UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

MINUTES OF MEETINGS

COMMITTEE MEETINGS HELD ON DECEMBER 1, 2021

Audit Committee

Development, Endowment and Investments Committee

Health Affairs Committee

Academic and Student Affairs Committee

Budget and Finance Committee

Long-Range Planning Committee

Committee of the Whole

BOARD OF TRUSTEES MEETING HELD ON DECEMBER 2, 2021

1 Roll Call

1.A Approved: Revised Agenda

2 Approved: Minutes

3 Report: Interim University President

4 Report: Faculty Senate President

5 Report: Student Government Association President

5.A Approved: President's Employment Contract

6 Approved: Consent Agenda Resolutions

- Appointment to the Executive Committee
- USA Health Hospitals Medical Staff Appointments and Reappointments, Aug., Sept., & Oct. 2021
- USA Health Hospitals Medical Staff Bylaws and Associated Documents Revisions
- USA Health Hospitals Medical Staff Officers for Calendar Years 2022 and 2023
- Sabbatical Awards
- Faculty Emeritus
- Honorary Doctorate Degree
- Amended and Restated Bylaws for the USA Foundation for Research and Commercialization

7 Report: Audit Committee

8 Report: Development, Endowment and Investments Committee

9 Approved: Evaluation of the Endowment and Non-Endowment Investment Policies

10 Report: Health Affairs Committee

11 Report: Academic and Student Affairs Committee

12 Report: Budget and Finance Committee

13 Report: Long-Range Planning Committee

14 Approved: Naming of Hancock Whitney Stadium Gate #1 as *Randy Moon Memorial Gate*

15 Approved: Commendation of Dr. G. David Johnson

16 Approved: Commendation of Mr. G. Scott Weldon

17 Approved: Commendation of the President Search Committee

Introduct'n.: The Honorable Jo Bonner, Fourth President of the University of South Alabama

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

December 2, 2021
10:30 a.m.

A meeting of the University of South Alabama Board of Trustees was duly convened by Mr. Jimmy Shumock, Chair *pro tempore*, on Thursday, December 2, 2021, at 10:30 a.m. in the Chief Calvin W. McGhee Grand Ballroom of the MacQueen Alumni Center. Public access was provided via YouTube livestream.

Members:	Alexis Atkins, Chandra Brown Stewart, Steve Furr, Ron Graham, Arlene Mitchell, Lenus Perkins, Jimmy Shumock, Steve Stokes, Mike Windom, and Jim Yance were present, and Scott Charlton, Ron Jenkins, and Margie Tuckson participated remotely.
Members Absent:	Tom Corcoran and Kay Ivey.
Administration & Guests:	Zeke Aull, Robbie Baker, Joél Billingsley, Janée and Jo Bonner, Madeleine Boudreaux, Mike Chang, Lynne Chronister, John Cleary, Jeff Cummings, Kristin Dukes, Julie Estis, Monica Ezell, Mike Haskins, Marty Heslin, David Johnson, Andi Kent, Nick Lawkis, Alexandria Lee (BSU), Todd McDonald, Abe Mitchell, Mike Mitchell, Jim Moore (NAA), Cecelia Murphy, Laura Schratt, Grace Sekaya (SGA), Beth Shepard (Faculty Senate), Jeanne and John Smith, Margaret Sullivan, Scott Weldon, and Alvin Williams.
Media:	Scott Johnson (Lagniappe), Randy Lowe (WALA), Ken McGrath (WPMI), Nicolette Schleisman (WKRG), and Lawrence Specker (AL.com).

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

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

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

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

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

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

RESOLUTION
PRESIDENT'S EMPLOYMENT CONTRACT

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

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

WHEREAS, terms are being discussed with Mr. Bonner,

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

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

RESOLUTION
EXECUTIVE COMMITTEE APPOINTMENT

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

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

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

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

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

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

WHEREAS, the Medical Staff appointments and reappointments for August, September and October 2021 for the USA Health Hospitals are recommended for Board approval by the Medical Executive Committees and the USA Health Credentialing Board,

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

RESOLUTION
USA HEALTH HOSPITALS MEDICAL STAFF BYLAWS/RULES AND REGULATIONS

WHEREAS, revisions to USA Health Hospitals Medical Staff Bylaws and Rules and Regulations approved November 1, 2021 by the active voting General Medical Staff members via email and attached hereto, are recommended for approval by the Medical Executive Committees and the Executive Committee of the USA Health Hospitals,

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

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

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

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

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

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

RESOLUTION
SABBATICAL AWARDS

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

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

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

RESOLUTION
FACULTY EMERITUS

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

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

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

and,

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

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

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

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

RESOLUTION
HONORARY DOCTORATE DEGREE FOR GOVERNOR KAY ELLEN IVEY

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

RESOLUTION
COMMENDATION OF DR. G. DAVID JOHNSON

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

RESOLUTION
COMMENDATION OF MR. G. SCOTT WELDON

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

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

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

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

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

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

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

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

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

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

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

RESOLUTION
COMMENDATION OF THE UNIVERSITY OF SOUTH ALABAMA PRESIDENT SEARCH COMMITTEE

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

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

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

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

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

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

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

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

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

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

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

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

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

Attest to:

Katherine Alexis Atkins, Secretary

Respectfully submitted:

James H. Shumock, Chair pro tempore

APPENDIX A

Proposed Changes to USA Health Hospitals Medical Staff Bylaws/Rules and Regulations
Approved by the USA Health Hospitals Active Medical Staff on November 1, 2021
Approved by the Executive Committee on November 3, 2021

Bold and Underlined -New Wording ~~Strikethrough~~ -Deletion

BYLAWS

ARTICLE 5- MEDICAL STAFF COMMITTEES AND PERFORMANCE IMPROVEMENT FUNCTIONS
5.C.1. Composition:

(a) Each Hospital shall maintain its own MEC.
(b) The individual MECs shall consist of the following voting members:

- Chair of the MEC;
- Chair-Elect/Secretary of the MEC;
- Immediate Past Chair of the MEC;
- Department chairs or service line chairs, as applicable;
- four at-large members of the Medical Staff to serve two-year terms, who shall be selected by the Nominating Committee as defined in Section 3.D.1 in a manner to be representative of the specialties of the Medical Staff as well as the relationships that Medical Staff members have with the Hospitals (i.e., employed, contracted, or independent);
- Chair of the Combined Credentials Committee;
- **Graduate Medical Education Designated Institutional Official;** and
- For USA Health Children's and Women's Hospital MEC only, the Residency Program Directors (Primary Service).

(c) The Hospital Administrator, CMO, CNO, College of Medicine Dean/Vice President of Medical Affairs, resident physicians, and Quality Management representatives shall serve as ex officio, non-voting members.
(d) The Chair of the MEC will chair the MEC.
(e) Other Medical Staff members or Hospital personnel may be invited to attend a particular MEC meeting (as guests, without vote) in order to assist the MEC in its discussions and deliberations regarding an issue on its agenda. These individuals shall be present only for the relevant agenda item and shall be excused for all others. Such individuals are an integral part of the committee's functioning and are bound by the same confidentiality requirements as the standing members of the MEC.

ORGANIZATION MANUAL

ARTICLE 2- CLINICAL DEPARTMENTS AND SERVICE LINES
2.B. LIST OF CLINICAL DEPARTMENTS AND SERVICE LINES

2.B.1. University Hospital Departments:
The following clinical departments are established: Anesthesiology, Emergency Medicine, Family Medicine, Internal Medicine, Neurology, Neurosurgery, Obstetrics and Gynecology, **Oncology**, Orthopedic Surgery, Pathology, Pediatrics, Psychiatry, Radiology, and Surgery

2.B.2. Children's & Women's Hospital Service Lines: The following service lines are established:
Family Medicine, Obstetrics and Gynecology, Pediatrics, **Oncology** and Neonatology and Hospital Based Services (Anesthesia, Pathology, Radiology, Surgery)

RULES AND REGULATIONS

2.0 GENERAL CONDUCT OF CARE
2.4 Surgical Care:
2.4.10 Operative, **Invasive diagnostic or invasive therapeutic procedure** record

2.4.10.1 After any operation or any invasive diagnostic or invasive therapeutic procedure involving moderate or deep sedation or general, spinal, or regional anesthesia a note must be entered into the electronic medical record as either:

- **A full, detailed operative/procedure note by the responsible surgeon/proceduralist; or**
- **A brief post-operative/procedure note by a member of the operative/procedural team (ex., Attending Physician, Advance Practice Provider, or House Staff).**

2.4.10.2 One of these notes must be entered into the electronic medical record (with date and times of surgery) and signed prior to the patient moving from the operative/procedure area to the next level of care (e.g., PACU, IR recovery area or ICU)

2.4.10.3 A brief post-operative/procedure note must contain the following eight (8) elements:

- **Name(s) of surgeon/proceduralist and assistant(s)**
- **Pre-operative diagnosis**
- **Post-operative or post procedure diagnosis**
- **Name of the specific operation/procedure performed**
- **Brief description of the operation/procedure findings**
- **Estimated blood loss, as applicable to the procedure**
- **Specimen(s) removed, as applicable to the procedure**
- **any unexpected events**

2.4.10.4 A more detailed final operative/procedure note containing the eight bullet points above, as well as:

- **Full description of the operation/procedure, detailed account of findings,**
- **Type of anesthesia administered,**
- **Complications if any,**
- **Prosthetic devices, grafts, tissues, transplants, or devices implanted, if any,**
- **the name of the primary surgeon and any assistants with a description of the specific significant surgical tasks that were conducted by the assistants,**

The full final report must be completed in a timely fashion, preferably within twenty-four (24) hours by the responsible Surgeon/Proceduralist.

