UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES MEETINGS

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

JUNE 1, 2023
1:30 P.M.

AUDIT COMMITTEE – RON GRAHAM, CHAIR

1 Roll Call
2 Approve: Minutes
3 Report: Office of Internal Audit

DEVELOPMENT, ENDOWMENT AND INVESTMENTS COMMITTEE – MARGIE TUCKSON, VICE CHAIR

4 Roll Call
5 Approve: Minutes
6 Report: Endowment and Investment Performance
7 Recommendation to Approve: Revision of Gift Acceptance and Naming Recognition Guidelines
8 Recommendation to Approve: Commendation of Mr. Abraham A. Mitchell
9 Report: Development and Alumni Relations

HEALTH AFFAIRS COMMITTEE – JIMMY SHUMOCK, CHAIR

10 Roll Call
11 Approve: Minutes
12 Recommendation to Approve: USA Health Hospitals Medical Staff Appointments and Reappointments for February, March and April 2023
13 Report: USA Health and Whiddon College of Medicine

ACADEMIC AND STUDENT AFFAIRS COMMITTEE – MIKE WINDOM, CHAIR

14 Roll Call
15 Approve: Minutes
16 Recommendation to Approve: Tenure and Promotion
17 Recommendation to Approve: Tuition, Fees, and Housing and Dining Rates
18 Report: Academic Affairs
19 Report: Speech, Expressive Activities and Use of University Space, Facilities and Grounds Report
20 Report: Student Affairs
21 Report: Diversity and Community Engagement
22 Report: Research and Economic Development

BUDGET AND FINANCE COMMITTEE – TOM CORCORAN, CHAIR

23 Roll Call
24 Approve: Minutes
25 Report: Quarterly Financial Statements for the Six Months Ended March 31, 2023
26 Recommendation to Approve: Banking and Treasury Services Authority
27 Report: Facilities Update

LONG-RANGE PLANNING COMMITTEE – CHANDRA BROWN STEWART, CHAIR

28 Roll Call
29 Approve: Minutes
30 Report: Reaffirmation of Accreditation
31 Report: Strategic Plan and Scorecard

COMMITTEE OF THE WHOLE – ARLENE MITCHELL, CHAIR

32 Roll Call
33 Approve: Minutes
34 Recommendation to Approve: 2023-2024 Board Meeting Schedule
35 Recommendation to Approve: Commendation of Ms. Polly D. Stokley
36 Recommendation to Approve: Commendation of Ms. Margie Malone Tuckson
37 Approve: Executive Session

JUNE 2, 2023
10:30 A.M.

BOARD OF TRUSTEES MEETING – ARLENE MITCHELL, CHAIR PRO TEMPORE

1 Roll Call
2 Approve: Minutes
3 Approve: 2023-2024 Board Meeting Schedule
4 Report: University President
5 Report: Faculty Senate President
6 Report: Student Government Association President
7 Approve: Consent Agenda Resolutions
- Revision of Gift Acceptance and Naming Recognition Guidelines
- USA Health Hospitals Medical Staff Appointments and Reappointments for February, March and April 2023
- Banking and Treasury Services Authority

8 Report: Audit Committee
9 Report: Development, Endowment and Investments Committee
10 Report: Health Affairs Committee
11 Report: Academic and Student Affairs Committee
12 Approve: Tenure and Promotion
13 Approve: Tuition, Fees, and Housing and Dining Rates
14 Report: Budget and Finance Committee
15 Report: Long-Range Planning Committee
16 Approve: Commendation of Ms. Polly D. Stokley
17 Approve: Commendation of Ms. Margie Malone Tuckson
18 Approve: Commendation of Mr. Abraham A. Mitchell

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

MEETING SCHEDULE

THURSDAY, JUNE 1, 2023:

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

FRIDAY, JUNE 2, 2023:

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

UNIVERSITY OF SOUTH ALABAMA

BOARD OF TRUSTEES

STANDING COMMITTEES
2022-2025

EXECUTIVE COMMITTEE:

- Arlene Mitchell, **Chair *pro tempore***
- Katherine Alexis Atkins, **Vice Chair**
- Lenus Perkins, **Secretary**
- E. Thomas Corcoran
- Steven P. Furr, M.D.
- James H. Shumock
- 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
- Bill W. Lewis, II
- 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
- Bill W. Lewis, II
- Lenus M. Perkins

BUDGET AND FINANCE COMMITTEE:

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

DEVELOPMENT, ENDOWMENT AND INVESTMENTS COMMITTEE:

- Chandra Brown Stewart
- Scott A. Charlton, M.D.
- James H. Shumock
- Steven H. Stokes, M.D
- Margie Malone Tuckson, **Vice Chair**
- Michael P. Windom
- James A. Yance, **Chair**

EVALUATION AND COMPENSATION COMMITTEE:

- Katherine Alexis Atkins
- Scott A. Charlton, M.D., **Vice Chair**
- E. Thomas Corcoran
- Steven P. Furr, M.D.
- Robert D. Jenkins III, **Chair**
- James H. Shumock
- Michael P. Windom

HEALTH AFFAIRS COMMITTEE:

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- Scott A. Charlton, M.D.
- E. Thomas Corcoran
- Steven P. Furr, M.D. , **Vice Chair**
- James H. Shumock, **Chair**
- 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
- Bill W. Lewis, II
- Lenus M. Perkins
- Steven H. Stokes, M.D., **Vice Chair**
- Michael P. Windom
- James A. Yance

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

MEETING AGENDA
AND MINUTES

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES MEETINGS

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37 Approve: Executive Session

JUNE 2, 2023
10:30 A.M.

BOARD OF TRUSTEES MEETING – ARLENE MITCHELL, CHAIR PRO TEMPORE

1 Roll Call
2 Approve: Minutes
3 Approve: 2023-2024 Board Meeting Schedule
4 Report: University President
5 Report: Faculty Senate President
6 Report: Student Government Association President
7 Approve: Consent Agenda Resolutions
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8 Report: Audit Committee
9 Report: Development, Endowment and Investments Committee
10 Report: Health Affairs Committee
11 Report: Academic and Student Affairs Committee
12 Approve: Tenure and Promotion
13 Approve: Tuition, Fees, and Housing and Dining Rates
14 Report: Budget and Finance Committee
15 Report: Long-Range Planning Committee
16 Approve: Commendation of Ms. Polly D. Stokley
17 Approve: Commendation of Ms. Margie Malone Tuckson
18 Approve: Commendation of Mr. Abraham A. Mitchell

UNIVERSITY OF SOUTH ALABAMA

MEMORANDUM

Board of Trustees

DATE: May 23, 2023

TO: USA Board of Trustees

FROM: Lenus M. Perkins
Secretary, Board of Trustees

SUBJECT: Meeting Minutes

Included herein are the unapproved minutes for the Board of Trustees and standing committee meetings held on March 2 and 3, 2023, and for special meetings of the Board of Trustees held on April 11 and 18, 2023. Please review these documents for approval or amendment at the meetings on June 1 and 2, 2023.

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

March 3, 2023
10:30 a.m.

A meeting of the University of South Alabama Board of Trustees was duly convened by Ms. Arlene Mitchell, Chair *pro tempore*, on Friday, March 3, 2023, at 10:31 a.m. in the Board Room of the Frederick P. Whiddon Administration Building. Meeting attendance was open to the public.

Members:	Alexis Atkins, Chandra Brown Stewart, Tom Corcoran, Ron Graham, Ron Jenkins, Bill Lewis, Arlene Mitchell, Lenus Perkins, Jimmy Shumock, Steve Stokes, Margie Tuckson, Mike Windom and Jim Yance were present.
Members Absent:	Scott Charlton, Steve Furr and Kay Ivey.
Administration & Guests:	Todd Andel, Delaware Arif (Faculty Senate), Jim Berscheidt, Joél Billingsley, Jo Bonner, Mark Brantley, Jaclyn Bunch (Faculty Senate), Camille Bonura (SGA), Neil Chaudhary, Lynne Chronister, Lindsey Clark, Abbie Deese, Julie Estis, Monica Ezell, Susan Gordon-Hickey, Buck Kelley, Andi Kent, Spencer Larche, Kim and Nick Lawkis, Annie Mascia, John Marymont, Daniel McCarthy, John McMillan, Danielle Miller, Abe Mitchell, Mike Mitchell, Sean Powers, Ben Raines, Maxey Roberts, Laura Schratt, Beth Shepard (Faculty Senate), Ken Simon, Angelia Stokes, Jon and Taylor-Lee Stokes, Simon and Emory Stokes, Steven Stokes, Polly Stokley, Jason Strickland, Margaret Sullivan, Andrzej Wierzbicki and Clement Williams.
Media:	Lawrence Specker (AL.com)

Chair Mitchell made brief introductory remarks, which included congratulating Ms. Tuckson for being honored with a 2023 Distinguished Service Award at the National Alumni Association's (NAA) Distinguished Alumni and Service Awards ceremony held the evening prior, as well as congratulating Ms. Brown Stewart for being selected as a 2023 "Women Who Shape the State" honoree by This Is Alabama. Following the attendance roll call, **Item 1**, Chair Mitchell called for consideration of the minutes of the Board of Trustees meeting held on December 1, 2022, **Item 2**. On motion by Mr. Corcoran, seconded by Mr. Shumock, the Board voted unanimously to adopt the minutes.

Chair Mitchell called on President Bonner to deliver the President's Report, **Item 3**. President Bonner recognized Ms. Kim Lawkis, NAA President; Mr. Clement Williams, Black Student Union (BSU) President; and Judge Ken Simon, *emeritus* Trustee. He commended Mr. Abe Mitchell, honorary Trustee, for receiving a 2023 Lifetime Achievement Award from Business Alabama and expressed gratitude for Mr. Mitchell's contributions to the University, as well as for the contributions of Chair Mitchell and the late Mr. Mayer Mitchell, Chair *pro tempore emeritus*.

President Bonner introduced Southerners Mr. Neil Chaudhary and Ms. Annie Mascia, both of whom shared brief information about themselves. President Bonner spoke about the recent tragic passing of a student, Mr. John Wesley Holt, and asked the group to observe a moment of silence in his memory.

President Bonner congratulated Ms. Tuckson for being honored by the NAA with a Distinguished Service Award and thanked her for her service as a Trustee and commitment to the success of students.

President Bonner recognized USA First Lady, Ms. Janée Bonner, and shared that they attended the recent red-carpet screening of *Descendant*, a film produced by Dr. Kern Jackson, Assistant Professor in the Department of English and Director of the African American Studies program, that documents the history of the Clotilda, the last known slave ship to arrive in the U.S., and its descendants who settled the Africatown community in Mobile.

Other topics and recent happenings President Bonner highlighted were the USA Marching Band's participation in the Infant Mystics Mardi Gras parade and in inauguration festivities for Governor Ivey; the participation of the Prowlers, Jaguar Athletics' dance team, in the tableau at the Infant Mystics ball; the popularity of the USA lapel buttons, known as *Bonner Buttons*, of which USA student, Mr. Riki Nguyen, was an avid collector; an event celebrating the new Mother/Baby Unit at USA Health Children's & Women's Hospital; the Soul Food Luncheon sponsored annually by the Office of Multicultural Student Affairs (OMSA); and the leadership's listening tours taking place at colleges and schools.

President Bonner also shared that Judge Windom's son, Patrick, placed second in a recent Cub Scout Pinewood Derby competition, and he recognized Mr. Buck Kelley, Assistant Vice President for Facilities and Construction, as well as his team, for efforts that earned the University the Alabama Associated General Contractors' 2023 BuildSouth *Public Owner of the Year Award*. President Bonner introduced Ms. Danielle Miller, *Employee of the Quarter* from Office of Research Compliance and Assurance, as well as Dr. Jason Strickland, Assistant Professor in the Department of Biological Sciences, who read an excerpt from his nomination of Ms. Miller. Ms. Miller was presented a certificate commemorating the occasion.

President Bonner introduced Provost Kent for a report. Provost Kent introduced and gave background on Dr. Todd Andel and Dr. Susan Gordon-Hickey, both of whom were recently appointed as Dean of the School of Computing and Pat Capps Covey College of Allied Health Professions, respectively. Provost Kent discussed the new Leadership Fellows Program and introduced and gave background on two Fellows recently selected, Dr. Delaware Arif, Associate Professor in the Department of Communication, and Dr. Daniel McCarthy, Deputy Athletic Director, both of whom shared brief remarks. Provost Kent advised that enrollment indicators for the fall semester were positive. She reported that more than 1,000 high school students had participated in the bus tour visits to campus, also known as Jag Days, and added that admission applications from students at those schools were up by 13 percent. She talked about collaborative

efforts across campus to advance a culture of belonging for incoming students. She thanked the Trustees for their involvement in local and distant recruiting activities.

Chair Mitchell called for a report from the Faculty Senate President, **Item 4**. Dr. Delaware Arif, 2022-2023 Faculty Senate President, addressed the group, conveying his appreciation for the support shown to the Faculty Senate by the members of the Board and University leadership. He mentioned the positive changes taking shape that have advanced University progress, such as increased stakeholder engagement. He discussed the importance of shared governance and collaboration among constituencies, and gave an overview of the continuing initiatives of the Faculty Senate.

Chair Mitchell called for a report from the Student Government Association (SGA) President, **Item 5**. Ms. Camille Bonura, 2022-2023 SGA President, shared a summation of SGA activities, among which she shared details on a spring retreat, student participation in the Higher Education Day rally in Montgomery in April, and a project of the SGA Executive Council to make the SGA office door accessible. She introduced Mr. Clement Williams, BSU President, who thanked everyone who supported the *Black Girls Rock* fundraiser and attended OMSA's Soul Food Luncheon. Ms. Bonura thanked Trustees and guests for advocating for South students.

Chair Mitchell and President Bonner presented certificates of appreciation to Dr. Arif, Ms. Bonura and Mr. Williams in recognition of their service as organization presidents, **Item 6**.

Chair Mitchell called for consideration of consent agenda resolutions as follows, **Item 7**, all of which were unanimously recommended for Board approval by the respective committees that met on March 2, 2023. On motion by Mr. Graham, seconded by Mr. Shumock, the Board voted unanimously to approve the resolutions:

RESOLUTION
USA HEALTH HOSPITALS MEDICAL STAFF APPOINTMENTS AND REAPPOINTMENTS FOR NOVEMBER AND DECEMBER 2022 AND JANUARY 2023

WHEREAS, the Medical Staff appointments and reappointments for November and December 2022 and January 2023 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
HONORARY DOCTORATE DEGREE FOR LONNIE GEORGE JOHNSON

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, Lonnie George Johnson is a native of Alabama and grew up attending schools in Mobile county, and

WHEREAS, Lonnie Johnson was awarded the Air Force Achievement Medal and the Air Force Commendation Medal and has received several awards from NASA for his work in spacecraft system design at the Jet Propulsion Laboratory, and

WHEREAS, in 2008, Lonnie Johnson was awarded the Breakthrough Award from the magazine Popular Mechanics for his work related to the Johnson Thermo-Electrochemical Converter System, and

WHEREAS, in 2011, Lonnie Johnson was inducted into the State of Alabama Engineering Hall of Fame, and

WHEREAS, Lonnie Johnson holds more than 100 U.S. patents, most of which are for his *Super Soaker* which was inducted into the National Toy Hall of Fame in 2011, and

WHEREAS, in 2022, Lonnie Johnson was inducted into the National Inventors Hall of Fame,

THEREFORE, BE IT RESOLVED, for his dedication and for his many contributions to the State of Alabama, the Board of Trustees of the University of South Alabama is proud to bestow upon Lonnie George Johnson the degree of Doctor of Humane Letters (L.H.D.), honoris causa.

RESOLUTION
DIRECTORS OF THE UNIVERSITY OF SOUTH ALABAMA RESEARCH AND TECHNOLOGY CORPORATION

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

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

WHEREAS, the Board of Directors of the Corporation has elected and hereby nominates both Ms. Kellie Hope and Mr. Matt White to serve as directors for four (4) year terms beginning April 1, 2023, and expiring March 31, 2027,

THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama hereby authorizes the aforementioned individuals to serve as directors of the University of South Alabama Research and Technology Corporation as set forth.

RESOLUTION
DIRECTORS OF THE USA FOUNDATION FOR RESEARCH AND COMMERCIALIZATION

WHEREAS, pursuant to the bylaws of the University of South Alabama Foundation for Research and Commercialization ("USAFRC"), which were approved by the Board of

Trustees of the University of South Alabama ("Board") on June 7, 2013, the Board shall elect USAFRC directors who are not officers, employees, or trustees of the University, and

WHEREAS, Mr. William Sisson previously served as a director, but relocated, resigned his board membership and his term then expired, and

WHEREAS, Ms. Karen Hong has been nominated and has agreed to serve as a USAFRC director, to align with the staggered membership of a four-year term expiring on November 29, 2026,

THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama hereby authorizes the aforementioned individual to serve as a member of the USAFRC Board of Directors as set forth herein.

Chair Mitchell called for a report from the Audit Committee, **Item 8**. Mr. Graham, Committee Chair, advised of a Committee meeting held on March 2, 2023, and provided an overview of the business that took place.

Chair Mitchell called for a report from the Development, Endowment and Investments Committee, **Item 9**. Mr. Yance, Committee Chair, stated that the Committee met on March 2, 2023, and gave a summary of the proceedings.

Chair Mitchell called for a report from the Health Affairs Committee, **Item 10**. Mr. Shumock, Committee Chair, said a Committee meeting took place on March 2, 2023, and reviewed the matters that were addressed.

Chair Mitchell called for a report from the Academic and Student Affairs Committee, **Item 11**. Judge Windom, Committee Chair, advised that the Committee met on March 2, 2023, and provided an overview of the information presented. He added that the Committee voted unanimously to recommend Board approval of **Item 12** as follows, and he moved for the approval of the resolution. (To view related documents authorized, refer to Appendix A.) Mr. Graham seconded and the Board voted unanimously to approve the resolution:

RESOLUTION
HOUSING AND DINING RATES, SUMMER 2023

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 summer 2022 term increased, and

WHEREAS, dining services has continued to experience ongoing increases in both operational and food costs, and

WHEREAS, student housing proposes to reduce additional select summer room rates in order to 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 2023 term.

Chairman Mitchell called for a report from the Budget and Finance Committee, **Item 13**. Mr. Corcoran, Committee Chair, advised of a Committee meeting held on March 2, 2023, and shared a summary of the proceedings.

Chair Mitchell called for a report from the Long-Range Planning Committee, **Item 14**. Ms. Brown Stewart, Committee Chair, stated that the Committee held a meeting on March 2, 2023, and gave a recap of the topics covered.

Chair Mitchell, Judge Lewis and President Bonner stood and Mr. Mark Brantley was invited to join them for the presentation of **Item 15** as follows. Also recognized was Mr. Brantley's guest, Ms. Abbie Deese. Judge Lewis read the resolution and moved for its approval. Mr. Corcoran seconded and the Board voted unanimously to approve the resolution. A commemorative resolution marking the occasion was presented to Mr. Brantley, and he shared words of thanks for the efforts of Development team members on his behalf and talked about his mother's career at the University:

RESOLUTION
COMMENDATION OF MR. MARK D. BRANTLEY AND MR. KENNETH R. BARTON

WHEREAS, the University of South Alabama (USA) pursues the vision of being 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, and

WHEREAS, improving financial support for both current and future students remains a top priority for the University, and private support from alumni and friends plays a significant role in achieving this priority and enhances the quality of education at USA, and

WHEREAS, Mr. Mark D. Brantley enjoyed an active student life serving as a member of the Student Government Association, Jaguar Productions and Kappa Alpha Fraternity, and graduated from the University of South Alabama in 1987, earning a bachelor's degree in Management from the Mitchell College of Business, and

WHEREAS, Mr. Brantley and his late husband, Mr. Kenneth R. Barton, aspired to create two endowed scholarships to commemorate Mr. Brantley's time at USA and to honor his late mother, Mrs. Alma Golden, for her devoted career at the University that culminated with her service as administrative assistant to President Frederick P. Whiddon, and

WHEREAS, Mr. Brantley desires to fulfill his and Mr. Barton's shared vision through a transformational legacy gift to establish the *Mark D. Brantley Endowed Scholarship in Business* and the *Alma Denson Golden Endowed Scholarship*, which will benefit future generations of USA students,

THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama recognizes the extraordinary generosity of Mr. Mark D. Brantley and the late Mr. Kenneth R.

Barton and joins the President, faculty, staff, alumni and students in extending deepest gratitude for their impactful gift to USA.

President Bonner invited Dr. Steven Stokes and Mrs. Angelia Stokes to join Chair Mitchell, Ms. Brown Stewart and him for the presentation of **Item 16** as follows. President Bonner introduced Stokes family members who stood alongside Dr. and Mrs. Stokes, and recognized Ms. Maxey Roberts and Mr. John McMillan representing the USA Foundation. Joining on the floor, in addition, were Dr. Andrzej Wierzbicki, Dean of the College of Arts and Sciences; Dr. Sean Powers, Chair of the School of Marine and Environmental Sciences (SOMES); Mr. Ben Raines, SOMES Environmental Fellow and Writer in Residence for the College of Arts and Sciences; each of whom made remarks, which were followed by comments from Dr. Stokes about the importance of protecting the environment and of USA's SOMES program for the Gulf Coast region. Ms. Brown Stewart read the resolution and, on motion by Judge Windom, seconded by Mr. Perkins, the Board voted unanimously to approve the resolution. Dr. and Mrs. Stokes were presented a commemorative resolution and an appreciation gift of glass art. Dr. Stokes also mentioned that he served with Mr. McMillan on the Alabama Medical Cannabis Commission:

RESOLUTION
COMMENDATION OF DR. AND MRS. STEVEN H. STOKES
AND NAMING OF THE SCHOOL OF MARINE AND ENVIRONMENTAL SCIENCES

WHEREAS, the University of South Alabama (USA) pursues the vision of being 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, and

WHEREAS, USA's newly established School of Marine and Environmental Sciences will address pressing environmental concerns of coastal regions, train the next generation of marine and environmental scientists, conduct cutting-edge research and extend the impact of this training and research through service activities, and

WHEREAS, USA alumni Dr. Steven H. Stokes and Mrs. Angelia Stokes have invested in University of South Alabama initiatives, programs and students through their generous gifts to establish the *Angelia and Steven H. Stokes Center for Creative Writing*, *the Angelia and Steven H. Stokes Undergraduate Creative Writing Scholarship, the Angelia and Steven H. Stokes Undergraduate Scholarship in Marine Sciences, the Angelia and Steven H. Stokes Endowed Chair in Environmental Resiliency*, and Stokes Hall, as well as through their support of projects including Moulton Tower and Alumni Plaza, the Mitchell Cancer Institute and the Frederick P. Whiddon College of Medicine, and

WHEREAS, Dr. and Mrs. Stokes have served as visionary leaders, helping to advance the mission of the University and USA Health by co-chairing USA's successful Upward & Onward comprehensive campaign that resulted in raising over $160 million for the Institution, as well as through Dr. Stokes' 30-year tenure as a member of USA's Board of Trustees, during which he also served as Chair *pro tempore* for a three-year term and was conferred the title Chair *pro tempore emeritus*, and, for these and other demonstrations of selfless commitment to his alma mater and the public, Dr. Stokes was recognized by the USA National Alumni Association with a Distinguished Alumni Award in 2008, and

WHEREAS, Dr. and Mrs. Stokes have been avid supporters of the marine sciences and environmental resilience research at the University of South Alabama and care passionately for the School of Marine and Environmental Sciences' mission to create education and research opportunities for studying our coastal and marine environments, and they desire to further their longstanding philanthropic support through a transformational gift to the School of Marine and Environmental Sciences,

THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama hereby gratefully recognizes the profound leadership and steadfast commitment of Dr. Steven H. Stokes and Mrs. Angelia Stokes and declares the School of Marine and Environmental Sciences will now and forever be known as the *Angelia and Steven Stokes School of Marine and Environmental Sciences*, and

BE IT FURTHER RESOLVED that the Board of Trustees, President, faculty, administrators, staff, alumni, and present and future students of the University of South Alabama extend deepest gratitude to Dr. and Mrs. Stokes for their impactful gift.

There being no further business, the meeting was adjourned at 12:14 p.m.

Attest to: Respectfully submitted:

Lenus M. Perkins, Secretary Arlene Mitchell, Chair pro tempore

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

April 11, 2023
2:00 p.m.

A special meeting of the University of South Alabama Board of Trustees was duly convened by Ms. Arlene Mitchell, Chair *pro tempore*, on Tuesday, April 11, 2023, at 2:04 p.m. in the Board Room of the Frederick P. Whiddon Administration Building. Meeting attendance was open to the public.

Members:	Alexis Atkins, Arlene Mitchell, Jimmy Shumock and Jim Yance were present, and Chandra Brown Stewart, Steve Furr, Ron Graham, Ron Jenkins, Bill Lewis, Lenus Perkins and Margie Tuckson participated remotely.
Members Absent:	Scott Charlton, Tom Corcoran, Kay Ivey, Steve Stokes and Mike Windom.
Administration & Guests:	Delaware Arif (Faculty Senate), Owen Bailey, Jo Bonner, Kristin Dukes, Rita Harper, Andi Kent, John Marymont and Polly Stokley.

Following the attendance roll call, **Item 1**, Chair Mitchell turn to President Bonner for opening comments. President Bonner welcomed Trustees and guests.

In accordance with the provisions of the Alabama Open Meetings Act, Chair Mitchell made a motion to convene an executive session for an anticipated duration of two hours for the purpose of discussing preliminary negotiations involving a matter of trade or commerce, **Item 2**. She stated Ms. Dukes had submitted the required written declaration for the minutes and that adjournment of the meeting would be effected with the conclusion of the executive session. Mr. Yance seconded and, at 2:08 p.m., the Board voted unanimously to convene an executive session, as recorded below:

AYES:
- Ms. Atkins
- Ms. Brown Stewart
- Dr. Furr
- Mr. Graham
- Capt. Jenkins
- Judge Lewis
- Chair Mitchell
- Mr. Perkins
- Mr. Shumock
- Ms. Tuckson
- Mr. Yance

There being no further business, the meeting was adjourned at 4:08 p.m.

Attest to: Respectfully Submitted:

Lenus M. Perkins, Secretary Arlene Mitchell, Chair *pro tempore*

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

April 18, 2023
1:00 p.m.

A special meeting of the University of South Alabama Board of Trustees was duly convened by Ms. Arlene Mitchell, Chair *pro tempore*, on Tuesday, April 18, 2023, at 1:00 p.m. in the Board Room of the Frederick P. Whiddon Administration Building. Meeting attendance was open to the public.

Members:	Alexis Atkins, Ron Graham, Arlene Mitchell, Jimmy Shumock, Mike Windom and Jim Yance were present, and Chandra Brown Stewart, Tom Corcoran, Steve Furr, Ron Jenkins, Lenus Perkins and Margie Tuckson participated remotely.
Members Absent:	Scott Charlton, Bill Lewis, Steve Stokes and Kay Ivey.
Administration & Guests:	Delaware Arif (Faculty Senate), Owen Bailey, Jo Bonner, Jaclyn Bunch (Faculty Senate), Susan Cornejo (Ascension), Kristin Dukes, Monica Ezell, Rod Kanter (Bradley Arant), Andi Kent, Nick Lawkis, John Marymont, Margaret Sullivan and Polly Stokley.
Media:	Shamonee Baker and Arnell Hamilton (WKRG), Kyle Hambrick (Lagniappe), Brendan Kirby (WALA), and Andrea Ramey and Mike Corry (WPMI).

Chair Mitchell thanked the members of the Board and guests for being present, and, following the attendance roll call, **Item 1**, she called on President Bonner to share introductory remarks. President Bonner conveyed appreciation to the Trustees for their willingness to be available when opportunities arise for advancing the mission of the University. He stated that the primary reason for calling the special meeting was to discuss a generational opportunity for USA Health.

Chair Mitchell called for consideration of the revised agenda, **Item 2**. On motion by Mr. Graham, seconded by Mr. Shumock, the Board voted unanimously to adopt the revised agenda.

Chair Mitchell called on Dr. Kent, who discussed the specifics of **Item 3** as follows. Judge Windom expressed his support for the recommendation and moved for the approval of the resolution. Mr. Yance seconded and the Board voted unanimously to approve the resolution:

RESOLUTION
SABBATICAL AWARD

WHEREAS, in accordance with University policy, a proposal for a sabbatical award for Philip Habel, Professor of Political Science and Criminal Justice, has been reviewed and recommended by the departmental peer review committee and Chair, College Dean, Executive Vice President and Provost, and by the University President,

THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama hereby approves said sabbatical award for Fall 2023 – Spring 2024 as recommended.

Chair Mitchell called on Dr. Marymont for a report on a strategic transaction, **Item 4**. Dr. Marymont, along with Mr. Bailey and Ms. Stokley, presented a comprehensive overview on plans for USA Health to acquire Providence Hospital and its assets from Ascension. Dr. Marymont advised that, earlier in the day, the USA Health Care Authority (HCA) Board of Directors approved the acquisition at a purchase price of $85 million contingent upon authorization of the transaction financing and a pledge agreement by the USA Board of Trustees. Also discussed were the evolution of these plans and the extensive due diligence conducted, the advantages that would be achieved through this undertaking, the process timeline and the financing. Mr. Bailey thanked Ms. Susan Cornejo, Ascension Chief Operating Officer for Florida and the Gulf Coast region, for being present. In summary, the leadership expressed full confidence in proceeding with the acquisition.

Chair Mitchell called for input from Mr. Shumock, Health Affairs Committee Chair and HCA Director. Mr. Shumock shared perspective on the action taken by the HCA Board, as well as on Alabama's University Authority Act of 2016 and its provisions.

Chair Mitchell called attention to **Item 5** as follows and turned to Dr. Marymont to provide additional information. (To view related documents, refer to Appendix A.) Dr. Marymont introduced Mr. Rod Kanter of Bradley Arant, bond counsel for the University, who explained the particulars of the resolution.

Chair Mitchell called for remarks from President Bonner. President Bonner recognized the enduring values shared by USA Health and Providence Hospital; pledged the leadership's commitment to ensuring a smooth transition; discussed the next steps of welcoming Providence Hospital employees into the University family and providing information to the public; and recommended approval of the resolution. Mr. Yance thanked everyone involved in the due diligence for keeping the Board informed throughout the process. On motion by Mr. Shumock, seconded by Capt. Jenkins, the Board voted unanimously to approve the resolution.

A RESOLUTION AUTHORIZING
THE ISSUANCE OF AN UP TO $80,000,000 UNIVERSITY FACILITIES REVENUE BOND (DRAW DOWN LOAN), SERIES 2023-A, AND AN UP TO $20,000,000 TAXABLE UNIVERSITY FACILITIES REVENUE BOND (DRAW DOWN LOAN), SERIES 2023-B AND
A $50,000,000 TAXABLE LINE OF CREDIT TO FINANCE OPERATIONS OF FACILITIES ACQUIRED WITH THE ABOVE-DESCRIBED BONDS
AND
VARIOUS AGREEMENTS, DOCUMENTS, AND ACTIONS RELATED TO THE AFORESAID TRANSACTIONS AND THE FACILITIES FINANCED THEREBY

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

Section 1. (a) Findings. The Board has determined and hereby finds and declares that the following facts are true and correct:

(1) on the date of the adoption of this resolution the University has approved the expansion of its health care operations by acquiring various health care assets and facilities (herein called the "Expansion Project"); and

(2) the Expansion Project is being effectuated through an asset purchase agreement (herein called the "Asset Purchase Agreement") between the University of South Alabama Health Care Authority, a public corporation under Alabama law (herein called the "USA HCA") and the seller of the Expansion Project; and

(3) the University has determined it to be necessary to obtain draw- down loans (the "Loans") to pay the costs of the Expansion Project for operation, use, and management by the USA HCA under the Lease Agreement hereinafter described and authorized, and to finance repairs, improvements, and equipment related thereto; such Loans to consist of a loan in the amount of up to $80,000,000 (the "2023-A Loan") to be evidenced by an up to $80,000,000 principal amount University Facilities Revenue Bond (Draw-Down Loan), Series 2023-A (herein called the "Series 2023-A Bond") and a loan in the amount of up to $20,000,000 (the "2023-B Loan") to be evidenced by an up to $20,000,000 principal amount Taxable University Facilities Revenue Bond (Draw-Down Loan), Series 2023-B (herein called the "Series 2023-B Bond" and, together with the Series 2023-A Bond, the "Series 2023 Bonds") to be issued by the University as herein authorized; and

(4) the University conducted a competitive process seeking terms from qualified banks and financial institutions (herein called the "Expansion Project RFI Process") to secure the Loans and, acting upon the advice and guidance of PFM Financial Advisors LLC, financial advisor to the University (herein called "PFM"), the University determined that DNT Asset Trust, a Delaware statutory trust and wholly owned subsidiary of JPMorgan Chase Bank, N.A. ("DNT"), proposed terms most favorable to the University for the 2023-A Loan, and that JPMorgan Chase Bank, N.A., a national banking association ("JPM"), proposed terms most favorable to the University for the 2023-B Loan; and

(5) the University has determined that it will be necessary to obtain a line of credit in the amount of up to $50,000,000 (herein called the "Line of Credit") to provide funds to stabilize the payment of operating expenses in connection with the early operation, management and use by USA HCA of the Expansion Project, and as part of the Expansion Project RFI Process the University sought terms from qualified banks and financial institutions for the said Line of Credit; and

(6) acting upon the advice and guidance of PFM, the University has determined that Hancock Whitney Bank, a Mississippi chartered banking corporation (herein called "Hancock Whitney"), proposed terms most favorable to the University for the Line of Credit; and

(7) it will be necessary that the University enter one or more agreements (such agreement or agreements hereinafter defined as the "Pledge Agreement") under and pursuant to which the University will pledge its full faith and credit to support

the obligations of USA HCA under the Asset Purchase Agreement and other agreements related thereto and to the Expansion Project; and

(8) USA HCA will operate and manage the Expansion Project pursuant to the terms of the Lease Agreement herein authorized under which the University will lease the Expansion Project to USA HCA.

