UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

MINUTES OF MEETINGS

COMMITTEE MEETINGS HELD ON DECEMBER 7, 2023

- 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 8, 2023

1 Roll Call

1.A Approved: Revised Agenda

2 Approved: Minutes

3 Approved: Revised Bylaws of the Board of Trustees of the University of South Alabama

4 Report: University President

5 Report: Faculty Senate President

6 Report: Student Government Association President

7 Approved: Consent Agenda Resolutions

- Evaluation of the Endowment and Non-Endowment Investment Policies
- Directors of the Jaguar Athletic Fund, Inc.
- USA Health Hospitals Medical Staff Appointments and Reappointments for August, September and October 2023
- USA Health Hospitals Medical Staff Bylaws and Associated Documents Revisions
- USA Health Hospitals Nomination of Medical Executive Committee Chair-Elect Officers for 2024 and 2025
- Department of Neurology Waiver of Eligibility Request
- Department of Urology Waiver of Eligibility Request
- Revised Bylaws of the of the University of South Alabama Health Care Authority
- Sabbatical Awards
- Faculty Emeritus

8 Report: Audit Committee

9 Report: Development, Endowment and Investments Committee

10 Report: Health Affairs Committee

11 Report: Academic Excellence and Student Success Committee

12 Approved: Tenure

13 Report: Budget and Finance Committee

14 Approved: Parameters Resolution Respecting the University’s Series 2023-A and Series 2023-B Bonds

15 Report: Long-Range Planning Committee

16 Approved: University of South Alabama Strategic Planning Priorities

16.A Report: Evaluation and Compensation Committee

16.B Approved: President’s Employment Contract

17 Approved: Commendation of Ms. Laura Schratt

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

December 8, 2023
9:00 a.m.

A meeting of the University of South Alabama (USA) Board of Trustees was duly convened by Ms. Arlene Mitchell, Chair *pro tempore*, on Friday, December 8, 2023, at 9:00 a.m. in the Board Room of the Frederick P. Whiddon Administration Building. Meeting attendance was open to the public.

Members:	Alexis Atkins, Chandra Brown Stewart, Scott Charlton, Tom Corcoran, Steve Furr, Luis Gonzalez, Ron Graham, Ron Jenkins, Bill Lewis, Arlene Mitchell, Lenus Perkins, Jimmy Shumock, Steve Stokes, Mike Windom and Jim Yance were present.
Member Absent:	Kay Ivey.
Administration & Guests:	Delaware Arif (Faculty Senate), Owen Bailey, Jim Berscheidt, Joél Billingsley, Janée and Jo Bonner, Bennett Booth (Southerner), Monica Chambliss, Lynne Chronister, Angela Coleman, Amya Douglas (SGA), Kristin Dukes, Joel Erdmann, Julie Estis, Monica Ezell, Buck Kelley, Andi Kent, Kim and Nick Lawkis, Hayden Matheson (Southerner), Kelly McCarron, John Marymont, Abe Mitchell, Mike Mitchell, Jesse Ortiz, Kristen Roberts, Laura Schratt, Donna Streeter (Faculty Senate), Margaret Sullivan, Peter Susman and Christina Wassensaar (Faculty Senate).

Upon calling the meeting to order, Chair Mitchell greeted everyone and expressed her appreciation for the privilege of serving as Board Chair and working closely with the Trustees, leadership and staff. She credited the great things happening at the University to the hard work of those in the room and beyond. Following the attendance roll call, **Item 1**, she called for adoption of the revised agenda, **Item 1.A**, noting that a report from the Evaluation and Compensation Committee would follow **Item 16**. On motion by Mr. Corcoran, seconded by Dr. Stokes, the Board voted unanimously to adopt the revised agenda. Chair Mitchell called for consideration of the minutes for a Board of Trustees meeting held on September 8, 2023, **Item 2**. On motion by Mr. Shumock, seconded by Capt. Jenkins, the Board voted unanimously to adopt the minutes.

Chair Mitchell called for consideration of **Item 3** as follows. On motion by Mr. Graham, seconded by Judge Windom, the Board voted unanimously to approve the resolution:

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

WHEREAS, Article VIII of the *Bylaws of the University of South Alabama Board of Trustees* (the "Bylaws") provides that the Bylaws "may be amended or repealed at any meeting of the Board by eight members of the Board voting in favor of same, but no such action shall be taken unless notice of the substance of such proposed adoption, amend-

ment or repeal shall have been given at a previous meeting or notice in writing of the substance of the proposed change shall have been served upon each member of the Board at least thirty (30) days in advance of the final vote upon such change", and

WHEREAS, a draft of the proposed revised Bylaws, which is attached hereto and incorporated by reference herein, was provided to each member of the Board on November 8, 2023, in compliance with the notice requirements of Article VIII of the Bylaws that pertain to amendment of the Bylaws, and

WHEREAS, the proposed revised Bylaws is presented for the Board's consideration of approval, and

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

THEREFORE, BE IT RESOLVED, the Board of Trustees approves and adopts the revised *Bylaws of the University of South Alabama Board of Trustees* as submitted.

Chair Mitchell called on President Bonner to deliver the President's Report, **Item 4**. President Bonner recognized Mr. Abe Mitchell, Honorary Trustee; Ms. Kim Lawkis, USA National Alumni Association (NAA) President; and Mr. Bennett Booth and Ms. Hayden Matheson, Southerner ambassadors.

President Bonner turned to Dr. Erdmann, who recognized senior volleyball and soccer athletes and introduced Mr. Jesse Ortiz, Head Volleyball Coach. Dr. Erdmann discussed the advancement of USA's volleyball and soccer programs in the Sun Belt Conference over recent years, as well as the teams' 2023 season and post-season performance and academic achievement. Coach Ortiz shared brief remarks about his role and the student athletes introduced themselves.

President Bonner welcomed Mr. Luis Gonzalez, new USA Trustee, to his first Board meeting and he commented on Mr. Gonzalez's decades-long career in Major League Baseball and enduring involvement as a member of the USA family. He underscored the commitment of all Board members to bolster the University's position as the *Flagship of the Gulf Coast* and support campus activities, such as the recent *Grilled Cheese and Doughnuts* gathering sponsored by the Honor's College, which he noted was attended by Mr. Shumock and Judge Windom.

President Bonner shared information on recent and upcoming events and initiatives, including the annual Holiday Concert; the inaugural lighting of Christmas trees on the main campus; a partnership with the NAA to elevate the "South" magazine and expand its distribution; the acquisition of Providence Hospital and its clinics; the "A Night Honoring Healers" annual benefit and recognition ceremony; the introduction of a state-of-the-art operating room wing at University Hospital; the dedication of the new Pediatric Emergency Center at USA Health Children's & Women's Hospital on January 10; and the Whiddon College of Medicine groundbreaking ceremony occurring later in the morning. He also discussed the positive impact of the high school

bus tours on enrollment, noting that one high school guidance counselor who visited campus with a student group subsequently shared of one prospective student's application to South following their tour.

President Bonner invited Ms. Monica Chambliss, Coordinator of Medical Affairs Development Support Services, to join him, and he announced her selection as *Employee of the Quarter*. He turned to Ms. Kelly McCarron, Associate Vice President for Medical Affairs – USA Health Development, who read an excerpt from her nomination of Ms. Chambliss. President Bonner presented Ms. Chambliss with a certificate commemorating the occasion and Ms. Chambliss expressed appreciation for the recognition.