2.4.10.5 A brief post-operative/procedure note does not suffice for the final operative/procedure report.

3.0 Medical Records

3.3 Delinquent Records

3.3 Timeliness of Documentation ~~Delinquent Records~~

3.3.1 General Requirements.

Medical records shall be completed within 30 days following discharge. A medical record is considered complete when all patient information has been entered and signed. It is the responsibility of any Medical Staff member or Advance Practice Professional involved in the care of a patient to prepare and complete medical records in accordance with this time frame, as well as the other provisions of these Rules and Regulations and any other relevant policies of the Hospital.

3.3.2 Notification.

If a medical record is incomplete 15 days after discharge, the Medical Staff member or Advance Practice Professional will be given notice via email, mail, or other written reasonable means. If the medical record remains incomplete 30 days following a patient's discharge, the Medical Staff member or Advance Practice Professional will be notified of the continuing delinquency and that his or her clinical privileges have been automatically relinquished in accordance with (3) below. If the medical record remains incomplete 60 days following a patient's discharge, the Medical Staff member or Advance Practice Professional will be notified that his or her Medical Staff appointment and/or all clinical privileges have been automatically resigned in accordance with (4) below.

3.3.3 Automatic Relinquishment Procedures.

In the event that an automatic relinquishment occurs, Health Information Management will notify the Practitioner that his or her clinical privileges have been relinquished. The Chair of the MEC, Emergency Department and nursing administration will also be notified. The relinquishment will take effect immediately and the Medical Staff member will be responsible for cancelling any cases scheduled at the Hospital(s) and for transferring the care of any patients in the Hospital(s) to a Medical Staff member who has appropriate clinical privileges. The relinquishment will remain in effect until the delinquent records are completed or until his or her appointment and clinical privileges are resigned in accordance with (4) below. Automatic relinquishments are administrative in nature and therefore are not reportable to the state board, nor to the National Practitioner Data Bank, and they do not give the individual the right to request a hearing or an appeal in accordance with the Medical Staff Credentialing Policy or APP policy.

3.3.4 Automatic Resignation Procedures.
A Medical Staff member or Advance Practice Professional who automatically relinquishes his or her privileges must complete delinquent medical records within 30 days of relinquishment of clinical privileges. Failure to do so indicates an inability or unwillingness to fulfill the standards in these Rules and Regulations. Accordingly, that individual will automatically resign his or her Medical Staff appointment and/or all clinical privileges. Such automatic resignations are administrative in nature and therefore are not reportable to the state board, nor to the National Practitioner Data Bank, and they do not give the individual the right to request a hearing or an appeal in accordance with the Medical Staff Credentials Policy or APP Policy.

3.3.5 Rejoining the Medical Staff or Renewing Practice as an Advance Practice Professional After Resignation.
Any Medical Staff member or Advance Practice Professional who resigns his or her appointment (or permission to practice) and clinical privileges as a result of medical record delinquencies may subsequently apply as an initial applicant, provided that all delinquent medical records have been completed. The individual may not be granted any temporary privileges while the application is being processed until all records are completed and must pay any fees associated with new applicants.

3.3.6 Former Members of the Medical Staff or Advance Practice Professionals.
When a Medical Staff member or Advance Practice Professional is no longer affiliated with the Hospital as a result of the process set forth above and his or her medical records are filed as permanently inadequate, this will be recorded in the individual's credentials file and divulged in response to any future credentialing inquiry concerning the Medical Staff member or Advance Practice Professional.

3.3.7 Exceptions.
Any requests for special exceptions to the above requirements will be submitted by the Medical Staff member or Advance Practice Professional and considered by the MEC.

Note: This approval will allow any other editorial changes necessary or desirable to carry out the intent of these amendments.

AMENDED AND RESTATED

BYLAWS OF THE

UNIVERSITY OF SOUTH ALABAMA FOUNDATION FOR RESEARCH AND COMMERCIALIZATION

an Alabama nonprofit corporation

Adopted October 21, 2021

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

ARTICLE I

Name and Location

Section 1.1 Name. The name of the corporation is University of South Alabama Foundation for Research and Commercialization, which shall be referred to in these Bylaws as the "USAFRC."

Section 1.2 Location. The principal office of the USAFRC is located at 307 University Boulevard, Mobile, Alabama, 36688. The USAFRC may have such other office or offices within the State of Alabama as the Board of Directors may determine or as the business or activities of the USAFRC may require. The registered office of the USAFRC may, but need not be, the same as its principal office. The address of the registered office may be changed from time to time by the Board of Directors of the USAFRC in the manner prescribed by the Alabama Nonprofit Corporation Act.

ARTICLE II

Purposes and Scope of Activity

Section 2.1 Purposes. The purposes of the USAFRC are as set forth in its Articles of Incorporation.

Section 2.2 Scope of Activity. The USAFRC shall be organized and operated exclusively for any one or more of the charitable purposes enumerated in Section 501(c)(3) of the Internal Revenue Code of 1986, as the same may be amended from time to time (the "Code"). The USAFRC shall not carry on any activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Code or (b) by a corporation contributions to which are deductible under Section 170(c)(2) of the Code. No part of the net earnings of the USAFRC shall inure to the benefit of any private individual. No substantial part of the activities of the USAFRC shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the USAFRC shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of or in opposition to any candidate for public office.

ARTICLE III

Board of Directors

Section 3.1 General Powers. The duly elected or appointed Board of Directors of the USAFRC (hereinafter referred to as the "Board") shall have control and management of the affairs, business, property, and funds of the USAFRC and shall have the authority to fashion and implement the policy, goals, and purposes of the USAFRC. The Board may adopt such rules and regulations for the conduct of its meetings and the management of the USAFRC as the Board may deem appropriate, not inconsistent with federal or state law or these Bylaws. The Board, by resolution thereof, shall from time to time enumerate the duties, obligations, and responsibilities of the directors, including their attendance at meetings of the Board and their participation in the activities of the USAFRC.

Section 3.2 Number, Qualification, and Tenure.

(a) The number of directors comprising the Board shall be the sum of (i) four (4) ex-officio directors (as described below) who are affiliated with the University of South Alabama (the "University") and (ii) five (5) directors who are not officers, employees, or trustees of the University. The ex-officio directors shall consist of those individuals holding the following positions at the University:

(i) Chair *Pro Tempore* of the Board of Trustees of the University;
(ii) President of the University;
(iii) Vice President for Financial Affairs of the University; and
(iv) Vice President for Research and Economic Development of the University.

(b) The Board of Trustees of the University shall elect five (5)-directors to serve on the Board from a slate presented by the Board of the USAFRC. These directors shall serve staggered terms as described in (c) below. The Board of Trustees of the University shall have the absolute right, in its sole discretion, to decline to elect any one or more of the director nominees included in the slate presented to it by the Board of the USAFRC and to request that a substitute slate be presented with different nominees. This process shall be repeated, if necessary, until the Board of Trustees of the University has selected directors to fill any directorships the term of which has expired or will expire at the next annual meeting of the Board.

(c) The term of office of the five (5) directors who are elected to serve on the Board in the manner described in (b) above shall be four consecutive years; provided, however, that at the meeting at which the adoption of these Bylaws took place, certain directors will be elected to serve a two (2) year term expiring in September, 2015, such that these four (4) directors serve staggered terms with two (2) of these directors' terms expiring in September 2015 and three (3) of these directors' terms expiring in September 2017. Thereafter, each term of the directors elected by the Board of Trustees of the University in accordance with (b) above shall expire four (4) years after said director's appointment. Directors shall hold office until their successors have been duly elected and qualified or until their deaths or until they shall resign or shall have been removed from office in the manner provided in these Bylaws. Directors need not be residents of the State of Alabama.

Section 3.3 Resignation. Any director may resign at any time by giving

written notice of such resignation to the Chair or Vice Chair of the Board and to the Chair Pro Tempore of the Board of Trustees of the University.

Section 3.4 Vacancies. In the event of a vacancy in the Board of Directors resulting from a vacancy of any of the positions at the University described in Section 3.2(a)(i) through (iii), the vacancy in the Board shall be filled at such time as the vacancy of such position at the University is filled; provided; however, that persons appointed as "acting" positions described in Section 3.2(a)(i) through (iii) shall serve on this Board consistent with said "acting" appointment at the University. In the event of a vacancy in the Board with respect to either of the four directors elected by the Board of Trustees of the University in accordance with Section 3.2(b) above, such vacancy shall be filled using the procedures set forth therein with the replacing board member serving the remainder of the term associated with the vacant position.

Section 3.5 Annual and Regular Meetings. A regular meeting of the Board, which shall be the annual meeting thereof, shall be held in September of each year, commencing in 2013, unless the Board shall determine to hold its annual meeting at some other time. At the annual meeting, the Board shall appoint the officers of the USAFRC for the coming year and shall transact such other business as shall come before the directors at such meeting. Additional regular meetings of the Board shall be held at such times and places as may be determined by the Chair or Vice Chair of the Board. There shall be at least two (2) regular meetings of the Board, including the annual meeting thereof, during each calendar year.

Section 3.6 Special Meetings. A special meeting of the Board may be called by the Chair or Vice Chair of the Board or the President, or upon written request of two directors.

Section 3.7 Notice of Meetings. Written notice stating the place, date, and time of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called and the name or mimes of the person or persons by whom or at whose direction the special meeting is called shall, except in extraordinary situations, be given each director not less than five (5) days before the date of any annual or regular meeting and not less than two (2) business days before the date of any special meeting, either personally, by mail, by facsimile or by electronic mail, by or at the direction of the Chair or the Vice Chair of the Board, the President, or the Secretary. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at such member's address as it appears in the records of the USAFRC, with postage thereon prepaid. If by facsimile or electronic mail, such notice shall be deemed to be delivered upon confirmation to the sender that such facsimile transmission or electronic mailing is complete. Each director

shall be responsible for keeping the Secretary informed as to such director's proper mailing address and e-mail address. A director may waive his or her right to notice of the annual or a special meeting.