(b) Series 2023 Bonds to be Issued as Additional Bonds Under the Indenture; Special Findings Under Section 8.2(b) of the Indenture. The Series 2023 Bonds shall be issued as additional parity bonds under Article VIII of the Indenture hereinafter referred to. In accordance with the provisions of Section 8.2(b) of the Indenture, the Board hereby finds and declares as follows:

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

(2) the Series 2023-A Bond shall be designated "University Facilities Revenue Bond (Draw Down Loan), Series 2023-A", and the Series 2023-B Bond shall be designated "Taxable University Facilities Revenue Bond (Draw Down Loan), Series 2023-B";

(3) the person or entity to whom the Series 2023-A Bond is to be delivered shall be DNT Asset Trust, a Delaware statutory trust, and the person or entity to whom the Series 2023-B Bond is to be delivered shall be JPMorgan Chase Bank, N.A., a national banking association;

(4) each of the Series 2023-A Bond and the Series 2023-B Bond is to be issued by sale in accordance with, and at the sale price determined as set forth herein and in the Twenty-First Supplemental Indenture herein authorized;

(5) pursuant to the provisions of the Indenture, the University has issued and sold, and currently has outstanding under the Indenture, its:

(i) $32,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-A, dated June 28, 2013 (the "Series 2013-A Bond"),

(ii) $8,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-B, dated June 28, 2013 (the "Series 2013-B Bond"),

(iii) $10,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-C, dated June 28, 2013 (the "Series 2013-C Bond"),

(iv) $41,245,000 original principal amount University Facilities Revenue Refunding Bond, Series 2014-A, dated March 14, 2014 (the "Series 2014-A Bond"),

(v) $6,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2015, dated June 15, 2015 (the "Series 2015 Bond"),

(vi) $85,605,000 original principal amount University Facilities Revenue Refunding Bonds, Series 2016, dated September 14, 2016 (the "Series 2016-A Bonds"),

(vii) $38,105,000 original principal amount University Facilities Revenue Bonds, Series 2017, dated June 15, 2017 (the "Series 2017 Bonds"),

(viii) $47,750,000 original principal amount University Facilities Revenue Bonds, Series 2019-A, dated February 7, 2019 (the "Series 2019-A Bonds"),

(ix) $18,440,000 original principal amount Taxable University Facilities Revenue Bonds, Series 2019-B, dated February 7, 2019 (the "Series 2019-B Bonds"),

(x) $19,086,000 original principal amount University Facilities Revenue Bond, Series 2019-C, dated December 12, 2019 (the "Series 2019-C Bond"),

(xi) $37,005,000 original principal amount University Facilities Revenue Bond, Series 2020, dated March 10, 2020 (the "Series 2020 Bonds"),

(xii) $40,555,000 University Facilities Revenue Bonds, Series 2021, dated March 10, 2021 (the "Series 2021-A Bonds"),

(xiii) $15,387,000 University Facilities Revenue Bonds, Series 2021-B, dated July 8, 2021 (the "Series 2021-B Bonds"),

(xiv) $20,000,000 original principal amount Amended and Restated University Facilities Revenue Refunding Bond, Series 2016-B, dated September 23, 2021 (the "Amended and Restated Series 2016-B Bond"),

(xv) $35,000,000 original principal amount Amended and Restated University Facilities Revenue Refunding Bond, Series 2016-C, dated September 23, 2021 (the "Amended and Restated Series 2016-C Bond"), and

(xvi) $45,000,000 original principal amount Amended and Restated University Facilities Revenue Refunding Bond, Series 2016-D, dated September 23, 2021 (the "Amended and Restated Series 2016-D Bond").

(6) The only bonds outstanding under the Indenture at the time of issuance of the Series 2023 Bonds are the Series 2013-A Bond, the Series 2013-B Bond, the Series 2013-C Bond, the Series 2014-A Bond, the Series 2015 Bond, Series 2016-A Bonds, the Series 2017 Bonds, Series 2019-A Bonds, Series 2019- B Bonds, the Series 2019-C Bond, Series 2020 Bonds, Series 2021-A Bonds, the Series 2021-B Bonds, the Amended and Restated Series 2016-B Bond, the Amended and Restated Series 2016-C Bond, and the Amended and Restated Series 2016-D Bond (collectively herein called the "Outstanding Bonds"); and

(7) the Series 2023 Bonds are being issued for the purposes described in Section 1(a) hereof.

The Trustee is hereby requested to authenticate the Series 2023-A Bond to DNT at the time the Series 2023-A Bond is to be delivered to DNT, and to authenticate the Series 2023-B Bond to JPM at the time the Series 2023-B Bond is to be delivered to JPM.

Section 2. Authorization of Loans; Authorization of the Series 2023 Bonds. The Board does hereby authorize the 2023-A Loan and, as evidence thereof, that there be issued by the University its up to $80,000,000 principal amount University Facilities Revenue Bond, (Draw Down Loan), Series 2023-A, dated its date of initial issuance (herein called the "Series 2023-A Bond"), and its up to $20,000,000 principal amount Taxable University Facilities Revenue Bond (Draw Down Loan), Series 2023-B (herein called the Series 2023-B Bond"), under such terms, conditions and provisions to be set out in the Twenty-First Supplemental Indenture hereinafter defined.

Section 3. Source of Payment of the Series 2023 Bonds. The principal of and the interest on the Series 2023 Bonds shall be payable from Pledged Revenues (as defined in the Indenture) on parity of lien with the Outstanding Bonds and any Additional Bonds (as defined in the Indenture) hereafter issued. The Series 2023 Bonds shall not represent or constitute an obligation of any nature whatsoever of the State of Alabama (herein called the "State"), and shall not be payable out of money appropriated to the University by the State. The agreements, covenants and representations contained in this resolution, in the Series 2023 Bonds and in the Indenture do not and shall never constitute or give rise to any personal or pecuniary liability or charge against the general credit of the University, and in the event of a breach of any such agreement, covenant or representation, no personal or pecuniary liability or charge payable directly or indirectly from the general revenues of the University shall arise therefrom. Neither the Series 2023 Bonds nor the pledge or any agreement contained in the Indenture or in this resolution shall be or constitute an obligation of any nature whatsoever of the State, and neither the Series 2023 Bonds nor any obligations arising from the aforesaid pledge or agreements shall be payable out of any money appropriated to the University by the State. Nothing contained in this section shall, however, relieve the University from the observance and performance of the several covenants and agreements on its part herein contained and contained in the Indenture.

Section 4. Series 2023 Bonds Payable at Par. All remittances of principal of and interest on the Series 2023 Bonds to the holder thereof shall be made at par without any deduction or exchange or other cost, fees or expenses. The bank at which the Series 2023 Bonds shall at any time be payable shall be considered by acceptance of its duties under the Indenture to have agreed that it will make or cause to be made remittances of principal of and interest on the Series 2023 Bonds, out of the money provided for that purpose, in bankable funds at par without any deduction for exchange or other cost, fees or expenses. The University will pay to such bank all reasonable charges made and expenses incurred by it in making such remittances in bankable funds at par.

Section 5. Authorization of Twenty-First Supplemental Indenture. The Board does hereby authorize and direct the President of the University and the Vice President for Finance and Administration, or either of them, to execute and deliver, for and in the name and behalf of the University, to The Bank of New York Mellon Trust Company, N.A., as trustee (herein called the "Trustee"), a Twenty-First Supplemental University Facilities Trust Indenture dated the date of the Series 2023 Bonds in substantially the form presented to the meeting at which this resolution is adopted and attached as Exhibit I to the minutes of said meeting (which form is hereby adopted in all respects as if set out in full in this resolution), updated to reflect the final terms of the Series 2023 Bonds and such other changes as shall be determined by the President and the Vice President for Finance and Administration, or either of them, acting on behalf of the University (herein called the "Twenty-First Supplemental Indenture"), and does hereby further authorize and

direct the Secretary of the Board, the Vice Chair of the Board and the Chair Pro Tempore of the Board, or any of them, to affix to the Twenty-First Supplemental Indenture the corporate seal of the University and to attest the same. The Twenty-First Supplemental Indenture is supplemental to that certain University Facilities Revenue Trust Indenture between the University and the Trustee dated as of February 15, 1996, as heretofore supplemented and amended (together with the Twenty-First Supplemental Indenture, "Indenture").

Section 6. Sale of the Series 2023 Bonds. (a) The Series 2023-A Bond shall be sold and delivered to DNT. In connection with the sale of the Series 2023-A Bond to DNT, the Board does hereby authorize and direct the President and the Vice President for Finance and Administration of the University, or either of them, to execute and deliver, for and in the name and behalf of the University, such instruments, documents and other agreements as shall be reasonably requested by the DNT to make the 2023-A Loan and acquire the Series 2023- A Bond.

(b) The Series 2023-B Bond shall be sold and delivered to JPM. In connection with the sale of the Series 2023-B Bond to JPM, the Board does hereby authorize and direct the President and the Vice President for Finance and Administration of the University, or either of them, to execute and deliver, for and in the name and behalf of the University, such instruments, documents and other agreements as shall be reasonably requested by the JPM to make the 2023-B Loan and acquire the Series 2023-B Bond.

Section 7. Execution and Delivery of the Series 2023 Bonds. The Board does hereby authorize the President of the University and the Vice President for Finance and Administration, or either of them, to execute the Series 2023 Bonds, in the name and on behalf of the University, by manually signing said bonds, and does hereby authorize the Secretary of the Board, the Vice Chair of the Board and the Chair Pro Tempore of the Board, or either of them, to cause the corporate seal of the University to be imprinted or impressed on the Series 2023 Bonds and to attest the same by signing the Series 2023 Bonds, and for any such officer to deliver the Series 2023-A Bond, subsequent to its execution as provided herein, to DNT following authentication of such bond, and to deliver the Series 2023-B Bond, subsequent to its execution as provided herein, to JPM following authentication of such bond.

Section 8. Application of Proceeds of Series 2023 Bonds. The entire proceeds derived by the University from the sale of the Series 2023 Bonds, less and except any origination fee retained by DNT and JPM or other amounts retained by DNT and JPM for payment of the costs of counsel to DNT and JPM, shall be paid to the University and used to pay (i) the cost of the Expansion Project, (ii) the costs of repairs, improvements, and equipment for the Expansion Project, and (iii) the costs of issuing the Series 2023 Bonds.

Section 9. Line of Credit and Promissory Note. (a) The Board does hereby authorize and approve the terms of the Line of Credit, which are set forth in a Revolving Line of Credit Agreement between the University and Hancock Whitney, the form of which is attached as Exhibit II hereto (the "Line of Credit Agreement"), which such agreement contains a form of Line of Credit Promissory Note (the "Promissory Note") from the University and made payable to Hancock Whitney to evidence the University's obligation to pay the principal of and interest on all advances of funds from Hancock Whitney under the Line of Credit. The President and the Vice President for Finance and Administration, or either of them, may determine to make such changes to the terms and provisions of the Line of Credit Agreement and the Promissory Note (together, the "Line of Credit Documents") as shall be deemed necessary or desirable by said officers or officer prior to the time of execution of the same including, without limitation, to alter or modify the principal amortization provisions and maturity date or dates of principal, to change the provisions to a non-revolving line of credit, or to replace the base index (defined as

"SOFR" in the attached form of Line of Credit Agreement) to a different index deemed acceptable by PFM or by the Vice President for Finance and Administration; provided, (i) if such changes include an increase in the amount of the Spread (as such term is defined in the Line of Credit Agreement), the Spread may not be increased by more than 35 additional basis points, (ii) if such changes are to alter the term of the Line of Credit Documents, the term may be for a period that starts on the effective date of the Line of Credit Documents and matures (including the maturity date of any extension past the initial maturity date) not more than four (4) years thereafter, (iii) if such change is to increase the amount of the Available Rate (as such term is defined in the Line of Credit Agreement), the said Available Rate may not be increased by more than 10 basis points, and (iv) if such changes include an increase the maximum annual amount of the Unused Fee, the said maximum annual amount may not be increased by more than an additional $50,000 per year.

(b) The President of the University and the Vice President for Finance and Administration of the University, or either of them, are hereby authorized and directed to execute and deliver, by and on behalf of the University, the Line of Credit Documents, together with such other notices, directions, requests, instruments or other documents as from time to time shall become necessary or desirable in furtherance of any of the transactions set forth in the Line of Credit Documents. The Secretary of the Board is hereby authorized to affix the seal of the University on the Line of Credit Documents and to attest the same.

Section 10. Lease Agreement. The Board does hereby authorize the leasing by the University of the Expansion Project, or portions thereof, to USA HCA pursuant to the terms of a Lease Agreement between the University and USA HCA in substantially the form presented to the meeting at which this resolution is adopted and attached as Exhibit III to the minutes of said meeting (which form is hereby adopted in all respects as if set out in full in this resolution) (herein called the "Lease Agreement"), and does hereby authorize and direct the President of the University to sign and deliver the Lease Agreement on behalf of the University, and the Secretary of the Board to affix to the Lease Agreement the corporate seal of the University and to attest the same. Each of the President of the University and the Vice President for Finance and Administration is herein further authorized to execute and deliver, by and on behalf of the University, all notices, directives, declarations, and to take such actions, by and on behalf of the University, as such officer shall determine necessary or desirable under or in connection with the Lease Agreement.

Section 11. Pledge Agreements. The Board does hereby authorize and approve the pledge of the full faith and credit of the University in support of the obligations of USA HCA under the Asset Purchase Agreement, and under any other agreements entered by USA HCA in connection with the Expansion Project, such pledge of the University to be set forth in one or more agreements entered by the University (herein called the "Pledge Agreements"), and does hereby authorize and direct the President of the University to sign and deliver the Pledge Agreements on behalf of the University, and the Secretary of the Board to affix to the Pledge Agreements the corporate seal of the University and to attest the same. Each of the President of the University and the Vice President for Finance and Administration is herein further authorized to execute and deliver, by and on behalf of the University, all notices, directives, declarations, and to take such actions, by and on behalf of the University, as such officer shall determine necessary or desirable under or in connection with the Pledge Agreements.

Section 12. Severability. The various provisions of this resolution are hereby declared to be severable. In the event any provision hereof shall be held invalid by a court of competent jurisdiction, such invalidity shall not affect any other portion of this resolution.

Section 13. General Authorization. The President of the University, the Vice President for Finance and Administration of the University, the Secretary of the Board, the Chair Pro Tempore of the Board and the Vice Chair of the Board, or any of them, are hereby authorized to execute such other agreements, certifications, instruments, notices, consents, acknowledgments, or other documents, containing such terms as such officer shall approve, and to take such other actions as any of them may deem appropriate or necessary, for the consummation of the transactions covered by this resolution (including, without limitation, to obtain the Loans) and to the end that the Series 2023 Bonds may be executed, issued and delivered, the Line of Credit Agreement, the Promissory Note, the Lease Agreement and the Pledge Agreements may be executed, issued, and delivered, and the Expansion Project, and all improvements, renovations and equipment or other assets necessary therefor, shall be purchased, installed, and acquired (as the case may be). The Secretary of the Board, the Chair Pro Tempore of the Board and the Vice Chair of the Board, or any of them, are hereby authorized and directed to affix the official seal of the Board to such agreements, certifications, instruments, notices, consents, acknowledgments, or other documents and to attest the same.

There being no further business, the meeting was adjourned at 1:25 p.m.

Attest to: Respectfully Submitted:

Lenus M. Perkins, Secretary Arlene Mitchell, Chair *pro tempore*

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

AUDIT COMMITTEE

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Audit Committee

March 2, 2023
1:30 p.m.

A meeting of the Audit Committee of the University of South Alabama Board of Trustees was duly convened by Mr. Ron Graham, Chair, on Thursday, March 2, 2023, at 1:31 p.m. in the Board Room of the Frederick P. Whiddon Administration Building. Meeting attendance was open to the public.

Members:	Alexis Atkins, Tom Corcoran, Ron Graham, Ron Jenkins, Bill Lewis and Lenus Perkins were present.
Other Trustees:	Chandra Brown Stewart, Arlene Mitchell, Jimmy Shumock, Steve Stokes, Margie Tuckson, Mike Windom and Jim Yance.
Administration & Guests:	Delaware Arif (Faculty Senate), Jim Berscheidt, Joél Billingsley, Jo Bonner, Lynne Chronister, Julie Estis, Monica Ezell, Andi Kent, Spencer Larche, Nick Lawkis, John Marymont, Mike Mitchell, Laura Schratt, Beth Shepard (Faculty Senate), Polly Stokley and Margaret Sullivan.

Following the attendance roll call, **Item 1**, Mr. Graham thanked Ms. Atkins, Vice Chair, for presiding on his behalf at the meeting held on November 30, 2022, and he called for consideration of the minutes for that meeting, **Item 2**. On motion by Mr. Corcoran, seconded by Mr. Perkins, the Committee voted unanimously to adopt the minutes.

Mr. Graham called on Ms. Stokley to address the KPMG audit reports for the year ended September 30, 2022, **Item 3**. Ms. Stokley advised that the reports were formally issued with an unqualified opinion in December 2022 and available as part of the *University of South Alabama 2022 Financial Report*.

Ms. Stokley discussed **Item 4**, the KPMG report on intercollegiate athletics for the year ended September 30, 2022. She stated that the report did not contain exceptions or significant matters relative to NCAA (National Collegiate Athletic Association) compliance.

Ms. Stokley presented the Alabama Department of Examiners of Public Accounts compliance report for the period October 1, 2019, through September 30, 2022, **Item 5**. She said the one finding disclosed, pertaining to E-Verify, had been explained at previous committee meetings and that, as of November 2022, the University was deemed fully compliant. Also noted was that these reports would be issued biennially going forward.

Mr. Graham called on Ms. Schratt to report on the activities of the Office of Internal Audit (OIA), **Item 6**. Ms. Schratt detailed progress pertaining to five key performance indicators, continuous and policy compliance reviews, and outstanding OIA-issued recommendations for the quarter ended December 31, 2022.

There being no further business, the meeting was adjourned at 1:38 p.m.

Respectfully submitted:

William Ronald Graham, Chair

UNIVERSITY OF SOUTH ALABAMA

2023

Office of Internal Audit Quarterly Report

Key Performance Indicators as of FY23Q2

01/01/2023 to 03/31/2023

Prepared for the:

University of South Alabama Board of Trustees Audit Committee

Issued: 5/2023

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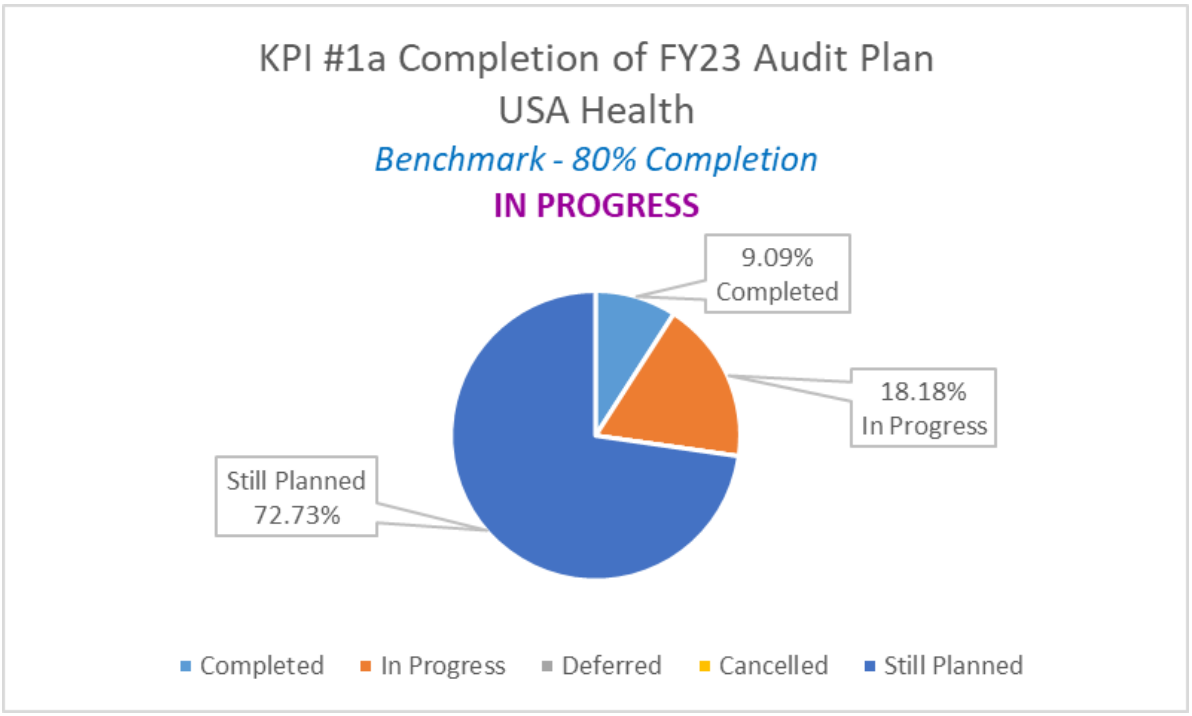
EXECUTIVE SUMMARY

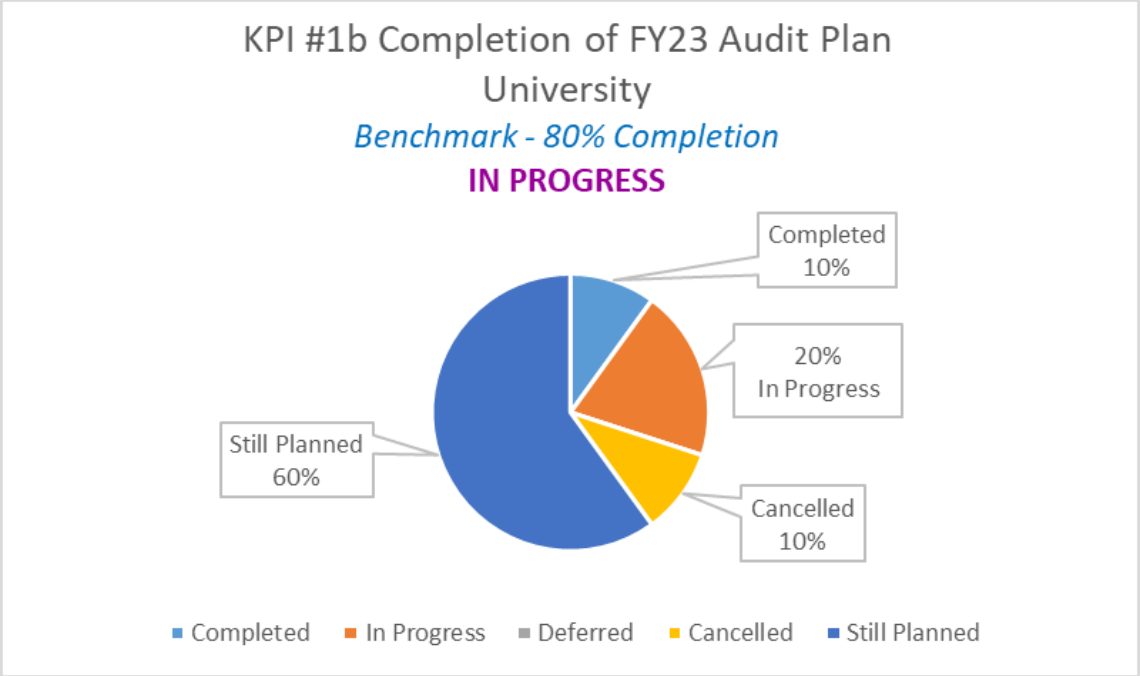
The Fiscal 2023, Quarter 2 (FY23Q2) Office of Internal Audit (OIA) Quarterly KPI Report provides quantitative and qualitative data for benchmarking key departmental operational factors in addition to an update on outstanding OIA issued recommendations. All data is as of 03/31/2023.

KEY PERFORMANCE INDICATORS

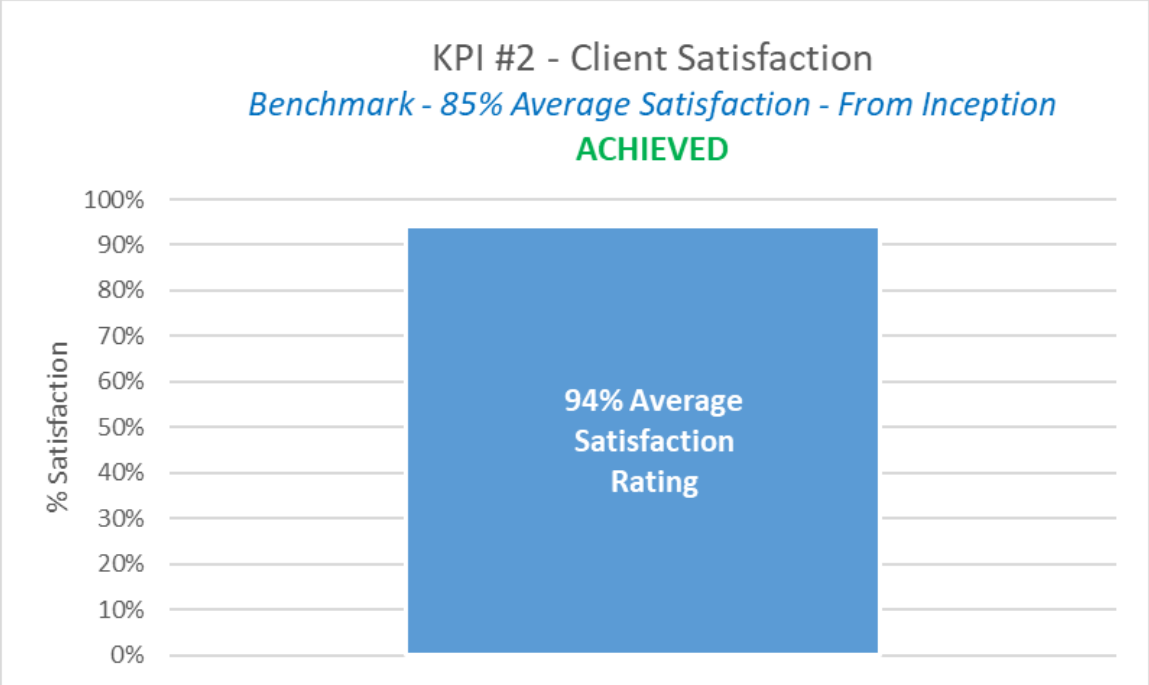
In accordance with the Institute of Internal Auditors (IIA) Standards included as part of the *International Professional Practices Framework (IPPF),* OIA developed performance measurements designed to evaluate the effectiveness and efficiency of the internal audit function. Five Key Performance Indicator (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