President Bonner called upon Provost Kent for a report. Provost Kent shared that a recent trip to Washington, D.C., for a professional conference provided opportunities for President Bonner and her to market South's story with major media outlets, including *Inside Higher Education* and *The Chronicle of Higher Education*. As to student recruitment, she credited the Enrollment Services team for their diligent work, and talked about the *Jag Day* bus tours, noting that one tour – for St. Martin High School, the alma mater of Ms. Amya Douglas, Student Government Association (SGA) President – was featured by *Inside Higher Education* in a national article. She advised of the Mobile Bay Area Veterans Day Commission's recognition of President Bonner as 2023 *Patriot of the Year*, as well as its recognition of Ms. Lauren McGrady and Ms. Jenna Lankford, ROTC students, as *2023 Cadets of the Year* and of Mr. David Riley, USA alumnus, as *2023 Veteran of the Year*. She said that reaffirmation of the University's accreditation had been officially authorized by the Southern Association of Colleges and Schools Commission on Colleges and attributed this success to the team involved led by Dr. Angela Coleman, Associate Vice President for Institutional Effectiveness; Dr. Julie Estis, Executive Director – Academic Enhancement; and Ms. Alison Wood, Institutional Effectiveness Specialist. She reminded the group that Dr. Michael Capella and Dr. Angela Barlow would begin in their new roles as deans for the Mitchell College of Business and College of Education and Professional Studies, respectively, in January 2024. Concluding, Provost Kent stated that Fall Commencement would take place on December 15 with Mr. Shumock delivering the keynote address.

Chair Mitchell called for a report from the Faculty Senate President, **Item 5**. Dr. Donna Streeter, 2023-2024 Faculty Senate President, discussed the strategic goals developed by the Senate over the semester that were based on feedback from a recent faculty survey and pertained to salary adjustments; equitable workloads and a non-tenure instructional track; and faculty-student engagement. She stated that another endeavor of the Senate was development of an annual survey to collect insights on faculty experiences that could be shared with the faculty and leadership.

Chair Mitchell called for a report from the SGA President, **Item 6**. Ms. Amya Douglas, 2023-2024 SGA President, provided a summary of the SGA's accomplishments and involvement over the fall semester, advising of 19 Senate bills passed; more than 21 Senate projects introduced, and funding of projects in excess of $20,000. Among the other topics she reflected on were Homecoming and

Destroy Troy week festivities; a memorial ceremony held for a departed student; and seeds sown for the future work of the SGA.

Chair Mitchell called for consideration of consent agenda resolutions as follows, **Item 7**, all of which were unanimously recommended for Board approval by the respective committees that met on December 7, 2023. (To view additional documents authorized, refer to Appendix A.) On motion by Mr. Corcoran, seconded by Dr. Stokes, the Board voted unanimously to approve the resolutions:

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.

RESOLUTION
DIRECTORS OF THE JAGUAR ATHLETIC FUND, INC.

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

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

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

WHEREAS, the Nominating Committee of the JAF Board of Directors has nominated the following individuals to serve as JAF directors for three-year terms effective January 1, 2024, and expiring December 31, 2026,

- Milton "Tony" Wallace — Men's Golf
- Jill Showers-Chow — Women's Basketball

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

RESOLUTION
USA HEALTH HOSPITALS MEDICAL STAFF APPOINTMENTS AND REAPPOINTMENTS FOR AUGUST, SEPTEMBER AND OCTOBER 2023

WHEREAS, the USA Health Hospitals Medical Staff appointments and reappointments for August, September and October 2023 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 AND ASSOCIATED DOCUMENTS REVISIONS

WHEREAS, revisions to the USA Health Hospitals Medical Staff Bylaws and to associated documents, as 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 2024 AND 2025

WHEREAS, the following slate of officers approved by the active Medical Staff members via electronic vote on October 19, 2023, 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 — Edward Panacek, M.D.
- Moving to Chair, Medical Executive Committee — Jennifer Scalici, M.D.

USA Health University Hospital
- Chair-Elect/Secretary, Medical Executive Committee — Rachel Seaman, M.D.
- Serving as Chair, Medical Executive Committee — Jon Simmons, M.D.

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

RESOLUTION
DEPARTMENT OF NEUROLOGY WAIVER OF ELIGIBILITY REQUEST

WHEREAS, USA Health is the only tertiary Level 4 Epilepsy Center (the "Center") in the Gulf Coast tristate region and it is imperative to have a physician with neonatal and pediatric seizure management experience for the Center, and

WHEREAS, recruitment for this specialty has been difficult in the last ten years, and

WHEREAS, Luis Mayor Romero, M.D., is an excellent candidate who could be a great faculty member and could help build a comprehensive pediatric epilepsy program to serve our community, and

WHEREAS, Dr. Romero does not meet the eligibility criteria to join the medical staff because he is not eligible for ABMS (American Board of Medical Specialties) board certification, yet he is a foreign medical graduate who holds an ECFMG (Educational Commission for Foreign Medical Graduates) certification and completed two and one-half years of postgraduate training through ACGME (Accreditation Council for Graduate Medical Education)-accredited programs, and he is certified by the ABCN (American Board of Clinical Neurophysiology) in EEG (electroencephalogram) and clinical neurophysiology with added qualifications in critical care EEG and pediatric EEG, though the ABCN is not part of the ABMS, and

WHEREAS, a waiver of eligibility request is recommended for Board approval by the Medical Executive Committees and Credentialing Board of the USA Health Hospitals,

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

RESOLUTION
DEPARTMENT OF UROLOGY WAIVER OF ELIGIBILITY REQUEST

WHEREAS, USA Health has the only urology clinic in the area backed by the resources of academic medicine and University Urology is dedicated to delivering patient-centered urologic care to men, women and children along the Gulf Coast, and

WHEREAS, recruitment for this specialty is of the highest priority, and

WHEREAS, Jatinder Kumar, M.D., is an excellent candidate who could be a great faculty member and compliment the University Urology team as a Reconstructive Urologist, and, while he does not meet the eligibility criteria to join the medical staff because he is not eligible for ABMS (American Board of Medical Specialties) board certification due to being a foreign medical graduate, he completed a fellowship in advanced Urology at the University of Florida College of Medicine in 2021 and, once hired, Dr. Kumar will be board eligible to become Urology board-certified through an alternative pathway which allows a candidate to appeal to the Urology Certification Board once they have been in a full-time academic position for seven years, and

WHEREAS, the waiver of eligibility request is recommended for Board approval by the Medical Executive Committees and Credentialing Board of the USA Health Hospitals,

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

RESOLUTION
REVISED BYLAWS OF THE UNIVERSITY OF SOUTH ALABAMA HEALTH CARE AUTHORITY

WHEREAS, the Board of Trustees (the "Board") of the University of South Alabama approved the purchase of substantially all of the assets of that certain acute care hospital

known as Providence Hospital located in Mobile, Alabama ("Hospital"), as well as certain specified related assets, in a transaction that closed on October 1, 2023 (the "Transaction),

