University by the State. Nothing contained in this section shall, however, relieve the University from the observance and performance of the several covenants and agreements on its part herein contained and contained in the Indenture.

Section 4. Series 2021-B Bond Payable at Par.

All remittances of principal of and interest on the Series 2021-B Bond to the holder thereof shall be made at par without any deduction or exchange or other cost, fees or expenses. The bank at which the Series 2021-B Bond shall at any time be payable shall be considered by acceptance of its duties under the Indenture to have agreed that it will make or cause to be made remittances of principal of and interest on the Series 2021-B Bond, out of the moneys provided for that purpose, in bankable funds at par without any deduction for exchange or other cost, fees or expenses. The University will pay to such bank all reasonable charges made and expenses incurred by it in making such remittances in bankable funds at par.

Section 5. Authorization of Nineteenth Supplemental Indenture.

In connection with the issuance of the Series 2021-B Bond, the Board does hereby authorize and direct the Interim President of the University and the Vice President for Finance and Administration, or either of them, to execute and deliver, for and in the name and behalf of the University, to The Bank of New York Mellon Trust Company, N.A., as trustee (herein called the "Trustee"), a Nineteenth Supplemental University Facilities Trust Indenture dated the date of the Series 2021-B Bond in substantially the form presented to the meeting at which this resolution is adopted and attached as Exhibit II to the minutes of said meeting (which form is hereby adopted in all respects as if set out in full in this resolution), updated to reflect the final pricing terms of the Series 2021-B Bond based upon the Winning Bid and such other changes as shall be determined by the Interim President and the Vice President for Finance and Administration, or either of them, acting on behalf of the University (herein called the "Nineteenth Supplemental Indenture"), and does hereby further authorize and direct the Secretary of the Board, the Vice Chair of the Board and the Chair Pro Tempore of the Board, or any of them, to affix to the Nineteenth Supplemental Indenture the corporate seal of the University and to attest the same. The Nineteenth Supplemental Indenture is supplemental to that certain University Facilities Revenue Trust Indenture between the University and the Trustee dated as of February 15, 1996, as heretofore supplemented and amended (together with the Nineteenth Supplemental Indenture, "Indenture").

Section 6. Sale of the Series 2021-B Bond.

The Series 2021-B Bond shall be sold and delivered to the bidder whose bid, as determined by the Vice President for Finance and Administration, offers the best terms of finance for the University based upon its adherence to the terms and requirements for the Loan and the Series 2021-B Bond set forth in the Bid Specifications and the overall cost of finance to the University, all as determined by the Vice President of Finance and Administration. In connection with the sale of the Series 2021-B Bond to the Winning Bidder, the Board does hereby authorize and direct the Interim President and the Vice President for Finance and Administration of the University, or either of them, to execute and deliver, for and in the name and behalf of the University, such instruments, documents and other agreements as shall be reasonably requested by the Winning

Bidder to make the Loan and acquire the Series 2020-B Bond. The Series 2021-B Bond shall bear such date, shall mature in annual installments at such times, in such amounts and in such manner, shall bear such rates of interest, shall be payable at such place, and shall be in such form and contain such provisions as shall be set out in the Nineteenth Supplemental Indenture authorized in Section 5 above and as further determined by the Interim President and the Vice President for Finance and Administration, or either of them.

Section 7. Execution and Delivery of the Series 2021-B Bond.

The Board does hereby authorize the Interim President of the University and the Vice President for Finance and Administration, or either of them, to execute the Series 2021-B Bond, in the name and on behalf of the University, by manually signing said bond, and does hereby authorize the Secretary of the Board, the Vice Chair of the Board and the Chair Pro Tempore of the Board, or either of them, to cause the corporate seal of the University to be imprinted or impressed on the Series 2021-B Bond and to attest the same by signing the Series 2021-B Bond, and for any such officer to deliver the Series 2021-B Bond, subsequent to its execution as provided herein, to the Winning Bidder following authentication of such bond upon payment of the purchase price thereof.

Section 8. Call of Series 2012-A Bond for Redemption.

The Board does hereby elect to redeem and pay, and does hereby call for redemption and payment, on August 1, 2021, the Series 2012-A Bond; provided, if the Series 2021-B Bond is not issued sooner than ten days prior to August 1, 2021, on such date designated by a Designated Officer that is at least ten days, but not more than twenty days, following issuance of the Series 2021-B Bond (herein called the "2012-A Redemption Date"), at and for a redemption price equal to 100% of the principal amount of the Series 2012-A Bond currently outstanding plus accrued interest thereon to the 2012-A Redemption Date.

Section 9. Designated Officials.

Each of the Interim President of the University and the Vice President for Finance and Administration is herein designated a "Designated Officer". Each of the following members of the Board is hereby designated as a "Designated Board Member" for purposes of this resolution:

Name	Office
Dr. James H. "Jimmy" Shumock	Chair Pro Tempore
Arlene Mitchell	Vice Chair
Tom Corcoran	Chairman of the Budget and Finance Committee

Any Designated Board Member, together with any Designated Officer, are hereby authorized to confirm satisfaction of the Plan of Finance. When the details of the Plan of Finance have been approved by a Designated Board Member and a Designated Officer, the designees shall execute, in the name and on behalf of the Board and the University, respectively, a certificate evidencing such approval (herein called the "Certificate of Compliance") in substantially the form

set forth on Exhibit III hereto, and shall file a copy of such certificate with the Secretary of the Board, and such certificate shall be maintained in the records of the Board by the Secretary of the Board. The Certificate of Compliance may be executed in counterparts.

Section 10. Application of Proceeds.

The entire proceeds derived by the University from the sale of the Series 2021-B Bond, less and except any origination fee retained by the Winning Bidder, shall be paid to the University and used for the redemption and payment of the Series 2012-A Bond and for payment of the costs of issuing the Series 2021-B Bond.

Section 11. Resolution Constitutes Contract; Severability.

The provisions of this resolution shall constitute a contract between the University and the holder of the Series 2021-B Bond. The various provisions of this resolution are hereby declared to be severable. In the event any provision hereof shall be held invalid by a court of competent jurisdiction, such invalidity shall not affect any other portion of this resolution.

Section 12. General Authorization.

The Interim President of the University, the Vice President for Finance and Administration of the University, the Secretary of the Board, the Vice Chair of the Board and the Chair Pro Tempore of the Board, or any of them, are hereby authorized to execute such other agreements, certifications, instruments, notices, consents, acknowledgments, or other documents, containing such terms as such officer shall approve, and to take such other actions as any of them may deem appropriate or necessary, for the consummation of the transactions covered by this resolution (including, without limitation, to obtain the Loan) and to the end that the Series 2021-B Bond may be executed, issued and delivered, and the Series 2012-A Bond redeemed and retired on the 2012-A Redemption Date. The Secretary of the Board, the Vice Chair of the Board and the and the Chair Pro Tempore of the Board, or any of them, are hereby authorized and directed to affix the official seal of the Board to such agreements, certifications, instruments, notices, consents, acknowledgments, or other documents and to attest the same.

EXHIBIT I
BID SPECIFICATIONS

BID SPECIFICATIONS
UNIVERSITY OF SOUTH ALABAMA
$15,387,000
UNIVERSITY FACILITIES REVENUE BOND
SERIES 2021-B

RFP Issued:	May 21, 2021
Final Date for Questions by Bidders:	June 1, 2021
Proposals Due from Bidders:	June 15, 2021 (10:00 a.m.)
Closing Date:	July 8, 2021

Total Amount: Not to exceed $15,387,000

Purpose: To provide funds to retire the University's $25,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2012-A, dated January 4, 2012 (the "2012-A Bond").

Debt Instrument: One limited obligation revenue bond designated University Facilities Revenue Bond, Series 2021-B (the "Series 2021-B Bond"). The Series 2021-B Bond shall be issued as an "Additional Bond" under the Indenture of the University. The form of Series 2021-B Bond shall be as set forth in Section 1.4 in the form of Nineteenth Supplemental Indenture attached as Enclosure III

Interest Rate: Fixed, and not subject to change except upon a Determination of Taxability. For each optional redemption date proposed (see "Optional Redemption") below, bidders will provide (i) a fixed, tax-exempt interest rate, and (ii) the corresponding interest rate upon a Determination of Taxability, as defined in the form of Nineteenth Supplemental Indenture.

The interest rate selected by the University shall not be subject to change for any reason whatsoever except upon a Determination of Taxability, and in that event only to the corresponding taxable rate of interest proposed by the winning bidder.

The University will not, under any circumstances, entertain a response that includes an interest rate exchange agreement, interest rate cap, or other mechanism to "synthetically fix" the interest rate, nor will the University entertain any "interest rate forward" agreement, "interest rate lock" agreement, or similar type of agreement/instrument. Each rate proposed shall be without any requirement or expectation that the University will enter such an agreement or instrument.