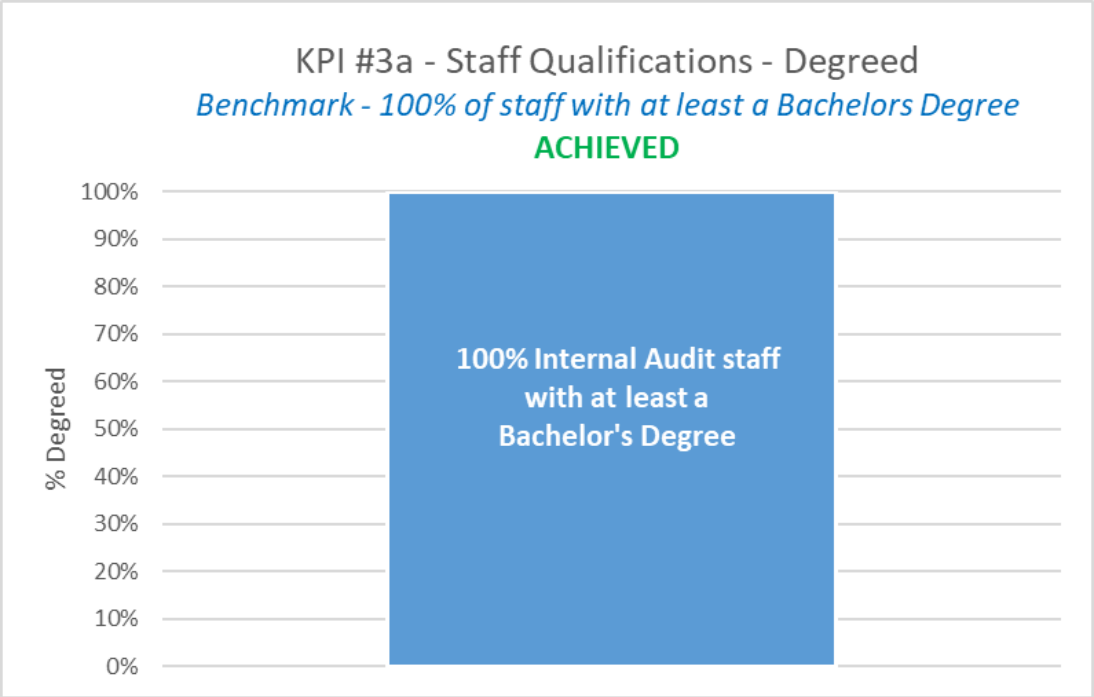


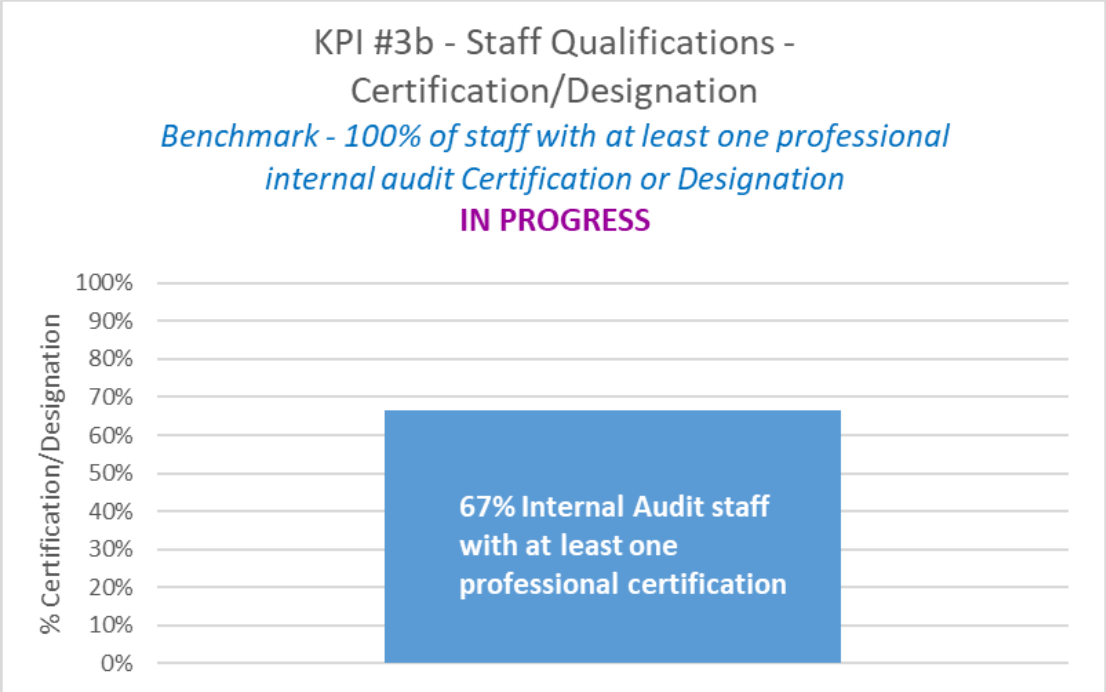


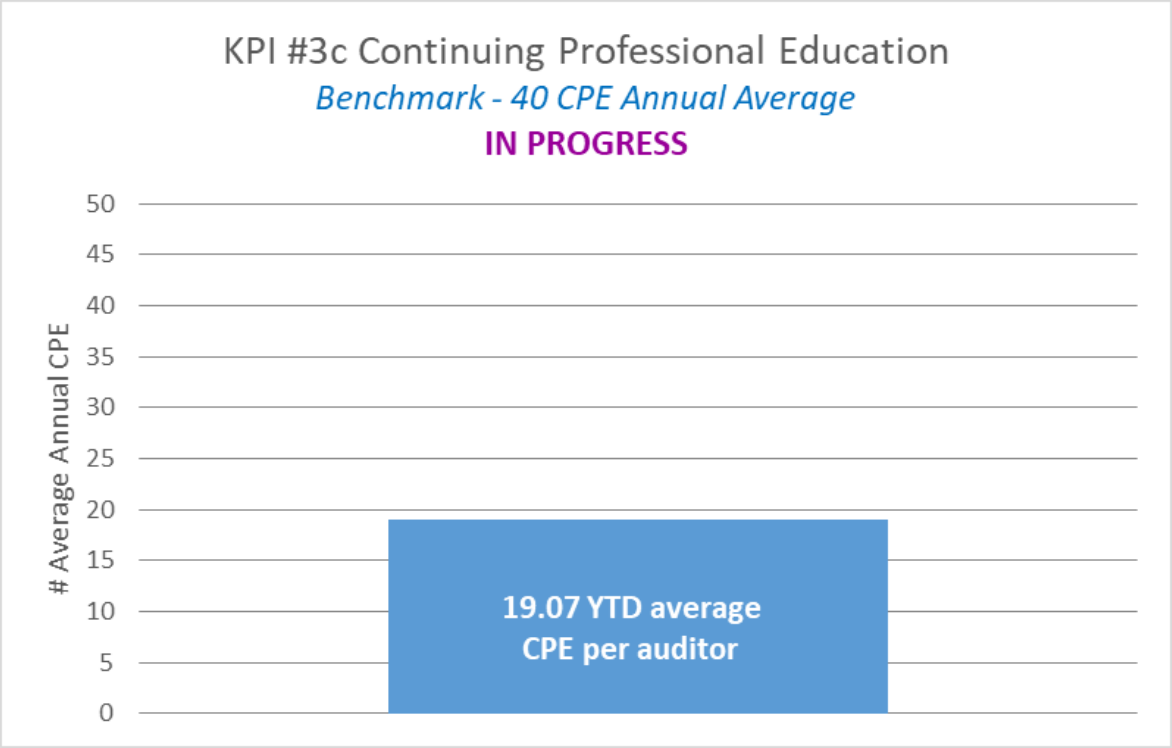
KPI # 2 – Client Satisfaction



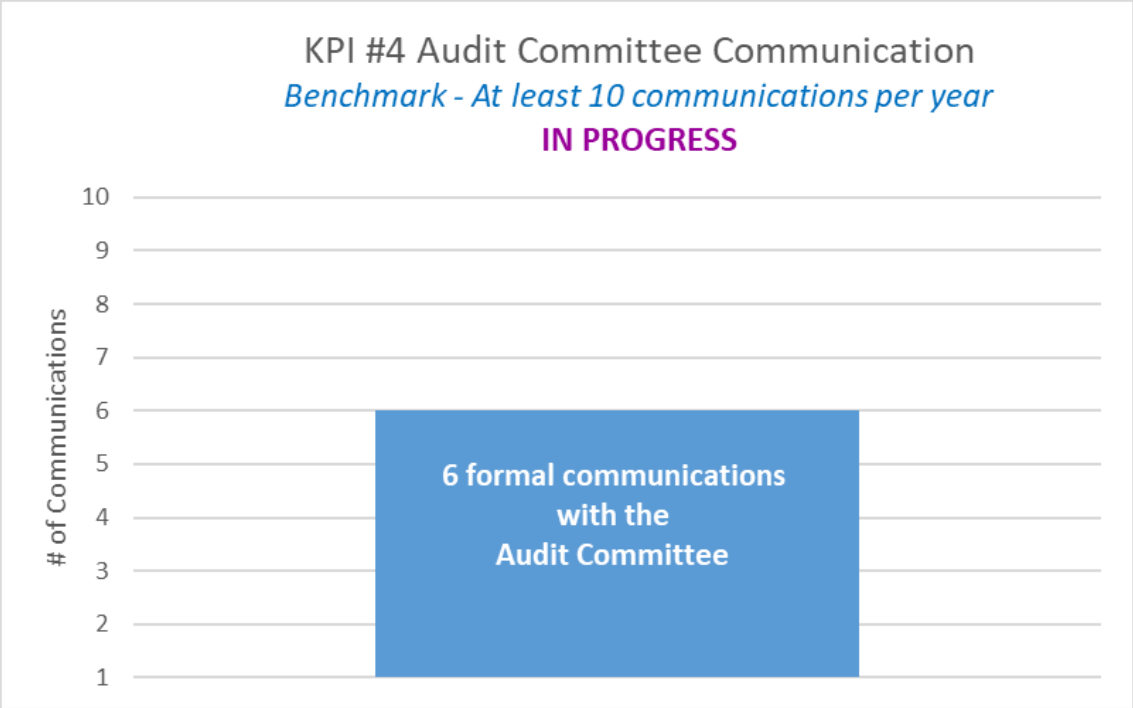
KPI #3 – Staff Qualifications



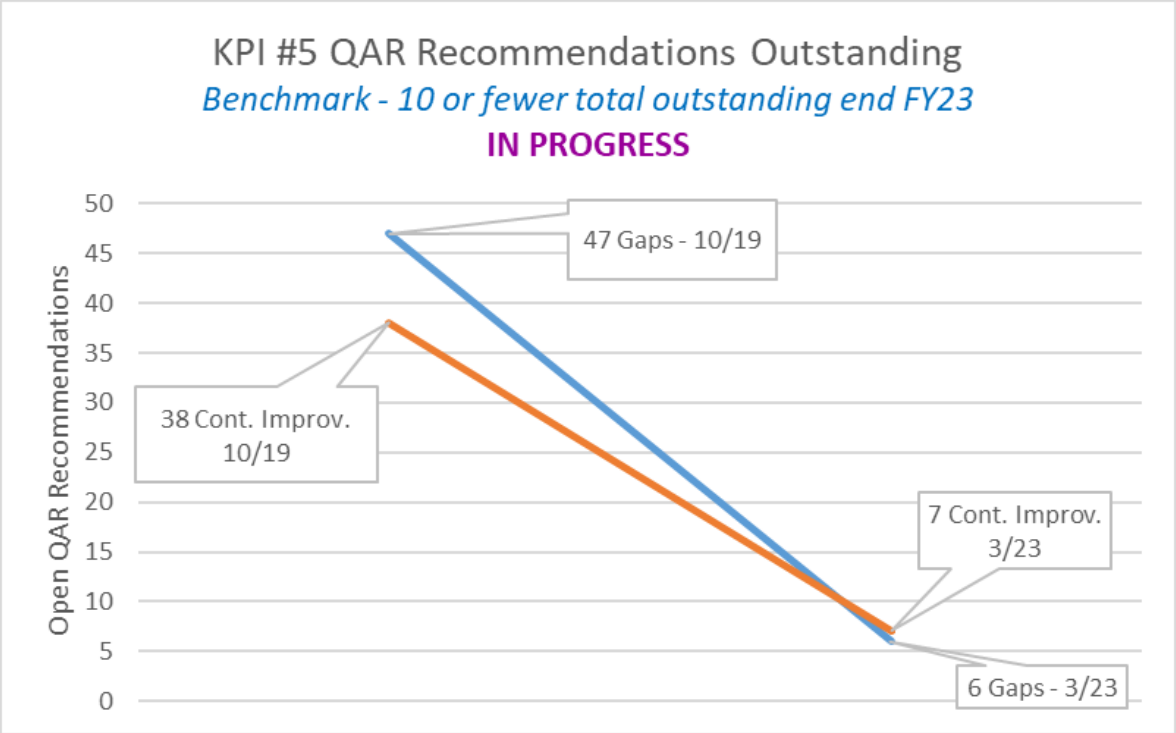




KPI #4 – Stakeholder Communication



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



CONTINUOUS & POLICY COMPLIANCE REVIEWS

Beginning in FY23, OIA instituted two additional testing methods to augment the planned audits and required investigations. Review activity is reported in summary on this report, unless there is a need to escalate or report earlier. Statistics in the table are FY23 year-to-date.

- Continuous Review – Testing is typically data-driven and runs automatically "behind the scenes". OIA works with operational management to ensure any exceptions are cleared in a timely manner.
- Policy Compliance Review – Testing is very limited in scope, and typically tests a specific policy aspect. Compliance or non-compliance is communicated to management via a single-page report.

Review Type	Test	Frequency	# Tested	# Exceptions	Notes
Continuous	Active Directory Deprovisioning	Daily	182	7	Exceptions cleared timely
Policy Compliance	Privacy Notice Display	Adhoc	2	0	All tests compliant

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 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 activity during FY23Q2.

Description	Period	# of Recommendations
Outstanding Recommendations	Beginning FY23Q2	27
LESS: Management Implemented	During FY23Q2	(5)
LESS: IA Closed (due to follow-up/other)	During FY23Q2	(1)
LESS: Management Accepted Risk	During FY23Q2	0
ADD: Newly Issued OIA Recommendations	During FY23Q2	3
Outstanding Recommendations	End FY23Q2	24

For further information regarding this report, please contact:

Laura Anne Schratt, MBA, CIA, CRMA - 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

March 2, 2023
1:38 p.m.

A meeting of the Development, Endowment and Investments Committee of the University of South Alabama Board of Trustees was duly convened by Mr. Jim Yance, Chair, on Thursday, March 2, 2023, at 1:38 p.m. in the Board Room of the Frederick P. Whiddon Administration Building. Meeting attendance was open to the public.

Members:	Chandra Brown Stewart, Jimmy Shumock, Steve Stokes, Margie Tuckson, Mike Windom and Jim Yance were present.
Member Absent:	Scott Charlton.
Other Trustees:	Alexis Atkins, Tom Corcoran, Ron Graham, Ron Jenkins, Bill Lewis, Arlene Mitchell and Lenus Perkins.
Administration & Guests:	Terry Albano, Delaware Arif (Faculty Senate), Jim Berscheidt, Joél Billingsley, Jo Bonner, Lynne Chronister, Julie Estis, Monica Ezell, Andi Kent, Spencer Larche, Christopher Lawrey, Nick Lawkis, Aaron Long, John Marymont, Gray McGowan, Mike Mitchell, Norman Pitman, Laura Schratt, Beth Shepard (Faculty Senate), Polly Stokley and Margaret Sullivan.

Following the attendance roll call, **Item 7**, Mr. Yance called for consideration of the minutes for the meeting held on November 30, 2022, **Item 8**. On motion by Ms. Tuckson, seconded by Judge Windom, the committee voted unanimously to adopt the minutes.

Mr. Yance called for a report on endowment and investment performance, **Item 9**. Mr. Albano, along with Mr. Norman Pitman, investment consultant for the University, shared perspective on endowment investment results for the first quarter of fiscal year 2023 and since the inception of the endowment, and reviewed manager performance and asset allocation. The endowment return for the quarter ended December 31, 2022, was 5.09 percent compared to the relative index performing at 6.33 percent, while the return over the life of the endowment reached 5.27 percent, generating investment earnings totaling close to $119 million.

Mr. Albano introduced Dr. Christopher Lawrey, Associate Professor in the Department of Economics, Finance, and Real Estate, for a report. Dr. Lawrey provided context on the student-managed Jaguar Investment Fund and USA Fund. He introduced Mr. Gray McGowan and Mr. Aaron Long, student analysts for the USA Fund, to share particulars on fund performance and holdings.

Mr. Yance called on Ms. Sullivan, who presented **Item 10**, a resolution recognizing USA alumnus Mr. Mark D. Brantley and the late Mr. Kenneth R. Barton for their vision to establish scholarships,

which Mr. Brantley fulfilled through a recent legacy gift. (To view resolutions, policies and other documents authorized, refer to the minutes of the Board of Trustees meeting held on March 3, 2023.) Ms. Sullivan identified the scholarships as the *Mark D. Brantley Endowed Scholarship in Business* and the *Alma Denson Golden Endowed Scholarship*. On motion by Mr. Shumock, seconded by Judge Windom, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Ms. Sullivan introduced **Item 11**, a resolution commending Dr. Steve Stokes and Mrs. Angelia Stokes for a recent transformational gift supporting the School of Marine and Environmental Sciences (SOMES) and authorizing the naming of SOMES as the *Angelia and Steven Stokes School of Marine and Environmental Sciences*. Ms. Sullivan credited the Stokeses for seeing the potential of offering Marine Sciences education at South and investing to make SOMES the leading program it has become. On motion by Mr. Shumock, seconded by Judge Windom, the Committee voted unanimously to recommend approval of the resolution.

Regarding **Item 12**, a report on the activities of the Division of Development and Alumni Relations, Ms. Sullivan discussed fundraising results over the first five months of fiscal year 2023, noting that approximately $13.1 million in new gifts and commitments had been secured through 2,962 gifts made by 1,860 donors. She provided details on a number of local and distant fundraising events, as well as alumni and friend gatherings, held recently and planned for the future, among which she noted the Distinguished Alumni and Service Awards ceremony would take place later in the day.

There being no further business, the meeting was adjourned at 1:58 p.m.

Respectfully submitted:

James A. Yance, Chair

University of South Alabama Endowment Investment Performance Review/Analysis

Fiscal Year 2023

USA Endowment Fund Performance Fiscal Year to Date
October 1, 2022 to March 31, 2023

- USA Endowment Fund is up 9.71% versus its blended benchmark return of 11.93%. The USA Endowment Fund underperforms by -2.22% for the fiscal year.

USA Endowment Manager Performance Fiscal Year to Date
October 1, 2022 to March 31, 2022

Individual Manager versus Benchmark performance:

- Commonfund is up 10.01% versus its benchmark return of 10.26%.
- Charles Schwab is up 13.61% versus its benchmark return of 14.37%.
- Douglas Lane is up 12.34% versus its benchmark return of 15.63%.
- Gerber Taylor is up 7.44% versus its benchmark return of 3.36%.
- Gerber Taylor International is up 15.74% versus its benchmark return of 27.27%.
- Hancock Whitney is up 8.38% versus its benchmark return of 10.72%.
- JP Morgan is up 16.77% versus its benchmark return of 13.82%.
- USAFund (Student Investment Fund) is up 15.75% versus its benchmark return of 15.63%.

USA Endowment Annualized Fund Performance Since Inception
As of March 31, 2022

- USA Endowment Fund has an annualized return of approximately 5.42% since inception versus its blended benchmark return of approximately 4.39%. The USA Endowment Fund outperforms by 1.03% since inception.

USA Endowment Investment Earnings and Appreciation Since Inception
March 31, 2000 to March 31, 2022

- USA Endowment Fund Market Value at Inception (March 31, 2000): $5.7 million.
- USA Endowment Fund Net Invested Capital as of March 31, 2022: $64.8 million.
- USA Endowment Fund Market Value as of March 31, 2022: $191.6 million.
- USA Endowment Fund Income and Appreciation since Inception: $126.8 million.

UNIVERSITY OF SOUTH ALABAMA

MEMORANDUM

Development and Alumni Relations

DATE: May 15, 2023

TO: Jo Bonner
President

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

SUBJECT: Resolution for Revised Gift Acceptance and Naming Recognition Guidelines

It is a pleasure to recommend Board of Trustee approval for the attached resolution for revised Gift Acceptance and Naming Recognition Guidelines to go into effect October 1, 2023. These revisions simplify and clarify the language in the currently Board-approved guidelines. The attached revisions also increase our minimum endowment threshold to $25,000, which is in line with peer institutions.

I greatly appreciate your consideration of this resolution to revise and update the Gift Acceptance and Naming Recognition Guidelines.

attachments: Proposed Resolution and Revised Gift Acceptance and Naming Recognition Guidelines

c: Monica Ezell
Dr. Andrea (Andi) Kent

RESOLUTION

REVISION OF GIFT ACCEPTANCE AND NAMING RECOGNITION GUIDELINES

WHEREAS, in 2019, the Board of Trustees approved revisions to the University's *Building and Program Naming Guidelines and Minimum Gift Levels for Named Endowments Policy* ("the Guidelines"), originally established in 2004, and

WHEREAS, there is a need to simplify and clarify the language in the Guidelines, and

WHEREAS, there is a need to increase the minimum endowment threshold to $25,000, which aligns with peer institutions, and

WHEREAS, the University's Office of Development and Alumni Relations recommends revision of the Guidelines accordingly,

THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama hereby approves the revised *Gift Acceptance and Naming Recognition Guidelines* as submitted.

University of South Alabama
Gift Acceptance and Naming Recognition Guidelines

Accepting Gifts that Confer Naming Recognition

Overview

The University of South Alabama (USA) has advanced its missions of education, health care, research, and service through the generosity of alumni, friends, and partners, whose philanthropy has empowered building and growth of facilities, programs, or services. In many instances these acts of generosity are recognized by USA in the conferral of the naming of a physical space, a program, an endowment, etc., in honor of the donor or his or her designee.

The President of USA, with approval of the Board of Trustees, exercises authority for accepting gifts that are recognized through the naming of facilities, physical spaces, or programmatic or operational entities of USA. This document offers guidance for the Office of Development and Alumni Relations and USA's constituent communities in developing agreements to establish and govern acceptance of gifts that confer naming privileges, whether permanent or term-limited. These guidelines are approved by the President and Board of Trustees and may be amended from time to time. Exceptions to this guidance may be made by the President in consultation with the Executive Committee of the Board of Trustees.

The timing of implementation of naming recognition varies depending on the specifics of the gift and the needs of USA. The general practice requires that official announcement of a naming and placement of signage or plaques may not occur until at least 50 percent of the naming commitment – not 50 percent of the total value of the gift – has been received by USA.

USA reserves the right to modify, remove, or co-name any named physical space, program, or endowment should, in its sole discretion, special or unusual circumstances warrant such action, or it determines that circumstances have changed such that an association, presumed or real, between USA and the person or entity whom the naming honors would adversely impact the reputation, image, mission, or integrity of USA.

Naming Gift Purposes

Naming recognition may be granted for gifts supporting many purposes, including program or operational support, capital projects, and endowment. Gifts recognized with naming privileges will be established with gift agreements that specify the fund or purpose to be supported, the naming recognition to be conferred, the amount of the gift, and the schedule of payments to be made.

Establishing the Value of a Naming Recognition

Naming recognition is an honor granted by USA in gratitude for contributions (philanthropic or otherwise) that advance strategic priorities and address operational needs. The guidelines provided in

this document establish qualification values for various types of naming opportunities; these monetary values reflect a starting point for discussions regarding funding needs for generic categories of giving opportunity. Actual gift values for projects within a specific category of naming opportunities will vary as appropriate based on considerations of sustainability and budgetary requirements to achieve the specific purpose of each naming (e.g., to achieve its purpose of providing support for a leading faculty member, an endowed chair in biomedical research may require a higher funding level than one in communications). Therefore, each naming proposal should seek to define a market value at or above the qualification value for the category.

Note on Matching Funds: Matching funds from third-party donors may be applied toward qualification for a naming opportunity; however, if for any reason, the anticipated third-party matching funds are not received, the primary donor will be responsible for fully funding the qualification value stipulated in the naming agreement. University matching incentives will not be applied toward meeting naming opportunity qualification values.

Categories of Naming Opportunities

Naming Recognition for Programmatic or Operational Components of USA

Opportunities for naming a programmatic or operational entity of USA may be granted for contributions that offer transformational opportunity for advancement of the program's specific missions. Such contributions will always be unique to the mission, vision, and strategic plan of the specific entity and must be structured to best support achievement of the entity's short-term and long-term goals. Depending on the needs of the entity, and at the discretion of USA, gifts for naming opportunities may be designated for capital projects, operating support, or endowments. All naming opportunity gifts will be established through a gift agreement between USA and the donor, specifying the gift amount, payment schedule, the purpose for which the funds will be used, and the naming to be conferred.

- *Independent School or College–gifts of $10 million and more will be considered*
  Such opportunities will be evaluated on a case-by-case basis, taking into consideration the size of the school or college, the complexity of its programs, and the structure and designation of the gift.
- *Dependent School (a component of a college) —gifts of $2.5 million and more will be considered*
  Such opportunities will be evaluated on a case-by-case basis; considerations will include the size of the school and the complexity of its programs.
- *Dependent Department (a component of a college or school)—gifts of $1.5 million and more will be considered*
  Such opportunities will be evaluated on a case-by-case basis; considerations will include the size of the department and the complexity of its programs.

- *Discipline-specific Center (within a college, school, or department)—gifts of $1.5 million and more will be considered*
  Such opportunities will be considered on a case-by-case basis; considerations will include complexity of programs.

- *University-wide or Cross-disciplinary Center—gifts of $5 million and more will be considered*
  Such opportunities will be considered on a case-by-case basis; considerations will include the complexity of the programs and research activities of the center.

Naming Recognition for Endowed Funds

Establishing a named endowed fund offers donors a means to assure annual support for a designated purpose in perpetuity. The donor's gift is invested by USA to produce income disbursed according to USA'sendowment spending policy to support a scholarship, chair, lectureship, etc. Endowed funds can be created for use within a specific academic or administrative component.

- *Senior Academic Leadership Positions—gifts of $2 million and more will be considered*
  Named endowed funds to provide salary support for specific deans, directors, department chairpersons, or provost positions will be evaluated based on the size and complexity of programs administered by the position.

- *Endowed Chair—gifts of $2 million and more will be considered*
  An endowed chair will provide salary support for a faculty member; considerations include likely costs associated with recruitment or retention of scholars or researchers in the specified discipline and the expectations for the position.

- *Endowed Professorship or Visiting Scholar—gifts of $1 million and more will be considered*
  An endowed professorship or visiting scholar will partially support the salary or work of the incumbent, who may also use the honorary title associated with the professorship.

- *Endowed Lectureship—gifts of $1 million and more will be considered*
  Annual proceeds of the endowment will be used to support expenses of hosting lectures by renowned scholars or public figures; such expenses may include, but are not limited to, honoraria, travel expenses, publicity, and related entertaining.

- *Endowed Graduate Assistantship or Fellowship—gifts of $250,000 and more will be considered*
  Annual proceeds would provide support to a student working on an advanced degree.

- *Endowed Scholarship—gifts of $25,000 and more will be considered*
  Annual proceeds would be awarded by USA to an undergraduate or graduate student.

- *Other Endowed Funds—gifts of $25,000 and more will be considered*
  Endowed funds may be established on a case-by-case basis to support defined purposes with the approval and oversight of senior leadership of the component (e.g., school, college, hospital, etc.) for which the endowment is designated.

Naming Recognition for Physical Spaces (or Portions Thereof)

Naming a physical space at USA in honor or memory of the contributions of an individual is reserved as one of the highest distinctions that USA can grant. Because the names of USA's buildings, streets, garden spaces, and athletic fields (among others) become engrained in the history of USA, the memories of its alumni and friends, and the lore of our Gulf Coast region, extraordinary care is required in planning, researching, proposing, conferring, and stewarding these enduring and impactful bonds.

USA may elect to name a physical space for a person or an organization in honor of many contributions that advance its mission or positively impact its future, including philanthropy. Approval for naming of physical spaces at USA is a function of the President and Board of Trustees through the comprehensive process described herein.

Where such naming privileges are to be conferred in recognition of a gift, the Vice President of Development and Alumni Relations will direct the process to assure that due diligence is performed in developing a specific proposal for a naming opportunity capable of enhancing the reputation of USA; appropriately honoring an individual or organization for significant contributions to the missions of USA; and securing adequate resources to advance the progress of USA.

All representatives of USA who may become involved in planning for naming a physical space in recognition of a gift will confer with the Vice President of Development and Alumni Relations or her designee and collaborate in completing the due diligence and planning of the gift. No representative of USA should discuss or in any way offer a naming opportunity gift for physical spaces to a prospective donor or the donor's representative until written approval to proceed has been provided by the Vice President of Development and Alumni Relations.

With direction from the Vice President of Development and Alumni Relations, the process of developing a philanthropic gift proposal to offer a space naming recognition will build consensus within the USA community and assure that appropriate due diligence is performed in a sequence that assures deepening of the ongoing relationship between USA and the prospective donor.

This proposal process may vary somewhat in sequence depending on specific circumstances regarding the donor, the space to be named, and the gift requirements of the project. It is the responsibility of the Vice President for Development and Alumni Relations to provide guidance for the collaboration and to assure that proper vetting and necessary approvals are obtained before an offer is made to the prospective donor or the donor's representative.

General Requirements for Naming of Physical Spaces

Determining the Value of Naming Privileges

Determining the value of naming privileges for physical spaces is dependent on many considerations, including square footage, the condition of the space and future plans for its use, and construction or renovation needs. As part of planning for fundraising initiatives to support capital needs, inventories of spaces available for naming are often developed by administrative or academic units in collaboration with Development and Alumni Relations and are approved by the President.

- Spaces Included in Approved Naming Inventories
  Development and Alumni Relations maintains a library of naming opportunity inventories that have been approved by the President, so development officers can assist with determining whether a particular space has already been valued in such an inventory and identifying next steps. These inventories specify a value at or above which gifts qualify to be considered to name specific spaces. In no circumstance will USA approve naming privileges for a gift that falls below such approved naming opportunity values.

- Spaces Not Included in a Naming Inventory
  For spaces that are not included on an approved list of naming opportunities, a naming gift value will be developed through a consultation among the dean or administrative leader of the division to which the space is designated, the Vice President of Development and Alumni Relations, the President, and the Executive Committee of the Board of Trustees. Approved naming opportunity inventories will be consulted to assure consistency in valuing similarly situated spaces.

Creating a Formal Request for Naming Recognition

A written recommendation to name a physical space in honor or memory of an individual or organization will be developed with advice from the Vice President for Development and Alumni Relations. The Vice President will recommend the scope of information required for the specific project, which may include a description of the honoree's achievements and contributions, as well as the philanthropic commitment to be requested. In some circumstances this recommendation can be augmented with letters of support, biographical summaries, and media reports. This packet is typically initiated by a dean or chief administrator of a unit to which the named space is dedicated in concert with a development officer and is submitted to the Vice President of Development and Alumni Relations for recommendation to the President and Executive Committee of the Board of Trustees.

Review and Approval of Naming Request

The Vice President for Development and Alumni Relations will review the plan for the naming gift and, if required, seek advice and approval from the President and the Executive Committee of the Board of Trustees. The Vice President will advise regarding necessary changes and will notify the recommenders when the project is approved for presentation to the prospective donor or donor's representative.

Implementation of Naming for Physical Spaces

Placement of signage, plaques, and other visible naming recognition will typically take place after payment of 50 percent of the gift commitment is received by USA. In the event that scheduled payments for the remainder of the commitment are not received or become more than 90 days past due, USA will remove the signage, plaques, and other naming recognition.

Life Span of Naming for Physical Spaces

The naming of a physical space may be set, where appropriate, for a fixed term, but unless a term is specified in the gift agreement, the naming privileges will normally terminate when the building, office, quad, or street is demolished, substantially altered, or no longer in use by USA. Where it is feasible, a donor recognized in the naming of a space that is being replaced will be offered first right of refusal to make a gift to name the replacement space.

Termination of Naming Recognition

The President and the Board of Trustees reserve the right to modify, remove, or co-name any endowment, space, program, building, or portion thereof should unforeseen circumstances warrant such action. In the event of a default on a pledge commitment for which naming recognition has been conferred, naming recognitions associated with the pledge will be revoked.

Additional Special Requirements for Specific Types of Gifts

- Additional Due Diligence for Outdoor Site Selection
  For outdoor naming opportunities, USA should strive to assure that foreseeable development and construction on campus is not expected to affect the space to be named or public access to the space.

- Review by Director of Tax Accounting
  USA's Director of Tax Accounting must be consulted regarding the potential naming of any facility to determine potential conflicts that may affect an offer of naming privileges arising from funding sources used in constructing a particular facility. Such a review should seek to ascertain that proposed terms for naming privileges do not conflict with other agreements related to securing funding for the building from grants or governmental appropriations.

- Estate Gifts
  If a naming opportunity is to be funded by a deferred gift through the donor's estate, both determining the qualification value for the naming opportunity and the implementation of the naming recognition will follow a different pattern than gifts for current use.

    - Determining Qualification Value for Naming with an Estate Gift:
      To determine whether a gift will qualify for a specific naming opportunity, a deferred gift will be discounted to present value to determine whether it meets requirements for specific naming privileges.

    - Implementing Naming Recognition for an Estate Gift:
      Agreements establishing naming gifts via deferred gifts must specify implementation of naming recognition will occur after USA receives funds through the estate. Donors of estate gifts who desire naming to be granted during their lifetimes will be required to make a current gift of at least 50 percent of the minimum value of the specified naming opportunity prior to conferral of the naming. Agreements for such gifts will clearly specify the remaining minimum value

for the naming opportunity expected from the estate, as well as the understanding that that the naming will be altered or removed if the gift realized from the estate does not meet the agreed amount.

II. Accepting Gifts of Real Estate, Art, and Gifts in Kind

Gifts of Real Estate

Gifts of real estate can offer transformative opportunities to USA by providing space for expansion of programs and facilities or for advancement made possible through the proceeds of the sale of property. USA is appreciative of the generosity of donors who consider making gifts of real estate and is grateful for opportunities to consider such gifts. However, because gifts of real estate present USA with ongoing issues of liability and budget implications that may last over a number of years, USA must thoroughly evaluate every prospective gift of real estate before agreeing to accept real property. The Office of Development and Alumni Relations works in collaboration with the Office of Real Estate Services and Asset Management to complete a thorough assessment of prospective gifts of real estate and offer recommendations to the President and the Executive Committee of the Board of Trustees, who exercise authority for gifts of real estate.

Gifts of Art

Gifts of art can enhance the beauty of USA's campus and support teaching and learning. USA is grateful to donors who consider making gifts of art; however, USA reserves the right to decline gifts of art. USA follows IRS regulations (IRS Publication 526) for accepting and receipting gifts of art.

- Gifts of Art Valued at less than $5,000
  For gifts of art valued at less than $5,000, the Vice President for Development and Alumni Relations or a designee will work with the dean or administrator of the division to which the art will be given to determine appropriateness of the donation and placement. If the proposed gift is accepted, the gift will be documented through a memorandum signed by the Vice President detailing the plan for support and display of the work.

- Gifts of Art Valued at $5,000 or more
  Gifts of art valued at or above $5,000 require an independent, qualified appraisal provided by the donor at his or her expense. Evaluation of proposed gifts of art with an appraised value of $5,000 or more is delegated to the Art Acceptance Committee appointed by the President. The committee will evaluate the appropriateness and potential uses or display of the work and provide a recommendation to the President. If the art is accepted, the Office of Development and Alumni Relations will record the gift and collaborate with the Division of Finance and Administration and the Office of Risk Management to complete all necessary

records of the transaction and to assure that the value is documented for insurance purposes.

Gifts in Kind

USA may and often does gratefully accept non-monetary gifts of tangible property, including collectibles, books, equipment, automobiles, surplus inventory, and other assets or materials that represent value to USA. However, such gifts can present issues of liability and ongoing expense to USA, so USA must at times refuse gifts of tangible property. USA may also accept gifts of unreimbursed expenses for food, professional services, and limited use of private property; however, the Internal Revenue Service does not allow tax deductions for these gifts, so no tax receipt can be provided.

Authority for acceptance of gifts-in-kind valued between $500 and $5,000 is delegated to the Vice President of Development and Alumni Relations. Because of the potential budgetary implications of accepting property valued at more than $5,000, the Vice President for Finance and Administration must review and concur with acceptance of tangible property valued at more than $5,000. Questions related to evaluation and acceptance of all types of gifts-in-kind should be directed to the Office of Development and Alumni Relations.

RESOLUTION

COMMENDATION OF MR. ABRAHAM A. MITCHELL

WHEREAS, the University of South Alabama (USA) marks its 60th anniversary of service with gratitude for the communal commitment to excellence in education, research and health care that has promoted the University's growth, prompted recognition within the ranks of the nation's leading comprehensive public universities, and created the aspiration to serve as the Flagship of the Gulf Coast, and

WHEREAS, the construction of a state-of-the-art performing arts center, capable of supporting exceptional and accessible visual arts presentations, live performances, educational programs, family entertainment and opportunities for cultural expression and awareness, will advance the University's outreach and community engagement missions, as well as elevate its ability to promote the social, cultural, and economic vitality of the Gulf Coast region, and

WHEREAS, Mr. Abraham A. Mitchell has distinguished himself as an extraordinary friend and benefactor of the University of South Alabama, whose philanthropy has enabled development of facilities and programs that have transformed USA's campuses and its contributions to education, research, teaching, and service through projects including the Mitchell Center, the Mitchell College of Business with its Joseph and Rebecca Mitchell Learning Resource Center and Mitchell Scholars Program, the USA Health Mitchell Cancer Institute, and Abraham A. Mitchell Field at Hancock Whitney Stadium, and

WHEREAS, Mr. Mitchell's visionary philanthropy has enhanced the University's endowments for the Whiddon College of Medicine, the Mitchell College of Business, and the USA Health Mitchell Cancer Institute and has inspired thousands of other contributors to provide perpetual support for undergraduate scholarships through his landmark commitment of $25 million in matching gift incentives through the Mitchell-Moulton Scholarship Initiative, and

WHEREAS, Mr. Mitchell's personal philanthropy to USA, which approaches $120 million, has for three decades been paired with his commitment to serving as an advisor, mentor and colleague to administrators, faculty and staff of the University, for which he has been recognized as an honorary member of USA's Board of Trustees, and

WHEREAS, Mr. Mitchell has committed to extend his transformative philanthropy for USA through a $20 million lead gift to promote construction of a state-of-the-art performing arts center on the campus of the University of South Alabama, thereby advancing the University's ability to serve as the Flagship of the Gulf Coast,

THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama extends its deepest gratitude to Mr. Abraham A. Mitchell on behalf of the students, faculty, staff, alumni, friends and neighbors of USA and USA Health, whose lives and work are elevated by Mr. Mitchell's visionary leadership and astounding generosity.

UNIVERSITY OF SOUTH ALABAMA

MEMORANDUM

Development and Alumni Relations

DATE: May 5, 2023

TO: Jo Bonner
President

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

SUBJECT: Commendation of Mr. Abraham A. Mitchell

It gives me great pleasure to recommend presentation of the attached resolution to the Board of Trustees.

This resolution commends the transformational philanthropy and the longstanding friendship of Mr. Abraham A. Mitchell whose incredible support and generous gift will spearhead funding for the new University of South Alabama Performing Arts Center.

With your support, this resolution by the Board of Trustees will recognize Mr. Abraham A. Mitchell as one of USA's most generous donors and will allow the USA community to show appreciation for the tremendous impact he makes to support the mission of the University.

Attachment: Proposed Resolution

C: Monica Ezell
Dr. Andrea (Andi) Kent

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES



HEALTH AFFAIRS COMMITTEE

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Health Affairs Committee

March 2, 2023
1:58 p.m.

A meeting of the Health Affairs Committee of the University of South Alabama Board of Trustees was duly convened by Mr. Jimmy Shumock, Chair, on Thursday, March 2, 2023, at 1:58 p.m. in the Board Room of the Frederick P. Whiddon Administration Building. Meeting attendance was open to the public.