WHEREAS, the University of South Alabama Health Care Authority ("USA HCA") was the acquiring entity of the Hospital,

WHEREAS, as an Alabama hospital, the Hospital is required by The Joint Commission and the Alabama Department of Public Health to have a governing body that oversees the credentialling of medical staff members with privileges to practice medicine at the Hospital,

WHEREAS, the Board of Directors of USA HCA, by resolution in its September 6, 2023, meeting, voted to amend the Bylaws of the USA HCA to provide for Board oversite of the medical staff of USA Health Providence Hospital effective October 1, 2023, and to clarify that the Board of Directors will serve as the governing board for USA Health Providence Hospital,

WHEREAS, the Articles of Incorporation and the Bylaws of the USA HCA require that any amendments to the Bylaws are to be made by the USA HCA Board of Directors subject to the approval of the Board of Trustees of the University of South Alabama,

WHEREAS, the USA Board of Trustees now desires to authorize and approve the amendment of the Bylaws of the USA HCA as provided in this resolution,

THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama hereby approves the amendment of the Bylaws of the USA HCA as proposed by the Board of Directors of the USA HCA and shown on the attached Exhibit A.

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, and college dean; the Executive Vice President and Provost; and the University President,

- Amelia Baldwin, Ph.D., Accounting
- Mark Colarusso, Ph.D., Mathematics & Statistics
- Ying Johnson, Ph.D., Economics, Finance, & Real Estate
- Zoya Khan, Ph.D., Modern and Classical Languages
- Huubinh Le, Ph.D., Economics, Finance, & Real Estate
- Scott Liebertz, Ph.D., Political Science & Criminal Justice
- Harry Miller, Ph.D., History
- Matthew Patterson, Art & Art History
- Matthew Pettway, Ph.D., Modern and Classical Languages
- Carol Sawyer, Ph.D., Earth Sciences
- Jim Swofford, Ph.D., Economics, Finance, & Real Estate
- Kelly Urban, Ph.D., History
- Michelle Strong, Ph.D., History
- Brett Webb, Ph.D., Civil, Coastal, and Environmental Engineering

THEREFORE, BE IT RESOLVED, the University of South Alabama Board of Trustees approves the sabbatical awards for Fall 2024 through Spring 2025 as recommended.

RESOLUTION
FACULTY EMERITUS

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

ACADEMIC AFFAIRS:

- Jorg Feldvoss, Ph.D., Professor of Mathematics
- Marsha Hamilton, Ph.D., Associate Professor of History
- Russ Hardin, Ph.D., Professor of Accounting
- Mihaela Martin, Ph.D., Associate Professor of Modern & Classical Languages & Literature
- Mark Moberg, Ph.D., Professor of Sociology, Anthropology & Social Work
- Tim Sherman, Ph.D., Professor of Biology
- Tom Thomas, Ph.D., Associate Professor of Electrical & Computer Engineering
- Kelly Woodford, Ph.D., Professor of Business

WHIDDON COLLEGE OF MEDICINE:

- Johnson Haynes, Jr., M.D., Professor of Internal Medicine (Posthumous)
- Jorge L. Herrera, M.D., Professor of Internal Medicine
- Prasit Nimityongskul, M.D., Professor of Orthopaedic Surgery
- Daniel L. Preud'Homme, M.D., Professor of Pediatrics (Posthumous)
- Jonathan G. Scammell, Ph.D., Professor of Comparative Medicine,

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 Executive Vice President and Provost or the Vice President for Medical Affairs; and the University President have duly recommended the aforementioned faculty retirees be appointed to the rank of Professor Emeritus or Associate Professor Emeritus,

THEREFORE, BE IT RESOLVED, the University of South Alabama Board of Trustees hereby appoints these individuals to the rank of Professor Emeritus or Associate 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.

Chair Mitchell called for a report from the Audit Committee, **Item 8**. Mr. Graham, Committee Chair, advised of a Committee meeting held on December 7, 2023, and he provided a summary of the business that took place.

Chair Mitchell called for a report from the Development, Endowment and Investments Committee, **Item 9**. Mr. Yance, Committee Chair, said that a Committee meeting took place on December 7, 2023, and he gave a recap of the work accomplished.

Chair Mitchell called for a report from the Health Affairs Committee, **Item 10**. Mr. Shumock, Committee Chair, stated that the Committee met on December 7, 2023, and he presented a summation of the matters addressed.

Chair Mitchell called for a report from the Academic and Student Affairs Committee, **Item 11**. Judge Windom, Committee Chair, pointed out that the Committee's new name was the *Academic Excellence and Student Success Committee*, as authorized upon the Board's adoption of the revised *Bylaws of the Board of Trustees of the University of South Alabama* earlier in the meeting. He indicated that the Committee held a meeting on December 7, 2023, and he provided an overview of the actions and reports that occurred. He added that the Committee voted unanimously to recommend Board approval of **Item 12** as follows. On motion by Mr. Yance, seconded by Capt. Jenkins, the Board voted unanimously to approve the resolution:

RESOLUTION
TENURE

WHEREAS, in accordance with University policy, an application for tenure from Nasser Lakkis, M.D., a Whiddon College of Medicine faculty member, has been reviewed by faculty peers, the Dean of the Whiddon College of Medicine/Vice President for Medical Affairs, and the University President, and is hereby recommended for approval effective on December 8, 2023,

THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama hereby grants tenure to Nasser Lakkis, M.D., as recommended.

Chair Mitchell called for a report from the Budget and Finance Committee, **Item 13**. Mr. Corcoran, Committee Chair, advised of a Committee meeting held on September 7, 2023, and he provided a synopsis of the proceedings. He further noted that the Committee voted unanimously to recommend Board approval of **Item 14** as follows, and he moved for its approval. Ms. Atkins seconded and the Board voted unanimously to approve the resolution:

A RESOLUTION AUTHORIZING THE AMENDMENT, MODIFICATION AND, IF NECESSARY, REFUNDING BY EXCHANGE OF THE UNIVERSITY FACILITIES REVENUE BOND, SERIES 2023-A, AND TAXABLE UNIVERSITY FACILITIES REVENUE BOND, SERIES 2023-B

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

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

(1) under the Twenty-First Supplemental University Facilities Trust Indenture dated April 19, 2023 (the "Twenty-First Supplemental Indenture") between the University and The Bank of New York Mellon Trust Company, N.A. (the "Trustee"), on April 19, 2023, the University issued its not to exceed $80,000,000 University Facilities Revenue Bond, Series 2023-A (the "Series 2023-A Bond") to DNT Asset Trust (the "2023-A Lender"), and its not to exceed $20,000,000 Taxable University Facilities Revenue Bond, Series 2023-B (the "Series 2023-B Bond" and, together with the Series 2023-A Bond, the "Series 2023 Bonds") to JPMorgan Chase Bank, N.A. (the "2023-B Lender" and, together with the 2023-A Lender, the "2023 Lenders"); and

(2) the Series 2023 Bonds were structured as "draw-down" obligations under which the University may elect to borrow funds to pay the purchase price for an existing 349 bed medical facility known as Providence Hospital and related facilities (the "USA Providence Hospital Acquisition") and to cover potential capital repairs and improvements to those facilities; and

(3) at the time Series 2023 Bonds were issued, USA Health officials expected the closing of the USA Providence Hospital Acquisition to occur before June 30, 2023 and to refinance the Series 2023 Bonds with long-term bonds in the months that followed; and

(4) after the Series 2023 Bonds were delivered, the closing date for the USA Providence Hospital Acquisition was postponed to October 1, 2023, and due to the significant increase in interest rates that commenced during the Fall of this year it may be unfavorable to refinance the Series 2023 Bonds on a long-term basis before they mature on April 19, 2024; and

(5) in light of the delay in the closing of the USA Providence Hospital Acquisition and given current interest rates the University has determined that it may be desirable to extend the current maturity date of the Series 2023 Bonds to offer additional time to refinance the Series 2023 Bonds; it is necessary, advisable, and in the interest of the University to amend, modify and/or restate the Series 2023 Bonds and enter such other agreements as shall be necessary to extend their maturity dates and make whatever other modifications and changes may be required by the 2023 Lenders in connection therewith; provided, the same comply with the Parameters for Amendment described below.