Debt Service: Interest payable semi-annually on each February 1 and August 1, commencing February 1, 2022. Interest to be computed as set forth in the form of Series 2021-B Bond contained in the form of Nineteenth Supplemental Indenture. Principal is payable in annual installments on August 1 of each year, as follows:

Year (August 1,)	**Maturing Principal Installment**
2022	$1,259,000
2023	1,299,000
2024	1,337,000
2025	1,377,000
2026	1,421,000
2027	1,465,000
2028	1,510,000
2029	1,557,000
2030	1,602,000
2031	1,655,000
2032	905,000
Total	**$15,387,000**

The University's payments of debt service on the Series 2021-B Bond shall be remitted by the Trustee under the Indenture to the holder. The University will not enter into any direct payment or similar agreement with any holder of the Series 2021-B Bond.

Optional Redemption: Bidders will have the option to submit proposals based on either or both of the following optional redemption provisions:

Option I – No Optional Redemption Right: The Series 2021-B Bond shall not be subject to redemption at the option of the University.

Option II – 5 Year Optional Redemption Right. The Series 2021-B Bond shall be subject to optional redemption by the University, in whole or in part, on August 1, 2026, and on any date thereafter, for no penalty or premium, upon not less than 10 days' prior written notice to the holder.

Bidding: Bids shall be submitted using the Bid Response Forms included herewith. A separate bid form will be required for each optional redemption provision for which a response is submitted.

Legal Counsel: Bidders shall also provide the name and contact information of legal counsel to the bidder, if any, to be utilized by the Bidder in connection with the Series 2021-B Bond.

Authorization: The Board of Trustees heretofore authorized the redemption of the Series 2012-A Bond and the issuance of the Series 2021-B Bond. Prospective bidders may request a copy of the resolution of the University adopted June 4, 2021 authorizing issuance of the Series 2021-B Bond.

Closing: The University seeks to issue the Series 2021-B Bond and close the loan evidenced thereby on July 8, 2021.

The University will inform the apparent winning bidder within two business days of the date bids are received. At the time of the Closing, the total loan amount for the Series 2021-B Bond shall be transferred by the winning bidder pursuant to the written directions of the University.

Security: The principal of and interest on the Series 2021-B Bond shall be payable solely out of, and shall be secured by a lien upon and pledge of, the Pledged Revenues (as defined in the Indenture), and shall not be payable from any other funds or revenues of the University, on a parity of lien with the University's Outstanding Parity Bonds (as described in the form of Nineteenth Supplemental Indenture) and any Additional Bonds (as defined in the Indenture) hereafter issued under the Indenture pursuant to the terms of Article VIII thereof. **BIDDERS MAY NOT PROPOSE ADDITIONAL SECURITY OR CONDITIONS FOR PAYMENT OF DEBT SERVICE ON THE SERIES 2021-B BOND**.

"*Pledged Revenues*" is defined in the Indenture to mean the General Fees, any and all additional fees that have heretofore become subject to the lien of the Indenture pursuant to a supplemental indenture, any additional fees, if any, that may be subjected to the lien of the Indenture pursuant to a supplemental indenture hereafter executed, the Auxiliary Enterprises Revenues and the Children's and Women's Hospital Revenues.

"*General Fees*" is defined in the Indenture to mean all fees now or hereafter levied as a general tuition fee against students enrolled at the University.

"*Auxiliary Enterprises Revenues*" is defined in the Indenture to mean the gross revenues derived from auxiliary enterprises services furnished by the University, including, without limitation, food services, housing, college stores, dining, concessions and other similar services, as such revenues are shown as a separate item on the audited financial statements of the University.

"*Children's and Women's Hospital Revenues*" is defined in the Indenture to mean an amount not exceeding $10,000,000 in any fiscal year of the University of the gross revenues derived from that

certain hospital facility owned and operated by the University and known as USA Children's and Women's Hospital.

Bidders should consult the Indenture and all supplements thereto for the definition and scope of "Pledged Revenues". The Base Indenture, together with all supplements and amendments heretofore executed and delivered, may be found at: **https://drive.google.com/drive/folders/11UZySfMGaw_LLX33Tcw-WwN6vST60_o6.** The form of Nineteenth Supplemental Indenture is included on Enclosure III.

Legal opinion: Bradley Arant Boult Cummings LLP ("Bradley Arant") will deliver the approval and tax-exempt opinion of bond counsel. The Series 2021-B Bond will **not** be designated as bank qualified. The form of approval opinion of Bradley Arant, which is not subject to change, is set forth on Enclosure IV.

Each bidder, by responding to this RFP, consents to Bradley Arant representing the University, and not the said bidder, on this transaction, and waives any existing conflict of interest to such representation notwithstanding the fact that Bradley Arant may be representing such bidder on matters unrelated to the Series 2021-B Bond. The winning bidder may be required to sign a separate instrument respecting this waiver.

Fees: The University shall be responsible only for payment of the fees of Bradley Arant, bond counsel to the University, PFM Financial Advisors LLC, financial advisor to the University, and for the fee of the Trustee under the Indenture. Any legal or other fees of the winning bidder shall be the obligation of the winning bidder, and no bidder may propose that such fees be paid by the University.

Bank Counsel (if any): To the extent a bidder intends to use bank counsel, please indicate the name of the intended firm or attorney that may be used. Please also provide the name of the lawyer contact, a direct telephone number, and email address.

Disclosure Materials: None shall be provided. The winning bidder shall be required to execute a bank letter (prepared by the University's bond counsel to be typed on letterhead of the winning bidder) at closing.

No Rating; No CUSIP: The University will not apply for a rating for the Series 2021-B Bond. The most recent ratings assigned to the University are "A1" by Moody's Investor Service (report date February 10, 2021) and "A+" by S&P Global Ratings (report date February 10, 2021). The Series 2021-B Bond will not be assigned a CUSIP number and they will not be registered in the book-entry only system of DTC.

Proposals: The University reserves the right to reject all proposals and to waive informalities and other terms per the sole discretion of the University.

ALL BIDS FINAL: **ALL BIDS SHALL BE FINAL AS OF THE DATE SUBMITTED, AND SHALL NOT BE MADE SUBJECT TO ADDITIONAL REVIEW OR APPROVAL BY THE BIDDER. ALL PROPOSALS FOR THE SERIES 2021-B BOND SHALL CONTAIN AN AFFIRMATIVE STATEMENT THAT THE BID IS OPEN THE CLOSING OF THE 2021-B BOND ON OR BEFORE JULY 8, 2021.**

THE TERMS OF A BID SHALL BE FINAL AND NOT SUBJECT TO CHANGE OR MODIFICATION THROUGH THE CLOSING DATE UNLESS OTHERWISE AGREED BY THE WINNING BIDDER AND THE UNIVERSITY.

Questions: Please direct all questions to the University and its Financial Advisor as provided below. All question shall be due to the University and its Financial Advisor by June 1, 2021. By June 4, 2021, the University will cause to be circulated to all prospective bidders answers to all questions raised.

University of South Alabama	**PFM Financial Advisors LLC**
Mr. Terry Albano	Mr. Joshua McCoy
University of South Alabama	PFM Financial Advisors LLC
307 University Blvd.	116 Jefferson Street South, Suite 301
Administrative Bldg. Suite 170	Huntsville, AL 35801
Mobile, AL 36688	256-536-3035
251-460-6373	mccoyj@pfm.com
talbano@southalabama.edu	

EXHIBIT II
FORM OF NINETEENTH SUPPLEMENTAL INDENTURE

NINETEENTH SUPPLEMENTAL UNIVERSITY FACILITIES

REVENUE TRUST INDENTURE

between

UNIVERSITY OF SOUTH ALABAMA

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

Dated _____, 2021

NINETEENTH SUPPLEMENTAL UNIVERSITY FACILITIES REVENUE TRUST INDENTURE between the **UNIVERSITY OF SOUTH ALABAMA**, a public body corporate under the laws of the State of Alabama (herein called the "University"), and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.** (as successor Trustee to AmSouth Bank of Alabama and being herein called the "Trustee"), a national banking association in its capacity as Trustee under the Trust Indenture of the University dated as of February 15, 1996, as heretofore supplemented and amended (herein called the "Indenture")

R E C I T A L S

The University makes the following findings as a basis for the undertakings herein contained:

The University makes the following findings as a basis for the undertakings herein contained:

(a) Pursuant to the provisions of the Indenture, the University has issued and sold its (i) $31,680,000 original principal amount of University Tuition Revenue Refunding and Capital Improvement Bonds, Series 1996, dated February 15, 1996, which are no longer outstanding, (ii) $7,055,000 original principal amount University Tuition Revenue Refunding Bonds, Series 1996B, dated October 15, 1996, which are no longer outstanding, (iii) $40,130,000.70 original principal amount University Tuition Revenue Bonds, Series 1999, dated March 1, 1999, which are no longer outstanding (the "Series 1999 Bonds"), (iv) $51,080,000 original principal amount Tuition Revenue Refunding and Capital Improvement Bonds, Series 2004, dated March 15, 2004, which are no longer outstanding, (v) $100,000,000 original principal amount University Tuition Refunding and Capital Improvement Bonds, Series 2006, dated December 1, 2006 (the "Series 2006 Bonds"), which are no longer outstanding, (vi) $112,885,000 original principal amount University Facilities Revenue Capital Improvement Bonds, Series 2008, dated September 1, 2008 (the "Series 2008 Bonds"), which are no longer outstanding, (vii) $29,750,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2010, dated June 16, 2010 (the "Series 2010 Bond"), which is no longer outstanding, (viii) $25,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2012-A, dated January 4, 2012 (the "Series 2012-A Bond"), to be redeemed, retired and defeased with proceeds of the Series 2021-B Bond hereinafter authorized, (ix) $7,740,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2012-B, dated January 4, 2012 (the "Series 2012-B Bond"), which is no longer outstanding, (x) $32,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-A, dated June 28, 2013 (the "Series 2013-A Bond"), (xi) $8,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-B, dated June 28, 2013 (the "Series 2013-B Bond"), (xii) $10,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-C, dated June 28, 2013 (the "Series 2013-C Bond"), (xiii) $41,245,000 original

principal amount University Facilities Revenue Refunding Bond, Series 2014-A, dated March 14, 2014 (the "Series 2014-A Bond"), (xiv) $6,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2015, dated June 15, 2015 (the "Series 2015 Bond"), (xv) $85,605,000 original principal amount University Facilities Revenue Refunding Bonds, Series 2016, dated September 14, 2016 (the "Series 2016 Bonds"), (xvi) $20,000,000 original principal amount University Facilities Revenue Refunding Bond, Series 2016-B, dated December 7, 2016 (the "Series 2016-B Bond"), (xvii) $35,000,000 original principal amount University Facilities Revenue Refunding Bond, Series 2016-C, dated December 7, 2016 (the "Series 2016-C Bond"), (xviii) $45,000,000 original principal amount University Facilities Revenue Refunding Bond, Series 2016-D, dated December 7, 2016 (the "Series 2016-D Bond"), (xix) $38,105,000 original principal amount University Facilities Revenue Bonds, Series 2017, dated June 15, 2017 (the "Series 2017 Bonds"); (xx) $47,750,000 original principal amount University Facilities Revenue Bonds, Series 2019-A, dated February 7, 2019 (the "Series 2019-A Bonds"), (xxi) $18,440,000 original principal amount Taxable University Facilities Revenue Bonds, Series 2019-B, dated February 7, 2019 (the "Series 2019-B Bonds"), (xxii) $19,086,000 original principal amount University Facilities Revenue Bond, Series 2019-C, dated December 12, 2019 (the "Series 2019-C Bond"), (xxiii) $37,005,000 original principal amount University Facilities Revenue Bond, Series 2020, dated March 10, 2020 (the "Series 2020 Bonds"), and (xxiv) $40,555,000 University Facilities Revenue Bonds, Series 2021, dated March 10, 2021 (the "Series 2021-A Bonds");

(b) The Series 2012-A Bond is subject to redemption and payment at the option of the University on and after August 1, 2021, and due to the currently favorable interest rate environment the University has determined it is necessary, wise and in the best interest of the University to refund, on a current basis, the Series 2012-A Bond;

(c) The University has determined to obtain a loan (the "Loan") to pay the costs of refunding the Series 2012-A Bond, and has undertaken a competitive bidding process to identify the lender that offers the most optimal terms and financing costs for the Loan, and [_____] (the "Lender") submitted the bid that provides the best terms and lowest financing costs to the University for refunding the Series 2012-A Bond;

(d) In Article VIII of the Indenture, the University has reserved the right to issue Additional Bonds, secured by a pledge of the Pledged Revenues on a parity with all Additional Bonds outstanding under the Indenture, including the Series 2013-A Bond, the Series 2013-B Bond, the Series 2013-C Bond, the Series 2014-A Bond, the Series 2015 Bond, the Series 2016 Bonds, the Series 2016-B Bond, the Series 2016-C Bond, the Series 2016-D Bond, the Series 2017 Bonds, the Series 2019-A Bonds, the Series 2019-B Bonds, the Series 2019-C Bond, the Series 2020 Bonds, and the Series 2021-A Bonds (collectively, the "Outstanding Bonds"), and with such Additional Bonds as shall hereafter be issued upon compliance with the applicable provisions of said Article VIII;

(e) the University has determined to issue the Series 2021-B Bond hereinafter described and authorized to redeem and retire the Series 2012-A Bond and pay the costs of issuing the Series 2021-B Bond; and

(f) This Nineteenth Supplemental University Facilities Revenue Trust Indenture is being executed to provide for the issuance of the Series 2021-B Bond as an Additional Bond under the Indenture, which such Series 2021-B Bond will evidence the Loan and the obligation of the University to pay principal and interest thereon to the Lender.

Additional Definitions

The following definitions are in addition to those contained in the Indenture:

"Determination of Taxability" shall mean a determination that interest on the Series 2021-B Bond is includable for federal income tax purposes in the gross income (as defined in Section 61 of the Internal Revenue Code of 1986, as amended, or any successor provision thereto) of the registered owner or any former registered owner of the Series 2021-B Bond upon the first to occur of the following, but if and only if such occurrence is the result of an action or failure to act on the part of the University:

(a) the date on which the University is advised in writing by the Commissioner or any District Director of the Internal Revenue Service that, based upon any filings of the University, or upon any review or audit of the University, the interest on the Series 2021-B Bond is includable in the gross income of each registered owner or former registered owner thereof;

(b) the date on which the University receives notice from the registered owner or any former registered owner of the Series 2021-B Bond in writing that the registered owner or former registered owner of the Series 2021-B Bond has received from the Internal Revenue Service a statutory notice of deficiency or similar notice which asserts in effect that the interest on Series 2021-B Bond is includable in the gross income of the registered owner or former registered owner of the Series 2021-B Bond;

(c) the date on which the University is advised in writing by the Commissioner or any District Director of the Internal Revenue Service or otherwise receives notice that there has been issued a public or private ruling of the Internal Revenue Service or a technical advice memorandum issued by the national office of the Internal Revenue Service that the interest on the Series 2021-B Bond is includable for federal income tax purposes in the gross income of the registered owner or former registered owner of the Series 2021-B Bond; or

(d) the date on which the University is advised in writing that a final determination, from which no further right of appeal exists, has been made by a court of competent jurisdiction in the United States of America that the interest on the Series 2021-B Bond is includable in the gross income of the registered owner or former registered owner of the Series 2021-B Bond;

provided, however, (i) interest on the Series 2021-B Bond shall not be deemed includable for federal income tax purposes in the gross income of a registered owner or former registered owner

of the Series 2021-B Bond because interest is includable in the calculation of income for purposes of an alternative minimum tax or any other type of taxation other than regular federal tax imposed on income, and (ii) no Determination of Taxability shall occur under subparagraph (a), (b) or (c) of this definition unless the University has been afforded the opportunity, at the expense of the University, to contest any such conclusion and/or assessment. The University shall be deemed to have been afforded the opportunity to contest if it shall have been permitted to commence and maintain any action in the name of the registered owner or any former registered owner of the Series 2021-B Bond to judgment and through any appeals therefrom or other proceedings related thereto.

"**Interest Payment Date**" means each February 1 and August 1, commencing February 1, 2022.

"**Lender**" means [_____], as lender for the Loan and purchaser of the Series 2021-B Bond.

"**Series 2021-B Bond**" means the $15,387,000 University Facilities Revenue Bond, Series 2021-B, dated [_____], 2021, and authorized to be issued to the Lender hereunder.

NOW, THEREFORE, THIS NINETEENTH SUPPLEMENTAL UNIVERSITY FACILITIES REVENUE TRUST INDENTURE

W I T N E S S E T H:

It is hereby agreed among the University, the Trustee and its successors in trust under the Indenture and the holder at any time of the Series 2021-B Bond hereinafter referred to and the Outstanding Bonds each with each of the others, as follows:

ARTICLE I
SERIES 2021-B BOND

Section 1.1 Description of the Series 2021-B Bond.

(a) Authorization and General Description.

