UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES MEETING

September 17, 2009
10:15 a.m.

A meeting of the University of South Alabama Board of Trustees was duly convened by Dr. Steven H. Stokes, Chair Pro Tempore, on Thursday, September 17, 2009, at 10:22 a.m. in the Board Room of the Frederick P. Whiddon Administration Building.

Members Present:	Trustees Scott Charlton, Steven Furr, Cecil Gardner, Samuel Jones, Donald Langham, Bettye Maye, Christie Miree, Arlene Mitchell, Bryant Mixon, James Nix, John Peek, Ken Simon, Steven Stokes, and James Yance.
Members Absent:	Trustees Joseph Morton, Bob Riley, and Larry Striplin.
Administration and Others:	President Gordon Moulton; Drs. Jim Aucoin, Michael Boyd, Isabel Brown, Joseph Busta, Joel Erdmann, Ron Franks, Andre' Green, David Johnson, William Richards, Robert Shearer, John Smith, and David Stearns; Messrs. George Davis (National Alumni Assn.), Ken Davis, Wayne Davis, Ker Ferguson, Stan Hammack, Allen Marshall, Abe Mitchell, and Laventrice Ridgeway (AASA); and Mss. Christine Kelly, Dianne Marshall, Geri Moulton, Kim Proctor (SGA), and Margaret Sullivan.
Press:	Messrs. Brendan Davis (*The Vanguard*) and Kevin Sullivan (WALA-TV); and Ms. Renee Busby (*Press-Register*).

Upon the call to order, Chairman Stokes called for adoption of the revised agenda. On motion by Mr. Langham, seconded by Ms. Maye, the revised agenda was unanimously approved. Chairman Stokes called for consideration of **ITEM 1**, the minutes of the June 5, 2009, meeting of the Board of Trustees and the June 4, 2009, meeting of the Committee of the Whole. On motion by Mayor Nix, seconded by Ms. Mitchell, the minutes were unanimously adopted.

Regarding **ITEM 2**, the President's Report, President Moulton shared thoughts of Mrs. Edna Brunson, wife of former Trustee Jack Brunson, who passed away on August 4. He introduced Dr. Kelly Woodford - Faculty Senate Secretary; Ms. Kim Proctor - SGA Vice President; Mr. Laventrice Ridgeway - AASA Vice President; and Mr. George Davis - USA National Alumni Association President. He welcomed Dr. Joel Erdmann, USA's new Athletic Director. Dr. Erdmann conveyed appreciation for the opportunity to join USA. President Moulton reported on USA's inaugural football game held September 5; 27,000 fans were in attendance. Video highlights of gameday activities were viewed. Judge Simon noted that Mr. Heath Slocum, USA alumnus, won the Barclay Golf Tournament against notable pros such as Tiger Woods.

President Moulton reported multiple fall enrollment records, including 14,757 students registered, 2,824 graduate students, 4,215 new students, and 2,700 students living on campus. He said that campus housing is completely full and that waiting-list requests are close to being met.

President Moulton noted that the quality of the students entering the University continues to improve. A list of the University's top feeder high schools was presented. He said that the average ACT score of USA students exceeds the state and national averages. Seventy-one students had ACT scores above 30.

President Moulton provided an update on construction projects and photos were shown. He said that the Student Recreation Center should be complete in May 2010. He discussed the new student dining facility, the Bell Tower and Alumni Plaza, Shelby Hall, the glass studio, the faculty club donated by Campus Crest, and the football field house, which is close to completion. The Board viewed aerial photos of the main campus.

President Moulton said that the next meeting of the Board would take place on December 10. The next football game is scheduled for September 26 against Army Prep.

President Moulton called upon Dr. Shearer to present **ITEM 3** as follows. Revisions to the Board of Trustees Bylaws were briefly outlined. On motion by Mayor Nix, seconded by Mr. Peek, the resolution was unanimously approved. President Moulton said that revisions concerning conflict of interest provisions would be proposed for consideration by the Board at the December meeting.

RESOLUTION
AMENDED BYLAWS OF THE USA BOARD OF TRUSTEES

WHEREAS, Article VII of the Bylaws of the University of South Alabama Board of Trustees provides that "the bylaws may be amended or repealed at any meeting of the Board by eight members of the Board voting in favor of same, but no such action shall be taken unless notice of the substance of such proposed adoption, amendment or repeal shall have been given at a previous meeting or notice in writing of the substance of the proposed change shall have been served upon each member of the Board at least thirty (30) days in advance of the final vote upon such change, provided, however, that by unanimous consent of the entire Board, the requirements for such notice may be waived.", and

WHEREAS, a copy of the proposed amended bylaws was express-mailed to each member of the Board on August 17, 2009, which was guaranteed for receipt on August 18, and

WHEREAS, the proposed amended bylaws (copy attached and incorporated by reference herein) have been presented for the consideration and vote of the Board at its meeting on this day, September 17, 2009, a vote of eight members being necessary to adopt such amendments, and

WHEREAS, the foregoing actions comply with the notice requirements of Article VII, pertaining to amendment of the bylaws, and

WHEREAS, the Board, after due consideration and deliberation, has determined that the proposed amendments are in the best interest of the efficient operation of the Board in carrying out its role and responsibilities to the University,

THEREFORE, BE IT RESOLVED, that the Board of Trustees approves and adopts the Bylaws of the Board of Trustees, as amended on this day, September 17, 2009.

Chairman Stokes called for a report of health affairs items. Dr. Furr, Chair of the Health Affairs Committee, moved approval of **ITEM 4** as follows. Mr. Langham seconded and the resolution was unanimously approved.

RESOLUTION
USA HOSPITALS MEDICAL STAFF APPOINTMENTS AND REAPPOINTMENTS FOR JUNE AND JULY 2009

WHEREAS, the Medical Staff appointments and reappointments for June and July 2009 for the University of South Alabama Hospitals are recommended for approval by the Medical Executive Committees of the University of South Alabama Hospitals,

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

Dr. Furr noted acceptance of **ITEM 4**, the minutes of the Medical Staff meeting held August 4, 2009, as submitted.

Dr. Franks presented **ITEM 5**, a report on the activities of the Division of Health Sciences and the USA Health System. He introduced Dr. Bill Richards, USA's new Chair of the Department of Surgery. Dr. Richards said that the quality of USA's medical school was the deciding factor for his joining the staff. He discussed health issues and treatments of particular interest. Dr. Franks reported on the H1N1 flu. He said that the University has taken an aggressive approach to limit the spread of the virus on campus. He said, thus far, diagnosed cases have been minimal. Dr. Franks reported on efforts under way to maintain outpatient health records in an electronic database. He said that federal stimulus money will offset the costs of this beneficial upgrade.

Dr. Boyd presented **ITEM 6**, a report on the USA Mitchell Cancer Institute (MCI). He said that the MCI is approaching its first anniversary of operation. He said that patient volume is rapidly increasing. He projected a small amount of revenue to be realized for the coming year that can then support research activities, which are crucial for the goal of becoming an NCI-recognized center. Dr. Boyd talked about increased patient use of the CyberKnife equipment. He reported that patient referrals from Mississippi and Florida are growing as well. He stated that the alliance with Mobile Infirmary is strengthening.

Dr. Boyd introduced MCI patient Ms. Christine Kelly. Ms. Kelly discussed her diagnosis of breast cancer and compared private practice treatment with her more positive experiences as a patient of the MCI.

Dr. Boyd called upon Ms. Margaret Sullivan, Deputy Director for Project Management at the MCI, to present information about an upcoming development event for the MCI. Ms. Sullivan said that *Celebrate Hope* would take place November 19. She said up to 400 people are anticipated to attend this signature annual event. She welcomed the Board to visit the MCI website to learn more.