Section 2. Parameters for Amendment.
(a) The University is hereby authorized to amend, modify and/or restate, as the case may be, the Series 2023 Bonds and all supplemental indentures, documents and agreements related thereto by entering the documents and agreements as described and set forth in Section 3 and Section 4 below; provided; in doing so the following conditions shall be complied with (collectively, the "Parameters for Amendment"):

(i) the final maturity date of each of the Series 2023 Bonds (or, if issued, the Amended and Restated Series 2023 Bonds as hereinafter defined) is not later than April 19, 2025;

(ii) interest is payable on a monthly basis or on a quarterly basis, as well as on any date principal may become due;

(iii) the 2023-A Variable Rate is calculated based upon Adjusted Term SOFR or a variable interest rate base similar to Adjusted Term SOFR, if required by the 2023-A Lender and deemed acceptable by PFM Financial Advisors LLC, as the financial advisor to the University ("PFM"), and the 2023-A Spread (or its equivalent if a different variable rate base is used) is not greater than 90 basis points (or, following a Determination of Taxability, 130 basis points);

(iv) the 2023-B Variable Rate is calculated based upon Adjusted Term SOFR or a variable interest rate base similar to Adjusted Term SOFR if required by the 2023-B Lender and deemed acceptable by PFM, and the 2023-B Spread (or its equivalent if a different variable rate base is used) is not greater than 130 basis points;

(v) the 2023-A Advance Deadline (as defined in the 2023-A Advance Agreement) is not later than April 15, 2025, and the 2023-B Advance Deadline (as defined in the 2023-B Advance Agreement) is not later than April 15, 2025;

(vi) if the 2023 Lenders charge an unused fee or similar fee for funds not currently drawn down, such amount may not exceed 20 basis points of any unused amount; and

(vi) the 2023-A Maximum Available Amount (as defined in the 2023-A Advance Agreement) is not greater than $80,000,000, and the 2023-B Maximum Available Amount (as defined in the 2023-B Advance Agreement) is not greater than $20,000,000.

(b) Capitalized terms used and not otherwise defined in this Section 2 shall have the meaning currently given to them in the Twenty-First Supplemental Indenture.

Section 3. Amendments to Existing Financing Documents; Amendatory Documents.
(a) In order to extend the maturity date of the Series 2023 Bonds and include such additional terms and changes as may be required by the 2023-A Lender and the 2023-B Lender (collectively, the "2023 Lenders"), the Board does hereby authorize the President of the University and the Chief Financial Officer of the University, or either of them, to execute and deliver, for and in the name and behalf of the University, such amendments, documents, certificates, notices, directives, and other instruments (collectively, the "Amendatory Documents") as shall be necessary or desirable to amend, modify, and/or restate, as the case may be (i) the Twenty-First Supplemental Indenture, (ii) the Series 2023-A Bond, (iii) the Series 2023-B Bond, (iv) that certain Advance Agreement (2023-A) dated April 19, 2023, between the University and the 2023-A Lender (the "2023-A Advance Agreement"), (v) that certain Advance Agreement (2023-B) dated April 19, 2023, between the University and the 2023-B Lender (the "2023-B Advance Agreement"), and (vi) the other documents and agreements heretofore delivered in connection with the Series 2023 Bonds; provided, that the Parameters for Amendment are complied with. The Board does hereby further authorize the Secretary of the Board, the Vice Chair of the Board, and the Chair Pro Tempore of the Board, or any of them, to affix to the Amendatory Documents the corporate seal of the University and to attest the same.

Section 4. Amended and Restated Series 2023 Bonds; Twenty-Second Supplemental Indenture and Related Agreements.

The following provisions of this Section 4 shall be operative only if the University and the 2023 Lenders determine for new bonds to be issued under the University Facilities Revenue Trust Indenture dated as of February 15, 1996, between the University and the Trustee, as heretofore supplemented and amended and as further supplemented and amended by the Twenty-Second Supplemental Indenture hereafter described (the "Indenture"), versus through delivery of the Amendatory Documents, in order to extend the maturity date of the Series 2023 Bonds and reflect the other terms and changes required by the 2023 Lenders in connection therewith.

(a) Authorization of Amended and Restated Series 2023 Bonds.

The Board does hereby authorize the issuance and delivery of (i) to the 2023-A Lender, the University's Amended and Restated University Facilities Revenue Bond, Series 2023-A, in a maximum principal amount of not to exceed $80,000,000 (the "Amended and Restated Series 2023-A Bond"), and (ii) to the 2023-B Lender, the University's Taxable Amended and Restated University Facilities Revenue Bond, Series 2023-B, in a maximum principal amount of not to exceed $20,000,000 (the "Amended and Restated Series 2023-B Bond" and, together with the Amended and Restated Series 2023-A Bond, the "Amended and Restated Series 2023 Bonds"). The Board does hereby authorize the President of the University to execute and deliver, for and in the name and behalf of the University (i) the Amended and Restated Series 2023-A Bond in substantially the form of the Series 2023-A Bond, with such additional terms and changes thereto as shall be deemed necessary or desirable by the President of the University; provided, such additional terms and changes comply with the Parameters for Amendment, and (ii) the Amended and Restated Series 2023-B Bond in substantially the form of the Series 2023-B Bond, with such additional terms and changes as shall be deemed necessary or desirable by the President of the University; provided, such additional terms and changes comply with the Parameters for Amendment. The Board does hereby further authorize the Secretary of the Board, the Vice Chair of the Board and the Chair Pro Tempore of the Board, or any of them, to affix the corporate seal of the University to the Amended and Restated Series 2023 Bonds.

(b) Source of Payment of the Amended and Restated Series 2023 Bonds.

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

(c) Authorization of Twenty-Second Supplemental Indenture.
The Board does hereby authorize the President of the University and the Chief Financial Officer of the University, or either of them, to execute and deliver, for and in the name and behalf of the University, to the Trustee, a Twenty-Second University Supplemental University Facilities Revenue Trust Indenture, in substantially the form of the Twenty-First Supplemental Indenture, with such additional terms or changes as shall be deemed necessary or desirable by the President of the University or the Chief Financial Officer of the University (the "Twenty-Second Supplemental Indenture"); provided, such additional terms and changes shall be in compliance with the Parameters for Amendment. The Board does hereby further authorize and direct the Secretary of the Board, the Vice Chair of the Board and the Chair Pro Tempore of the Board, or any of them, to affix the corporate seal of the University to the Twenty-First Supplemental Indenture and to attest the same.