Section 3.8 Meeting by Telephone. Members of the Board or any committee designated thereby may participate in a meeting of the Board or a committee thereof by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at a meeting.

Section 3.9 Quorum. The presence of a majority of the directors then serving on the Board at the annual or any regular or special meeting thereof shall constitute a quorum for the conduct of business. If less than a majority of the directors is present at a meeting of the Board, a majority of the directors present may adjourn the meeting from time to time without further notice. At such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally noticed. Directors present at a duly organized meeting thereof may continue to transact business until adjournment, notwithstanding the withdrawal of enough directors to leave less than a quorum.

Section 3.10 Chair and Vice Chair. At all meetings of the Board, the Chair, or in the absence of the Chair, the Vice Chair, or in the absence of both the Chair and the Vice Chair, an acting chair chosen by the directors, shall preside over the meeting.

Section 3.11 Acts of the Board. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board.

Section 3.12 Action Without a Meeting. Any action required or permitted to be taken by the Board or a committee thereof at a meeting may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors or all of the members of the committee, as the case may be. Such consent shall have the same effect as a unanimous vote of the directors or the members of such committee.

Section 3.13 Conflicts of Interest. The Board shall adopt a Conflict of Interest Policy that applies to all Board members and shall ensure that both current and new Board members agree to abide by its terms.

Section 3.14 Removal. A director may be removed or suspended at any time with or without cause by a majority vote of the Board of Trustees of the University, acting in its sole and absolute discretion.

ARTICLE IV

Officers

Section 4.1 Positions and Terms of Office. The officers of the USAFRC shall consist of Chair and Vice Chair of the Board, President, one or more Vice Presidents, Secretary, Treasurer, and such other officers with such powers not inconsistent with these Bylaws as may be appointed by the Board. The Chair of the Board shall be the Chair *Pro Tempore* of the Board of Trustees of the University. The President of the USAFRC shall be the President of the University. Any two or more offices of the USAFRC, except those of the Chair and Vice Chair and the President and Secretary, may be held by the same person.

Section 4.2 Election and Term of Office. The Vice Chair shall be appointed by the Board from among its number. The officers of the USAFRC authorized herein shall be elected by the Board, except the Chair of the Board and the President of the USAFRC, and need not be members thereof at the time of their appointment. Unless otherwise determined by the Board, each officer, except the Chair of the Board and the President of the USAFRC, shall hold office for a three year term commencing with the date of such officer's appointment by the Board unless such officer is earlier removed from office by the Board in the manner hereinafter provided or until the death, retirement, resignation, or other event resulting in such officer ceasing
to hold office. The Chair of the Board and President of the USAFRC shall remain as Chair of the Board and President of the USAFRC so long as each remains Chair *Pro Tempore* of the Board of Trustees of the University and President of the University respectively.

Section 4.3 Vacancies. In case any office of the USAFRC becomes vacant by death, resignation, retirement, disqualification, or any other cause, such vacancy shall be filled by the Board, and the officer so elected shall hold office and serve until the appointment and qualification of his or her successor, except that the Chair of the Board must be the person acting as Chair *Pro Tempore* of the Board of Trustees of the University and the President of the USAFRC must be the person acting as President of the University.

Section 4.4 Removal. Any officer, except the Chair of the Board and the President of the USAFRC, may be removed from office by the Board at any regular or special meeting called for that purpose.

Section 4.5 Duties of Officers. The officers of the USAFRC, if and when elected by the Board, shall have the following duties:

(a) Chair of the Board. The Chair of the Board, subject to the direction of the Board, shall supervise and control the business and affairs of the USAFRC. The Chair shall preside at all meetings of the Board and may call special meetings as provided herein. He/she shall serve as Chair of the Executive Committee, and shall appoint such committees as may be authorized by these Bylaws, 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. In general, the Chair shall perform all duties incident to the office of Chair of the Board and such other duties as may be prescribed by the Board.

(b) Vice Chair of the Board. At the request of the Chair, or in the absence of the Chair, the Vice Chair shall perform the duties and possess and exercise the powers of the Chair and, to the extent authorized by applicable law and these Bylaws, the Vice Chair shall have such other powers as the Board may determine, and shall perform such other duties as may by assigned to the Vice Chair by the Board;

(c) President. The President shall be the chief executive officer of the USAFRC and he/she shall serve as a member of the Executive Committee. He/she shall have in his or her charge the general and active management of its affairs and of such areas and divisions of the business of the USAFRC as may be designated by the Board. In the absence of the Chair and the Vice Chair or in the event of each their deaths or inability to act, the President shall perform the duties of the Chair and the Vice Chair, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chair and the Vice Chair. With appropriate authorization by the Board, the President may sign deeds, mortgages, bonds, contracts or other instruments on behalf of the USAFRC except where required by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Board to some other officer or agent of the USAFRC. In general, the President shall perform all duties incident to the offices of President and Chief Executive Officer and such other duties as may be prescribed by the Board.

(d) Vice Presidents. In the absence of the President or in the event of the President's death or inability to act, the Vice President (or in the event there be more than one vice president, the Vice Presidents in the order determined by the Board) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice
President shall perform such duties as from time to time may be assigned to him/her by the Chair, the President or the Board.

(e) Secretary. The Secretary shall keep the minutes of the proceedings of the Board and any committees appointed by the Board in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be custodian of the corporate records and of the seal of the USAFRC: see that the seal of the USAFRC is affixed to all documents, the execution of which on behalf of the USAFRC under its seal is duly authorized; keep a register of the post office address of each member which shall be furnished to the Secretary by such member: and in general perform all duties incident to the Office of Secretary and such other duties as from time to time may be assigned to the Secretary by the Chair, the President or the Board. If there is no Treasurer of the USAFRC, the Secretary shall assume the authority and duties of Treasurer.

(f) Treasurer. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the USAFRC, receive and give receipts for moneys due and payable to the USAFRC from any source whatsoever, and deposit all such moneys in the name of the USAFRC in such banks, trust companies or other depositories as may be designated by the Board, and in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to the Treasurer by the Chair or Vice Chair, the President, or the Board. With the approval of the Board, the Treasurer shall have the authority to cause all stocks, bonds, securities, and other financial instruments not constituting readily available funds that are received by the USAFRC to be sold in such a manner as to not result in any diminution in the value thereof and the proceeds therefrom to be deposited to one or more accounts of the USAFRC. If required by the Board, the Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board shall determine.

(g) Assistant Secretaries and Assistant Treasurers. The Assistant Secretary, or if there shall be more than one, the Assistant Secretaries in the order determined by the Board, shall, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary. The Assistant Treasurer, or if there shall be more than one, the Assistant Treasurers in the order determined by the Board, shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer. The Board may require any Assistant Treasurer to give a bond for the faithful discharge of his or her duties in such sums and with such surety or sureties as the Board shall determine. The Assistant Secretaries and Assistant Treasurers shall all perform such other duties as shall be assigned to them by the Secretary and Treasurer, respectively, or by the Chair or Vice Chair, the President, or the Board.

ARTICLE V

Committees

Section 5.1 Committees of Directors. The Board, by resolution adopted by a majority of the directors at a duly called meeting thereof, may designate one or more committees, which committees, to the extent provided in such resolution, shall have and exercise the authority of the Board in the management of the USAFRC, except that no such committee shall have the authority of the Board in reference to amending, altering or repealing these Bylaws; electing, appointing or removing any member of any such committee or any director or officer of the USAFRC; amending the Articles of Incorporation of the USAFRC, restating the Articles of Incorporation of the USAFRC, adopting a plan of merger or adopting a plan of consolidation with another organization; authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the USAFRC; authorizing the voluntary dissolution of the USAFRC or revoking proceedings therefor; adopting a plan for the distribution of the assets of the USAFRC; or amending, altering or repealing any action or resolution of the Board which by its terms provides that it shall not be amended, altered or repealed by such committee. Each committee so designated by the Board shall be comprised of two or more directors and such other persons as are appointed to the committee by the Board. The Board may at any time, in its sole and absolute discretion, terminate the existence of any committee designated pursuant to this Section 5.1.

Section 5.2 Executive Committee. The USAFRC shall have an Executive Committee which shall be comprised of the Chair of the Board, the President of the USAFRC, and any other directors appointed by the Board from time to time to serve on the Executive Committee. Except as provided in Section 5.1 above, the Executive Committee shall possess and may exercise all the powers and functions of the Board in the management and direction of the affairs of the USAFRC in all cases in which specific directions shall not have been given by the Board.

Section 5.3 Standing Committees. The Chair shall have authority to appoint standing committees and to designate the chairperson of each such committee. Each standing committee of the USAFRC shall be chaired by a member of the Board, but may have as part of its membership persons not presently serving as a director of the USAFRC. A written statement of the purposes and responsibilities of each standing committee shall be prepared by the Chair thereof and submitted to the Executive Committee for its approval. Each standing committee shall keep records of its activities and shall, at such time as requested by the Executive Committee or Board of the USAFRC, submit a report on work done by the said committee. No standing committee shall enter into any contract or incur any indebtedness or financial obligation of any kind for or on behalf or in the name of the USAFRC except as expressly authorized by the Executive Committee or the Board.

Section 5.4 Other Committees. It is anticipated that from time to time ad hoc committees will be appointed and approved by the Board.

Section 5.5 Committee Governance. Subject to approval by the Board or the Executive Committee, each committee of the USAFRC shall have the power to adopt such rules and procedures as may be necessary for the effective conduct of the work entrusted to it.