Chairman Stokes called for presentation of academic and student affairs items. Ms. Miree, Academic and Student Affairs Committee Chair, called upon Dr. Johnson to address **ITEM 7**, a report of academic affairs activities. Dr. Johnson introduced Drs. Isabel Brown - Chair, Department of Foreign Languages and Literatures; Jim Aucoin - Chair, Department of Communication; and Andre' Green - Assistant Professor, Department of Leadership and Teacher Education. Dr. Green presented information about two projects. The *Pathway to Science* education initiative, funded by the National Science Foundation in the amount of $899,962, will provide undergraduate science majors an opportunity to pursue an alternative certification curriculum to earn master's degrees in

secondary science education. The *USA-Bedsole Summer Enrichment Program* will provide social and academic experiences for children in third, fourth, and fifth grades to break the dropout cycle among students. Dr. Johnson reported on web-based learning opportunities at USA.

Ms. Miree noted that **ITEM 8**, a report on USA's Facilities Master Plan, would be deferred to a future meeting of the Board.

Ms. Miree called upon Dr. Smith to address **ITEM 9**, a report of student affairs activities. Dr. Smith reported on the high demand for student housing and the new dining facility. He said that 100 beds would be added for the 2010-2011 academic year by converting single rooms to double-occupancy rooms. He reported that the meal plans purchased have increased by 300 this year. He said that bookstore sales have increased 50 percent due to the huge demand for logo clothing among USA football fans. Local stores also carry USA apparel. The administration is negotiating with other licensing outlets to increase availability of merchandise and sales.

Chairman Stokes called for consideration of budget and finance items. Mayor Nix, Budget and Finance Committee Chair, noted receipt of **ITEM 10** reports titled *Monthly Fund Financial Reports for April, May, and June 2009*; *Quarterly GASB Financial Statement for the Nine Months Ended June 2009*; and *Summary Comparison of Fund Financial Reports to GASB Financial Statements, June 30, 2008 and 2007*. There was no discussion.

Mr. Wayne Davis presented **ITEM 11** as follows. He explained that USA alumnus Dr. James E. Laier, former President of Southern Earth Sciences, a local private company, resigned as a Director of the USA Research and Technology Corporation due to his recent appointment as Associate Dean in the College of Engineering. On motion by Mr. Langham, seconded by Mr. Yance, the resolution was unanimously approved.

RESOLUTION
ELECTION OF DIRECTOR OF THE USA RESEARCH AND TECHNOLOGY CORPORATION

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

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

WHEREAS, due to a Director's resignation, the Board of Directors of the Corporation has nominated for consideration and election by the Board of Trustees of the University Mr. E. Thomas Corcoran for completion of a four (4) year term which ends in June 2012, and this person has agreed to serve in this capacity if elected,

THEREFORE, BE IT RESOLVED, that the Board of Trustees of the University of South Alabama does hereby elect as Director of the USA Research and Technology Corporation Mr. E. Thomas Corcoran for a term beginning upon election and ending in June 2012.

President Moulton introduced Mr. Ker Ferguson, Director of the USA Technology and Research Park, for an update on the activities of the Park, **ITEM 11.A.** Mr. Ferguson reported that 17

companies employing 560 staff members are tenants of the Park. He said that Park facilities consist of 265,000 square feet. Photos were shown, as well as an aerial rendering of the Park complex. President Moulton said that expansion over time would develop in the direction of Hillsdale, allowing for a capacity of 1.1 million square feet of space to house 4,000 employees. He talked about the necessity for an aggressive approach to storm water management in this area. Ms. Miree inquired about plans to build a hotel. President Moulton responded that the idea of a hotel is still open for discussion. He reminded the Board that, in December 2008, the Board granted approval for the President to engage an architect to determine the feasibility of constructing a hotel, conference center, and fitness/wellness complex. He discussed a provision for wetlands mitigation that permits the removal of a wetlands area as long as another is created.

President Moulton called upon Mr. George Davis, President of the USA National Alumni Association, to present **ITEM 12** as follows. Mr. Davis expressed enthusiasm for the completion of the Bell Tower and Alumni Plaza. He informed Board members that, in June, the Alumni Association Board of Directors approved a resolution recommending that the visibility of the tower be preserved. He said that the Bell Tower will be a wonderful location for gatherings. It was noted that campus elevations vary in all directions. On motion by Ms. Miree, seconded by Mr. Peek, the resolution was unanimously approved.

RESOLUTION
POLICY FOR PRESERVING VISIBILITY OF THE BELL TOWER

WHEREAS, the University of South Alabama has undertaken the building of the bell tower to serve as the preeminent landmark in the skyline of its campus, and

WHEREAS, the preservation of the visibility of the bell tower is essential to fulfilling its function as a landmark and future building and landscaping on campus have the potential to interfere with sight lines to the bell tower,

THEREFORE BE IT RESOLVED, plans for future building on campus must locate and limit the height of structures and plantings so as to maintain the preeminence of the bell tower in the campus skyline.

Mr. Wayne Davis presented **ITEM 13** as follows. He discussed the costs of the TIAA-CREF Matching Plan, a supplementary retirement plan for employees having achieved a specified rank and salary, and the savings potential should new employees hired after October 1, 2009, be excluded from participating. Under the recommendation, those enrolled will not be affected. Employees who are eligible but not currently enrolled have been given ample notification of the deadline by which to subscribe. On motion by Ms. Maye, seconded by Mr. Yance, the resolution was unanimously approved.

RESOLUTION
REVISION OF UNIVERSITY OF SOUTH ALABAMA TIAA-CREF MATCHING PLAN

WHEREAS, the University of South Alabama, in 1964, authorized the participation of certain employees in the Teachers' Insurance and Annuity Association/College Retirement Equity Fund (TIAA/CREF) pursuant to an elective salary reduction arrangement under which matching funds are available, and

WHEREAS, on November 30, 1967; on October 24, 1980; on January 1, 1986; on January 1, 1987; on October 1, 1989; on June 27, 1991; on June 8, 2006; and on December 11, 2008, the program was changed, and

WHEREAS, as a budget reduction measure, the University Resources Planning Committee (URPC) has recommended to the President that the practice of providing matching funds for certain employees hired on or after October 1, 2009, and for currently eligible employees who do not elect to participate in the plan prior to October 1, 2009, be terminated, and

WHEREAS, the URPC further has recommended to the President that if the financial condition of the University should worsen, the University suspend matching funds for currently participating employees until further notice and, when financial conditions permit, reinstate the plan for those participating as of the suspension date, and

WHEREAS, no changes to the Matching Plan are proposed other than those described above and as detailed in the attached recommendation of the University Resources Planning Committee,

THEREFORE, BE IT RESOLVED, that the Board of Trustees approves the proposed revisions to the University of South Alabama TIAA-CREF Matching Plan and authorizes the President to implement said revisions accordingly.

Mr. Wayne Davis presented **ITEM 14**, the University budget for 2009-2010 (refer to **APPENDIX A** for copies of policies and other authorized documentation). He noted that the budget was discussed in detail at the Committee of the Whole meeting held on September 16, and reviewed the budget recommendation as Board members examined the corresponding materials. He explained that, given the likelihood that proration would be announced, the University faces a deficit budget for the coming year. He discussed varying scenarios of appropriation reductions which the Governor could mandate and how the University's budget would be affected. He reported that the budget for consideration assumes a $10.2 million deficit. He added that, given the concern of decreasing state revenue, it is reasonable to plan that further proration may be imposed during the year. He said that if 10 percent proration were to occur, the University's deficit would be $21 million. He noted, however, that the University's conservative fiscal approach over the years has resulted in adequate reserves to deal with the ensuing budget crisis for the present time. A history of state appropriations was outlined, as well as cost-cutting measures implemented by the University and highlights of the current budget year. Mr. Davis assured Board members that the recommended budget is responsible. On motion by Mr. Langham, seconded by Mr. Peek, the budget was unanimously approved. President Moulton acknowledged that adopting a deficit budget is not preferable, and added that the Administration had been diligent to analyze the advantages and disadvantages of relying on University reserves in order to maintain existing programs and services without sacrificing quality, as well as limiting or eliminating University offerings. He asserted the necessity of arriving back at a balanced budget as soon as possible. Brief discussion took place about how the University is addressing the filling of vacant positions deemed necessary amid the current hiring freeze.