(d) Authorization of Amended and Restated Advance Agreements.
The Board does hereby authorize the President of the University and the Chief Financial Officer of the University, or either of them, to execute and deliver, for and in the name and behalf of the University, (i) an Amended and Restated Advance Agreement (2023-A) between the University and the 2023-A Lender, in substantially the form of the 2023-A Advance Agreement, with such additional terms and changes as shall be deemed necessary or desirable by the President of the University or the Chief Financial Officer of the University; provided, such additional terms and changes are in accordance with the Parameters for Amendment, and (ii) an Amended and Restated Advance Agreement (2023-B) between the University and the 2023-B Lender, in substantially the form of the 2023-B Advance Agreement, with such additional terms or changes as shall be deemed necessary or desirable by the President of the University or the Chief Financial Officer of the University; provided, such additional terms and changes are in accordance with the Parameters for Amendment. The Board does hereby further authorize the Secretary of the Board, the Vice Chair of the Board and the Chair Pro Tempore of the Board, or any of them, to affix the corporate seal of the University to such amended and restated advance agreements.

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

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

(2) the Amended and Restated Series 2023-A Bond shall be designated "Series 2023-A", and the Amended and Restated Series 2023-B Bond shall be designated "Series 2023-B";

(3) the Amended and Restated Series 2023-A Bond shall be delivered to the 2023-A Lender in exchange for the Series 2023-A Bond, and the Amended and Restated Series 2023-B Bond shall be delivered to the 2023-B Lender;

(4) the Amended and Restated Series 2023 Bonds are to be issued by exchange and at a price equal to the face amount of each such instrument (payment of such price being evidenced by receipt of the bond exchanged therefor);

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(xvii) the Series 2023 Bond;

(6) The only bonds outstanding under the Indenture at the time of issuance of the Amended and Restated Series 2023 Bonds (which shall result in the termination of the Series 2023 Bonds) are the Series 2013-A Bond, the Series 2013-B Bond, the Series 2013-C Bond, the Series 2014-A Bond, the Series 2015 Bond, Series 2016-A Bonds, the Series 2017 Bonds, Series 2019-A Bonds, Series 2019-B Bonds, the Series 2019-C Bond, Series 2020 Bonds, Series 2021-A Bonds, the Series 2021-B Bonds, the Amended and Restated Series 2016-B Bond, the Amended and Restated Series 2016-C Bond, and the Amended and Restated Series 2016-D Bond; and

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

The Trustee is hereby requested to authenticate the Amended and Restated Series 2023-A Bond to the 2023-A Lender at the time it is to be delivered to the 2023-A Lender, and to authenticate the Amended and Restated Series 2023-B Bond to the 2023-B Lender at the time it is to be delivered to the 2023-B Lender.

Section 5. General Authorization; Chief Financial Officer.

(a) The President of the University, the Chief Financial Officer of the University, the Secretary of the Board, the Vice Chair of the Board and the Chair Pro Tempore of the Board, or any of them, are hereby authorized to execute and deliver, by and in the name of the University, such agreements, certifications, instruments, amendments, or other documents (collectively, "Additional Documents"), containing such terms as such officer shall approve and to take such other actions as any of them may deem appropriate or necessary, for the consummation of the transactions covered by this resolution; provided, the Parameters for Amendment are complied with. The Secretary of the Board, the Vice Chair of the Board, and the Chair Pro Tempore of the Board, or any of them, are hereby authorized to affix the corporate seal of the University to such Additional Documents and to attest the same.

(b) Without limiting the generality of Section 5(a) hereof, the President and the Chief Financial Officer of the University, or either of them, are hereby authorized to execute and deliver a Tax Compliance Agreement and Certificate and an IRS Form 8038-G in the event it is determined by bond counsel to the University that the transactions contemplated by this resolution constitute a "reissuance" of the Series 2023-A Bond for purposes of the Internal Revenue Code of 1986, as amended.

(c) The Board does hereby declare that the title of Vice President for Finance and Administration has been extinguished, and that, for all purposes of the Indenture, the duties and responsibilities of the Vice President for Finance and Administration have been vested in the Chief Financial Officer of the University. The Chief Financial Officer

of the University is hereby authorized to sign and execute any and all documents or instruments that, under the Indenture, are to be signed or delivered by the Vice President for Finance and Administration (including any predecessor title to Vice President for Finance and Administration). Without limiting the generality of the foregoing, the Board declares and confirms that the Chief Financial Officer of the University is hereby one and the same as the Vice President for Finance and Administration (including any predecessor title to Vice President for Finance and Administration) for purposes of the Indenture.

Section 6. Resolution Constitutes a Contract; Severability.
The provisions of this resolution shall constitute a contract between the University and the holders of the Series 2023 Bonds, as amended pursuant to this resolution, or, if the Amended and Restated Series 2023 Bonds are issued in exchange for the Series 2023 Bonds, the holders of the Amended and Restated Series 2023 Bonds. The various provisions of this resolution are hereby declared to be severable. In the event any provision hereof shall be held invalid by a court of competent jurisdiction, such invalidity shall not affect any other portion of this resolution.

Chair Mitchell called for a report from the Long-Range Planning Committee, **Item 15**. Ms. Brown Stewart, Committee Chair, advised that a Committee meeting took place on December 7, 2023, and she briefed the Board on the business that occurred. She added that the Committee voted unanimously to recommend Board approval of **Item 16** as follows. On motion by Ms. Atkins, seconded by Judge Lewis, the Board voted unanimously to approve the resolution:

RESOLUTION
UNIVERSITY OF SOUTH ALABAMA STRATEGIC PLANNING PRIORITIES

WHEREAS, the University of South Alabama (the "University"), with a global reach and a special focus on the Gulf Coast, strives to make a difference in the lives of those it serves through promoting discovery, health and learning, and

WHEREAS, the University of South Alabama is *The Flagship of the Gulf Coast* and is an essential partner in the development and growth of the City of Mobile, the Gulf Coast region, and their citizens, and

WHEREAS, the University is a diverse community of scholars in which students have access to the tools and resources they need to be academically and personally successful and in which all faculty have access to the support they need to be excellent teachers, researchers, scholars, artists and healthcare providers, and

WHEREAS, University Strategic Planning Priorities provide guidance and direction to faculty, staff and administrators for future planning and how to continue to grow and improve the University,

THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama hereby authorizes the University Strategic Planning Priorities for use in future planning and budgeting, as well as in the evaluation of the success of the University in achieving its mission.

