UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES MEETINGS

WHIDDON ADMINISTRATION BUILDING – PRESIDENT'S OFFICE (STE. 130), BOARD ROOM

Public access will be available via YouTube livestream.
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https://www.southalabama.edu/departments/trustees/agendas/2022/

MARCH 10, 2022
1:30 P.M.

AUDIT COMMITTEE – RON GRAHAM, CHAIR

1 Roll Call
2 Approve: Minutes
3 Report: KPMG Report on Intercollegiate Athletics
4 Report: Office of Internal Audit

DEVELOPMENT, ENDOWMENT AND INVESTMENTS COMMITTEE – JIM YANCE, CHAIR

5 Roll Call
6 Approve: Minutes
7 Report: Endowment and Investment Performance * Hancock Whitney Bank
8 Recommendation to Approve: Officers and Directors of the Jaguar Athletic Fund, Inc.
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 November and December 2021 and January 2022
13 Report: USA Health and College of Medicine

ACADEMIC AND STUDENT AFFAIRS COMMITTEE – RON JENKINS

14 Roll Call
15 Approve: Minutes
16 Recommendation to Approve: Housing and Dining Rates, Summer 2022
17 Recommendation to Approve: Removal of Summer Registration Fee
18 Report: Academic Affairs
19 Report: Student Affairs
20 Report: Research and Economic Development

BUDGET AND FINANCE COMMITTEE – TOM CORCORAN, CHAIR

21 Roll Call
22 Approve: Minutes
23 Report: Quarterly Financial Statements for the Three Months Ended December 31, 2021

LONG-RANGE PLANNING COMMITTEE – CHANDRA BROWN STEWART, CHAIR

24 Roll Call
25 Approve: Minutes
26 Recommendation to Approve: University of South Alabama Strategic Plan

COMMITTEE OF THE WHOLE – JIMMY SHUMOCK, CHAIR

27 Roll Call
28 Approve: Minutes
29 Recommendation to Approve: Commendation of Mr. Michael R. Haskins
30 Recommendation to Approve: Commendation of Dr. John W. Smith
31 Recommendation to Approve: Commendation of The Honorable Kenneth O. Simon
32 Approve: Executive Session

MARCH 11, 2022
10:30 A.M.

BOARD OF TRUSTEES – JIMMY SHUMOCK, CHAIR PRO TEMPORE

1 Roll Call
2 Approve: Minutes
3 Report: University President
4 Report: Faculty Senate President
5 Report: Student Government Association President
6 Present: Certificates of Appreciation
7 Appoint: Nominating Committee
8 Approve: Consent Agenda Resolutions
- Officers and Directors of the Jaguar Athletic Fund, Inc.
- USA Health Hospitals Medical Staff Appointments and Reappointments for November and December 2021 and January 2022

9 Report: Audit Committee
10 Report: Development, Endowment and Investments Committee
11 Report: Health Affairs Committee
12 Report: Academic and Student Affairs Committee
13 Approve: Housing and Dining Rates, Summer 2022
14 Approve: Removal of Summer Registration Fee
15 Report: Budget and Finance Committee
16 Report: Long-Range Planning Committee
17 Approve: University of South Alabama Strategic Plan
18 Approve: Commendation of Mr. Michael R. Haskins
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20 Approve: Commendation of The Honorable Kenneth O. Simon

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

MEETING SCHEDULE

THURSDAY, MARCH 10, 2022:

1:30 p.m.	**Committee Meetings (consecutive)**	**Whiddon Administration Bldg.** **President's Office (Ste. 130), Board Room**

FRIDAY, MARCH 11, 2022:

10:30 a.m.	**Board of Trustees Meeting**	**Whiddon Administration Bldg.** **President's Office (Ste. 130), Board Room**

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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.
- Lenus M. Perkins
- 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

BUDGET AND FINANCE COMMITTEE:

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

DEVELOPMENT, ENDOWMENT AND INVESTMENTS COMMITTEE:

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- Arlene Mitchell
- Steven H. Stokes, M.D., **Vice Chair**
- Margie Malone Tuckson
- Michael P. Windom
- James A. Yance, **Chair**

EVALUATION AND COMPENSATION COMMITTEE:

- Scott A. Charlton, M.D.
- E. Thomas Corcoran
- Steven P. Furr, M.D.
- Robert D. Jenkins III, **Chair**
- Arlene Mitchell
- Michael P. Windom **Vice Chair**

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- Arlene Mitchell
- Steven H. Stokes, M.D.
- James A. Yance
- G. Owen Bailey, ex officio
- William H. Barber IV, M.D., ex officio
- Jo Bonner, ex officio
- John V. Marymont, M.D., ex officio

LONG-RANGE PLANNING COMMITTEE:

- Chandra Brown Stewart, **Chair**
- Robert D. Jenkins III
- Lenus M. Perkins, **Vice Chair**
- Steven H. Stokes, M.D.
- Michael P. Windom
- James A. Yance

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

MEETING AGENDA
AND MINUTES

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UNIVERSITY OF SOUTH ALABAMA

MEMORANDUM

Board of Trustees

DATE: February 28, 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 December 1 and 2, 2021. Please review these documents for amendment or approval at the March 10 and 11, 2022, meetings.

AA:mge

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

December 2, 2021
10:30 a.m.

A meeting of the University of South Alabama Board of Trustees was duly convened by Mr. Jimmy Shumock, Chair *pro tempore*, on Thursday, December 2, 2021, at 10:30 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, Steve Furr, Ron Graham, Arlene Mitchell, Lenus Perkins, Jimmy Shumock, Steve Stokes, Mike Windom, and Jim Yance were present, and Scott Charlton, Ron Jenkins, and Margie Tuckson participated remotely.
Members Absent:	Tom Corcoran and Kay Ivey.
Administration & Guests:	Zeke Aull, Robbie Baker, Joél Billingsley, Janée and Jo Bonner, Madeleine Boudreaux, Mike Chang, Lynne Chronister, John Cleary, Jeff Cummings, Kristin Dukes, Julie Estis, Monica Ezell, Mike Haskins, Marty Heslin, David Johnson, Andi Kent, Nick Lawkis, Alexandria Lee (BSU), Todd McDonald, Abe Mitchell, Mike Mitchell, Jim Moore (NAA), Cecelia Murphy, Laura Schratt, Grace Sekaya (SGA), Beth Shepard (Faculty Senate), Jeanne and John Smith, Margaret Sullivan, Scott Weldon, and Alvin Williams.
Media:	Scott Johnson (Lagniappe), Randy Lowe (WALA), Ken McGrath (WPMI), Nicolette Schleisman (WKRG), and Lawrence Specker (AL.com).

Following introductory remarks by Chairman Shumock, the meeting came to order and the attendance roll was called, **Item 1**. Chairman Shumock called for adoption of the revised agenda, **Item 1.A.** On motion by Ms. Atkins, seconded by Dr. Stokes, the Board voted unanimously to adopt the revised agenda. Chairman Shumock called for consideration of the minutes of the meetings held on September 3, 2021; October 5, 11, 14 and 25, 2021; and November 10, 2021; **Item 2**. On motion by Ms. Mitchell, seconded by Judge Windom, the Board voted unanimously to adopt the minutes.

Chairman Shumock called on Dr. Smith, Interim University President, to deliver the President's Report, **Item 3**. Dr. Smith recognized Mr. Abe Mitchell, as well as Ms. Alexandria Lee, President of the Black Student Union (BSU); and gave updates on the provost search, fall commencement activities, and student leadership dinners held during the fall term. He also introduced Ms. Chronister, who discussed a gift to the School of Marine and Environmental Sciences; Dr. Billingsley, who discussed the initiatives of the Office of Diversity, Equity and Inclusion; Mr. Haskins, who reported on South's new majors website; Dr. Erdmann, who introduced Associate Athletic Director Mr. Jeff Cummings and discussed the successes of the volleyball,

soccer and track programs; and Dr. Kent, who discussed the Jaguar Marching Band Championships held recently at Hancock Whitney Stadium.

Chairman Shumock called for a report from the Faculty Senate President, **Item 4**. Ms. Beth Shepard, Marx Library Associate Librarian and 2021-2022 Faculty Senate President, provided an update on the activities and priorities of the Faculty Senate.

Chairman Shumock called for a report from the Student Government Association (SGA) President, **Item 5**. Ms. Grace Sekaya, 2021-2022 SGA President, shared details on the work of the SGA, and she introduced Black Student Union (BSU) President Ms. Alexandria Lee, who discussed BSU activities and plans to meet with the new president.

Chairman Shumock presented **Item 5.A** as follows, noting that the terms of the employment contract for the new president were almost identical to those of President Waldrop's initial contract, both having a five-year term. He read the resolution and moved for its approval. Capt. Jenkins seconded and the board voted unanimously to approve the resolution:

RESOLUTION
PRESIDENT'S EMPLOYMENT CONTRACT

WHEREAS, the Board of Trustees of the University of South Alabama voted to hire Josiah R. Bonner, Jr. as the next president of the University of South Alabama, and

WHEREAS, the Board of Trustees will offer Mr. Bonner certain terms of employment in the form of a contract of employment, and

WHEREAS, terms are being discussed with Mr. Bonner,

THEREFORE, BE IT RESOLVED, the University of South Alabama Board of Trustees delegates its authority to finalize the terms of Mr. Bonner's employment as President of the University of South Alabama and to sign the contract evidencing such terms to its Chair *pro tempore*, Mr. Jimmy Shumock, in consultation with the chair of the Compensation Committee.

Chairman Shumock called for consideration of consent agenda resolutions as follows, **Item 6**, all of which were unanimously recommended for Board approval by the respective committees that met on December 1, 2021. (To view policies and other documents authorized, refer to Appendix A). On motion by Ms. Mitchell, seconded by Mr. Yance, the Board voted unanimously to approve the resolutions:

RESOLUTION
EXECUTIVE COMMITTEE APPOINTMENT

WHEREAS, the Bylaws of the University of South Alabama Board of Trustees provide for the appointment by the Chair pro tempore of an Executive Committee consisting of seven (7) members of the Board, subject to the approval of the Board, for terms concurrent

with the term of the Chair pro tempore, who shall serve as Chair of the Executive Committee, and

WHEREAS, Mr. Kenneth O. Simon, who was serving a three-year term on the Executive Committee, recently retired from the USA Board of Trustees, and

WHEREAS, the Chair pro tempore has expressed a desire to appoint Mr. Lenus M. Perkins to replace Mr. Simon on the Executive Committee,

THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama hereby authorizes the appointment of Board of Trustees member Mr. Lenus M. Perkins to the Executive Committee to fill the remainder of the three-year term held previously by Mr. Simon.

RESOLUTION
USA HEALTH HOSPITALS MEDICAL STAFF APPOINTMENTS AND REAPPOINTMENTS FOR AUGUST, SEPTEMBER AND OCTOBER 2021

WHEREAS, the Medical Staff appointments and reappointments for August, September and October 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 Board of Trustees of the University of South Alabama hereby authorizes the appointments and reappointments as submitted.

RESOLUTION
USA HEALTH HOSPITALS MEDICAL STAFF BYLAWS/RULES AND REGULATIONS

WHEREAS, revisions to USA Health Hospitals Medical Staff Bylaws and Rules and Regulations approved November 1, 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 the USA Health Hospitals,

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

RESOLUTION
USA HEALTH HOSPITALS NOMINATION OF MEDICAL EXECUTIVE COMMITTEE CHAIR-ELECT OFFICERS FOR 2022 AND 2023

WHEREAS, the following slate of officers approved by the active voting General Medical Staff members via email are recommended for approval by the Medical Executive Committees and the Executive Committee of the USA Health Hospitals,

USA Health Children's & Women's Hospital
- Chair-Elect/Secretary, Medical Executive Committee Jennifer Scalici, M.D.
- Moving to Chair, Medical Executive Committee Richard M. Whitehurst, Jr., M.D.

USA Health University Hospital
- Chair-Elect/Secretary, Medical Executive Committee Jon Simmons, M.D.
- Moving to Chair, Medical Executive Committee William H. Barber, IV, M.D.,

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

RESOLUTION
SABBATICAL AWARDS

WHEREAS, in accordance with University policy, proposals for sabbatical awards from the following faculty have been reviewed and recommended by the respective faculty committees, departmental chair, college dean, the Provost and Senior Vice President for Academic Affairs, and by the President,

- Audi Byrne, Associate Professor of Mathematics & Statistics
- Philip Carr, Professor of Anthropology
- Charlene Dadzie, Assistant Professor of Marketing and Quantitative Methods
- Annmarie Guzy, Associate Professor of English
- John Halbrooks, Associate Professor of English
- Ryan Littlefield, Assistant Professor of Biology
- Madhuri Mulekar, Professor of Mathematics & Statistics
- Elena Pavelescu, Associate Professor of Mathematics & Statistics
- Christine Rinne, Associate Professor of Modern & Classical Languages & Literature
- Thomas Shaw, Associate Professor of Political Science & Criminal Justice
- Brian Whitener, Assistant Professor of Modern & Classical Languages & Literature
- Peter Wood, Professor of Music

THEREFORE, BE IT RESOLVED, the University of South Alabama Board of Trustees approves said sabbatical awards

RESOLUTION
FACULTY EMERITUS

WHEREAS, the following faculty members have retired from the University of South Alabama:

ACADEMIC AFFAIRS:
- Gayle Davidson-Shivers, Professor of Counseling and Instructional Sciences
- Ronald Eastburn, Assistant Professor of Management
- Zohair Husain, Professor of Political Science
- G. David Johnson, Professor of Sociology
- Husam Omar, Associate Professor of Civil Engineering
- Nicholas Sylvester, Professor of Chemical and Biomolecular Engineering
- Richard Ward, Professor of Communications
- Kevin White, Professor of Civil, Coastal and Environmental Engineering

COLLEGE OF MEDICINE:
- Carole Boudreaux, M.D., Associate Professor of the Department of Pathology
- Ronald Franks, M.D., Professor of the Department of Psychiatry
- Anthony Gard, Ph.D., Professor of the Division of Medical Education,

and,

WHEREAS, in recognition of their contributions to the University through extraordinary accomplishments in teaching and in the generation of new knowledge through research

and scholarship; in serving to positively inspire students; and, regarding those with clinical backgrounds, for dedication to the treatment and healing of patients; all for which, in accordance with University policy, the respective faculty committees, departmental chair and college dean, the Provost and Senior Vice President for Academic Affairs or the Vice President for Medical Affairs, and the President have duly recommended the aforementioned faculty retirees be appointed to the rank of Professor Emeritus, Associate Professor Emeritus or Assistant Professor Emeritus,

THEREFORE, BE IT RESOLVED, the University of South Alabama Board of Trustees hereby appoints these individuals to the rank of Professor Emeritus, Associate Professor Emeritus or Assistant Professor Emeritus with the rights and privileges thereunto appertaining, and

BE IT FURTHER RESOLVED that the Board of Trustees conveys its deep appreciation to these individuals in recognition of their significant contributions and dedicated service to the University of South Alabama.

RESOLUTION
HONORARY DOCTORATE DEGREE FOR GOVERNOR KAY ELLEN IVEY

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

WHEREAS, Governor Kay Ellen Ivey is a native of the state of Alabama and grew up attending schools in Wilcox county, and

WHEREAS, in 2010, Governor Ivey was the first woman in Alabama's history to hold the office of Lieutenant Governor and sworn in as the 54th Governor in 2017, and

WHEREAS, Governor Ivey has been honored to receive numerous awards for her service to the State of Alabama, including the 2015 Alabama Farmers Federation (ALFA) Service to Agriculture Award, Newsmax's 50 Most Influential Female Republicans, the American Institute of Aeronautics and Astronautics (AIAA) 2016 Public Service Award, and the 2017 Citizen of the Year by River Region Living Magazine, and

WHEREAS, in September 2019, the Alabama-Florida Council of the Boy Scouts of America distinguished Governor Ivey as a Golden Eagle for her 'scout like service' and for being a trailblazer for women, and

WHEREAS, in the fall of 2017, Governor Ivey announced a $4 million award to USA Health for the expansion and renovation of the region's only level one trauma center, and

WHEREAS, in the fall of 2020, Governor Ivey announced a $50 million allocation to USA to assist with the construction of a new College of Medicine facility, which is notably the first time in USA's history to receive an allocation of that size and significance and equal to the amount received by the State's two largest institutions, making it the largest one-time federal or state allocation USA has ever received,

THEREFORE, BE IT RESOLVED, for her dedication and for her many contributions to the State of Alabama and support for the University, the Board of Trustees of the University of

South Alabama is proud to bestow upon Governor Kay Ellen Ivey, this day, the degree of Doctor of Humane Letters (L.H.D.), honoris causa.

RESOLUTION
APPROVAL OF AMENDED AND RESTATED BYLAWS FOR THE UNIVERSITY OF SOUTH ALABAMA FOUNDATION FOR RESEARCH AND COMMERCIALIZATION

WHEREAS, the Board of Directors of the University of South Alabama Foundation for Research and Commercialization ("USAFRAC") desires to synchronize the conflict of interest provisions set forth in Section 3.13 of its Bylaws, which were approved by the Board of Trustees of the University of South Alabama on June 7, 2013, and adopted by the Board of Directors of USAFRAC on March 6, 2014, with the provisions utilized by other University of South Alabama affiliates, and

WHEREAS, pursuant to Section 9.2 of the Bylaws of USAFRAC, only certain officers of USAFRAC are designated to sign checks, demands for money, and notes, and

WHEREAS, the Board of Directors of USAFRAC desires to amend Section 9.2 to provide greater flexibility in who might sign such instruments to ensure quick action, but nonetheless ensure that more than one person must sign all such instruments, and

WHEREAS, the Board of Directors of USAFRAC has presented to the University of South Alabama Board of Trustees for approval the Amended and Restated Bylaws of USAFRAC, attached hereto as Exhibit A and incorporated herein by reference (the "Amended and Restated Bylaws"), which amends Sections 3.13 and 9.2,

THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama hereby approves the Amended and Restated Bylaws as submitted.

Chairman Shumock called for a report from the Audit Committee, **Item 7**. Mr. Graham, Committee Chair, advised that the meeting scheduled for December 1, 2021, was not held because the required quorum of committee members was not achieved. He gave an overview of the reports planned for the committee meeting that were delivered to the general assembly of Trustees and guests present on December 1, and stated that the Committee of the Whole voted unanimously during its meeting held on December 1 to ratify the Office of Internal Audit budget on behalf of the Audit Committee.

Chairman Shumock called for a report from the Development, Endowment and Investments Committee, **Item 8**. Mr. Yance, Committee Chair, stated that the committee met on December 1, 2021, and he shared a summary of the business that took place. Chairman Shumock called for consideration of **Item 9** as follows, noting that the resolution was unanimously recommended for Board approval during the Development, Endowment and Investments Committee meeting. On motion by Dr. Stokes, seconded by Judge Windom, the Board voted unanimously to approve the resolution:

RESOLUTION
EVALUATION OF THE UNIVERSITY'S ENDOWMENT AND NON-ENDOWMENT INVESTMENT POLICIES

WHEREAS, the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) requires that investment policies be evaluated regularly, and

WHEREAS, the Board of Trustees has previously approved the University's endowment funds policies and guidelines and the University's non-endowment cash pool investment policy,

THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama hereby acknowledges and accepts the current year annual evaluation of both policies by the Development, Endowment and Investments Committee and the Committee's recommendation that no changes be made to either policy at this time.

Chairman Shumock called for a report from the Health Affairs Committee, **Item 10**. Dr. Charlton, Committee Chair, said that the committee held a meeting on December 1, 2021, and he shared a summary of the proceedings.

Chairman Shumock called for a report from the Academic and Student Affairs Committee, **Item 11**. Judge Windom, Committee Chair, advised that the committee met on December 1, 2021, and he provided an overview of the business that took place.

Chairman Shumock called for a report from the Budget and Finance Committee, **Item 12**. On behalf of Mr. Corcoran, Committee Chair, Mr. Perkins, Committee Vice Chair, stated that the committee held a meeting on December 1, 2021, and he gave a summation of the proceedings.

Chairman Shumock called for a report from the Long-Range Planning Committee, **Item 13**. Ms. Brown Stewart, Committee Chair, shared that the committee met on December 1, 2021, and briefly outlined the information that was presented.

Following a brief recess, Chairman Shumock called on Judge Windom for the presentation of **Item 15** as follows. Dr. David Johnson, retired professor of sociology and anthropology/former Provost and Senior Vice President for Academic Affairs, and his wife, Ms. Cecelia Murphy, joined Judge Windom, who read the resolution and moved for its approval. Mr. Perkins seconded and the Board voted unanimously to approve the resolution. Dr. Johnson conveyed gratitude for the Board's recognition, and reflected on his career at South Alabama and the people with whom he shared strong working relationships:

RESOLUTION
COMMENDATION OF DR. G. DAVID JOHNSON

WHEREAS, the University of South Alabama seeks to honor exceptional administrators who have devoted a substantial part of their careers to serving others and who have distinguished themselves through their professional contributions, and

WHEREAS, Dr. G. David Johnson faithfully and honorably served the University of South Alabama during a career that began in 1984 with an appointment as instructor of sociology, and

WHEREAS, Dr. Johnson served in various roles, including those of professor, chair, graduate program coordinator and associate dean, before his appointment in 2002 as dean of the USA College of Arts and Sciences, and

WHEREAS, Dr. Johnson was appointed as senior vice president for academic affairs in 2009 and served as provost and senior vice president for academic affairs until 2020, and

WHEREAS, under Dr. Johnson's leadership as provost, South expanded its academic offerings with new undergraduate and graduate programs to meet the needs of its students and the Gulf Coast region, and

WHEREAS, the University during this time also had significant increases in retention, graduation rates and average ACT scores for entering freshmen, and

WHEREAS, Dr. Johnson facilitated the creation of several new academic centers, including the Center for Academic Service-Learning and Civic Engagement, the Innovation in Learning Center, and centers in STEM education, real estate, entrepreneurship and coastal resiliency, and

WHEREAS, Dr. Johnson oversaw a successful reaffirmation of the University's accreditation in 2013 and a fifth-year review by the Southern Association of Colleges and Schools Commission on Colleges, and

WHEREAS, Dr. Johnson served as a trustee of the Southern Association of Colleges and Schools Commission on Colleges and in 2020 served as its chair, the first time a University of South Alabama administrator held the position, and

WHEREAS, Dr. Johnson has had a distinguished career in teaching, research, administration and community service, fulfilling his roles with a deep knowledge, reliable aplomb and dry wit,

THEREFORE, BE IT RESOLVED, that the Board of Trustees expresses its heartfelt appreciation to Dr. G. David Johnson for his voluminous contributions to the University of South Alabama and offers its best wishes to him and his family in their future endeavors.

Chairman Shumock remembered the late Mr. Randy Moon, crediting him for expert guidance and leadership in overseeing the efficient completion of numerous significant facilities and utilities projects on campus. He read **Item 14** as follows and, on motion by Mr. Yance, which was seconded by Ms. Brown Stewart, the Board voted unanimously to approve the resolution. A rendering of the Randy Moon Memorial Gate at Hancock Whitney Stadium was shown:

RESOLUTION
NAMING OF HANCOCK WHITNEY STADIUM GATE #1 AS THE RANDY MOON MEMORIAL GATE

WHEREAS, Mr. Randy Moon came to the University of South Alabama in January of 2010 and ultimately served as Associate Vice President of Facilities Management, and

WHEREAS, during his time at the University, Mr. Moon oversaw numerous facility projects including renovations, enhancement of the utilities infrastructure, and new building construction, which included the MacQueen Alumni Center, and with his expertise, knowledge and leadership saved millions of dollars in project costs for the University and USA Health System, and

WHEREAS, Mr. Moon played a key leadership role in the construction of Hancock Whitney Stadium, a state-of-the-art, on-campus football stadium, coordinating various phases of planning, engineering, design and supervision of the construction process, and

WHEREAS, Mr. Moon's efforts resulted in the stadium project being completed on-budget and on-time despite a challenging construction environment impacted by the COVID-19 pandemic, and

WHEREAS, Mr. Moon's professional abilities were matched by his truly humble, gracious and kind personality, and his interactions with campus colleagues and external groups demonstrated pride in his craft and an authentic concern for those with whom he served,

THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama hereby authorizes that Gate #1 of Hancock Whitney Stadium be named the *Randy Moon Memorial Gate*.

Chairman Shumock called on Mr. Perkins for the presentation of **Item 16** as follows. Mr. Weldon joined Mr. Perkins for the reading of the resolution. On motion by Ms. Atkins, seconded by Ms. Mitchell, the Board voted unanimously to approve the resolution. Mr. Weldon expressed pride in the University's growth and accomplishments and in the work of the Division of Finance and Administration, and thanked the Trustees for their support during his tenure as vice president:

RESOLUTION
COMMENDATION OF MR. G. SCOTT WELDON

WHEREAS, the University of South Alabama seeks to honor exceptional administrators who have devoted a substantial part of their careers to serving others and who have distinguished themselves through their professional contributions, and

WHEREAS, Mr. G. Scott Weldon has faithfully and honorably served the University of South Alabama during a career spanning 32 years, and

WHEREAS, Mr. Weldon began his career as a secondary school educator and marching band director before returning to school to study accounting and working as a senior audit manager at a private firm, and

WHEREAS, Mr. Weldon began working at South in 1990 as an assistant controller, then as associate controller in 1993, and

WHEREAS, Mr. Weldon was named executive director of the Health Services Foundation in 1994 and spent the next six years supporting the healthcare mission of the University through management of the University's physicians network, and

WHEREAS, Mr. Weldon returned to campus as controller in 2000 and eventually was named assistant vice president for financial affairs and then, in 2015, was selected as vice president for finance and administration, and

WHEREAS, Mr. Weldon developed a strong team focused on conservative budgeting, customer service and regulatory compliance, and

WHEREAS, with detailed knowledge of financial operations in healthcare and academics, Mr. Weldon has consistently added a critically important dimension to the senior leadership of the University, and

WHEREAS, Mr. Weldon has been a valued friend to many at the University over his three-decade career, as well as a respected colleague,

THEREFORE, BE IT RESOLVED, that the Board of Trustees expresses its heartfelt appreciation to Mr. G. Scott Weldon for his voluminous contributions to the University of South Alabama and offers to him and his family its best wishes for their future endeavors.