Members:	Chandra Brown Stewart, Tom Corcoran, Jimmy Shumock, Steve Stokes and Jim Yance were present.
Members Absent:	Scott Charlton and Steve Furr.
Other Trustees:	Alexis Atkins, Ron Graham, Ron Jenkins, Bill Lewis, Arlene Mitchell, Lenus Perkins, Margie Tuckson and Mike Windom.
Administration & Guests:	Delaware Arif (Faculty Senate), Jim Berscheidt, Joél Billingsley, Jo Bonner, Mike Chang, Lynne Chronister, Julie Estis, Monica Ezell, Andi Kent, Spencer Larche, Nick Lawkis, John Marymont, Mike Mitchell, Laura Schratt, Beth Shepard (Faculty Senate), Polly Stokley and Margaret Sullivan.

Following the attendance roll call, **Item 13**. Mr. Shumock called for consideration of the minutes of the meeting held on November 30, 2022, **Item 14**. On motion by Mr. Corcoran, seconded by Mr. Yance, the Committee voted unanimously to adopt the minutes.

Mr. Shumock called on Dr. Marymont for the presentation of **Item 15**, a resolution authorizing the USA Health Hospitals medical staff appointments and reappointments for November and December 2022 and January 2023. (To view resolutions, policies and other documents authorized, refer to the minutes of the Board of Trustees meeting held on March 3, 2023.) Dr. Marymont attested that the medical staff credentials were thoroughly vetted and approved by a medical staff subcommittee on which Drs. Furr and Stokes serve, with oversight provided by Dr. Mike Chang, USA Health Chief Medical Officer. On motion by Dr. Stokes, seconded by Mr. Corcoran, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

A brief discussion took place on the challenging environment related to recruitment and retention of subspecialty providers.

Mr. Shumock asked Dr. Marymont to proceed with a report on the activities of USA Health and the Whiddon College of Medicine, **Item 16**. Dr. Marymont introduced and shared background on Dr. Ashley Williams, Assistant Professor in the Department of Surgery (Division of Trauma, Acute Care Surgery and Burns) and Director of Injury Prevention for her division. Dr. Williams discussed the *Project Inspire* community partnership she developed aimed at preventing gun vio-

lence and injury among youth. A video overview of *Project Inspire* was shown, and Dr. Williams discussed the particulars of the curriculum and answered questions.

There being no further business, the meeting was adjourned at 2:20 p.m.

Respectfully submitted:

James H. Shumock, Chair

UNIVERSITY OF SOUTH ALABAMA

MEMORANDUM

USA Health

DATE: May 3, 2023

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 February, March and April 2023

- USA Health Hospitals Medical Staff Appointments and Reappointments Board of Trustees Report

OB/kh

Attachments

RESOLUTION

USA HEALTH HOSPITALS MEDICAL STAFF APPOINTMENTS AND REAPPOINTMENTS FOR FEBRUARY, MARCH AND APRIL 2023

WHEREAS, the Medical Staff appointments and reappointments for February, March and April 2023 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.

USA BOARD OF TRUSTEES REPORT
USA HEALTH HOSPITALS MEDICAL STAFF
APPOINTMENTS APPROVED IN FEBRUARY, MARCH, AND APRIL 2023

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

NAME	USA Health Children's & Women's Hospital			USA Health University Hospital			USA Health Ambulatory Care		
New Appointments:	**Type/Status**	**Category**	**Department/Service Line**	**Type/Status**	**Category**	**Department/Service Line**	**Type/Status**	**Category**	**Department/Service Line**
Amey, Jolanda M., CRNP	New Appointment	APP Non-Privileged	Family Medicine	New Appointment	APP Non-Privileged	Family Medicine	N/A	N/A	N/A
Bouska, Linore S., CRNP	N/A	N/A	N/A	New Appointment	APP HCA	Family Medicine	New Appointment	APP HCA	Family Medicine
Brown, Trinity, DA	New Appointment	APP	Surgery	New Appointment	APP	Surgery	N/A	N/A	N/A
Bryant, Kelli D., CRNP	N/A	N/A	N/A	New Appointment	APP USA	Emergency Medicine	N/A	N/A	N/A
Cannon, Zayne K., RN	New Appointment	APP	Internal Medicine	New Appointment	APP	Internal Medicine	N/A	N/A	N/A
Diaz Vazquez, Daphne E., MD	New Appointment	Contract/Locums	OBGYN	N/A	N/A	N/A	New Appointment	Contract/Locums	OBGYN
Dolbear, Sarah S., MD	New Appointment	Active USA	Anesthesiology	New Appointment	Active USA	Anesthesiology	N/A	N/A	N/A
Doria, Joseph W., MD	New Appointment	Consulting	Neurology	New Appointment	Consulting	Neurology	N/A	N/A	N/A
Dotson, Randy G., MD	New Appointment	Community Staff	Internal Medicine	N/A	N/A	N/A	N/A	N/A	N/A
Eubanks, Hunter B., PCT	New Appointment	APP	Internal Medicine	New Appointment	APP	Internal Medicine	N/A	N/A	N/A
Gavan, Brian S., MD	New Appointment	Community Staff	Pediatrics	N/A	N/A	N/A	N/A	N/A	N/A
Gilbert, Heather M., CRNP	New Appointment	APP USA	Pediatric Emerg. Med.	N/A	N/A	N/A	N/A	N/A	N/A
Golden, Jr., Joe A., MD	New Appointment	Active USA	Anesthesiology	New Appointment	Active USA	Anesthesiology	N/A	N/A	N/A
Harris, Jaleesa, CRNP	New Appointment	APP USA	Neurology	New Appointment	APP USA	Neurology	New Appointment	APP USA	Neurology
Harris, Marshal S., PCT	New Appointment	APP	Internal Medicine	New Appointment	APP	Internal Medicine	N/A	N/A	N/A
Huguley, Chastity, CRNP	New Appointment	APP USA	Internal Medicine	New Appointment	APP USA	Internal Medicine	New Appointment	APP USA	Internal Medicine
Jackson, Artesha L., RN	New Appointment	APP	Internal Medicine	New Appointment	APP	Internal Medicine	N/A	N/A	N/A
Johnson, Kyle W., DO	N/A	N/A	N/A	New Appointment	Active USA	Emergency Medicine	N/A	N/A	N/A
Jones, Crystle D., PA	New Appointment	APP Non-Privileged	Pediatrics	New Appointment	APP Non-Privileged	Pediatrics	N/A	N/A	N/A
Joshi, Tanvi V., MD	New Appointment	Active USA	OBGYN	New Appointment	Active USA	OBGYN	New Appointment	Active USA	OBGYN
Lovell, Christopher M., CRNP	New Appointment	APP USA	Internal Medicine	New Appointment	APP USA	Internal Medicine	New Appointment	APP USA	Internal Medicine
Maier, Krista R., DO	New Appointment	Active USA	Ped. Emerg. Medicine	New Appointment	Active USA	Emergency Medicine	N/A	N/A	N/A
Martin, Terri M., CRNA	New Appointment	APP Contract/Locums	Anesthesiology	New Appointment	APP Contract/Locums	Anesthesiology	N/A	N/A	N/A
Mattingly, Christina D., MD	N/A	N/A	N/A	New Appointment	Active USA	Emergency Medicine	N/A	N/A	N/A
Mazloom, Anita, MD	New Appointment	Active HCA/JAG	Internal Medicine	New Appointment	Active HCA/JAG	Internal Medicine	New Appointment	Active HCA/JAG	Internal Medicine
McCathran, Charles E., MD	New Appointment	Active USA	OBGYN	New Appointment	Active USA	OBGYN	New Appointment	Active USA	OBGYN
Meredith, Courtney E., MD	New Appointment	Active HCA	OBGYN	New Appointment	Active HCA	OBGYN	New Appointment	Active HCA	OBGYN
Messemer, Jane E., MD	New Appointment	Active USA	Pediatrics	N/A	N/A	N/A	New Appointment	Active USA	Pediatrics
Miller, Kristen S., CRNA	New Appointment	APP Contract/Locums	Anesthesiology	New Appointment	APP Contract/Locums	Anesthesiology	N/A	N/A	N/A
Minus, Laura K., CRNP	New Appointment	APP Non-Privileged	Pediatrics	New Appointment	APP Non-Privileged	Pediatrics	N/A	N/A	N/A
Molins, Caroline M., MD	New Appointment	Active USA	Ped. Emerg. Med.	New Appointment	Active USA	Emergency Medicine	N/A	N/A	N/A
Naman, Elizabeth I., CRNP	New Appointment	APP USA	Urology	New Appointment	APP USA	Urology	New Appointment	APP USA	Urology
Nawrocki, Allen A., MD	New Appointment	Active	Radiology	New Appointment	Active	Radiology	N/A	N/A	N/A
Nguyen, Vincent T., MD	New Appointment	Consulting	Radiology	New Appointment	Consulting	Radiology	N/A	N/A	N/A
Nichols, Denise E., CRNA	New Appointment	APP Contract/Locums	Anesthesiology	New Appointment	APP Contract/Locums	Anesthesiology	N/A	N/A	N/A
Ozair, Sana, MD	N/A	N/A	N/A	New Appointment	Active HCA/JAG	Internal Medicine	N/A	N/A	N/A
Page, Girlie Z., RN	New Appointment	APP	Internal Medicine	New Appointment	APP	Internal Medicine	N/A	N/A	N/A
Peck, Dallas D., MD	New Appointment	Consulting	Radiology	New Appointment	Consulting	Radiology	N/A	N/A	N/A
Pitts, Margaret A., MD	New Appointment	Active USA	Anesthesiology	New Appointment	Active USA	Anesthesiology	N/A	N/A	N/A
Putinta, Kevin M., MD	New Appointment	Consulting	Psychiatry	New Appointment	Consulting	Psychiatry	N/A	N/A	N/A
Redding, Sarah M., CCCA	New Appointment	APP USA	Surgery	New Appointment	APP USA	Surgery	New Appointment	APP USA	Surgery
Richardson, Heather L., CRNA	New Appointment	APP Contract/Locum	Anesthesiology	New Appointment	APP Contract/Locum	Anesthesiology	N/A	N/A	N/A
Rivers, Tabbata C., CRNP	New Appointment	APP	Internal Medicine	New Appointment	APP	Internal Medicine	N/A	N/A	N/A
Romeo, Andrew K., MD	New Appointment	Active USA	Neurosurgery	New Appointment	Active USA	Neurosurgery	New Appointment	Active USA	Neurosurgery
Smith, Trevor D., MD	New Appointment	Active	Pediatrics	N/A	N/A	N/A	N/A	N/A	N/A
Stout, Michael T., MD	New Appointment	Active USA	Anesthesiology	New Appointment	Active USA	Anesthesiology	N/A	N/A	N/A
Sullivan, Brian P., MD	New Appointment	Courtesy	Surgery	N/A	N/A	N/A	N/A	N/A	N/A
Talley, Nivia D., RN	New Appointment	APP	Internal Medicine	New Appointment	APP	Internal Medicine	N/A	N/A	N/A
Thibodeaux, Vanessa C., MD	New Appointment	Contract/Locums	OBGYN	N/A	N/A	N/A	N/A	N/A	N/A
Todd, Jonathan H., MD	New Appointment	Consulting	Psychiatry	New Appointment	Consulting	Psychiatry	N/A	N/A	N/A
Towery, Marion W., MD	New Appointment	Active USA	Anesthesiology	New Appointment	Active USA	Anesthesiology	N/A	N/A	N/A
Wicker, Amber N., CRNP	New Appointment	APP USA	Orthopaedics	New Appointment	APP USA	Orthopaedics	New Appointment	APP USA	Orthopaedics

USA BOARD OF TRUSTEES REPORT
USA HEALTH HOSPITALS MEDICAL STAFF
APPOINTMENTS APPROVED IN FEBRUARY, MARCH, AND APRIL 2023

NAME	USA Health Children's & Women's Hospital			USA Health University Hospital			USA Health Ambulatory Care		
Reappointments:	**Type/Status**	**Category**	**Department/Service Line**	**Type/Status**	**Category**	**Department/Service Line**	**Type/Status**	**Category**	**Department/Service Line**
Arrowsmith, Olivia R., RN	Reappointment	APP USA	Pediatrics	N/A	N/A	N/A	Reappointment	APP USA	Pediatrics
Avotri, Kosi J., MD	Reappointment	Courtesy	Pediatrics	N/A	N/A	N/A	N/A	N/A	N/A
Babston, Michael, DMD, MD	Reappointment	Courtesy	Surgery	N/A	N/A	N/A	N/A	N/A	N/A
Barros, Mary L., CRNP	Reappointment	APP USA	Ped. Emerg. Medicine	N/A	N/A	N/A	N/A	N/A	N/A
Beck, Maria C., CRNP	Reappointment	APP Non-Privileged	Family Medicine	Reappointment	APP Non-Privileged	Family Medicine	N/A	N/A	N/A
Bessette, Sabrina, MD	Reappointment	Consulting USA	Internal Medicine	Reappointment	Active USA	Internal Medicine	Reappointment	Cons. USA/Act. USA	Internal Medicine
Bishop, Haley J., CRNP	N/A	N/A	N/A	Reappointment	APP USA	Surgery	Reappointment	APP USA	Surgery
Bourg, DeVonn L., CRNP	Reappointment	APP USA	OBGYN	N/A	N/A	N/A	N/A	N/A	N/A
Buckley, Alyson N., CRNP	Reappointment	APP USA	Surgery	Reappointment	APP USA	Surgery	Reappointment	APP USA	Surgery
Butler, Michelle O., CRNP	N/A	N/A	N/A	Reappointment	APP USA	Surgery	Reappointment	APP USA	Surgery
Butts, Charles C., MD	Reappointment	Courtesy USA	Surgery	Reappointment	Active USA	Surgery	Reappointment	Court.USA/Act. USA	Surgery
Clay, Terry B., MD	Reappointment	Active USA	Orthopaedics	Reappointment	Active USA	Orthopaedics	Reappointment	Active USA	Orthopaedics
Clayton, Brandi R., CRNP	Reappointment	APP	Pediatrics	N/A	N/A	N/A	N/A	N/A	N/A
Collins, Holley L., CRNP	Reappointment	APP USA	Pediatrics	N/A	N/A	N/A	Reappointment	APP USA	Pediatrics
Conaty, Kelly R., MD	Reappointment	Active USA	Anesthesiology	Reappointment	Consulting USA	Anesthesiology	N/A	N/A	N/A
DeAndrade, Kevin B., MD	Reappointment	Consulting	Internal Medicine	Reappointment	Active	Internal Medicine	N/A	N/A	N/A
Dosunmu-Ogunbi, Sesi O., MD	Reappointment	Active USA	Pediatrics	Reappointment	Courtesy USA	Pediatrics	Reappointment	Act./Court. USA	Pediatrics
Duhon, Catera T., Duhon, RN	Reappointment	APP USA	OBGYN	Reappointment	APP USA	OBGYN	Reappointment	APP USA	OBGYN
Eberly, Gary A., MD	Reappointment	Community Staff	Pediatrics	Reappointment	Community Staff	Pediatrics	N/A	N/A	N/A
Elliot, Kimberly A., MD	Reappointment	Active	Surgery	N/A	N/A	N/A	N/A	N/A	N/A
Figarola, Maria S., MD	Reappointment	Active USA	Radiology	Reappointment	Active USA	Radiology	Reappointment	Active USA	Radiology
Ford Johnson, Nina S., MD	Reappointment	Community Staff	Pediatrics	N/A	N/A	N/A	N/A	N/A	N/A
Garri, Richard F., MD	Reappointment	Active USA	Ped. Emerg. Medicine	Reappointment	Active USA	Emergency Medicine	N/A	N/A	N/A
Gelpi, Brian J., MD	Reappointment	Active USA	Anesthesiology	Reappointment	Active USA	Anesthesiology	N/A	N/A	N/A
Giambrone, Melanie J., CRNP	Reappointment	APP USA	Neurosurgery	Reappointment	APP USA	Neurosurgery	Reappointment	APP USA	Neurosurgery
Giambrone, Melanie J., CRNP	Reappointment	APP USA	Surgery	Reappointment	APP USA	Surgery	Reappointment	APP USA	Surgery
Gibson, Aprile B., MD	Reappointment	Consulting	Radiology	Reappointment	Consulting	Radiology	Reappointment	Consulting	Radiology
Godoy, Guillermo, MD	Reappointment	Active USA	Pediatrics	N/A	N/A	N/A	Reappointment	Active USA	Pediatrics
Grantham, Lauren C., CRNP	N/A	N/A	N/A	Reappointment	APP USA	Surgery	Reappointment	APP USA	Surgery
Graves, Mary F., PA	Reappointment	APP Non-Privileged	Internal Medicine	Reappointment	APP Non-Privileged	Internal Medicine	N/A	N/A	N/A
Gulati, Rashmi, MD	Reappointment	Active USA	Pediatrics	N/A	N/A	N/A	Reappointment	Active USA	Pediatrics
Gupta, Shikha, MD	Reappointment	Active USA	Radiology	Reappointment	Active USA	Radiology	Reappointment	Active USA	Radiology
Gupta, Sunil, MD	Reappointment	Consulting	Surgery	Reappointment	Consulting	Surgery	N/A	N/A	N/A
Harris, Edna L., CRNP	Reappointment	APP Non-Privileged	Family Medicine	Reappointment	APP Non-Privileged	Family Medicine	N/A	N/A	N/A
Henbest, Victoria S., CCC-SLP	Reappointment	APP USA	Surgery	Reappointment	APP USA	Surgery	Reappointment	APP USA	Surgery
Hirsch, James R., MD	Reappointment	Consulting	Neurosurgery	Reappointment	Consulting	Neurosurgery	N/A	N/A	N/A
Holmes, Jonathan, M., MD	Reappointment	Community Staff	Pediatrics	N/A	N/A	N/A	N/A	N/A	N/A
Honkanen, Mary H., MD	Reappointment	Consulting HCA	Internal Medicine	Reappointment	Consulting HCA	Internal Medicine	Reappointment	Consulting HCA	Internal Medicine
Hooks, III, Samuel B., MD	N/A	N/A	N/A	Reappointment	Consulting	Internal Medicine	N/A	N/A	N/A
Howard, Donnelly B., MD	Reappointment	Active HCA	Internal Medicine	Reappointment	Active HCA	Internal Medicine	Reappointment	Active HCA	Internal Medicine
Jones, Nathaniel L., MD	Reappointment	Active USA	Gynecology	Reappointment	Active USA	Gynecology	Reappointment	Active USA	Gynecology
Kaulfers, Anne-Marie D., MD	Reappointment	Active USA	Pediatrics	N/A	N/A	N/A	Reappointment	Active USA	Pediatrics
Kelly, Amanda M., CRNP	N/A	N/A	N/A	Reappointment	APP USA	Internal Medicine	Reappointment	APP USA	Internal Medicine
Kinnard, Christopher M., MD	Reappointment	Courtesy USA	Surgery	Reappointment	Active USA	Surgery	Reappointment	Courtesy/Active USA	Surgery
Kittrell, William A., MD	Reappointment	Courtesy HCA/JAG	Internal Medicine	Reappointment	Active HCA/JAG	Internal Medicine	Reappointment	Court./Act. HCA/JAG	Internal Medicine
Kumar, Deepak, MD	N/A	N/A	N/A	Reappointment	Community Staff	Internal Medicine	N/A	N/A	N/A
Liles, Joe S., MD	Reappointment	Active USA	Surgery	Reappointment	Active USA	Surgery	Reappointment	Active USA	Surgery
Lucas, Julie R., PA	Reappointment	APP USA	Family Medicine	Reappointment	APP USA	Family Medicine	Reappointment	APP USA	Family Medicine
Lyons, Michael B., MD	Reappointment	Courtesy	Surgery	Reappointment	Consulting	Surgery	N/A	N/A	N/A
Martinez Martinez, Carmen J., MD	Reappointment	Active USA	Ped. Emerg. Med.	Reappointment	Active USA	Emergency Medicine	N/A	N/A	N/A
McDonald, Jessica B., RN	Reappointment	APP	Internal Medicine	Reappointment	APP	Internal Medicine	N/A	N/A	N/A
McGraw, Brandy J., CRNP	N/A	N/A	N/A	Reappointment	APP HCA	Internal Medicine	Reappointment	APP HCA	Internal Medicine
McMurphy, Andrea B., MD	Reappointment	Consulting	Surgery	N/A	N/A	N/A	N/A	N/A	N/A
Menger, Richard P., MD	Reappointment	Active USA	Neurosurgery	Reappointment	Active USA	Neurosurgery	Reappointment	Active USA	Neurosurgery
Mevorach, Robert A., MD	Reappointment	Active USA	Urology	N/A	N/A	N/A	Reappointment	Active USA	Urology
Minga, Amanda T., CRNP	Reappointment	APP USA	Pediatrics	N/A	N/A	N/A	Reappointment	APP USA	Pediatrics

USA BOARD OF TRUSTEES REPORT
USA HEALTH HOSPITALS MEDICAL STAFF
APPOINTMENTS APPROVED IN FEBRUARY, MARCH, AND APRIL 2023

NAME	USA Health Children's & Women's Hospital			USA Health University Hospital			USA Health Ambulatory Care		
Reappointments (Continued):	**Type/Status**	**Category**	**Department/Service Line**	**Type/Status**	**Category**	**Department/Service Line**	**Type/Status**	**Category**	**Department/Service Line**
Morgan, Jr., Robert V., CRNA	Reappointment	APP USA	Anesthesiology	Reappointment	APP USA	Anesthesiology	N/A	N/A	N/A
Morrison, Esther E., MD	Reappointment	Courtesy USA	Internal Medicine	Reappointment	Active USA	Internal Medicine	Reappointment	Court./Act. USA	Internal Medicine
Mowry, Margaret H., MD	Reappointment	Active USA	Radiology	Reappointment	Active USA	Radiology	Reappointment	Active USA	Radiology
Narahari, Praveen, MD	Reappointment	Consulting	Psychiatry	Reappointment	Consulting	Psychiatry	N/A	N/A	N/A
Neese, Leslie L., CRNA	Reappointment	APP USA	Anesthesiology	Reappointment	APP USA	Anesthesiology	N/A	N/A	N/A
Niland, Benjamin R., MD	Reappointment	Courtesy USA	Internal Medicine	Reappointment	Active USA	Internal Medicine	Reappointment	Court./Act. USA	Internal Medicine
Overstreet, Leigh A., CRNA	Reappointment	APP USA	Anesthesiology	Reappointment	APP USA	Anesthesiology	N/A	N/A	N/A
Paragone, Christine M., PA	Reappointment	APP	Surgery	Reappointment	APP	Surgery	N/A	N/A	N/A
Parmley, Richard T., MD	Reappointment	Active USA	Pediatrics	Reappointment	Consulting USA	Pediatrics	Reappointment	Act./Cons. USA	Pediatrics
Parnell, Katelyn B., MD	Reappointment	Active HCA	OBGYN	N/A	N/A	N/A	Reappointment	Active HCA	OBGYN
Patten, Patrick P., MD	Reappointment	Courtesy USA	Radiology	Reappointment	Active USA	Radiology	Reappointment	Court.USA/Act. USA	Radiology
Petersen, III, Bendt P., MD	Reappointment	Consulting	Orthopaedics	Reappointment	Consulting	Orthopaedics	N/A	N/A	N/A
Portier, James W., CRNA	Reappointment	APP USA	Anesthesiology	Reappointment	APP USA	Anesthesiology	N/A	N/A	N/A
Rebowe, Ryan E., MD	Reappointment	Consulting	Surgery	Reappointment	Consulting	Surgery	N/A	N/A	N/A
Reddy Loupe, Vyshali, MD	Reappointment	Consulting HCA	Internal Medicine	Reappointment	Courtesy HCA	Internal Medicine	Reappointment	Cons.HCA/Cour.HCA	Internal Medicine
Riggs, Michael B., PCT	Reappointment	APP	Internal Medicine	Reappointment	APP	Internal Medicine	N/A	N/A	N/A
Roca Garcia, Maria R., MD	Reappointment	Active USA	Pedaitrics	N/A	N/A	N/A	Reappointment	Active USA	Pediatrics
Ross, III, Robert L., MD	N/A	N/A	N/A	Reappointment	Active HCA	Family Medicine	Reappointment	Active HCA	Family Medicine
Ross, Lacey J., CNIM	Reappointment	APP	Neurosurgery	Reappointment	APP	Neurosurgery	N/A	N/A	N/A
Rudd, Alison B., CRNP	Reappointment	APP	OBGYN (SANE)	Reappointment	APP	OBGYN (SANE)	N/A	N/A	N/A
Rudd, Alison B., CRNP	Reappointment	APP USA	Ped. Emerg. Medicine	Reappointment	APP USA	Emergency Medicine	N/A	N/A	N/A
Saitz, Marianne, DO	Reappointment	Consulting	Psychiatry	Reappointment	Consulting	Psychiatry	N/A	N/A	N/A
Sanchez Villanueva, Omar, MD	Reappointment	Active USA	Pediatrics	Reappointment	Consulting USA	Pediatrics	Reappointment	Act. USA/Cons. USA	Pediatrics
Sherman, John A., MD	Reappointment	Contract/Locum	Anesthesiology	Reappointment	Contract/Locum	Anesthesiology	N/A	N/A	N/A
Shultz, Kelly A., CNIM	Reappointment	APP	Neurosurgery	Reappointment	APP	Neurosurgery	N/A	N/A	N/A
Shultz, Walter A., CNIM	Reappointment	APP	Neurosurgery	Reappointment	APP	Neurosurgery	N/A	N/A	N/A
Subramanian, Veerakesari, MD	N/A	N/A	N/A	Reappointment	Active USA	Internal Medicine	Reappointment	Active USA	Internal Medicine
Swigler, Colin W., MD	Reappointment	Courtesy	Orthopaedics	Reappointment	Consulting	Orthopaedics	N/A	N/A	N/A
Thompson, Kimberly, CRNP	Reappointment	APP USA	Surgery	N/A	N/A	N/A	Reappointment	APP USA	Surgery
Trammell, Randall H., DO	Reappointment	Courtesy USA	Internal Medicine	Reappointment	Active USA	Internal Medicine	Reappointment	Court.USA/Act. USA	Internal Medicine
Ward, Michael J., CRNP	Reappointment	APP USA	Anesthesiology	Reappointment	APP USA	Anesthesiology	N/A	N/A	N/A
Wentworth, Mary J., DA	Reappointment	APP	Surgery	N/A	N/A	N/A	N/A	N/A	N/A
Wilder, LaTonya, MD	N/A	N/A	N/A	Reappointment	Active HCA/JAG	Internal Medicine	Reappointment	Active HCA/JAG	Internal Medicine
Williams, India S., PCT	Reappointment	APP	Internal Medicine	Reappointment	APP	Internal Medicine	N/A	N/A	N/A
Wilson, Richard C., MD	Reappointment	Consulting	Radiology	Reappointment	Consulting	Radiology	N/A	N/A	N/A
Wood, Amanda L., CRNP	Reappointment	APP	OBGYN (SANE)	Reappointment	APP	OBGYN (SANE)	N/A	N/A	N/A
Wood, Amanda L., CRNP	Reappointment	APP USA	Pediatrics	N/A	N/A	N/A	Reappointment	APP USA	Pediatrics
Woodward, Amy E., MD	Reappointment	Consulting HCA	Internal Medicine	Reappointment	Active HCA	Internal Medicine	Reappointment	Cons./Act. HCA	Internal Medicine
Wrights, Sharienne E., MD	Reappointment	Community Staff	Pediatrics	Reappointment	Community Staff	Pediatrics	N/A	N/A	N/A
Zarzour, Joseph G., MD	Reappointment	Courtesy	Orthopaedics	Reappointment	Courtesy	Orthopaedics	N/A	N/A	N/A

NAME	USA Health Children's & Women's Hospital			USA Health University Hospital			USA Health Ambulatory Care		
Change Requests:	**Type/Status**	**Category**	**Department/Service Line**	**Type/Status**	**Category**	**Department/Service Line**	**Type/Status**	**Category**	**Department/Service Line**
Bell, Kelsey L., PA	Chg. Coll. Phy.	APP USA	Pediatric Emerg. Med.	N/A	N/A	N/A	N/A	N/A	N/A
Bennett, Donna C., MD	N/A	N/A	N/A	Deleted Privileges	Active	OBGYN	N/A	N/A	N/A
Buckley, Alyson N., CRNP	Added Privileges	APP USA	Surgery	Added Privileges	APP USA	Surgery	Added Privileges	APP USA	Surgery
Chang, Michael C., MD	Deleted Priv.	Consulting USA	Surgery	Deleted Priv.	Active USA	Surgery	Deleted Priv.	Consult./Act. USA	Surgery
Clark, Savannah, PA	Added Privileges	APP USA	Pediatric Emerg. Med.	N/A	N/A	N/A	N/A	N/A	N/A
Cohen-Colson, Mary E., MD	Added Privileges	Consulting	Internal Medicine	Added Privileges	Consulting	Internal Medicine	N/A	N/A	N/A
Cotton, Laura L., RN	Chg. Coll. Phy.	APP	OBGYN (SANE)	Chg. Coll. Phy.	APP	OBGYN (SANE)	N/A	N/A	N/A
Crenshaw, Danielle M., CRNP	Chg. Coll. Phy.	APP USA	Pediatric Emerg. Med.	N/A	N/A	N/A	N/A	N/A	N/A
Grantham, Lauren C., CRNP	N/A	N/A	N/A	Added Priv.	APP USA	Surgery	Added Priv.	APP USA	Surgery
Hansell Dyess, Morgan N., CRNP	Coll/Name Chgs.	APP USA	Ped. Emerg. Med.	Coll/Name Chgs.	APP USA	Emergency Medicine	N/A	N/A	N/A
Hinson, Robin R., RN	Chg. Coll. Phy.	APP	OBGYN (SANE)	Chg. Coll. Phy.	APP	OBGYN (SANE)	N/A	N/A	N/A
Lewis, Elizabeth, CRNP	Chg Collab. Phy.	APP USA	Urology	Chg Collab. Phy.	APP USA	Urology	Chg Collab. Phy.	APP USA	Urology
Loveless, Emily K., RN	Chg. Coll. Phy.	APP	OBGYN (SANE)	Chg. Coll. Phy.	APP	OBGYN (SANE)	N/A	N/A	N/A
Mauldin, Teresa L., RN	Chg. Coll. Phy.	APP	OBGYN (SANE)	Chg. Coll. Phy.	APP	OBGYN (SANE)	N/A	N/A	N/A
Menger, Richard P., MD	Add/Del Privileges	Active USA	Neurosurgery	Add/Del Privileges	Active USA	Neurosurgery	Add/Del Privileges	Active USA	Neurosurgery

USA BOARD OF TRUSTEES REPORT
USA HEALTH HOSPITALS MEDICAL STAFF
APPOINTMENTS APPROVED IN FEBRUARY, MARCH, AND APRIL 2023

NAME	USA Health Children's & Women's Hospital			USA Health University Hospital			USA Health Ambulatory Care		
Change Requests (Continued):	**Type/Status**	**Category**	**Department/Service Line**	**Type/Status**	**Category**	**Department/Service Line**	**Type/Status**	**Category**	**Department/Service Line**
Mowry, Margaret H., MD	Add/Del Privileges	Active USA	Radiology	Add/Del Privileges	Active USA	Radiology	Add/Del Privileges	Active USA	Radiology
Newburn, Constance L., RN	Chg. Coll. Phy.	APP	OBGYN (SANE)	Chg. Coll. Phy.	APP	OBGYN (SANE)	N/A	N/A	N/A
Rachel, James N., MD	Add Priv./Status	Consulting	Orthopaedics	Add Priv./Status	Active	Orthopaedics	N/A	N/A	N/A
Rebowe, Ryan E., MD	Add/Del Privileges	Consulting	Surgery	Add/Del Privileges	Consulting	Surgery	N/A	N/A	N/A
Riggs, Michael B., PCT	Added Privilege	APP	Internal Medicine	N/A	N/A	N/A	N/A	N/A	N/A
Rudd, Alison B., CRNP	Chg. Coll. Phy.	APP	OBGYN (SANE)	Chg. Coll. Phy.	APP	OBGYN (SANE)	N/A	N/A	N/A
Rudd, Alison B., CRNP	Chg. Coll. Phy.	APP USA	Pediatric Emerg. Med.	Chg. Coll. Phy.	APP USA	Emergency Medicine	N/A	N/A	N/A
Shumaker, Robin H., PA	Added Privilege	APP USA	Neurosurgery	Added Privilege	APP USA	Neurosurgery	Added Privilege	APP USA	Neurosurgery
Wood, Amanda, CRNP	Chg. Coll. Phy.	APP	OBGYN (SANE)	Chg. Coll. Phy.	APP	OBGYN (SANE)	N/A	N/A	N/A

NAME	USA Health Children's & Women's Hospital			USA Health University Hospital			USA Health Ambulatory Care		
Resigned/Retired:	**Reason**	**Date**	**Department/Service Line**	**Reason**	**Date**	**Department/Service Line**	**Reason**	**Date**	**Department/Service Line**
Adams, Randall L., CRNA	Resigned	03/22/2023	Anesthesiology	Resigned	03/22/2023	Anesthesiology	N/A	N/A	N/A
Andrews, Laiken L., RN	Resigned	2/13/2023	Pediatrics	N/A	N/A	N/A	Resigned	2/13/2023	Pediatrics
Batson, Jacob R., MD	Resigned	02/03/2023	Radiology	Resigned	02/03/2023	Radiology	N/A	N/A	N/A
Bolton, Allison M., MD	Resigned	01/13/23	Internal Medicine	Resigned	01/13/23	Internal Medicine	Resigned	01/13/23	Internal Medicine
Bolton, III, Wilburn D., MD	Resigned	01/13/23	Internal Medicine	Resigned	01/13/23	Internal Medicine	Resigned	01/13/23	Internal Medicine
Bright, Karen L., RN	Resigned	02/17/23	Internal Medicine	Resigned	02/17/23	Internal Medicine	N/A	N/A	N/A
Brown, Candra S., PCT	Resigned	02/17/23	Internal Medicine	Resigned	02/17/23	Internal Medicine	N/A	N/A	N/A
Carpenter, David C., MD	Resigned	03/06/2023	OBGYN	N/A	N/A	N/A	N/A	N/A	N/A
Catrett, Kinsley K., RN	Resigned	01/17/23	Pediatrics	N/A	N/A	N/A	Resigned	01/17/23	Pediatrics
Cooper, Audrey E., CRNP	Resigned	03/10/2023	Internal Medicine	Resigned	03/10/2023	Internal Medicine	Resigned	03/10/2023	Internal Medicine
Davis, Angela A., RN	Resigned	02/17/23	Internal Medicine	Resigned	02/17/23	Internal Medicine	N/A	N/A	N/A
Eichold, II, Bernard H., MD	Retired	04/03/2023	Internal Medicine	Retired	04/03/2023	Internal Medicine	N/A	N/A	N/A
Frost, James R., MD	Resigned	01/02/23	Radiology	Resigned	01/02/23	Radiology	N/A	N/A	N/A
Glidewell, Ryan, MD	Resigned	01/10/23	Radiology	Resigned	01/10/23	Radiology	N/A	N/A	N/A
Gwin, Christopher A., RN	Resigned	02/17/23	Internal Medicine	Resigned	02/17/23	Internal Medicine	N/A	N/A	N/A
Harrison, Daniel C., MD	Resigned	01/13/23	Anesthesiology	Resigned	01/13/23	Anesthesiology	N/A	N/A	N/A
Huffstutler, Hannah S., PA	N/A	N/A	N/A	Resigned	02/06/23	Family Medicine	Resigned	02/06/23	Family Medicine
Johnson, George M., DPM	N/A	N/A	N/A	Retired	02/01/23	Orthopaedics	N/A	N/A	N/A
Jones, Vaness L., CRNP	Resigned	03/20/2023	Internal Medicine	Resigned	03/20/2023	Internal Medicine	Resigned	03/20/2023	Internal Medicine
Litwiller, Kimberly J., CRNP	Resigned	12/23/22	Pediatrics Emerg. Ped.	N/A	N/A	N/A	N/A	N/A	N/A
Minton, Bonnie H., PA	N/A	N/A	N/A	Resigned	01/30/23	Family Medicine	Resigned	01/30/23	Family Medicine
Neal, Brian A., DO	N/A	N/A	N/A	Resigned	02/01/23	Emergency Medicine	N/A	N/A	N/A
Nimityongskul, Prasit, MD	Retired	12/14/23	Orthopaedics	Retired	12/14/23	Orthopaedics	Retired	12/14/23	Orthopaedics
O'Gorman, Ronald B., MD	N/A	N/A	N/A	Retired	01/11/23	Surgery	N/A	N/A	N/A
Pate, Emily P., CRNP	Resigned	02/05/23	Pediatrics Emerg. Ped.	N/A	N/A	N/A	N/A	N/A	N/A
Pham, Tuan H., MD	Resigned	01/20/23	Surgery	Resigned	01/20/23	Surgery	Resigned	01/20/23	Surgery
Quiatson, Irish P., RN	Resigned	02/17/23	Internal Medicine	Resigned	02/17/23	Internal Medicine	N/A	N/A	N/A
Reddy, Keerthi C., MD	Resigned	03/17/2023	Internal Medicine	Resigned	03/17/2023	Internal Medicine	Resigned	03/17/2023	Internal Medicine
Rockwell, Andrew M., CRNP	N/A	N/A	N/A	Resigned	01/10/23	Internal Medicine	Resigned	01/10/23	Internal Medicine
Rogers, Vera R., RN	Resigned	03/21/2023	OBGYN	Resigned	03/21/2023	OBGYN	N/A	N/A	N/A
Snypes, Stephen R., MD	Resigned	02/27/2023	Anesthesiology	Resigned	02/27/2023	Anesthesiology	N/A	N/A	N/A
Stevens, Jeffrey, MD	Resigned	01/02/23	Radiology	Resigned	01/02/23	Radiology	N/A	N/A	N/A
Terry, Jr., William J., MD	Resigned	01/13/23	Urology	Resigned	01/13/23	Urology	Resigned	01/13/23	Urology
Walker, James L., MD	Resigned	03/17/2023	Internal Medicine	Resigned	03/17/2023	Internal Medicine	Resigned	03/17/2023	Internal Medicine
Ward, Anastasia L., RN	Resigned	03/21/2023	OBGYN	Resigned	03/21/2023	OBGYN	N/A	N/A	N/A

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

ACADEMIC AND STUDENT AFFAIRS COMMITTEE

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Academic and Student Affairs Committee

March 2, 2023
2:20 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 Thursday, March 2, 2023, at 2:20 p.m. in the Board Room of the Frederick P. Whiddon Administration Building. Meeting attendance was open to the public.