There is hereby authorized to be issued and delivered by the University under the Indenture one University Facilities Revenue Bond, Series 2021-B, dated [_____], 2021, in the principal amount of $15,387,000. Principal installments of the Series 2021-B Bond shall mature and become payable on August 1 in the years and amounts shown below, and interest shall be payable on February 1, 2022, and on each and August 1 and February 1 thereafter, at the per annum rate equal to [____]% (or, following a Determination of Taxability, at the per annum rate equal to [___]%), computed on the basis of the actual number of days between each Interest Payment Date (and, with respect to the interest payment due August 1, 2021, the actual number of days from the date of the Series 2021-B Bond (*i.e.*, [_____], 2021) to August 1, 2021), on a 360 day year, all as set forth in the following amortization schedule; provided, following a

Determination of Taxability, the amount owed as interest on each Interest Payment Date shall be computed as set forth above:

Date	Principal	Interest	Total
02/01/2022	--		
08/01/2022	$1,259,000		
02/01/2023	--		
08/01/2023	1,299,000		
02/01/2024	--		
08/01/2024	1,337,000		
02/01/2025	--		
08/01/2025	1,377,000		
02/01/2026	--		
08/01/2026	1,421,000		
02/01/2027	--		
08/01/2027	1,465,000		
02/01/2028	--		
08/01/2028	1,510,000		
02/01/2029	--		
08/01/2029	1,557,000		
02/01/2030	--		
08/01/2030	1,602,000		
02/01/2031	--		
08/01/2031	1,655,000		
02/01/2032	--		
08/01/2032	905,000		

In the event of a discrepancy between the computation of interest on the Series 2021-B Bond as described above and the amortization schedule set forth above, the payments due under the amortization schedule shall control unless a Determination of Taxability shall have occurred.

(b) Interest Payment Dates.

In the event an Interest Payment Date is not a Business Day, the principal or interest due on such date shall be payable on the then next succeeding Business Day.

(c) Bond Fund Subaccount.

The Trustee may establish one or more accounts within the Bond Fund respecting the Series 2021-B Bond.

Section 1.2 Optional Redemption.

[The Series 2021-B Bond shall not be subject to redemption at the option of the University]/[Those installments of principal of the Series 2021-B Bond having stated maturities on August 1, 2027, and thereafter, shall be subject to redemption prior to their respective maturities, at the option of the University, in whole or in part (but, if in part, in multiples of $5,000 and in inverse order of maturity), on August 1, 2026, and on any date thereafter, at and for a redemption price equal to the par or face amount thereof to be redeemed plus accrued interest thereon to the date fixed for redemption.]

Section 1.3 Method of Payment.

Principal installments of the Series 2021-B Bond shall be payable when due at the designated office of the Trustee in the City of Birmingham, Alabama. Principal and interest on the Series 2021-B Bond shall be payable by wire transfer or by check or draft mailed or otherwise delivered by the Trustee to the Lender at its address as it appears on the registry books of the Trustee pertaining to the registration of the Series 2021-B Bond. Upon final payment of such principal and interest that is due on August 1, 2032 (or the sooner redemption, if in full, of the Series 2021-B Bond), the Lender shall surrender the Series 2021-B Bond to the Trustee. All installments of principal of and interest on the Series 2021-B Bond shall bear interest after the respective maturities of such principal and interest until paid or until moneys sufficient for payment thereof shall have been deposited for that purpose with the Trustee, whichever first occurs, at the rate of interest borne by the Series 2021-B Bond.

Section 1.4 Form of Series 2021-B Bond.

The Series 2021-B Bond and the Trustee's Authentication Certificate applicable thereto shall be in substantially the following forms, respectively, with such insertions, omissions and other variations as may be necessary to conform to the provisions hereof:

THIS SERIES 2021-B BOND MAY BE TRANSFERRED ONLY TO AN "ACCREDITED INVESTOR" OR "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN THE SECURITIES AND EXCHANGE ACT OF 1933 AND THE RULES AND REGULATIONS PROMULGATED THEREUNDER THAT DELIVERS TO THE UNIVERSITY A LETTER CERTIFYING THE SAME, AND ONLY UPON COMPLIANCE WITH APPLICABLE STATE AND FEDERAL SECURITIES LAWS AND WITH THE INDENTURE REFERRED TO HEREIN.

UNITED STATES OF AMERICA

STATE OF ALABAMA

UNIVERSITY OF SOUTH ALABAMA
University Facilities Revenue Bond
Series 2021-B

For value received, the **UNIVERSITY OF SOUTH ALABAMA**, a public body corporate under the laws of the State of Alabama (herein called the "University"), will pay, solely from the sources hereinafter referred to, to **[_____]** (the "Lender"), the principal sum of **FIFTEEN MILLION THREE HUNDRED EIGHTY SEVEN THOUSAND DOLLARS**, in annual installments at the times, in the amounts and as set forth below.

The principal hereof shall mature and become payable in annual installments on August 1 in the years and amounts shown below, and interest shall be payable on February 1, 2022, and on each August 1 and February 1 thereafter (each, an "Interest Payment Date") at the per annum rate equal to [___]% (or, following a Determination of Taxability, at the per annum rate equal to [____]%), computed on the basis of the actual number of days between each Interest Payment Date (and, with respect to the interest payment due February 1, 2022, the actual number of days from the date of this bond (*i.e.*, [_____], 2021) to February 1, 2022), on a 360 day year, all as set forth in the following amortization schedule, provided, following a Determination of Taxability, amounts owed as interest on each Interest Payment Date shall be computed as set forth above:

Date	Principal	Interest	Total
02/01/2022	--		
08/01/2022	$1,259,000		
02/01/2023	--		
08/01/2023	1,299,000		
02/01/2024	--		
08/01/2024	1,337,000		
02/01/2025	--		
08/01/2025	1,377,000		
02/01/2026	--		
08/01/2026	1,421,000		
02/01/2027	--		
08/01/2027	1,465,000		
02/01/2028	--		
08/01/2028	1,510,000		
02/01/2029	--		
08/01/2029	1,557,000		
02/01/2030	--		
08/01/2030	1,602,000		
02/01/2031	--		
08/01/2031	1,655,000		
02/01/2032	--		
08/01/2032	905,000		

In the event of a discrepancy between the computation of interest as described above and this amortization schedule, the payments due under this amortization schedule shall control unless a Determination of Taxability has occurred. As used herein, "Determination of Taxability" shall mean a determination that interest on this bond is includable for federal income tax purposes in the gross income (as defined in Section 61 of the Internal Revenue Code of 1986, as amended, or any successor provision thereto) of the registered owner or any former registered owner hereof

upon the first to occur of the following, but if and only if such occurrence is the result of an action or failure to act on the part of the University:

(a) the date on which the University is advised in writing by the Commissioner or any District Director of the Internal Revenue Service that, based upon any filings of the University, or upon any review or audit of the University, the interest on this bond is includable in the gross income of each registered owner or former registered owner thereof;

(b) the date on which the University receives notice from the registered owner or any former registered owner of this bond in writing that the registered owner or former registered owner of this bond has received from the Internal Revenue Service a statutory notice of deficiency or similar notice which asserts in effect that the interest on this bond is includable in the gross income of the registered owner or former registered owner of this bond;

(c) the date on which the University is advised in writing by the Commissioner or any District Director of the Internal Revenue Service or otherwise receives notice that there has been issued a public or private ruling of the Internal Revenue Service or a technical advice memorandum issued by the national office of the Internal Revenue Service that the interest on this bond is includable for federal income tax purposes in the gross income of the registered owner or former registered owner of this bond; or

(d) the date on which the University is advised in writing that a final determination, from which no further right of appeal exists, has been made by a court of competent jurisdiction in the United States of America that the interest on this bond is includable in the gross income of the registered owner or former registered owner of this bond;

provided, however, (i) interest on this bond shall not be deemed includable for federal income tax purposes in the gross income of a registered owner or former registered owner hereof because interest is includable in the calculation of income for purposes of an alternative minimum tax or any other type of taxation other than regular federal tax imposed on income, and (ii) no Determination of Taxability shall occur under subparagraph (a), (b) or (c) of this definition unless the University has been afforded the opportunity, at the expense of the University, to contest any such conclusion and/or assessment. The University shall be deemed to have been afforded the opportunity to contest if it shall have been permitted to commence and maintain any action in the name of the registered owner or any former registered owner of this bond to judgment and through any appeals therefrom or other proceedings related thereto.

In the event of a Determination of Taxability at any time (including without limitation at any time following full payment of this bond) the University shall pay, upon demand, to each registered owner or former registered owner of this bond as to which the Determination of Taxability is applicable, the amount of any additions to federal income tax and any penalties which shall have been paid or are payable by such registered owners as a result of the failure to include interest on this bond in the gross income thereof for federal income tax purposes, which obligation of the University shall survive payment in full of this bond.