President Moulton presented **ITEM 14.A**, reporting that, at its brief meeting on September 5, the Executive Committee unanimously approved naming the Engineering and Computing Sciences Building *Shelby Hall* in recognition of Senator Richard Shelby's efforts in garnering federal appropriations totaling $40 million for construction of the building, and approved the awarding of the construction contract to the firm of Elkins Constructors, Inc., of Jacksonville, Florida, at a cost of $28,854,000.

Chairman Stokes called for a report of audit items. Mayor Nix, Audit Committee Chair, addressed **ITEM 15**. He stated that a preliminary report of the audit process for the 2008-2009 fiscal year was presented by Mr. Mark Peach and Ms. Ashley Willson of KPMG during the Committee of the Whole meeting on September 16. There was no discussion.

Mr. Ken Davis presented **ITEM 16**, a report on the independent audit of the USA Foundation Consolidated Financial Statements and the Disproportionate Share Hospital (DSH) Funds Combined Financial Statements, June 2009 and 2008. He indicated that the audit firm provided a clean, or unqualified, opinion of all financial statements, which reported net assets of the USA Foundation to be $250 million, and DSH fund net assets of $118 million.

President Moulton welcomed Ms. Dianne Marshall, retired Director of Publication Services, and husband, Allen, and conveyed fond sentiments and memories of Ms. Marshall's long history at the University. He read aloud **ITEM 17** as follows. On motion by Mr. Peek, seconded by Mayor Nix, the resolution was unanimously approved. Ms. Marshall thanked the Board and the Moultons for 37 years of opportunity and support. She expressed deep admiration for the University of South Alabama and its people.

RESOLUTION
COMMENDATION OF MS. DIANNE MARSHALL

WHEREAS, Ms. Dianne Marshall joined the University of South Alabama Publication Services Department in 1972 as a mimeograph operator, and

WHEREAS, through hard work, Ms. Marshall was promoted to the position of department manager in 1980 and was named director in 1998, serving in that capacity until her recent retirement, and

WHEREAS, Ms. Marshall's leadership helped guide the Publication Services Department from its infancy into a self-sufficient, full-service printing operation, and

WHEREAS, Ms. Marshall led by example, working tirelessly alongside her staff to provide the highest quality of work, attention to detail, and adherence to deadlines, and

WHEREAS, Ms. Marshall contributed to the University's image by helping to establish and insure consistent use of the University's logo and graphics standards policies, and

WHEREAS, Ms. Marshall's enthusiasm for the University and her "can-do" attitude served as an inspiration and model not only for those in her department, but for the entire University family, and

WHEREAS, Ms. Marshall exhibited particular support for the USA Board of Trustees and administration by providing graphic and print materials in a professional and timely manner,

THEREFORE, BE IT RESOLVED, that the Board of Trustees commends Ms. Dianne Marshall for her 37 years of dedicated and loyal service to the University of South Alabama.

Judge Simon expressed interest in gaining a better understanding of the USA Technology and Research Park (TRP). President Moulton provided an overview of the TRP's mission.

Dr. Stokes introduced **ITEM 17.A** as follows and talked about the changing culture of the University since the appointment of President Moulton and Mrs. Moulton's eagerness to take on her respective new leadership role of supporting the President and University mission. President and Mrs. Moulton joined Dr. Stokes as he read the resolution. On motion by Mr. Langham, seconded by Ms. Mitchell, the Board cast unanimous approval. President and Mrs. Moulton expressed heartfelt gratitude for the honor.

RESOLUTION
NAMING OF THE USA BELL TOWER

WHEREAS, President V. Gordon Moulton and Mrs. Geri Moulton have rendered exceptional service to the University of South Alabama and the Mobile community since 1966, and

WHEREAS, in a career spanning 43 years, V. Gordon Moulton has distinguished himself as a teacher, dean, vice president, and since 1998, as President of the University, and

WHEREAS, under the leadership of President Moulton, the University has achieved significant milestones in many areas, including student enrollment and graduation, academic program development, health care delivery, enhancement of student life and the campus environment, research funding and initiatives, private-sector giving, and community involvement by faculty and students, and

WHEREAS, in 2003 the Civitan Club of Mobile recognized President Moulton as *Mobilian of the Year*, citing in particular his role in the creation and development of the Mitchell Cancer Institute, the USA Technology and Research Park, and the USA Children's and Women's Hospital, as well as his many other contributions to education, cultural activities, and economic development, and

WHEREAS, Mrs. Geri Moulton likewise has contributed generously of her many talents, time, and energy to countless University projects, including the Geri Moulton Children's Park, and has advocated for many worthy causes on behalf of both the University and the Mobile community, and

WHEREAS, the Board of Trustees, in appreciation and recognition of the service of President Moulton and Mrs. Moulton, deems it fitting and appropriate to associate their names and legacy with the Bell Tower - a preeminent landmark structure that will be an enduring symbol of the spirit of the University of South Alabama,

THEREFORE, BE IT RESOLVED, that the University of South Alabama Board of Trustees names the Bell Tower the *Gordon and Geri Moulton Bell Tower*.

There being no further business, the meeting was adjourned at 12:01 p.m.

Attest to:

Bettye R. Maye, Secretary

Respectfully Submitted:

Steven H. Stokes, MD, Chair Pro Tempore

APPENDIX A

BYLAWS
OF THE BOARD OF TRUSTEES
OF THE UNIVERSITY OF SOUTH ALABAMA

PREAMBLE

The Legislature of the State of Alabama has vested full management and control over the University of South Alabama in a Board of Trustees pursuant to Act No. 157, Acts of Alabama, 1963, Secondary Extraordinary Session; the Legislature has stated: "The Governor and the State Superintendent of Education. By virtue of their respective offices, the Trustees appointed from the senatorial districts of the state, enumerated in Section 2 of the subject Act, are constituted a public body corporate, under the name of the University of South Alabama to carry into effect the purposes expressed in the subject Act and to establish a state institution of higher education."(Code of Alabama, 1975, Section 16-55-1). For the purpose of providing a definitive and orderly form of governance, and in order to continue to carry out the purposes required of the Board of Trustees of the University of South Alabama, in the establishment and continuation of a state institution of higher learning, the Board of Trustees hereby does promulgate and adopt these Bylaws.

ARTICLE I

THE BOARD OF TRUSTEES

The entire management and control over the University of South Alabama (hereinafter referred to as the "University") shall be vested in the Board of Trustees of the University of South Alabama (hereinafter referred to as the "Board"); however, upon general or specific authorization or delegation made or provided for in these Bylaws, the Board may exercise such management and control through the officers, officials, committees and agents as it may deem fit and appropriate, all in accordance with state law. The Board acts as a body politic and no individual member of the Board shall have the authority to act for the Board or for the University.

Section 1. **Composition of Board.** The Board consists of two ex officio members, the Governor and the State Superintendent of Education, by virtue of the offices that they hold; three members from Mobile County; three members from the State at large; and one member from each of the following State senatorial districts as defined at the time of legislative enactment in 1963: 21st District, comprised of Baldwin and Escambia Counties; 19th District, comprised of Choctaw, Clark and Washington Counties; 20th District, comprised of Marengo and Sumter Counties; 16th District, comprised of Monroe and Wilcox Counties; 30th District, comprised of Dallas and Lowndes Counties; 17th District, comprised of Butler, Conecuh and Covington Counties; 25th District, comprised of Coffee and Crenshaw Counties; 23rd District, comprised of Dale and Geneva Counties; and the 35th District, comprised of Henry and Houston Counties.