Members:	Ron Graham, Ron Jenkins, Bill Lewis, Lenus Perkins, Margie Tuckson and Mike Windom were present.
Members Absent:	Scott Charlton and Steve Furr.
Other Trustees:	Alexis Atkins, Chandra Brown Stewart, Tom Corcoran, Arlene Mitchell, Jimmy Shumock, Steve Stokes and Jim Yance.
Administration & Guests:	Delaware Arif (Faculty Senate), Jim Berscheidt, Joél Billingsley, Jo Bonner, Lynne Chronister, Chris Cleveland, Julie Estis, Monica Ezell, Katie Guffey-McCorrison, Andi Kent, John Kovaleski, Spencer Larche, Nick Lawkis, Kelly Major, John Marymont, Mike Mitchell, Laura Schratt, Beth Shepard (Faculty Senate), Tres Stefurak, Polly Stokley, Margaret Sullivan and Daphne Tyson.

Following the attendance roll call, **Item 17**. Judge Windom called for consideration of the minutes for a meeting held on November 30, 2022, **Item 18**. On motion by Capt. Jenkins, seconded by Mr. Perkins the Committee voted unanimously to adopt the minutes.

Judge Windom called on Provost Kent to introduce **Item 19**, a resolution awarding an honorary doctorate degree to Mr. Lonnie Johnson, Spring Commencement speaker. (To view resolutions, policies and other documents authorized, refer to the minutes of the Board of Trustees meeting held on March 3, 2023.) Provost Kent thanked Ms. Tuckson for helping to secure Mr. Johnson for Commencement and stated that the University's Honorary Doctorate Degree Committee recommended Mr. Johnson to receive one. On motion by Mr. Graham, seconded by Ms. Tuckson, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Judge Windom asked Provost Kent for a report on the activities of the Division of Academic Affairs, **Item 20**. Provost Kent introduced Dr. John Kovaleski, Interim Dean of the College of Education and Professional Studies (CEPS), who provided an overview on faculty projects and high school engagement programs designed to strengthen educator preparation program admissions and the K-12 teacher pipeline. Dr. Katie Guffey-McCorrison, Assistant Professor in the Department of Leadership and Teacher Education, and Dr. Kelly Major, Professor in the De-

partment of Biological Sciences, were introduced to talk about the Noyce *STREAM* (Science Teacher, Research, Education, and Methods) and *UTeach South* initiatives, respectively. Also discussed was the *Charles R. McDonald Family Scholarship* for student teachers recently established by Mr. John Tyson, Jr.

Judge Windom called Dr. Mitchell to address **Item 21**, a resolution authorizing adjustments to housing and dining rates for the 2023 summer term. Dr. Mitchell introduced Dr. Chris Cleveland, Associate Vice President for Auxiliary Services, who explained that a modest increase in meal plan rates was being recommended to offset rising food costs and operating expenses and that the proposed decrease in select room rates was a strategy to attract additional students to live on campus. On motion by Mr. Perkins, seconded by Judge Lewis, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Judge Windom called on Dr. Mitchell for a report on the activities of the Division of Student Affairs, **Item 22**. Dr. Mitchell introduced and gave background on Ms. Daphne Tyson, who was recently appointed as Director of Campus Recreation and Wellness. Ms. Tyson expressed gratitude for her new role.

Judge Windom called on Dr. Billingsley for a report on the activities of the Division of Diversity and Community Engagement, **Item 23**. Dr. Billingsley discussed the University's involvement in the *Powered by Publics Learning Exchange* sponsored by the Association of Public and Land Grant Universities, as well as in the *Data Equity Fellowship* cosponsored by the Southern Association of Colleges and Schools Commission on Colleges and the Northwest Commission on Colleges and Universities. She talked about the Office of Diversity, Equity and Inclusion's (DEI) support of departments pursuing accreditation and extramural funding, as well as DEI's efforts to engage the campus community in awareness events, such as a recent march held in observance of the Martin Luther King, Jr., holiday and *Project Homeless Connect*.

Judge Windom called on Ms. Chronister to present **Item 24**, a report on the activities of the Division of Research and Economic Development. Ms. Chronister introduced Dr. Tres Stefurak, CEPS Associate Dean and Professor of Counseling Psychology, who gave an overview on the growth of South's crisis intervention training (CIT) program, developed more than a decade ago to educate members of law enforcement on best practices for handling individuals with mental illness. Dr. Stefurak advised that the University recently received grant funding from the U.S. Department of Justice in the amount of $500,000 to expand the CIT program.

There being no further business, the meeting was adjourned at 3:04 p.m.

Respectfully submitted:

Michael P. Windom, Chair

RESOLUTION

TENURE AND PROMOTION

WHEREAS, in accordance with University policy, faculty applications for tenure and promotion have been reviewed by the respective faculty peers, departmental chair and college dean, and by the Provost and Executive Vice President or the Vice President for Medical Affairs, and the President, and the following individuals are hereby recommended for tenure and/or promotion,

THEREFORE, BE IT RESOLVED, the University of South Alabama Board of Trustees approves and grants tenure and/or promotion to the individuals herein listed.

PAT CAPPS COVEY COLLEGE OF ALLIED HEALTH PROFESSIONS:

Promotion to Senior Instructor:
- Donna G. Cleveland

COLLEGE OF ARTS AND SCIENCES:

Tenure:
- Joshua Isen
- Matthew Patterson
- Matthew Pettway
- Erin Nelson
- Alison Robertson

Promotion to Senior Instructor:
- James Adams
- Heather Dail

Promotion to Associate Professor:
- Joshua Isen
- Kern Jackson
- Matthew Patterson
- Matthew Pettway
- Erin Nelson
- Alison Robertson

Promotion to Professor:
- Donald A. Beebe
- E. Claire Cage
- Justin St. Clair
- Jianing Han

MITCHELL COLLEGE OF BUSINESS:

Tenure:
- Thomas E. Nelson
- James C. Rich
- Christina L. Wassenaar

- **Promotion to Associate Professor:**
- Thomas E. Nelson
- James C. Rich
- Christina L. Wassenaar

Promotion to Professor:
- Ermano Affuso
- Al Chow
- J. Reid Cummings

COLLEGE OF EDUCATION AND PROFESSIONAL STUDIES:

Tenure:
- Richard A. Allday
- Lauren R. Brannan
- Peggy M. Delmas
- Caitlyn R. Hauff
- Sarah K. McCorrison
- Shenghua Zha

Promotion to Senior Instructor:
- Amanda B. Donaldson
- Susan L. Montgomery

Promotion to Associate Professor:
- Lauren R. Brannan
- Peggy M. Delmas
- Caitlyn R. Hauff
- Sarah K. McCorrison
- Shenghua Zha

Promotion to Professor:
- Richard A. Allday

COLLEGE OF ENGINEERING:

Tenure:
- Julia Kar

Promotion to Associate Professor:
- Julia Kar
- Joseph D. Richardson
- Sean G. Walker
- Shenghua Wu

MCCALL LIBRARY:

Tenure:
- Deborah Gurt

Promotion to Associate Librarian:
- Deborah Gurt

WHIDDON COLLEGE OF MEDICINE:

Tenure:
- Glen M. Borchert
- Ji Young Lee

Promotion to Associate Professor:
- Anna C. Foust
- Anna C. Foust (Joint in Pediatrics)
- Cristina Gavrilita
- John D. Hunter, III
- Christopher M. Kinnard
- Ji Young Lee
- Ji Young Lee (Joint in Internal Medicine)
- Richard P. Menger
- Melody L. Petty
- Nathan M. Polite
- Katrina L. Roberson-Trammell
- Maria R. Roca Garcia
- Tracy Y. Roth
- Rachel T. Seaman
- Supatida Tengsupakul
- Shannon Kelley Tyler

Promotion to Professor:
- Glen M. Borchert
- John H. Howard
- Michael T. Lin
- Samuel A. McQuiston, Jr.
- Thuy L. Phung
- Sarah L. Sayner
- Rebecca L. Sugg

COLLEGE OF NURSING:

Tenure:
- Kimberly A. Williams

Promotion to Associate Professor:
- Wesley D. Davis
- JoAnn A. Otts
- Kristina Miller

Promotion to Professor:
- Kimberly A. Williams

UNIVERSITY OF SOUTH ALABAMA

MEMORANDUM

Academic Affairs

DATE: May 26, 2023

TO: Jo Bonner, President

FROM: Andrea M. Kent, Ph.D., Executive Vice President and Provost

SUBJECT: Faculty Tenure and Promotion Recommendations, 2023

Recommend Awarding Tenure:

Richard A. Allday – Leadership and Teacher Education
Lauren R. Brannan – Leadership and Teacher Education
Peggy M. Delmas – Leadership and Teacher Education
Deborah Gurt- University Library
Caitlyn R. Hauff – Health, Kinesiology and Sport
Joshua D. Isen – Psychology
Julia Kar – WBBJ, Mechanical, Aerospace & Biomedical Engineering
Sarah K. McCorrison – Leadership and Teacher Education
Erin Nelson – Sociology, Anthropology and Social Work
Thomas E. Nelson, Management
Matthew W. Patterson – Visual Arts
Matthew J. Pettway – Modern & Classical Languages and Literature
James C. Rich - Accounting
Alison Robertson – Marine Science and Environmental Sciences
Christina L. Wassenaar – Management
Kimberly A. Williams – Community Mental Health Nursing
Shenghua Zha – Counseling and Instructions Sciences

Recommend Promotion to Senior Instructor:

James R. Adams – Mathematics and Statistics
Donna G. Cleveland – Radiologic Sciences
Heather N. Dail – English
Amanda B. Donaldson – Hospitality and Tourism Management
Susan L. Montgomery – Health, Kinesiology and Sport

Recommend Promotion to Associate Professor:

Lauren R. Brannan – Leadership and Teacher Education
Wesley D. Davis – Adult Health Nursing
Peggy M. Delmas – Leadership and Teacher Education
Caitlyn R. Hauff – Health, Kinesiology and Sport
Joshua D. Isen – Psychology
Erin Nelson – Sociology, Anthropology and Social Work
Kern M. Jackson – English
Julia Kar – WBBJ, Mechanical, Aerospace & Biomedical Engineering
Sarah K. McCorrison – Leadership and Teacher Education
Kristina Miller – Maternal Child Health Nursing
Thomas E. Nelson - Management
JoAnn Otts – Adult Health Nursing
Matthew W. Patterson – Visual Arts
Matthew J. Pettway – Modern & Classical Languages and Literature
James C. Rich - Accounting
Joseph D. Richardson - WBBJ, Mechanical, Aerospace & Biomedical Engineering
Alison Robertson – Marine and Environmental Sciences
Sean Walker – Chemical and Biomolecular Engineering
Christina L. Wassenaar – Management
Shenghua Wu – Civil, Coastal and Environmental Engineering
Shenghua Zha – Counseling and Instructions Sciences

Recommend Promotion to Associate Librarian:

Deborah Gurt – McCall Library

Recommend Promotion to Full Professor:

Ermanno Affuso – Economics, Finance and Real Estate
Richard A. Allday – Leadership and Teacher Education
Donald Alex Beebe – Earth Sciences
E. Claire Cage – English
Al Chow – Marketing and Quantitative Methods
Justin St. Clair – English
J. Reid Cummings – Economics, Finance and Real Estate
Jianing Han – Physics
Kimberly A. Williams – Community Mental Health Nursing

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

AMK/pbm



UNIVERSITY OF SOUTH ALABAMA

MEMORANDUM

VP Medical Affairs/Dean's Office/Frederick P. Whiddon College of Medicine

DATE: April 11, 2023

TO: Jo Bonner
President, University of South Alabama

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

SUBJECT: Faculty Tenure and Promotion Recommendations, 2023

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

Promotion to Professor:

- Glen M. Borchert, Ph.D.
- John H. Howard, M.D.
- Michael T. Lin, Ph.D.
- Samuel A. McQuiston, Jr., M.D.
- Thuy L. Phung, M.D., Ph.D.
- Sarah L. Sayner, Ph.D.
- Rebecca L. Sugg, M.D.

Promotion to Associate Professor:

- Anna C. Foust, M.D.
- Anna C. Foust, M.D. (Joint in Pediatrics)
- Cristina Gavrilita, M.D.
- John D. Hunter, III, M.D.
- Christopher M. Kinnard, M.D.
- Ji Young Lee, M.D., Ph.D.
- Ji Young Lee, M.D., Ph.D. (Joint in Internal Medicine)
- Richard P. Menger, M.D., M.P.A.
- Melody L. Petty, M.D.
- Nathan M. Polite, D.O.
- Katrina L. Roberson-Trammell, M.D.
- Maria R. Roca Garcia, M.D.
- Tracy Y. Roth, M.D.
- Rachel T. Seaman, M.D.
- Supatida Tengsupakul, M.D.
- Shannon Kelley Tyler, M.D.

Tenure:

- Glen M. Borchert, Ph.D.
- Ji Young Lee, M.D., Ph.D.

UNIVERSITY OF SOUTH ALABAMA

MEMORANDUM

Academic Affairs

DATE: May 22, 2023

TO: Jo Bonner, President

FROM: Andrea M. Kent, Ph.D., Provost and Executive Vice President

SUBJECT: June 2, 2023 Board of Trustees Meeting Documents

On May 22, 2023 the Budget Council voted to submit the proposed tuition, fees and housing and dining rates for 2023-2024 for consideration by the Board of Trustees.

Attached is the resolution for tuition, fees, and housing and dining rates for 2023-2024. With your approval, we will place this item on the agenda for the June 2, 2023 Board of Trustees meeting.

Attachment

RESOLUTION

TUITION, FEES, AND HOUSING AND DINING RATES FOR 2023-2024

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

WHEREAS, the University has instituted cost-saving measures and budget cuts to maintain operations during a period of rising operational costs, and

WHEREAS, the University has experienced a significant increase in operating costs impacting all aspects of the University, including costs for maintaining and improving academic building and technology infrastructure, and

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

WHEREAS, increasing the University's Academic Infrastructure and Technology Fee will enable continued maintenance and future investment in academic building and technology infrastructure across campus, and

WHEREAS, housing and dining services must account for increased operating and food costs and make facility improvements to enhance campus life for students, and

WHEREAS, with the proposed tuition, fees, and housing and dining rates for 2023-2024, as set forth in the attached schedules, such costs of attendance at the University for the coming academic year would continue to be among the lowest in effect at peer public institutions in the state of Alabama, and

THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama hereby authorizes the tuition, required student fees, and housing and dining rates for the 2023-2024 academic year, as set forth in the attached schedules.

UNIVERSITY OF SOUTH ALABAMA
Proposal to Increase Academic Infrastructure and Technology Fee
Peer Public University Comparison - Required Fees

Ranking - Current Required Fees

Rank	Institution	Undergraduate 2022-2023		Graduate 2022-2023	
		Resident	Non-Resident	Resident	Non-Resident
1	Alabama State University	$2,840	$2,840	$2,840	$2,840
2	Athens State University	$2,310	$2,310	$1,848	$1,848
3	Jacksonville State University	$1,962	$1,962	$1,000	$1,000
4	University of West Alabama	$1,890	$1,890	$0	$0
5	Auburn University	$1,784	$1,784	$1,784	$1,784
6	University of Alabama in Huntsville	$1,650	$1,650	$3,408	$3,408
7	University of Montevallo	$1,618	$1,618	$1,404	$1,404
8	Alabama A&M University	$1,414	$1,414	$1,414	$1,414
9	Auburn University at Montgomery	$928	$928	$826	$826
10	University of North Alabama	$900	$1,200	$720	$720
11	University of Alabama	$840	$840	$690	$690
12	University of South Alabama	$200	$200	$200	$200
13	Troy University	$0	$0	$0	$0
14	University of Alabama at Birmingham	$0	$0	$0	$0
	Median	**$1,516**	**$1,516**	**$913**	**$913**

Ranking - Proposed Required Fees

Rank	Institution	Undergraduate Proposed 2023-2024		Graduate Proposed 2023-2024	
		Resident	Non-Resident	Resident	Non-Resident
1	Alabama State University	$2,840	$2,840	$2,840	$2,840
2	Athens State University	$2,310	$2,310	$1,848	$1,848
3	Jacksonville State University	$1,962	$1,962	$1,000	$1,000
4	University of West Alabama	$1,890	$1,890	$0	$0
5	Auburn University	$1,784	$1,784	$1,784	$1,784
6	University of Alabama in Huntsville	$1,650	$1,650	$3,408	$3,408
7	University of Montevallo	$1,618	$1,618	$1,404	$1,404
8	Alabama A&M University	$1,414	$1,414	$1,414	$1,414
9	Auburn University at Montgomery	$928	$928	$826	$826
10	University of North Alabama	$900	$1,200	$720	$720
11	University of Alabama	$840	$840	$690	$690
12	University of South Alabama	$400	$400	$400	$400
13	Troy University	$0	$0	$0	$0
14	University of Alabama at Birmingham	$0	$0	$0	$0
	Median	**$1,516**	**$1,516**	**$913**	**$913**

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

NOTES:

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

b. Required Fees include all fixed sum charges that are required of all students. Other specific surcharges and fees may be required for certain programs.

c. Rankings assume no increase in required fees for other Universities.

UNIVERSITY OF SOUTH ALABAMA
Proposal to Increase Academic Infrastructure and Technology Fee
Peer Public University Comparison - Tuition Plus Required Fees

Ranking - Current Tuition and Required Fees

Rank	Institution	Undergraduate 2022-2023		Graduate 2022-2023	
		Resident	Non-Resident	Resident	Non-Resident
1	University of Montevallo	$13,708	$26,728	$11,916	$26,532
2	Auburn University	$12,176	$32,960	$12,170	$32,942
3	Jacksonville State University	$11,952	$21,912	$10,840	$20,680
4	University of Alabama	$11,940	$32,300	$11,790	$32,150
5	University of Alabama in Huntsville	$11,770	$24,662	$14,040	$27,838
6	Troy University	$11,640	$23,280	$11,400	$22,800
7	Auburn University at Montgomery	$11,218	$24,028	$11,242	$24,226
8	Alabama State University	$11,168	$19,496	$12,728	$22,616
9	University of North Alabama	$11,100	$21,600	$9,600	$18,480
10	University of Alabama at Birmingham	$11,040	$26,520	$11,232	$26,616
11	University of West Alabama	$10,990	$20,090	$8,904	$17,808
12	University of South Alabama	$10,970	$21,740	$11,432	$22,664
13	Alabama A&M University	$10,024	$18,634	$11,542	$21,574
14	Athens State University	$9,540	$16,770	$10,200	$16,320
	Median	**$11,193**	**$22,596**	**$11,416**	**$22,732**

Ranking - Proposed Tuition and Required Fees

Rank	Institution	Undergraduate Proposed 2023-2024		Graduate Proposed 2023-2024	
		Resident	Non-Resident	Resident	Non-Resident
1	University of Montevallo	$13,708	$26,728	$11,916	$26,532
2	Auburn University	$12,176	$32,960	$12,170	$32,942
3	Jacksonville State University	$11,952	$21,912	$10,840	$20,680
4	University of Alabama	$11,940	$32,300	$11,790	$32,150
5	University of Alabama in Huntsville	$11,770	$24,662	$14,040	$27,838
6	Troy University	$11,640	$23,280	$11,400	$22,800
7	University of South Alabama	$11,620	$22,840	$11,920	$23,440
8	Auburn University at Montgomery	$11,218	$24,028	$11,242	$24,226
9	Alabama State University	$11,168	$19,496	$12,728	$22,616
10	University of North Alabama	$11,100	$21,600	$9,600	$18,480
11	University of Alabama at Birmingham	$11,040	$26,520	$11,232	$26,616
12	University of West Alabama	$10,990	$20,090	$8,904	$17,808
13	Alabama A&M University	$10,024	$18,634	$11,542	$21,574
14	Athens State University	$9,540	$16,770	$10,200	$16,320
	Median	**$11,419**	**$23,060**	**$11,471**	**$23,120**

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

NOTES:

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

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

c. Rankings assume no increase in tuition rates or required fees for other Universities.

d. Proposed 2023-2024 Tuition and Required Fees for the University of South Alabama includes tuition rate approved by the Board of Trustees on June 3, 2022 and proposed Academic Infrastructure and Technology Fee increase.

UNIVERSITY OF SOUTH ALABAMA
Proposal to Increase Academic Infrastructure and Technology Fee

Student Classification	Semester Fee		Increase
	Current	Proposed	
Undergraduate			
Full-Time (12 or more hours)	$100	$200	$100
Part-Time (less than 12 hours)	$60	$120	$60
Graduate			
Full-Time (6 or more hours)	$100	$200	$100
Part-Time (less than 6 hours)	$60	$120	$60

USA College of Medicine
AAMC Tuition and Fees Report
Public Medical Schools
2023 Survey

School	Tuition		Fees		Tuition & Fees		Health Insurance
	Resident	Non-Resident	Resident	Non-Resident	Resident	Non-Resident	
South Alabama	33,211	66,422	927	927	**34,138**	67,349	3,264
Mississippi	33,900	n/a	550	n/a	**34,450**	n/a	2,700
Alabama	31,198	62,714	3,464	3,464	**34,662**	66,178	2,772

Proposed 2024 Tuition and Fees *

(3% tuition increase)							
South Alabama	**34,207**	**68,415**	**942**	**942**	**35,149**	**69,357**	**3,264**
(3% tuition increase - approved)							
Alabama	**32,134**	**64,595**	**3,464**	**3,464**	**35,598**	**68,059**	**2,772**

* South Alabama Fees include escrow at $434 plus the resource fee at $508 (est); UA fee increase unknown, so assumed no change

UNIVERSITY OF SOUTH ALABAMA

MEMORANDUM

Vice President for Student Affairs/Dean of Students

DATE: May 11, 2023

TO: President Jo Bonner

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

SUBJECT: Proposed Housing and Dining Rate Change for 2023-2024

Attached is a proposal from Dr. Chris Cleveland with recommendations for modifications for housing and dining fees for the 2023-2024 academic year based on anticipated operating expense increases in the upcoming year; full renovation of two group houses, safety and security enhancements with expanded card access in five buildings, and other various improvement projects. Even with the proposed increase, South would continue to remain very competitive within the state of Alabama and the Gulf Coast Region.

I support this increase and recommend it for submission to the Board of Trustees for approval.

UNIVERSITY OF SOUTH ALABAMA

MEMORANDUM

Auxiliary Services

DATE: April 25, 2023

TO: Dr. Mike Mitchell

FROM: Dr. Chris Cleveland

SUBJECT: Housing & Dining Rate Increase for 2023-2024

Housing maintained 91% annualized occupancy during the 2022-2023 academic year and continues to see student interest increase after a brief decline during the COVID-19 pandemic.

Continuing increases in operating expenses are anticipated in Housing in the upcoming year with contract labor and equipment costs continuing to rise. More than $2 million dollars of housing facilities improvements will be completed prior to August 2023. Improvements include a full renovation of two (2) small group houses along with improved dehumidification in two (2) additional small group houses. Various other facilities improvement projects will be completed throughout which include additional safety and security enhancements with expanded card access in five (5) buildings, furniture replacement in two (2) residence halls and two (2) small group houses, and extensive painting of facilities throughout.

Significant increases in food and labor costs over the past 12 months have continued in food service. An increase in the board rate is requested to assist in offsetting the increased food and operating expenses in dining services. The U.S. Bureau of Labor Statistics CPI summary report on April 12, 2023 indicates food cost rose 8.5 % over the last 12 months with food cost anticipated to continue to remain high over the next year.

The recommended rate structure for 2023-2024 is attached and an average rate increase of 2.24% for room and 3.8% for board is proposed. Changes to summer 2023 room and board rates were recently approved during the March Board meeting. No additional changes are requested for board rates in summer 2024. Housing is requesting a rate change again in summer 2024 as they continue to reduce rates to encourage more students to remain on campus.

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

Meal Plan Comparison

USA (2022-2023)	
Freshmen/Sophomore residential	$2,075 - $2,350
Junior/Senior/Graduate residential	$1,200 - $2,350

USA (2023-2024) *Proposed average increase of meal plans –3.8%*	
Freshmen/Sophomore residential	$2,175 - $2,450
Junior/Senior/Graduate residential	$1,250 - $2,450

Auburn University (*2023-2024)*	
All first-time freshmen regardless of housing status	$1,470*
Upperclass residential	$989
All upperclass commuters	$425

*5 meals weekly +$450 dining dollars

University of Alabama *(2022-2023)*	
Freshmen residential	$2,563*
Upperclass residential	$1,604 - $2,563**
All students above 9 credit hours	$350

*$2,213 base plan + separate $350 dining dollars fee

**$1,254 base plan + separate $350 dining dollars fee

University of Alabama at Birmingham *(2022-2023)*	
Freshmen residential	$2,410 - $2,2460*
Upperclass residential	$745 - $2,460**
All students above 12 credit hours	$225

*$2,185 - $2,235 base plan + separate $225 fee

**$520 - $2,235 base plan + separate $225 fee

Troy University *(2022-2023)*	
Residential	$1,916*
All commuters above 9 credit hours	$301**

$1,750 base plan + 9.5% tax

**$275 base plan + 9.5% tax

2023-2024 Proposed Semester Meal Plan Rates

Meal Plan Type	2022-2023 Current Rate	2023-2024 Proposed Rate	Difference
All Access Pass with $175 Bonus Bucks*	$2,075	$2,175	$100
All Access Pass with $300 Bonus Bucks	$2,200	$2,300	$100
All Access Pass with $450 Bonus Bucks	$2,350	$2,450	$100
10 Meals Per Week with $500 Bonus Bucks	$2,075	$2,175	$100
7 Meals Per Week with $100 Bonus Bucks**	$1,200	$1,250	$50
$1400 Bonus Bucks	$1,400	$1,400	$0

**Default freshman and sophomore plan*

***Default junior, senior, graduate plan*

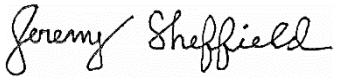
UNIVERSITY OF SOUTH ALABAMA

MEMORANDUM

Housing

DATE: April 24, 2023

TO: Dr. Chris Cleveland

FROM: Dr. Jeremy Sheffield 

SUBJECT: Proposed Housing Rate Increase for 2023-2024

Housing has maintained a 91% annualized occupancy for the 2022-2023 academic year. For 2023-2024, Housing applications for both returning and new students have increased compared to the previous year.

Increases in operating expenses are anticipated for the upcoming year, and we continue to endeavor to increase reserves for future improvements. More than $2 million of facilities improvements are planned for summer 2023, including major renovations to two small group houses and a card access upgrade to five residence halls.

The recommended rate structure for 2023-2024 is attached, and an average rate increase of 2.24% is proposed. With the proposed increase, USA would continue to remain very competitive within the state of Alabama and the Gulf Coast region. I have attached a comparison of peer institutions for your review.

In addition, in the March 11, 2022, meeting the Board approved a proposal to lower Delta summer room rates. In the March 3, 2023, meeting the Board approved a proposal to lower Epsilon and Delta 6 summer room rates. These room rate modifications were made to retain and attract additional summer school students to live on campus. This has been successful as Housing saw an increase in the number of students living on campus for summer 2022 and applications for summer 2023 are in excess of 150 students, an approximate 50% increase compared to previous years.

Housing requests a change in room rates for other residence halls for the summer semester to continue to retain and attract additional summer school students to live on campus. The recommended changes in room rates are attached for your review.

Please let me know if you would like additional information regarding this proposal.