Chairman Shumock called on Mr. Graham, who read **Item 17** as follows and moved for its approval. Judge Windom seconded and the Board voted unanimously to approve the resolution. Chairman Shumock recognized those in the room who served on the President Search Committee, as well as those who provided support to the committee:

RESOLUTION
COMMENDATION OF THE UNIVERSITY OF SOUTH ALABAMA PRESIDENT SEARCH COMMITTEE

WHEREAS, the University of South Alabama is a leading state and regional institution with nearly 14,000 students, nearly 7,000 employees, more than 85,000 alumni, an expanding healthcare system and an annual economic impact of more than $3 billion, and

WHEREAS, the USA Board of Trustees commenced a search for the fourth president of the University upon the retirement of Dr. Tony G. Waldrop, and

WHEREAS, the Board of Trustees sought an innovative and accomplished leader who would continue and build upon the University's history of excellence in academics, research, healthcare, student life and athletics, and

WHEREAS, that person would have a deep appreciation for the mission and history of the University and could understand the complexities of an institution with both academic and healthcare operations, and

WHEREAS, recognizing the need to conduct a thorough and inclusive search process, the Board of Trustees appointed an 18-member volunteer President Search Committee to recommend and review candidates, and

WHEREAS, the committee was composed of members representing undergraduate and graduate students, alumni, faculty, staff, administration and the community, and

WHEREAS, the committee met multiple times over a period of six months to review and interview a pool of qualified applicants, and

WHEREAS, the President Search Committee's work resulted in three finalists, and the search process culminated with the selection of Mr. Jo Bonner as the fourth president of the University of South Alabama,

THEREFORE, BE IT RESOLVED, the University of South Alabama Board of Trustees offers its sincere gratitude to the following individuals for their dedication and commitment to the University as demonstrated through their service on the President Search Committee:

- Mr. Zeke Aull
- Ms. Alexis Atkins
- Mr. Owen Bailey
- Mr. Robbie Baker
- Ms. Madeleine Boudreaux
- Ms. Chandra Brown Stewart
- Dr. Mike Chang
- Dr. John Cleary
- Mr. Sam Dean
- Mr. Cameron Grier-Shepperd
- Dr. Martin Heslin
- Dr. Andi Kent
- Ms. Kim Lawkis
- Ms. Alexandria Lee
- Dr. Todd McDonald
- Ms. Tia Nickens
- Ms. Grace Sekaya
- Ms. Beth Shepard
- Mr. Jim Yance
- Mr. Lenus Perkins
- Mr. Jimmy Shumock
- Dr. Alvin Williams

Chairman Shumock introduced the Honorable Jo Bonner, welcoming him to his new role as president of the University of South Alabama. In his address to Trustees and guests, Mr. Bonner acknowledged that his appointment as USA's fourth president was a distinct honor; conveyed heartfelt gratitude for the support shown to him by members of the South Alabama community and beyond; expressed enthusiasm for the opportunity to work with the people of South to build upon the University's previous successes; pledged to support the faculty and students to achieve their aspirations; and introduced his wife, Ms. Janée Bonner, stating that she would be active in her service to the University as first lady. In conclusion and on behalf of the University family, Mr. Bonner thanked Interim President Smith and his wife, Ms. Jeanne Smith, for their selfless service to the Institution.

Chairman Shumock reminded the group about the dedication of the School of Marine and Environmental Sciences that would take place in the afternoon.

There being no further business, the meeting was adjourned at 12:06 p.m.

Attest to: Respectfully submitted:

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

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

AUDIT COMMITTEE

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Audit Committee

December 1, 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 Wednesday, December 1, 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:	Ron Graham and Lenus Perkins were present and Ron Jenkins participated remotely.
Members Absent:	Alexis Atkins and Tom Corcoran.
Other Trustees:	Chandra Brown Stewart, Scott Charlton, Steve Furr, Arlene Mitchell, Jimmy Shumock, Steve Stokes, Margie Tuckson, Mike Windom, and Jim Yance.
Administration & Guests:	Joél Billingsley, Lynne Chronister, Kristin Dukes, Joel Erdmann, Julie Estis, Monica Ezell, Mike Haskins, Andi Kent, Nick Lawkis, John Marymont, Mike Mitchell, Amanda Price (KPMG), Laura Schratt, Beth Shepard (Faculty Senate), John Smith, Margaret Sullivan, Scott Weldon, and Ashley Willson (KPMG).

Following introductory remarks by Chairman Shumock, the meeting came to order and the attendance roll was called, **Item 1**. Without the required quorum of committee members participating, Chairman Shumock suggested that the minutes for the Audit Committee meeting held on September 2, 2021, **Item 2**, and the ratification of the budget for the Office of Internal Audit, **Item 4**, be deferred to the Committee of the Whole for action. He further recommended that the informational presentations scheduled that regarded the KPMG audit reports for the year ended September 30, 2021, **Item 3**, and the Office of Internal Audit annual report for the year ended September 30, 2021, **Item 5**, be delivered as planned to the general assembly of Trustees represented.

The meeting was adjourned at 1:33 p.m.

Respectfully submitted:

William Ronald Graham, Chair

UNIVERSITY OF SOUTH ALABAMA INTERCOLLEGIATE ATHLETICS DEPARTMENT

Statement of Revenues and Expenses

Year Ended September 30, 2021

(With Independent Accountants' Report on Applying Agreed-Upon Procedures Thereon)

UNIVERSITY OF SOUTH ALABAMA INTERCOLLEGIATE ATHLETICS DEPARTMENT

Year ended September 30, 2021

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KPMG LLP
Suite 1100
One Jackson Place
188 East Capitol Street
Jackson, MS 39201-2127

Independent Accountants' Agreed-Upon Procedures Report

John W. Smith, President
University of South Alabama:

We have performed the procedures enumerated below on the Statement of Revenues and Expenses for the University of South Alabama (the University) Intercollegiate Athletics Department (the Athletics Department) for the year ended September 30, 2021 (the Statement). The University is responsible for the Statement and compliance with the requirements referenced below.

The University has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of evaluating whether the Statement is in compliance with the National Collegiate Athletic Association (NCAA) Bylaw 3.2.4.15. This report may not be suitable for any other purpose. No other parties have agreed to or acknowledged the appropriateness of these procedures for the intended purpose or any other purpose.

The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. We make no representation regarding the appropriateness of the procedures either for the intended purpose or for any other purpose.

The procedures and the associated findings are as follows:

Statement of Revenues and Expenses – Agreed-Upon Procedures

a) We obtained the Statement as prepared by management and shown in Exhibit A. We verified the mathematical accuracy of the Statement and compared the amounts on the Statement to corresponding amounts in the University's general ledger for the year ended September 30, 2021 after considering the University management's post-closing reclassification and elimination entries, noting agreement.

b) We compared actual Athletics Department revenues and expenses per the Statement for the year ended September 30, 2021 to 2021 budgeted amounts for any revenues or expenses that were over 10% of total revenues or expenses, respectively, and inquired of Athletics Department management as to variances greater than 10% as compared to 2021 budgeted amounts, and obtained the following explanations from management:

   Revenues:

   Student Fees; Direct Institutional Support; Indirect Institutional Support – Athletic Facilities Debt Service: These line items had favorable budget variances due to the fact that the University does not budget for these accounts.

   Expenses:

   Athletic Student Aid; Coaching Salaries, Benefits and Bonuses Paid by the University; Support Staff Administrative Compensation, Benefits, and Bonuses Paid by the University; and Athletic Facilities Debt Service, Leases and Rental Fees: These line items had unfavorable budget variances due to the fact that the University does not budget for these accounts.

KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

c) We also compared actual Athletics Department revenues and expenses per the Statement to actual Athletics Department revenues and expenses per the University's 2020 general ledger for any revenues or expenses that were over 10% of total revenues or expenses, respectively, and inquired of Athletics Department management as to variances greater than 10% as compared to 2020 amounts. One revenue category exceeded 10% of total revenues and had a variance of more than 10% compared to the prior year. Two expense categories exceeded 10% of total expenses and had variances of more than 10% compared to prior year. We obtained the following explanations from management:

Revenues:

Indirect Institutional Support-Athletic Facilities Debt Service – Increased by approximately $2.8 million (or 100%) from approximately $2.8 million during 2020 to approximately $5.6 million during 2021. Management noted that the increase is related to an increase in facility related debt.

Expenses:

Coaching Salaries, Benefits and Bonuses Paid by the University – Increased by approximately $1.9 million (or 35%) from approximately $5.1 million during 2020 to approximately $7.5 million during 2021. Management noted that the increase is related to turnover of football staff (paying two staff members for over one month) as well as some raises for other coaches.

Athletic Facilities Debt Service Leases and Rental Fees – Increased by approximately $3.8 million (or 104%) from approximately $3.7 million during 2020 to approximately $7.5 million during 2021. Management noted that the increase is related to an increase in facility related debt.

d) University management provided a summary of the University's internal controls unique to the Athletics Department. We read the summary documents that include information regarding the general control environment and internal control procedures unique to intercollegiate athletics which assist in ensuring that recorded revenues and expenses in the Statement are complete and accurate and expenses are properly authorized. Due to the nature of agreed upon procedures, we cannot address the sufficiency of the University's policies.

e) We performed the following procedures on operating revenues as presented in Exhibit A:

i. *Student Fees* – In accordance with the internal allocation approved by University management the University has an all-inclusive rate per semester hour. Athletics receives fees equal to the prior year actual amounts, plus or minus growth in total credit hours multiplied by any applicable change in tuition rates. We recalculated the University's allocation of total student fees to Athletics to within management's 1% acceptable tolerable range.

ii. *Direct Institutional Support* – We obtained from management the supporting schedules for 2021 direct institutional support related to Athletics which agreed to the Statement, noting agreement.

iii. *Indirect Institutional Support – Athletic Facilities Debt Service* – We obtained from management supporting schedules for 2021 indirect institutional support related to Athletics Facilities Debt Service. We compared the total amounts of indirect debt service related to Athletics to the Statement, noting agreement.

iv. *Conference Distributions (Non-Media or Bowl)* – We obtained from management a detail of conference distributions and agreed the detail to the general ledger and to the Statement, noting agreement. We selected 100% of the total dollar amount of the remittances from the SunBelt Conference for testing and compared amounts to check copies, wire remittances, or other supporting documentation for each of the amounts received, noting agreement.

f) We performed the following procedures on operating expenses, as presented in Exhibit A:

i. *Athletic Student Aid* – We obtained from management a detail of the students receiving athletic student aid during 2021, recalculated its mathematical accuracy and compared total amounts to the general ledger and to the Statement, noting agreement. As the University did not use the NCAA Compliance Assistance Software, we were required to test 20% of 354 total student athletes (i.e. 71 students), with a maximum sample size of 60 (student numbers J00683060, J00673857, J00650337, J00661632, J00652642, J00662857, J00589113, J00686898, J00656224, J00572690, J00641285, J00662111, J00573766, J00671449, J00639043, J00615983, J00638715, J00659886, J00616240, J00647408, J00669066, J00590489, J00608357, J00681463, J00651117, J00642399, J00636004, J00606114, J00664101, J00612768, J00636367, J00606473, J00662106, J00664447, J00665103, J00648971, J00684605, J00660803, J00681119, J00667670, J00680933, J00626714, J00684674, J00664898, J00671821, J00663641, J00608131, J00643131, J00617627, J00626314, J00602142, J00603147, J00667130, J00602811, J00667053, J00698258, J00647280, J00664036, J00588116, J00682679). For each student selected we compared the total aid in the student's account to the squad listing used for reporting in the NCAA Financial Reporting System. No exceptions were noted.

ii. *Coaching Salaries, Benefits, and Bonuses Paid by the University and Support Staff Administrative Compensation, Benefits, and Bonuses Paid by the University* – We obtained from management a detail of coaching salaries, benefits, and bonuses paid by the University and support staff administrative compensation, benefits, and bonuses paid by the University and agreed the detail to the general ledger and to the Statement, noting agreement. We selected ten coaches – Head Dance Coach (employee ID J00135254), Assistant Baseball Coach (employee ID J00575682), Assistant Men's Basketball Coach (employee ID J00703089), Assistant Men's Basketball Coach (employee ID J00642648), Assistant Track Coach (employee ID J00473328), Assistant Football Coach / Football Operations (employee ID J00118018), Assistant Football Coach (employee ID J00697407), Associate Head Coach Women's Basketball (employee ID J00498192), Head Volleyball Coach (employee ID J00701106), and Assistant Coach / Softball Operations (employee ID J00214563) – and ten athletic administrative and support staff (employee IDs J00643478, J00227910, J00129355, J00081497, J00699465, J00302318, J00698283, J00550322, J00145004, and J00645920). For each of the employees, we compared the employee's wages per the payroll register to supporting documentation in the employee's personnel file, noting agreement.

iii. *Athletic Facilities Debt, Leases and Rental Fees* – We obtained from management a detail of athletic facilities, debt, leases, and rental fees and agreed the detail to the general ledger and to the Statement, noting agreement. In addition, we selected a sample of thirteen transactions from the 2021 fiscal year detail, and compared the sample selected to supporting documentation, noting agreement.

iv. *All Other Expenses* – We obtained from management a detail of all other expenditure categories on the Statement and agreed the detail to the general ledger and to the Statement, noting agreement. In addition, we selected thirty-six individual vouchers from the 2021 fiscal year detail we obtained within the following expenditure categories: team travel; sports equipment, uniforms, and supplies; and other operating expenses. We inspected invoice copies and direct pay requests or purchase orders (where applicable) for the expenses on the vouchers in the table below, which comprise approximately 14% of

the expenses not included in the categories listed in (f)(i), (f)(ii), and (f)(iii), noting that the amounts per the vouchers agreed to the invoice copies and direct pay request or purchase order without exception.

	Voucher no.
1	J0187801
2	I1747273
3	BO008213
4	I1708156
5	I1687049
6	I1708669
7	BO008213
8	J0182736
9	I1765837
10	J0184267
11	I1736669
12	I1733663
13	I1767738
14	I1755180
15	I1705190
16	I1759931
17	J0185484
18	I1804540
19	I1816940
20	I1821265
21	I1824901
22	J0185053
23	I1737332
24	I1691532
25	I1705839
26	I1747081
27	I1705181
28	J0181434
29	I1702521
30	J0191864
31	J0191864
32	J0191864
33	J0191864
34	J0191864
35	J0191893
36	I1814745

g) Additional Minimum Agreed-Upon Procedures:

i. We compared and agreed the sports reported in the NCAA Membership Financial Reporting System by the Athletics Department to the calculation of Revenue Distribution Equivalencies Report from the NCAA Compliance Assistance Software or equivalency calculations from the institution, noting agreement.

ii. We obtained the University's Sports Sponsorship and Demographics Forms Report and validated that the countable sports reported met the minimum requirements set forth in Bylaw 20.9.6.3 for the number of contests and the number of participants in each contest that is counted toward meeting the minimum contest requirement, unless minimum contest requirement was waived due to the COVID pandemic. We obtained documentation from the NCAA Membership Financial Reporting System and noted that the University properly reported these sports as countable for revenue distribution purposes within the NCAA Membership Financial Reporting System without exception.

iii. For Pell Grants, we agreed the total number of Division I student-athletes who, during the 2020-21 academic year, received a Pell Grant award and the total value of these Pell Grants reported in the NCAA Membership Financial Reporting System to a report, generated from the University's student financial aid records, of all student-athlete Pell Grants. As a result of these procedures it was noted that the total number of student-athletes reported in the NCAA Membership Financial Reporting System was one greater than the total number of student-athletes included in the University's report. After the exception was reported to management the University updated the number of student-athletes reported in the NCAA Membership Financial Reporting System. As a result, as of the date of this report, the number of student-athletes reported agrees to the report generated from the University's student financial aid records. The total value of Pell Grants reported in the NCAA Membership Financial Reporting System agreed to the University's report without exception. We compared the current year Pell Grants total to the prior year reported total per the Membership Financial Report Submission and noted there were no variances greater than plus or minus twenty grants.

h) Minimum Agreed-Upon Procedures Program for Other Reporting Items

i. *Total Athletics Related Debt* – We compared the total annual maturities and total outstanding athletic-related debt to supporting debt schedules prepared by University management, noting agreement.

ii. *Total University Debt* – We compared the total outstanding University debt to supporting debt schedules provided by University management and to the University's 2021 audited financial statements, noting agreement.

iii. *Fair Value of Athletics Dedicated Endowments* – We obtained the athletic dedicated endowment schedule from the Athletic Department and compared the total fair value in the schedule to the University's general ledger, noting agreement.

iv. *Fair Value of University Endowments* – We compared the total fair value of University endowments to the University's general ledger and audited financial statements, noting agreement.

v. *Total Athletic Related Capital Expenses* – We compared total Athletics Department related capital expenses for the year ended September 30, 2021 to a supporting schedule prepared by University management, noting agreement.

vi. *Total Athletic Fund Balance* – We compared the total athletic fund balance to the University's general ledger, noting agreement.

* * * * * * *

We were engaged by the University to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants, which involves us performing the specific procedures agreed to and acknowledged above and reporting on findings based on performing those procedures. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the accompanying Statement of Revenues and Expenses for the University of South Alabama Intercollegiate Athletics Department for the year ended September 30, 2021 (Exhibit A). Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the University, and is not intended to be, and should not be, used by anyone other than the specified parties.

KPMG LLP

Jackson, Mississippi
January 14, 2022

Exhibit A

UNIVERSITY OF SOUTH ALABAMA INTERCOLLEGIATE ATHLETICS DEPARTMENT

Statement of Revenues and Expenses

Year Ended September 30, 2021

(Unaudited)

NCAA Description	Not Related To Team	Men's Baseball	Men's Basketball	Men's Golf	Men's Tennis	Men's Track	Men's Football	Women's Basketball	Women's Golf	Women's Soccer	Women's Tennis	Women's Track	Women's Volleyball	Women's Softball	Total
Operating Revenues:															
Ticket Sales	$ —	35,176	112,105	—	—	—	778,496	4,666	—	—	—	—	—	4,843	935,286
Student Fees	—	263,396	82,311	49,387	54,874	554,229	6,326,569	65,849	32,924	142,673	54,874	515,817	76,824	148,160	8,367,887
Direct Institutional Support	4,073,370	947,038	1,744,111	289,126	295,166	152,225	852,733	1,229,729	292,687	698,585	428,101	124,548	654,737	823,964	12,606,120
Indirect Institutional Support – Athletic Facilities Debt Service	5,629,295	—	—	—	—	—	—	—	—	—	—	—	—	—	5,629,295
Guarantees	—	2,000	—	—	—	—	150,000	20,000	—	7,000	—	—	2,500	5,000	186,500
Contributions	821,772	101,058	31,217	42,335	5,700	22,125	25,630	2,450	1,355	9,085	150	—	360	14,830	1,078,067
NCAA Distributions	—	71,554	22,361	13,416	14,907	150,561	175,903	17,888	8,944	38,758	14,907	140,126	20,870	40,249	730,444
Conference Distributions (Non Media or Bowl)	—	173,357	54,174	32,504	36,116	364,772	426,169	43,339	21,670	93,902	36,116	339,491	50,562	97,513	1,769,685
Program, Novelty, Parking and Concession Sales	—	6,000	—	—	—	—	210,677	—	—	—	—	—	—	364	217,041
Royalties, Licensing, Advertisement and Sponsorships	148,648	74,015	128,725	—	—	—	284,230	—	—	—	—	—	—	7,050	642,668
Athletics Restricted Endowment and Investments Income	(49,236)	—	—	—	—	—	—	—	—	—	—	—	—	—	(49,236)
Other Operating Revenue	171,488	650	—	36,400	—	27,257	2,450	—	76,125	1,600	—	—	—	—	315,970
Total Operating Revenues	10,795,337	1,674,244	2,175,004	463,168	406,763	1,271,169	9,232,857	1,383,921	433,705	991,603	534,148	1,119,982	805,853	1,141,973	32,429,727
Operating Expenses:															
Athletic Student Aid	251,208	407,209	457,424	177,128	206,778	439,424	2,913,068	453,035	201,799	523,245	335,885	631,418	367,284	384,295	7,749,200
Guarantee Expenses	—	21,685	26,500	—	—	—	360,000	8,600	—	1,000	—	—	—	—	417,785
Coaching Salaries, Benefits and Bonuses Paid by the University	—	636,595	979,546	119,961	107,483	177,447	3,711,794	556,736	90,920	237,550	110,625	145,184	220,738	381,938	7,476,517
Support Staff Administrative Compensation, Benefits and Bonuses Paid by the University	3,865,876	11,857	7,649	6,092	10,798	5,117	677,006	9,083	5,797	601	11,555	4,186	—	11,408	4,627,025
Severance Payments	—	—	—	—	—	—	—	—	—	—	—	—	36,365	—	36,365
Recruiting	69,787	33,125	92,180	3,208	848	679	149,621	35,041	4,074	6,950	—	555	10,562	17,470	424,100
Team Travel	11,278	193,811	125,385	22,230	39,081	65,377	725,617	105,780	25,223	131,664	44,050	53,490	68,434	165,124	1,776,544
Sports Equipment, Uniforms and Supplies	206,270	82,414	133,153	17,680	23,011	18,899	706,284	78,830	13,426	34,382	21,553	15,463	63,560	88,646	1,503,571
Game Expenses	199,674	52,041	126,091	8,054	5,292	25,273	422,072	64,629	10,044	11,002	4,445	20,678	14,433	31,003	994,731
Fundraising, Marketing and Promotions	183,472	—	—	—	—	—	—	—	—	—	—	—	—	—	183,472
Spirit Groups	282,375	—	—	—	—	—	—	—	—	—	—	—	—	—	282,375
Athletic Facilities Debt Service, Leases and Rental Fees	5,704,295	—	46,075	—	—	—	1,728,548	56,313	—	—	—	—	—	—	7,535,231
Direct Facilities, Maintenance and Rentals	187,411	17,748	9,595	20,076	—	16,348	112,506	14,584	6,564	250	—	13,375	2,746	2,896	404,099
Medical Expense and Medical Insurance	608,222	—	(214)	103		585	279,617	345	—	251	—	479	1,136	524	891,048
Membership and Dues	91,102	—	955	7,965		371	7,146	1,055	4,349	137	550	304	265	714	114,913
Student-Athlete Meals (Non-Travel)	152	6,087	30,180	565	4,397	4,562	178,356	30,715	773	3,689	4,946	3,733	3,023	14,269	285,447
Other Operating Expenses	691,181	38,885	26,736	38,669	4,273	9,348	480,831	23,040	61,586	30,876	390	7,649	14,863	22,381	1,450,708
Total Operating Expenses	12,352,303	1,501,457	2,061,255	421,731	401,961	763,430	12,452,466	1,437,786	424,555	981,597	533,999	896,514	803,409	1,120,668	36,153,131
Except (deficiency) of revenues over (under) expenses	$ (1,556,966)	172,787	113,749	41,437	4,802	507,739	(3,219,609)	(53,865)	9,150	10,006	149	223,468	2,444	21,305	(3,723,404)

Excess Transfers to University	$ —
Conference Realignment Expenses	$ —
Total Athletics Related Debt	$ 80,196,049
Total University Debt	$ 495,699,000
Fair Value of Athletics Dedicated Endowments	$ 1,658,263
Fair Value of University Endowments	$ 238,819,726
Total Athletics Related Capital Expenses	$ 91,766,870
Total Athletic Fund Balance	$ 1,257,377

See accompanying Independent accountants' report on applying agreed-upon procedures and notes to statement of revenues and expenses.

UNIVERSITY OF SOUTH ALABAMA INTERCOLLEGIATE ATHLETICS DEPARTMENT

Notes to Statement of Revenues and Expenses

Year ended September 30, 2021

(Unaudited)

(1) Summary of Significant Accounting Policies and Reporting Practices

The accompanying statement of revenues and expenses (the Statement) includes revenue, expense, and transfer accounts of the University of South Alabama Intercollegiate Athletics Department (the Department), which oversees the University of South Alabama's (the University) intercollegiate athletics program. The Statement was prepared in accordance with the accrual basis of accounting.

Included in the Statement are allocations made by the University to the Department, in accordance with the University's practice of allocations.

(2) Financial Aid

The Statement includes athletic financial aid awards for students participating in athletic programs. Financial aid awarded to athletic participants on the basis of other criteria, such as need or academic excellence, is not reflected in the Statement.

(3) Booster Activities

The revenues and expenses of the Jaguar Athletic Fund are recorded in the Statement. The University has no other outside booster clubs.

(4) Capitalization of Assets

Equipment is capitalized if the individual item equals or exceeds $5,000. Buildings additions are capitalized per the policies of the University. Depreciation is provided over the estimated useful life of each class of depreciable assets using the straight-line method.

(5) Athletics Facility Related Debt

Future principal payments due through maturity dates are as follows as of September 30, 2021:

	Principal
Years ending September 30:	
2022	$ 2,037,548
2023	2,115,017
2024	2,198,528
2025	2,140,542
2026	2,227,060
Thereafter	69,477,354
	$ 80,196,049

(6) Contributions

The Department did not receive any individual contributions which exceeded 10% of the total contributions for the year ended September 30, 2021.

(Continued)

UNIVERSITY OF SOUTH ALABAMA INTERCOLLEGIATE ATHLETICS DEPARTMENT

Notes to Statement of Revenues and Expenses

Year ended September 30, 2021

(Unaudited)

(7) Pledges Dedicated to Athletics

The University has pledges supporting athletics valued at $9,055,737 as of September 30, 2021.