Section 2. **Election and Term of Office.** Ex officio Trustees serve their terms of office in correspondence with their respective offices held in the State of Alabama. In accordance with the statute creating the University of South Alabama, the Trustees are appointed by the Governor, by and with the advice and consent of the State Senate, and hold office for a term of twelve years, or until their successors shall be appointed and qualified. There are three classes of board members, so that one-third of the members of the Board is appointed every four years. Vacancies occurring in the office of Trustee, from death or resignation, and the vacancies regularly occurring by expiration of the term shall be filled by the Governor, and the appointee holds office until the next meeting of the Legislature. Successors to those Trustees whose terms expire during an interim shall hold office for

a full term, unless they are rejected by the Senate. Neither the existence nor continuation of a vacancy in the office of the Trustee shall serve to impair or hinder any provisions of these Bylaws or the validity of the operation and actions by the Board by virtue of that vacancy alone.

Section 3. **Compensation of Trustees.** No Trustee shall receive any pay or emolument other than his/her actual expenses incurred in the discharge of duties as a Trustee; such expenses shall be paid or reimbursed from University funds, upon the authorization of the President of the University.

Section 4. **Primary Functions of the Board.** The Board acts as a public body corporate, and no individual member of the Board has the authority to act for the Board or the University. Communications to the Board shall be directed to the Board through the President or Chair pro tempore, except as otherwise provided herein. The Board of Trustees, as a public body corporate, has all rights, privileges, and authority necessary to promote the purpose of its creation, which is to establish and provide for the maintenance and operation of a state university in Mobile County. In accordance with such powers, the Board of Trustees shall have the power to organize the institution by appointment of instructors and faculty members, and such executive and administrative officers and employees, as may be necessary to operate the University, which the Board hereby delegates to the President; the Board may remove any faculty members or employees in its discretion, and shall have the power and authority to fix salaries or compensation, increase or reduce same at its discretion, all of which duty the Board hereby delegates to the President. The Board may prescribe courses of instruction, rates of tuition and fees, confer such academic and honorary degrees as are usually conferred by institutions of like character, and may do all else necessary and considered in the best interest of the institution to carry out the purposes of the institution.

Section 5. **Emeritus Status.** The Board, in its sole discretion, may recognize any Trustee who has served with distinction as Trustee Emeritus following said Trustee's term of service. Any Trustee so recognized as Trustee Emeritus shall have no voting rights and will remain Trustee Emeritus at the pleasure of the Board of Trustees. Such designation shall confer no responsibilities, duties, rights, or privileges as such but shall constitute recognition of service and experience and will publicly acknowledge that person as particularly suited for counsel and advice to the Board. The

Board encourages the availability of those who have been awarded Trustee Emeritus status for such counsel and advice and may request special services of them.

ARTICLE II
MEETINGS OF THE BOARD OF TRUSTEES

Section 1. **Annual and Regular Meetings.** The Board shall hold a regular annual meeting each year at the University on the first Monday in June, unless the Board, in regular session, shall determine to hold its annual meeting at some other time and place. Each year at the annual meeting, the Board shall schedule its regular meetings to be held during the ensuing year, and may designate one such meeting as the annual meeting of the Board. This schedule of meetings then will be recommended to the Governor for approval. The Chair pro tempore may cancel or change the date, place or time of a scheduled regular or annual meeting. The President will provide advance notice of such changes or cancellation. In any event, the Board shall meet at least once in each year.

Section 2. **Special Meetings.** In addition, other than the annual and regularly scheduled meetings of the Board, special meetings of the Board may be assembled, as follows: Special meetings may be called by the Governor by written notice mailed to each Trustee at least ten (10) days in advance of the date of the meeting; a special meeting shall be called by the Governor upon application in writing of any three or more members of the board. No special meeting shall be held on a date less than ten (10) days subsequent to the Governor's notice of the meeting, except in case of an emergency, which the Governor shall specify in his/her notice to the Board of Trustees.

Section 3. **Adjourned Meetings.** At any meeting, the Board may continue in session as long as it may deem proper for the welfare of the institution. Any session may be adjourned, as provided in *Roberts Rules of Order*, as last revised, and continued at a future time with proper notice to all members.

Section 4. **Quorum.** Seven members of the Board of Trustees shall constitute a quorum, but a smaller number may adjourn from day to day until a quorum is present. A majority of those

present shall govern unless a greater number is required hereunder. No Trustee for whom a conflict of interest exists shall vote on such matter before the Board.

Section 5. **Agenda.** The President shall mail to each member of the Board notice of the time and place of any meeting, which shall include an agenda for the meeting, at least ten (10) days prior to the time of meeting. The development and preparation of the agenda for Board meetings shall be vested in the President, who shall place such items on the agenda as are needed for the on-going operation of the institution and/or that require the approval of the Board. Members of the Board desiring to place any item or items on the agenda for meetings shall inform the President in writing not less than fifteen (15) days prior to the meeting concerning such items, and the President shall include the items in the agenda to be mailed out to the members of the Board in accordance with the foregoing. Any item not included on the agenda mailed to members prior to a meeting may be considered upon the approval of a majority of those present and voting; provided, however, that any discussion or action upon the election of officers of the Board and/or the appointment and/or termination, including a contract renewal, of the President of the University, must be specifically identified on the agenda that was mailed at least ten (10) days prior to the time of meeting. The agenda that is approved by the Board at the commencement of the Board meeting shall be considered the official agenda. The omission of an item from the official agenda shall not invalidate otherwise valid actions by the Board.

Section 6. **Minutes.** Minutes of all meetings of the Board and its committees shall be prepared and distributed promptly to all members of the Board under the direction of the Secretary of the Board. Upon approval by the Board or committee, such minutes shall be recorded in substantially bound books retained in the Office of the President under the direction of the Secretary of the Board.

Section 7. **Public Admission to Meetings.** All meetings of the Board of Trustees shall be open to the public, except that the Board may declare an executive session when the character or good name of an individual is involved or when otherwise authorized by law. Formal action by the Board resulting from any executive session discussions shall be taken by the Board in an open meeting and made a part of the official minutes.

Section 8. **Rules of Order.** Rules of order shall be in accordance with *Robert's Rules of Order*, as last revised, which are the normal governing parliamentary procedure rules. The Chair of the meeting will determine all questions concerning such rules.

Section 9. **Meeting Attendance.** Inasmuch as the Board of Trustees has determined that meeting attendance is crucial to the most efficient management of the University and operation of the Board, the names of all Trustees who do not attend at least half the meetings scheduled each Board year will be reported to the Chair pro tempore at the next annual meeting of the Board, and the Chair pro tempore will then take the actions he/she deems appropriate.

ARTICLE III
OFFICERS

The Board shall have the following officers and any other officers it may elect from time to time. Such officers shall have the powers and shall perform the duties as are set forth herein, together with those which may be authorized and delegated by the Board from time to time. The terms of office for the Chair pro tempore, Vice Chair, and Secretary will be three years, with elections held at the annual meeting of the Board corresponding with the expiration of those terms. If a vacancy occurs during the term of any such office, an election to complete the term of that office will be held at the next meeting of the Board.

Section 1. **Chair of the Board.** The Governor of the State of Alabama shall be ex officio Chair of the Board. He/she shall preside at all Board meetings which he/she attends and shall call special meetings of the Board upon the conditions set forth herein.