Chair Mitchell called for a report from the Evaluation and Compensation Committee, **Item 16.A**. Capt. Jenkins, Committee Chair, advised of a comprehensive presidential compensation cost anal-

ysis completed in partnership with the national consulting firm Sullivan Cotter and considered by the Evaluation and Compensation Committee. He stated the data derived became the driver for the resolution distributed to the Trustees, **Item 16.B** as follows. He thanked Ms. Dukes and Mr. John Elliott, Chief Human Resources Officer, for their assistance throughout this process. On motion by Mr. Yance, seconded by Dr. Charlton, the Board voted unanimously to approve the resolution:

RESOLUTION
PRESIDENT'S EMPLOYMENT CONTRACT

WHEREAS, the Evaluation and Compensation Committee of the Board of Trustees of the University of South Alabama (the "Committee") is charged with conducting periodic performance reviews of the President and recommending to the Board the appropriate compensation package for the President, and

WHEREAS, the Committee has reviewed the performance of Mr. Josiah R. Bonner, Jr., as the President of the University of South Alabama and has made its recommendations regarding compensation to the Board of Trustees, and

WHEREAS, the Board of Trustees wishes to extend Mr. Bonner certain terms of employment in the form of a revised contract of employment, and

WHEREAS, terms are being discussed with Mr. Bonner,

THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama hereby conveys 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*, Mrs. Arlene Mitchell, in consultation with the chair of the Evaluation and Compensation Committee, Robert D. Jenkins III, and

BE IT FURTHER RESOLVED, upon recommendation from the Evaluation and Compensation Committee, the Board authorizes its Chair *pro tempore*, Mrs. Arlene Mitchell, in consultation with the chair of the Committee, Robert D. Jenkins III, to execute such supplemental agreements with Mr. Bonner as the Committee may deem necessary to secure President Bonner's services on a prospective basis.

Regarding **Item 17** as follows, Chair Mitchell, Mr. Graham and President Bonner took the floor and Mr. Graham commented on the tenure of Ms. Laura Schratt as USA's former Executive Director of the Office of Internal Audit. Mr. Graham credited Ms. Schratt with raising the bar in her role, and he read the resolution and moved for its approval. Ms. Brown Stewart seconded and the Board voted unanimously to approve the resolution. Ms. Schratt was presented a commemorative resolution and she conveyed appreciation for the recognition:

RESOLUTION
COMMENDATION OF MS. LAURA SCHRATT

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

WHEREAS, Ms. Laura Schratt faithfully and honorably served the University of South Alabama as executive director of the Office of Internal Audit and chief financial compliance officer from 2020-2023, and

WHEREAS, Ms. Schratt came to South after having served as chief audit executive at the North Dakota University System and with years of experience as a financial analyst and auditor, and

WHEREAS, Ms. Schratt used her considerable skills and talent upon her arrival at the University to elevate USA audit operations and structures, ensure alignment with industry standards, and develop a professional team in the Office of Internal Audit team, and

WHEREAS, Ms. Schratt served as a strategic and collaborative leader and oversaw varied aspects of internal audit, including financial compliance, risk assessment, audit planning and execution reporting, while also coordinating assistance for external audits, and

WHEREAS, Ms. Schratt served as a partner to faculty and staff to streamline and improve processes at both the University and USA Health, cultivating educational outreach and a quarterly e-newsletter published in conjunction with the Office of Compliance on relevant and timely issues, and

WHEREAS, Ms. Schratt built a reputation as an experienced administrator who led with fairness and integrity and, aside from her professional calling, is also known by her colleagues and friends as a skilled baker, as well as an avid Disney and Jeep enthusiast who enjoys travel,

THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama extends its sincere appreciation to Ms. Laura Schratt for her contributions to the University and offers best wishes to her and her family in their future endeavors.

In closing, President Bonner announced that Ms. Rita Harper, Executive Assistant in the Office of the Executive Vice President and Provost, was celebrating her birthday, and he reminded Board members and guests about the Whiddon College of Medicine groundbreaking ceremony and luncheon following the meeting. Chair Mitchell wished everyone a happy and safe holiday season. There being no further business, the meeting was adjourned at 10:16 a.m.

Attest to:

Lenus M. Perkins, Secretary

Respectfully submitted:

Arlene Mitchell

Arlene Mitchell, Chair pro tempore

APPENDIX A

B Y L A W S

OF THE BOARD OF TRUSTEES

OF THE UNIVERSITY OF SOUTH ALABAMA

PREAMBLE

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

ARTICLE I

THE BOARD OF TRUSTEES

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

Section 1. **Composition of Board.** Consistent with the 2014 amendatory language to Sections 16-55-2 , Code of Alabama 1975, the Board shall consist of **three** members from Mobile County; **five** members from the state at large; **two** members from the United States at large; the Governor, who shall be *ex officio* President of the Board; and **one** member from each of the following state senatorial districts, or combinations thereof, as those districts existed in 1963: (1) Sixteenth and Seventeenth Districts comprising Monroe and Wilcox Counties, and Butler, Conecuh, and Covington Counties, respectively; (2) Nineteenth and Twentieth Districts comprising Choctaw, Clarke, and Washington Counties, and Marengo and Sumter Counties, respectively; (3) Twenty-first District comprising Baldwin and Escambia Counties; (4) Twenty-third, Twenty-fifth, and Thirtieth Districts comprising Dale and Geneva Counties, Coffee and Crenshaw Counties, and Dallas and Lowndes Counties, respectively; and (5) Thirty-fifth District comprising Henry and Houston Counties.

Section 2. **Election and Term of Office.** The Governor, as an *ex officio* Trustee, serves his or her term of office in correspondence with his or her term of office as Governor of the State of Alabama. In accordance with the statute regarding the University of South Alabama, the Trustees are appointed by the Governor, by and with the advice and consent of the State Senate, and, for those appointed or reappointed after the effective date of the 2014 amendment to said statute, hold office for a term of six years, and until their successors shall be appointed and qualified. Any Trustee appointed to serve a twelve-year term before the effective date of the 2014 amendment will continue to serve for the remainder of that term. As terms expire after that date, appointments to fill positions on the Board shall be for six-year terms. There are three classes of board members, so that, after the transition to all Trustees serving six-year terms, one-third of the members of the Board is appointed every two years. Vacancies occurring in the office of Trustee,

from death or resignation, and the vacancies regularly occurring by expiration of the term shall be filled by the Governor, and the appointee holds office until the next meeting of the Legislature. Successors to those Trustees whose terms expire during an interim shall hold office for a full term, unless they are rejected by the Senate. Neither the existence nor continuation of a vacancy in the office of the Trustee shall serve to impair or hinder any provisions of these Bylaws or the validity of the operation and actions by the Board by virtue of that vacancy alone.

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

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

Section 5. **Emeritus Status.** The Board, in its sole discretion, may recognize any Trustee who has served with distinction as Trustee Emeritus following said Trustee's term of service. The Trustee must have provided distinguished and meritorious service, outstanding leadership, and exceptional contributions to the University over a period of years. Any Trustee so recognized as Trustee Emeritus shall have no voting rights and will remain Trustee Emeritus at the pleasure of

the Board of Trustees. Such designation shall confer no responsibilities, duties, rights, privileges, or benefits, but shall constitute recognition of service and experience and will publicly acknowledge that person as particularly suited for counsel and advice to the Board. The Board encourages the availability of those who have been awarded Trustee Emeritus status for such counsel and advice and may request special services of them.

Section 6. **Honorary Trustee.** The Board, in its sole discretion, may recognize as an Honorary Trustee any individual who has demonstrated a sustained and extraordinary commitment to the mission of the University. Election of an Honorary Trustee shall occur at any regular meeting of the Board and, because of the prestige of this position, shall occur on very rare occasions. Honorary Trustees shall have no voting rights and will maintain this designation at the pleasure of the Board. Such designation shall confer no responsibilities, duties, rights, privileges, or benefits, but shall constitute recognition of service with distinction to the University. It will also publicly acknowledge that person as particularly suited for counsel and advice to the Board.