UNIVERSITY OF SOUTH ALABAMA

2022

Office of Internal Audit Quarterly Report

Key Performance Indicators as of FY22Q1

10/1/2021 to 12/31/2021

Prepared for the:

University of South Alabama Board of Trustees Audit Committee

Issued: 2/2022

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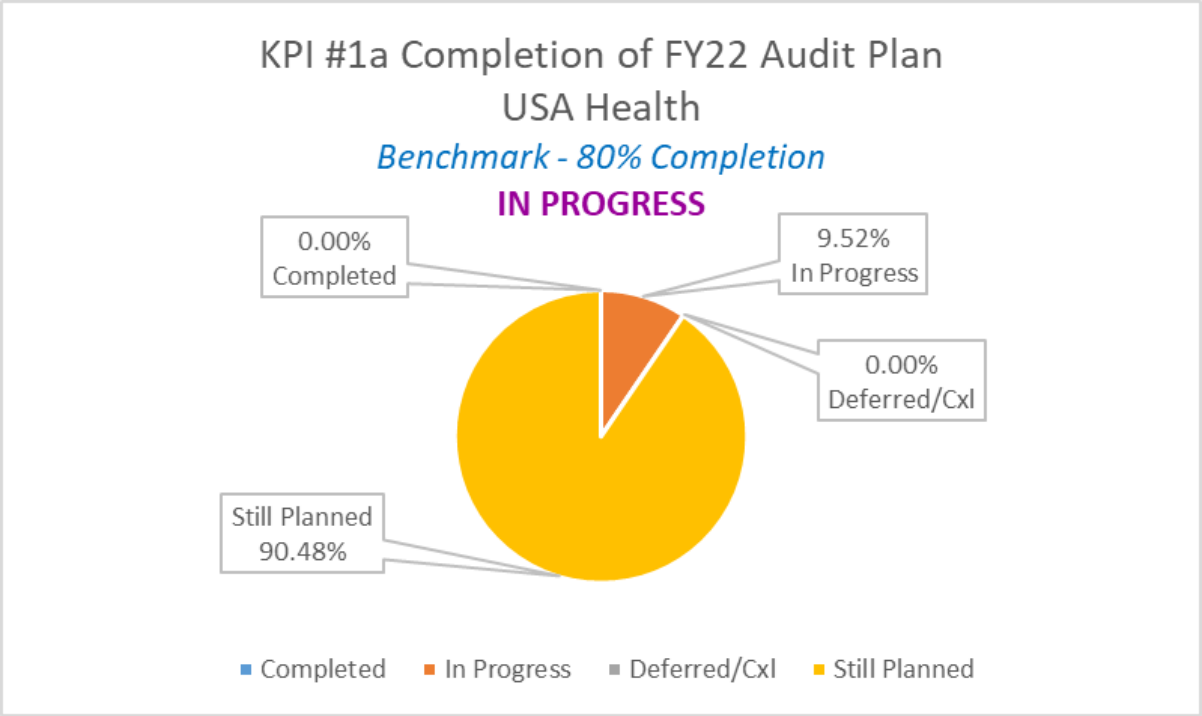
EXECUTIVE SUMMARY

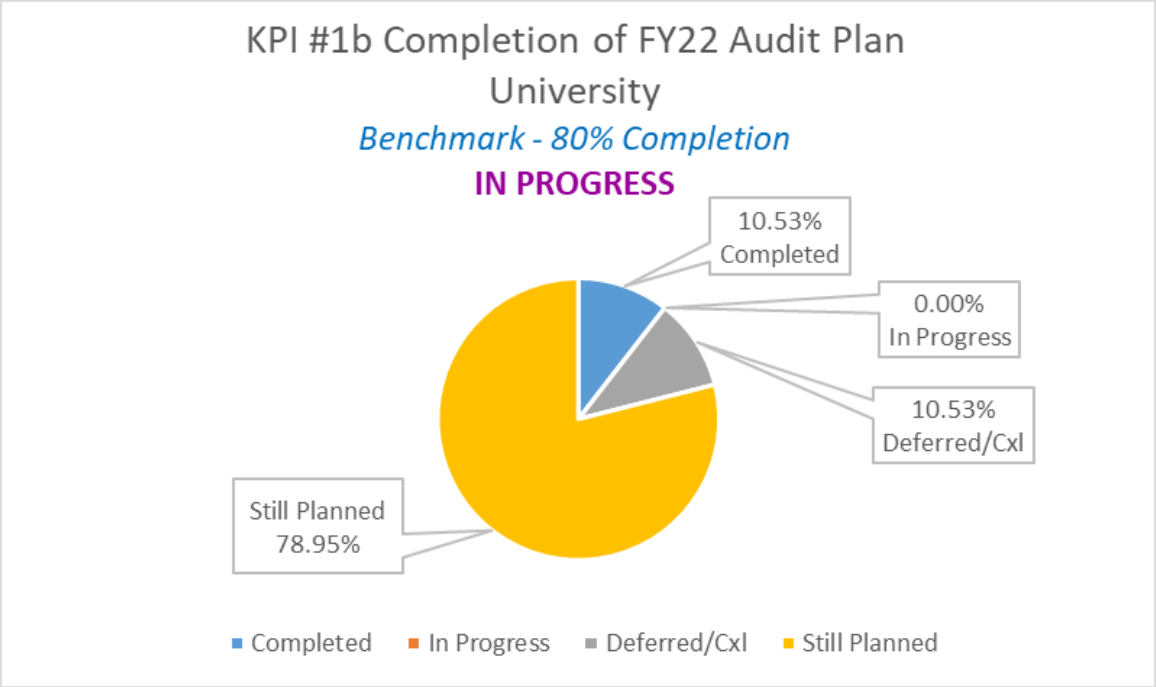
The Fiscal 2022, Quarter 1 (FY22Q1) Office of Internal Audit (OIA) Quarterly KPI Report provides quantitative and qualitative data for benchmarking key departmental operational factors in addition to an update on outstanding OIA issued recommendations. All data is as of 12/31/2021.

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. Five Key Performance Indicator (KPI) areas are being utilized (some with numerous components); Completion of the Audit Plan, Client Satisfaction, Staff Qualifications, Stakeholder Communication and Implementation of 2019 Warren Averett QAR recommendations. 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**.

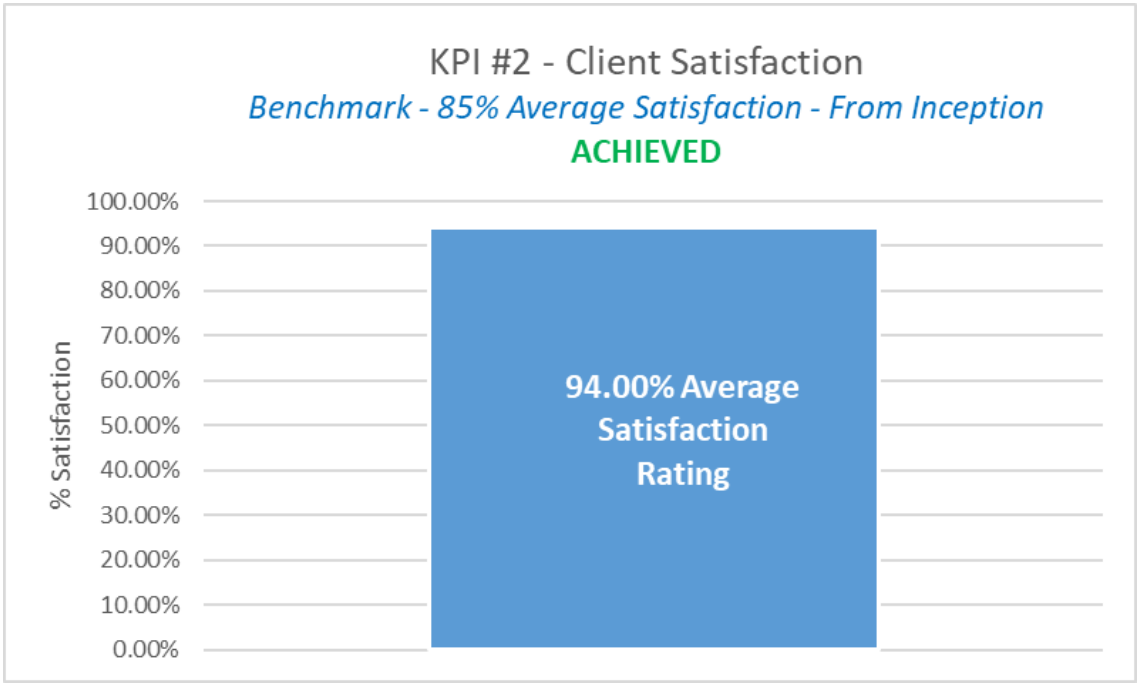
KPI #1 – Completion of the Audit Plan



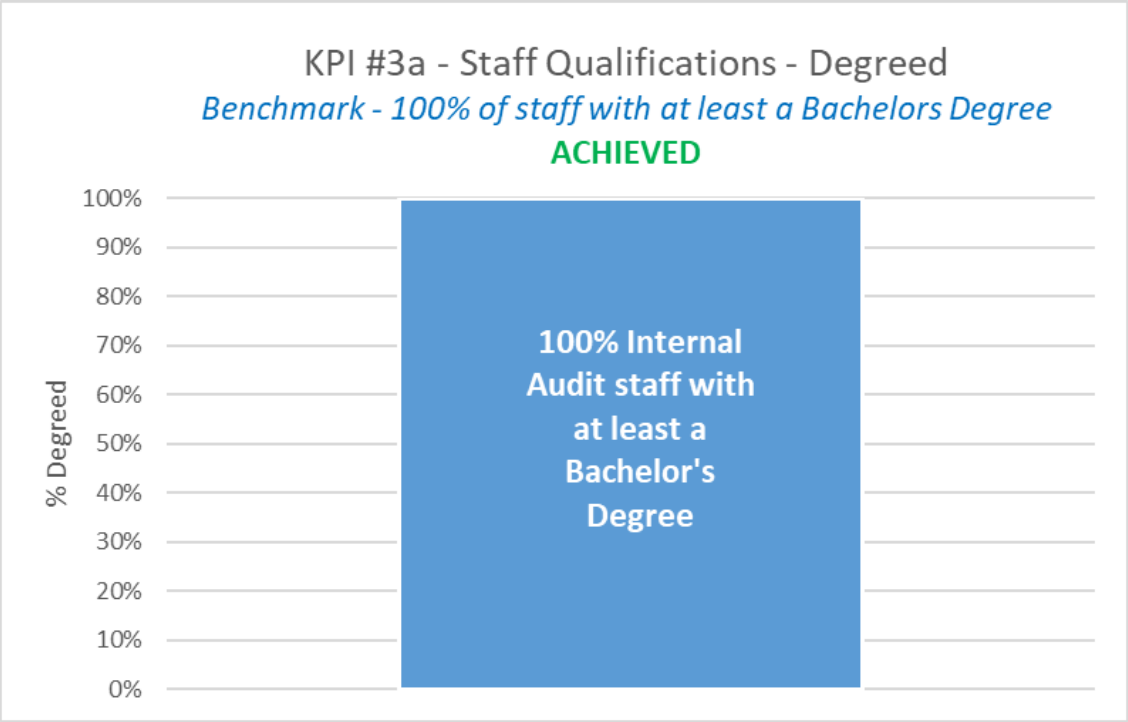


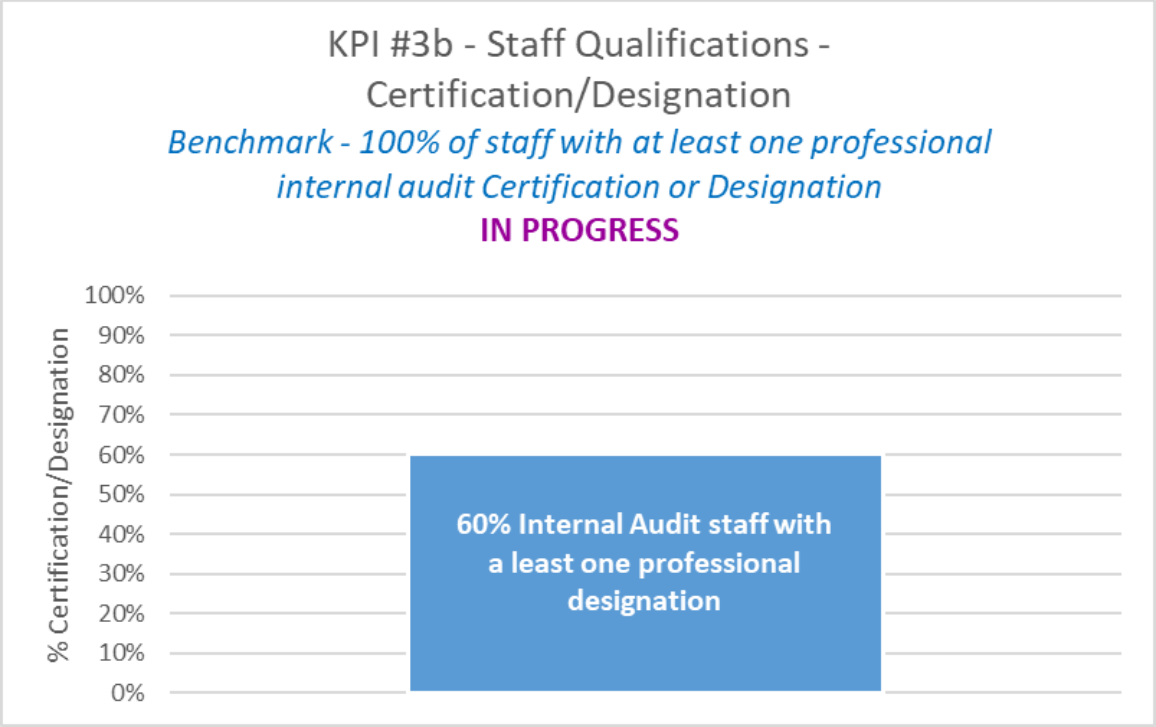
**Note: One NCAA related audit, included on the FY22 audit plan, has been cancelled (Cxl) due to a COVID-19 related waiver. This represents the 10.53% Deferred/Cxl on the chart above.*

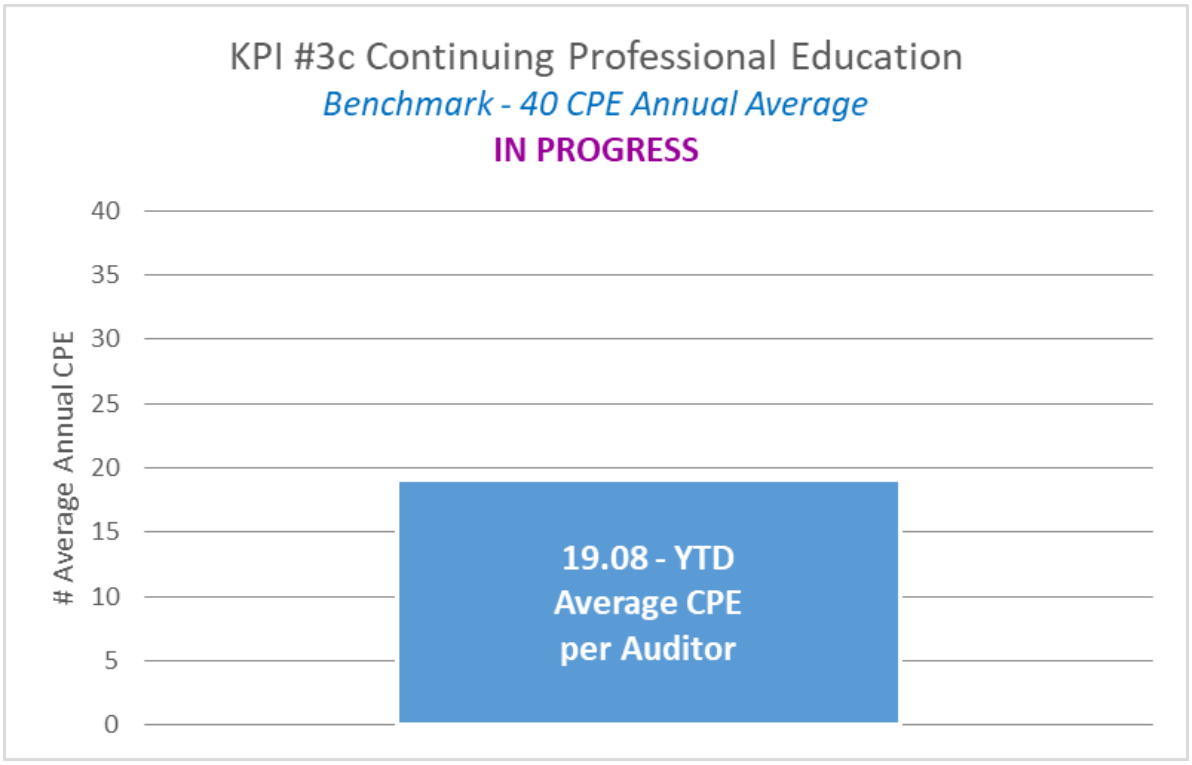
KPI # 2 – Client Satisfaction



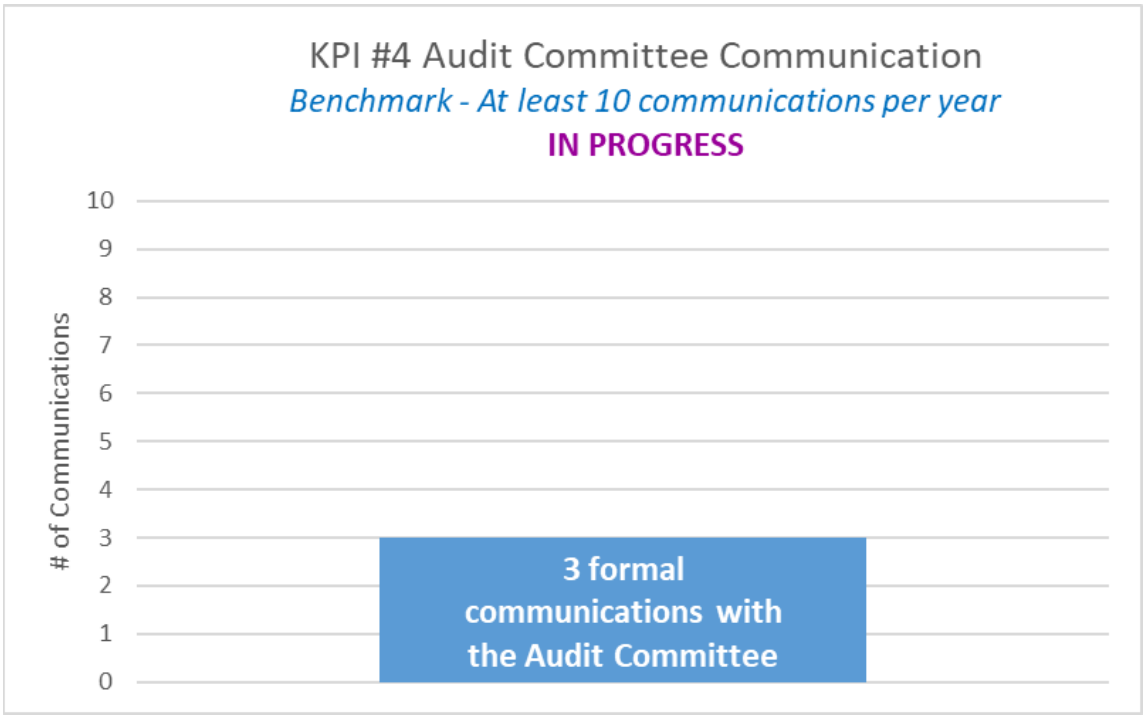
KPI #3 – Staff Qualifications



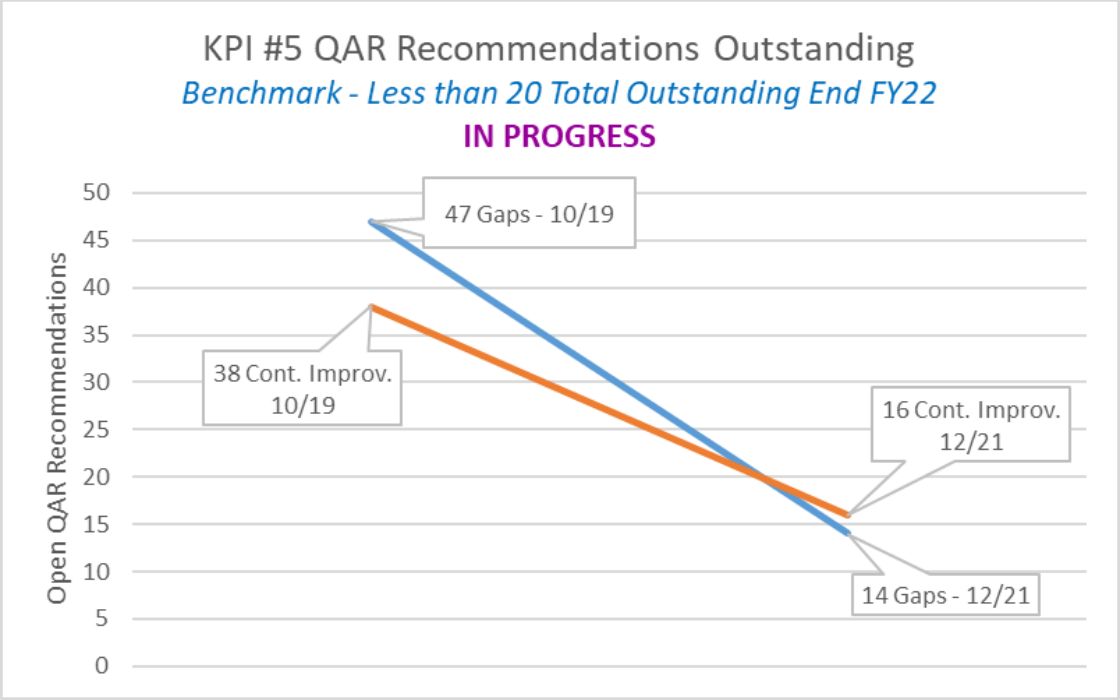




KPI #4 – Stakeholder Communication



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 which began in FY21. 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 FY22Q1.

Description	Period	# of Recommendations
Outstanding Recommendations	Beginning FY22Q1	7
LESS: Management Noted as Implemented	During FY22Q1	(5)
LESS: IA Closed (due to follow-up/other)	During FY22Q1	(2)
LESS: Management Accepted Risk	During FY22Q1	0
ADD: Newly Issued OIA Recommendations	During FY22Q1	14
Outstanding Recommendations	End FY22Q1	14

For further information regarding this report, please contact:
Laura Anne Schratt, MBA, CIA - Executive Director of Internal Audit & CFCO
307 University Blvd. North, AD260, Mobile, AL 36688
251-460-6147
lauraschratt@southalabama.edu

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

DEVELOPMENT, ENDOWMENT AND INVESTMENTS COMMITTEE

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Development, Endowment and Investments Committee

December 1, 2021
1:48 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 Wednesday, December 1, 2021, at 1:48 p.m. in the Chief Calvin W. McGhee Grand Ballroom of the MacQueen Alumni Center. Public access was provided via YouTube livestream.

Members:	Arlene Mitchell, Steve Stokes, Margie Tuckson, Mike Windom, and Jim Yance were present, and Chandra Brown Stewart and Scott Charlton participated remotely.
Other Trustees:	Steve Furr, Ron Graham, Ron Jenkins, Lenus Perkins, and Jimmy Shumock.
Administration & Guests:	Terry Albano, Joél Billingsley, Lynne Chronister, Kristin Dukes, Joel Erdmann, Julie Estis, Monica Ezell, Mike Haskins, Andi Kent, Nick Lawkis, John Marymont, Mike Mitchell, Norman Pitman, Laura Schratt, Beth Shepard (Faculty Senate), John Smith, Margaret Sullivan, Tom Van Zant (Commonfund), and Scott Weldon.

The meeting came to order and the attendance roll was called, **Item 6**. Mr. Yance called for consideration of the minutes of the meeting held on September 2, 2021, **Item 7**. On motion by Ms. Mitchell, seconded by Judge Windom, the committee voted unanimously to adopt the minutes.

Mr. Yance called for a report on endowment and investment performance, **Item 8**. Mr. Albano, along with investment consultant Mr. Norman Pitman, discussed the 2021 fiscal year and long-term endowment performance results, performance by manager, and recent revisions to asset allocations, which Mr. Albano noted were based upon recommendations received from five nationwide investment firms following a thorough review of the endowment. He indicated that the revisions, which included the addition of two new asset classes -- private credit and real estate, had been approved by the Committee. Mr. Yance clarified that these revisions would not require changes to the University's overall investment policy.

Mr. Yance asked Mr. Albano to address **Item 9**, a resolution acknowledging and accepting the current year annual evaluation of the University's endowment and non-endowment investment policies by the Development, Endowment and Investments Committee, as well as the Committee's recommendation that revision of the policies was not suggested at the present time. (To view resolutions, policies and other documents authorized, refer to the minutes of the Board of Trustees meeting held on December 2, 2021.) Mr. Albano reminded the Committee that this action, required annually, satisfies a SACSCOC (Southern Association of Colleges and Schools Commission on

Colleges) accreditation standard. On motion by Ms. Mitchell, seconded by Dr. Charlton, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Continuing with the **Item 8** report on endowment and investment performance, Mr. Albano introduced Mr. Tom Van Zant from the investment firm of Commonfund. Mr. Van Zant gave an overview of the University's portfolio, noting a market value of nearly $59.8 million as of October 31, 2021. He also provided perspective on factors influencing the market and the economy.

Mr. Yance called on Ms. Sullivan for an update on the activities of the Division of Development and Alumni Relations, **Item 10**. Ms. Sullivan advised of a record fundraising year for 2021, reporting new gifts and commitments totaling $26.1 million. She shared fundraising results for fiscal year 2022, and introduced a video demonstrating the positive impact such gifts have on South's students and health system, and on the community. She discussed other development news, events and initiatives, such as the USA Children's & Women's Hospital Pediatric Emergency Center groundbreaking ceremony held in October, the inaugural Leadership in Social Justice and Perseverance Scholarship awards, and the School of Marine and Environmental Sciences (SMES) dedication scheduled on December 2. She thanked Angelia and Steve Stokes for their gift to establish the first SMES undergraduate scholarship.

There being no further business, the meeting was adjourned at 2:21 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 December 31, 2021

- USA Endowment Fund returned 4.59% versus its blended benchmark return of 4.50%. The USA Endowment Fund outperformed by 0.09%.

USA Endowment Manager Performance
October 1, 2020 to December 31, 2021

Individual Manager versus Index performance:

- Commonfund returned 5.30% versus its benchmark return of 3.88%.
- Charles Schwab returned 5.97% versus its benchmark return of 7.15%.
- Douglas Lane returned 7.60% versus its benchmark return of 11.03%.
- Gerber Taylor returned 0.92% versus its benchmark return of 1.14%.
- Forester Diversified returned -1.73% versus its benchmark return of 1.14%.
- Gerber Taylor International returned -0.50% versus its benchmark return of 2.70%.
- Hancock Whitney returned 6.28% versus its benchmark return of 4.37%.
- JP Morgan returned -4.03% versus its benchmark return of -0.97%.
- USAFund (Student Investment Fund) returned 9.12% versus its benchmark return of 11.03%.

USA Endowment Annualized Fund Performance
As of December 31, 2021

- Endowment Fund Inception annualized return of 6.20% versus its blended benchmark return of 5.24%.

USA Endowment Investment Earnings and Appreciation Since Inception
March 31, 2000 to December 31, 2021

- Endowment Fund Market Value at Inception (March 31, 2000): $5,700,000
- Endowment Fund Net Additions/Withdrawals as of September 30, 2021: $68,950,880
- Endowment Fund Market Value as of December 31, 2021: $219,755,579
- Total Investment Earnings and Appreciation (since inception): $145,104,699

March 11, 2022

RESOLUTION

OFFICERS AND DIRECTORS OF THE JAGUAR ATHLETIC FUND, INC.