Housing Comparison
Semester Rates

USA *(2022-2023)*

Two person suite	$2,180 - $2,835
Private room/suite	$2,835 - $3,190
Two person apartment	$2,900 - $3,200
Four person apartment	$2,180

USA (*2023-2024*) *Proposed average increase –2.24%*

Two person suite	$2,240 - $2,900
Private room/suite	$2,900 - $3,250
Two person apartment	$2,960 - $3,270
Four person apartment	$2,240

Auburn University (*2023-2024*)

Two person suite	$3,350 - $3,960
Private room/suite	$4,200 - $4,870
Two person apartment	$5,370 - $6,370
Private apartment	$5,370 - $6,480

University of Alabama *(2023-2024*)*

Two person suite	$4,350
Private room/suite	$4,750
Private apartment/suite	$5,150 - $5,550
Four person apartment/suite	$4,750 - $5,200

*projected rates are online but not approved as of 4/24/23

University of Alabama at Birmingham *(2022-2023*)*

Freshmen two person suite	$3,670
Upperclassmen two bedroom unit	$4,660
Upperclassmen four bedroom unit	$3,880

*2023-2024 rates not available as of 4/24/23

Troy University *(2023-2024)*

Two person suite	$2,195 - $3,025
Private room	$2,390 - $3,780
Two person apartment style unit	$3,185 - $3,345

2023 - 2024 Proposed Semester Room Rates

	Residence Hall	2022-2023 Current Rate	2023-2024 Proposed Rate	Difference
BETA / GAMMA	Apartment for 4	$2,180	$2,240	$60
	Apartment for 2 / Private Apartment	$3,200	$3,270	$70
	Studio Apartment for 2	$2,900	$2,960	$60
	Suite for 1 / Large Private Room	$2,950	$3,010	$60
DELTA	Room for 2	$2,180	$2,240	$60
	Large Private Room	$2,950	$3,010	$60
	Private Room	$2,835	$2,900	$65
	Room for 2 w/ kitchenette	$2,625	$2,690	$65
	Private Room w/ kitchenette	$2,900	$2,960	$60
STOKES HALL	Suite for 1	$3,190	$3,250	$60
EPSILON	Room for 2	$2,835	$2,900	$65
AZALEA HALL	Room for 2	$2,835	$2,900	$65
CAMELLIA HALL	Room for 2	$2,835	$2,900	$65

Summer 2024 Proposed Semester Room Rates

	Residence Hall	Summer 2023 Current Rate	Summer 2024 Proposed Rate	Difference
BETA / GAMMA	Apartment for 4	$1,610	$1,400	($210)
	Apartment for 2 / Private Apartment	$2,400	$2,200	($200)
	Studio Apartment for 2	$1,800	$1,800	$0
	Suite for 1	$2,250	$2,200	($50)
	Large Private Room	$2,250	$1,600	($650)
DELTA	Room for 2	$1,400	$1,400	$0
	Large Private Room	$1,600	$1,600	$0
	Private Room	$1,600	$1,600	$0
	Room for 2 w/ kitchenette	$1,800	$1,800	$0
	Private Room w/ kitchenette	$2,000	$2,000	$0
STOKES HALL	Suite for 1	$2,400	$2,200	($200)
EPSILON	Room for 2	$1,600	$1,600	$0
	Large Private Room	$2,000	$2,000	$0
AZALEA HALL	Room for 2	$2,300	$1,600	($700)
	Large Private Room	$2,400	$2,000	($400)
CAMELLIA HALL	Room for 2	$2,300	$1,600	($700)
	Large Private Room	$2,400	$2,000	($400)

UNIVERSITY OF SOUTH ALABAMA

MEMORANDUM
Vice President for Student Affairs

DATE: August 1, 2023

TO: Alabama Commission of Higher Education

FROM: Michael A. Mitchell, Ph.D.

SUBJECT: Speech, Expressive Activities, and Use of University Space, Facilities, and Grounds Policy and Report, 2022-2023

Alabama Code § 16-68-1, *et seq*., pertaining to free speech on the campuses of higher education institutions requires the University of South Alabama Board of Trustees to prepare an annual report detailing the course of action implemented by the University to ensure compliance with the law. The Board of Trustees of the University of South Alabama has authorized me to prepare this annual report on its behalf and submit the same to the Alabama Commission of Higher Education, so that it can notify the Governor and the Legislature of the University's compliance with the law.

The following chart details the date and description of any policy violations during the period of August 1, 2022 through July 31, 2023. The chart also details the administrative action/discipline related to each violation:

Date of Policy Violation	Description of Policy Violation	Administrative Action/ Disciplinary Action Taken
	No reported violations during this reporting period.	

The University of South Alabama had no substantial difficulties, controversies, or successes in maintaining a posture of administrative and institutional neutrality during the time-period addressed by this report.

DRAFT

VICE PRESIDENT OF STUDENT AFFAIRS | DEAN OF STUDENTS
SC 245 | 350 Student Center Circle | Mobile, Alabama 36688-0002
TEL: (251) 460-6172 | FAX: (251) 460-6157 | SouthAlabama.edu

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

BUDGET AND FINANCE COMMITTEE

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Budget and Finance Committee

March 2, 2023
3:04 p.m.

A meeting of the Budget and Finance Committee of the University of South Alabama Board of Trustees was duly convened by Mr. Tom Corcoran, Chair, on Thursday, March 2, 2023, at 3:04 p.m. in the Board Room of the Frederick P. Whiddon Administration Building. Meeting attendance was open to the public.

Members:	Alexis Atkins, Chandra Brown Stewart, Tom Corcoran, Ron Graham, Jimmy Shumock, Steve Stokes and Lenus Perkins were present.
Other Trustees:	Ron Jenkins, Bill Lewis, Arlene Mitchell, Margie Tuckson, Mike Windom and Jim Yance.
Administration & Guests:	Delaware Arif (Faculty Senate), Jim Berscheidt, Joél Billingsley, Jo Bonner, Lynne Chronister, Julie Estis, Monica Ezell, Buck Kelley, Andi Kent, Spencer Larche, Nick Lawkis, John Marymont, Mike Mitchell, Kristen Roberts, Laura Schratt, Beth Shepard (Faculty Senate), Polly Stokley and Margaret Sullivan.

Following the attendance roll call, **Item 25**. Mr. Corcoran called for consideration of the minutes of the meeting held on March 2, 2023, **Item 26**. On motion by Mr. Shumock, seconded by Ms. Atkins, the Committee voted unanimously to adopt the minutes.

Mr. Corcoran called on Ms. Stokley to address **Item 27**, the quarterly financial statements for the three months ended December 31, 2022. Ms. Stokley, along with Ms. Kristen Roberts, Assistant Vice President of Finance and Administration, explained that a change in the structure of the financial statements was due to GASB (Government Accounting Standards Board) guidance recently implemented. Ms. Roberts discussed highlights from the financial statements, noting that the University's net position increased by approximately $46 million and totaled close to $407 million to end the quarter.

Mr. Corcoran called on Ms. Chronister, who presented **Item 28**, a resolution to approve Ms. Kellie Hope and Mr. Matt White as members of the USA Research and Technology Corporation Board of Directors. (To view resolutions, policies and other documents authorized, refer to the minutes of the Board of Trustees meeting held on March 3, 2023.) Ms. Chronister shared brief background information on each candidate. On motion by Mr. Shumock, seconded by Mr. Perkins, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Ms. Chronister introduced **Item 29**, a resolution to approve Ms. Karen Hong as a member of the Foundation for Research and Commercialization Board of Directors, and provided brief biographical information on the candidate. On motion by Mr. Shumock, seconded by Ms. Atkins, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Ms. Stokley called on Mr. Buck Kelley, Assistant Vice President for Facilities and Construction, to provide an update on facilities, **Item 30**. As aerial maps and photos were shown, Mr. Kelley shared a comprehensive overview on infrastructure projects completed since 2014, which he noted began as a *Phase I* study on vulnerabilities across multiple systems. He stated the work accomplished was part of the University's master plan and involved up to 40 separate capital projects. He discussed remaining deficiencies in aging systems, as well as *Phase I* work yet be completed, and answered questions.

There being no further business, the meeting was adjourned at 3:19 p.m.

Respectfully submitted:

E. Thomas Corcoran, Chair

UNIVERSITY OF SOUTH ALABAMA

(A Component Unit of the State of Alabama)

Basic Financial Statements

Six Months Ended March 31, 2023

Unaudited

UNIVERSITY OF SOUTH ALABAMA
(A Component Unit of the State of Alabama)
Quarterly Financial Statements
Six Months Ended March 31, 2023

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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 March 31, 2023 and 2022, and for the six months 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 March 31, 2023 and 2022, the University had total assets and deferred outflows of $1,845,418,000 and $1,894,125,000, respectively; total liabilities and deferred inflows of $1,422,778,000 and $1,486,636,000, respectively; and net position of $422,640,000 and $407,489,000, respectively.

The University has experienced a significant growth in its health care operations over the past several years incurring increases in net patient service revenues of $48,633,000 or 14%, between 2022 and 2023. Due to the recent market stabilization, there was not a major change in the cash and investments balances between 2022 and 2023, increasing by $7,141,000, or 1% to $600,154,000 at March 31, 2023.

An overview of each statement is presented herein along with financial analysis of the transactions impacting each statement. Where appropriate, comparative financial information is presented to assist in the understanding of this analysis.

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 at March 31, 2023. Net position is displayed in three parts: net investment in capital assets, restricted and unrestricted. Restricted net position may be either expendable or nonexpendable and is the net position that is restricted by law or 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 economic resources measurement focus and the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred by the University, regardless of when cash is exchanged.

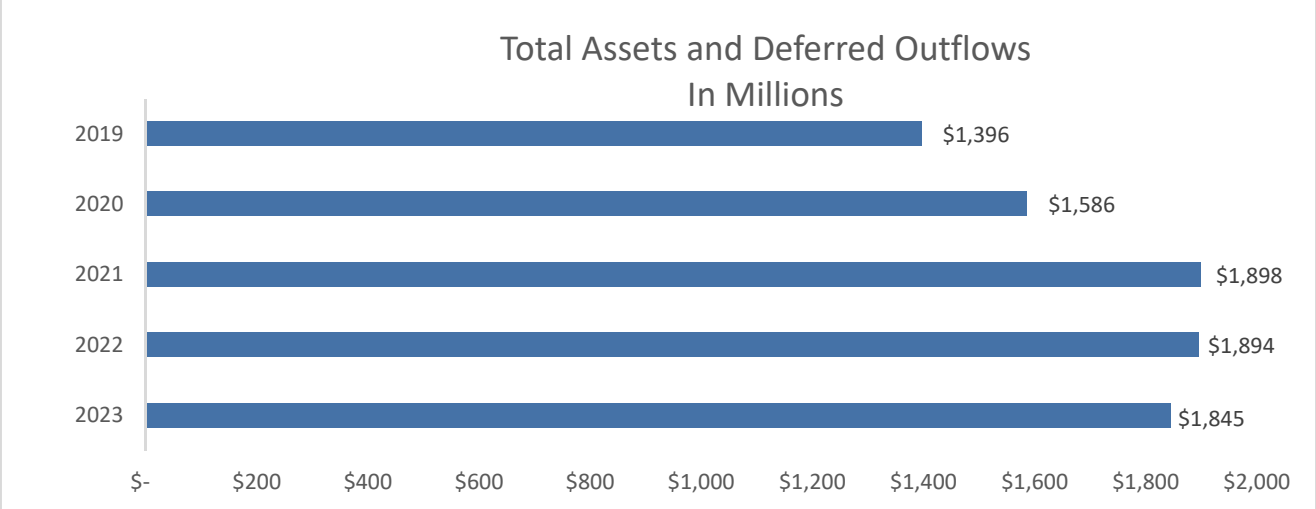
The condensed schedules of net position at March 31, 2023 and 2022 follow (in thousands):

Condensed Schedules of Net Position

	2023	2022
Assets:		
Current	$ 311,836	343,426
Capital assets, net	839,142	847,510
Other noncurrent	451,736	374,281
Total assets	1,602,714	1,565,217
Deferred outflows	242,704	226,058
Total assets and deferred outflows	1,845,418	1,791,275
Liabilities:		
Current	160,866	167,794
Noncurrent	952,102	940,372
Total liabilities	1,112,968	1,108,166
Deferred inflows	309,810	289,688
Total liabilities and deferred inflows	1,422,778	1,397,854
Net position:		
Net investment in capital assets	386,303	416,707
Restricted, nonexpendable	76,516	71,584
Restricted, expendable	87,655	104,323
Unrestricted deficit	(127,834)	(199,193)
Total net position	$ 422,640	393,421

Assets included in the statement 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 53%, 13% and 18%, respectively, of current assets at March 31, 2023. Noncurrent assets consist primarily of restricted cash and cash equivalents, restricted investments and capital assets. The increase in total assets and deferred outflows is attributed to a rise in investment value, as the market rebounds.

Total assets and deferred outflows of the University as of March 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:

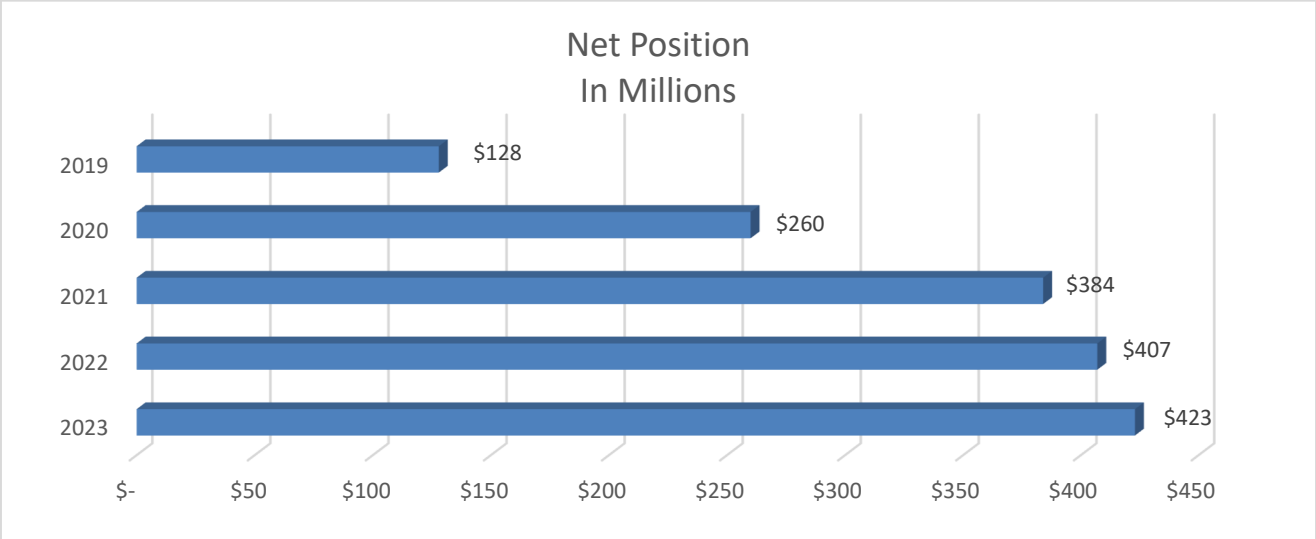
Net investment in capital assets represents the University's capital assets less accumulated depreciation and outstanding principal balances of the debt attributable to the acquisition, construction, or improvement of those assets.

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 deficit of net position represents amounts not invested in capital assets or 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 March 31, 2023 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 March 31 is as follows:



All categories of restricted net position collectively decreased by approximately $11,736,000 between March 31, 2023 and 2022, primarily due to market declines on investments. Unrestricted net position increased from $(199,193,000) to $(127,834,000) between March 31, 2023 and 2022. A summary of unrestricted net position (deficit) at March 31, 2023 is summarized as follows (in thousands):

Unrestricted (deficit) net position related to net pension liability	$	(375,984)
Unrestricted (deficit) net position related to net OPEB liability		(53,421)
Unrestricted net position related to other activity		301,571
Unrestricted net position (deficit)	$	(127,834)

Statement of Revenues, Expenses, and Changes in Net Position

Changes in total University net position are based on the activity presented in the statement 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.

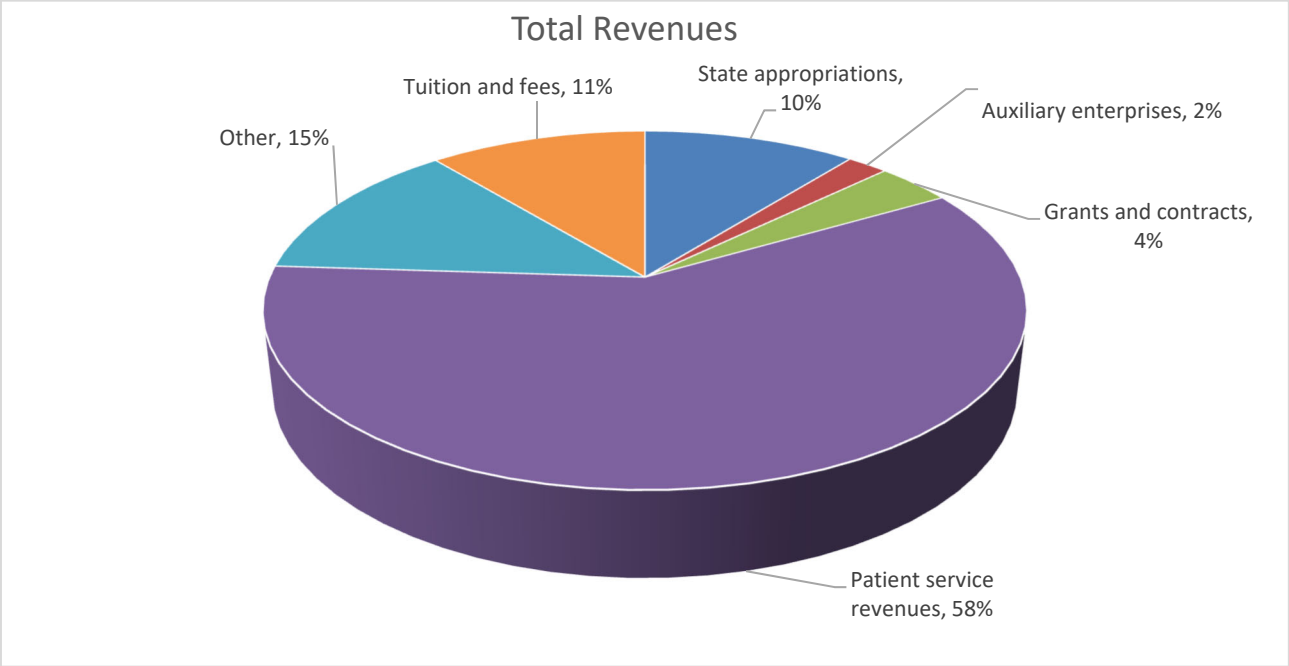
The condensed schedules of revenues, expenses, and changes in net position for the six months ended March 31, 2023 and 2022 follow (in thousands):

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

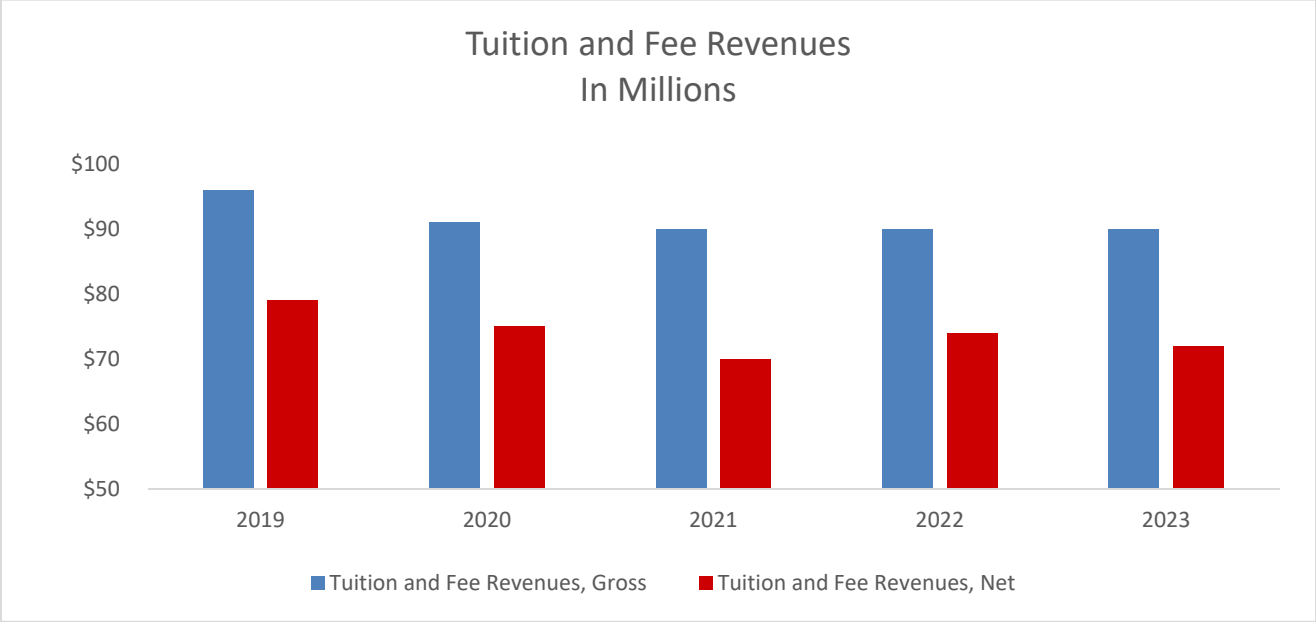
		2023	2022
Operating revenues:			
Tuition and fees, net	$	72,047	73,803
Patient service revenues, net		388,845	340,212
Federal, state and private grants and contracts		25,114	20,374
Other		39,451	40,989
		525,457	475,378
Operating expenses:			
Salaries and benefits		312,027	273,547
Supplies and other services		219,915	187,487
Other		51,188	42,691
		583,130	503,725
Operating loss		(57,673)	(28,347)
Nonoperating revenues and expenses:			
State appropriations		70,370	64,548
Net investment income		30,549	(5,692)
Other, net		(5,925)	5,409
Net nonoperating revenues		94,994	64,265
Income before capital contributions and grants and additions to endowment		37,321	35,918
Capital appropriations	$	4,697	—
Capital contributions and grants and additions to endowment	$	19,434	18,544
Increase in net position		61,452	54,462
Beginning net position		361,188	338,959
Ending net position	$	422,640	393,421

Approximately 58% of total revenues of the University were net patient service revenues for the six months ended March 31, 2023. Excluding patient service revenues, tuition and fees charged to students and state appropriations represent the largest component of total University revenues, approximately 11% and 10% of total revenues for the six months ended March 31, 2023, respectively. For the six months ended March 31, 2023, grants and contracts (federal, state and private) represented approximately 4% of total revenues.

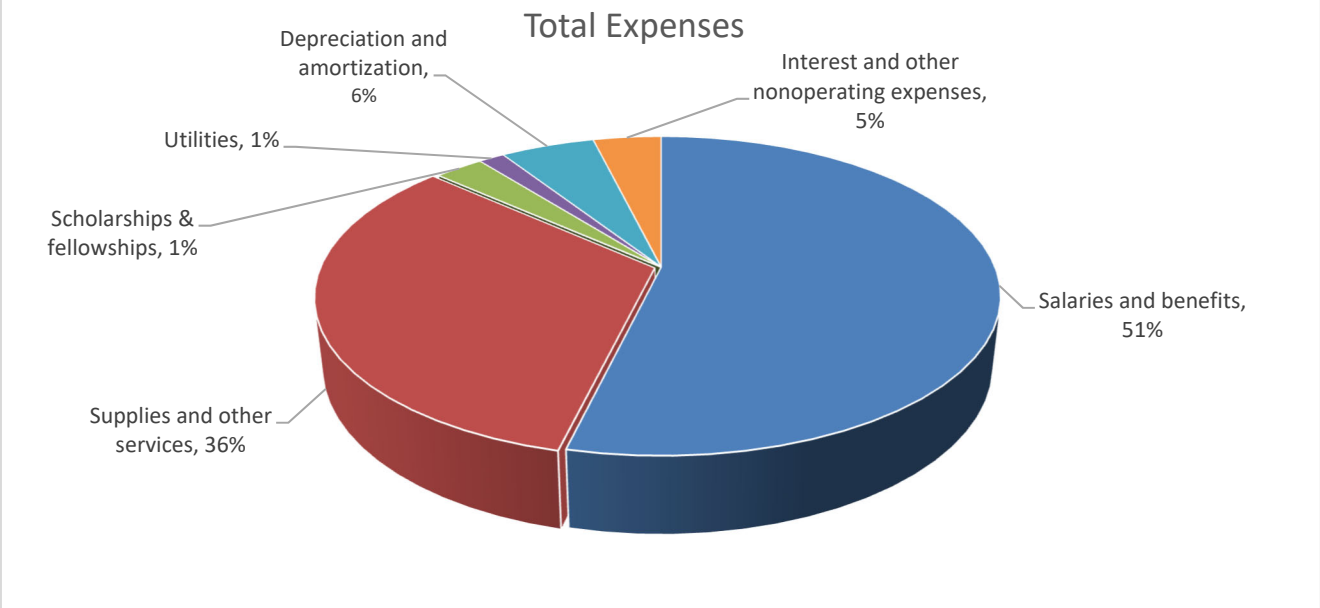
A summary of University revenues for the six months ended March 31, 2023 is presented as follows:



Tuition revenues have generally remained steady in recent years. A decline in enrollment coupled with increases in tuition rates have caused tuition revenues to remain relatively flat. Tuition and fees, gross and net of scholarship allowances, for the past five fiscal years are as follows:

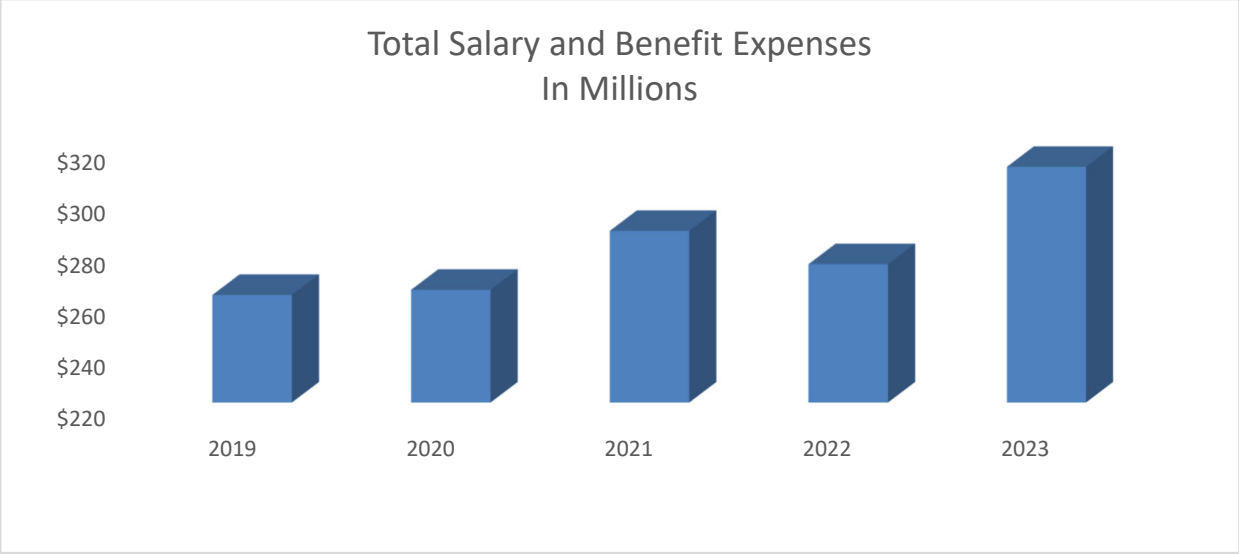


University expenses are presented using their natural expense classifications. A summary of University expenses for the six months ended March 31, 2023 is presented as follows:



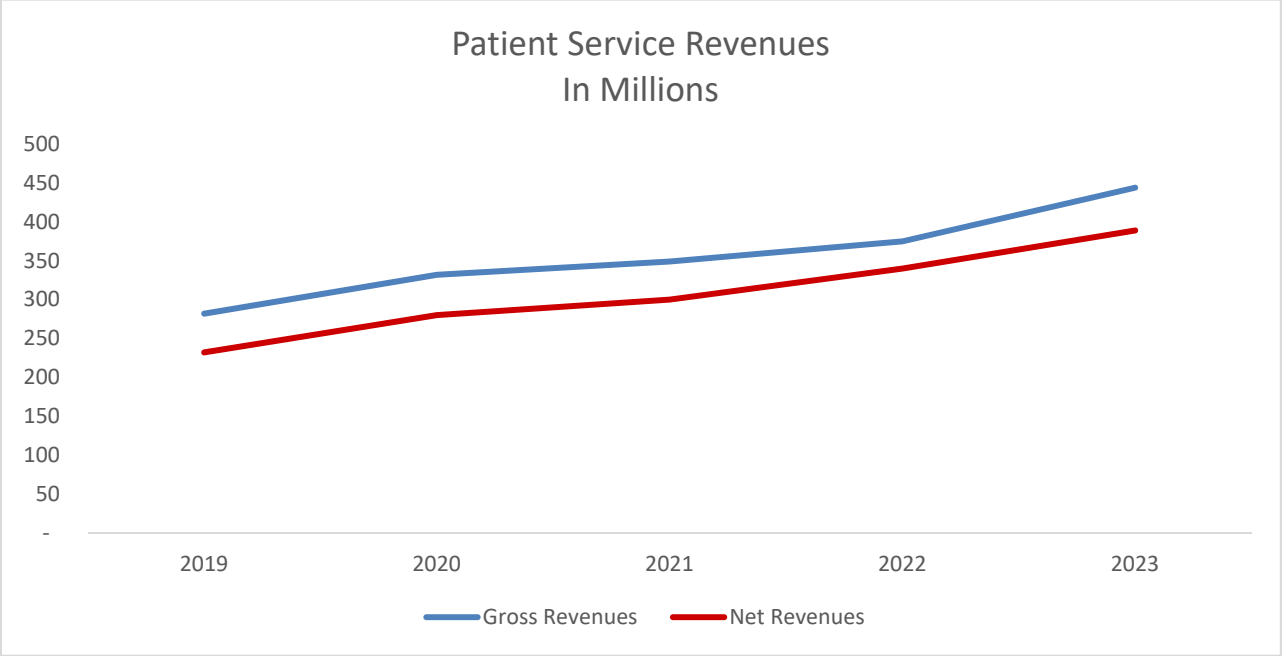
Functional classifications represent expenses categorized based on the function within the University. Such University functions include instruction, research, public service, academic support, student services, institutional support, operation and maintenance of plant and scholarships. Expenses related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

For the six months ended March 31, 2023, approximately 51% of the University's total expenses were salaries and benefits.



For the six months ended March 31, 2023, the University reported an operating loss of approximately $57,673,000. The operating loss is offset partially by state appropriations, which, as mentioned earlier, are reported as nonoperating revenues. After considering all nonoperating revenues and expenses, including capital contributions and grants and additions to the endowment, the total change in net position was approximately $61,452,000 for the six months ended March 31, 2023.

USA Health represents a significant portion of total University revenues. Operating patient service revenues, gross and net, for the last five fiscal years are presented as follows:



Statement of Cash Flows

The statement of cash flows present information related to cash flows of the University. The statement presents cash flows by category: operating activities, noncapital financing activities, capital and related financing activities and investing activities. The net cash provided to, or used by, the University is presented by category.

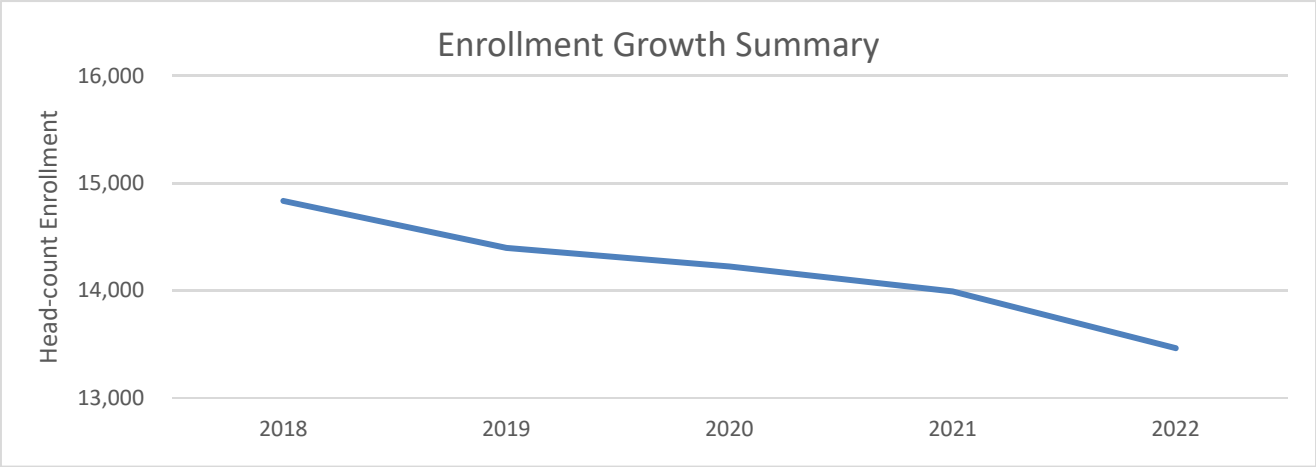
Capital Assets and Debt Administration

Total capital asset additions for the University were approximately $19,859,000 for the six months ended March 31, 2023. Significant construction projects that remain in progress at March 31, 2023 include the 3D Printing Lab, Science Laboratory Building renovation, Ravine Bridge replacement, new Central Energy Plant, and new College of Medicine Building along with major continued upgrades on infrastructure on the University's main campus such as the North Drive Utilities project. March 31, 2023, the University had outstanding commitments of approximately $29,850,000 for various capital projects. Additional information regarding the University's capital assets is included in note 5.

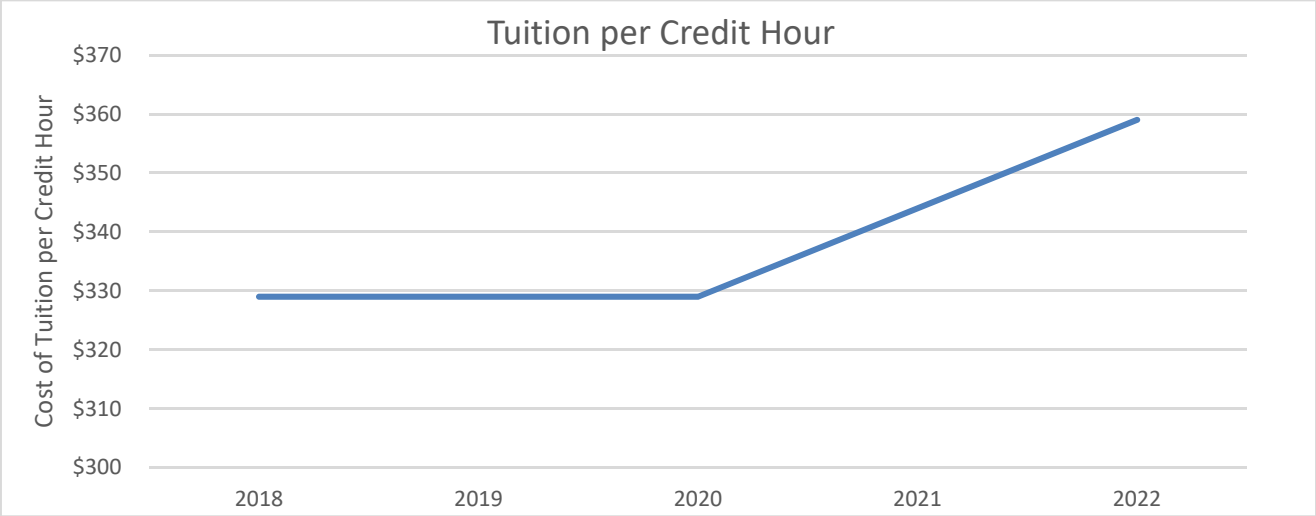
The University's bond credit rating is A1 (Stable) as rated by Moody's Investors Service and A+ (Stable) as rated by Standard and Poor's Global Ratings. Neither rating changed during 2023 or 2022. Moody's Investors Service and Standard and Poor's Global Ratings affirmed their ratings in conjunction with their assessment of the 2021 Bond issuances. Additional information regarding the University's debt is included in note 7.