Section 7. **Removal of a Trustee.** Under the laws of the State of Alabama, the Board of Trustees has no power to remove one of its members. Section 60 of the Constitution of Alabama, which provides that "[no] person convicted of embezzlement of the public money, bribery, perjury, or other infamous crime, shall be eligible to the legislature, or capable of holding any office of trust or profit in this state" sets forth the constitutional grounds and procedure for removing a Trustee.

ARTICLE II

MEETINGS OF THE BOARD OF TRUSTEES

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

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

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

Section 4. **Quorum.** Seven members of the Board of Trustees shall constitute a quorum, but a smaller number may adjourn from day to day until a quorum is present. A majority of those present shall govern unless a greater number is required hereunder. Members of the Board of Trustees may participate in a meeting of the Board or committee by means of telephone conference, video conference, or similar communications equipment by means of which all persons participating in the meeting may hear each other at the same time. Participation by such means shall constitute presence in person at a meeting for all purposes. However, a majority of a quorum of the members of the Board of Trustees, or, in the event of a meeting of only the executive committee, a majority of a quorum of the executive committee of the Board of Trustees, must be physically present at the location noticed and called for the meeting in order to conduct any business or deliberation. Members of the Board of Trustees and any committees of the board may not utilize electronic communications or otherwise conduct meetings except as in compliance with the Alabama Open Meetings Act. No Trustee for whom a conflict of interest exists shall vote on such matter before the Board.

Section 5. **Agenda.** The President shall mail to each member of the Board notice of the time and place of any meeting, which shall include an agenda for the meeting, at least ten (10) days prior to the time of meeting. The development and preparation of the agenda for Board meetings shall be vested in the President**,** who shall place such items on the agenda as are needed for the ongoing operation of the institution and/or that require the approval of the Board. Members

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

Section 6. **Minutes.** Minutes of all meetings of the Board and its committees shall be prepared and distributed promptly to all members of the Board under the direction of the Secretary of the Board. Upon approval by the Board or committee, such minutes shall be maintained permanently and in an accessible manner in the Office of the President under the direction of the Secretary of the Board.

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

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

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

ARTICLE III

OFFICERS

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

Section 1. **President of the Board.** The Governor of the State of Alabama shall be *ex officio* President of the Board. The President may call special meetings of the Board upon the conditions set forth herein.

Section 2. **Chair Pro Tempore.** Upon adoption of these Bylaws and thereafter, the Board of Trustees shall elect from its membership a Chair *pro tempore* for a three-year term, commencing immediately following the annual meeting at which the election is held. Such officer may not be elected for successive terms. He or she shall preside at all Board meetings and call special meetings of the Board upon the conditions set forth herein. The Chair *pro tempore* shall serve as chair of the Executive Committee, and shall appoint such committees as may be authorized by the Board, or as he or she may deem desirable, fill vacancies which will occur on such committees, and give final approval to the agenda for the Board meeting.

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

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

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

ARTICLE IV

COMMITTEES

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

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

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

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

Section 2. **Budget and Finance Committee.** The Budget and Finance Committee shall be responsible for the review and study of budget requests; recommending comprehensive budgets; review and study of real estate transactions and matters related to facilities construction and infrastructure maintenance; and submitting such reports and recommendations to the Executive Committee of the Board and/or the full Board, as deemed necessary and appropriate.

Section 3. **Audit Committee.** The Audit Committee shall be responsible for the oversight and integrity of the financial statements and other financial reports; performance of the University's internal and external audit functions; selection of an external auditor; assurance that the University is performing self-assessment of operating risks and evaluations of internal controls on a regular basis; the study and review of all reports and other correspondence from external auditors; and the submission of audit reports and recommendations to the Board of Trustees. The Executive Director of Internal Audit shall be accountable to the Board of Trustees through the Audit Committee, and shall make reports to the Audit Committee as appropriate.

Section 4. **Long-Range Planning Committee.** The Long-Range Planning Committee shall be responsible for long range plan recommendations; review of new and existing academic programs; academic planning and organization; mission statement and statements of role and

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

Section 5. **Health Affairs Committee.** The Health Affairs Committee shall be responsible for providing guidance to and receiving reports from staff and administrative personnel responsible for the USA Health Hospitals and Clinics. It will consider and make recommendations requiring Board action relating to the USA Health Hospitals and Clinics and the Whiddon College of Medicine.

Section 6. **Academic Excellence and Student Success Committee.** The Academic Excellence and Student Success Committee shall be responsible for receiving and reviewing information relevant to issues that support academic excellence and foster student success at the University.

Section 7. **Development, Endowment and Investments Committee.** The Development, Endowment and Investments Committee shall be responsible for establishing policies and guidelines to oversee the University's Development and Alumni Relations programs, invest and manage the University's endowment and other investment funds, and for submitting such reports and recommendations to the Executive Committee of the Board and/or the full Board of Trustees, as deemed necessary and appropriate.

Section 8. **Evaluation and Compensation Committee.** The Evaluation and Compensation Committee shall be responsible for conducting periodic performance reviews of the President and recommending to the Board an appropriate compensation package for the President.

ARTICLE V

PRESIDENT AND DUTIES

Appointment of the President of the University as Chief Executive Officer of the Institution. The President shall be selected by the Board of Trustees and serve at the pleasure of the Board but may be removed only by a vote of eight members of the Board. The Board of Trustees is responsible for conducting periodic evaluations of the performance of the President.

The President is the chief educational and administrative officer of the University. Unless excused by the Chair *pro tempore*, he or she shall attend and participate in all meetings of the Board and may make recommendations on matters before the Board. The President does not vote

on Board matters. The President shall be responsible for the execution of the policies of the Board and the Executive Committee and performing all those matters necessary to carry out the ends and purposes for which the University was established. The President shall have all authority necessary to conduct the programs of the University, including the authority to award degrees, add officers to the University which he or she deems necessary, delegate authority among subordinates and all other authority which shall, from time to time, be delegated by the Board of Trustees to the President. Prior to appointment of vice presidents, the President shall notify the Board of his or her intention to appoint such officers to the University. The President reports to the Board on the current operations of the University and directs, coordinates and implements the planning, development and appraisal of all activities of the University of South Alabama.

ARTICLE VI

CONFLICT OF INTEREST

Members of the Board of Trustees ("Trustees") of the University of South Alabama have an affirmative obligation to act at all times in the best interests of 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.

Fiduciary duty. Each Trustee 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 Trustee, he or she must subordinate personal, business, third-party, and other interests to the welfare and best interests of the University.

Conflict of interest. A "conflict of interest" is any transaction or relationship which presents, or may present, a conflict between a Trustee'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 Trustee 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.

Disclosure. The Board of Trustees 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 Trustee 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.

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 p*ro tempore* of the Board of Trustees. The Chair *pro tempore*, or Vice Chair if evaluating a possible conflict of the Chair *pro tempore*, of the Board may either handle the evaluation on his or her own or refer it to the Board for further consideration. Additional information from a Trustee may be sought at any time. A Trustee 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

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[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 Trustee.

found to exist, the Trustee shall recuse himself or herself from any discussion or voting regarding transactions involving the area of conflict.