WHEREAS, pursuant to the amended bylaws of the Jaguar Athletic Fund, Inc. ("JAF"), the Board of Trustees of the University of South Alabama ("University") shall approve the JAF slate of officers and directors, and

WHEREAS, the University and JAF have a history of interaction and cooperation that has served the interests of the University, and

WHEREAS, the JAF Board of Directors, through its Nominating Committee, is authorized to nominate officers and directors consistent with the aforesaid for consideration and approval by the University's Board of Trustees, and

WHEREAS, the Nominating Committee of the JAF Board of Directors has nominated the following individuals to serve as JAF officers and/or directors for calendar-year terms as specified,

OFFICERS - Reappointment for 2022

- J.H. "Jimmy" Shumock — Corporation President
- C.L. "Skipper" Walters — Corporation Vice President
- J.M. "Jeff" Nichols — Corporation Secretary

DIRECTORS - Reappointment for Three-Year Terms, 2022- 2025

- Alexis Atkins — Football
- Shirley Brown — Women's Golf
- Wes Hinkle — Baseball
- Ray Kennedy — At-Large
- Justin Labrato — Track
- Bobby Marks — Men's Basketball
- Amy Morris — Men's Basketball
- Jeff Nichols — Tennis
- Alex Pastore — Baseball
- Jimmy Shumock — Men's Basketball
- Skipper Walters — Baseball

DIRECTORS - New Appointment for Three-Year Terms, 2022-2025

- Hunt Griffith
- Scott Perry

THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama does hereby ratify the officers and directors of the Jaguar Athletic Fund, Inc., as set forth.

UNIVERSITY OF SOUTH ALABAMA

MEMORANDUM

Department of Athletics

DATE: February 23, 2022

TO: Jo Bonner, President

FROM: Joel Erdmann, Director of Athletics

SUBJECT: Resolution for the Board of Trustees – Ratification of Directors and Officers for the Jaguar Athletic Fund, Inc. (JAF)

Attached is a resolution that I recommend be presented to the USA Board of Trustees for consideration at its next meeting on March 11, 2022.

Mr. Hunt Griffith was nominated as a new director. Mr. Griffith is a baseball alum and a financial advisor with 5 Rivers Group at Morgan Stanley. He has provided a naming gift for the Stanky Field Stadium Club, which is now the Hunt Griffith Stadium Club. Mr. Griffith is well respected and well connected in the community.

Mr. Scott Perry was also nominated as a new director. Mr. Perry is a Mitchell College of Business alum and the Chief Financial Officer of CORE Industries. He was a leader in securing a naming rights gift at Hancock Whitney Stadium. Mr. Perry is an avid supporter of the University and a reputable business person.

Approval of the resolution will finalize the ratification of the newly elected JAF officers and directors as set forth.

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES



HEALTH AFFAIRS COMMITTEE

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Health Affairs Committee

December 1, 2021
2:21 p.m.

A meeting of the Health Affairs Committee of the University of South Alabama Board of Trustees was duly convened by Dr. Scott Charlton, Chair, on Wednesday, December 1, 2021, at 2:21 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, Arlene Mitchell, Steve Stokes, Margie Tuckson, and Jim Yance were present, and Chandra Brown Stewart and Scott Charlton participated remotely.
Other Trustees:	Ron Graham, Ron Jenkins, Lenus Perkins, Jimmy Shumock, and Mike Windom.
Administration & Guests:	Joél Billingsley, Lynne Chronister, Kristin Dukes, Joel Erdmann, Julie Estis, Monica Ezell, Natalie Fox, Mike Haskins, Andi Kent, Nick Lawkis, John Marymont, Mike Mitchell, Andrea Rosler, Laura Schratt, Beth Shepard (Faculty Senate), John Smith, Margaret Sullivan, and Scott Weldon.

The meeting came to order and the attendance roll was called, **Item 11**. Dr. Charlton called for consideration of the minutes of the meeting held on September 2, 2021, **Item 12**. On motion by Mr. Yance, seconded by Dr. Stokes, the Committee voted unanimously to adopt the minutes.

Dr. Charlton called on Mr. Bailey, who presented a resolution authorizing the USA Health Hospitals medical staff appointments and reappointments for August, September and October, 2021, **Item 13**. (To view resolutions, policies and other documents authorized, refer to the minutes of the Board of Trustees meeting held on December 2, 2021.) On motion by Mr. Yance, seconded by Dr. Stokes, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Dr. Charlton introduced **Item 14**, a resolution authorizing revisions to the USA Health Hospitals medical staff bylaws and to associated documents. Mr. Bailey briefly outlined the changes being recommended. On motion by Dr. Stokes, seconded by Ms. Mitchell, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Dr. Charlton presented a resolution authorizing the USA Health Hospitals medical staff officers for the 2022 and 2023 calendar years, **Item 15**. On motion by Mr. Yance, seconded by Ms. Mitchell, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Dr. Charlton called on Dr. Marymont for an update on the activities of USA Health and the College of Medicine (COM), **ITEM 16**. Dr. Marymont advised of a $30 million gift from the USA Foundation (USAF) for the new COM building, and he thanked USAF Managing Director Ms. Maxey Roberts and the Chair of the USAF Board of Directors, the Honorable John McMillian, and recognized Mr. Yance for his efforts in developing this gift.

Dr. Marymont briefly discussed developments surrounding a federal COVID-19 vaccination mandate. He introduced Dr. Julie Estis, COVID-19 Response Coordinator for the University's academic sector, and Dr. Natalie Fox, USA Health Physicians Group Assistant Administrator/Chief of Nursing Operations, both of whom imparted information relating to declining COVID-19 cases among students and employees, as well as about COVID-19 testing and vaccination rates and initiatives for the University community and area citizens. Complexities concerning USA Health staffing shortages and the difficult labor market and regarding medical education delivery while the COM building project was underway were addressed by USA Health Chief Human Resources Officer Ms. Andrea Rosler and by Dr. Marymont, respectively.

There being no further business, the meeting was adjourned at 2:43 p.m.

Respectfully submitted:

Scott A. Charlton, M.D., Chair

RESOLUTION

USA HEALTH HOSPITALS MEDICAL STAFF APPOINTMENTS AND REAPPOINTMENTS FOR NOVEMBER AND DECEMBER, 2021 AND JANUARY 2022

WHEREAS, the Medical Staff appointments and reappointments for November and December, 2021 and January 2022 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 Board of Trustees of the University of South Alabama hereby authorizes the appointments and reappointments as submitted.

UNIVERSITY OF SOUTH ALABAMA

MEMORANDUM

USA Health

DATE: February 4, 2022

TO: Jo Bonner
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 November and December, 2021 and January 2022

- Medical Staff Appointments/Reappointments Board of Trustees Report

OB/kh

Attachments

USA BOARD OF TRUSTEE REPORT
USA HEALTH HOSPITALS MEDICAL STAFF
APPOINTMENTS APPROVED IN NOVEMBER, DECEMBER, 2021 AND JANUARY 2022

The following is a listing of recommendations for approval of new appointments, reappointments and other status changes of Physicians and Advanced Practice Professionals. These have been reviewed and are recommended by the Medical Executive Committees of the respective hospitals.

NAME	USA Health Children's & Women's Hospital			USA Health University Hospital			USA Health Ambulatory Care		
Appointments:	**Type/Stat**	**Category**	**Dept/Ser**	**Type/Stat**	**Category**	**Dept/Ser**	**Type/Stat**	**Category**	**Dept/Ser**
Abdalla, Ahmed, MD	New Appt.	Active USA	Internal Medicine	New Appt.	Active USA	Internal Medicine	New Appt.	Active USA	Internal Medicine
Amato, Alaina E., MD	New Appt.	Community Staff	Internal Medicine	New Appt.	Community Staff	Internal Medicine	NA	NA	NA
Awan, Farida N., MD	Reappt.	Community Staff	Pediatrics	NA	NA	NA	NA	NA	NA
Awan, Ghulam M., MD	Reappt.	Consulting USA	Internal Medicine	Reappt.	Active USA	Internal Medicine	Reappt.	Cons./Act. USA	Internal Medicine
Bailey, Lisa R., MD	New Appt.	Active HCA	Surgery	New Appt.	Active HCA	Surgery	New Appt.	Active HCA	Surgery
Bassam, Bassam A., MD	Reappt.	Courtesy USA	Neurology	Reappt.	Active USA	Neurology	Reappt.	Court./Act. USA	Neurology
Batten, Lynn A., MD	Reappt.	Active USA	Pediatrics	Reappt.	Consulting USA	Pediatrics	Reappt.	Act./Consult. USA	Pediatrics
Beard, Deana M., CRNP	New Appt.	Non-Priv. APP	Internal Medicine	New Appt.	Non-Priv. APP	Internal Medicine	NA	NA	NA
Beebe, Rachel W., PA	New Appt.	APP USA	Surgery	New Appt.	APP USA	Surgery	New Appt.	APP USA	Surgery
Benfield, Mary P., CRNP	Reappt.	APP USA	Ped. Emerg. Med.	Reappt.	APP USA	Emergency Med.	NA	NA	NA
Bhadkamkar, Sanjyot S., CRNP	Reappt.	APP USA	Internal Medicine	Reappt.	APP USA	Internal Medicine	Reappt.	APP USA	Internal Medicine
Bokhari, Amber M., MD	Reappt.	Active USA	Internal Medicine	Reappt.	Active USA	Internal Medicine	Reappt.	Active USA	Internal Medicine
Boudreaux, Michael C., CRNA	Reappt.	APP USA	Anesthesiology	Reappt.	APP USA	Anesthesiology	NA	NA	NA
Boudreaux, Randall, MD	New Appt.	Active USA	Anesthesiology	New Appt.	Active USA	Anesthesiology	NA	NA	NA
Breslin, Jeanette W., MD	Reappt.	Community Staff	Pediatrics	NA	NA	NA	NA	NA	NA
Brown, Amberlyn N., PA	New Appt.	APP USA	Internal Medicine	New Appt.	APP USA	Internal Medicine	New Appt.	APP USA	Internal Medicine
Bryan, Melissa S., CRNP	New Appt.	APP USA	Ped. Emerg. Med.	New Appt.	APP USA	Emergency Med.	NA	NA	NA
Bryant, Ethan J., RN	New Appt.	APP	OBGYN	New Appt.	APP	OBGYN	NA	NA	NA
Burns, Rhonda E., MD	Reappt.	Community Staff	Pediatrics	NA	NA	NA	NA	NA	NA
Byrd, Charlotte S., CRNP	New Appt.	APP USA	Internal Medicine	New Appt.	APP USA	Internal Medicine	New Appt.	APP USA	Internal Medicine
Catalanotto, Jennifer K., CRNP	New Appt.	APP USA	OBGYN	NA	NA	NA	New Appt.	APP USA	OBGYN
Cavazos, Cristina M., MD	Reappt.	Consulting	Radiology	Reappt.	Consulting	Radiology	NA	NA	NA
Clarke, Kelly A., CRNP	New Appt.	APP USA	Internal Medicine	New Appt.	APP USA	Internal Medicine	New Appt.	APP USA	Internal Medicine
Clinard, Naomi S., CRNP	Reappt.	APP HCA	OBGYN	Reappt.	APP HCA	OBGYN	Reappt.	APP HCA	OBGYN
Coleman, Anthony L., PCT	Reappt.	APP	Internal Medicine	Reappt.	APP	Internal Medicine	NA	NA	NA
Dabezies, Constance C., MD	Reappt.	Community Staff	OBGYN	Reappt.	Community Staff	OBGYN	NA	NA	NA
Davis, Jennifer J., CRNP	Reappt.	APP USA	Surgery	Reappt.	APP USA	Surgery	Reappt.	APP USA	Surgery
Davis, Shannon Noelle, CRNP	NA	NA	NA	Reappt.	APP USA	Surgery	Reappt.	APP USA	Surgery
Delgado, Gregg, DO	Reappt.	Active USA	Radiology	Reappt.	Active USA	Radiology	Reappt.	Active USA	Radiology
Detjens, Kathryn M., CNM	Reappt.	APP	OBGYN Eval Ctr.	NA	NA	NA	NA	NA	NA
Dixon, Janie, RN	Reappt.	APP	Internal Medicine	Reappt.	APP	Internal Medicine	NA	NA	NA
Edwards, Katie R., CRNP	New Appt.	APP USA	Pediatrics	NA	NA	NA	New Appt.	APP USA	Pediatrics
Engeriser, Jason L., MD	Reappt.	Consulting	Psychiatry	Reappt.	Consulting	Psychiatry	NA	NA	NA
Fagan, Karen A., MD	Reappt.	Active USA	Internal Medicine	Reappt.	Active USA	Internal Medicine	Reappt.	Active USA	Internal Medicine
Faliszek, James E., MD	Reappt.	Consulting	Radiology	Reappt.	Consulting	Radiology	NA	NA	NA
Fleck, Lorie G., MD	Reappt.	Active HCA	Surgery	Reappt.	Active HCA	Surgery	Reappt.	Active HCA	Surgery
Flotte, Edward R., MD	NA	NA	NA	Reappt.	Consulting	Neurosurgery	NA	NA	NA

NAME	USA Health Children's & Women's Hospital			USA Health University Hospital			USA Health Ambulatory Care		
Appointments (continued):	**Type/Stat**	**Category**	**Dept/Ser**	**Type/Stat**	**Category**	**Dept/Ser**	**Type/Stat**	**Category**	**Dept/Ser**
Foster, Kendal I., MD	Reappt.	Active	OBGYN	NA	NA	NA	NA	NA	NA
Foster, Thomas E., MD	New Appt.	Community Staff	Neurology	New Appt.	Community Staff	Neurology	NA	NA	NA
Fouty, Brian W., MD	Reappt.	Courtesy USA	Internal Medicine	Reappt.	Active USA	Internal Medicine	Reappt.	Court./Act. USA	Internal Medicine
Fox, Stephen G., MD	Reappt.	Consulting	Radiology	Reappt.	Consulting	Radiology	NA	NA	NA
Freeman, Andrew G., MD	Reappt.	Community Staff	Family Medicine	NA	NA	NA	NA	NA	NA
Frego, Jennifer H., CRNP	Reappt.	APP USA	Pediatrics	NA	NA	NA	Reappt.	APP USA	Pediatrics
Friedman, Richard A., MD	New Appt.	Community Staff	Neurology	New Appt.	Community Staff	Neurology	NA	NA	NA
Frizell, Carl A., PA	NA	NA	NA	New Appt.	APP HCA	Family Medicine	New Appt.	APP HCA	Family Medicine
Fryfogle, Joel D., CRNA	Reappt.	APP USA	Anesthesiology	Reappt.	APP USA	Anesthesiology	NA	NA	NA
Gatla, Shanthi, MD	New Appt.	Consulting	Psychiatry	New Appt.	Consulting	Psychiatry	NA	NA	NA
Geatrakas, Christina S., MD	Reappt.	Consulting	Radiology	Reappt.	Consulting	Radiology	NA	NA	NA
Glaser, Jodi E., CRNP	NA	NA	NA	New Appt.	APP HCA/JAG	Internal Medicine	New Appt.	APP HCA/JAG	Internal Medicine
Glynn, Shelby L., PA	New Appt.	APP USA	Pediatrics	New Appt.	APP USA	Pediatrics	New Appt.	APP USA	Pediatrics
Gore, Lisa D., CRNP	Reappt.	APP USA	Pediatrics	NA	NA	NA	Reappt.	APP USA	Pediatrics
Gremse, David A., MD	Reappt.	Active USA	Pediatrics	Reappt.	Active USA	Pediatrics	Reappt.	Active USA	Pediatrics
Gwin, Christopher A., RN	New Appt.	APP	Internal Medicine	New Appt.	APP	Internal Medicine	NA	NA	NA
Hall, Tanzell L., RN	Reappt.	APP	Internal Medicine	Reappt.	APP	Internal Medicine	NA	NA	NA
Hayes, Jr., John W., CRNP	Reappt.	APP	Psychiatry	Reappt.	APP	Psychiatry	NA	NA	NA
Hemphill, Michele L., RN	Reappt.	Non-Priv. APP	Internal Medicine	Reappt.	Non-Priv. APP	Internal Medicine	NA	NA	NA
Herrera, Danilo V., MD	Reappt.	Courtesy	OBGYN	NA	NA	NA	NA	NA	NA
Heusser, Margaret G., MD	New Appt.	Active	OBGYN	New Appt.	Active	OBGYN	NA	NA	NA
Higgins, Tina G., CRNP	Reappt.	APP USA	OBGYN	NA	NA	NA	Reappt.	APP USA	OBGYN
Hollensworth, Laura K., MD	Reappt.	Community Staff	Family Medicine	NA	NA	NA	NA	NA	NA
Holloway, II, Walter B., MD	NA	NA	NA	New Appt.	Active USA	Emergency Med.	NA	NA	NA
Huff, Melissa D., CRNP	New Appt.	APP USA	Pediatrics	NA	NA	NA	New Appt.	APP USA	Pediatrics
Huffstutler, Hannah S., PA	NA	NA	NA	New Appt.	APP HCA	Family Medicine	New Appt.	APP HCA	Family Medicine
Hughes, Jr., Douglas E., MD	Reappt.	Consulting	Radiology	Reappt.	Consulting	Radiology	NA	NA	NA
Hughes, Jason D., MD	Reappt.	Consulting	Radiology	Reappt.	Consulting	Radiology	NA	NA	NA
Huls, Hallie R., MD	Reappt.	Active USA	Anesthesiology	Reappt.	Active USA	Anesthesiology	NA	NA	NA
Hummel, Ursula N., PA	New Appt.	APP USA	Neurosurgery	New Appt.	APP USA	Neurosurgery	New Appt.	APP USA	Neurosurgery
Inge, George B., MD	Reappt.	Courtesy	OBGYN	NA	NA	NA	NA	NA	NA
Jimenez, Karen L., MD	Reappt.	Courtesy HCA	Internal Medicine	Reappt.	Courtesy HCA	Internal Medicine	Reappt.	Courtesy HCA	Internal Medicine
Kenyherz, Gregory E., MD	Reappt.	Consulting	Radiology	Reappt.	Consulting	Radiology	Reappt.	Consulting	Radiology
Kersey, Jeremy, PA	NA	NA	NA	New Appt.	APP HCA	Family Medicine	New Appt.	APP HCA	Family Medicine
Khan, Neelam A., MD	NA	NA	NA	Reappt.	Court. HCA/JAG	Family Medicine	Reappt.	Court. HCA/JAG	Family Medicine
Kilgo, William A., MD	Reappt.	Active USA	Neurology	Reappt.	Active USA	Neurology	Reappt.	Active USA	Neurology
Kirkland, Lynne P., MD	Reappt.	Community Staff	Family Medicine	NA	NA	NA	NA	NA	NA
Krebsbach, Mackenzie H., CRNP	NA	NA	NA	Reappt.	APP USA	Surgery	Reappt.	APP USA	Surgery
Lairmore, Lisa A., OSA	Reappt.	APP	Surgery	NA	NA	NA	NA	NA	NA
Largue, Jason Bret., PA	NA	NA	NA	New Appt.	APP HCA	Family Medicine	New Appt.	APP HCA	Family Medicine
Lee, Ji Young, MD, PhD	NA	NA	NA	Reappt.	Active USA	Internal Medicine	Reappt.	Active USA	Internal Medicine
Mace, Kyle M., PA	New Appt.	APP USA	Surgery	New Appt.	APP USA	Surgery	New Appt.	APP USA	Surgery
Mack-Williams, Myria A., MD	Reappt.	Active USA	Pediatrics	Reappt.	Consulting USA	Pediatrics	Reappt.	Act/Cons. USA	Pediatrics
Madelaire, Carlina N., MD	Reappt.	Courtesy USA	Pathology	Reappt.	Active USA	Pathology	Reappt.	Court./Act. USA	Pathology
Markle, Charles S., MD	New Appt.	Community Staff	Neurology	New Appt.	Community Staff	Neurology	NA	NA	NA

NAME	USA Health Children's & Women's Hospital			USA Health University Hospital			USA Health Ambulatory Care		
Appointments (continued):	**Type/Stat**	**Category**	**Dept/Ser**	**Type/Stat**	**Category**	**Dept/Ser**	**Type/Stat**	**Category**	**Dept/Ser**
Martinsen, Angela M., PA	Reappt.	APP USA	Internal Medicine	Reappt.	APP USA	Internal Medicine	Reappt.	APP USA	Internal Medicine
McCollum, Jeffery S., CRNA	Reappt.	APP USA	Anesthesiology	Reappt.	APP USA	Anesthesiology	NA	NA	NA
McConnell, Sara A., DO	New Appt.	Active USA	Internal Medicine	New Appt.	Active USA	Internal Medicine	New Appt.	Active USA	Internal Medicine
McConnell, Sara A., DO	New Appt.	Active USA	Pediatrics	New Appt.	Active USA	Pediatrics	New Appt.	Active USA	Pediatrics
McConnell, Zachary A., PA	NA	NA	NA	New Appt.	APP USA	Emergency Med.	NA	NA	NA
McDell, Angela, RN	Reappt.	APP	Internal Medicine	Reappt.	APP	Internal Medicine	NA	NA	NA
McGilvray, Stephanie L., PA	NA	NA	NA	New Appt.	APP HCA	Family Medicine	New Appt.	APP HCA	Family Medicine
McGowin, Emily F., CRNP	NA	NA	NA	Reappt.	APP USA	Surgery	Reappt.	APP USA	Surgery
McIntyre, Matthew G., MD	Reappt.	Consulting HCA	Surgery	Reappt.	Consulting HCA	Surgery	Reappt.	Consulting HCA	Surgery
McKinney, Shane Michael, MD	New Appt.	Active USA	Ped. Emerg. Med.	NA	NA	NA	NA	NA	NA
Mellick, Larry B., MD	Reappt.	Active USA	Ped. Emerg. Med.	Reappt.	Active USA	Emergency Med.	NA	NA	NA
Milling, Nell F., PA	NA	NA	NA	New Appt.	APP USA	Internal Medicine	New Appt.	APP USA	Internal Medicine
Milwee, Catherine V., PA	New Appt.	APP USA	Pediatrics	NA	NA	NA	New Appt.	APP USA	Pediatrics
Minchew, Leigh A., CRNP	Reappt.	APP USA	OBGYN	NA	NA	NA	Reappt.	APP USA	OBGYN
Minton, Bonnie, PA	NA	NA	NA	New Appt.	APP HCA	Family Medicine	New Appt.	APP HCA	Family Medicine
Mizell, Rachel B, CRNP	New Appt.	APP USA	Internal Medicine	New Appt.	APP USA	Internal Medicine	New Appt.	APP USA	Internal Medicine
Morgan, Lauren D., CRNP	Reappt.	APP USA	Pediatrics	NA	NA	NA	Reappt.	APP USA	Pediatrics
Murray, Valerie C., RN	Reappt.	APP	Internal Medicine	Reappt.	APP	Internal Medicine	NA	NA	NA
Nadarajan, Jr., Annamalai, MD	NA	NA	NA	New Appt.	Active USA	Emergency Med.	NA	NA	NA
Nicholson, Torrence L., MD	Reappt.	Community Staff	Family Medicine	Reappt.	Community Staff	Family Medicine	NA	NA	NA
Nimityongskul, Prasit, MD	Reappt.	Active USA	Orthopaedics	Reappt.	Active USA	Orthopaedics	Reappt.	Active USA	Orthopaedics
Norberg, Shani K., MD	Reappt.	Consulting	Neurology	Reappt.	Consulting	Neurology	NA	NA	NA
Obiaka, Uzoma C., MD	New Appt.	Active USA	Pediatrics	New Appt.	Active USA	Pediatrics	New Appt.	Active USA	Pediatrics
Omar, Bassam A., MD	Reappt.	Active USA	Internal Medicine	Reappt.	Active USA	Internal Medicine	Reappt.	Active USA	Internal Medicine
Orr, Elizabeth M., MD	Reappt.	Community Staff	Pediatrics	NA	NA	NA	NA	NA	NA
Pack-Mabien, Ardie V., CRNP	Reappt.	APP USA	Internal Medicine	Reappt.	APP USA	Internal Medicine	Reappt.	APP USA	Internal Medicine
Padden, Maureen O., MD	New Appt.	Active USA	Family Medicine	New Appt.	Active USA	Family Medicine	New Appt.	Active USA	Family Medicine
Phung, Thuy L., MD, PhD	Reappt.	Active USA	Pathology	Reappt.	Active USA	Pathology	Reappt.	Active USA	Pathology
Pierce, Jennifer Y., MD	Reappt.	Active USA	Gynecology	Reappt.	Active USA	Gynecology	Reappt.	Active USA	Gynecology
Pittman, Joyce A., CRNP	Reappt.	APP USA	Surgery	Reappt.	APP USA	Surgery	Reappt.	APP USA	Surgery
Pitts, Denise M., RN	Reappt.	APP	Internal Medicine	Reappt.	APP	Internal Medicine	NA	NA	NA
Polk, Nicole D., RN	Reappt.	APP	Internal Medicine	Reappt.	APP	Internal Medicine	NA	NA	NA
Pollman, Daniel J., MD	New Appt.	Community Staff	Internal Medicine	New Appt.	Community Staff	Internal Medicine	NA	NA	NA
Powell, Angela A., MD	New Appt.	Community Staff	Family Medicine	New Appt.	Community Staff	Family Medicine	NA	NA	NA
Preud'Homme, Daniel L., MD	Reappt.	Active USA	Pediatrics	NA	NA	NA	Reappt.	Active USA	Pediatrics
Rice, Taylor R., PA	New Appt.	APP USA	Ped. Emerg. Med.	NA	NA	NA	NA	NA	NA
Robinson, Jason M., RN	Reappt.	APP	Internal Medicine	Reappt.	APP	Internal Medicine	NA	NA	NA
Rogers, Carey B., RN	Reappt.	APP	OBGYN	Reappt.	APP	OBGYN	NA	NA	NA
Roth, Tracy Y., MD	Reappt.	Active USA	OBGYN	Reappt.	Courtesy USA	OBGYN	Reappt.	Act./Court. USA	OBGYN
Rowell, Jr., Frederick W., MD	New Appt.	Active USA	Pediatrics	NA	NA	NA	New Appt.	Active USA	Pediatrics
Rusyniak, Jr., Walter G., MD	Reappt.	Active USA	Neurosurgery	Reappt.	Active USA	Neurosurgery	Reappt.	Active USA	Neurosurgery
Salvitti Fermin, Mariarita, MD	New Appt.	Active USA	Surgery	New Appt.	Active USA	Surgery	New Appt.	Active USA	Surgery
Sansaricq, Jean A., MD	Reappt.	Active HCA	OBGYN	Reappt.	Active HCA	OBGYN	Reappt.	Active HCA	OBGYN
Sanusi, Abayomi R., MD	New Appt.	Active USA	Internal Medicine	New Appt.	Active USA	Internal Medicine	New Appt.	Active USA	Internal Medicine
Schaphorst, Kane L., MD	Reappt.	Courtesy USA	Internal Medicine	Reappt.	Active USA	Internal Medicine	Reappt.	Court./Act. USA	Internal Medicine