Principal and interest on this bond are payable by check or draft mailed by the Trustee to the Lender on the applicable Interest Payment Date and at the address of the Lender shown on the

registry books of the Trustee pertaining to this bond as of the close of business on the July 15 or January 15, as the case may be, next preceding the date of payment of such principal or interest; provided, if an Interest Payment Date is not a Business Day (as defined in the Indenture), the interest or principal due on such date shall be payable on the next succeeding Business Day.

Principal and interest payments that are due with respect to this bond and that are made by check or draft shall be deemed timely made if such check or draft is mailed by the Trustee on or before the due date of such principal or interest. Both the principal of and the interest on this bond shall bear interest after their respective maturities until paid or until moneys sufficient for payment thereof have been deposited with the Trustee at the per annum rate stated above. The Indenture provides that all payments by the University or the Trustee to the Lender at the address for the Lender shown on the registry books of the Trustee shall to the extent thereof fully discharge and satisfy all liability for the same. Any permitted transferee of this bond takes it subject to all payments of principal and interest in fact made with respect hereto.

This bond is herein entitled "University Facilities Revenue Bond, Series 2021-B" and has been issued under a University Facilities Revenue Trust Indenture dated as of February 15, 1996, as heretofore supplemented and amended and as further supplemented and amended by a Nineteenth Supplemental University Facilities Revenue Trust Indenture dated the date of this bond (the said Trust Indenture, as so supplemented and amended, being herein called the "Indenture"), between the University and The Bank of New York Mellon Trust Company, N.A., as trustee (herein called the "Trustee"). The principal of and the interest on the Series 2021-B Bond is payable solely out of and are secured by a lien upon and pledge of (a) certain fees from students levied by the University, (b) the gross revenues derived from certain auxiliary enterprises services furnished by the University, including food services, housing, college stores, dining, concessions and other similar services, as such revenues are shown as a separate item on the audited financial statements of the University, (c) additional fees and revenues, if any, that may be subjected to the lien of the Indenture pursuant to a Supplemental Indenture, and (d) an amount not exceeding $10,000,000 in any fiscal year of the University of the gross revenues derived from that certain hospital facility owned and operated by the University and known as USA Children’s and Women’s Hospital (herein called the "Pledged Revenues"), and shall not be payable from any other funds or revenues, on a parity of lien with (I) the University’s (a) $25,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2012-A, dated January 4, 2012, (b) $32,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-A, dated June 28, 2013, (c) $8,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-B, dated June 28, 2013, (d) $10,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-C, dated June 28, 2013, (e) $41,245,000 original principal amount University Facilities Revenue Refunding Bond, Series 2014-A, dated March 14, 2014, (f) $6,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2015, dated June 15, 2015, (g) $85,605,000 original principal amount University Facilities Revenue Refunding Bonds, Series 2016, dated September 14, 2016, (h) $20,000,000 original principal amount University Facilities Revenue Refunding Bond, Series 2016-B, dated December 7, 2016, (i) $35,000,000 original principal amount University Facilities Revenue Refunding Bond, Series 2016-C, dated December 7, 2016, (j) $45,000,000 original principal amount University Facilities Revenue Refunding Bond, Series 2016-D, dated December 7, 2016, (k) $38,105,000 original principal amount University Facilities Revenue Bonds, Series 2017, dated June 15, 2017, (l) $47,750,000 original principal amount University Facilities Revenue Bonds, Series 2019-A, dated February 7, 2019, (n) $18,440,000

original principal amount Taxable University Facilities Revenue Bonds, Series 2019-B, dated February 7, 2019, (o) $19,086,000 original principal amount University Facilities Revenue Bond, Series 2019-C, dated December 12, 2019, (p) $37,005,000 original principal amount University Facilities Revenue Bond, Series 2020, dated March 10, 2020, and (q) $40,555,000 University Facilities Revenue Bonds, Series 2021, dated March 10, 2021, and (II) any Additional Bonds hereafter issued pursuant to Article VIII of the Indenture.

Reference is hereby made to the Indenture for a description of the nature and extent of the security afforded thereby, the rights and duties of the University and the Trustee with respect thereto, the rights of the Lender of this bond and the terms and conditions on which additional series of bonds may be issued on a parity of lien with this bond. The Indenture provides, inter alia, (a) that in the event of default by the University in the manner and for the time therein provided, the Trustee may declare the principal of and the interest accrued on this bond immediately due and payable, whereupon the same shall thereupon become immediately due and payable and the Trustee shall be entitled to pursue the remedies provided in the Indenture, (b) that the holder of this bond shall have no right to enforce the provisions of the Indenture except as provided therein and then only for the equal and pro rata benefit of the holders of all the Bonds, and (c) that if this bond shall not be presented for payment when due (whether by maturity or otherwise) and if funds sufficient for such payment shall have been made available to the Trustee therefore, all liability of the University to the holder of such bond and all rights of such holder against the University under such bond or under the Indenture shall cease and terminate and that the sole right of such holder shall thereafter be against the said funds so made available, which the Trustee is required to set aside and hold, subject to any applicable escheat or other similar law, for the benefit of such holder. The Indenture also provides that the University and the Trustee, with the written consent of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding under the Indenture, may at any time and from time to time amend the Indenture or any indenture supplemental thereto, provided that no such amendment shall (1) without the consent of the holder of each Bond affected, reduce the principal of, the rate of interest on any Bond, or (2) without the consent of the holders of all the Bonds then outstanding under the Indenture, extend the maturity of any installment of principal or interest on any of the Bonds, make any change in the schedule of required sinking fund or other similar payments with respect to any series of the Bonds, create a lien or charge on the Pledged Revenues ranking prior to or (except in connection with the issuance of additional parity bonds under the Indenture) on a parity with the lien or charge thereon contained in the Indenture, effect a preference or priority of any Bond over any other Bond or reduce the aggregate principal amount of Bonds the holders of which are required to consent to any such amendment.

[This bond shall not be subject to redemption at the option of the University.]/[Those installments of principal of this bond having stated maturities on August 1, 2027, and thereafter, shall be subject to redemption prior to their respective maturities, at the option of the University, in whole or in part (but, if in part, in multiples of $5,000 and in inverse order of maturity), on August 1, 2026, and on any date thereafter, at and for a redemption price equal to the par or face amount thereof to be redeemed plus accrued interest thereon to the date fixed for redemption.]

This bond is not a general obligation of the University, and the covenants and representations herein contained or contained in the Indenture do not and shall never constitute a personal or pecuniary liability or charge against the general credit of the University. This bond is not an obligation or debt of the State of Alabama nor are the faith and credit of said state pledged

for payment thereof, and neither the principal of nor interest on this bond is payable out of any moneys provided for or appropriated to the University by the State of Alabama.

It is hereby certified that all conditions, actions and things required by the Constitution and laws of Alabama to exist, be performed and happen precedent to or in the issuance of this bond do exist, have been performed and have happened in due and legal form.

The Trustee shall not be required so to transfer or exchange this bond during the period of fifteen days next preceding any interest payment date with respect thereto.

Execution by the Trustee of its authentication certificate hereon is essential to the validity hereof and is conclusive of the due issue hereof under the Indenture.

IN WITNESS WHEREOF, the University has caused this bond to be executed in its name and behalf with the signature of its Interim President, has caused a facsimile of its corporate seal to be hereunto imprinted, has caused this bond to be attested by the signature of the Secretary of its Board of Trustees, and has caused this bond to be dated [_____], 2021.

UNIVERSITY OF SOUTH ALABAMA

By: _____
Interim President
University of South Alabama

[S E A L]

Attest:

_____
Secretary of the
Board of Trustees

Form of Trustee's Authentication Certificate

Date of Authentication and Registration:

The within bond is one of those described in the within-mentioned Trust Indenture.

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
Trustee

By: _____
Its Authorized Officer

Section 1.5 Execution and Delivery of the Series 2021-B Bond.

The Series 2021-B Bond shall be forthwith executed and delivered to the Trustee and shall be authenticated and delivered by the Trustee from time to time upon receipt by the Trustee of an order signed on behalf of the University by its Interim President, requesting such authentication and delivery and designating the person or persons to receive the same or any part thereof.

Section 1.6 Application of Proceeds from the Sale of the Series 2021-B Bond.

Proceeds from the sale of the Series 2021-B Bond shall be remitted, used and applied as directed in writing by the Vice President for Finance and Administration for the redemption and payment of the Series 2012-A Bond and for payment of the costs of issuing the Series 2021-B Bond. The Interim President of the University and the Vice President for Finance and Administration, or either of them, are hereby authorized to enter such agreements, establish such funds or accounts, and make such directions on behalf of the University as shall be necessary for the holding and investment of proceeds from the Series 2021-B Bond pending application thereof for redemption and payment of the Series 2012-A Bond and payment of the costs of issuing the Series 2021-B Bond.