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 2% between Fall 2020 and Fall 2021 and an additional decline of 4% between Fall 2021 and Fall 2022, with declines primarily resulting from a decrease in international student enrollment and a decrease in the number of returning students. The enrollment trend for the University between 2018 and 2022 is as follows:

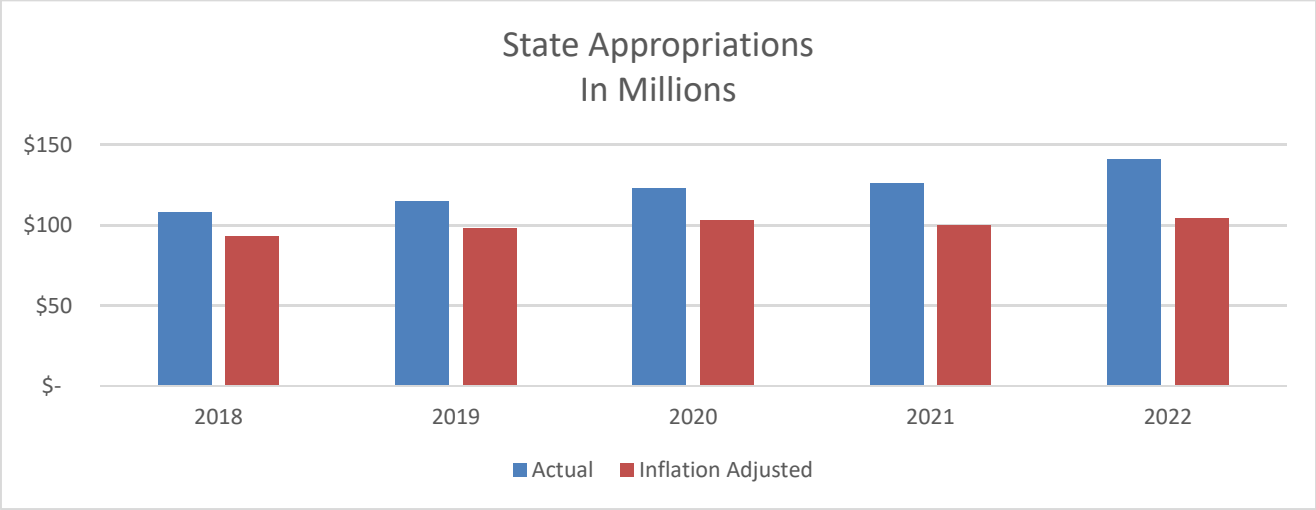


During the same period, in-state tuition per credit hour for in-person classes has increased by approximately 4%. Similar increases have been experienced in out-of-state tuition and College of Medicine tuition. Web tuition has decreased slightly during that period. The trend of in-state tuition per credit hour between 2018 and 2022 is as follows:



A state appropriation in the amount of approximately $129,098,000 and $121,564,000 was authorized and received for the years ended September 30, 2022 and 2021, respectively. Additional appropriations of approximately $4,111,000 and $7,500,000 and $4,017,000 and $900,000 were received during fiscal years 2022 and 2021, respectively for advancement and technology, and certain academic and healthcare initiatives. A state appropriation in the amount of approximately $140,714,000, representing an increase of approximately 9%, has been authorized for the year ending September 30, 2023. While no announcement has been made, the University is aware that reductions in the 2023 appropriation are possible.

The five-year trend of state appropriations 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, extramural 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"). 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, 2022, the University (including USA Health) had been awarded $99,254,000 in CARES Act, and other funding from federal and state sources for COVID-19 relief. Of the total amount awarded $5,319,000 has been recognized as nonoperating revenue in the statements of revenues, expenses and changes in net position for the quarter ended March 31, 2023.

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 2023 or beyond.

Requests for Information

These basic financial statements are designed to provide a general overview of the University of South Alabama and its component units' financial activities and to demonstrate the University's accountability. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Polly Stokley; Vice President for Finance and Administration; University of South Alabama Administration Building Room 300; Mobile, Alabama 36688.

UNIVERSITY OF SOUTH ALABAMA
(A Component Unit of the State of Alabama)

Statement of Net Position

March 31, 2023

(In thousands)

Current assets:		
Cash and cash equivalents	$	166,564
Investments		39,819
Patient receivables (net of allowance for doubtful accounts of $134,204)		56,715
Accounts receivable, other		28,194
Notes receivable, net		1,421
Prepaid expenses, inventories, and other		18,417
Financing lease receivable, current portion		706
Total current assets		311,836
Noncurrent assets:		
Restricted cash and cash equivalents		28,747
Restricted investments		274,932
Investments		90,092
Other noncurrent assets and accounts receivable		28,182
Right of use asset, net		28,468
Financing lease receivable, less current portion		1,315
Capital assets, net		839,142
Total noncurrent assets		1,290,878
Total assets		1,602,714
Deferred outflows		242,704
Total assets and deferred outflows		1,845,418
Current liabilities:		
Accounts payable and accrued liabilities		67,604
Unrecognized revenues		56,312
Deposits		3,485
Current portion of other long-term liabilities		4,937
Current portion financing lease obligations		8,628
Current portion of long-term debt		19,900
Total current liabilities		160,866
Noncurrent liabilities:		
Long-term debt, less current portion		420,239
Financing lease obligations, less current portion		20,400
Net pension liability		375,894
Net other postemployment benefits liability		53,421
Other long-term liabilities, less current portion		82,148
Total noncurrent liabilities		952,102
Total liabilities		1,112,968
Deferred inflows		309,810
Total liabilities and deferred inflows		1,422,778
Net position:		
Net investment in capital assets		386,303
Restricted, nonexpendable:		
Scholarships		43,186
Other		33,330
Restricted, expendable:		
Scholarships		28,567
Other		59,088
Unrestricted deficit		(127,834)
Total net position	$	422,640

See accompanying notes to basic financial statements.

UNIVERSITY OF SOUTH ALABAMA
(A Component Unit of the State of Alabama)

Statement of Revenues, Expenses, and Changes in Net Position

Six months ended March 31, 2023

(In thousands)

Operating revenues:		
Tuition and fees (net of scholarship allowances of $17,949)	$	72,047
Patient service revenues (net of provision for bad debts of $54,687)		388,845
Federal grants and contracts		11,110
State grants and contracts		6,811
Private grants and contracts		7,193
Auxiliary enterprises (net of scholarship allowances of $60)		13,534
Other operating revenues		25,917
Total operating revenues		525,457
Operating expenses:		
Salaries and benefits		312,027
Supplies and other services		219,915
Scholarships and fellowships		7,464
Utilities		9,133
Depreciation and amortization		34,591
Total operating expenses		583,130
Operating loss		(57,673)
Nonoperating revenues (expenses):		
State appropriations		70,370
Net investment gains		30,549
Interest expense		(9,167)
Other nonoperating revenues		22,700
Other nonoperating expenses		(19,458)
Net nonoperating revenues		94,994
Income before capital contributions and grants and additions to endowment		37,321
Capital appropriations		4,697
Capital contributions and grants		13,679
Additions to endowment		5,755
Increase in net position		61,452
Net position:		
Beginning of year		361,188
End of year	$	422,640

See accompanying notes to basic financial statements.

UNIVERSITY OF SOUTH ALABAMA
(A Component Unit of the State of Alabama)

Statement of Cash Flows

Six months ended March 31, 2023

(In thousands)

Cash flows from operating activities:		
Receipts related to tuition and fees	$	53,731
Receipts from and on behalf of patients and third-party payers		356,020
Receipts from grants and contracts		24,749
Receipts related to auxiliary enterprises		11,837
Payments to suppliers and vendors		(215,124)
Payments to employees and related benefits		(348,835)
Payments for scholarships and fellowships		(7,463)
Other operating receipts		40,952
Net cash used in operating activities		(84,133)
Cash flows from noncapital financing activities:		
State appropriations		70,390
Endowment gifts		5,755
Agency funds received		1,551
Agency funds disbursed		(1,286)
Student loan program disbursements		(54,258)
Student loan program receipts		54,269
Other nonoperating revenues		30,669
Other nonoperating expenses		(25,543)
Net cash provided by noncapital financing activities		81,547
Cash flows from capital and related financing activities:		
Capital appropriations		4,697
Capital contributions and grants		13,679
Purchases of capital assets		(35,317)
Proceeds from sales of capital assets		59
Principal payments on capital debt		(16,748)
Interest payments on capital debt		(6,125)
Net cash used in capital and related financing activities		(39,755)
Cash flows from investing activities:		
Interest and dividends on investments		6,638
Purchases of investments		(33,623)
Proceeds from sales of investments		16,036
Net cash provided by investing activities		(10,949)
Net decrease in cash and cash equivalents		(53,290)
Cash and cash equivalents (unrestricted and restricted):		
Beginning of year		248,601
End of year	$	195,311

UNIVERSITY OF SOUTH ALABAMA
(A Component Unit of the State of Alabama)

Statement of Cash Flows

Six months ended March 31, 2023

(In thousands)

Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	$	(57,673)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation and amortization		34,591
Changes in assets and liabilities, net:		
Student receivables		(9,466)
Net patient receivables		(6,107)
Grants and contracts receivables		1,504
Other receivables		(1,301)
Prepaid expenses, inventories, and other		(1,373)
Accounts payable and accrued liabilities		(31,125)
Unrecognized revenues		(13,183)
Net cash used in operating activities	$	(84,133)
Noncash investing, noncapital financing, and capital and related financing transactions:		
Net increase in fair value of investments recognized as a component of investment gains	$	4,308
Increase in accounts payable related to capital assets		1,666

See accompanying notes to basic financial statements.

UNIVERSITY OF SOUTH ALABAMA FOUNDATION

(Discretely Presented Component Unit of the University of South Alabama)

Consolidated Statement of Financial Position

December 31, 2022

(In thousands)

Assets		
Cash and cash equivalents	$	1,933
Investments:		
Equity securities		194,699
Timber and mineral properties		173,980
Real estate		9,018
Other		5,809
Other assets		655
Total assets	$	386,094
Liabilities and Net Assets		
Liabilities:		
Other liabilities		511
Total liabilities		511
Net assets:		
Without donor restrictions		61,143
With donor restrictions		324,440
Total net assets		385,583
Total liabilities and net assets	$	386,094

UNIVERSITY OF SOUTH ALABAMA FOUNDATION

(Discretely Presented Component Unit of the University of South Alabama)

Consolidated Statement of Activities and Changes in Net Assets

Six months ended December 31, 2022

(In thousands)

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, losses and other support:			
Net realized and unrealized gains (losses) on investments	$ 954	3,284	4,238
Rents, royalties and timber sales	2,547	67	2,614
Interest and dividends	610	913	1,523
Gifts	—	35	35
Required match of donor contributions	(4)	4	—
Interfund interest	(312)	312	—
Other income	2	—	2
Net assets released from program restrictions	6,097	(6,097)	—
Total revenues, gains, losses and other support	9,894	(1,482)	8,412
Expenditures:			
Program services:			
Faculty support	1,460	—	1,460
Scholarships	590	—	590
Other academic programs	4,589	—	4,589
Total program service expenditures	6,639	—	6,639
Management and general	1,400	—	1,400
Other investment expense	542	—	542
Depletion and depreciation expense	2,846	—	2,846
Total expenditures	11,427	—	11,427
Change in net assets	(1,533)	(1,482)	(3,015)
Net assets – beginning of year	62,676	325,922	388,598
Net assets – end of year	$ 61,143	324,440	385,583

USA RESEARCH AND TECHNOLOGY CORPORATION

(Discretely Presented Component Unit of the University of South Alabama)

Statement of Net Position

March 31, 2023

(In thousands)

Assets:		
Current assets:		
Unrestricted cash and cash equivalents	$	1,958
Financing lease receivable, current portion		2,833
Prepaid expenses and other current assets		55
Accrued interest receivable		51
Total current assets		4,897
Noncurrent assets:		
Intangible assets, net		188
Capital assets, net		18,431
Financing lease receivable, less current portion		8,887
Total noncurrent assets		27,506
Deferred outflows		684
Total assets and deferred outflows		33,087
Liabilities:		
Current liabilities:		
Deposits, other current liabilities, and accrued expenses		167
Unrecognized rent revenue		338
Notes payable, current portion		1,207
Total current liabilities		1,712
Noncurrent liabilities:		
Notes payable, less current portion		17,483
Total noncurrent liabilities		17,483
Deferred inflows		11,346
Total liabilities and deferred inflows		30,541
Net position:		
Net investment in capital assets		423
Unrestricted		2,123
Total net position	$	2,546

USA RESEARCH AND TECHNOLOGY CORPORATION

(Discretely Presented Component Unit of the University of South Alabama)

Statement of Revenues, Expenses, and Changes in Net Position

Six months ended March 31, 2023

(In thousands)

Operating revenues	$	2,201
Operating expenses:		
Building management and operating expenses		547
Depreciation and amortization		692
Legal and administrative fees		240
Insurance		35
Total operating expenses		1,514
Operating income		687
Nonoperating revenues (expenses):		
Interest expense		(442)
Other		229
Net nonoperating expenses		(213)
Change in net position		474
Net position:		
Beginning of year		2,072
End of year	$	2,546

UNIVERSITY OF SOUTH ALABAMA HEALTH CARE AUTHORITY

(Discretely Presented Component Unit of the University of South Alabama)

Statement of Net Position

March 31, 2023

(In thousands)

Assets:		
Current assets:		
Cash and cash equivalents	$	2,829
Patient receivables (net of allowance for doubtful accounts of $2,384)		2,943
Inventories		84
Financing lease receivable, current portion		309
Other current assets		1,494
Total current assets		7,659
Noncurrent assets:		
Capital assets		18,279
Right of use assets, net		25,583
Financing lease receivable, less current portion		2,915
Other noncurrent assets		458
Total noncurrent assets		47,235
Total assets	$	54,894
Liabilities:		
Current liabilities:		
Accounts payable and accrued liabilities	$	4,136
Accrued salaries and wages		2,045
Current portion of financing lease obligations		1,225
Total current liabilities		7,406
Noncurrent liabilities:		
Financing lease obligations, less current portion		24,937
Total noncurrent liabilities		24,937
Deferred inflows		3,180
Total liabilities and deferred inflows	$	35,523
Net position:		
Net investment in capital assets		17,523
Unrestricted		1,848
Total net position	$	19,371

UNIVERSITY OF SOUTH ALABAMA HEALTH CARE AUTHORITY

(Discretely Presented Component Unit of the University of South Alabama)

Statement of Revenues, Expenses, and Changes in Net Position

Six months ended March 31, 2023

(In thousands)

Operating revenues:		
Patient service revenues (net of provision for bad debts of $644)	$	23,144
Other operating revenues		2,481
Total operating revenues		25,625
Operating expenses:		
Salaries and benefits		24,659
Building and equipment expenses		2,812
Medical and surgical supplies		2,305
Other expenses		8,694
Depreciation and amortization		2,228
Total operating expenses		40,698
Operating loss		(15,073)
Nonoperating revenues:		
Investment income		71
Support from University of South Alabama		19,100
Interest expense		(533)
Total nonoperating revenues		18,638
Increase in net position		3,565
Net position at beginning of year		15,806
Net position at end of year	$	19,371

(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 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 March 31, 2023, the University reports University of South Alabama Foundation (USA Foundation), USA Research and Technology Corporation (the Corporation) and University of South Alabama Health Care Authority (HCA) as discretely presented component units. Each of these entities issue separate audited financial statements, which can be obtained by contacting Polly Stokley, Vice President for Finance and Administration, University of South Alabama Administration Building 300, Mobile, Alabama 36688.

The University is also affiliated with the South Alabama Medical Science Foundation (SAMSF), Gulf Coast TotalCare (Gulf Coast), the University of South Alabama Foundation for Research and Commercialization (FRAC), Jaguar Athletic Fund (JAF), and the USA Presidential 1963 Fund. 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 and USA Health Reference Lab Billing

Services, LLC as blended component units. All significant transactions between 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 (see note 17 for further discussion of, and disclosure for, these entities).

(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, payroll activities related to 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 (see note 17 for further discussion of, and disclosure for, this entity).

(d) USA Health Billing Limited Liability Companies

Over the last few years, the University formed the USA Health Physician Billing Services, LLC, USA Health Hospital Billing Services, LLC, USA Health Anesthesia Billing Services, LLC, USA Health Reference Lab Billing Services, LLC, USA Health MCI Business Services, LLC and USA Health Children's and Women's Provider Based Clinics, LLC as limited liability companies, whereby the University is the sole member. These companies were created to assist with the complex patient and insurance billing of USA Health, a division of the University that includes two hospitals, a free standing emergency department, 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 University of South Alabama Health Care Authority (HCA). HCA is a public corporation created under and pursuant to the provisions of the State of Alabama University Authority Act of 2016. HCA employs physicians and staff of certain physician practice groups as determined appropriate by the University. HCA presents its financial statements in accordance with GASB.

HCA is the sole member of the following companies: 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 IPA, LLC.

HCA also owns 51% of USA BC ASC Holdco, LLC. This entity owns 100% of an entity formed in June 2020, USA Baldwin County ASC, LLC. Upon syndication of the ambulatory surgery center, USA Baldwin County ASC, LLC ownership will change. At that time, USA BC ASC Holdco, LLC will own 51% of USA Baldwin County ASC, LLC and the remaining 49% will be owned by an unrelated third party.

In March 2022, HCA formed USA Health Mobile County ASC, LLC as a limited liability company, whereby HCA is the sole member. There was no financial activity for this entity during the year ended September 30, 2022.

In March 2022, HCA obtained an equity interest in USA Fairhope Physician Investors, LLC (FPI), a limited liability company that will develop and own real property to be used in the operation of the Baldwin County ambulatory surgery center. FPI is considered a component unit of HCA under the provisions of GASB Statements Nos. 14 and 61. However, HCA does not consider the operations of this entity to be significant enough to warrant inclusion of the discrete component unit financial statements within these financial statements. HCA's equity interest in FPI is presented within other noncurrent assets on the statement of net position.

Since inception, the HCA's operations have been partially funded by the University, with total support amounting to $19,10,000 during the quarter ended March 31, 2023. This support is reported in nonoperating expenses on the University's statement 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. The accompanying statement of net position and statement of revenues, expenses, and changes in net position for HCA as of and for the quarter ended March 31, 2023 are discretely presented.

(f) University of South Alabama Foundation

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 USA Foundation, USA Foundation is considered a component unit of the University. The Board of Directors of USA Foundation is not appointed or controlled by the University. The University receives distributions from USA Foundation primarily for scholarship, faculty and other support. Total distributions received or accrued by the University for the quarter ended March 31, 2023 were $14,226,000 and are included primarily in other nonoperating revenues and capital contributions and grants in the University's statement of revenues, expenses, and changes in net position. USA Foundation presents its financial statements in accordance with standards issued by the Financial Accounting Standards Board (FASB). USA Foundation is reported in separate financial statements because of the difference in the financial reporting framework since USA Foundation follows FASB rather than GASB. USA Foundation has a June 30 fiscal year end, which differs from the University's September 30 fiscal year end. In accordance with GASB Statement No. 14 and GASB Statement No. 61, the University has included USA Foundation's statements for the quarter ended December 31, 2022 in the University's financial statements as of March 31, 2023. The accompanying consolidated statement of financial position and consolidated statement of activities and changes in net assets for USA Foundation as of and for the quarter ended December 31, 2022 are discretely presented.

(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. The accompanying statement of net position and statement of revenues, expenses, and changes in net position for the Corporation as of and for the quarter ended March 31, 2023 are discretely presented.

(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. Restricted cash and cash equivalents share the same definitions and maturities of unrestricted cash and cash equivalents but are designated by external parties for specified purposes such as collateral requirements, designated gifts, or bond proceeds.

(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 losses.

(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 September 30, 2022, the University had two hedging derivative instruments in the form of interest rate swap, 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 and the fair values of the interest rate swaps are recognized in other long-term liabilities and deferred inflows and outflows on the statement 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 plan's 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, changes in the fair value of interest rate swaps 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 the OPEB plan, changes in proportion and differences between employer contributions and proportionate share of contributions in pension and OPEB plans, changes in the fair values of interest rate swaps, gain on the refunding of certain bond amounts and the value of contractual rights to financing lease revenue in future reporting periods.

(n) Bond Premiums, Discounts, and Loss on Extinguishment Costs

Bond premiums, discounts, and loss on 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.

(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 fair 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 statement 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 quarter ended March 31, 2023, no impairments were identified.

(r) Financing Leases

Financing leases as a lessee are included in financing lease right-of-use assets and financing lease obligations and the current portion thereof on the statement of net position.

Right of use assets represent the University's right to use an underlying asset for the lease term. Lease obligations represent the University's liability to make lease payments arising from the lease. Financing lease right of use assets and related obligations are recognized at the commencement date based on the present value of lease payments over the lease term discounted using an appropriate incremental borrowing rate. The commencement date is either when the University takes possession of the asset or, in the case of real estate leases, when the landlord makes the building available for use. The incremental borrowing rate is based on the information available at the commencement date in determining the present value of lease payments. The value of an option to extend or terminate a lease is reflected to the extent it is reasonably certain management will exercise that option. Amortization of right of use assets is recognized on a straight-line basis over the lease term or useful life of the asset, whichever is shorter. Interest expense is recognized as a component of the lease payment and recorded as such in the statement of revenues, expenses, and changes in net position.

Financing leases as a lessor are included in financing lease receivable and current portion thereof and deferred inflows of resources on the statement of net position.

Financing lease receivable represents the University's contractual right to receive cash in exchange for the right to use an asset for a specific amount of time. Deferred inflow of resources represents the University's contractual right to lease revenue in future reporting periods. Financing lease receivables and related deferred inflows of resources are recognized at the commencement date based on the present value of lease payments to be received over the lease term discounted using an appropriate incremental borrowing rate. The commencement date is either when the lessee takes possession of

the asset or, in the case of real estate leases, when the landlord makes the building or office space available for use. The incremental borrowing rate is based on the information available at the commencement date. The value of an option to extend or terminate a lease is reflected to the extent it is reasonably certain the lessee will exercise that option. Deferred inflow of resources are recognized on a straight-line basis over the lease term while interest revenue is recognized as a component of other nonoperating revenues on the statement of revenues, expenses, and changes in net position.

(s) Unrecognized Revenues

Student tuition, fees, and dormitory rentals are billed in advance and initially recorded as a component of unrecognized revenues in the statement of net position and then recognized in revenue over the applicable portion of each school term.

(t) 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 Annual Comprehensive Financial Report.

(u) 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 Annual Comprehensive Financial Report.

(v) 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.

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.

(w) 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 statement 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 a 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.

(x) 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 net 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.

(y) 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; sales and services of auxiliary enterprises, net of scholarship allowances; and lease revenue.

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

(z) Gifts and Pledges

Pledges of financial support from organizations and individuals representing an unconditional 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.

(aa) 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.

(bb) 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.

(cc) Compensated Absences

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

(dd) Recently Adopted Accounting Pronouncements

In 2022, the University adopted the provisions of GASB Statement No. 91, *Conduit Debt Obligations*. 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 issuer, and improve note disclosures. In addition, the University adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, which 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.

Additionally, the University adopted the provisions of GASB Statement No. 99, *Omnibus 2022*, related to public-private and public-public partnership arrangements (PPP) and SBITA. The objective of this statement is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB statements and accounting and financial reporting for financial guarantees. The impact to the University in 2023 related to these Statements has not yet been determined.

(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.

In addition, the University's discretely presented component units, except for HCA, are tax-exempt entities under Section 501(a) of the Internal Revenue Code as organizations described in Section 501(c)(3). The income of HCA is excluded from federal and state income taxation pursuant to the provisions of Section 115(1) of the Internal Revenue Code. Consistent with these designations, no provision for income taxes has been made in the accompanying discretely presented component unit 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, 2022, the net public deposits subject to collateral requirements for all institutions participating in the pool totaled approximately $16.8 billion. The University had cash and cash equivalents, including restricted cash and cash equivalents, in the pool of $195,311,000 at March 31, 2023.

At March 31, 2023, restricted cash and cash equivalents consist of $3,835,000 related to cash included in the PLTF and GLTF to pay insurance liability claims, $15,791,000 of unspent proceeds from the issuance of University bonds for capital purchases as outlined in the bond indenture, $8,153,000 related to restricted donations related to certain capital projects, $968,000 related to endowment funds.

(4) Investments

(a) University of South Alabama

The investments of the University are invested pursuant to the University of South Alabama "Nonendowment 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 nonendowment 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.

The investments of the blended component units of the University are invested pursuant to the separate investment policy shared by the PLTF and GLTF (the Trust Fund Investment Policy.) The objectives of the Trust Fund Investment Policy are to provide a source of funds to pay general and professional liability claims and to achieve long-term capital growth to help defray future funding requirements. Additionally, certain investments of the University’s component units, both blended and discretely presented, are subject to The Uniform Prudent Management of Institutional Funds Act (UPMIFA) as well as any requirements placed on them by contract or donor agreements.

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 and restricted investments of the University, by type, at fair value at March 31, 2023 (in thousands) are as follows:

U.S. Treasury securities	$	8,599
U.S. federal agency notes		90,681
Commingled equity funds		104,595
Commingled fixed income funds		50,246
Marketable equity securities		58,424
Marketable debt securities		15,945
Private credit alternative fixed income investments		4,656
Private REIT alternative real estate investments		5,719
Private equity alternative investments		18,602
Real estate		8,479
Managed income alternative investments (low-volatility multi-strategy funds of funds)		38,897
	$	404,843

At March 31, 2023, restricted investments consist of endowment funds, funds held in the PLTF and GLTF to pay insurance liability claims and funds related to collateral requirements of the interest rate swaps.

At March 31, 2023, $29,106,000 of cumulative increase in fair value of investments of donor-restricted endowments was recognized and is included in restricted expendable net position in the accompanying statement of net position.

The University invests in several private equity and private credit funds. At March 31, 2023, the University had outstanding capital commitments to those funds of $20,341,000.

(i) Credit Risk and Concentration of Credit Risk

Nonendowment 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 "Funds of Funds" or multi-manager fund. The University's exposure to credit risk and concentration of credit risk at March 31, 2023 is as follows:

	Credit rating	Percentage of total investments
Federal National Mortgage Association	AAA	1.0 %
Federal Home Loan Mortgage Corporation	AAA	6.8
Federal Home Loan Banks	AAA	11.7
Federal Farm Credit Banks Funding Corporation	AAA	2.9
Common Fund Bond Fund	Various	4.6
PIMCO Pooled Bond Fund	AA+/A-	7.6
Blackrock Credit Strategies Income Fund	Various	0.2
US Treasury securities	AAA	2.1
Marketable debt securities	Various	3.9

(ii) Interest Rate Risk

At March 31, 2023, the maturity dates of the University's fixed income investments are as follows (in thousands):

	Fair value	Years to maturity: Less than 1	1–5	6–10	More than 10
U.S. Treasury securities	$ 8,599	874	4,187	3,538	—
U.S. federal agency notes	90,681	15	84,438	186	6,042
Marketable debt securities	15,945	4,666	6,391	4,693	195
Commingled fixed income funds	50,246	—	27,624	4,157	18,465
	$ 165,471	5,555	122,640	12,574	24,702

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 statement of net position.

The following tables summarize the fair value measurements for all investment assets and liabilities carried at fair value at March 31, 2023 (in thousands):

	Asset fair value measurements at March 31, 2023			
Description	**Level 1**	**Level 2**	**Level 3**	**Total**
U.S. Treasury securities	$ 8,599	—	—	8,599
U.S. federal agency notes	—	90,681	—	90,681
Commingled equity funds	102,216	2,379	—	104,595
Commingled fixed income funds	46,616	3,630	—	50,246
Marketable equity securities	58,424	—	—	58,424
Marketable debt securities	15,945	—	—	15,945
Private credit alternative fixed income	4,656	—	—	4,656
Private REIT alternative real estate investments	5,719	—	—	5,719
Private equity alternative investments	—	—	16,460	16,460
Real estate	—	—	8,479	8,479
Total investments at fair value	$ 242,175	96,690	24,939	363,804
Investments measured at NAV:				
Private equity funds				2,142
Managed income alternative investments (low volatility multi-strategy funds of funds)				38,897
Total investments				$ 404,843

Description	Liability fair value measurements at March 31, 2023			
	Level 1	Level 2	Level 3	Total
Interest rate exchange agreements	$ 117	18,758	—	18,875

A rollforward schedule for Level 3 financial instruments for the three months ended March 31, 2023 is as follows (in thousands):

Beginning balance	$ 16,379
Purchases	8,430
Net realized/unrealized gains (losses)	278
Sales	(148)
Ending balance	$ 24,939

(5) Capital Assets

(a) University of South Alabama

A summary of the University's capital asset activity for the six months ended March 31, 2023 follows (in thousands):

	Beginning balance	Additions	Transfers	Adjustments	Reductions	Ending balance
Capital assets not being depreciated:						
Land and other	$ 32,261	98	—	—	—	32,359
Construction-in-progress	68,240	15,197	(15,374)	—	—	68,063
	100,501	15,295	(15,374)	—	—	100,422
Capital assets being depreciated:						
Land improvements	76,801	—	—	8,511	—	85,312
Buildings, fixed equipment, and infrastructure	1,013,480	580	14,742	—	(65)	1,028,737
Other equipment	235,963	3,984	632	—	(3,798)	236,781
Library materials	92,340	—	—	—	—	92,340
	1,418,584	4,564	15,374	8,511	(3,863)	1,443,170
Less accumulated depreciation for:						
Land improvements	(34,155)	(1,892)	—	—	—	(36,047)
Buildings, fixed equipment, and infrastructure	(397,002)	(15,446)	—	—	59	(412,389)
Other equipment	(176,004)	(9,871)	—	—	3,689	(182,186)
Library materials	(71,812)	(2,016)	—	—	—	(73,828)
	(678,973)	(29,225)	—	—	3,748	(704,450)
Capital assets being depreciated, net	739,611	(24,661)	15,374	8,511	(115)	738,720
Capital assets, net	$ 840,112	(9,366)	—	8,511	(115)	839,142

Depreciation and amortization of capital assets for the six months ended March 31, 2023 was $34,591,000 for the University.

At March 31, 2023, the University had commitments of approximately $29,850,000 related to various construction projects.

(6) Noncurrent Liabilities

A summary of the University's noncurrent liability activity for the six months ended March 31, 2023 follows (in thousands):

	Beginning balance	Additions	Reductions	Ending balance	Less amounts due within one year	Noncurrent liabilities
Long-term debt:						
Bonds payable	$ 458,916	—	(19,026)	439,890	19,651	420,239
Notes payable from direct borrowings	618	—	(369)	249	249	—
Financing lease obligations	31,964	2,064	(5,000)	29,028	8,628	20,400
Total long-term debt	491,498	2,064	(24,395)	469,167	28,528	440,639
Other noncurrent liabilities:						
Net pension liability	237,578	138,316	—	375,894	—	375,894
Net OPEB liability	205,378	—	(151,957)	53,421	—	53,421
Other long-term liabilities	81,662	10,510	(5,087)	87,085	4,937	82,148
Total other noncurrent liabilities	524,618	148,826	(157,044)	516,400	4,937	511,463
Total noncurrent liabilities	$ 1,016,116	150,890	(181,439)	985,567	33,465	952,102

Other long-term liabilities primarily consist of self-insurance liabilities, 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.

In 2018, the University converted a line of credit into a term loan for a period of five years, with monthly payments of $63,000 and interest accruing at the fixed rate of 3.85% per annum. The amount outstanding at March 31, 2023 is $249,000, and is reported as long-term debt (and current portion thereof) in the statement of net position.