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Appointments (continued):	**Type/Stat**	**Category**	**Dept/Ser**	**Type/Stat**	**Category**	**Dept/Ser**	**Type/Stat**	**Category**	**Dept/Ser**
Seaman, Deanna M., CRNP	Reappt.	APP USA	Pediatrics	NA	NA	NA	Reappt.	APP USA	Pediatrics
Sheets, Cindy S., MD	Reappt.	Active USA	Pediatrics	NA	NA	NA	Reappt.	Active USA	Pediatrics
Sherman, Craig D., MD	Reappt.	Active USA	OBGYN	Reappt.	Courtesy USA	OBGYN	Reappt.	Act./Court. USA	OBGYN
Smith, Dusty F., MD	Reappt.	Community Staff	Surgery	Reappt.	Community Staff	Surgery	NA	NA	NA
Smithgall, Ashley L., CRNP	New Appt.	APP USA	Pediatrics	NA	NA	NA	New Appt.	APP USA	Pediatrics
Springer, Gina E., CRNA	New Appt.	APP Locums	Anesthesiology	New Appt.	APP Locums	Anesthesiology	NA	NA	NA
Stamper, Meredith K., CRNA	New Appt.	APP Locums	Anesthesiology	New Appt.	APP Locums	Anesthesiology	NA	NA	NA
Stewart, Penny A., DO	New Appt.	Active USA	Pediatrics	New Appt.	Active USA	Pediatrics	New Appt.	Active USA	Pediatrics
Taylor, Pamela L., CRNP	Reappt.	APP USA	Family Medicine	Reappt.	APP USA	Family Medicine	Reappt.	APP USA	Family Medicine
Trimmier, Marirose C., MD	Reappt.	Active USA	Family Medicine	Reappt.	Active USA	Family Medicine	Reappt.	Active USA	Family Medicine
Turner, Hannah H., CRNP	New Appt.	APP HCA	Family Medicine	New Appt.	APP HCA	Family Medicine	New Appt.	APP HCA	Family Medicine
Varner, Stephen T., MD	Reappt.	Active USA	OBGYN	Reappt.	Courtesy USA	OBGYN	Reappt.	Act./Court. USA	OBGYN
Wallender, Aaron C., DDS, MD	Reappt.	Active	Surgery	Reappt.	Consulting	Surgery	NA	NA	NA
Ward, Aisha, CRNP	NA	NA	NA	New Appt.	APP USA	Emergency Med.	NA	NA	NA
Ward, Anastasia L., RN	Reappt.	APP	OBGYN	Reappt.	APP	OBGYN	NA	NA	NA
Watters, Harriett M., RN	Reappt.	APP	Internal Medicine	Reappt.	APP	Internal Medicine	Reappt.	APP	Internal Medicine
Weiser, Peter, MD	Reappt.	Community Staff	Pediatrics	NA	NA	NA	NA	NA	NA
West, Sarah S., CRNP	New Appt.	APP USA	Neurosurgery	New Appt.	APP USA	Neurosurgery	New Appt.	APP USA	Neurosurgery
White, Clinton A., CRNA	Reappt.	APP USA	Anesthesiology	Reappt.	APP USA	Anesthesiology	NA	NA	NA
White, Stanley, PA	NA	NA	NA	Reappt.	APP USA	Surgery	Reappt.	APP USA	Surgery
Williams, Austin L., CRNA, DNP	Reappt.	APP USA	Anesthesiology	Reappt.	APP USA	Anesthesiology	NA	NA	NA
Williams, Ieshia C., PCT	New Appt.	APP	Internal Medicine	New Appt.	APP	Internal Medicine	NA	NA	NA
Wilson, Micah J., CRNP	NA	NA	NA	New Appt.	APP HCA/JAG	Internal Medicine	NA	NA	NA
Xin, Wei, MD, PhD	New Appt.	Active USA	Pathology	New Appt.	Active USA	Pathology	New Appt.	Active USA	Pathology
Zayek, Michael M., MD	Reappt.	Active USA	Pediatrics	Reappt.	Consulting USA	Pediatrics	Reappt.	Act/Cons. USA	Pediatrics
Change Requests:	**Type/Stat**	**Category**	**Dept/Ser**	**Type/Stat**	**Category**	**Dept/Ser**	**Type/Stat**	**Category**	**Dept/Ser**
Bennett, Erin M., PCT	Added Priv.	APP	Internal Medicine	NA	NA	NA	NA	NA	NA
Bokhari, Amber M., MD	Req. LOA	Active USA	Internal Medicine	Req. LOA	Active USA	Internal Medicine	Req. LOA	Active USA	Internal Medicine
Brown, Candra, PCT	Added Priv.	APP	Internal Medicine	NA	NA	NA	NA	NA	NA
Clinard, Naomi S., CRNP	Chg. Name	APP HCA	OBGYN	Chg. Name	APP HCA	OBGYN	Chg. Name	APP HCA	OBGYN
Coleman, Anthony L., PCT	Added Priv.	APP	Internal Medicine	NA	NA	NA	NA	NA	NA
Cunningham, Thelma, RN	Added Priv.	APP	Internal Medicine	NA	NA	NA	NA	NA	NA
Dabezies, Constance C., MD	Name Chg.	Community Staff	OBGYN	Name Chg.	Community Staff	OBGYN	NA	NA	NA
Dixon, Janie, RN	Added Priv.	APP	Internal Medicine	NA	NA	NA	NA	NA	NA
Fox, Shaketa, RN	Added Priv.	APP	Internal Medicine	Added Priv.	APP	Internal Medicine	NA	NA	NA
Franks, Ronald D. MD	Chg. Status	Honorary	Psychiatry	Chg. Status	Honorary	Psychiatry	NA	NA	NA
Frego, Jennifer H., CRNP	See Below	APP USA	Pediatrics	NA	NA	NA	See Below	APP USA	Pediatrics
Giambrone, Melanie Joy, CRNP	See Below	APP USA	Surgery	See Below	APP USA	Surgery	See Below	APP USA	Surgery
Hall, Tanzell L., RN	Added Priv.	APP	Internal Medicine	NA	NA	NA	NA	NA	NA
Hardin, Marie, PCT	Added Priv.	APP	Internal Medicine	NA	NA	NA	NA	NA	NA
Keith, Kimberly R., MD	Chg. Name	Consulting HCA	Internal Medicine	Chg. Name	Active HCA	Internal Medicine	Chg. Name	Consult/Act. HCA	Internal Medicine
Lammers, John E., MD	NA	NA	NA	Chg. Status	Active USA	Internal Medicine	Chg. Status	Active USA	Internal Medicine
McCoy, Amy M., MD	Added Priv.	Courtesy	OBGYN	NA	NA	NA	NA	NA	NA

NAME	USA Health Children's & Women's Hospital			USA Health University Hospital			USA Health Ambulatory Care		
Change Requests (continued):	**Type/Stat**	**Category**	**Dept/Ser**	**Type/Stat**	**Category**	**Dept/Ser**	**Type/Stat**	**Category**	**Dept/Ser**
McDell, Angela, RN	Added Priv.	APP	Internal Medicine	NA	NA	NA	NA	NA	NA
Polk, Nicole D., RN	Added Priv.	APP	Internal Medicine	NA	NA	NA	NA	NA	NA
Robinson, Jason M., RN	Added Priv.	APP	Internal Medicine	NA	NA	NA	NA	NA	NA
Rodgers, Sandra Y., PCT	Added Priv.	APP	Internal Medicine	NA	NA	NA	NA	NA	NA
Sheldt, Brian, RN	Added Priv.	APP	Internal Medicine	Added Priv.	APP	Internal Medicine	NA	NA	NA
Tubbs, Candiann, PCT	Added Priv.	APP	Internal Medicine	NA	NA	NA	NA	NA	NA
Watters, Harriett M., RN	Added Priv.	APP	Internal Medicine	NA	NA	NA	NA	NA	NA
Resigned/Retired:	**Reason**	**Date**	**Dept.**	**Reason**	**Date**	**Dept.**	**Reason**	**Date**	**Dept.**
Bever, Zachary P., RN	NA	NA	NA	Resigned	10/19/2021	Internal Medicine	NA	NA	NA
Bahakel, Hannah K., MD	Resigned	12/28/2021	Pediatrics	NA	NA	NA	Resigned	12/28/2021	Pediatrics
Boatright, Jeffrey D., MD	Resigned	11/10/2021	Orthopaedics	Resigned	11/10/2021	Orthopaedics	NA	NA	NA
Boudreaux, Carole W., MD	Retired	12/31/2021	Pathology	Retired	12/31/2021	Pathology	Retired	12/31/2021	Pathology
Bustin, Emily F., MD	NA	NA	NA	Resigned	12/29/2021	Family Medicine	NA	NA	NA
Culpepper, Roy M., MD	NA	NA	NA	Retired	12/31/2021	Internal Medicine	NA	NA	NA
Daoust, William S., CRNA	Resigned	11/3/2021	Anesthesiology	Resigned	11/3/2021	Anesthesiology	NA	NA	NA
Dauenheimer, Kelly V, CRNP	NA	NA	NA	Resigned	12/6/2021	Internal Medicine	Resigned	12/6/2021	Internal Medicine
Grant, Michael J., MD	Resigned	12/29/2021	Radiology	Resigned	12/29/2021	Radiology	NA	NA	NA
Gregg, Marlene P., CRNA	Resigned	11/2/2021	Anesthesiology	Resigned	11/2/2021	Anesthesiology	NA	NA	NA
Holman, Logan M., DO	Resigned	1/1/2022	Pediatrics	NA	NA	NA	Resigned	1/1/2022	Pediatrics
Hussein, Mohamed, MD	Resigned	12/29/2021	Internal Medicine	Resigned	12/29/2021	Internal Medicine	Resigned	12/29/2021	Internal Medicine
Johnson, Donald E., CRNA	Resigned	12/31/2021	Anesthesiology	Resigned	12/31/2021	Anesthesiology	NA	NA	NA
Johnson, Drew E., CNIM	Resigned	10/21/2021	Neurosurgery	Resigned	10/21/2021	Neurosurgery	NA	NA	NA
Kessler, Isabel C., PA	Resigned	10/27/2021	Neurology	Resigned	10/27/2021	Neurology	Resigned	10/27/2021	Neurology
Kominek, Billie Jo, RN	Resigned	12/10/2021	OBGYN	Resigned	12/10/2021	OBGYN	Resigned	12/10/2021	OBGYN
Lee, Ji Young, MD, PhD	NA	NA	NA	Reappt.	Active USA	Internal Medicine	Reappt.	Active USA	Internal Medicine
Ly, Justin Q., MD	Resigned	12/2/2021	Radiology	Resigned	12/2/2021	Radiology	NA	NA	NA
Mehta, Ragini B., MD	Resigned	11/2/2021	Anesthesiology	Resigned	11/2/2021	Anesthesiology	NA	NA	NA
McColgin, Sterling W., MD	Resigned	12/22/2021	OBGYN	NA	NA	NA	Resigned	12/22/2021	OBGYN
Morris, Michael W., MD	Resigned	1/1/2022	Surgery	NA	NA	NA	Resigned	1/1/2022	Surgery
Moses, Andrew J., MD	Resigned	12/10/2021	Internal Medicine	Resigned	12/10/2021	Internal Medicine	Resigned	12/10/2021	Internal Medicine
Munsey, Thomas Franklin, CRNA	New Appt.	APP Locums	Anesthesiology	New Appt.	APP Locums	Anesthesiology	NA	NA	NA
Patil, Pallavi A., MD	Resigned	10/25/2021	Pathology	Resigned	10/25/2021	Pathology	Resigned	10/25/2021	Pathology
Payne, Csierra Y., RN	NA	NA	NA	Resigned	11/12/2021	Internal Medicine	NA	NA	NA
Pringle, Blair H., CRNP	Resigned	12/28/2021	Internal Medicine	Resigned	12/28/2021	Internal Medicine	Resigned	12/28/2021	Internal Medicine
Reece, Lauren P., CRNA	Resigned	11/3/2021	Anesthesiology	Resigned	11/3/2021	Anesthesiology	NA	NA	NA
Revels, Tim S., MD	Resigned	11/10/2021	Orthopaedics	Resigned	11/10/2021	Orthopaedics	NA	NA	NA
Rice, Terri L., RN	Resigned	10/18/2021	Surgery	Resigned	10/18/2021	Surgery	NA	NA	NA
Roberts, Birtha C., RN	NA	NA	NA	Resigned	11/12/2021	Internal Medicine	NA	NA	NA
Rutigliano, Megan L., PA	NA	NA	NA	Resigned	12/20/2021	Internal Medicine	Resigned	11/20/2021	Internal Medicine
Taylor, Brentley R., MD	Resigned	11/18/2021	Surgery	Resigned	11/18/2021	Surgery	NA	NA	NA
Toshniwal, Gokul, MD	Resigned	12/3/2021	Anesthesiology	Resigned	12/3/2021	Anesthesiology	NA	NA	NA
Tucker, Elizabeth, MD	Resigned	1/1/2022	OBGYN	Resigned	1/1/2022	OBGYN	Resigned	1/1/2022	OBGYN
Vamesu, Bianca M., MD	Resigned	12/26/2021	Pediatrics	Resigned	12/26/2021	Pediatrics	Resigned	12/26/2021	Pediatrics
Wilson, Brittany M., CRNP	NA	NA	NA	Resigned	12/6/2021	Internal Medicine	NA	NA	NA

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

ACADEMIC AND STUDENT AFFAIRS COMMITTEE

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Academic and Student Affairs Committee

December 1, 2021
2:43 p.m.

A meeting of the Academic and Student Affairs Committee of the University of South Alabama Board of Trustees was duly convened by Judge Mike Windom, Chair, on Wednesday, December 1, 2021, at 2:43 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, Margie Tuckson, and Mike Windom were present, and Scott Charlton and Ron Jenkins participated remotely.
Other Trustees:	Chandra Brown Stewart, Arlene Mitchell, Jimmy Shumock, Steve Stokes, and Jim Yance.
Administration & Guests:	Zeke Aull, Joél Billingsley, Nicole Carr, Lynne Chronister, Kristin Dukes, Joel Erdmann, Julie Estis, Monica Ezell, Mike Haskins, Andi Kent, Nick Lawkis, John Marymont, Mike Mitchell, Diana Nichols, Laura Schratt, Beth Shepard (Faculty Senate), John Smith, Margaret Sullivan, and Scott Weldon.

The meeting came to order and the attendance roll was called, **Item 17**. Judge Windom called for consideration of the minutes of the meeting held on September 2, 2021, **Item 18**. On motion by Mr. Graham, seconded by Mr. Perkins, the Committee voted unanimously to adopt the minutes.

Judge Windom called on Dr. Kent to address **Item 19**, a resolution authorizing sabbatical awards for Fall 2022 through Spring 2023. (To view approved resolutions, policies and other authorized documents, refer to the minutes of the Board of Trustees meeting held on December 2, 2021.) On motion by Mr. Perkins, seconded by Ms. Tuckson, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Judge Windom asked Dr. Kent to introduce **Item 20**, a resolution granting emeritus status to retired faculty who served the Division of Academic Affairs and the College of Medicine, and conveying the Board's appreciation for their service to the University. Drs. Kent and Marymont made brief comments in support of the candidates. On motion by Ms. Tuckson, seconded by Dr. Charlton, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Judge Windom called for the presentation of **Item 21**, a resolution to award Governor Kay Ivey with an honorary doctorate degree – the Doctor of Humane Letters (L.H.D.), honoris causa – in recognition of her dedication and contributions to the State of Alabama and support for the University. Dr. Kent advised that Governor Ivey would receive the honorary doctorate degree during Fall Commencement on December 11 when she delivered the keynote address. On motion by Mr. Perkins, seconded by Dr. Furr, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Judge Windom called on Dr. Kent for an update on the activities of the Division of Academic Affairs, **Item 22**. Provost Kent introduced Associate Vice President for Student Academic Success

Dr. Nicole Carr, who presented detailed data reflecting the impact of the COVID-19 pandemic on student retention. Dr. Carr discussed the strategies being employed by the University to engage with the students and assist them with needs, and noted that this undertaking was a campus-wide effort. Ms. Tuckson and Mr. Yance shared views and suggestions pertaining to the decline in college enrollment trending nationwide. Judge Windom conveyed appreciation for the proactive steps being taken to improve enrollment and retention.

Judge Windom asked Dr. Mitchell for an update on the activities of the Division of Student Affairs, **Item 23**. Dr. Mitchell introduced USA Chief of Police Mr. Zeke Aull. Chief Aull advised that the USA Police Department (USAPD) was recently recognized by the Council for Advancement and Support of Education (CASE) with a Circle of Excellence Bronze Award in the category of *Communications: Advocacy/Issue Campaigns* for the department's ad campaign aimed at attracting criminal science students as officer recruits and building trust between campus law enforcement and the University community. He credited Office of Marketing and Communications Director of Creative Services Ms. Diana Nichols for producing the campaign and nominating it for CASE award consideration. Dr. Smith commended Chief Aull and the police force for their efforts.

Concerning the reporting of Clery crime statistics, an annual requirement under federal law, Chief Aull discussed a chart demonstrating crimes reported on campus for the period 2018 through 2020, which showed a reduction in crime in most categories, due primarily to a drop in the campus population as a result of the COVID-19 pandemic. Ms. Tuckson inquired about a mobile safety application for students, and Chief Aull shared details about the free LiveSafe app offered to students and their families, as well as to faculty and staff. Ms. Brown Stewart commended Chief Aull and his team for their good work in fostering a campus environment in which victims of certain crimes can feel comfortable coming forward to report the crimes.

Judge Windom called on Ms. Chronister to address **Item 24**, a report on the activities of the Division of Research and Economic Development. Ms. Chronister presented highlights pertaining to sponsored activity for fiscal year 2021, advising of close to $147.8 million in extramural funding received. Of this total, she noted that approximately $86.2 million were competitive funds generated as a result of the faculty's hard work in writing proposals and that just over $61.5 million represented HEERF (Higher Education Emergency Relief Fund) and CARES (Coronavirus Aid, Relief and Economic Security) Act funds that were applied primarily to student scholarships. She acknowledged the College of Medicine for garnering a record number of awards, and stated that Dr. Allen Perkins, Chair of the Department of Family Practice, received five awards totaling almost $6 million.

There being no further business, the meeting was adjourned at 3:31 p.m.

Respectfully submitted:

Michael P. Windom, Chair

RESOLUTION

HOUSING AND DINING RATES
SUMMER 2022

WHEREAS, the University of South Alabama is committed to maintaining high quality student services programs, and

WHEREAS, the number of students living on campus during the summer term has remained consistent over the last 10 years with the exception of the summer of 2020 when housing facilities were closed due to the COVID-19 pandemic, and

WHEREAS, dining services has experienced ongoing increases in both operational and food costs while the summer meal plan rates have not increased since 2012, and

WHEREAS, student housing proposes to reduce select summer room rates in order to potentially attract additional students to live on campus during the summer school term,

THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama hereby authorizes the housing and dining rate changes as set forth for the summer 2022 term.

UNIVERSITY OF SOUTH ALABAMA

MEMORANDUM

Vice President for Student Affairs/Dean of Students

DATE: February 22, 2022

TO: President Jo Bonner

FROM: Dr. Michael Mitchell,
Vice President for Student Affairs and Dean of Students

SUBJECT: Proposed Room and Board Rate Change for Summer 2022

Attached is a proposal from Dr. Chris Cleveland with recommendations for modifications for housing and dining fees for the summer 2022 semester. Summer school Room and Board rates were last modified in 2010. She has requested a decrease in select summer room rates in an effort to attract summer school students to live on campus. In addition, she has requested a slight increase in summer meal plan rates to counterbalance or equalize the increased food costs and operating expenses. I support this increase and recommend it for submission to the Board of Trustees for approval.

UNIVERSITY OF SOUTH ALABAMA

MEMORANDUM

Auxiliary Services

DATE: February 04, 2022

TO: Dr. Mike Mitchell

FROM: Dr. Chris Cleveland

SUBJECT: Proposed Room and Board Rate Change for Summer 2022

Housing has consistently maintained summer school occupancy of more than 100 residents with the exception of summer 2020 when facilities were closed due to the COVID-19 pandemic.

Summer school room and board rates were last modified was in 2010. A modification to the recommended rate structure for summer 2022 is attached. Slight increases in summer board rates are requested along with significant decreases in select summer room rate options.

There has been a significant increase in both labor and food cost over the past two years as a direct result of the COVID-19 pandemic. Slight increases in summer school meal plans are requested to assist in offsetting the increased food cost and operating expenses. Further justification for this request is supported by the U.S. Bureau of Labor Statistics CPI summary report ending December 2021. Food cost increased 6.3% in 2021. Additionally, this same report noted that food cost for food away from home had seen the largest increase since 1982.

In an effort to retain and attract additional summer school students to live on campus, Housing is recommending a decrease in room rates for the following room types offered in summer 2022: Delta Private Rooms and Delta Room for 2.

The recommended changes in summer 2022 room and board rates are attached for your review.

Summer 2022 Proposed Revisions to Room & Board Rates

ROOM TYPE	2021 Current Rate	2022 Proposed Rate	Difference
PVT & LG PVT Room (Delta)	$1,800	$1,600	($200)
LG Room for 2 (Delta)	$1,610	$1,400	($210)

MEAL PLAN TYPE	2021 Current Rate	2022 Proposed Rate	Difference
USA 7 w/ $50 Bonus Bucks	490	500	$10
Jag 15 w/ $140 Bonus Bucks	895	915	$20
All Access Jag Pass w/ $210 Bonus Bucks	1050	1100	$50

RESOLUTION

REMOVAL OF SUMMER REGISTRATION FEE

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

WHEREAS, the University has assessed the registration fee charged to undergraduate students enrolled in fewer than 15 hours per term, and

WHEREAS, the Summer term provides an opportunity for students to take courses which can improve retention and graduation rates, and

WHEREAS, the University wishes to support student enrollment during Summer terms and recognizes the unique nature of these terms,

THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama hereby authorizes the elimination of the registration fee from the tuition and fee schedule for Summer terms commencing in 2022.

UNIVERSITY OF SOUTH ALABAMA

MEMORANDUM

Office of Academic Affairs

DATE: February 22, 2022

TO: Jo Bonner, President

FROM: Andrea M. Kent, Interim Provost and Senior Vice President, Academic Affairs

SUBJECT: Removal of Summer Registration Fee

I recommend approval of the elimination of the Registration Fee from the tuition and fee schedule for Summer terms commencing in 2022. The Summer term provides an opportunity for students to take courses which can improve retention and graduation rates and the elimination of these fees would permit the University to support student enrollment during these unique terms. This fee adjustment would allow the University to maintain high quality educational and student services while alleviating part of the financial burden for students enrolled in less than fifteen hours.

Thank you for your consideration.

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

BUDGET AND FINANCE COMMITTEE

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Budget and Finance Committee

December 1, 2021
3:31 p.m.

A meeting of the Budget and Finance Committee of the University of South Alabama Board of Trustees was duly convened by Mr. Lenus Perkins, Vice Chair, on behalf of Mr. Tom Corcoran, Chair, on Wednesday, December 1, 2021, at 3:31 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, Ron Graham, Lenus Perkins, and Steve Stokes were present.
Members Absent:	Alexis Atkins and Tom Corcoran.
Other Trustees:	Scott Charlton, Steve Furr, Ron Jenkins, Arlene Mitchell, Jimmy Shumock, Margie Tuckson, Mike Windom, and Jim Yance.
Administration & Guests:	Joél Billingsley, Lynne Chronister, Kristin Dukes, Joel Erdmann, Julie Estis, Monica Ezell, Mike Haskins, Andi Kent, Nick Lawkis, John Marymont, Mike Mitchell, Laura Schratt, Beth Shepard (Faculty Senate), John Smith, Margaret Sullivan, and Scott Weldon.

The meeting came to order and the attendance roll was called, **Item 25**. Mr. Perkins called for consideration of the minutes of the meeting held on September 2, 2021, **Item 26**. On motion by Mr. Graham, seconded by Ms. Brown Stewart, the Committee voted unanimously to adopt the minutes.

Mr. Perkins called on Mr. Weldon to discuss the University of South Alabama Financial Report for fiscal year 2021, **Item 27**. Mr. Weldon compared the University's increase in net position of approximately $126 million with that of approximately $124 million reported for fiscal year 2020. He pointed out a variance in the results by sector, noting that, while the financial performance of USA Health declined by just under $30 million, the investment income reported for the academic side increased by about $30 million and the financial performance for 2021 was consistent with 2020's performance. In all, he stated the 2021 financial results were positive and as expected.

Mr. Perkins asked Ms. Chronister to address **Item 28**, a resolution authorizing amended and restated bylaws for the University of South Alabama Foundation for Research and Commercialization (FRAC). (To view resolutions, policies and other documents authorized, refer to the minutes of the Board of Trustees meeting held on December 2, 2021.) Ms. Chronister advised that the changes being recommended regarded synchronizing the language of the conflict of interest policy and related forms that are signed by the FRAC Board of Directors with the policy and forms signed by the University's Board of Trustees, and replacing the names of the individuals who serve as check signatories with position titles. On motion by Mr. Graham, seconded by

Ms. Brown Stewart, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Mr. Perkins called on Dr. Erdmann to introduce **Item 29,** a resolution to name Gate 1 at Hancock Whitney Stadium (HWS) the *Randy Moon Memorial Gate*. Dr. Erdmann acknowledged the untimely loss of Mr. Randy Moon, former Associate Vice President for Facilities Management, in August 2021 and presented an artist's rendering depicting the HWS east gate with an arched structure bearing the proposed new gate name honoring Mr. Moon. On motion by Dr. Stokes, seconded by Mr. Graham, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees. Dr. Smith spoke briefly about the significant role Mr. Moon played to make the stadium a reality while saving the University millions of dollars in constructions costs. Judge Windom asked if the resolution could be revised to include reference to Mr. Moon's contributions with the construction of the MacQueen Alumni Center, and Dr. Erdmann agreed to amend the resolution accordingly.

There being no further business, the meeting was adjourned at 3:39 p.m.