ARTICLE II
CONCERNING THE CODE

Section 2.1 Concerning the Code.

(a) General.

The University recognizes that the Code imposes certain conditions to the exemption from federal income taxation of interest income on the Series 2021-B Bond. Accordingly, the University agrees that it will continually comply with all requirements imposed by the Code as a condition to the exemption from federal income taxation of the interest income on the Series 2021-B Bond. With respect to any question arising under this Section 2.1, the University may rely upon an opinion of nationally recognized bond counsel acceptable to it.

(b) Series 2021-B Bond not to be "Private Activity Bonds".

The University will not apply the proceeds of the Series 2021-B Bond in any manner that would cause the Series 2021-B Bond to be a "private activity bond" within the meaning of Section 141(a) of the Code.

(c) Concerning the Arbitrage Provisions of the Code.

The University agrees that it will comply with all provisions of the Code necessary to preclude the Series 2021-B Bond from being considered an "arbitrage bond" within the meaning of Section 148 of the Code.

(d) Provisions Respecting Registration of Series 2021-B Bond to Comply with Provisions of Code.

The University and the Trustee recognize that the provisions of the Code require that the Series 2021-B Bond be in "registered form" and that, in general, the Series 2021-B Bond must be registered as to both principal and interest and any transfer of the Series 2021-B Bond must be effected only by the surrender of the old bond and either by the reissuance of the old bond to a new Holder or the issuance of a new bond to a new Holder. The Trustee may conclusively rely upon an opinion of nationally recognized bond counsel with respect to any question which may arise pertaining to the transfer, exchange or reissuance of the Series 2021-B Bond.

ARTICLE III
CONCERNING PLEDGED REVENUES; CONFIRMATION OF INDENTURE, AS SUPPLEMENTED

Section 3.1 Confirmation of Indenture.

All the terms, covenants and conditions of the Indenture, as supplemented hereby, are hereby in all respects ratified and confirmed, and the Indenture as so supplemented shall continue in full force and effect. In addition, each of the Trustee and the University confirms that the Trustee shall have no duties, express or implied, respecting the proceeds of the Series 2021-B Bond during any time when the Trustee is not the depository of such amounts.

Section 3.2 Confirmation of Pledges.

The provisions of the Indenture, wherein the Pledged Revenues are pledged for payment of all Bonds issued under the Indenture, are hereby ratified and confirmed.

Section 3.3 Construction of Nineteenth Supplemental University Facilities Revenue Trust Indenture.

No provisions of this Nineteenth Supplemental University Facilities Revenue Trust Indenture shall be construed to limit or restrict, either expressly or impliedly, the obligations of the University contained in the Indenture or the powers of the Trustee thereunder, nor shall the provisions of this Nineteenth Supplemental University Facilities Revenue Trust Indenture be construed in any manner inconsistent with the provisions of the Indenture or in any manner that would adversely affect the interest of the Lender as holder of the Series 2021-B Bond.

Section 3.4 Special Covenants in Favor of Lender.

So long as the Series 2021-B Bond remains outstanding, the University shall provide the Lender the audited financial statements of the University within 150 days following the close of each fiscal year of the University, commencing with the fiscal year ending September 30, 2021. This obligation may be satisfied by the University for any fiscal year by the timely filing by the University of its audited financial statements for such year on the Electronic Municipal Market

Access ("EMMA") system provided by the Municipal Securities Rulemaking Board ("MSRB"), or such other public repository as shall be identified for such purpose by the MSRB or similar regulatory body.

Section 3.5 Authorized Denominations.

The Series 2021-B Bond may have principal installments maturing in denominations of any amount.

Section 3.6 No Broker Confirmations.

The University agrees that broker confirmations of investments in connection with the Series 2021-B Bond are not required to be issued by the Trustee for each month in which a monthly statement is rendered or made available by the Trustee.

Section 3.7 Electronic Communications.

The Trustee shall have the right to accept and act upon directions or instructions given by the University and delivered using Electronic Means (defined below); provided, however, that the University shall provide to the Trustee an incumbency certificate listing Authorized Officers with the authority to provide such directions or instructions (each an "Authorized Officer") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the University elects to give the Trustee directions or instructions using Electronic Means and the Trustee in its discretion elects to act upon such directions or instructions, the Trustees' understanding of such directions or instructions shall be deemed controlling. The University understands and agrees that the Trustee cannot determine the identity of the actual sender of such directions or instructions and that the Trustee shall conclusively presume that directions or instructions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The University shall be responsible for ensuring that only Authorized Officers transmit such directions or instructions to the Trustee and that all Authorized Officers treat applicable user and authorization codes, passwords and/or authentication keys as confidential and with extreme care. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such directions or instructions notwithstanding such directions or instructions conflict or are inconsistent with a subsequent written direction or written instruction. The University agrees: (i) to assume all risks arising out of the use of Electronic Means to submit directions or instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized directions or instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting directions or instructions to the Trustee and that there may be more secure methods of transmitting directions or instructions; (iii) that the security procedures (if any) to be followed in connection with its transmission of directions or instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures. "Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords

and/or authentication keys, or another method or system specified by the Trustee as available for use in connection with its services hereunder.

Section 3.8 Severability.

In the event that any provision hereof shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

IN WITNESS WHEREOF, the University and the Trustee have each caused this Nineteenth Supplemental University Facilities Revenue Trust Indenture to be executed in its name and behalf by an authorized officer thereof, have caused its corporate seal to be hereunto affixed, and have caused this Nineteenth Supplemental University Facilities Revenue Trust Indenture to be dated [_____], 2021.

UNIVERSITY OF SOUTH ALABAMA

By: _____
Interim President

[S E A L]

Attest:

_____
Secretary of the Board of Trustees

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee

By: _____

Its: _____

[S E A L]

Attest:

Its: _____

STATE OF ALABAMA)
:
COUNTY OF MOBILE)

I, _____, a Notary Public in and for said county in said state, hereby certify that John Smith, whose name as the Interim President of the **UNIVERSITY OF SOUTH ALABAMA,** a public body corporate under the laws of Alabama, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the within instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said public corporation.

GIVEN under my hand and official seal of office, this [____] day of [_____], 2021.

_____
Notary Public

[NOTARIAL SEAL]

STATE OF ALABAMA)
:
COUNTY OF JEFFERSON)

I, _____, a Notary Public in and for said county in said state, hereby certify that Stuart Statham, whose name as Vice President of **THE BANK OF NEW YORK MELLON TRUST COMPANY, N. A.**, in its capacity as Trustee under that certain Trust Indenture dated as of February 15, 1996, between it and the University of South Alabama, as supplemented, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the within instrument, as such officer and with full authority, executed the same voluntarily for and as the act of said bank, in its capacity as trustee as aforesaid.

GIVEN under my hand and official seal of office, this [___] day of [_____], 2021.

_____
Notary Public

[NOTARIAL SEAL]

EXHIBIT III

FORM OF CERTIFICATE OF COMPLIANCE

This Certificate of Compliance is being delivered by the undersigned member of The Board of Trustees (herein called the "Board") of The University of South Alabama (herein called the "University"), in such member's capacity as a Designated Board Member, and by the undersigned [Interim President of the University]/[Vice President for Finance and Administration], in such officer's capacity as a Designated Officer, with respect to the issuance by the University of its $15,387,000 University Facilities Revenue Bond, Series 2021-B (herein called the "Series 2021-B Bond") under, pursuant to and in accordance with that certain resolution adopted on June 4, 2021 by the Board (herein called the "Authorizing Resolution"). The Plan of Finance for the Series 2021-B Bond is described in the Authorizing Resolution. Capitalized terms used and not otherwise defined herein shall have the meaning ascribed thereto in the Authorizing Resolution.

Each of the undersigned does hereby declare, certify, establish and order, as follows:

1. The undersigned is a Designated Board Member or a Designated Officer as described and set forth in the Authorizing Resolution.

2. Each of the undersigned confirms and verifies that the Series 2021-B Bond has been sold and is to be issued in accordance with the Authorizing Resolution and the Plan of Finance.

3. Each of the undersigned confirms and verifies that [_____] has been determined to be the Winning Bidder pursuant to and in accordance with the terms of the Authorizing Resolution.

IN WITNESS WHEREOF, this certificate and order has been executed on behalf of the Board and the University.

Dated: _____, 2021.

Designated Board Member

By:_____

Name:_____

Title:_____

Designated Officer

By:_____

Name:_____

Title:_____

Attachment A
Winning Bidder

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

LONG-RANGE PLANNING COMMITTEE

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Long-Range Planning Committee

March 4, 2021
3:25 p.m.