(7) Bonds Payable

Bonds payable consisted of the following at March 31, 2023 (in thousands):

University Facilities Revenue Capital Improvement Bonds, Series 2013-A, 2.83% payable through August 2033	$	19,776
University Facilities Revenue Capital Improvement Bonds, Series 2013-B, 2.83% payable through August 2033		4,944
University Facilities Revenue Capital Improvement Bonds, Series 2013-C, 2.78% payable through August 2028		4,499
University Facilities Revenue Refunding Bonds, Series 2014-A, variable rate payable at 68% of one month LIBOR plus .73%, (2.848% at September 30, 2022), payable through March 2024		8,455
University Facilities Revenue Capital Improvement Bonds, Series 2015, 2.47% payable through August 2030		3,000
University Facilities Revenue Refunding Bonds, Series 2016-A, 3.00% to 5.00% payable through November 2037		71,300
University Facilities Revenue Refunding Bonds, Series 2016-B, variable rate payable at 79% of one month LIBOR plus .72%, (3.203% at September 30, 2022), payable through December 2036, pursuant to the right of the holder to cause all principal to be due after December 1, 2026		20,000
University Facilities Revenue Refunding Bonds, Series 2016-C, variable rate payable at 79% of one month LIBOR plus .77%, (3.253% at September 30, 2022), payable through December 2036, pursuant to the right of the holder to cause all principal to be due after December 1, 2028		35,000
University Facilities Revenue Refunding Bonds, Series 2016-D, variable rate payable at 79% of one month LIBOR plus .83%, (3.313% at September 30, 2022), payable through December 2036, pursuant to the right of the holder to cause all principal to be due after December 1, 2031		45,000
University Facilities Revenue Bonds, Series 2017, 2.00% to 5.00%, payable through October 2037		30,880
University Facilities Revenue Bonds, Series 2019-A, 5.00%, payable through April 2049		47,750
University Facilities Revenue Bonds, Series 2019-B, 3.09% to 4.10%, payable through April 2033		14,615

University Facilities Revenue Bonds, Series 2019-C, 1.87%, payable through April 1, 2030	12,874
University Facilities Revenue Bonds, Series 2020, 4%, payable through April 1, 2040	34,035
University Facilities Revenue Bonds, Series 2021, 4%, payable through April 1, 2041	38,045
University Facilities Revenue Bonds, Series 2021-B 1.398%, payable through August 1, 2032	14,128
	404,301
Plus unamortized premium	36,942
Less unamortized debt extinguishment costs	(1,353)
	$ 439,890

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 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 at any time. The Series 2015 Bonds began maturing in August 2015 and were 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 Bonds will begin maturing in April 2033. The Series 2019-B Bonds 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 in April 2020 and are not subject to redemption at the option of the University. Series 2020 Bonds began maturing in April 2021 and are redeemable beginning April 2030. Series 2021 Bonds will begin maturing in April 2022 and are redeemable beginning April 2041. The Series 2021-B Bonds will begin maturing in August 2022 and are not subject to redemption.

In September 2016, the University issued its University Facilities Revenue Refunding Bonds, Series 2016-A, with a face value of $85,605,000. The proceeds from the Series 2016-A 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 is included in the accompanying statement 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-A Bonds. The balance of the related deferred outflow totaled $5,304,000, at March 31, 2023. The principal outstanding on all defeased bonds is $71,300,000 at March 31, 2023.

In December 2016, the University issued its University Facilities Revenue Refunding Bonds, Series 2016-B, C & 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 and is being amortized over the remaining life of the Series 2016-B, C & D Bonds. The balance of the related net deferred inflow at March 31, 2023 totaled $3,102,000.

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 the 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.

On March 5, 2021, the Financial Conduct Authority (FCA) announced the final publication date for US LIBOR is June 30, 2023. Loans maturing after the end of LIBOR will be reviewed to determine if appropriate language, referred to as fallback language, is used to provide for the replacement of LIBOR with an alternative index. The Alternative Reference Rates Committee (ARRC) has recommended the Secured Overnight Financing Rate (SOFR) as an alternative to replace LIBOR.

Approximately $1,266,000 of proceeds from the issuance of the Series 2020 Bonds remained unspent at March 31, 2023 and are included in restricted cash and cash equivalents on the statement of net position. Approximately $15,912,000 of proceeds from the issuance of the Series 2021 Bonds remained unspent at March 31, 2023 and are included in restricted cash and cash equivalents on the statement of net position. All bond funds are restricted for capital purposes as outlined in the bond indentures. The University is subject to arbitrage restrictions on its bonded indebtedness prescribed by the U.S. Internal Revenue Service. As such, amounts are accrued as needed in the University’s basic financial statements for any expected arbitrage liabilities. At March 31, 2023, 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 year is as follows at March 31, 2023 (in thousands):

	Debt service on notes and bonds				
	Bonds		Notes payable from direct borrowing		
	Principal	Interest	Principal	Interest	Total
2023	$ 4,321	2,665	249	2	7,237
2024	23,292	13,550	—	—	36,842
2025	21,289	12,962	—	—	34,251
2026	22,190	12,343	—	—	34,533
2027	23,095	11,701	—	—	34,796
2028–2032	121,199	47,206	—	—	168,405
2033–2037	125,410	26,508	—	—	151,918
2038-2042	41,380	9,885	—	—	51,265
2043-2047	15,950	3,928	—	—	19,878
2048–2052	6,175	468	—	—	6,643
Subtotal	404,301	$ 141,216	249	2	545,768
Plus (less):					
Unamortized bond premium	36,942		—		
Unamortized debt extinguishment costs	(1,353)		—		
Total	$ 439,890		249		

(8) Financing Leases

(a) University of South Alabama

Lessee Activities

The University determines whether an arrangement is a lease at inception by evaluating whether the contract conveys the right to use an identified asset and whether the University obtains substantially all of the economic benefits from and has the right to control the asset. Any lease identified as a financing lease is recorded as a right of use asset and financing lease obligation. Financing lease right of use assets and related obligations are recognized at the commencement date based on the present value of lease payments over the lease term discounted using an appropriate incremental borrowing rate. Amortization of right of use assets is recognized on a straight-line basis over the lease term or useful life of the asset, whichever is shorter. Interest expense is recognized as a component of the lease payment and recorded as such in the statement of revenues, expenses, and changes in net position. The difference in methodology between the amortization of the right of use asset and the reduction in liability balance related to principal payments will result in a difference between the net right of use asset and related financing lease obligation.

A summary of the University's financing lease right of use assets activity for the quarter ended March 31, 2023 follows (in thousands):

	Beginning	Additions	Reductions	Ending
Right of use assets:				
Automobile	$ 15	-	-	15
Buildings	7,958	56	(58)	7,956
Equipment	27,879	435	(1,513)	26,801
Office space	4,382	1,538	-	5,920
	40,234	2,029	(1,571)	40,692
Less accumulated amortization for right of use:				
Automobile	(6)	(3)	-	(9)
Buildings	(1,248)	(696)	58	(1,886)
Equipment	(6,207)	(3,962)	1,513	(8,656)
Office space	(899)	(774)	-	(1,673)
	(8,360)	(5,435)	1,571	(12,224)
Right of use assets, net:	$ 31,874	(3,406)	-	28,468

The University leases various automobiles, buildings, equipment and office space under financing leases expiring at various dates through 2042. Aggregate future minimum lease payments under noncancelable finance leases as of March 31, 2023, by year, are as follows (in thousands):

	Principal	Interest	Total
2023	$ 4,415	660	5,075
2024	7,905	1,039	8,944
2025	4,484	722	5,206
2026	2,812	559	3,371
2027	2,376	433	2,809
2028 - 2032	6,305	826	7,131
2033 - 2037	726	79	805
2038 - 2042	5	-	5
Financing lease obligations	$ 29,028	4,318	33,346

These amounts are included in financing lease obligations and the current portion thereof in the accompanying statement of net position.

The University has no commitments under financing leases for which the lease term has not commenced as of March 31, 2023.

The University leases space under financing leases from the Corporation and HCA.

Lessor Activities

The University leases land, buildings, and suites to various lessees under financing leases expiring at various dates through 2042. For the six months ended March 31, 2023, the University recognized a total of $423,000 of inflows of resources from leases, of which $379,000 was recognized as lease revenue and $44,000 was recognized as a component of interest income in the statement of revenues, expenses, and changes in net position.

(9) Derivative Transactions – Interest Rate Swaps

The University is a party to two derivatives with Wells Fargo Bank, the counterparty. The income associated with the derivatives is a component of investment income and the corresponding expense is a component of interest expense. The terms of the derivatives require the University to post collateral when certain criteria are met. Such amounts as of March 31, 2023 totaled $21,240,000.

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 related 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 73 basis points.

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 related 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 25 basis points. Conversely, the Series 2016-B, C & D Bonds bear interest at a variable rate of 79% of the benchmark plus 72, 77 and 83 basis points, respectively.

Fair value: The 2014 swap had a negative fair value of approximately $9,138,000 at its inception. This amount, net of any amortization and adjustments to fair market value, is reported as a borrowing arising from the 2014 swap as other long-term liabilities in the amount of $117,000 in the statement of net position at March 31, 2023. The change in the fair value of the swap of $177,000, during the quarter ended March 31, 2023, is reported as a deferred inflow and contra liability (other long-term liabilities) in the statement of net position since the interest rate swap is a hedging derivative instrument. Net deferred inflows of resources for the 2014 interest rate swap totaled $797,000 at March 31, 2023.

The 2016 swap had a negative fair value of approximately $48,530,000 at its inception. This amount, net of any amortization and adjustments to fair value, is reported as a borrowing arising from the 2016 swap as other long-term liabilities in the amount of $18,758,000 in the statement of net position at March 31, 2023. The change in the fair value of the swap of $982,000 during the year ended March 31, 2023, is reported as a deferred outflow and contra asset (other noncurrent assets) in the statement of net position at March 31, 2023 since the interest rate swap is a hedging derivative instrument. Net deferred inflows and outflows of resources for the 2016 swap totaled $13,994,000 at March 31, 2023.

The fair values of the interest rate swaps are 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 related 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 related bonds.

Credit risk: As of March 31, 2023, 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 March 31, 2023.

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 March 31, 2023 and calculating interest for subsequent years using forward rates of one-month LIBOR, debt service requirements for the 2014 swap payments, by year, are as follows (in thousands):

	Variable rate note		Interest rate	
	Principal	Interest	swap, net	Total
2023	$ 8,050	130	511	8,691
2024	8,455	123	108	8,686
Total	$ 16,505	253	619	17,377

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

	Variable rate note		Interest rate	
	Principal	Interest	swap, net	Total
2023	$ —	1,570	1,202	2,772
2024	—	2,849	2,691	5,540
2025	5,600	2,440	2,937	10,977
2026–2030	32,610	9,389	12,380	54,379
2031–2035	41,880	4,916	6,575	53,371
2036–2039	19,910	382	708	21,000
Total	$ 100,000	21,546	26,493	148,039

(10) Patient Service Revenues

USA Health 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 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, 2017.

USA Health Children's & Women's Hospital's Medicare cost reports have been audited by the Medicare fiscal intermediary through September 30, 2020.

Revenues from the Medicare program accounted for approximately 13% of USA Health's patient service revenues for the year ended September 30, 2022.

Blue Cross Blue Shield – Inpatient services rendered to Blue Cross subscribers are paid at a contractually determined per diem rate based upon Medicare Severity Diagnosis Related Groups. Outpatient services are reimbursed under a contractually determined reimbursement methodology based on Blue Cross Enhanced Ambulatory Patient Groups.

Revenues from the Blue Cross program accounted for approximately 27% of USA Health's patient service revenues for the year ended September 30, 2022.

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 certainty 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 23% of USA Health's patient service revenues for the year ended September 30, 2022.

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.

The composition of patient service revenues for the six months ended March 31, 2023 follows (in thousands):

Gross patient service revenues	$ 1,028,345
Less:	
Provision for contractual and other adjustments	(584,813)
Provision for bad debts	(54,687)
	$ 388,845

(11) 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 from 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.

Tier 2 covered members of the TRS contribute 6.2% of earnable compensation to the TRS as required by statute.

Participating employers' contractually required contribution rates were 12.43% of annual pay for Tier 1 members and 11.32% 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 for fiscal year 2023 will be updated when available. *

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

At March 31, 2023, the University reported a liability of $375,894,000 for its proportionate share of the collective net pension liability. At March 31, 2023, the collective net pension liability was measured as of September 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of September 30, 2021. 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, 2022, the University's proportion of contributions to the pension plan was 2.418758%, which was a decrease of 0.103213% from its proportion measured as of September 30, 2021 of 2.521971%.

For the quarter ended March 31, 2023, the University recognized pension expense of approximately $33,657,000, which is included in salaries and benefits on the statement of revenues, expenses, and changes in net position.

At March 31, 2023, the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

	Deferred outflows of resources	Deferred inflows of resources
Net difference between projected and actual earnings on pension plan investments	$ 8,263	9,122
Changes of assumptions	17,057	—
Differences between expected and actual experience	75,430	—
Changes in proportion and differences between employer contributions and proportionate share of contributions	—	20,108
Employer contributions subsequent to measurement date	*	—
	$ *	29,230

At September 30, 2022, approximately $22,005,000 reported as deferred outflows of resources related to pensions resulting from University contributions subsequent to the measurement date has been recognized as a reduction of the net pension liability for the year ending September 30, 2022. Contributions subsequent to measurement date for fiscal year 2023 will be available later this year. * 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:	
2024	$ (16,985)
2025	(14,957)
2026	(11,588)
2027	(27,990)
	$ (71,520)

(e) Actuarial Assumptions

The total pension liability as of March 31, 2023 was determined by an actuarial valuation as of September 30, 2021, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 %
Investment rate of return*	7.45 %
Projected salary increases	3.25-5.00 %

* Net of pension plan investment expense

The actuarial assumptions used in the September 30, 2021 valuation were based on the results of an actuarial experience study for the period October 1, 2015 through September 30, 2020. Mortality rates for TRS were based on the Pub-2010 Teacher Below Median tables adjusted for males (108% ages < 63, 96% ages > 67; phasing down 63-67) and for females (112% ages < 69, 98% > age 74, phasing down 69-74), projected generationally using scale MP-2020 adjusted by 66-2/3% beginning with year 2019.

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:

	Target allocation	Long-term expected rate of return*
Fixed income	15.0 %	2.8 %
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	9.0
Real estate	10.0	6.5
Cash equivalents	5.0	2.5
	100.0 %	

* Includes assumed rate of inflation of 2.00%

(f) Discount Rate

The discount rate used to measure the total pension liability as of March 31, 2023 was 7.45%. 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 7.45%, 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 (6.45%) or 1-percentage point higher (8.45%) than the current rate (in thousands):

	March 31, 2023		
	1% Decrease (6.45)%	Current rate (7.45)%	1% Increase (8.45)%
University's proportionate share of collective net pension liability	$ 486,391	375,894	282,821

(h) Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued RSA Annual Comprehensive Financial Report for the fiscal year ended September 30, 2022 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, 2022. The auditors' report dated January 17, 2023 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, 2022 along with supporting schedules is also available. The additional financial and actuarial information is available at www.rsa-al.gov.

(12) 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 $400,000 in 2022, representing 177 employees for 2022 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 $7,459,000 in 2022, representing 2,294 employees, 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.

Effective April 1, 2022, HCM adopted a deferred compensation retirement plan. All non-student employees are eligible to defer receipt of a portion of their salary until a later date. 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. Under this plan, contributions by eligible employees are not matched by HCM. Through September 30, 2022, 69 employees are participating in this plan. All eligible employees are fully vested in their accounts under this plan immediately upon contributing.

(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 statement of net position include accruals for vacation pay and paid time off of approximately $12,085,000 at September 30, 2022. 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.

(13) Other Postemployment 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. 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 $5,859,000 for the year ended September 30, 2022. Contributions for fiscal year 2023 will be updated when available. *

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

At March 31, 2023, the University reported a liability of $53,421,000 for its proportionate share of the net OPEB liability. At March 31, 2023, the net OPEB liability was measured as of September 30, 2022 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of September 30, 2021. 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, 2022, the University's proportion of contributions to the OPEB plan was 3.06585999%, which was a decrease of 0.90909001% from its proportion measured as of September 30, 2021 of 3.974950%.

For the quarter ended March 31, 2023, the University recognized OPEB contra-expense of approximately $25,190,000, which is included in salaries and benefits on the statement of revenues, expenses, and changes in net position.

At March 31, 2023, the University reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources (in thousands):

		Deferred outflows of resources	Deferred inflows of resources
Net difference between projected and actual earnings on OPEB plan investments	$	2,450	108,013
Changes of assumptions		43,332	77,758
Differences between expected and actual experience		6,718	—
Changes in proportion and differences between employer contributions and proportionate share of contributions		56,285	74,908
Employer contributions subsequent to the measurement date		*	—
	$	*	260,679

At September 30, 2022, approximately $5,859,000 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, 2023. Contributions subsequent to measurement date for fiscal year 2023 will be available later this year. *

Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB income (expense) as follows (in thousands):

Year ending September 30:	
2024	$ (35,828)
2025	(35,176)
2026	(10,386)
2027	(16,525)
2028	(32,491)
Thereafter	(21,486)
	$ (151,893)

(e) Actuarial Assumptions

The total OPEB liability as of March 31, 2023 was determined by an actuarial valuation performed as of September 30, 2021, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 %
Projected salary increases*	3.25-5.00 %
Long-term investment rate of return**	7.00 %
Municipal bond index rate at the measurement date	4.40 %
Projected year for fiduciary net position to be depleted	N/A
Single equivalent interest rate at the measurement date	7.00 %
Healthcare cost trend rate	
Pre-medicare eligible	6.50 %
Medicare eligible	***
Ultimate trend rate	
Pre-medicare eligible	4.50 %
Medicare eligible	4.50 %
Year of ultimate trend rate	
Pre-medicare eligible	2031
Medicare eligible	2027

* Includes 2.75% wage inflation

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

*** Initial medicare claims are set based on scheduled increases through plan year 2025

Mortality rates were based on the Pub-2010 Teacher Below Median tables adjusted for males (108% ages < 63, 96% ages > 67; phasing down 63-67) and for females (112% ages < 69, 98% > age 74, phasing down 69-74), projected generationally using scale MP-2020 adjusted by 66-2/3% beginning with year 2019.

The decremental assumptions used in the valuation were selected based on the actuarial experience study prepared as of September 30, 2020, submitted to and adopted by the TRS on September 13, 2021. The remaining actuarial assumptions (e.g. initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) of the total OPEB liability were based on the September 30, 2021 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:

	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 2.50% inflation

(f) Discount Rate

The discount rate used to measure the total OPEB liability at September 30, 2022 was 7.00%. 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. 15.257% of the employer contributions were used to assist in funding retiree benefit payments in 2022. It is assumed that the 15.257% will increase or decrease at the same rate as expected benefit payments for the closed group until reaching an employer rate of 20.00%, at which point this amount will increase by $800 with inflation at 2.50% starting in 2027. 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 2120.

(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 4.50%, as well as what the net OPEB liability would be if calculated using 1-percentage point lower 3.50% or 1-percentage point higher 5.50% than the current rate (in thousands):

	March 31, 2023		
	1% Decrease (3.50)%	Current rate (4.50)%	1% Increase (5.50)%
University's proportionate share of collective net OPEB liability	$ 40,509	53,421	69,256

The following table presents the University's proportionate share of the net OPEB liability calculated using the discount rate of 3.06585999%, as well as what the net OPEB liability would be if calculated using 1-percentage point lower 6.00% or 1-percentage point higher 8.00% than the current rate (in thousands):

	March 31, 2023		
	1% Decrease (6.00)%	Current rate (7.00)%	1% Increase (8.00)%
University's proportionate share of collective net OPEB liability	$ 66,047	53,421	42,822

(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, 2022. The supporting actuarial information is included in the GASB Statement No. 74 Report for PEEHIP prepared as of September 30, 2022. Additional financial and actuarial information is available at www.rsa-al.gov.

(14) 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 quarter ended March 31, 2023. 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 $2,613,000 in 2022. 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 quarter ended March 31, 2023 for the PLTF, GLTF and health plan are summarized as follows (in thousands):

Balance, beginning of year	$	50,015
Liabilities incurred and other additions		41,442
Claims, administrative fees paid and other reductions		(36,507)
Balance, end of year	$	54,950

These amounts are included in other long-term liabilities in accounts payable and accrued liabilities in the accompanying statement of net position.

(15) 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, 2022, SAMSF had total assets of $10,652,000, net assets of $10,627,000, and total revenues of $1,509,000 for the year then ended.

(16) Commitments and Contingencies

(a) Grants and Contracts

At September 30, 2022, the University had been awarded approximately $82,936,000 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 statement 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, 2022, no amounts were payable pursuant to these agreements.

(d) USA Research and Technology Corporation Leases

The University has commitments under financing leases with the Corporation. Space under lease to the University was 78,123 square feet at September 30, 2022. See note 8 for additional details.

(17) Blended Component Units

As more fully described in note 1, HCM, PLTF and GLTF are reported as blended component units. Required combining financial information of the aggregate blended component units as of and for the quarter ended March 31, 2023 as follows (in thousands):

Current assets	$	14,196
Noncurrent assets		59,183
Total assets		73,379
Current liabilities		16,596
Noncurrent liabilities		52,031
Total liabilities		68,627
Net position	$	4,752
Operating revenues	$	194,204
Operating expenses		(199,356)
Operating income		(5,152)
Nonoperating revenues		5,377
Nonoperating expenses		
Change in net position	$	225

(18) Recently Issued Accounting Pronouncements

In April 2022, the GASB issued Statement No. 99, *Omnibus 2022*. The objectives of the statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB statements and accounting and financial reporting for financial guarantees. The statement extends the use of LIBOR for accounting for Supplemental Nutrition Assistance Program (SNAP) distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging

governments, clarification of certain provisions in Statement No. 34, as amended, and terminology updates related to Statement Nos. 53 and 63 effective upon issuance. The requirements related to PPPs and SBITAs are effective for fiscal years beginning after June 15, 2022 and the requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement No. 53 are effective for fiscal years beginning after June 15, 2023.

In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*. The statement, effective for periods beginning after June 15, 2023, requires changes in accounting principles and error corrections be reported retroactively by restating prior periods, changes to or within the financial reporting entity to be reported by adjusting beginning balances of the current period and changes in accounting estimates be reported prospectively by recognizing the change in the current period.

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*, which is effective for fiscal years beginning after December 15, 2023. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences.

The effect of the implementation of GASB Statement Nos. 99, 100 and 101 on the University has not yet been determined.

(19) 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.

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. Through March 31, 2023, the University (including USA Health) has been awarded $99,254,000 in CARES Act, and other funding from federal and state sources for COVID-19 relief. Of this amount $0 was awarded during the quarter ended March 31, 2023. Of the total amounts awarded $5,319,000 has been recognized as nonoperating revenue in the statement of revenues, expenses, and changes in net position for the quarter ended March 31, 2023.

RESOLUTION

BANKING AND TREASURY SERVICES AUTHORITY

BE IT RESOLVED, the President and either the Chief Financial Officer or the Treasurer of the University are authorized to:

1. open and close bank, brokerage, custody, safekeeping, treasury management or other accounts in the name of the University,
2. sell, transfer, and endorse for sale or transfer any and all securities on behalf of the University,
3. buy securities for the account of the University,
4. order the transfer or delivery of University securities to any other person,
5. open and close Letters of Credit, Lines of Credit or extensions of credit on behalf of the University,
6. pledge collateral, securities, or other property in the name of the University and to make withdrawals, substitutions, and exchanges in connection therewith,
7. exercise any other rights related to securities, including signing for all releases, powers of attorney, and/or other documents in connection with securities of the University,
8. designate individuals authorized to sign checks, drafts, notes, acceptances, and other orders for the payment of money or the withdrawal of funds for the account of the University,
9. designate individuals authorized to endorse, negotiate, receive, or authorize the payment of the proceeds of any instruments or orders for the payment of money to the University,
10. designate individuals authorized to make telephone transfer of funds of the University and the manner in which such funds can be transferred, and
11. issue any other instructions for the conduct of any accounts in the name of the University,

and

BE IT FURTHER RESOLVED, this resolution supersedes previous such resolutions of the University of South Alabama (USA) Board of Trustees authorizing the University's banking activities, and

BE IT ADDITIONALLY RESOLVED, as the individuals holding the positions of President, Chief Financial Officer, and University Treasurer change from time to time, the secretary of the USA Board of Trustees is authorized to certify, under the corporate seal of the corporation, the names and signatures of the individuals succeeding to those positions, and

FINALLY, BE IT RESOLVED that the secretary of the USA Board of Trustees is hereby authorized to certify, under the corporate seal of the corporation, copies of this resolution with the names and specimen signatures of the persons authorized to act on behalf of the University.

Josiah R. Bonner, Jr. President	Kristen C. Roberts Chief Financial Officer

Teresito K. Albano, Jr.
University Treasurer

The undersigned Secretary of the University of South Alabama Board of Trustees hereby certifies that the above is a true and correct copy of a resolution of the Board of Trustees duly adopted on the ___ day of June, 2023, with signature amendments effective as of the ___ day of June, 2023, and consistent with the terms of said resolution. This, the ___ day of _____ , 2023.

Lenus M. Perkins
Secretary, University of South Alabama Board of Trustees

STATE OF ALABAMA
COUNTY OF MOBILE

Subscribed and sworn to before me this _____ day of _____ , 2023.

My Commission Expires _____ , ____.

UNIVERSITY OF SOUTH ALABAMA

MEMORANDUM

Finance and Administration

DATE: May 16, 2023

TO: Jo Bonner
President

FROM: Polly Stokley, Vice President for Finance and Administ

SUBJECT: Resolution for Banking and Treasury Services Authority

The University of South Alabama Board of Trustees vested authority in three officer positions of the University regarding several transactional endeavors. Because of the changes in officer titles, the attached Resolution is submitted for your approval. This revised resolution will need Board approval and will need to be certified by the Secretary of the Board of Trustees vesting authority outlined therein in the President, the Chief Financial Officer, and the University Treasurer as those offices are currently occupied.

PDS:tka

Attachment

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

LONG-RANGE PLANNING COMMITTEE

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Long-Range Planning Committee

March 2, 2023
3:19 p.m.

A meeting of the Long-Range Planning Committee of the University of South Alabama Board of Trustees was duly convened by Ms. Chandra Brown Stewart, Chair, on Thursday, March 2, 2023, at 3:19 p.m. in the Board Room of the Frederick P. Whiddon Administration Building. Meeting attendance was open to the public.

Members:	Chandra Brown Stewart, Ron Jenkins, Bill Lewis, Lenus Perkins, Steve Stokes, Mike Windom and Jim Yance were present.
Other Trustees:	Alexis Atkins, Tom Corcoran, Ron Graham, Arlene Mitchell, Jimmy Shumock and Margie Tuckson.
Administration & Guests:	Delaware Arif (Faculty Senate), Jim Berscheidt, Joél Billingsley, Jo Bonner, Lynne Chronister, Angela Coleman, Julie Estis, Monica Ezell, Andi Kent, Spencer Larche, Nick Lawkis, John Marymont, Mike Mitchell, Laura Schratt, Beth Shepard (Faculty Senate), Polly Stokley and Margaret Sullivan.

Following the attendance roll call, **Item 31**, Ms. Brown Stewart called for consideration of the minutes of the meeting held on November 30, 2022, **Item 32**. On motion by Mr. Perkins, seconded by Judge Windom, the Committee voted unanimously to adopt the minutes.

Ms. Brown Stewart called on Dr. Angela Coleman, Associate Vice President for Institutional Effectiveness, to present **Item 33**, a report on the University's decennial review for reaffirmation of accreditation. Dr. Coleman shared that the SACSCOC (Southern Association of Colleges and Schools Commission on Colleges) on-site review team was presently engaged with evaluation of the University's compliance with SACSCOC standards, focused report and quality enhancement plan proposal, and would visit campus later in March to gather additional information before finalizing its report to the SACSCOC Board of Directors Committee on Compliance and Reports. South's request for reaffirmation of accreditation will be considered for approval during the SACSCOC annual meeting in early December.

As to a report on the University's Strategic Plan and Scorecard, **Item 34**, Dr. Coleman advised that current dialogue was centered on understanding the campus community's definitions, what it means to be the *Flagship of the Gulf Coast*, and how these play a role to advance the student success mission. She said the work of committees to guide USA's efforts and long-term vision in such areas as research and diversity, equity and inclusion was ongoing, and noted that the Strategic Planning Committee would meet following the SACSCOC on-site visit to synthesize information collected and apply it to revise the Strategic Plan.

There being no further business, the meeting was adjourned at 3:24 p.m.

Respectfully submitted:

Chandra Brown Stewart, Chair

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

COMMITTEE OF THE WHOLE

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Committee of the Whole

March 2, 2023
3:24 p.m.

A meeting of the Committee of the Whole of the University of South Alabama Board of Trustees was duly convened by Ms. Arlene Mitchell, Chair *pro tempore*, on Thursday, March 2, 2023, at 3:24 p.m. in the Board Room of the Frederick P. Whiddon Administration Building. Meeting attendance was open to the public.

Members:	Alexis Atkins, Chandra Brown Stewart, Tom Corcoran, Ron Graham, Ron Jenkins, Arlene Mitchell, Bill Lewis, Lenus Perkins, Jimmy Shumock, Steve Stokes, Margie Tuckson, Mike Windom and Jim Yance were present.
Members Absent:	Scott Charlton, Steve Furr and Kay Ivey.
Administration & Guests:	Delaware Arif (Faculty Senate), Jim Berscheidt, Jo Bonner, Joél Billingsley, Lynne Chronister, Julie Estis, Monica Ezell, Andi Kent, Spencer Larche, Nick Lawkis, John Marymont, Mike Mitchell, Laura Schratt, Beth Shepard (Faculty Senate), Polly Stokley and Margaret Sullivan.

Following the attendance roll call, **Item 35**, Chair Mitchell called for consideration of the minutes of the meeting held on November 30, 2022, **Item 36**. On motion by Judge Lewis, seconded by Mr. Shumock, the Committee voted unanimously to adopt the minutes.

In accordance with the provisions of the Alabama Open Meetings Act, Chair Mitchell made a motion to convene an executive session for an anticipated duration of one hour for the purpose of discussing preliminary negotiations involving a matter of trade or commerce, **Item 37**. She stated that Mr. Spencer Larche, Associate General Counsel, had submitted the required written declaration for the minutes and that adjournment of the meeting would be effected with the conclusion of the executive session. Mr. Corcoran seconded and, at 3:25 p.m., the Board voted unanimously to convene an executive session, as recorded below:

AYES:
- Ms. Atkins
- Ms. Brown Stewart
- Mr. Corcoran
- Mr. Graham
- Capt. Jenkins
- Chair Mitchell
- Judge Lewis
- Mr. Perkins
- Mr. Shumock

- Dr. Stokes
- Ms. Tuckson
- Judge Windom
- Mr. Yance

There being no further business, the meeting was adjourned at 3:45 p.m.

Respectfully Submitted:

Arlene Mitchell, Chair *pro tempore*

RESOLUTION

2023-2024 BOARD MEETING SCHEDULE

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

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

- Friday, September 8, 2023
- Friday, December 8, 2023
- Friday, March 15, 2024
- Friday, June 7, 2024,

and

FURTHER, BE IT RESOLVED that the date of June 7, 2024, be designated as the annual meeting of the University of South Alabama Board of Trustees for 2022-2023.

RESOLUTION

COMMENDATION OF MS. POLLY D. STOKLEY

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, Ms. Polly D. Stokley faithfully and honorably served the University of South Alabama for 25 years, culminating in her role as Vice President for Finance and Administration, and

WHEREAS, Ms. Stokley began her career in banking and as a federal auditor before joining the University of South Alabama in 1998 as Assistant to the Vice President for Financial Affairs, and later held positions as Assistant Controller and Controller, and

WHEREAS, among her many roles over the course of her South Alabama career, Ms. Stokley guided the implementation of the Student Accounting Module of Banner in 2003, chaired the University Process Improvement Committee, served on the USA SACSCOC Reaffirmation Leadership team, and was an elected member of the Board of Directors of the USA Federal Credit Union for more than 20 years, and

WHEREAS, Ms. Stokley has led the Division of Finance and Administration since January 2022 and played a critical role in the recent agreement for the planned acquisition of Providence Hospital and its clinics by the University of South Alabama Health Care Authority, and

WHEREAS, Ms. Stokley and her husband, Carl, are South alumni, lifetime members of the USA National Alumni Association, and recently created the *Ella Tippins Dixon Endowed Scholarship* in memory of her grandmother to help first-generation college students earn a degree from the University of South Alabama, and

WHEREAS, Ms. Stokley served as mentor to many during her years of service and built a reputation as a skilled leader and administrator who exhibited confidence, fairness and integrity and who demanded excellence from herself and her staff,

THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama extends its heartfelt appreciation to Ms. Polly D. Stokley for her voluminous contributions to the University of South Alabama and offers her and Carl, together with their beloved dog, Daisy, best wishes in their future endeavors, which are sure to include many camping adventures and travel around the world.

RESOLUTION

COMMENDATION OF MS. MARGIE MALONE TUCKSON

WHEREAS, Ms. Margie Malone Tuckson was appointed to the Board of Trustees of the University of South Alabama in 2017, and

WHEREAS, during her six-year tenure as a member of the Board of Trustees, Ms. Tuckson served as vice chair of the Health Affairs Committee, vice chair of the Development, Endowment and Investments Committee, and a member of the Academic and Student Affairs Committee, and

WHEREAS, Ms. Tuckson has been an advocate for South and has supported Board initiatives focused on student access and success and that have led to growth of USA Health and academic-based healthcare, and

WHEREAS, Ms. Tuckson's generous gifts have made a positive and profound impact, including through Jaguar Retention Awards that help students with unmet needs to reach graduation and the founding of two endowed scholarships, the Margie Malone Tuckson LeFlore High School Endowed Scholarship and the Margie Malone Tuckson Murphy High School Endowed Scholarship, and

WHEREAS, Ms. Tuckson has also supported the MacQueen Alumni Center, the Office of Multicultural Student Affairs, the Black Girls Rock scholarship initiative, the Leadership in Social Justice and Perseverance Scholarship Fund and the Mitchell College of Business Student Success Fund, and

WHEREAS, Ms. Tuckson is a 1973 graduate of the University of South Alabama, where she earned a degree in non-quantitative marketing through the Mitchell College of Business, and is a former board member of the USA National Alumni Association, and

WHEREAS, Ms. Tuckson is a 2023 recipient of the National Alumni Association Distinguished Service Award in recognition of her exceptional and continuing service to the University and commitment to improved healthcare and health outcomes as chief financial officer of Tuckson Health Connections, and

WHEREAS, Ms. Tuckson has served the University with distinction, graciously contributing her 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,

THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama expresses its deep appreciation and gratitude to Ms. Margie Malone Tuckson for her 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 Ms. Tuckson the title of *Trustee Emeritus*.