ARTICLE VI

Financial Reporting and Compensation

Section 6.1 Financial Reports and Audits. The USAFRC shall cause to be prepared and delivered to the Board of Trustees of the University an annual report containing a summary of operations of the USAFRC for the immediately preceding year and financial and other information for such year similar to that which is required to be reported on an IRS Form 990 filed by tax-exempt organizations with the Internal Revenue Service. The Board of Trustees shall have the right at any time, and from time to time, to cause an audit of the USAFRC's financial records to be performed at the expense of the USAFRC.

Section 6.2 Compensation. Directors, officers and committee members are expected to serve without compensation. A director, officer or committee member shall be reimbursed for properly substantiated expenses incurred in connection with the fulfillment of that director's, officer's or committee member's authorized duties or responsibilities or which are otherwise directly related to the business or affairs of the USAFRC and which are deemed to be reasonable in amount by an officer of the USAFRC.

ARTICLE VII

Contracts: Commitments

Unless expressly authorized by the Board or Executive Committee of the USAFRC, and except as provided in these Bylaws, no officer, agent, employee or other person or persons having any relationship or affiliation with the USAFRC shall have any power or authority to cause the USAFRC to enter into any contract or commitment or to undertake any obligation or incur any liability for any purpose whatsoever.

ARTICLE VIII

Exculpation of Directors

Section 8.1 Acts of Director. No director shall be liable to anyone for any acts on behalf of the USAFRC or any omissions with respect to the USAFRC committed by such director, except for his or her own willful neglect or default.

Section 8.2 Acts of Other Directors. No director shall be liable to anyone for any act of neglect or default on the part of any one or more of the other directors in the absence of specific knowledge on the part of such director of such neglect or default.

Section 8.3 Indemnification of Directors, Officers and Others. The USAFRC shall indemnify any member of the Board or officer or former member of the Board or former officer, or any person who is serving or who has served at the request of the USAFRC as a director or officer of another entity, whether such other entity be for profit or not for profit, in which the USAFRC owns shares of capital stock or of which it is a creditor, against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense of any action, suit or proceeding, civil or criminal, in which he is made a party by reason of his being
or having been such director or officer, except in relation to matters as to which he shall have been adjudged in such action, suit or proceeding to be liable for negligence or
misconduct in the performance of his duty with respect to the matter in which indemnity
is sought. By order of the Board, the USAFRC may, under comparable terms and limitations, indemnify employees and agents of the USAFRC with respect to activities
within the scope of their services.

Section 8.4 Insurance. Nothing herein provided shall limit or otherwise affect the power of the USAFRC to purchase and maintain insurance on behalf of any person who is or was a director, trustee, officer, employee or agent of the USAFRC or is or was serving at the request of the USAFRC in any of such capacities with respect to another USAFRC, against any liability asserted against him/her and incurred by him/her in any such capacity or arising out of his status as such, whether or not the USAFRC would have the power or would be required to indemnify him/her against such liability under the provisions of these Bylaws or any applicable law.

ARTICLE IX
General

Section 9.1 Fiscal Year. The USAFRC shall operate on the basis of a fiscal year ending on September 30 of each year.

Section 9.2 Checks. All checks or demands for money and notes of the USAFRC shall be signed by any two of the following: Chair of the Board, President of the USAFRC, Treasurer of the USAFRC, or any other employees of USAFRC or the University of South Alabama designated in writing by the Board of Directors of USAFRC and communicated to the USAFRC Secretary.

Section 9.3 Deposits. All funds of the USAFRC shall be deposited from time to time to the credit of the USAFRC in one or more banks, trust companies or other depositories as the Board or the Executive Committee may from time to time designate, upon such terms and conditions as shall be fixed by the Board or the

Executive Committee. The Board or the Executive Committee may from time to time authorize the opening and keeping, with any such depository as it may designate, of general and special bank accounts and may make such special rules and regulations with respect thereto, not inconsistent with the provisions of these Bylaws, as it may deem necessary.

Section 9.4 Corporate Seal. The Board shall select a corporate seal which shall have inscribed thereon the name of the USAFRC, the words "Alabama" and "Corporate Seal," and such seal may include the date of incorporation of the USAFRC. The seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced.

Section 9.5 Voting of USAFRC's Securities. Unless otherwise ordered by the Board, the Chair or Vice Chair of the Board, the President or any Vice- President, or such other officer as may be designated by the Board to act in the absence of the Chair or Vice Chair of the Board, the President or any Vice President, shall have full power and authority on behalf of the USAFRC to attend and to act and to vote, and to execute a proxy or proxies empowering others to attend and to act and to vote, at any meetings of security holders of any entity in which the USAFRC may hold securities, and at such meetings the Chair of the board, or such other officer of the USAFRC, or such proxy, shall possess and may exercise any and all rights and powers incident to the ownership of such securities, and which as the owner thereof the USAFRC might have possessed and exercised, if present. The Secretary or any Assistant Secretary may affix the corporate seal to any such proxy or proxies so executed by the Chair of the Board, or such other officer, and attest the same. The Board by resolution from time to time may confer like powers upon any other person or persons.

Section 9.6 Gifts. The Board may accept on behalf of the USAFRC any contribution, gift, bequest or devise for and consistent with the general purposes, or for and consistent with any specific purpose, of the USAFRC.

Section 9.7 Limitation on Pecuniary Obligations. With the exception of grants made or moneys paid by USAFRC to the University, pecuniary obligation of more than Twenty-Five Thousand Dollars ($25,000.00) shall be undertaken by the USAFRC or any director, officer or employee thereof, without sanction by resolution of the Board or the Executive Committee adopted at a duly called meeting thereof or by an action by written consent signed by all the members thereof.

Section 9.8 Additional Organizations. The Board may authorize the formation of such subsidiary, auxiliary, associated and affiliated organizations as will in the opinion of the Board assist in effecting the purposes of the USAFRC. The organizational and governing documents and instruments of any subsidiary, auxiliary, associated or affiliated organization so authorized shall be subject to the approval of the Board or the Executive Committee. Each such authorization shall, regardless of its terms, be revocable at any time in the sole discretion of the Board.

ARTICLE X Amendment
of Bylaws

Any amendment of the provisions of these Bylaws shall require the joint approval of the Board and the Board of Trustees of the University. No amendment to these Bylaws may be made so as to avoid any limitations imposed by the Articles of Incorporation of the USAFRC as they may at any time exist.

The foregoing were adopted as the Amended and Restated Bylaws of University of South Alabama Foundation for Research and Commercialization, a nonprofit corporation organized pursuant to the Alabama Nonprofit Corporation Act, at the meeting of its Board of Directors held on October 21, 2021.

Secretary/Treasurer

STATE OF LABAMA
COUNTY OF MOBILE

The undersigned authority hereby certifies that , whose name as Secretary for the University of South Alabama Foundation for Research and Commercialization is signed to the foregoing document, and who is known to me, acknowledged before me on this date that, being informed of the contents of the foregoing document, the Amended and Restated Bylaws of USAFRC, as such officer and with full authority, executed the same voluntarily for and as the act of the University of South Alabama Foundation for Research and Commercialization.

Given under my hand the day of _____, 2021.

NOTARY PUBLIC
My Commission Expires: _____

UNIVERSITY OF SOUTH ALABAMA
FOUNDATION FOR RESEARCH & COMMERCIALIZATION
CONFLICT OF INTEREST POLICY

The Board of Directors of the University of South Alabama Foundation for Research & Commercialization (USAFRC) has adopted the following policy for its officers and those persons serving on its board of directors (hereafter "Board" and/or "Directors").

1. Directors have an affirmative obligation to act at all times in the best interests of the University of South Alabama, or any of its divisions, affiliates, or supporting organizations, including, but not limited to, USAFRC (the "University"). This policy serves to define the term "conflict of interest" to assist members of the Board in identifying and disclosing such conflicts and to minimize the impact of such conflicts on the actions of the University whenever possible.

2. *Fiduciary duty*. Each Director has a fiduciary duty to conduct himself or herself without conflict to the interests of the University. When acting within his or her capacity as a Director, he or she must subordinate personal, business, third-party, and other interests to the welfare and best interests of the University.

3. *Conflict of interest*. A "conflict of interest" is any transaction or relationship which presents, or may present, a conflict between a Director's obligations to the University and his or her personal, business, or other interests. A conflict of interest may arise in any circumstance that may compromise the ability of a Director to make unbiased and impartial decisions on behalf of the University. Such circumstances may involve family relationships,[1] business transactions, professional activities, or personal affiliations.

   Further, Alabama Code §13A-10-62 (1975) provides:

   (a) A public servant commits the crime of failing to disclose a conflict of interest if he exercises any substantial discretionary function in connection with a government contract, purchase, payment or other pecuniary transaction without advance public disclosure of a known potential conflicting interest in the transaction.

   (b) A "potential conflicting interest" exists, but is not limited to, when the public servant is a director, president, general manager or similar executive officer, or owns directly or indirectly a substantial portion of any non-governmental entity participating in the transaction.

   (c) Public disclosure includes public announcement or notification to a superior officer or the attorney general.

   (d) Failing to disclose a conflict of interest is a Class A misdemeanor.

[1] Family relationships include spouse, child, grandchild, parent, grandparent, sibling, niece, nephew, aunt, uncle, cousin, in-laws and step relations, as well as any person living in the household of a Director.

4. *Disclosure.* The Board of Directors recognizes that conflicts of interest are not uncommon, and that not all conflicts of interest are necessarily harmful to the University. However, the Board requires full disclosure of all actual and potential conflicts of interest. Each Director shall disclose any and all facts that may be construed as a conflict of interest, both through an annual completion of a Statement of Disclosure, and completion of an amended Statement of Disclosure whenever such actual or potential conflict occurs.