Respectfully submitted:

Lenus M. Perkins, Vice Chair

On behalf of:

E. Thomas Corcoran, Chair

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

Basic Financial Statements

Three Months Ended December 31, 2021 and 2020

Unaudited

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

Quarterly Financial Statements

Three Months Ended December 31, 2021 and 2020

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- Statements of Revenues, Expenses and Changes in Net Position 11
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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), including the University of South Alabama Health System (USA Health), a division of the University, at December 31, 2021 and 2020, and for the years then ended. This discussion has been prepared by University management and should be read in conjunction with the financial statements and notes thereto, which follow.

The basic financial statements of the University consist of the University and its component units. The financial position and results of operations of the component units either are blended with the University's financial position and results of operations or are discretely presented. The treatment of each component unit is governed by pronouncements issued by the Governmental Accounting Standards Board (GASB). As more fully described in note 1 to the basic financial statements, the University of South Alabama Professional Liability Trust Fund, the University of South Alabama General Liability Trust Fund and USA HealthCare Management, LLC are reported as blended component units. The University of South Alabama Foundation, the USA Research and Technology Corporation and the University of South Alabama Health Care Authority are discretely presented.

Financial Highlights

At December 31, 2021 and 2020, the University had total assets and deferred outflows of $1,842,780,000 and $1,586,203,000, respectively; total liabilities and deferred inflows of $1,446,572,000 and $1,326,170,000, respectively; and net position of $396,208,000 and $260,033,000, respectively. Net position increased $57,249,000 for the three months ended December 31, 2021 compared to an increase of $46,400,000 for the three months ended December 31, 2020. An overview of each statement is presented herein along with financial analysis of the transactions impacting each statement.

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.

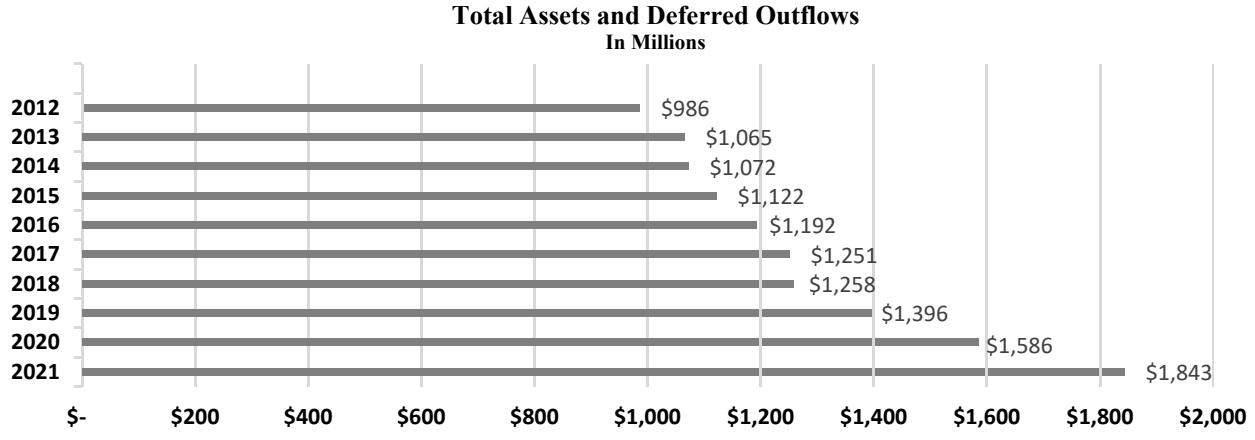
Assets included in the statements of net position are classified as current or noncurrent. Current assets consist primarily of cash and cash equivalents, investments and net patient receivables. Of these amounts, cash and cash equivalents, investments and net patient receivables comprise approximately 47%, 13% and 17%, respectively, of current assets at December 31, 2021. Noncurrent assets consist primarily of restricted cash and cash equivalents, restricted investments and capital assets.

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

Condensed Schedules of Net Position

	2021	2020
Assets:		
Current	$ 392,423	$ 380,165
Capital and other noncurrent assets	1,262,191	1,113,306
Deferred outflows	188,166	92,732
	1,842,780	1,586,203
Liabilities:		
Current	226,061	225,098
Noncurrent	1,086,023	887,496
Deferred inflows	134,488	213,576
	1,446,572	1,326,170
Net position:		
Net investment in capital assets	432,992	381,749
Restricted, nonexpendable	70,183	66,110
Restricted, expendable	99,660	86,401
Unrestricted	(206,627)	(274,227)
	$ 396,208	$ 260,033

Total assets and deferred outflows of the University as of December 31 is as follows:



Net position represents the residual interest in the University's assets and deferred outflows after liabilities and deferred inflows are deducted. Net position is classified into one of four categories:

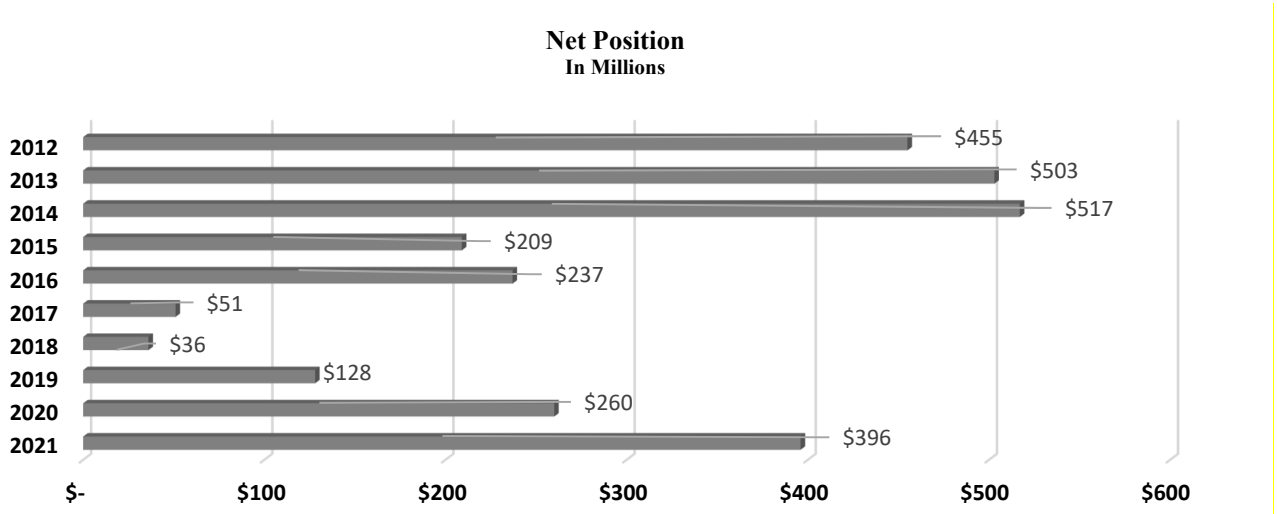
Net investment in capital assets represents the University's capital assets less accumulated depreciation and outstanding principal balances of the debt attributable to the acquisition, construction, or improvement of those assets.

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.

Unrestricted net position represents amounts not subject to externally imposed stipulations. Even though these funds are not legally restricted, the majority of the University's unrestricted net position has been internally designated for various projects, all supporting the mission of the University. Unrestricted net position includes funds for various academic and research programs, auxiliary operations (including student housing and dining services), student programs, capital projects and general operations. Also included in unrestricted net position at December 31, 2021 and 2020 is the impact of the net pension liability recorded pursuant to the requirements of GASB Statement No. 68 and the impact of the net OPEB liability recorded pursuant to the requirements of GASB Statement No. 75.

Net position of the University as of December 31 is as follows:



All categories of restricted net position collectively increased by approximately $17,332,000 between December 31, 2021 and 2020, primarily due to the addition of restricted gifts to the University and investment earnings on those gifts. Unrestricted net position increased from $(274,227,000) to $(206,627,000) between December 31, 2021 and 2020. A summary of unrestricted net position at December 31, 2021 and 2020 is summarized as follows (in thousands):

		2021	2020
Unrestricted net position related to net pension liability	$	(287,984)	(291,297)
Unrestricted net position related to net OPEB liability		(235,073)	(234,739)
Unrestricted net position related to other activity		316,430	251,809
Unrestricted net position	$	(206,627)	(274,227)

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 this statement 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. These include patient service revenues (net of provision for bad debts), tuition and fees (net of scholarship allowances), most noncapital grants and contracts, revenues from auxiliary activities and sales and services of educational activities (primarily athletic activities). 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 because generally no goods or services are provided. Such transactions include investment income, state appropriations, gifts and other contributions. State appropriations are required by GASB to be classified as nonoperating revenues. Nonoperating expenses are those expenses required in the operation and administration of the University, but not directly incurred to acquire or produce the goods and services provided in return for operating revenues. Such nonoperating expenses include interest on the University's indebtedness, losses related to the disposition of capital assets, transfers to affiliates to fund operations and transfers to intergovernmental agencies related to medical expenditures.

The condensed schedules of revenues, expenses, and changes in net position for the years ended December 31, 2021 and 2020 follow (in thousands):

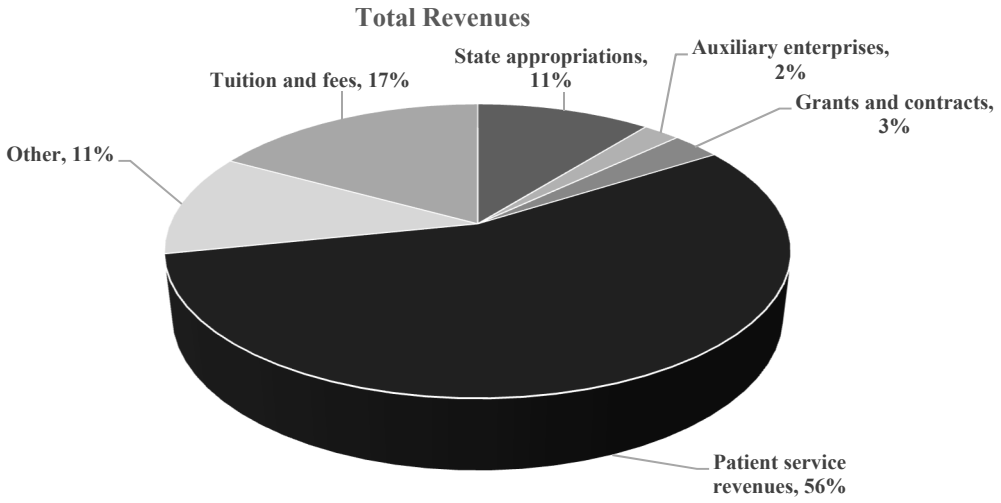
Condensed Schedules of Revenues, Expenses and Changes in Net Position

	2021	2020
Operating revenues:		
Tuition and fees, net	$ 51,117	$ 50,657
Patient service revenues, net	167,555	145,204
Federal, state and private grants and contracts	9,030	7,958
Other	20,113	14,502
	247,815	218,321
Operating expenses:		
Salaries and benefits	143,113	133,999
Supplies and other services	90,382	76,378
Other	18,083	15,951
	251,578	226,328
Operating loss	(3,763)	(8,007)
Nonoperating revenues (expenses):		
State appropriations	32,274	30,391
Net investment income (loss)	5,633	13,615
Other, net	5,874	5,857
Net nonoperating revenues	43,781	49,863
Income (loss) before capital contributions and grants and additions to endowment	40,018	41,856
Capital contributions and grants and additions to endowment	17,231	4,544
Increase in net position	57,249	46,400
Beginning net position	338,959	213,633
Ending net position	$ 396,208	$ 260,033

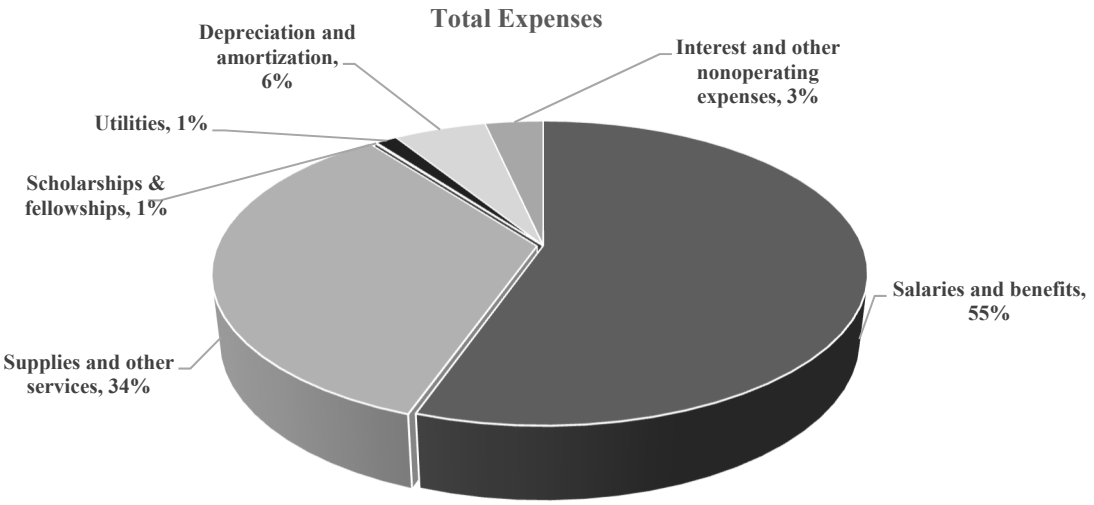
Condensed Schedules of Revenues, Expenses, and Changes in Net Position

	2021	2020
Capital contributions and grants and additions to endowment	17,231	4,544
Increase (decrease) in net position	57,249	46,400
Beginning net position	338,959	213,633
Ending net position	$ 396,208	260,033

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:



Functional classifications represent expenses categorized based on the function within the University. Such University functions include instruction, research, public service, academic support, student services, institutional support, operation and maintenance of plant and scholarships. Expenses related to auxiliary enterprise activities, USA Health and depreciation and amortization are presented separately.

As of December 31 2021, and 2020, respectively, approximately 55% and 57% of the University's total operating expenses were salaries and benefits.

For the periods ended December 31, 2021 and 2020, the University reported operating losses of approximately $3,763,000 and $8,007,000, respectively. Operating losses are offset partially by state appropriations, which, as mentioned earlier, are reported as nonoperating revenues. After considering all nonoperating revenues and expenses, the total change in net position was approximately $57,249,000 and $46,400,000 for the periods ended December 31, 2021 and 2020, respectively.

Capital Assets and Debt Administration

During the current period, significant construction projects that remain in progress at December 31, 2021 include University Commons Clinic, Freestanding Emergency Room, Supply Warehouse, the Transportation building, Campus Storm Shelter, and major upgrades of infrastructure on the University's main campus. Major projects completed and placed into service in fiscal year 2021 include the Medical Simulation Lab Building, Mitchell Center renovations, Baseball Clubhouse, Hancock Whitney Stadium and MacQueen Alumni Center.

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 $40,555,000. The proceeds, along with internal contributions from the University, are financing USA Health facilities and transportation infrastructure. In July 2021, the University refinanced the Series 2012-A Bond with the University Facilities Revenue Bond, Series 2021-B with a face value of $15,387,000. The terms for Bonds 2016-B, 2016-C, and 2016-D were revised in September 2021 to address the removal of the LIBOR rate to be replaced by the ISDA-based replacement index after year ended September 30, 2021. The dates by which the Lender may cause all of the outstanding principal on such bonds to mature and become due and payable by the University were extended 5 years for each bond.

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. Neither rating changed during the quarter ended December 31, 2021. Moody's Investors Service and Standard and Poor's Global Ratings affirmed their ratings in conjunction with their assessment of the Series 2020 and 2021 Bond issuances.

Economic Outlook

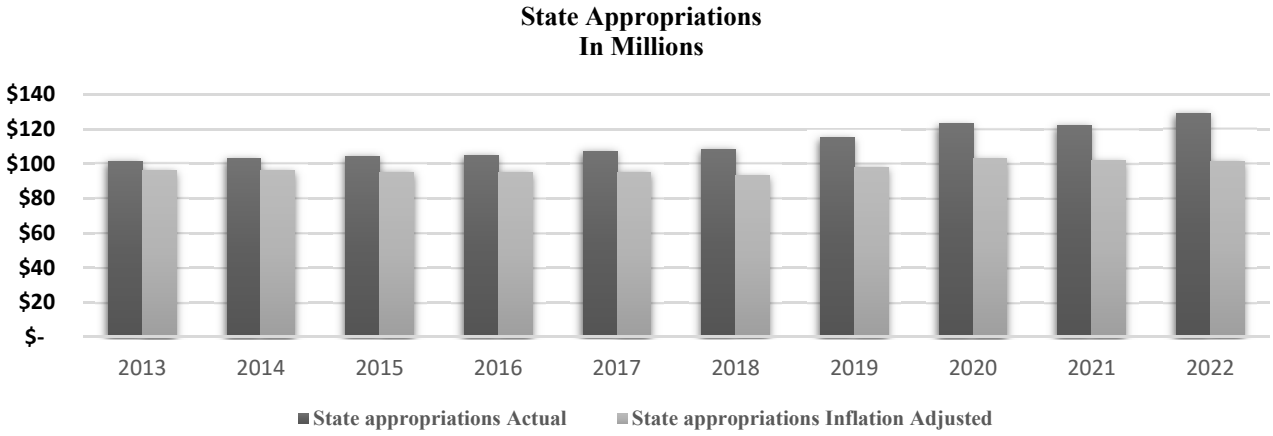
While, tuition and fee rates per credit hour have increased over the past ten years, there have been declines in enrollment since 2016. The University experienced a decline in enrollment of approximately 1% from Fall 2019 to Fall 2020 and an additional decline of 2% between Fall 2020 and Fall 2021, with declines primarily resulting from a decrease in international student enrollment and a decrease in the number of returning students.

During the same period, in-state tuition per credit hour for in-person classes has increased by approximately 30%. Similar increases have been experienced in out-of-state tuition and College of Medicine tuition. Web tuition has decreased slightly during that period.

A state appropriation in the amount of approximately $121,564,000 and $118,299,000 was authorized and received for the years ended September 30, 2021 and 2020, respectively. Additional appropriations of approximately $4,017,000 and $900,000 were received during fiscal year 2021 for advancement and technology, and certain healthcare initiatives.

A state appropriation in the amount of $129,098,000, representing an increase of approximately 6.2%, has been authorized for the year ending September 30, 2022. While no announcement has been made, the University is aware that reductions in the 2022 appropriation are possible.

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, 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 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.

The University returned to normal operations for the Fall 2021 semester and USA Health operations have returned to a normal level with minimum impact on the finances of USA Health.

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 September 30, 2021, the University (including USA Health) has been awarded $93,064,000 in CARES Act, and other funding from federal and state sources for COVID-19 relief. Of this amount $68,749,000 was awarded in the year-ended September 30, 2021 and $24,315,000 was awarded in the year-ended September 30, 2020. Of the total amounts awarded $58,249,000 and $11,350,000 have been recognized as nonoperating revenue in the statements of revenues, expenses and changes in net position for the years ended September 30, 2021 and 2020, respectively.

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 fiscal year 2022 or beyond.

University of South Alabama

Statements of Net Position

December 31, 2021 and 2020

(In thousands)

	2021	2020
Assets		
Current assets		
Cash and cash equivalents	$ 187,731	$ 153,799
Investments	51,298	85,813
Net patient receivables	67,526	50,303
Accounts receivable	64,877	70,740
Notes receivable, net	6,786	7,313
Prepaid expenses, inventories and other	14,205	12,197
Total current assets	392,423	380,165
Noncurrent assets		
Restricted cash and cash equivalents	70,110	43,774
Restricted investments	243,504	227,869
Investments	66,310	301
Accounts receivable	9,142	5,673
Notes receivable, net	384	417
Other noncurrent assets	31,508	17,752
Capital assets, net	841,233	817,520
Total noncurrent assets	1,262,191	1,113,306
Deferred outflows	188,166	92,732
Total assets and deferred outflows	1,842,780	1,586,203
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	79,689	81,148
Unrecognized revenues	110,978	109,298
Deposits	2,991	3,486
Current portion of other long-term liabilities	3,310	3,310
Current portion of long-term debt	29,093	27,856
Total current liabilities	226,061	225,098
Noncurrent liabilities		
Long-term debt, less current portion	461,352	436,993
Net pension liability	315,591	294,615
Net OPEB liability	260,646	103,288
Other long-term liabilities, less current portion	48,434	52,600
Total noncurrent liabilities	1,086,023	887,496
Deferred inflows	134,488	213,576
Total liabilities and deferred inflows	1,446,572	1,326,170
Net position		
Net investment in capital assets	432,992	381,749
Restricted, nonexpendable		
Scholarships	38,328	34,437
Other	31,855	31,673
Restricted, expendable		
Scholarships	43,423	27,865
Other	56,237	58,536
Unrestricted	(206,627)	(274,227)
Total net positon	$ 396,208	$ 260,033

University of South Alabama

Statements of Revenues, Expenses and Changes in Net Position

Three Months Ended December 31, 2021 and 2020

(In thousands)

	2021	2020
Revenues		
Operating revenues		
Tuition and fees (net of scholarship allowances)	$ 51,117	$ 50,657
Patient service revenues (net of provision for bad debts)	167,555	145,204
Federal grants and contracts	4,277	4,242
State grants and contracts	2,003	1,431
Private grants and contracts	2,750	2,285
Auxiliary enterprises (net of scholarship allowances)	6,858	5,705
Other operating revenues	13,255	8,797
Total operating revenues	247,815	218,321
Expenses		
Operating expenses		
Salaries and benefits	143,113	133,999
Supplies and other services	90,382	76,378
Scholarships and fellowships	284	168
Utilities	3,346	2,786
Depreciation and amortization	14,453	12,997
Total operating expenses	251,578	226,328
Operating loss	(3,763)	(8,007)
Nonoperating revenues (expenses)		
State appropriations	32,274	30,391
Net investment income	5,633	13,615
Interest on indebtedness	(3,679)	(2,926)
Other nonoperating revenues	14,949	14,717
Other nonoperating expenses	(5,396)	(5,934)
Net nonoperating revenues	43,781	49,863
Income (loss) before capital contributions and additions to endowment	40,018	41,856
Capital contributions and grants	13,143	1,071
Additions to endowment	4,088	3,473
Increase in net position	57,249	46,400
Net position		
Beginning of period	338,959	213,633
End of period	$ 396,208	$ 260,033

University of South Alabama

Statements of Cash Flows

Three Months Ended December 31, 2021 and 2020

(in thousands)

	2021	2020
Cash flows from operating activities:		
Receipts related to tuition and fees	$ 8,028	$ 10,232
Receipts from and on behalf of patients and third-party payers	201,805	145,507
Receipts from grants and contracts	21,150	4,554
Receipts related to auxiliary enterprises	5,569	759
Payments to suppliers and vendors	(106,526)	(93,298)
Payments to employees and related benefits	(181,065)	(150,588)
Payments for scholarships and fellowships	(284)	(37)
Other operating receipts	20,297	26,836
Net cash used in operating activities	(31,026)	(56,035)
Cash flows from noncapital financing activities:		
State appropriations	32,274	20,261
Endowment gifts	4,088	3,473
Agency funds received	99	0
Agency funds disbursed	(352)	(132)
Student loan program receipts	(74)	905
Student loan program disbursements	118	(918)
Other nonoperating revenues	23,605	14,300
Other nonoperating expenses	(14,590)	(5,390)
Net cash provided by noncapital financing activities	45,168	32,499
Cash flows from capital and related financing activities:		
Capital gifts and grants	13,144	1,071
Purchases of capital assets	(15,608)	(11,501)
Proceeds from sale of capital assets	31	-
Proceeds from issuance of capital debt	-	-
Principal payments on capital debt	(6,449)	(6,118)
Interest payments on capital debt	(4,480)	(7,365)
Net cash provided by (used in) capital and related financing activities	(13,362)	(23,913)
Cash flows from investing activities:		
Interest and dividends and realized gains (losses) on investments	5,633	13,615
Proceeds from sales of investments	(34,712)	20,136
Purchases of investments	26,018	(63,095)
Net cash provided by investing activities	(3,061)	(29,344)
	(2,281)	(76,793)
Cash and cash equivalents (unrestricted and restricted):		
Beginning of period	260,123	274,366
End of period	$ 257,841	$ 197,573

University of South Alabama

Statements of Cash Flows

Three Months Ended December 31, 2021 and 2020

(in thousands)

	2021	2020
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	$ (3,763)	$ (8,007)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation and amortization expense	14,453	12,997
Changes in operating assets and liabilities, net:		
Student receivables	(55,227)	(51,525)
Net patient service receivables	(13,700)	(4,507)
Grants and contracts receivables	6,208	(2,207)
Other receivables	4,909	8,979
Prepaid expenses, inventories and other	(410)	(4,602)
Accounts payable and accrued liabilities	(4,569)	(19,729)
Unrecognized revenue	21,072	12,566
Net cash used in operating activities	$ (31,027)	$ (56,035)

See accompanying notes to basic financial statements.

(1) Summary of Significant Accounting Policies

(a) Reporting Entity

On May 3, 1963, the Governor of Alabama signed enabling legislation creating the University of South Alabama (the University). The accompanying basic financial statements present the financial position and activities of the University, which is a component unit of the State of Alabama. The financial statements of the University present the financial position, changes in financial position and, where applicable, cash flows of only that portion of the basic financial statements and the aggregate discretely presented component units of the State of Alabama that is attributable to the transactions of the University.

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. In addition, the primary government may determine, through exercise of management's professional judgment, that the inclusion of an organization that does not meet the financial accountability criteria is necessary in order to prevent the reporting entity's financial statements from being misleading. In such instances, that organization is included as a component unit. Accordingly, 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 amended 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 as of September 30, 2021 and 2020, 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.

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. However, these entities are not presented in the accompanying financial statements as the University does not consider them significant enough to warrant inclusion in the University's reporting entity.

GASB requires 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. Based on these requirements, the University reports the Professional Liability

Trust Fund (PLTF), General Liability Trust Fund (GLTF), USA HealthCare Management, LLC (HCM), Jaguar Realty, LLC, USA Health Physician Billing Services, LLC, USA Health Hospital Billing Services, LLC, USA Health Anesthesia Billing Services, LLC, USA Health MCI Business Services, LLC, USA Health Children's and Women's Provider Based Clinics, LLC, USA Health Reference Lab Billing Services, LLC and USA Health West Mobile Imaging Center, LLC as blended component units. All significant transactions among the University and its blended component units have been eliminated.

(b) 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 is responsible. The PLTF and GLTF are separate legal entities, which are governed by the University Board of Trustees through the University president. As such, PLTF and GLTF are reported as blended component units.

(c) 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. HCM commenced operations in October 2010, and is reported as a blended component unit.

(d) 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. In fiscal year 2021, the University formed USA Health MCI Business Services, LLC and USA Health Children's and Women's Provider Based Clinics, LLC as not for profit limited liability companies, whereby the University is the sole member. In fiscal year 2022, the University formed USA West Mobile Imaging Center LLC as a non-profit limited liability company, 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.