Section 2. **Chair Pro Tempore.** Upon adoption of these Bylaws and thereafter, the Board of Trustees shall elect a Chair pro tempore for a three year term, commencing with the meeting following the annual meeting at which the election is held. Such officer may not be elected for successive terms. He/she shall preside at all Board meetings in the absence of the Governor and call special meetings of the Board upon the conditions set forth herein. He/she shall serve as chair of the Executive Committee, and shall appoint such committees as may be authorized by the Board,

or as he/she may deem desirable, fill vacancies which will occur on such committees, and give final approval to the agenda for the Board meeting.

Section 3. **Vice Chair.** Concurrent with the time of election of the Chair pro tempore for the term set forth for the Chair pro tempore in Section 2, the Board shall elect from its membership a Vice Chair. In the absence of both the Governor and the Chair pro tempore, the Vice Chair shall assume those duties. The Vice Chair shall serve on the Executive Committee.

Section 4. **The Secretary.** Concurrent with the time of election of the Chair pro tempore and for the term set forth for the Chair pro tempore in Section 2, the Board shall elect a Secretary. Through the Office of the President of the University, he/she shall be responsible for the preparation and distribution of notices of Board meetings and agendas. In addition, he/she shall attend Board meetings and make, record, and retain complete records and minutes of all official actions of the Board and its committees. The Secretary shall be the custodian of the corporate seal and affix the seal to documents as executed on behalf of the Board and shall attest to the same and certify any action of the Board. The Secretary shall serve on the Executive Committee.

Section 5. **Removal from Office.** Any officer of the Board may be removed from his/her office for cause by a two-thirds vote of the full Board of Trustees.

ARTICLE IV
COMMITTEES

Organization. The Board may create such committees as it deems proper, and may assign to such committees any authority, duty or responsibility desired by the Board; provided, however, that all committees, except the Executive Committee, are advisory to the full Board. The committees of the Board shall consist of the standing committees created herein and other committees created by the Board from time to time. The standing committees shall have the powers, duties and responsibilities set forth herein, or subsequently assigned by the Board through adoption and approval of amendments to these Bylaws. Vacancies in committee memberships shall be filled in the same manner as when appointments originally were made. Committee members and the chair

and the vice chair of the committees shall be appointed by the Chair pro tempore for terms concurrent with the term of the Chair pro tempore.

Method of Operation. The committees and subcommittees shall meet upon the call of the President, the Chair pro tempore, or the chair of the committee or subcommittee. Unless otherwise provided, actions taken by such committees are not binding upon the Board, but shall be advisory, except those actions undertaken by the Executive Committee, as authorized in Article IV, Section I, herein. All recommendations and actions of the committees shall be reported to the Board of Trustees.

Section 1. **Executive Committee.** The Chair pro tempore shall appoint an Executive Committee consisting of seven (7) members of the Board, subject to the approval of the Board, with terms concurrent with the term of the Chair pro tempore, who serves as chair of the Executive Committee. The majority of the Executive Committee constitutes a quorum. With notice from the President or the Chair pro tempore, the Executive Committee may meet at any time. The Executive Committee has the power to transact all business of the Board in the interim between meetings of the Board and may perform all duties and transact all business necessary for the well being of the University, including, but not limited to, matters related to real estate, personnel issues, investments and athletics. However, action by the full Board is required to amend these Bylaws, remove officers from the University, select or remove the President of the University, issue bonded indebtedness on behalf of the University, or as otherwise determined by the full Board. Minutes of the Executive Committee shall be submitted to all members of the Board.

Section 2. **Budget and Finance Committee.** The Budget and Finance Committee shall be responsible for the review and study of budget requests; recommending comprehensive budgets; review and study of required audits; and submitting such reports and recommendations to the Executive Committee of the Board and/or the full Board, as deemed necessary and appropriate.

Section 3. **Long Range Planning Committee.** The Long Range Planning Committee shall be responsible for long range plan recommendations; review of new and existing academic programs; academic planning and organization; mission statement and statements of role and scope;

review of planning for new facilities; and other matters which may be referred to it by the President or the Board.

Section 4. **Health Affairs Committee.** The Health Affairs Committee shall be responsible for providing guidance to and receiving reports from staff and administrative personnel responsible for the University of South Alabama Hospitals and Clinics. It will consider and make recommendations requiring Board action relating to the Hospitals and Clinics and the College of Medicine. In addition to committee members designated as provided in these Bylaws, the committee includes, as non-voting ex officio members, the President, the Vice President for Health Sciences, Dean of the College of Medicine, the President of the Medical Staff of the University of South Alabama Medical Center and the Vice President for Health Systems.

Section 5. **Academic and Student Affairs Committee.** The Academic and Student Affairs Committee shall be responsible for receiving and reviewing information relevant to issues involving academic affairs and student affairs at the University.

Section 6. **Endowment and Investment Committee.** The Endowment and Investment Committee shall be responsible for establishing policies and guidelines to invest and manage the University's endowment and other investment funds and for submitting such reports and recommendations to the Executive Committee of the Board and/or the full Board of Trustees, as deemed necessary and appropriate.

Section 7. **Committee Participation.** The President of the University is vested with the responsibility of providing notice of all committee meetings to the members of the committees. The Chair pro tempore will serve as an ex officio member on each committee. The President and the Chair pro tempore may participate in all meetings but shall have no vote, except when the Chair pro tempore is a member of the committee. All committees assist and support the Board, President, faculty and staff in carrying out their responsibilities. Committees may request through the Office of the President any information necessary or appropriate to their deliberations. All committee reports and recommendations shall be submitted for consideration and are advisory in nature until they have been approved by the full Board. Any Board member may attend any committee meeting.

ARTICLE V
PRESIDENT AND DUTIES

Appointment of Chief Executive Officer of the Institution, the President. The President shall be elected by the Board of Trustees and serve at the pleasure of the Board but may be removed only by a vote of eight members of the Board.

The President is the chief educational and administrative officer of the University. Unless excused by the Chair, he/she shall attend and participate in all meetings of the Board and may make recommendations on matters before the Board. The President does not vote on Board matters. The President shall be responsible for the execution of the policies of the Board and the Executive Committee and performing all those matters necessary to carry out the ends and purposes for which the University was established. The President shall have all authority necessary to conduct the programs of the University, including the authority to award degrees, add officers to the University which he/she deems necessary, delegate authority among subordinates and all other authority which shall, from time to time, be delegated by the Board of Trustees to the President. Prior to appointment of vice presidents, the President shall notify the Board of his/her intention to appoint such officers to the University. He/she reports to the Board on the current operations of the University and directs, coordinates and implements the planning, development and appraisal of all activities of the University of South Alabama.

ARTICLE VI
SEAL

Section 1. **Official Corporate Seal.** The official corporate seal of the University of South Alabama shall be circular in form, encircled as follows:



ARTICLE VII
AMENDMENT OR REPEAL OF BYLAWS

After the adoption of these Bylaws, they may be amended or repealed at any meeting of the Board by eight members of the Board voting in favor of same, but no such action shall be taken unless notice of the substance of such proposed adoption, amendment or repeal was given at a previous meeting or notice in writing of the substance of the proposed change was served upon each member of the Board at least thirty (30) days in advance of the final vote upon such change. However, by unanimous consent of the entire Board, the requirements for such notice may be waived. The Chair pro tempore may appoint an ad hoc committee which may meet from time to time to consider Bylaw amendments.

Adopted September 17, 2009

UNIVERSITY RESOURCES PLANNING COMMITTEE

RECOMMENDATION-- TIAA MATCH PROGRAM

Background

The University currently provides a TIAA Match program for specified faculty and administrative employees. The University provides an annual match of up to 3% for eligible employees who elect to participate in the program. If a participating employee reaches a salary level defined by the IRS as a "highly compensated employee", they are no longer eligible to participate in the TIAA Match program although they may continue to participate in TIAA as an individual on a voluntary basis.