5. *Process*. Any actual or potential conflicts which are presented in a Statement of Disclosure or amended Statement of Disclosure will be evaluated for action, as needed, by the Chair of the Board of Directors. The Vice Chair of the Board, if evaluating a possible conflict of the Chair, may either handle the evaluation on his or her own, or refer it to the Board for further consideration. Additional information from a Director may be sought at any time. A Director whose potential conflict is under review may not debate, vote, or otherwise participate in the evaluation of the conflict. If a conflict is being evaluated or has been found to exist, the Director shall recuse himself or herself from any discussion or voting regarding transactions involving the area of conflict.

6. *Resolution*. If it is determined that an actual or potential conflict of interest does exist, an appropriate remedy shall be determined. Such remedy may include, but is not limited to, the following:

    - Waive the conflict of interest as unlikely to affect the Director's ability to act in the best interests of the organization.

    - Determine that the Director should be recused from all deliberation and decision-making related to the particular transaction or relationship that gives rise to the conflict of interest.

7. *Policy regarding Directors doing business with the University.* A conflict of interest exists any time a Director seeks to enter into a business relationship with the University. Similar conflicts may arise through family members or through organizations in which a Director serves in a leadership, employment, or ownership capacity.

    Such conflicts do not necessarily preclude business relationships with the University. The following procedure is designed to resolve conflicts of interest whenever a Director or a member of his or her family (see footnote number 1) has an ownership interest in, is a director, officer, or key individual of an entity which intends to enter into a business relationship with the University:

        - The Director must promptly disclose the intent to enter into a business relationship with the University to the Chair of the Board of Directors.

        - The Director must recuse himself or herself from all deliberation, debate, and voting related to the contemplated business relationship.

- The Chair, or the Board if the issue is referred by the Chair, must determine without the presence or participation of the Director under review that the transaction is fair and in the best interest of the University.

- If the business relationship under consideration is approved, the Director may not participate in any process by which his or her performance as a vendor or recipient is evaluated, or in any such evaluation of a related party.

Notwithstanding the foregoing, contracts or proposals for purchases of goods, property, or services will not be awarded to organizations in which a Director either:

- Holds an interest of ten percent (10%) or greater, or

- Serves as a director or senior executive officer, if a substantial part of the contract or proposal involves the quality of performance (i.e., possibly requiring enforcement of a performance bond or filing suit for non-performance). Also, no Director shall advocate or attempt to influence the employment by the University of any member of his or her family.

Endowment Funds Investment Policies and Guidelines

The Endowment Committee of the Board of Trustees of the University of South Alabama shall be responsible for recommending investment policies and guidelines for approval by the Board of Trustees, implementation of such policies and guidelines and selection of qualified investment professionals including Investment Consultant(s), Investment Manager(s), and Funds Custodian(s). The Endowment Committee will oversee investment activities, monitor investment performance and ensure the prudent control of the Endowment Funds of the University. The Endowment Committee will make periodic reports to the Board of Trustees.

I. Purpose of the Endowment Funds

The University of South Alabama Endowment Funds exist to provide revenue while preserving principal to fund those projects which have been endowed for specific purposes, i.e., scholarships, professorships, program enhancements, student loans, etc.

II. Purpose of the Investment Policy

This investment policy is set forth by the Board of Trustees of the University of South Alabama in order to:

1. Define and assign the responsibilities of all involved parties.

2. Establish a clear understanding of all involved parties of the investment goals and objectives of Endowment Funds assets.

3. Offer guidance and limitations to Investment Manager(s) regarding the investment of Endowment Funds assets.

4. Establish a basis of evaluating investment results.

5. Manage Endowment Funds assets according to prudent standards as established in the laws of the State of Alabama.

6. Establish the relevant investment horizon for which the Endowment Funds assets will be managed.

In general, the purpose of this policy is to outline a philosophy and attitude which will guide the investment management of the assets toward the desired results. It is intended to be sufficiently specific to be meaningful, yet flexible enough to be practical.

III. Delegation of Authority

The Board of Trustees of the University of South Alabama is responsible for directing and monitoring the investment management of the University's Endowment Funds assets. As such, the Board of Trustees is authorized to delegate certain authority to professional experts in various fields. These include, but are not limited to:

1. Investment Management Consultant(s). The consultant may assist the Board of Trustees in: establishing investment policy, objectives, and guidelines; selecting investment managers; reviewing such managers over time; measuring and evaluating investment performance; and other tasks as deemed appropriate.

2. Investment Manager(s). The investment manager has discretion to purchase or sell, in the University's name, the specific securities that will be used to meet the Endowment Funds investment objectives.

3. Funds Custodian(s). The custodian will physically (or through securities owned by the Fund) collect dividend and interest payments, redeem maturing securities, and effect receipt and delivery following purchases and sales. The custodian may also perform regular accounting of all assets, owned, purchased or sold as well as movement of assets into and out of the Endowment Funds accounts.

With the exception of specific limitations described in these statements, managers will be held responsible and accountable to achieve the objectives herein stated. While it is not believed that the limitations will hamper investment managers, each manager should request modifications which they deem appropriate. All expenses for such experts must be customary and reasonable, and will be borne by the Endowment Funds as deemed appropriate and necessary.

IV. Assignment of Responsibility

A. Responsibility of the Board of Trustees of the University of South Alabama

The Board of Trustees is responsible for the management of the assets of the Endowment Funds. The Board of Trustees shall discharge its duties in good faith like an ordinary prudent person in a like position would exercise under similar circumstances and in a manner the Trustees reasonably believe to be in the best interest of the University. The Board of Trustees will supervise the Endowment Committee and assigns the following authority and responsibilities to the Endowment Committee on behalf of the Board of Trustees.

B. Responsibility of the Endowment Committee

The specific authority and responsibilities of the Endowment Committee relating to the

investment management of Endowment Funds assets include:

1. Projecting the Endowment Funds financial needs, and communicating such needs to the Investment Manger(s) on a timely basis.

2. Determining the Endowment Funds risk tolerance and investment horizon, and communicating these to the appropriate parties.

3. Establishing reasonable and consistent investment objectives, policies, time frames and guidelines which will direct the investment of the Endowment Funds assets.

4. Prudently and diligently selecting qualified investment professionals, including Investment Manager(s), Investment Consultant(s), and Custodian(s).

5. Regularly evaluating the performance of the Investment Manager(s) to assure adherence to policy guidelines and monitor investment objectives progress.

6. Developing and enacting proper control procedures: For example, replacing Investment Manager(s) due to fundamental changes in the investment management process, or failure to comply with established guidelines.

7. Making direct investments in cases in which selection of an investment manager is not appropriate.

8. Recommending an endowment spending policy to the Board of Trustees for approval.

9. Reporting periodically to the Board of Trustees Endowment Committee actions and recommendations and investment performance of the Endowment Funds.

C. Responsibility of the Investment Manager(s)

The Endowment Funds will be managed primarily by external investment advisory organizations; both commingled vehicles and separate accounts may be used. The investment manager(s) have discretion, within the guidelines set forth in this policy statement and any additional guidelines provided them, to manage the assets in each portfolio to achieve the investment objectives. Managers will normally manage only one type of investment in each fund. For example, equities and fixed income will not be combined in a balanced fund with one manager.

Each Investment Manager must acknowledge, in writing, their acceptance of responsibility as a fiduciary. Each Investment Manager will have full discretion to make all investment decisions for the assets placed under their jurisdiction, while observing and operating within all policies, guidelines, constraints, and philosophies as outlined in this statement. Each Investment Manager will be provided with a copy of this statement of investment objectives and policies. In turn, as part of the investment management contract that will govern their portfolio, the Investment Manager is expected to provide a written statement of the firm's expectations, stated in terms of the objectives and comparative benchmarks that will be used to evaluate performance and the allowable securities that can be used to achieve these objectives. These statements will be consistent

with the statement of investment objectives and policies and will be incorporated as appendices. Specific responsibilities of the Investment Manager(s) include:

1. Discretionary investment management including decisions to buy or sell individual securities, and to alter asset allocation with the annual guidelines established by the Endowment Committee.

2. Reporting, on a timely basis, quarterly investment performance results.

3. Providing monthly valuation of the investment portfolio based on the previous month's closing prices.

4. Communicating any major changes in economic outlook, investment strategy, or any other factors which affect implementation of investment process, or the investment objectives progress of the Endowment Funds investment management.

5. Informing the Endowment Committee regarding any qualitative change in the investment management organization. Examples include changes in portfolio management personnel, ownership structure, investment philosophy, etc.

6. Providing the Endowment Committee with proof of liability and fiduciary insurance coverage.

7. Acknowledging in writing an ability and agreement to invest within the guidelines set forth in the investment policy.

8. Meeting with the Endowment Committee at least annually.

9. Voting proxies on behalf of the Endowment Funds and communicating such voting records on a timely basis. In cases in which the University desires to vote proxies related to specific topics, it will so notify Manager(s).

10. The Board of Trustees may from time to time request that the Investment Manager(s) allocate commissions to those brokerage firms providing other investment management services to the University. Good execution and commission prices are primary considerations in routing business to the said brokerage firms. If at any time any Investment Manager believes that any policy guideline inhibits investment performance, it is their responsibility to communicate this to the Endowment Committee.

V. General Investment Principles

1. Investments shall be made solely in the interest of the purposes of the University of South Alabama.

2. The Endowment Funds shall be invested with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person in a like position would exercise under similar circumstances in a manner the Board of Trustees reasonably believe to be in the best interest of the University.

3. Investment of the Endowment Funds shall be so diversified as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so.

4. The Board of Trustees may employ one or more investment managers of varying styles and philosophies to attain the Endowment Funds objectives.