(e) 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 (HCA). The HCA is a public corporation created under and pursuant to the provisions of the State of Alabama University Authority Act of 2016. The HCA employs physicians and staff of certain physician practice groups as determined appropriate by the University. Operations commenced on August 1, 2017. HCA presents its financial statements in accordance with GASB. During fiscal year 2020, three not for profit limited liability companies were formed. There was no

financial activity for these entities during fiscal year 2020 or 2021. The HCA is a sole member of two of these limited liability companies and the majority owner of the third limited liability company. During fiscal year 2021, two additional not-for-profit limited liability companies were formed. There was no financial activity for these entities during fiscal year 2021. HCA is a sole member of these limited liability companies. Based on these requirements, HCA reports Mobile Heart USA, LLC, USA HCA OBGYN Services, LLC, USA HCA PBC, LLC, USA Health Industrial Medicine, LLC, USA Health Daphne Family Practice, LLC and USA Health, LLC as blended component units. The majority owned limited liability company, USA BC ASC Holdco, LLC, is anticipated to be an equity method investment. USA BC ASC Holdco, LLC also 100% owns USA Baldwin County ASC, LLC. There was no financial activity in this entity in the year ended September 30, 2021. Since inception, HCA's operations have been partially funded by the University, with total support amounting to $25,765,000 during the year ended September 30, 2021 and $10,478,000 during the year ended September 30, 2020. This support is reported in nonoperating expenses on the University's statements of revenues, expenses, and changes in net position. Due to the significance of the relationship between the University and HCA, the HCA is considered a component unit of the University.

(f) 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. Total distributions received or accrued by the University for the years ended September 30, 2021 and 2020 were $10,698,000 and $10,280,000, respectively, and are included primarily in other nonoperating revenues and capital contributions and grants in the University's statements of revenues, expenses, and changes in net position. The USA Foundation presents its financial statements in accordance with standards issued by the Financial Accounting Standards Board (FASB). The USA Foundation is reported in separate financial statements because of the difference in the financial reporting format since the USA Foundation follows FASB rather than GASB pronouncements. The USA Foundation has a June 30 fiscal year end, which differs from the University's September 30 fiscal year end.

(g) 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.

(h) 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.

(i) 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.

(j) 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.

(k) 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.

(l) 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 December 31, 2020, 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.

(m) 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.

(n) 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.

(o) 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.

(p) 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.

(q) 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.

The University evaluates impairment in accordance with GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries.* For the years ended September 30, 2021 and 2020, no impairments were recorded.

(r) 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. Additionally, USA Health received Advanced Medicare funding which is reported as unrecognized revenue and then recognized as earned.

(s) 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.

(t) 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.

(u) 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.

(v) 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.

(w) 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.

(x) 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.

(y) 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.

(z) 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.

(aa) 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.

(bb) Compensated Absences

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

(cc) Recently Adopted Accounting Pronouncements

In 2021, the University adopted the provisions of GASB Statement No. 84, *Fiduciary Activities*, which addresses the criteria for identifying fiduciary of all state and local governments. The University also adopted provisions of GASB Statement, No. 90, *Majority Equity Interests*, in 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. There was no significant impact to the University in 2021 related to 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 and Cash Equivalents

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, 2021 and 2020, the net public deposits subject to collateral requirements for all institutions participating in the pool totaled approximately $16.5 billion and $14.2 billion, respectively. The University had cash and cash equivalents, including restricted cash and cash equivalents, in the pool of $257,841,000 and $197,573,000 at December 31, 2021 and 2020, respectively.

At December 31, 2021, restricted cash and cash equivalents consist of $52,827,000 related to unspent proceeds from the issuance of University bonds for capital purchases as outlined in the bond indenture, $11,287,000 related to collateral requirements of the interest rate swaps and $5,996,000 related to contributions restricted for the construction of Hancock Whitney Stadium.

At December 31, 2020, restricted cash and cash equivalents consist of $28,801,000 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 and $6,986,000 related to contributions restricted for the construction of the football stadium.

(4) Investments

(a) University of South Alabama

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 December 31, 2021 and 2020 (in thousands):

	2021	2020
U.S. Treasury securities	$ 4,331	$ 13,965
U.S. federal agency notes	52,565	68,650
Commingled equity funds	84,711	102,734
Commingled fixed income funds	88,381	75,040
Marketable equity securities	60,077	40,868
Marketable debt securities	5,616	12,202
Private equity	22,664	16,403
Managed income alternative investments (low-volatility multi-strategy funds of funds)	42,767	37,643
	$ 361,112	$ 367,505

At December 31, 2021, restricted investments consist of $29,716,000 related to collateral requirements of the interest rate swaps and $213,788,000 related to endowment funds.

At December 31, 2020, restricted investments consist of $45,030,000 related to collateral requirements of the interest rate swaps and $182,839,000 related to endowment funds.

At December 31, 2021 and 2020, $43,244,000 and $28,789,000, 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.

The University's exposure to credit risk and concentration of credit risk at December 31, 2021 and 2020 is as follows:

	2021	
	Credit rating	**Percentage of total investments**
Federal National Mortgage Association	AAA	0.7 %
Federal Home Loan Mortgage Corporation	AAA	3.0
Federal Home Loan Banks	AAA	5.5
Federal Farm Credit Banks Funding Corporation	AAA	5.5
Common Fund Bond Fund	A+	5.9
PIMCO Pooled Bond Fund	BAA+/AA/A	13.9
MSIFT Ultra Fixed Income Funds	AAAf	4.7
US Treasury securities	AAA	1.2
Marketable debt securities	Various	1.6

	2020	
	Credit rating	**Percentage of total investments**
Federal National Mortgage Association	AAA	3.1 %
Federal Home Loan Mortgage Corporation	AAA	7.4
Federal Farm Credit Banks Funding Corporation	AAA	6.8
Common Fund Bond Fund	AAA	5.8
PIMCO Pooled Bond Fund	BAA+/AA/A	10.0
MSIFT Ultra Fixed Income Funds	AA	4.6
US Treasury securities	AAA/AA+	3.8
Marketable debt securities	Various	3.3

(ii) Interest Rate Risk

At December 31, 2021 and 2020, the maturity dates of the University's fixed income investments are as follows (in thousands):

	2021				
		Years to maturity			
	Fair value	Less than 1	1–5	6–10	More than 10
U.S. Treasury securities	$ 4,331	936	1,950	1,445	—
U.S. federal agency notes	52,565	—	44,721	4,960	2,884
Marketable debt securities	5,616	2,234	1,679	1,703	—
Commingled fixed income funds	88,381	31,925	31,435	3,716	21,305
	$ 150,893	35,095	79,785	11,824	24,189

	2020				
		Years to maturity			
	Fair value	Less than 1	1–5	6–10	More than 10
U.S. Treasury securities	$ 13,965	2,273	4,734	6,958	—
U.S. federal agency notes	68,650	—	60,690	—	7,960
Marketable debt securities	12,203	1,750	5,344	5,109	—
Commingled fixed income funds	75,040	33,433	1,545	3,493	36,569
	$ 169,858	37,456	72,313	15,560	44,529

Commingled fixed income funds are classified based on the weighted average maturity of the individual investment instruments within each fund.

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) Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a failure of the counterparty to a transaction, an organization will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The University's investments are held by third party institutions in the name of the University. The University's Investment Policies do not specifically address custodial credit risk.

(iv) 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.

(v) 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 measurement date. The University 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'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. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of net position.

The following tables summarize the fair value measurements for all investment assets and liabilities carried at fair value as of December 31, 2021 and 2020 (in thousands):

Description	Asset fair value measurements at December 31, 2021			
	Level 1	Level 2	Level 3	Total
U.S. Treasury securities	$ 4,331	—	—	4,331
U.S. federal agency notes	—	52,565	—	52,565
Commingled equity funds	51,631	33,080	—	84,711
Commingled fixed income funds	67,076	21,305	—	88,381
Marketable equity securities	60,077	—	—	60,077
Marketable debt securities	5,616	—	—	5,616
Private equity	—	—	20,587	20,587
Total investments at fair value	$ 188,731	106,950	20,587	316,268
Investments measured at NAV:				
Private equity				2,077
Managed income alternative investments (low volatility multi-strategy funds of funds)				42,767
Total investments				$ 361,112

Description	Liability fair value measurements at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Interest rate exchange agreements	$ —	35,898	—	35,898

Description	Asset fair value measurements at December 31, 2020			
	Level 1	Level 2	Level 3	Total
U.S. Treasury securities	$ 13,965	—	—	13,965
U.S. federal agency notes	—	68,650	—	68,650
Commingled equity funds	61,228	41,506	—	102,734
Commingled fixed income funds	53,814	21,226	—	75,040
Marketable equity securities	40,868	—	—	40,868
Marketable debt securities	12,202	—	—	12,202
Private equity	—	—	14,957	14,957
Total investments at fair value	$ 182,077	131,382	14,957	328,416
Investments measured at NAV:				
Private equity				1,446
Managed income alternative investments (low volatility multi-strategy funds of funds)				37,643
Total investments				$ 367,505

Description	Liability fair value measurements at December 31, 2020			
	Level 1	Level 2	Level 3	Total
Interest rate exchange agreements	$ —	45,834	—	45,834

A rollforward schedule of amounts for Level 3 financial instruments for the fiscal years ended December 31, 2021 and 2020 is as follows (in thousands):

Description	Private equity and real estate	
	2021	2020
Beginning balance	$ 19,510	13,472
Purchases	1,544	560
Net realized/unrealized gains (losses)	(124)	1,022
Sales	(343)	(97)
Ending balance	$ 20,587	14,957

(5) Noncurrent Liabilities

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

	Beginning balance	Additions	Reductions	Ending balance	Less amounts due within one year	Noncurrent liabilities
Long-term debt:						
Bonds payable	$ 482,244	$ —	$ (4,881)	$ 477,363	$ 23,592	$ 453,771
Notes payable	4,369	—	(270)	4,099	1,097	3,002
Capital lease obligations	8,904	1,878	(1,799)	8,983	4,404	4,579
Total long-term debt	495,517	1,878	(6,950)	490,445	29,093	461,352
Other noncurrent liabilities:						
Net pension liability	315,591	—	—	315,591	—	315,591
Net OPEB liability	260,646	—	—	260,646	—	260,646
Other long-term liabilities	54,438	—	(2,694)	51,744	3,310	48,434
Total other noncurrent liabilities	630,675	—	(2,694)	627,981	3,310	624,671
Total noncurrent liabilities	$ 1,126,192	$ 1,878	$ (9,644)	$ 1,118,426	$ 32,403	$ 1,086,023

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

	Beginning balance	Additions	Reductions	Ending balance	Less amounts due within one year	Noncurrent liabilities
Long-term debt:						
Bonds payable	$ 452,651	$ —	$ (4,542)	$ 448,109	$ 20,529	$ 427,580
Notes payable	5,431	—	(263)	5,168	924	4,244
Capital lease obligations	13,272	—	(1,700)	11,572	6,403	5,169
Total long-term debt	471,354	—	(6,505)	464,849	27,856	436,993
Other noncurrent liabilities:						
Net pension liability	294,615	—	—	294,615	—	294,615
Net OPEB liability	103,288	—	—	103,288	—	103,288
Other long-term liabilities	56,275	466	(831)	55,910	3,310	52,600
Total other noncurrent liabilities	454,178	466	(831)	453,813	3,310	450,503
Total noncurrent liabilities	$ 925,532	$ 466	$ (7,336)	$ 918,662	$ 31,166	$ 887,496

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. In January 2020, there was an amendment of the Alabama Power note payable by an increase in the amount of $2,147,000. The amount outstanding on the note at December 31, 2021 and 2020 is $2,940,000 and $3,312,000, respectively.

In July 2018, the University converted a 2015 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 December 31, 2021 and 2020 is $1,159,000 and $1,856,000, respectively, and is reported as long-term debt (and current portion thereof) in the statements of net position.

(6) Bonds Payable

Bonds payable consisted of the following at December 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
University Facilities Revenue Capital Improvement Bonds, Series 2013-A, 2.83%, payable through August 2033	21,290	22,764
University Facilities Revenue Capital Improvement Bonds, Series 2013-B, 2.83%, payable through August 2033	5,323	5,691
University Facilities Revenue Capital Improvement Bonds, Series 2013-C, 2.78%, payable through August 2028	5,179	5,841
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	3,375	3,750
University Facilities Revenue Refunding Bonds, Series 2016, 3.00% to 5.00%, payable through November 2037	74,455	77,455
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	32,320	33,690
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%, payable through April 1, 2040	36,105	37,005
University Facilities Revenue Bonds, Series 2021, 4%, payable through April 1, 2041	40,555	—
University Facilities Revenue Bonds, Series 2021-B, 1.398%, payable through August 1, 2032	15,387	—
	439,216	417,979
Plus unamortized premium	39,635	31,726
Less unamortized debt extinguishment costs	(1,488)	(1,596)
	$ 477,363	$ 448,109

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. In July 2021 the University issued 2021-B to refund the remaining Series 2012-A bonds. 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-A 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 will begin maturing in April 2033. The Series 2019-B began maturing in April 2021. Both Series 2019-A and 2019-B are both redeemable beginning in April 2029. The Series 2019-C Bonds began maturing on April 1, 2020 and are not subject to redemption at the option of the University. Series 2020 Bonds began maturing on April 1, 2021 and are redeemable beginning April 1, 2030. Series 2021 Bonds will begin maturing on April 1, 2022 and are redeemable

beginning April 1, 2041. The Series 2021 B Bonds began maturing on August 1, 2022 and are not subject to redemption at the option of the University.

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 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 its University Facilities Revenue Bonds, Series 2021, with a face value of $40,555,000. The proceeds from the Series 2021 Bonds are financing USA Health facilities and transportation infrastructure. In July 2021, the University issued its University Facilities Revenue Refunding Bonds, Series 2021-B, with a face value of $15,387,000. The proceeds refunded the remaining Series 2012-A Bonds.

In September 2021, the terms for Bonds 2016-B, 2016-C and 2016-D were revised to address the removal of the LIBOR rate to be replaced by the ISDA-based replacement index after year ended September 30, 2021. The dates by which the Lender may cause all of the outstanding principal on such bonds to mature and become due and payable by the University were extended 5 years for each bond.

Approximately $5,678,000 and $26,482,000 of proceeds from the issuance of the Series 2020 Bonds remained unspent at December 31, 2021 and 2020 and is included in restricted cash and cash equivalents on the 2021 and 2020 statement of net position. Approximately $47,148,000 of proceeds from the issuance of the Series 2021 Bonds remained unspent at December 31, 2021 and is included in restricted cash and cash equivalents on the 2021 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 December 30, 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.

Debt Service on Long-Term Obligations

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

	Debt service on notes and bonds		
	Principal	**Interest**	**Total**
2022	$ 17,731	$ 10,368	$ 28,099
2023	23,313	14,106	37,419
2024	23,663	13,550	37,213
2025	21,661	12,962	34,623
2026	22,562	12,343	34,905
2027-2031	121,238	51,045	172,283
2032-2036	122,812	30,788	153,600
2037-2041	65,305	12,217	77,522
2042-2046	16,050	4,731	20,781
2047-2051	8,980	917	9,897
Subtotal	443,315	$ 163,027	$ 606,342
Plus (less):			
Unamortized bond premium	39,635		
Unamortized debt extinguishment costs	(1,488)		
Total	$ 481,462		

(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 December 31, 2021, are as follows (in thousands):

Period ending December 31:		
2022		3,971
2023		2,340
2024		1,563
2025		885
2026		368
2027-2039		145
		9,272
Less amounts representing interest		(289)
Net minimum lease payments	$	8,983

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 Series 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 & D Bonds.

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 & 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 & 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 & 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 & D Bonds.

Credit risk. As of December 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, 2021 and 2020.

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.

Derivative payments and hedged debt. As interest rates fluctuate, variable rate debt interest and net derivative payments will fluctuate. Using interest rates as of December 31, 2021 and calculating interest for

subsequent years using forward rates of one month LIBOR, debt service requirements for the 2014 interest rate swap payments, by fiscal year, are as follows (in thousands):

	Variable rate note		Interest rate	
	Principal	Interest	swap, net	Total
2022	$ 7,655	117	963	8,735
2023	8,050	131	550	8,731
2024	8,455	54	176	8,685
Total	$ 24,160	302	1,689	26,151

Debt service requirements for the 2016 interest rate swap payments, by fiscal year, are as follows (in thousands):

	Variable rate note		Interest rate	
	Principal	Interest	swap, net	Total
2022	$ —	668	2,237	2,905
2023	—	1,155	4,385	5,540
2024	—	1,403	4,137	5,540
2025	5,600	1,447	3,929	10,976
2026–2030	32,610	6,340	15,429	54,379
2031–2035	41,880	3,388	8,102	53,370
2036–2039	19,910	259	831	21,000
Total	$ 100,000	14,660	39,050	153,710

(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, 2019.

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 29% of USA Health's net patient service revenues for the years ended September 30, 2021 and 2020, 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 25% and 26% of USA Health's net patient service revenues for the years ended September 30, 2021 and 2020, 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.

(a) 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.

(b) 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.

(c) 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 $21,566,000 and $21,413,000 for the years ended September 30, 2021 and 2020, respectively.

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

At September 30, 2021 and 2020, the University reported a liability of $315,591,000 and $294,615,000, respectively, for its proportionate share of the collective net pension liability. At September 30, 2021, the collective net pension liability was measured as of September 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of September 30, 2019. 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, 2020, the University's proportion of contributions to the pension plan was 2.551330%, which was a decrease of 0.113208% from its proportion measured as of September 30, 2019 of 2.664538%.

For the years ended September 30, 2021 and 2020, the University recognized pension expense of approximately $18,845,000 and $17,629,000, respectively, which is included in salaries and benefits on the statements of revenues, expenses, and changes in net position.

At September 30, 2021 and 2020, the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

	2021	
	Deferred outflows of resources	**Deferred inflows of resources**
Net difference between projected and actual earnings on pension plan investments	$ 23,438	—
Changes of assumptions	3,282	—
Differences between expected and actual experience	15,619	5,473
Changes in proportion and differences between employer contributions and proportionate share of contributions	—	30,825
Employer contributions subsequent to measurement date	21,566	—
	$ 63,905	36,298

	2020	
	Deferred outflows of resources	**Deferred inflows of resources**
Net difference between projected and actual earnings on pension plan investments	$ 10,259	—
Changes of assumptions	9,077	—
Differences between expected and actual experience	4,356	9,771
Changes in proportion and differences between employer contributions and proportionate share of contributions	—	32,016
Employer contributions subsequent to measurement date	21,413	—
	$ 45,105	41,787

At September 30, 2021, approximately $21,566.000 reported as deferred outflows of resources related to pensions resulting from University contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2021. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows (in thousands):

Year ending September 30:	
2022	$ (4,574)
2023	1,911
2024	5,529
2025	3,175
2026	—
	$ 6,041

(e) Actuarial Assumptions

The total pension liability as of September 30, 2021 and 2020 was determined by an actuarial valuation as of September 30, 2019 and 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

	2021	2020
Inflation	2.75 %	2.75 %
Investment rate of return*	7.70	7.70
Projected salary increases	3.25-5.00	3.25-5.00

* Net of pension plan investment expense

The actuarial assumptions used in the September 30, 2019 valuation were based on the results of an actuarial experience study for the period October 1, 2010 through September 30, 2015. Mortality rates for TRS were based on the RP-2000 White Collar Mortality Table projected to 2020 using Scale BB and adjusted 115% for all ages for males and 112% for females.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of geometric real rates of return for each major asset class are as follows:

	2021	
	Target allocation	**Long-term expected rate of return***
Fixed income	17.0 %	4.4 %
U.S. large stocks	32.0	8.0
U.S. mid stocks	9.0	10.0
U.S. small stocks	4.0	11.0
International developed market stocks	12.0	9.5
International emerging market stocks	3.0	11.0
Alternatives	10.0	10.1
Real estate	10.0	7.5
Cash equivalents	3.0	1.5
	100.0 %	

* Includes assumed rate of inflation of 2.50%

(f) Discount Rate

The discount rate used to measure the total pension liability as of both September 30, 2021 and 2020 was 7.70%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

(g) Sensitivity of the University's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the University's proportionate share of the net pension liability calculated using the discount rate of 7.70%, as well as what the University's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.70%) or 1-percentage point higher (8.70%) than the current rate (in thousands):

	2021		
	1% Decrease (6.70)%	**Current rate (7.70)%**	**1% Increase (8.70)%**
University's proportionate share of collective net pension liability	$ 421,064	315,591	226,348

(h) 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, 2020 as well as prior year reports. The supporting actuarial information is included in the GASB Statement No. 68 Report for the TRS prepared as of September 30, 2020. The auditors' report dated February 2, 2021 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, 2020 along with supporting schedules is also available. The additional financial and actuarial information is available at www.rsa-al.gov.

(11) Other Employee Benefits

(a) 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 $422,000 and $462,000 in 2021 and 2020, respectively, representing 190 and 197 employees for 2021 and 2020, 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 $6,553,000 and $5,544,000 in 2021 and 2020, respectively, representing 1,984 and 1,436 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.

(b) 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 $12,644,000 and $12,962,000 at September 30, 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.

(a) 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*, requires the reporting of the net OPEB liability and the OPEB expense in the financial statements as well as enhanced financial statements note disclosures.

(b) 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.

(c) 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 $6,868,000 and $7,947,000 for the years ended September 30, 2021 and 2020, respectively.

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

At September 30, 2021 and 2020, the University reported a liability of $260,646,000 and $103,288,000, respectively, for its proportionate share of the net OPEB liability. At September 30, 2021, the net OPEB liability was measured as of September 30, 2020 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of September 30, 2019. 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, 2020, the University's proportion of contributions to the OPEB plan was 4.0162100%, which was an increase of 1.2784930% from its proportion measured as of September 30, 2019 of 2.7377170%.

For the years ended September 30, 2021 and 2020, the University recognized OPEB expense of approximately $7,208,000 and $(11,830,000), respectively, which is included in salaries and benefits on the statements of revenues, expenses, and changes in net position.

At September 30, 2021 and 2020, the University reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources (in thousands):

	2021	
	Deferred outflows of resources	**Deferred inflows of resources**
Net difference between projected and actual earnings on OPEB plan investments	$ —	11
Differences between expected and actual experience	6,610	93,709
Changes of assumptions	91,042	48,400
Changes in proportion and differences between employer contributions and proportionate share of contributions	99,698	36,524
Employer contributions subsequent to the measurement date	6,868	—
	$ 204,218	178,644

	2020	
	Deferred outflows of resources	**Deferred inflows of resources**
Net difference between projected and actual earnings on OPEB plan investments	$ 213	—
Differences between expected and actual experience	3,420	79,197
Changes of assumptions	4,938	42,782
Changes in proportion and differences between employer contributions and proportionate share of contributions	20,208	46,198
Employer contributions subsequent to the measurement date	7,947	—
	$ 36,726	168,177

At September 30, 2021, approximately $6,868,000 reported as deferred outflows of resources related to OPEB resulting from University contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended September 30, 2022. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (in thousands):

Year ending September 30:	
2022	$ (6,239)
2023	(5,842)
2024	(5,955)
2025	(5,633)
2026	25,125
Thereafter	17,249
	$ 18,705

(e) Actuarial Assumptions

The total OPEB liability as of September 30, 2021 and 2020 was determined by an actuarial valuation performed as of September 30, 2019 and 2018, respectively, using the following actuarial assumptions, applied to all periods included in the measurement:

	2021	2020
Inflation	2.75 %	2.75 %
Projected salary increases*	3.25%-5.00%	3.25%-5.00%
Long-term investment rate of return**	7.25 %	7.25 %
Municipal bond index rate at the measurement date	2.25	3.00
Municipal bond index rate at the prior measurement date	3.00	4.18
Projected year for fiduciary net position to be depleted	2040	2055
Single equivalent interest rate at the measurement date	3.05 %	5.50 %
Single equivalent interest rate at the prior measurement date	5.50 %	4.44 %
Healthcare cost trend rate		
Pre-medicare eligible	6.75 %	6.75 %
Medicare eligible	***	***
Ultimate trend rate		
Pre-medicare eligible	4.75 %	4.75 %
Medicare eligible	4.75 %	4.75 %
Year of ultimate trend rate		
Pre-medicare eligible	2027	2026
Medicare eligible	2024	2024

* Includes 3% wage inflation

** Compounded annually, net of investment expense, and includes inflation

*** Initial medicare claims are set based on scheduled increases through plan year 2022

Rates of mortality for the period after service retirement are according to the RP-2000 White Collar Mortality Table projected to 2020 using scale BB and adjusted 115% for all ages for males and 112% for ages 78 and over for females. The rates of disabled mortality were based on the RP-2000 Disabled Mortality Table projected to 2020 using scale BB and adjusted 105% for males and 120% for females.

The decremental assumptions used in the valuation were selected based on the actuarial experience study prepared as of September 30, 2015, submitted to and adopted by the TRS on September 13, 2016. The remaining actuarial assumptions (e.g. initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the September 30, 2019 valuation.

The target asset allocation and best estimates of expected geometric real rates of return for each major asset class are summarized in the following table:

	2021	
	Target allocation	Long-term expected real rate of return*
Fixed income	30 %	4.40 %
U.S. large stocks	38	8.00
U.S. mid stocks	8	10.00
U.S. small stocks	4	11.00
International developed market stocks	15	9.50
Cash	5	1.50
	100 %	

* Geometric mean, includes 2.5% inflation

(f) Discount Rate

The discount rate used to measure the total OPEB liability at September 30, 2020 and 2019 was 3.05% and 5.50%, respectively. The projection of cash flows used to determine the discount rate assumed that plan contributions will be made at the current contribution rates. Each year, the State specifies the monthly employer rate that participating employers must contribute for each active employee. Approximately 24.245% of the employer contributions were used to assist in funding retiree benefit payments in 2019. 14.802% of the employer contributions were used to assist in funding retiree benefit payments in 2020. It is assumed that the 14.802% will increase at the same rate as expected benefit payments for the closed group until reaching an employer rate of 20.000%, at which point this amount will increase by 1.00% in subsequent years. The long-term expected rate of return on OPEB plan investments will be determined based on the allocation by the asset class and by the mean and variance of real returns. The discount rate determination will use a municipal bond rate to the extent the trust is projected to run out of money before all benefits are paid. Therefore, the projected future benefit payments for all current plan members were projected through 2118. The long-term rate of return is used until the assets are expected to be depleted in 2040, after which the municipal bond rate is used.