In FY 2008 there were 477 participants generating a total match of $951,582.47. There are 152 employees that are eligible for the program but do not participate.

Recommendation

A. Terminate the TIAA Match Plan for employees hired on or after October 1, 2009. Current eligible employees that did not elect to participate in the plan prior to October 1, 2009, will not be eligible to join the plan

B. Although the committee recommends no action at this time, if the financial condition of the University should worsen, the committee recommends that the TIAA Match Plan be suspended for current participating employees until further notice. When financial conditions permit, reinstate the plan for those participating as of the suspension date. Participants may then remain in the plan until one of the following conditions is met:

   1. The employee reaches the highly compensated level.
   2. The employee elects not to continue the plan.
   3. Termination of the employee through retirement, resignation, or non-reappointment.

   Eligible employees that did not elect to participate in the plan prior to the suspension will not be eligible to join the plan when the plan is reinstated.

UNIVERSITY OF SOUTH ALABAMA
2009-2010 PROPOSED BUDGET SUMMARY
CURRENT FUNDS

	2009-2010 PROPOSED BUDGET			2008-2009 ORIGINAL BUDGET
	UNRESTRICTED	RESTRICTED	TOTAL	
REVENUES:				
TUITION AND FEES	$ 87,622,306	$	$ 87,622,306	$ 78,913,306
STATE APPROPRIATION	96,808,451		96,808,451	109,246,768
FEDERAL STIMULUS FUNDS	10,768,819		10,768,819	
FEDERAL GRANTS AND CONTRACTS	5,018,278	32,500,000	37,518,278	37,268,278
STATE AND LOCAL GRANTS AND CONTRACTS	500,143	10,000,000	10,500,143	7,027,722
PRIVATE GIFTS, GRANTS AND CONTRACTS	51,033,100	5,500,000	56,533,100	61,363,100
MOBILE RACING COMMISSION	225,000		225,000	450,000
ENDOWMENT INCOME	150,000		150,000	175,000
SALES AND SERVICES OF EDUCATIONAL ACTIVITIES	3,629,650		3,629,650	3,429,650
HOSPITALS - SALES AND SERVICES	319,828,934		319,828,934	304,266,282
- STATE APPROPRIATION	9,323,694		9,323,694	10,608,205
MITCHELL CANCER INSTITUTE - SALES AND SERVICES	12,484,876		12,484,876	11,763,112
- STATE APPROPRIATION	2,000,000		2,000,000	2,000,000
AUXILIARY ENTERPRISES -				
- SALES AND SERVICES	17,976,922		17,976,922	18,356,301
OTHER SOURCES	7,551,929	4,500,000	12,051,929	9,288,063
TOTAL REVENUES	624,922,102	52,500,000	677,422,102	654,155,787
EXPENDITURES AND MANDATORY TRANSFERS:				
EDUCATIONAL AND GENERAL:				
INSTRUCTION	108,975,214	12,000,000	120,975,214	117,701,472
RESEARCH	3,227,231	16,500,000	19,727,231	19,150,888
PUBLIC SERVICE	39,582,924	7,500,000	47,082,924	47,298,230
ACADEMIC SUPPORT	20,161,330		20,161,330	21,094,448
STUDENT SERVICES	23,106,511	1,000,000	24,106,511	23,287,964
INSTITUTIONAL SUPPORT	24,503,919		24,503,919	23,619,847
OPERATION AND MAINTENANCE OF PLANT	25,030,146		25,030,146	22,724,470
SCHOLARSHIPS	6,485,973	15,500,000	21,985,973	19,465,867
EDUCATIONAL AND GENERAL EXPENDITURES	251,073,248	52,500,000	303,573,248	294,343,186
MANDATORY TRANSFERS FOR:				
PRINCIPAL AND INTEREST	13,426,282		13,426,282	10,128,439
LOAN FUND MATCHING GRANTS	171,239		171,239	171,239
TOTAL EDUCATIONAL AND GENERAL	264,670,769	52,500,000	317,170,769	304,642,864
HOSPITALS (INCLUDING DEBT SERVICE OF $4,735,296)	326,075,010		326,075,010	310,976,369
MITCHELL CANCER INSTITUTE	16,195,147		16,195,147	17,019,655
AUXILIARY ENTERPRISES:				
EXPENDITURES	16,951,981		16,951,981	17,005,149
MANDATORY TRANSFERS FOR:				
PRINCIPAL AND INTEREST	1,320,685		1,320,685	1,170,652
TOTAL AUXILIARY ENTERPRISES	18,272,666		18,272,666	18,175,801
TOTAL EXPENDITURES AND MANDATORY TRANSFERS	625,213,592	52,500,000	677,713,592	650,814,689
OTHER TRANSFERS AND ADDITIONS/(DEDUCTIONS):				
DEPRECIATION - RENEWALS AND REPLACEMENTS	(11,411,667)		(11,411,667)	(10,425,398)
OTHER TRANSFERS	1,710,271		1,710,271	3,076,043
MOBILE RACING COMMISSION	(225,000)		(225,000)	(450,000)
NET DECREASE IN FUND BALANCES	(10,217,886)		(10,217,886)	$ (4,458,257)
CONTINGENCY RESERVE	(10,813,215)		(10,813,215)	
PROJECTED NET DECREASE IN FUND BALANCES AFTER FY 2009-2010 PRORATION	$ (21,031,101)	$	$ (21,031,101)	