5. Cash is to be employed productively at all times, by investment in short term cash equivalents to provide safety, liquidity, and return.

VI. Investment Objectives

In order to meet its needs, the investment strategy of the University of South Alabama Endowment Funds is to emphasize total return; that is, the aggregate return from capital appreciation and dividend and interest income. The total Endowment Funds shall be monitored for return relative to objectives, consistency of investment philosophy, and investment risk. The Endowment Funds results shall be evaluated on a rolling five-year basis against a market benchmark weighted 40 percent in favor of the S&P 500 Index, 5% Russell 2000 Index, 12% MSCI EAFE (US Dollar) Index, 23 percent toward the Barclay's Capital US Aggregate Bond Index, 10% HFRI Fund of Funds Conservative Index and 10% HFRI Fund of Funds Strategic Index.

VII. Portfolio Composition and Risk

A. To achieve its investment objective, the Endowment Funds assets are considered as divided into three parts a fixed income component, a fixed income alternative component, an equity component and a private equity component. The Endowment Funds long-term commitment to these funds shall be as follows:

Asset Class	Range	Long-Term Neutral
Fixed Income	15-35%	25%
Equity	35-75%	50%
Private Equity	0-10%	5%
Fixed Income Alternative	10-30%	20%
Cash	0-10%	0%

The purpose of dividing the Endowment Funds in this manner is to ensure that the overall asset allocation among major asset classes remains under the regular scrutiny of the Endowment Committee and is not allowed to become the residual
of separate manager decisions. Over the long run, the allocation among the major asset classes may be the single most important determinant of the endowment funds investment performance.

The purpose of the fixed income fund is to provide a hedge against deflation, to reduce the overall volatility of returns of the Endowment Funds, in order to produce current income in support of spending needs.

The percentage of total Endowment Funds assets allocated to the fixed-income fund at any time should be sufficient to provide that neither the current income nor the capital value or the total Endowment Funds declines by an intolerable amount during an extended period of deflation. The fixed-income fund should normally represent approximately 15-35 percent of total Endowment Funds assets at market value. Although the actual percentage will fluctuate with

market conditions, levels outside this range should be closely monitored by the Endowment Committee.

The purpose of the equity fund is to provide appreciation of principal that more than offsets inflation and to provide a growing stream of current income. It is recognized that the pursuit of this objective could entail the assumption of greater market variability and risk than investment in fixed-income securities. Equity and equity-substitute investments are broadly defined as common stocks, high-yield bonds, reorganization securities, private equity, venture capital, leveraged buyout investments, equity real estate, reorganization securities, exchange traded index funds, etc. Investments made in such less liquid equity investments should be made through funds offered by professional investment managers.

The purpose of the fixed income alternative component is to provide the Endowment a source of returns with low correlation to equity markets and volatility of one third to one half that of the U.S. equity market, while still achieving equity-like returns of Treasury Bills plus 2-8% over time. The Fixed Income Alternative should normally represent approximately 10-30 percent of total Endowment Funds.

Any assets not committed to the fixed-income fund or fixed income alternative shall be allocated to the equity fund and the private equity fund. The equity fund should normally represent approximately 35-75 percent of total Endowment Funds assets at market value. The private equity fund should normally represent approximately 0-10 percent of total Endowment Fund assets at market value. Although the actual percentage of equities will vary with market conditions, levels outside these ranges should be closely monitored by the Investment Committee.

The Endowment includes investments in several categories, and the Endowment Committee targets allocations for the following:

Asset Class	Long-Term Strategic Target (%) of Endowed Funds	Range
Domestic Equity	**42%**	**30-60%**
Large/Mid-Cap	35%	25-55%
Small Cap	5%	3-8%
High Yield Debt	2%	0-5%
International Stocks	**10%**	**5-15%**
Developed Markets	6%	3-10%
Emerging Markets	4%	0-6%
Private Equity	**5%**	**0-10%**
TOTAL EQUITY COMPONENT	**57%**	**35-75%**
Alternative Investments	**20%**	**10-30%**
Absolute Return	15%	12-20%
Long/Short Equity	5%	0-10%
TOTAL ALTERNATIVE COMPONENT	**20%**	**10-30%**
Fixed Income	**23%**	**15-35%**
U.S. Core Bonds	16%	12-20%
Global Bonds	4%	0-7%

Asset Class	Long-Term Strategic Target (%) of Endowed Funds	Range
TIPS	2%	0-5%
Emerging Market Debt	1%	0-2%
TOTAL FIXED INCOME COMPONENT	**23%**	**15-35%**
Cash and Equivalents	**0%**	**0-10%**

Within the equity fund, certain investments can be included, with Endowment Committee approval, to provide a hedge against unanticipated, rapidly accelerating inflation. These include cash, real estate and oil and gas investments. While the Endowment Committee recognizes the argument for having a separate allocation to inflation-hedging assets, at this time, these investments are evaluated primarily as equity-substitutes. The Endowment Committee will periodically review the adoption of an inflation-hedging fund allocation separate from the equity allocation.

Within the equity fund, in addition to cash reserves held by managers, there is normally an investment in cash or short-term instruments. Although the Endowment Committee has not adopted a cash allocation, new gifts to the endowment and endowment income in excess of budgetary distributions generate cash inflow to the Endowment Fund. The level of cash should be closely monitored by the committee.

The Endowment committee may change any of the above ratios; however, it is anticipated that these changes will be infrequent.

The Endowment Funds investments shall be diversified both by asset class (e.g., equities and fixed-income securities) and within asset classes (e.g., within equities by economic sector, geographic area, industry, quality, and size). The purpose of diversification is to provide reasonable assurance that no single security or class of securities shall have a disproportionate impact on the endowment funds aggregate results. Equity securities in any single industry will not exceed 20 percent, nor will equity securities in any single company exceed 10 percent of the market value of the endowment's allocation to equities.

VIII. Spending Policy

It shall be the policy of the University of South Alabama Board of Trustees to preserve and maintain the real purchasing power of the principal of the Endowment Funds. The current spending policy of the University will be determined annually by the President and the Endowment Committee and approved by the Board of Trustees. The spending guideline is based on an expected total return over the long-term less expected inflation.

IX. Volatility of Returns

The Board of Trustees understands that in order to achieve its objectives for Endowment Funds assets, the Funds will experience volatility of returns and fluctuations of market value. The Board will tolerate volatility as measured against the risk/return analysis of the appropriate market indices. The indices used as a measure of an investment manger's performance will be used to measure the allowable volatility (risk).

X. Liquidity

To minimize the possibility of a loss occasioned by the sale of a security forced by the need to meet a required payment, the Vice President for Financial Affairs will periodically provide Investment Manager(s) with an estimate of expected net cash flow. The Vice President will notify the Investment Consultant in a timely manner, to allow sufficient time to build up necessary liquid reserves. Because of the infrequency of cash outflows and overall marketability of Endowment Funds assets, the Board of Trustees does not require the maintenance of a dedicated cash or cash equivalent reserve.

XI. Marketability of Assets

The Board of Trustees requires that all Endowment Funds allocated to cash equivalents, fixed income securities or equity securities be invested in liquid securities, defined as securities that can be transacted quickly and efficiently for the Endowment Funds, with minimal impact on market price. The Board of Trustees recognizes that opportunities may exist in illiquid assets and will allow Investment Managers overseeing Private Equity or Fixed Income Alternatives to invest in securities that may be less liquid and could present a risk of illiquidity.

XII. Investment Guidelines

A. Allowable Assets

1. Cash Equivalents

- Treasury Bills
- Money Market Funds
- Common Fund Short Term Investment Fund
- Commercial Paper
- Banker's Acceptance
- Repurchase Agreements
- Certificates of Deposits

2. Fixed Income Securities

- U.S. Government and Agency Securities
- Corporate Notes and Bonds
- Mortgage Backed Bonds
- Preferred Stock
- Fixed Income Securities of Foreign Governments and Corporations
- Collateralized Mortgage Obligations

3. Fixed Income Alternatives

- Arbitrage (merger, event, convertible, equity and fixed income arbitrage and pairs trading)
- Event investing (restructurings, spin-offs, etc.)
- Distressed securities
- Long Short equities (U.S., global and sector funds)
- Market neutral equities

- Short-biased equities
- Macro investing

4. Equity Securities

- Common Stocks
- Convertible Notes and Bonds
- Convertible Preferred Stocks
- American Depository Receipts (ADRs) of Non-U.S. Companies
- Exchange traded index funds

5. Private Equity

6. Mutual Funds

- Mutual Funds which invest in securities as allowed in this statement.

Other Assets:

Derivative Securities: options and future contracts
In general, the use of derivative securities by the Investment Manager shall be discouraged, unless such an opportunity presents itself that the use of the sophisticated securities would provide substantial opportunity to increase investment returns at an appropriately equivalent level of risk to the remainder of the total portfolio. Also, derivative securities may be used by the Investment Manager in order to hedge certain risks to the portfolio. The approval and use of derivative securities will not be allowed unless the Endowment Committee is confident that the Investment Manager(s) thoroughly understands the risks being taken, has demonstrated expertise in their usage of such securities, and has guidelines in place for the use and monitoring of derivatives.

Real Estate: Investments may also include equity real estate, held in the form of professionally managed, income producing commercial and residential property. Such investments may be made only through professionally managed, income producing commercial and residential property. Such investments may not exceed 10% of the total endowment fund. Such investment may be made only through professionally managed pooled real estate investment funds, as offered by leading real estate managers with proven track records of superior performance over time.

(Is now covered under the derivative section)
The Endowment will avoid highly leveraged strategies and managers who provide insufficient transparency of their actions for adequate monitoring of the risks they are taking.