A meeting of the Long-Range Planning Committee of the University of South Alabama Board of Trustees was duly convened by Ms. Chandra Brown Stewart, Chair, on Thursday, March 4, 2021, at 3:25 p.m. in the Chief Calvin W. McGhee Grand Ballroom of the MacQueen Alumni Center. Public access was provided via YouTube livestream.

Members:	Chandra Brown Stewart, Lenus Perkins, Steve Stokes, Mike Windom and Jim Yance were present and Ron Jenkins participated remotely.
Other Trustees:	Alexis Atkins, Scott Charlton, Tom Corcoran, Steve Furr, Ron Graham, Arlene Mitchell, Jimmy Shumock, Ken Simon and Margie Tuckson.
Administration & Guests:	Owen Bailey, Lynne Chronister, Angela Coleman, Kristin Dukes, Joel Erdmann, Julie Estis, Monica Ezell, Paul Frazier, Mike Haskins, Andi Kent, Nick Lawkis, John Marymont, Mike Mitchell, Laura Schratt, John Smith, Margaret Sullivan, Tony Waldrop and Scott Weldon.

The meeting came to order and the attendance roll was called, **Item 23**. Ms. Brown Stewart called for consideration of the minutes of the meeting held on December 2, 2020, **Item 24**. On motion by Mr. Yance, seconded by Mr. Windom, the Committee voted unanimously to adopt the minutes.

Ms. Brown Stewart called on Associate Vice President for Institutional Effectiveness Dr. Angela Coleman for a report on the strategic planning process, **Item 25**. Dr. Coleman advised that, with President Waldrop's imminent retirement, it was recommended that delaying the update of the strategic plan (the Plan) would be best with the exception of proceeding now to update priority area definitions based upon conversations, data collected by the Strategic Planning Committee and input received from the University community. She reported that efforts moving forward would focus on identifying new objectives for each priority, thus setting clear expectations for success over the next two to three years or until the new president could establish a new strategic planning agenda. She stated the new objectives would be derived from broad-based community feedback across constituencies and complement the goals and priorities of each division. She anticipated that the updated Plan would be presented to the Board for authorization in December 2021, noting that the Plan would provide continuity and structure in order for the budgeting and assessment systems to function in accordance with SACSCOC (Southern Association of Colleges and Schools Commission on Colleges) compliance expectations for institutional planning and effectiveness. She also said information gathered as a result of the strategic planning process would ensure USA's next quality enhancement plan emerges with wide-ranging support in concurrence with South's SACSCOC reaffirmation reporting in September 2022.

There being no further business, the meeting was adjourned at 3:29 p.m.

Respectfully submitted:

Chandra Brown Stewart, Chair

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

COMMITTEE OF THE WHOLE

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Committee of the Whole

March 4, 2021
3:32 p.m.

A meeting of the Committee of the Whole of the University of South Alabama Board of Trustees was duly convened by Mr. Jimmy Shumock, Chair *pro tempore*, on Thursday, March 4, 2021, at 3:32 p.m. in the Chief Calvin W. McGhee Grand Ballroom of the MacQueen Alumni Center. Public access was provided via YouTube livestream.

Members:	Alexis Atkins, Chandra Brown Stewart, Tom Corcoran, Steve Furr, Ron Graham, Lenus Perkins, Jimmy Shumock, Steve Stokes, Mike Windom and Jim Yance were present and Scott Charlton, Ron Jenkins, Arlene Mitchell, Ken Simon and Margie Tuckson participated remotely.
Member Absent:	Kay Ivey.
Administration & Guests:	Owen Bailey, Lynne Chronister, Kristin Dukes, Joel Erdmann, Julie Estis, Monica Ezell, Paul Frazier, Mike Haskins, Andi Kent, Nick Lawkis, John Marymont, Mike Mitchell, Laura Schratt, John Smith, Margaret Sullivan, Tony Waldrop and Scott Weldon.

The meeting came to order and the attendance roll was called, **Item 28**. Chairman Shumock called for adoption of the revised agenda, **Item 28.A**. On motion by Mr. Graham, seconded by Ms. Mitchell, the Committee voted unanimously to adopt the revised agenda. Chairman Shumock called for consideration of the minutes of the meeting held on December 2, 2020, **Item 29**. On motion by Ms. Atkins, seconded by Dr. Furr, the Committee voted unanimously to adopt the minutes.

Mr. Shumock presented Item **29.A**, a resolution authorizing the amendment of the Presidential Search Guidelines (the Guidelines), as well as the appointment of a Presidential Search Committee (PSC). (To view approved resolutions, policies and other authorized documents, refer to the minutes of the Board of Trustees meeting held on March 5, 2021). Mr. Shumock and Ms. Dukes explained the changes to the Guidelines that allowed for the addition of a student to represent the graduate student body on the PSC and the Board chair to appoint a secretary for the PSC rather than the Board secretary automatically serving as PSC secretary. On motion by Mr. Yance, seconded by Mr. Graham, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

In accordance with the provisions of the Alabama Open Meetings Act, Chairman Shumock made a motion to convene an executive session for an anticipated duration of 45 minutes for the purpose of discussing good name and character and pending or threatened litigation, **Item 30**. He said that Ms. Dukes had submitted the required written declaration for the minutes and that the meeting would effectively be adjourned at the conclusion of the executive session. Ms. Mitchell seconded and, at 3:37 p.m., the Committee of the Whole voted unanimously to convene an executive session, as recorded below, with Chairman Shumock directing the Trustees present to move into the Moulton Board Room and the Trustees participating remotely to join momentarily:

AYES:
- Ms. Atkins
- Ms. Brown Stewart
- Dr. Charlton
- Mr. Corcoran
- Dr. Furr
- Mr. Graham
- Capt. Jenkins
- Ms. Mitchell
- Mr. Perkins
- Mr. Shumock
- Judge Simon
- Dr. Stokes
- Ms. Tuckson
- Judge Windom
- Mr. Yance

There being no further business, the meeting was adjourned at 4:47 p.m.

Respectfully submitted:

James H. Shumock, Chair *pro tempore*

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Evaluation and Compensation Committee

March 4, 2021
3:29 p.m.

A meeting of the Evaluation and Compensation Committee of the University of South Alabama Board of Trustees was duly convened by Capt. Ron Jenkins, Chair, on Thursday, March 4, 2021, at 3:29 p.m. in the Chief Calvin W. McGhee Grand Ballroom of the MacQueen Alumni Center. Public access was provided via YouTube livestream.

Members:	Tom Corcoran, Steve Furr and Mike Windom were present and Scott Charlton, Ron Jenkins, Arlene Mitchell and Ken Simon participated remotely.
Other Trustees:	Alexis Atkins, Chandra Brown Stewart, Ron Graham, Lenus Perkins, Jimmy Shumock, Steve Stokes, Margie Tuckson and Jim Yance.
Administration & Guests:	Owen Bailey, Lynne Chronister, Kristin Dukes, Joel Erdmann, Julie Estis, Monica Ezell, Paul Frazier, Mike Haskins, Andi Kent, Nick Lawkis, John Marymont, Mike Mitchell, Laura Schratt, John Smith, Margaret Sullivan, Tony Waldrop and Scott Weldon.

The meeting came to order and the attendance roll was called, **Item 26**. Capt. Jenkins discussed the evaluation of the University President, **Item 27**, reporting that President Waldrop had submitted to the Committee a summary of significant accomplishments for 2020 and major goals for 2021, as well as an extensive outline of University accomplishments and goals compiled by members of the President's Council. He shared the list of the noteworthy accomplishments cited by President Waldrop, which included the financial success of USA Health, the success of the capital campaign which exceeded the goal despite the COVID-19 pandemic, the completion of Hancock Whitney Stadium on time and under budget, the best overall financial budget notwithstanding the pandemic, and the securing of $50 million for a new medical school building. On behalf of the Committee, he thanked President Waldrop and the President's Council, faculty and staff for the outstanding results achieved in 2020. He advised that reports of this type would be provided annually to the Committee and to the Board, and said the current reports were being made available to all Board members. Trustees shared a round of applause for the positive report and Chairman Shumock thanked President Waldrop for his service

There being no further business, the meeting was adjourned at 3:32 p.m.

Respectfully submitted:

Robert D. Jenkins, Chair

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Executive Committee

April 13, 2021
12:00 p.m.

A meeting of the Executive Committee of the University of South Alabama Board of Trustees was duly convened by Mr. Jimmy Shumock, Chair *pro tempore*, on Tuesday, April 13, 2021, at 12:00 p.m. in the Board Room of the Frederick P. Whiddon Administration Building. Public access was provided via YouTube livestream.