UNIVERSITY OF SOUTH ALABAMA
2009-2010 PROPOSED BUDGET SUMMARY
UNRESTRICTED CURRENT FUNDS

	OPERATIONS AND MAINTENANCE	COLLEGE OF MEDICINE	HOSPITALS	MITCHELL CANCER INSTITUTE	AUXILIARY ENTERPRISES	2009-2010 PROPOSED BUDGET	2008-2009 ORIGINAL BUDGET
REVENUES:							
TUITION AND FEES	$ 80,752,806	$ 6,869,500	$	$	$	$ 87,622,306	$ 78,913,306
STATE APPROPRIATION	67,757,665	29,050,786	9,323,694	2,000,000		108,132,145	121,854,973
FEDERAL STIMULUS FUNDS	7,799,042	2,969,777				10,768,819	
FEDERAL GRANTS AND CONTRACTS	1,162,832	3,855,446				5,018,278	5,518,278
STATE AND LOCAL GRANTS AND CONTRACTS	291,349	208,794				500,143	527,722
PRIVATE GIFTS, GRANTS AND CONTRACTS	1,683,100	49,350,000				51,033,100	53,863,100
MOBILE RACING COMMISSION		225,000				225,000	450,000
ENDOWMENT INCOME		150,000				150,000	175,000
SALES AND SERVICES OF EDUCATIONAL ACTIVITIES	3,629,650					3,629,650	3,429,650
HOSPITALS - SALES AND SERVICES			319,828,934			319,828,934	304,266,282
MITCHELL CANCER INSTITUTE - SALES AND SERVICES				12,484,876		12,484,876	11,763,112
AUXILIARY ENTERPRISES - - SALES AND SERVICES					17,976,922	17,976,922	18,356,301
OTHER SOURCES	6,788,895	763,034				7,551,929	6,788,063
TOTAL REVENUES	169,865,339	93,442,337	329,152,628	14,484,876	17,976,922	624,922,102	605,905,787
EDUCATIONAL AND GENERAL:							
INSTRUCTION	69,958,323	39,016,891				108,975,214	106,451,472
RESEARCH	1,705,796	1,521,435				3,227,231	3,150,888
PUBLIC SERVICE	3,756,119	35,826,805				39,582,924	41,298,230
ACADEMIC SUPPORT	14,933,511	5,227,819				20,161,330	21,094,448
STUDENT SERVICES	21,395,076	1,711,435				23,106,511	21,787,964
INSTITUTIONAL SUPPORT	20,392,730	4,111,189				24,503,919	23,619,847
OPERATION AND MAINTENANCE OF PLANT	19,902,426	5,127,720				25,030,146	22,724,470
SCHOLARSHIPS	5,342,373	1,143,600				6,485,973	5,965,867
EDUCATIONAL AND GENERAL EXPENDITURES	157,386,354	93,686,894				251,073,248	246,093,186
MANDATORY TRANSFERS FOR:							
PRINCIPAL AND INTEREST	13,025,839	400,443				13,426,282	10,128,439
LOAN FUND MATCHING GRANTS	171,239					171,239	171,239
TOTAL EDUCATIONAL AND GENERAL	170,583,432	94,087,337				264,670,769	256,392,864
HOSPITALS:							
EXPENDITURES AND MANDATORY TRANSFERS			326,075,010			326,075,010	310,976,369
MITCHELL CANCER INSTITUTE:							
EXPENDITURES AND MANDATORY TRANSFERS				16,195,147		16,195,147	17,019,655
AUXILIARY ENTERPRISES:							
EXPENDITURES					16,951,981	16,951,981	17,005,149
MANDATORY TRANSFERS FOR PRINCIPAL AND INTEREST					1,320,685	1,320,685	1,170,652
TOTAL AUXILIARY ENTERPRISES					18,272,666	18,272,666	18,175,801
TOTAL EXPENDITURES AND MANDATORY TRANSFERS	170,583,432	94,087,337	326,075,010	16,195,147	18,272,666	625,213,592	602,564,689
OTHER TRANSFERS AND ADDITIONS/(DEDUCTIONS):							
DEPRECIATION - RENEWALS AND REPLACEMENTS	(4,414,539)		(6,997,128)			(11,411,667)	(10,425,398)
OTHER TRANSFERS				1,710,271		1,710,271	3,076,043
MOBILE RACING COMMISSION		(225,000)				(225,000)	(450,000)
NET DECREASE IN FUND BALANCES	(5,132,632)	(870,000)	(3,919,510)		(295,744)	(10,217,886)	$ (4,458,257)
CONTINGENCY RESERVE	(6,903,452)	(2,959,823)	(949,940)			(10,813,215)	
PROJECTED NET DECREASE IN FUND BALANCES AFTER FY 2009-2010 PRORATION	$ (12,036,084)	$ (3,829,823)	$ (4,869,450)	$	$ (295,744)	$ (21,031,101)	

UNIVERSITY OF SOUTH ALABAMA
2009-2010 PROPOSED BUDGET SUMMARY
RESTRICTED CURRENT FUNDS

	OPERATIONS AND MAINTENANCE	COLLEGE OF MEDICINE	MITCHELL CANCER INSTITUTE	2009-2010 PROPOSED BUDGET	2008-2009 ORIGINAL BUDGET
REVENUES:					
FEDERAL GRANTS AND CONTRACTS	$ 22,250,000	$ 8,500,000	$ 1,750,000	$ 32,500,000	$ 31,750,000
STATE AND LOCAL GRANTS AND CONTRACTS	6,500,000	1,500,000	2,000,000	10,000,000	6,500,000
PRIVATE GIFTS, GRANTS AND CONTRACTS	1,500,000	2,000,000	2,000,000	5,500,000	7,500,000
OTHER	2,500,000	1,500,000	500,000	4,500,000	2,500,000
TOTAL REVENUE	32,750,000	13,500,000	6,250,000	52,500,000	48,250,000
EXPENDITURES:					
EDUCATIONAL AND GENERAL:					
INSTRUCTION	10,000,000	1,500,000	500,000	12,000,000	11,250,000
RESEARCH	6,000,000	9,750,000	750,000	16,500,000	16,000,000
PUBLIC SERVICE	750,000	1,750,000	5,000,000	7,500,000	6,000,000
STUDENT SERVICES	1,000,000			1,000,000	1,500,000
SCHOLARSHIPS	15,000,000	500,000		15,500,000	13,500,000
TOTAL EXPENDITURES	32,750,000	13,500,000	6,250,000	52,500,000	48,250,000
NET INCREASE (DECREASE) IN FUND BALANCES	$	$	$	$	$

UNIVERSITY OF SOUTH ALABAMA
OPERATIONS AND MAINTENANCE
2009-2010 PROPOSED BUDGET
UNRESTRICTED CURRENT FUNDS

	2009-2010 PROPOSED BUDGET	2008-2009 PROPOSED BUDGET
REVENUES:		
TUITION AND FEES	$ 80,752,806	$ 72,741,806
ALLOCATION OF STATE APPROPRIATION	67,757,665	76,193,699
FEDERAL STIMULUS FUNDS	7,799,042	
FEDERAL GRANTS AND CONTRACTS	1,162,832	1,662,832
STATE GRANTS AND CONTRACTS	291,349	291,349
PRIVATE GIFTS, GRANTS AND CONTRACTS	1,683,100	1,683,100
ENDOWMENT INCOME		25,000
SALES AND SERVICES OF EDUCATIONAL ACTIVITIES	3,629,650	3,429,650
OTHER SOURCES	6,788,895	6,025,029
TOTAL REVENUES	169,865,339	162,052,465
EXPENDITURES AND MANDATORY TRANSFERS:		
EDUCATIONAL AND GENERAL:		
INSTRUCTION	69,958,323	66,782,257
RESEARCH	1,705,796	1,629,453
PUBLIC SERVICE	3,756,119	3,656,452
ACADEMIC SUPPORT	14,933,511	15,311,642
STUDENT SERVICES	21,395,076	20,308,318
INSTITUTIONAL SUPPORT	20,392,730	19,759,957
OPERATION AND MAINTENANCE OF PLANT	19,902,426	17,363,861
SCHOLARSHIPS	5,342,373	4,822,267
EDUCATIONAL AND GENERAL EXPENDITURES	157,386,354	149,634,207
MANDATORY TRANSFERS:		
PRINCIPAL AND INTEREST	13,025,839	9,727,996
LOAN FUND MATCHING GRANTS	171,239	171,239
TOTAL EXPENDITURES AND MANDATORY TRANSFERS	170,583,432	159,533,442
OTHER TRANSFERS AND ADDITIONS/(DEDUCTIONS):		
DEPRECIATION - RENEWALS AND REPLACEMENTS	(4,414,539)	(4,414,539)
NET DECREASE IN FUND BALANCES	(5,132,632)	$ (1,895,516)
CONTINGENCY RESERVE	(6,903,452)	
PROJECTED NET DECREASE IN FUND BALANCE AFTER FY 2009-2010 PRORATION	$ (12,036,084)	