B. Guidelines for Fixed Income Investments and Cash Equivalents

1. Investment in fixed income securities shall be restricted to only investment grade bonds rated BAA or higher.

2. 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.

3. 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**.**

C. Guidelines for Fixed Income Alternatives

1. Fixed Income alternative investments will be defined as any strategy using a partnership or offshore investment company structure that may or may not be subject to SEC registration, investing primarily in marketable securities and/or subject to a performance fee. These strategies would generally have absolute, as opposed to relative, return objectives driven more by manager skill and market inefficiency than market direction. Use of leverage, short selling and/or derivatives may or may not be employed as part of the investment approach. The endowment will employ a manager of manager's approach to investing in fixed income alternative investments.

D. Limitations on Manager Allocations

1. No more than 5% of the Endowment Fund assets shall be allocated to an individual Investment Manager.

2. No more than 25% of the Endowment Fund assets shall be allocated to a "Fund of Funds" or multi-manager fund.

XIII. Investment Manager Performance Review and Evaluation

Performance reports generated by the Investment Consultant shall be compiled at least quarterly and communicated to the Board of Trustees for review. The investment performance of total portfolios, as well as asset class components, will be measured against commonly accepted performance benchmarks. Consideration shall be given to the extent to which the investment results are consistent with the investment objectives, goals, and guidelines as set forth in this statement. The Board of Trustees intends to evaluate the portfolio(s) over at least a three-year period, but reserves the right to terminate a manager for any reason including the following:

1. Investment performance which is significantly less than anticipated, given the discipline employed and risk parameters established, or unacceptable justification of poor results.

2. Failure to adhere to any aspect of this statement of investment policy, including communication and reporting requirements.

3. Significant qualitative changes to the investment management organization.

Investment managers shall be reviewed annually regarding performance, personnel, strategy, research capabilities, organizational and business matters, and other qualitative factors that may impact their ability to achieve the desired investment results.

XIV. Investment Policy Review

To assure continued relevance of the guidelines, objectives, financial status and capital markets expectations as established in this statement of investment policy, the Board of Trustees will review investment policy at least annually.

Investment Manager Selection

1. The Endowment Committee will decide on guidelines for the desired investment philosophy, asset mix, and performance objectives of the new manager.

2. The Endowment Committee will employ, if appropriate, Investment Consultant(s) to identify potential managers.

3. Potential managers will be reviewed by the Endowment Committee in some or all of the following areas with the importance of each category determined by the Endowment Committee:

Organization
- Experience of firm
- Assets under management
- Ownership
- Number of professionals
- Fees and minimum account size

Performance
- One, three and five-year comparisons
- Up/down market comparisons
- Risk/return graphs

Securities Summary – Equities
- Yield
- Profit/earnings
- Quality
- Growth
- Beta

Securities Summary – Fixed Income
- Quality
- Maturity
- Duration
- Government/non-government
- Investment decision-making process
- Top down/bottom up
- Quantitative/qualitative/traditional
- Expected performance characteristics

Securities Summary – Fixed Income Alternative

- Arbitrage (merger, event, convertible, equity and fixed income arbitrage and pairs trading)
- Event investing (restructurings, spin-offs, etc.)
- Distressed securities
- Long Short equities (U.S., global and sector funds)
- Market neutral equities
- Short-biased equities
- Macro investing

Skill Set Analysis

- Market timing
- Sector diversification
- Security selection
- Security consideration

4. Final selection of a new manager resides with the Endowment Committee.

UNIVERSITY OF SOUTH ALABAMA
NON-ENDOWMENT CASH POOL INVESTMENT POLICIES

Purpose

The purpose of this Investment Policy is to provide a guideline by which the pooled funds (the current, loan, agency and plant fund groups) not otherwise needed to meet the daily operational cash flows for the University can be invested to earn a maximum return, yet still maintain sufficient liquidity to meet fluctuations in the inflow of funds from revenues, tuition payments and state appropriations.

The policies and practiced hereinafter set forth separate funds into three investment categories: (1) Short-term funds (2) Intermediate-term funds (3) Long-term funds.

INVESTMENT OBJECTIVES

The investment objectives for Operational Funds Investments are: (1) to maximize current investment returns consistent with the liquidity needs of the University. In keeping with the investment objectives noted above, it is acknowledged that there are Operational Funds which require short-term, intermediate-term and long-term investment strategies.

It is expected that the maturities of the investments in the Operational Funds will be matched against the cash flow needs of each campus to maximize yields consistent with the liquidity needs of the University.

Maintenance of Adequate Liquidity

The investment portfolio must be structured in such a manner that will provide sufficient liquidity to pay obligations such as normal operating expenses and debt service payments as they become due. A liquidity base will be maintained by the use of securities with active secondary markets, certificates of deposit, or repurchase agreements. These investments could be converted to cash prior to their maturities should the need for cash arise.

Return on Investments

The University seeks to optimize return on investments within the constraints of each investment objective. The portfolio strives to provide a return consistent with each investment category. The cash pool portfolio rate of return will be compared with the returns of broad indices representing the investment and maturity structure of the Pool.

DELEGATION OF AUTHORITY

The Board of Trustees is ultimately responsible for investment policy. By Board Resolution the Board of Trustees is delegating investment authority to the President or Vice President for Financial Affairs or other such persons as may be authorized to act on their behalf.

The Investment Policy is established to provide guidance in the management of the University's Non-Endowment Cash Pool to insure compliance with the laws of the State of Alabama and investment objectives. The Vice President for Financial Affairs or his designee is accorded full discretion, within policy limits, to select individual investments and to diversify the portfolio by applying their own judgments concerning relative investment values.

IMPLEMENTATION OF THE INVESTMENT POLICY

The Vice President for Financial Affairs or his designee is authorized to execute security transactions for the University investment portfolio. Reports of investments shall be presented to the Endowment and Investment Committee of the Board of Trustees.

AUTHORIZED INVESTMENT INSTRUMENTS

Short-Term Operational Funds

Safety of Capital

Preservation of capital is regarded as the highest priority in the handling of investments for the University of South Alabama. All other investment objectives are secondary to the safety of capital.

It is assumed that all investments will be suitable to be held to maturity. However, sale prior to maturity is warranted in some cases. For example, investments may be sold if daily operational funds are needed or if the need to change the maturity structure of the portfolio arises.

All investments will be restricted to fixed income securities with the maturity range to be consistent with the liquidity needs of the pooled fund groups. It is essential that cyclical cash flow be offset by liquid investments. Permissible investment instruments may include:

1. Checking and Money Market deposit accounts in banks. These funds are subject to full collateralization for the amounts above the FDIC $250,000.00 coverage limit, or participation by the Bank in the State of Alabama's Security for Alabama Funds Enforcement Program.

2. Certificates of Deposit issued by banks and fully collateralized for the amounts above the FDIC $250,000.00 coverage limit or participation by the bank in the State of Alabama's Security for Alabama Funds Enforcement Program. Negotiable Certificates of Deposit or

Deposit Notes issued by credit worthy U.S. Banks in amounts not to exceed the FDIC $250,000.00 coverage limit.

3. Direct obligations of the United States or obligations unconditionally guaranteed as to principal and interest by the Unites States.

4. Obligations of a Federal Agency (including mortgage backed securities) or a sponsored instrumentality of the United States including but not limited to the following:

- Federal Home Loan Bank (FHLB)
- Federal Home Loan Mortgage Corporation (FHLMC)
- Federal Farm Credit Banks (FFCB)
- Government National Mortgage Association (GNMA)
- Federal National Mortgage Association (FNMA)
- Student Loan Marketing Association (SLMA)
- Financing Corp (FICO)
- Tennessee Valley Authority (TVA)
- Government Trust Certificates (GTC)

5. Commercial paper of corporate issuers with a minimum quality rating of P-1 by Moody's, A-1 by Standard and Poor's or F-1 rating by Fitch. Corporate bonds will maintain a minimum "A" rating by both Moody's and Standard and Poor's at the time of purchase. No more than ten percent (10%) of the Total Cash and Investments shall be invested in a single corporation for Commercial Paper/Short-term Corporate Bonds and thirty-five percent (35%) per Federal Agency Obligation as described above. There will be no limit on U.S. Treasury Obligations. All such securities must have an active secondary market.

The maturity range of Short-Term Operational Funds Investments shall be consistent with liquidity requirements of the funds category. However, funds established under certain debt instruments may be invested in accordance with the applicable criteria. Typical maturity will range from one day to one year.

Intermediate-Term Investment of Operational Funds

Investments for those Operational Funds designated by the President as benefiting from investment over a one- to three-year period.

Permissible investments are consistent with all investments approved under short-term operational funds within a one- and three- year investment period. It is expected that the maturities of the investments within the intermediate-term funds will match against the cash flow needs of the University and to maximize yields consistent with the liquidity needs of the University.

Long-Term Investment of Operational Funds

From time to time management may have the opportunity to invest Operational Funds designated by the President to achieve higher earnings over a longer time horizon. These funds will be invested based on the Non-endowment Equity and Alternative Investment Pool Guidelines referenced in Appendix A.

PASS THROUGH OR DESIGNATED FUNDS

This policy shall also cover pass through funds (endowment funds to be forwarded to external endowment fund managers) and any funds managed by the University and designated for specific purposes and not covered by individual investment restrictions (i.e. endowment funds that may not be co-mingled, bond proceeds during construction, USA Health Plan, etc.)

PRUDENCE AND ETHICAL STANDARDS

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing the overall portfolio. Persons performing the investment functions, acting in accordance with these written policies and procedures, and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations and appropriate recommendations to control adverse developments are reported in a timely fashion. The "prudent person" standard is understood to mean:

"Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

EFFECTIVE DATE

This policy shall become effective immediately upon its adoption by the Board of Trustees. Further, this policy shall be reviewed at least annually and updated whenever changing market conditions or investment objectives warrant.