(g) Sensitivity of the University's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates and Discount Rates

The following table presents the University's proportionate share of the net OPEB liability calculated using the health care cost trend rate of 4.75%, as well as what the net OPEB liability would be if

calculated using 1-percentage point lower 3.75% or 1-percentage point higher 5.75% than the current rate (in thousands):

	2021		
	1% Decrease (3.75)%	Current rate (4.75)%	1% Increase (5.75)%
University's proportionate share of collective net OPEB liability	$ 206,042	260,646	331,723

The following table presents the University's proportionate share of the net OPEB liability calculated using the discount rate of 3.05%, as well as what the net OPEB liability would be if calculated using 1-percentage point lower 2.05% or 1-percentage point higher 4.05% than the current rate (in thousands):

	2021		
	1% Decrease (2.05)%	Current rate (3.05)%	1% Increase (4.05)%
University's proportionate share of collective net OPEB liability	$ 319,696	260,646	213,748

(h) 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, 2020 and 2019. The supporting actuarial information is included in the GASB Statement No. 74 Report for PEEHIP prepared as of September 30, 2020 and 2019. 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. An independent trustee administers both funds. 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. Any risk related to the payment of 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.

As discussed in note 1, the PLTF and GLTF are blended component units of the University, and as such are included in the financial statements of the University for the years ended September 30, 2021 and 2020. 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. Administrative fees paid by the University for such services were approximately $2,767,000 and $2,560,000 in 2021 and 2020, respectively. Contributions by the University and its employees, together with earnings thereon, are used to pay liabilities arising from healthcare claims. It is the opinion of University administration that plan assets are sufficient to meet future plan obligations.

The changes in the total self-insurance liabilities for the years ended September 30, 2021 and 2020 for the PLTF, GLTF and health plan are summarized as follows (in thousands):

		2021	2020
Balance, beginning of year	$	39,995	39,400
Liabilities incurred and other additions		98,027	101,204
Claims, administrative fees paid and other reductions		(96,412)	(100,609)
Balance, end of year	$	41,610	39,995

These amounts are included in other long-term liabilities (and current portion thereof) and in accounts payable and accrued liabilities in the accompanying statements of net position.

(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, 2021, SAMSF had total assets of $10,684,000, net assets of $9,673,000, and total revenues of $1,750,000 for the year then ended. At September 30, 2020, SAMSF had total assets of $10,277,000, net assets of $9,130,000, and total revenues of $1,345,000 for the year then ended. SAMSF reimburses the University for certain administrative expenses and other related support services. No such amounts were received for such expenses in 2021 and 2020.

(15) Commitments and Contingencies

(a) Grants and Contracts

At September 30, 2021 and 2020, the University had been awarded approximately $80,663,000 and $53,257,000, 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.

(b) 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.

(c) Rent Supplement Agreements

The University has entered into two irrevocable rent supplement agreements with the Corporation and 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 (see note 6). As of September 30, 2021 and 2020, no amounts were payable pursuant to these agreements.

(16) Recently Issued Accounting Pronouncements

The GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, in May 2020. Statement 95 is effective immediately to provide temporary relief in light of the COVID-19 pandemic by postponing the effective dates of certain provisions of other GASB statements that are effective or scheduled to become effective for periods beginning after June 15, 2018. The effective date of the statements noted below have been adjusted to reflect the postponed effective date as allowed by Statement 95.

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, 2022. 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, 2022. 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.

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*, which will be effective beginning with the fiscal year ending September 30, 2023. 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, 2022, 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*. This statement, effective for periods ending after December 31, 2021, addresses financial reporting implications related to the replacement of LIBOR, which is expected to cease to exist in its current form at the end of 2021.

In May 2020, the GASB issued Statement No. 96 *Subscription Based Information Technology Arrangements* effective beginning with the fiscal year ending September 30, 2023 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 GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32*, effective beginning with the fiscal year ending September 30, 2022. Statement No. 96 requires subscription-based information technology arrangements (SBITA) be recorded as both an intangible asset and a corresponding subscription liability, provides capitalization criteria for outlays related to non-subscription payments, and requires note disclosures for SBITA. The objective of Statement No. 97 is to improve consistency and comparability of reporting for those entities who rely on the government to perform the duties of a governing board in its absence, mitigate the costs of reporting for defined contribution plans, and improve relevance, consistency, and comparability of accounting and financial reporting of Section 457 plans that meet the definition of a pension plan.

The effect of the implementation of GASB Statement Nos. 87, 89, 91, 92, 96 97 and 98 on the University has not yet been determined. Statements 93 and 94 will not impact the University.

(17) COVID-19 Pandemic

COVID-19, a respiratory disease caused by a novel strain of the coronavirus, has spread around the world, including the State of Alabama. The Centers for Disease Control confirmed the spread of the disease to the United States in February 2020 and the World Health Organization declared the COVID-19 outbreak a pandemic in March 2020.

As a result of the pandemic, most higher education institutions, including 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. This had an adverse effect on the operations of the University due to the pro-rata refund of housing and dining fees and incremental costs incurred as a result of having to convert all instruction to an on-line format. All instruction for the May and summer terms was delivered online and residence calls remained largely closed. The University returned to a modified in-person delivery of education for the 2020 fall semester, although residence halls reopened at a lower occupancy level. For the 2021 fall semester, the University returned to normal operations and residence hall capacities returned to a near-normal level. Management is unable to predict the future impact of the pandemic on the University's operations.

Government orders suspending elective surgical and other procedures have had an adverse effect on the operations of healthcare providers, including USA Health, primarily due to reduction in overall patient volumes. Patient volumes and revenues experienced gradual improvement beginning in July 2020 and are

now at normal levels. Management is unable to predict the future impact of the pandemic on the USA Health's operations.

The Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law on March 27, 2020 and is designed to provide economic relief to Higher Education Institutions and other entities for a number of situations including the provision of direct financial support for students in need, reimbursement for the costs incurred as a result of moving instruction online, to provide relief funds for healthcare providers for purposes of covering costs incurred and lost revenues due to the pandemic. As of September 30, 2021, the University (including USA Health) has been awarded $93,064,000 in CARES Act, and other funding from federal and state sources for COVID-19 relief. Of this amount $68,749,000 was awarded during the year-ended September 30, 2021 and $24,315,000 was awarded during the year ended September 30, 2020. Of the total amounts awarded $58,249,000 and $11,350,000 have been recognized as nonoperating revenue in the statements of revenues, expenses, and changes in net position for the years ended September 30, 2021 and 2020, respectively.

Additionally, as part of the CARES Act, the Centers for Medicare and Medicaid Services (CMS) expanded the existing Accelerated and Advance Payments Program (MAAPS) to a broader group of healthcare providers. Accelerated or advance payments under the MAPPS program is intended to provide necessary funds when there is a disruption in claims submissions and processing for a healthcare provider. CMS can also offer these payments in circumstances such as a national emergency or natural disasters in order to accelerate cash flow to impacted healthcare providers. Beginning in April 2021, CMS began recouping the advanced payments by reducing the amount due to USA Health for Medicare and Medicaid services provided. CMS will reduce the remittances by 25% for the first 11 months and increase this percentage for the next six months if there is still a balance in advanced funds. The balance of the advanced payments are $27,682,000 and $35,156,000 as of September 30, 2021 and 2020, respectively and are reflected as unrecognized revenues in the accompanying 2021 and 2020 statements of net position.

The University's (including USA Health's) pandemic response plan has multiple facets and continues to evolve as the pandemic unfolds. Management has taken precautionary steps to enhance operational and financial flexibility and to react to the risks the COVID-19 pandemic presents to operations, including the following:

- Established a campus wide contact tracing office to minimize the spread of the virus and therefore minimizing the financial impact on the University.
- Established a campus-wide reopening committee, now known as the Covid-19 Response Team, to address COVID issues related to the reopening of campus, the return of employees and students to an in-person environment, and the on-going monitoring of the impact of Covid-19 on the University community.
- As part of campus reopening, the student housing model was revised to provide a safer environment for residential students. This was accomplished by increasing the number of single occupant rooms and creating a quarantine facility within housing for students that become COVID positive.

- Implemented a temporary 4.50% pay reduction in lieu of a one-day per month unpaid furlough for most campus employees from May through August of 2020. This unpaid furlough plan ultimately ended and funds were returned to employees due to positive financial results for the University.
- Proactively permanently eliminated certain positions, mostly unfilled, in academic and administrative areas.

Management believes the extent of the COVID-19 pandemic's adverse impact on operating results and financial condition has been and will continue to be driven by many factors, most of which are beyond the University's control and ability to forecast. Such factors include, but are not limited to, the scope and duration of stay-at-home practices and business closures and restrictions, government-imposed or recommended suspensions of elective procedures, continued declines in patient volumes for indeterminable length of time, incremental expenses required for supplies and personal protective equipment, and changes in professional and general liability exposures. The potential for a negative impact on University enrollment is also uncertain. Increased infection rates in our city and region certainly have the ability to increase the impact of these factors. Because of these and other uncertainties, management cannot accurately estimate the length or severity of the impact of the pandemic on the University.

The University (including USA Health) has not received additional CARES Act funding subsequent to September 30, 2021.

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

LONG-RANGE PLANNING COMMITTEE

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Long-Range Planning Committee

December 1, 2021
3:39 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 Wednesday, December 1, 2021, at 3:39 p.m. in the Chief Calvin W. McGhee Grand Ballroom of the MacQueen Alumni Center. Public access was provided via YouTube livestream.

Members:	Lenus Perkins, Steve Stokes, Mike Windom, and Jim Yance were present, and Chandra Brown Stewart and Ron Jenkins participated remotely.
Other Trustees:	Scott Charlton, Steve Furr, Ron Graham, Arlene Mitchell, Jimmy Shumock, and Margie Tuckson.
Administration & Guests:	Joél Billingsley, Lynne Chronister, Angela Coleman, Kristin Dukes, Joel Erdmann, Julie Estis, Monica Ezell, Mike Haskins, Andi Kent, Nick Lawkis, John Marymont, Mike Mitchell, Laura Schratt, Beth Shepard (Faculty Senate), John Smith, Margaret Sullivan, and Scott Weldon.

The meeting came to order and the attendance roll was called, **Item 30**. Ms. Brown Stewart called for consideration of the minutes of the meeting held on September 2, 2021, **Item 31**. On motion by Capt. Jenkins, seconded by Mr. Perkins, the Committee voted unanimously to adopt the minutes.

Ms. Brown Stewart called for an update on the strategic planning, **Item 32**. Dr. Angela Coleman, Associate Vice President for Institutional Effectiveness, advised of recent progress made toward the completion of a recommended strategic plan for the Board's authorization. She stated that feedback on potential priorities collected from a series of focus groups meetings had been condensed into a summary and provided to division leaders for evaluation. She indicated that Mr. Jo Bonner, the University's incoming President, would soon assume a role in this process as well, and she reminded the group of the importance of the strategic plan as part of the Southern Association of Colleges and Schools Commission on Colleges decennial reaffirmation of accreditation process that was also underway.

There being no further business, the meeting was adjourned at 3:41 p.m.

Respectfully submitted:

Chandra Brown Stewart, Chair

UNIVERSITY OF SOUTH ALABAMA

MEMORANDUM

Office of Academic Affairs

DATE: March 7 2022

TO: Jo Bonner, President

FROM: Andrea M. Kent, Ph.D., Interim Provost and Senior Vice President, Academic Affairs

SUBJECT: University Strategic Plan 2022-2027

I recommend approval of the attached University Strategic Plan 2022-2027. This strategic plan has been endorsed by the University Strategic Planning Committee at its meeting on Friday, March 4, 2022. (see attached).

Thank you for your consideration.

AMK:rmh

RESOLUTION

UNIVERSITY OF SOUTH ALABAMA STRATEGIC PLAN 2022-2027

WHEREAS, the University of South Alabama's current strategic plan ended in December 2020, and the University is committed to ongoing planning and assessment activities that support the advancement and achievement of the University's mission, and

WHEREAS, the University of South Alabama's strategic planning processes were interrupted by the COVID-19 pandemic, and resources were redirected to the University's pandemic response to ensure the safety of its campus community and continued fulfilment of its mission, and

WHEREAS, the University of South Alabama Board of Trustees voted to extend the University's strategic plan until sufficient input could be gathered and an updated plan completed, and

WHEREAS, in support of the effort to update the strategic plan, the University Strategic Planning Committee made invaluable contributions to guide our planning process, and the University community offered input through focus groups held over a six-month period during the spring, summer, and fall of 2021 to include participation of faculty, staff, students, administrators, business, civic, and governmental leaders, and

WHEREAS, additional planning and assessment activities over the last three years also contributed to the strategic plan including the work of strategy committees appointed to identify and propose solutions to long-term challenges faced by the University; listening tours and town halls conducted by the president, executive vice president, and provost; and dozens of surveys of faculty, staff, and students,

THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama hereby affirms and approves the current mission of the University of South Alabama and approves the priorities and goals of the University of South Alabama Strategic Plan 2022-2027.

University of South Alabama Strategic Plan—January 2022 through December 2027

Mission: The University of South Alabama, with a global reach and special focus on the Gulf Coast, strives to make a difference in the lives of those it serves through promoting discovery, health, and learning.

Core Values: The University of South Alabama affirms the following core values as essential to the accomplishment of its mission:

- Diversity and a Global Perspective
- A Pursuit of Excellence
- Freedom in the Pursuit of Knowledge
- Integrity
- Transparency and Participation in Decision-Making

Vision: The University of South Alabama will be a leading comprehensive public university internationally recognized for educational, research, and health care excellence as well as for its positive intellectual, cultural, and economic impact on those it serves.

***Student Access and Success: South commits to creating multiple pathways and partnerships that* support admission of students from increasingly diverse backgrounds. South provides access to the tools and resources for a diverse student body to be academically and personally successful at USAand also prepares them to achieve their post-graduate educational and professional ambitions.**

- Strategically increase enrollment over the next five years
    - Increase targeted recruitment efforts for special populations of students including: students in the Gulf Coast Region, adult learners, veterans, international students, dual-enrollment students, children of alumni, and graduate students
    - Enhance continuing education opportunities to increase access and strengthen partnerships with business, industry, and the community to meet the demand for continuing education
- Develop high impact and high demand programs, leveraging our institutional strengths
- Increase retention rates
- Increase graduation rates
- Reduce equity gaps among retention and graduation rates
- Enhance preparation of all students in oral communication, written communication, and in skills necessary for the workforce
- Provide faculty and staff professional development and support to enable them to meet the needs of all learners, including the ability to provide high-levels of student support and engagement in academic settings
- Increase the implementation of high-impact practices that support student engagement and success
    - Provide all students with the opportunity to engage with role models or mentors with whom they identify

    - Provide all undergraduate and graduate students the opportunity to connect with non-academic activities to develop personally and/or as a leader.
- Increase the number and diversity of quality online and hybrid course offerings and programs
- Strive to make campus an environment where students value the student services and student life experience

***Graduate Education: Graduate students and faculty are central to achieving both the educational and* research components of our mission, to helping our community find solutions to its most pressing problems, and to improving economic and social outcomes in our region.**

- Ensure graduate students have meaningful engagement in research, clinical, and/or other professional opportunities
- Strategically maximize our strengths in the development of graduate programs
- Recognize excellence in faculty research and practice as integral and inseparable from the success of graduate programs and graduate students

***Research, Discovery, and Creative Works: The University of South Alabama faculty, staff, and students* conduct internationally recognized research and scholarship to create new knowledge and medical advancements, spur economic development, help our region find solutions to its challenges, and improve the quality of life for our citizens.**

- Recognize and support excellence in faculty research and scholarship with emphasis on the structural supports necessary to achieve higher levels of national recognition
- Support the development of Centers of Excellence, including a focus on interdisciplinary and problem-based research, that strengthens our research capacity in areas critical to national and regional needs
- Increase partnerships and collaborations with governmental agencies, community colleges, universities, industries and not-for-profit entities

***University Community Engagement: The University of South Alabama commits to active community* engagement and valuing community impact as fundamental to the success of all University stakeholders.**

- Ensure that every student's education includes substantive engagement through collaborative community partnerships and with faculty guidance, to include internships, clinical placements, research experiences, and/or other experiential learning (e.g., study abroad and service-learning)
- Ensure that the University strategically engages with business, governmental, healthcare, and civic partners to identify and address critical challenges
    - Engage with business and industry to be responsive to the workforce development needs in the broader community

- Monitor and evaluate the University's impact on the local and statewide economy
- Leverage the University's strengths and talents to support the successful development and implementation of local, regional and state economic development and social impact initiatives
- Engage our civic partners in the Gulf Coast region to identify, prioritize, and address issues impacting the educational and health outcomes of our local community

Excellence in Health Care: As the only academic medical center along the upper Gulf Coast, USA **Health, and the University of South Alabama provides excellent health care through its hospitals andclinics, continuous research and technological advancements, and robust interprofessional and interdisciplinary partnerships.**

- Ensure excellent fiscal management and financial health of the USA Health System
- Ensure high satisfaction ratings among patients
- Ensure the safety of patients in our care

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

COMMITTEE OF THE WHOLE

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Committee of the Whole

December 1, 2021
3:41 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 Wednesday, December 1, 2021, at 3:41 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, Ron Graham, Arlene Mitchell, Lenus Perkins, Jimmy Shumock, Steve Stokes, Margie Tuckson, Mike Windom, and Jim Yance were present, and Scott Charlton and Ron Jenkins participated remotely.
Members Absent:	Alexis Atkins, Tom Corcoran, and Kay Ivey.
Administration & Guests:	Joél Billingsley, Lynne Chronister, Kristin Dukes, Joel Erdmann, Julie Estis, Monica Ezell, Mike Haskins, Andi Kent, Nick Lawkis, John Marymont, Mike Mitchell, Laura Schratt, Beth Shepard (Faculty Senate), John Smith, Margaret Sullivan, and Scott Weldon.

The meeting came to order and the attendance roll was called, **Item 33**. Chairman Shumock called for consideration of the minutes of the meeting held on September 2, 2021, **Item 34**. On motion by Ms. Mitchell, seconded by Dr. Stokes, the Committee voted unanimously to adopt the minutes.

Chairman Shumock stated that items for Audit Committee authorization had been suspended to the Committee of the Whole for action because a quorum of Audit Committee members was not present. He called for consideration of the minutes of an Audit Committee meeting held on September 2, 2021. On motion by Mr. Graham, seconded by Mr. Perkins, the Committee voted unanimously to adopt the Audit Committee minutes.

Chairman Shumock asked the Committee to consider the ratification of the Office of Internal Audit (OIA) budget that had been presented by Ms. Schratt to the general assembly of Trustees earlier in the afternoon. On motion by Dr. Charlton, seconded by Mr. Perkins, the Committee voted unanimously to ratify the OIA budget.

Chairman Shumock presented **Item 35**, a resolution authorizing the appointment of Mr. Perkins to serve as a member of the Executive Committee. (To view resolutions, policies and other documents authorized, refer to the minutes of the Board of Trustees meeting held on December 2, 2021.) Chairman Shumock advised that Mr. Perkins would assume the Executive Committee position that was vacated upon the retirement of former Trustee Mr. Ken Simon from the Board. On motion by Dr. Stokes, seconded by Dr. Furr, the Committee voted unanimously to recommend approval of the resolution.

Chairman Shumock called on Dr. Smith to introduce **Item 36**, a resolution expressing the Board's appreciation to retired Professor of Sociology and former Provost and Sr. Vice President for Academic Affairs Dr. G. David Johnson for his many years of service to the University. On motion

by Judge Windom, seconded by Mr. Graham, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Chairman Shumock asked Dr. Smith to present **Item 37**, a resolution conveying the Board's gratitude to Mr. Weldon for his contributions to the University over a career spanning 31 years. Dr. Smith stated that Mr. Weldon would retire at the end of the year. On motion by Mr. Yance, seconded by Mr. Perkins, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Chairman Shumock discussed **Item 38**, a resolution commending the individuals who served as members of the President Search Committee. On motion by Dr. Stokes, seconded by Dr. Furr, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Chairman Shumock reminded the Trustees about the men's home basketball game against the University of Southern Mississippi set for later in the evening.

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 one hour for the purpose of discussing good name and character, as well as impending litigation, **Item 39**. 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. Mr. Yance seconded and, at 3:49 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:

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

There being no further business, the meeting was adjourned at 4:56 p.m.

Respectfully submitted:

James H. Shumock, Chair *pro tempore*

APPENDIX A

Executive Session

University of South Alabama Board of Trustees Committee of the Whole meeting on December 1, 2021.

The purpose of the executive session for the above-referenced meeting is to discuss good name and character, and impending litigation.

This declaration is submitted pursuant to the requirements of the Alabama Open Meetings Act by Kristin Daniels Dukes, ASB number 6408o61k.

Kristin Daniels Dukes

RESOLUTION

COMMENDATION OF MR. MICHAEL R. HASKINS

WHEREAS, the University of South Alabama seeks to honor exceptional administrators who devoted a substantial part of their careers to serving others and who distinguished themselves through their professional contributions, and

WHEREAS, Mr. Michael R. Haskins faithfully and honorably served the University of South Alabama for seven years during a 30-year career dedicated to marketing and communication on behalf of higher education, and

WHEREAS, Mr. Haskins enhanced and elevated the University's visibility and reputation through the introduction of new marketing and communication strategies and tactics, including South's first branding initiative, which strengthened the University's identity, as well as the first branding initiative for USA Health, and

WHEREAS, Mr. Haskins transformed the University's approach to telling South's story through online media, digital advertising, video, narrative storytelling, print materials and publications, in addition to traditional marketing such as public relations and media relations, and

WHEREAS, the use of digital media to position South among its prospective student audiences was instrumental in garnering significant new interest in the University among students and parents and allowed the University to leverage an industry-changing diversification of information delivery and consumption, and

WHEREAS, under Mr. Haskins's leadership, the Office of Marketing and Communications formed new partnerships across the University with academic schools and colleges, as well as the offices of development, alumni relations, athletics, enrollment management, and research and economic development, among others, and

WHEREAS, Mr. Haskins and his team received national recognition for their work, and his leadership earned him the respect and gratitude of those who were fortunate to work for him,

THEREFORE, BE IT RESOLVED, the Board of Trustees expresses its heartfelt appreciation to Mr. Michael R. Haskins for his voluminous contributions to the University of South Alabama and offers best wishes to him and his family in their future endeavors.

RESOLUTION

COMMENDATION OF DR. JOHN W. SMITH

WHEREAS, the University of South Alabama seeks to honor exceptional administrators who devoted a substantial part of their careers to serving others and who distinguished themselves through their professional contributions, and

WHEREAS, Dr. John W. Smith faithfully and honorably served the University of South Alabama for 14 years during a career of more than 40 years dedicated to higher education, and

WHEREAS, Dr. Smith arrived at the University of South Alabama in February 2008 as Vice President for Student Affairs, and, having earned the respect of his colleagues and then President V. Gordon Moulton, was given the additional duties of Special Assistant to the President in 2010, and

WHEREAS, Dr. Smith continued in a senior leadership role as Executive Vice President in the administration of former University President Dr. Tony G. Waldrop, and on two separate occasions during his time at South was selected by the USA Board of Trustees to lead the Institution as Interim President, and

WHEREAS, during Dr. Smith's tenure at South, the University greatly increased its appeal and capacity as a residential campus, with the addition of three new residence halls, a new dining hall, a new recreation center, architectural portals and signage, and a major renovation of the Student Center, and

WHEREAS, Dr. Smith served as USA's Faculty Athletic Representative to the NCAA and as chair of the Athletics Council, and established and served as chair of the Compliance Oversight Committee for Athletics, and

WHEREAS, Dr. Smith's various roles at the University, particularly his appointments as Interim President, are reflections of his knowledge, administrative skills and exceptional leadership, and of the considerable trust placed in him by so many of those for and with whom he served, and

WHEREAS, Dr. Smith and his wife, Jeanne, are loyal friends to the University of South Alabama and have given generously, inclusive of gifts directed to the construction of Hancock Whitney Stadium, to pediatric and nursing care at USA Health, and to the creation of the Smith and Williams Families Endowed Scholarship in memory of their parents, and

WHEREAS, while the Smiths will be greatly missed by the University community, including countless students, faculty and staff, they leave behind a legacy that will guide the University for many years to come,

THEREFORE, BE IT RESOLVED, the Board of Trustees expresses its heartfelt appreciation to Dr. John W. Smith for his voluminous contributions to the University of South Alabama and offers to him and his family best wishes for their future endeavors, and

BE IT FURTHER RESOLVED that, for giving his all while serving two tenures as Interim President of South, the Board of Trustees wishes to honor Dr. Smith in perpetuity by including his name on the plaque recognizing University Presidents at Moulton Tower and Alumni Plaza.

RESOLUTION

COMMENDATION OF THE HONORABLE KENNETH O. SIMON

WHEREAS, the Honorable Kenneth O. Simon was appointed to the Board of Trustees of the University of South Alabama in 2009, and

WHEREAS, during his 12-year tenure as a member of the Board, Judge Simon played a key role on numerous Board committees, including the Executive Committee; Development, Endowment and Investments Committee; Academic and Student Affairs Committee; and Health Affairs Committee, and

WHEREAS, Judge Simon has been an advocate for South in enrollment efforts in the Birmingham area and across the state; has been resolute in ensuring responsible and sound fiscal practices; and has backed Board initiatives that have resulted in increased academic standards, initiatives geared to student access and success, and the construction and renovation of campus and healthcare facilities, and

WHEREAS, Judge Simon also served on the Steering Committee for Upward & Onward, the University's $150 million fundraising campaign that was dedicated to elevating and accelerating every aspect of the University of South Alabama, and

WHEREAS, Judge Simon and his wife, Sabrina, are loyal supporters of South Alabama and, over the years, have contributed generously to advance the mission of the Institution, inclusive of creating the Lavonne Simon Endowed Book Award in memory of Judge Simon's mother, and

WHEREAS, Judge Simon earned his undergraduate degree in 1976 as one of seven siblings who enrolled at South, was elected as the University's first African American President of the Student Government Association and was later elected as the first African American to fill the role of Chair Pro Tempore of South's Board of Trustees, serving from 2016 to 2019, and

WHEREAS, Judge Simon has served the University with distinction, graciously contributing his time, energy and wisdom to the growth and development of higher education in the state of Alabama and region, and to the students, alumni, faculty and administration of the University of South Alabama,

NOW, THEREFORE, BE IT RESOLVED that the University of South Alabama Board of Trustees expresses its deep appreciation and gratitude to the Honorable Kenneth O. Simon for his devotion, service and commitment to advancing the interests of the Institution and its constituencies, and

BE IT FURTHER RESOLVED that the Board of Trustees bestows upon Judge Simon the title of *Trustee Emeritus*.