Members:	Alexis Atkins, Jimmy Shumock and Jim Yance were present and Tom Corcoran, Steve Furr and Arlene Mitchell participated remotely.
Member Absent:	Ken Simon.
Other Trustees:	Chandra Brown Stewart, Ron Graham, Ron Jenkins and Lenus Perkins.
Administration & Guests:	Kristin Dukes, Monica Ezell, Mike Haskins and John Smith.

The meeting came to order and the attendance roll was called, **Item 1**. Chairman Shumock called for a motion to adopt a revised agenda to include an executive session. On motion by Mr. Yance, seconded by Ms. Atkins, the Committee voted unanimously to adopt a revised agenda.

Chairman Shumock said the purpose of the meeting was to address the actions required of the Board and procedural matters as outlined in the Presidential Search Guidelines (the Guidelines) in order for the search process to continue. He added that the President Search Committee (PSC) had recently held its first meeting. He presented a charge from the Board of Trustees to the PSC, **Item 2**, and called for the Committee's consideration. On motion by Ms. Mitchell, seconded by Ms. Atkins, the Committee voted unanimously to approve the charge to the PSC.

Chairman Shumock presented **Item 3**, the authorization of a preliminary budget for the president search process. He reviewed that costs incurred for the 2013-2014 search process were in the range of $175,000 to $180,000 and stated that the fees recently quoted by several national search firms were comparable to those submitted in 2013. He indicated that the Board's selection of the search firm recommended by the PSC would likely hold search costs near the amount spent for the previous search. He suggested that a preliminary search budget of $200,000 should be ample for the completion of the search and called for the Committee's consideration. On motion by Mr. Corcoran, seconded by Mr. Yance, the Committee voted unanimously to approve a preliminary search budget of $200,000.

Chairman Shumock introduced **Item 4**, the authorization of a national search firm to assist the PSC through the search process. He advised that the PSC reached full consensus on its recommendation of R. William Funk and Associates (RWF), the same firm that assisted South with the 2013-2014 president search. He added that RWF had been involved in many successful searches for high-profile institutions and he made a motion to approve RWF to represent USA in the search for the next president. Ms. Atkins seconded and the Committee voted unanimously to approve the engagement of RWF.

Chairman Shumock gave an overview of the president search process, **Item 5**, addressing each aspect of the *Board of Trustees Actions* and *Search Committee Actions* portions of the Guidelines. He advised that Trustees who were not PSC members could observe PSC meetings, but could not participate. He stated the PSC would hold a meeting soon with the involvement of the search firm. He anticipated that the PSC would receive candidate information over the summer and be able to recommend a short list of finalists to the Board during the fall, at which time, he stated, the identities of the candidates would become public and the entire campus community would become fully engaged in the search process. He stated the Board, as per the Guidelines, would be working through the details concerning the role of the outgoing president.

In accordance with the provisions of the Alabama Open Meetings Act, Chairman Shumock made a motion to convene an executive session for an anticipated duration of 30 minutes for the purpose of discussing good name and character. He said Ms. Dukes had submitted the required written declaration for the minutes and that the meeting would effectively be adjourned at the conclusion of the executive session. Ms. Atkins seconded and, at 12:23 p.m., the Executive Committee voted unanimously to convene an executive session, as recorded below.

AYES:
- Ms. Atkins
- Mr. Corcoran
- Dr. Furr
- Ms. Mitchell
- Mr. Shumock
- Mr. Yance

There being no further business, the meeting was adjourned at 12:57 p.m.

Attest to: Respectfully submitted:

Katherine Alexis Atkins, Secretary James H. Shumock, Chair *pro tempore*

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Executive Committee

April 15, 2021
8:30 a.m.

A meeting of the Executive Committee of the University of South Alabama Board of Trustees was duly convened by Mr. Jimmy Shumock, Chair *pro tempore*, on Thursday, April 15, 2021, at 8:30 a.m. in the Board Room of the Frederick P. Whiddon Administration Building. Public access was provided via YouTube livestream.

Members:	Alexis Atkins, Jimmy Shumock and Jim Yance were present and Tom Corcoran, Steve Furr, Arlene Mitchell and Ken Simon participated remotely.
Other Trustees:	Ron Jenkins and Lenus Perkins.
Administration & Guests:	Kristin Dukes, Monica Ezell and John Smith.

The meeting came to order and the attendance roll was called, **Item 1**. Chairman Shumock read **Item 2** as follows and moved for the approval of the resolution. Mr. Yance seconded and the Committee voted unanimously to approve the resolution:

RESOLUTION
PRESIDENTIAL TRANSITION

WHEREAS, President Tony G. Waldrop has announced his retirement effective July 1, 2021, and

WHEREAS, after discussions with President Waldrop, the Executive Committee of the Board of Trustees ("the Board") has agreed to allow him to utilize his accrued vacation time for the remainder of his employment with the University of South Alabama ("USA"), and

WHEREAS, the Chair Pro Tempore of the Board has requested and received a commitment from Dr. John W. Smith, Executive Vice President, to serve as acting president until such time that USA's next president is selected and begins service,

THEREFORE, BE IT RESOLVED, the Executive Committee, on behalf of the Board of Trustees of the University of South Alabama, hereby extends its heartfelt gratitude to President Waldrop for his service to the University through a tremendous period of growth and improvement in academics, healthcare, student life and athletics, and

BE IT FURTHER RESOLVED that the Executive Committee of the Board of Trustees hereby approves the appointment of Dr. John W. Smith as acting president until the next president begins employment at the University.

There being no further business, the meeting was adjourned at 8:33 a.m.

Attest to: Respectfully submitted:

Katherine Alexis Atkins, Secretary James H. Shumock, Chair *pro tempore*

RESOLUTION

BOARD MEETING SCHEDULE
2021-2022

WHEREAS, Article II, Section 1, of the Bylaws provides that the Board shall schedule annually, in advance, regular meetings of the Board to be held during the ensuing year, and may designate one of such meetings as the annual meeting of the Board,

THEREFORE, BE IT RESOLVED that the regular meetings of the University of South Alabama Board of Trustees shall be held on the following dates:

- Friday, September 3, 2021
- Thursday, December 2, 2021
- Friday, March 11, 2022
- Friday, June 3, 2022

and,

FURTHER, BE IT RESOLVED that the date of June 3, 2022, be designated as the annual meeting of the University of South Alabama Board of Trustees for 2021-2022.

RESOLUTION

COMMENDATION OF PRESIDENT TONY G. WALDROP

WHEREAS, Dr. Tony G. Waldrop was named as the third president of the University of South Alabama (USA) on February 2, 2014, and subsequently began his tenure at South on April 1, faithfully and honorably serving the University and its students, faculty, staff and alumni during a seven-year presidency, and

WHEREAS, President Waldrop organized the University's future around five priorities – student access and success, enhancement of research and graduate education, excellence in healthcare, global engagement and University-community engagement – and the Institution has achieved measured progress in each of these categories, and

WHEREAS, under President Waldrop's leadership, the University has enrolled the highest-achieving freshman classes in its history and improved academic advising, academic facilities, and housing and student life, leading to higher retention and graduation rates, and

WHEREAS, President Waldrop launched the Pathway USA partnership with regional community colleges, opened USA's Honors College, and closed a capital campaign that raised more than $160 million for scholarships, fellowships, equipment and facilities, and

WHEREAS, President Waldrop streamlined international initiatives under Global USA and increased the number of students participating in study abroad programs, expanding educational opportunities and preparing students for a global workforce, and

WHEREAS, the University, under President Waldrop's leadership, responded to business and industry needs by adding graduate programs and, in 2020, grew its research awards to historic levels, and

WHEREAS, President Waldrop oversaw a significant expansion of USA Health, which during his presidency added dozens of new physicians and practices to its roster of providers, expanding and improving options for patients across coastal Alabama, and

WHEREAS, President Waldrop has played an active civic role in South Alabama and has encouraged the University community to do the same, including through the creation of the Office of Community Engagement, and

WHEREAS, in recent years, the University has added and enhanced its facilities, improving both infrastructure and aesthetics, including construction of the MacQueen Alumni Center; Health Simulation Building; Fanny Meisler Trauma Center, which is a modern new home for the region's only Level I Trauma Center providing world-class emergency services at USA Health University Hospital; and Hancock Whitney Stadium, which is a state-of-the-art college football venue serving as a centerpiece for campus life, pride and unity, and

WHEREAS, President Waldrop announced his retirement effective July 1, 2021, in order to return to North Carolina, where Dr. Julee Waldrop, his wife, accepted a position at Duke University as assistant dean for the School of Nursing,

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees extends its utmost appreciation to President Tony G. Waldrop for his leadership and service to the University of South Alabama, and extends its sincere and heartfelt best wishes to him and Julee in their future endeavors, and

BE IT FURTHER RESOLVED that the Board of Trustees bestows upon President Waldrop the title of President *Emeritus*.