Appendix A

University of South Alabama

Non-Endowment
Equity and Alternative Investment Pool Guidelines

Purpose

The purpose of the University's Non-Endowment Equity and Alternative Investment Pool (Equity and Alternative Pool) is to maximize returns for those operating funds that are not utilized for day to day cash management needs. These funds will have a seven- to ten- year time horizon. The goal of the Equity and Alternative Pool is to provide revenue while preserving principal to fund University projects as set forth by the University President.

Return on Investments

The University seeks to optimize return on these investments within the constraints of the Equity and Alternative Pool guidelines. The portfolio strives to provide a return consistent with each investment category.

Oversight and Delegation of Authority

The Equity and Alternative Pool will be governed by the Non-Endowment Cash Pool Investment Policy. The Board of Trustees is ultimately responsible for the Non-Endowment Cash Pool Investment Policy. Investment oversight will be delegated to the President or Vice President for Finance and Administration or other such persons as may be authorized to act on their behalf.

Investment Objectives

In order to meet its needs, the investment strategy of the Equity and Alternative Pool is to emphasize long-term growth; that is, the aggregate return from capital appreciation. The Equity and Alternative Pool shall be monitored for return relative to objectives, consistency of investment philosophy, and investment risk.

Portfolio Composition and Risk

A. To achieve its investment objective, the Equity and Alternative Pool assets are considered as divided into two parts; an alternative investment component or hedged strategy and an equity component. Total Equity and Alternative Pool assets

should not exceed 25% of all non-endowment cash and cash-equivalents of the University as of September 30th of the prior fiscal year. This percentage will be reassessed periodically and any changes will be communicated to the Board. The Equity and Alternative Pool commitment to these funds shall be as follows:

	Range	Long-term neutral
Equity	45-85%	70%
Alternative Investment	10-35%	30%

B. The purpose of the equity component is to provide appreciation of principal that more than offsets inflation and to provide a growing stream of capital appreciation and current income. It is recognized that the pursuit of this objective could entail the assumption of greater market variability and risk than investment in fixed-income securities. Equity and equity-substitute investments are broadly defined as common stocks, high-yield bonds, reorganization securities, venture capital, leveraged buyout investments, equity real estate, exchange traded index funds**,** etc.

C. The purpose of the alternative investment component is to provide the Equity and Alternative Pool a source of returns with low to negative correlation to equity markets and volatility of one third to one half that of the U.S. equity market, while still achieving equity-like returns of Treasury Bills plus 2-8% over time. The alternative investment component should normally represent approximately 10-35 percent of the total Equity and Alternative Pool.

D. Any assets not committed to the alternative investment component shall be allocated to the equity fund. The equity fund should normally represent approximately 45-85 percent of total the Equity and Alternative Pool assets at market value. Although the actual percentage of equities will vary with market conditions, levels outside this range should be closely monitored.

E. The Equity and Alternative Pool includes investments in several categories:

Asset Class	Long-Term Strategic Target (%) of Funds	Range
DOMESTIC EQUITY	**55%**	**40-70%**
Large Cap	40%	30-65%
Mid Cap	10%	5-15%
Small Cap	5%	3-10%
INTERNATIONAL STOCKS	**15%**	**5-25%**
Developed Markets	10%	3-20%
Emerging Markets	5%	0-10%
TOTAL EQUITY COMPONENT	**70%**	**45-85%**
ALTERNATIVE INVESTMENTS	**30%**	**10-35%**
Absolute Return	30%	10-35%
TOTAL ALTERNATIVE COMPONENT	**30%**	**10-35%**
TOTAL	**100%**	

F. Within the equity fund, certain investments can be included to provide a hedge against unanticipated, rapidly accelerating inflation. These include cash, real estate and oil and gas investments.

G. The Equity and Alternative Pool investments shall be diversified both by asset class (e.g., equities and alternative investment securities) and within asset classes (e.g., within equities by economic sector, geographic area, industry, quality, and size). The purpose of diversification is to provide reasonable assurance that no single security or class of securities shall have a disproportionate impact on the endowment funds aggregate results. Equity securities in any single industry will

not exceed 20 percent, nor will equity securities in any single company exceed 10 percent of the market value of the endowment's allocation to equities.

Spending Policy

It shall be the policy of the Equity and Alternative Pool to preserve and maintain the real purchasing power of the principal of the Fund. The current spending policy of the Equity and Alternative Pool will be determined annually by the University President. The spending guideline is based on an expected total return over the long-term less expected inflation and will use the excess return over the inflation adjusted principal using a 3 year moving average to help fund the operating needs of the University.

Line of Credit

At times of extreme volatility related to the Equity and Alternative Pool a Line of Credit (LOC) will be utilized to meet day to day management of the University's operating needs. A LOC of up to $30,000,000 will be established and available to meet those periods when operating cash is low due to seasonal tuition revenue. The LOC will be repaid in full as soon as sufficient cash is available. The Investment Manager will be required to inform the Vice-President for Finance and Administration, Treasurer and President and obtain appropriate approval of any draws and repayments on the LOC and will be required to provide them with balance reports throughout the year.

COMMITTEE MINUTES

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Audit Committee

December 1, 2021
1:30 p.m.

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

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

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

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

Respectfully submitted:

W. Ronald Graham

William Ronald Graham, Chair

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Development, Endowment and Investments Committee

December 1, 2021
1:48 p.m.

A meeting of the Development, Endowment and Investments Committee of the University of South Alabama Board of Trustees was duly convened by Mr. Jim Yance, Chair, on Wednesday, December 1, 2021, at 1:48 p.m. in the Chief Calvin W. McGhee Grand Ballroom of the MacQueen Alumni Center. Public access was provided via YouTube livestream.

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

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

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

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

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

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

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

There being no further business, the meeting was adjourned at 2:21 p.m.

Respectfully submitted:

James A. Yance, Chair

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Health Affairs Committee

December 1, 2021
2:21 p.m.

A meeting of the Health Affairs Committee of the University of South Alabama Board of Trustees was duly convened by Dr. Scott Charlton, Chair, on Wednesday, December 1, 2021, at 2:21 p.m. in the Chief Calvin W. McGhee Grand Ballroom of the MacQueen Alumni Center. Public access was provided via YouTube livestream.

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

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

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

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

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

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

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

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

Respectfully submitted:

Scott A. Charlton, M.D., Chair

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Academic and Student Affairs Committee

December 1, 2021
2:43 p.m.

A meeting of the Academic and Student Affairs Committee of the University of South Alabama Board of Trustees was duly convened by Judge Mike Windom, Chair, on Wednesday, December 1, 2021, at 2:43 p.m. in the Chief Calvin W. McGhee Grand Ballroom of the MacQueen Alumni Center. Public access was provided via YouTube livestream.

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

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

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

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

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

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

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

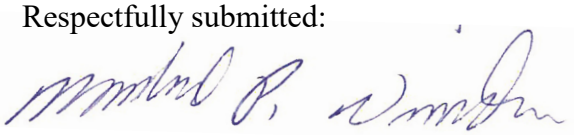
Judge Windom asked Dr. Mitchell for an update on the activities of the Division of Student Affairs, **Item 23**. Dr. Mitchell introduced USA Chief of Police Mr. Zeke Aull. Chief Aull advised that the USA Police Department (USAPD) was recently recognized by the Council for Advancement and Support of Education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

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

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

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

Respectfully submitted:



Michael P. Windom, Chair

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Budget and Finance Committee

December 1, 2021
3:31 p.m.

A meeting of the Budget and Finance Committee of the University of South Alabama Board of Trustees was duly convened by Mr. Lenus Perkins, Vice Chair, on behalf of Mr. Tom Corcoran, Chair, on Wednesday, December 1, 2021, at 3:31 p.m. in the Chief Calvin W. McGhee Grand Ballroom of the MacQueen Alumni Center. Public access was provided via YouTube livestream.

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

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

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

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

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

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

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

Respectfully submitted:

Lenus M. Perkins, Vice Chair

On behalf of:

E. Thomas Corcoran, Chair

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Long-Range Planning Committee

December 1, 2021
3:39 p.m.

A meeting of the Long-Range Planning Committee of the University of South Alabama Board of Trustees was duly convened by Ms. Chandra Brown Stewart, Chair, on Wednesday, December 1, 2021, at 3:39 p.m. in the Chief Calvin W. McGhee Grand Ballroom of the MacQueen Alumni Center. Public access was provided via YouTube livestream.

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

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

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

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

Respectfully submitted:

Chandra Brown Stewart, Chair

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Committee of the Whole

December 1, 2021
3:41 p.m.

A meeting of the Committee of the Whole of the University of South Alabama Board of Trustees was duly convened by Mr. Jimmy Shumock, Chair *pro tempore*, on Wednesday, December 1, 2021, at 3:41 p.m. in the Chief Calvin W. McGhee Grand Ballroom of the MacQueen Alumni Center. Public access was provided via YouTube livestream.

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

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

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

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

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

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

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

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

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

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

In accordance with the provisions of the Alabama Open Meetings Act, Chairman Shumock made a motion to convene an executive session for an anticipated duration of one hour for the purpose of discussing good name and character, as well as impending litigation, **Item 39**. He said that Ms. Dukes had submitted the required written declaration for the minutes and that the meeting would effectively be adjourned at the conclusion of the executive session. Mr. Yance seconded and, at 3:49 p.m., the Committee of the Whole voted unanimously to convene an executive session, as recorded below, with Chairman Shumock directing the Trustees present to move into the Moulton Board Room:

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

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

Respectfully submitted:

James H. Shumock, Chair *pro tempore*

APPENDIX A

Executive Session

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

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

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

Kristin Daniels Dukes