UNIVERSITY OF SOUTH ALABAMA
COLLEGE OF MEDICINE
2009-2010 PROPOSED BUDGET
UNRESTRICTED CURRENT FUNDS

	2009-2010 PROPOSED BUDGET	2008-2009 PROPOSED BUDGET
REVENUES:		
TUITION AND FEES	$ 6,869,500	$ 6,171,500
ALLOCATION OF STATE APPROPRIATION	29,050,786	33,053,069
FEDERAL STIMULUS FUNDS	2,969,777	
FEDERAL GRANTS AND CONTRACTS	3,855,446	3,855,446
STATE GRANTS AND CONTRACTS	208,794	236,373
PRIVATE GIFTS, GRANTS AND CONTRACTS	49,350,000	52,180,000
MOBILE RACING COMMISSION	225,000	450,000
ENDOWMENT INCOME	150,000	150,000
OTHER SOURCES	763,034	763,034
TOTAL REVENUES	93,442,337	96,859,422
EXPENDITURES AND MANDATORY TRANSFERS:		
EDUCATIONAL AND GENERAL:		
INSTRUCTION	39,016,891	39,669,215
RESEARCH	1,521,435	1,521,435
PUBLIC SERVICE	35,826,805	37,641,778
ACADEMIC SUPPORT	5,227,819	5,782,806
STUDENT SERVICES	1,711,435	1,479,646
INSTITUTIONAL SUPPORT	4,111,189	3,859,890
OPERATION AND MAINTENANCE OF PLANT	5,127,720	5,360,609
SCHOLARSHIPS	1,143,600	1,143,600
EDUCATIONAL AND GENERAL EXPENDITURES	93,686,894	96,458,979
MANDATORY TRANSFERS:		
PRINCIPAL AND INTEREST	400,443	400,443
TOTAL EXPENDITURES AND MANDATORY TRANSFERS	94,087,337	96,859,422
OTHER TRANSFERS AND ADDITIONS/(DEDUCTIONS):		
RENEWALS AND REPLACEMENTS		
MOBILE RACING COMMISSION	(225,000)	(450,000)
NET INCREASE (DECREASE) IN FUND BALANCES	(870,000)	$ (450,000)
CONTINGENCY RESERVE	(2,959,823)	
PROJECTED NET DECREASE IN FUND BALANCE AFTER 2009-2010 PRORATION	$ (3,829,823)	

UNIVERSITY OF SOUTH ALABAMA
HOSPITALS
2009-2010 PROPOSED BUDGET
UNRESTRICTED CURRENT FUNDS

	2009-2010 PROPOSED BUDGET	2008-2009 PROPOSED BUDGET
REVENUES:		
GROSS PATIENT REVENUE	$ 423,836,803	$ 396,898,239
CONTRACTUAL ADJUSTMENTS	131,115,183	118,514,205
OTHER ADJUSTMENTS	2,922,155	2,249,717
TOTAL DEDUCTIONS FROM REVENUE	134,037,338	120,763,922
NET PATIENT REVENUE	289,799,465	276,134,317
ALLOCATION OF STATE APPROPRIATION	9,323,694	10,608,205
MOBILE COUNTY HOSPITAL BOARD	14,188,000	13,220,924
MOBILE COUNTY INDIGENT CARE BOARD	3,081,995	3,082,000
MEDICAID DISPROPORTIONATE SHARE	3,377,729	2,891,459
OTHER REVENUE	9,381,745	8,937,582
TOTAL REVENUE	329,152,628	314,874,487
EXPENDITURES AND MANDATORY TRANSFERS:		
EXPENDITURES:		
NURSING SERVICES	84,432,700	91,578,408
PROFESSIONAL SERVICES	79,756,438	74,569,997
GENERAL DIVISION	17,036,015	16,222,441
ADMINISTRATIVE DIVISION	41,883,144	39,180,539
MEDICAL EDUCATION	15,680,450	15,051,027
PROVISION FOR UNCOLLECTIBLE ACCOUNTS (NET OF RECOVERIES)	82,550,967	72,887,535
TOTAL EXPENDITURES	321,339,714	309,489,947
MANDATORY TRANSFERS FOR:		
PRINCIPAL AND INTEREST	4,735,296	1,486,422
TOTAL EXPENDITURES AND MANDATORY TRANSFERS	326,075,010	310,976,369
OTHER TRANSFERS AND ADDITIONS/(DEDUCTIONS):		
DEPRECIATION - DISPROPORTIONATE SHARE	(3,377,729)	(2,891,459)
DEPRECIATION - RENEWALS AND REPLACEMENTS	(3,619,399)	(3,119,400)
NET INCREASE (DECREASE) IN FUND BALANCES	(3,919,510)	$ (2,112,741)
CONTINGENCY PRORATION	(949,940)	
PROJECTED NET DECREASE IN FUND BALANCE AFTER FY 2009-2010 PRORATION	$ (4,869,450)	

UNIVERSITY OF SOUTH ALABAMA
MITCHELL CANCER INSTITUTE
2009-2010 PROPOSED BUDGET
UNRESTRICTED CURRENT FUNDS

	2009-2010 PROPOSED BUDGET	2008-2009 PROPOSED BUDGET
REVENUES:		
GROSS PATIENT REVENUE	$ 14,746,834	$ 11,180,465
CONTRACTUAL ADJUSTMENTS	6,196,006	5,434,030
TOTAL DEDUCTIONS FROM REVENUE	6,196,006	5,434,030
NET PATIENT REVENUE	8,550,828	5,746,435
ALLOCATION OF STATE APPROPRIATION	2,000,000	2,000,000
OTHER REVENUE	3,934,048	6,016,677
TOTAL REVENUE	14,484,876	13,763,112
EXPENDITURES AND MANDATORY TRANSFERS:		
EXPENDITURES:		
PROFESSIONAL SERVICES	6,069,954	8,256,460
ADMINISTRATIVE DIVISION	8,341,723	7,627,537
PROVISION FOR UNCOLLECTIBLE ACCOUNTS (NET OF RECOVERIES)	1,783,470	1,135,658
TOTAL EXPENDITURES	16,195,147	17,019,655
TOTAL EXPENDITURES AND MANDATORY TRANSFERS	16,195,147	17,019,655
OTHER TRANSFERS AND ADDITIONS/(DEDUCTIONS):		
OTHER TRANSFERS	1,710,271	3,256,543
NET INCREASE (DECREASE) IN FUND BALANCES	$	$

UNIVERSITY OF SOUTH ALABAMA
AUXILIARY ENTERPRISES
2009-2010 PROPOSED BUDGET
UNRESTRICTED CURRENT FUNDS

	HOUSING	FOOD SERVICES	BOOKSTORE	BROOKLEY CENTER	2009-2010 PROPOSED BUDGET	2008-2009 ORIGINAL BUDGET
REVENUES:						
RENTAL INCOME	$ 5,471,361	$	$	$ 1,544,031	$ 7,015,392	$ 7,524,817
SALES			9,700,721	28,803	9,729,524	9,693,733
COMMISSION INCOME		285,000			285,000	180,000
FEES				475,651	475,651	486,026
OTHER INCOME	314,204		41,000	116,151	471,355	471,725
TOTAL REVENUES	5,785,565	285,000	9,741,721	2,164,636	17,976,922	18,356,301
LESS: COST OF GOODS SOLD			7,240,500	29,128	7,269,628	7,098,775
GROSS INCOME	5,785,565	285,000	2,501,221	2,135,508	10,707,294	11,257,526
EXPENDITURES:						
SALARIES AND WAGES	1,220,634		823,568	927,265	2,971,467	3,125,341
EMPLOYEE BENEFITS	338,917		274,850	314,962	928,729	959,525
OTHER EXPENDITURES	2,905,329	285,000	1,402,803	1,189,025	5,782,157	5,821,508
TOTAL EXPENDITURES	4,464,880	285,000	2,501,221	2,431,252	9,682,353	9,906,374
NET OPERATING INCOME	1,320,685			(295,744)	1,024,941	1,351,152
TRANSFERS AMONG FUNDS - ADDITIONS/(DEDUCTIONS):						
MANDATORY TRANSFERS:						
PRINCIPAL AND INTEREST	(1,320,685)				(1,320,685)	(1,170,652)
NON-MANDATORY TRANSFERS:						
RENEWALS AND REPLACEMENTS						(180,500)
TOTAL TRANSFERS	(1,320,685)				(1,320,685)	(1,351,152)
NET INCREASE (DECREASE) IN FUND BALANCES	$	$	$	$ (295,744)	$ (295,744)	$

UNIVERSITY OF SOUTH ALABAMA
STATE APPROPRIATIONS
2009-2010

	2009-2010 APPROPRIATIONS	2008-2009 APPROPRIATIONS
REGULAR APPROPRIATIONS:		
OPERATIONS AND MAINTENANCE	$ 108,132,145	$ 121,854,973