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 Trustee's ability to act in the best interests of the organization.

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

Policy regarding Trustees doing business with the University. A conflict of interest exists any time a Trustee seeks to enter into a business relationship with the University. Similar conflicts may arise through family members or through organizations in which a Trustee 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 Trustee 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 Trustee must promptly disclose the intent to enter into a business relationship with the University to the Chair *pro tempore* of the Board of Trustees.

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

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

- If the business relationship under consideration is approved, the Trustee 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 Trustee either:

1) holds an interest of ten percent (10%) or greater, or
2) 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 Trustee shall advocate or attempt to influence the employment by the University of any member of his or her family.

ARTICLE VII

OFFICIAL CORPORATE SEAL

The official corporate seal of the University of South Alabama shall be circular in form, encircled as follows:



ARTICLE VIII

AMENDMENT OR REPEAL OF BYLAWS

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

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.

Proposed Changes to USA Health Hospitals Medical Staff Bylaws/Associated Documents
Approved by the USA Health Hospitals Medical Executive Committees on January 23, 2024
Approved via email vote by the USA Health Hospitals Active Medical Staff on February 1, 2024

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

Summary of Proposed Bylaws/Associated Documents Revisions:

MEDICAL STAFF BYLAWS

I. Amendments to the Bylaws/Associated Documents.
Revised to allow an urgent amendment to the rules and regulations when necessary to comply with law or regulation.
NOTE: The Joint Commission standards state there is a process by which the medical executive committee, if delegated to do so by the voting members of the organized medical staff, may provisionally adopt and the governing body may provisionally approve an urgent amendment without prior notification of the medical staff.

II. Medical Executive Committee voting members.
5B-Appointment of committee chairs and members
A. Establishing APPs as non-voting members of Medical Staff Committees.
B. Professionals change to practitioners

III. New category of staff- Affiliate Staff.
Category of staff for USA Health providers who are USA employees who do not have a hospital Practice but need to be fully credentialed for delegated payor contract requirements.

IV. APPENDIX A - Medical Staff Categories Summary.
Two revisions to Summary Grid:
A. For the Courtesy staff place Y in the Admit line under “Rights”.
B. Add FPPE/OPPE to the responsibilities list.

MEDICAL STAFF RULES AND REGULATIONS

V. Preoperative documentation requirements.
Revised documentation requirements when an emergency condition exists.

VI. Consents.
Revised obtaining consent process to include advance practice practitioners.

ORGANIZATIONAL MANUAL

VII. CW Women’s Quality and Children’s Quality Committees.
Deleted both dissolved committees.

VIII. Children’s & Women’s Hospital Peer & Quality Review Committee duties.
Deleted the duty of ensuring accuracy of coding for cases reviewed in the peer review committee.

MEDICAL STAFF BYLAWS

TJC Standards
MS 01.01.01 Medical staff bylaws address self-governance and accountability to the governing body.
Element of Performance 11 - In cases of a documented need for an urgent amendment to rules and regulations necessary to comply with law or regulation, there is a process by which the medical executive committee, if delegated to do so by the voting members of the organized medical staff, may provisionally adopt and the governing body may provisionally approve an urgent amendment without prior notification of the medical staff. In such cases, the medical staff will be immediately notified by the medical executive committee. The medical staff has the opportunity for retrospective review of and comment on the provisional amendment. If there is no conflict between the organized medical staff and the medical executive committee, the provisional amendment stands. If there is conflict over the provisional amendment, the process for resolving conflict between the organized medical staff and the medical executive committee is implemented. If necessary, a revised amendment is then submitted to the governing body for action.

I. AMENDMENTS

9.A. MEDICAL STAFF BYLAWS

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

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

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

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

(5) If the Board has determined not to accept a recommendation submitted to it by the MECs or the Medical Staffs, the MECs may request a conference between the officers of the Board and the officers of the Medical Staff(s). Such conference shall be for the purpose of further communicating the Board's rationale for its contemplated action and permitting the officers of the Medical Staff(s) to discuss the rationale for the recommendation. Such a conference will be scheduled by the Hospital Administrator within two weeks after receipt of a request for same submitted by the President of the Medical Staff, to the extent possible.

(6) Neither the Medical Staffs nor the Board shall unilaterally (without seeking the advice of the other party) amend these Bylaws.

(7) The Appendices to the Bylaws may be modified or supplemented by action of the Board, after receiving the recommendation of the MECs, without the necessity of formal amendment of these Bylaws.

9.B. OTHER MEDICAL STAFF DOCUMENTS

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

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

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

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

(5) Amendments to the Medical Staff policies and to the Rules and Regulations may also be proposed by a petition signed by at least 20% of the voting members of the Medical Staff. Any such proposed amendments will be reviewed by the MEC, which shall report on the proposed amendments either favorably or unfavorably before they are forwarded to the Board for its final action.

(6) Adoption of and changes to the Credentials Policy, Medical Staff Organization Manual, Advance Practice Professionals Policy, Medical Staff Rules and Regulations, and other Medical Staff policies will become effective only when approved by the Board.

(7) **Urgent Action. However, when urgent action is required to comply with law or regulation, the Medical Executive Committee is authorized to adopt a Rule or Regulation subject to promptly informing the Medical Staff of the Rule and Regulation and providing an opportunity for subsequent review and action. Subsequent review and consideration of the urgently adopted Rule or Regulation is triggered by a written petition signed by at least fifty (50) voting members of the Medical Staff. The initially adopted Rule and Regulation shall remain effective until such time as a superseding rule or regulation is adopted.**

II. MEDICAL STAFF COMMITTEES AND PERFORMANCE IMPROVEMENT FUNCTIONS

5.B. APPOINTMENT OF COMMITTEE CHAIRS AND MEMBERS

Unless otherwise indicated, all committee chairs and members shall be appointed by the Chair of the MEC. Advanced Practice ~~Professionals~~ **Practitioners** may be appointed to serve as ~~voting~~ **non-voting** members of Medical Staff committees. Committee chairs shall be selected based on the criteria set forth in Section 3.B of these Bylaws, and all committee members must signify their willingness to meet basic expectations of committee membership as set forth in Section 3.B of the Organization Manual.

5.C. MEDICAL EXECUTIVE COMMITTEE

(c) The Hospital Administrator, CMO, CNO, College of Medicine Dean/Vice President of Medical Affairs, resident physicians, advanced practice practitioner, and Quality Management representatives shall serve as *ex officio*, non-voting members.

III. NEW CATEGORY OF MEDICAL STAFF

2.D. AFFILIATE STAFF

2.D.1. Qualifications:

The Affiliate Staff consist of those Physician and oral and Maxillofacial surgeons who:

(a) Desire to be associated with, but who do not maintain a hospital practice. These physicians and oral and maxillofacial surgeons do not hold Clinical Privileges and do not have admitting privileges.

(b) Meet the eligibility criteria set forth in the Medical Staff Credentials Policy with the exception of those related to the exercise of clinical privileges (i.e., response time requirements, clinical activity within the past year, coverage arrangements, provision of on-call services); and

(c) Have indicated or demonstrated a willingness to assume responsibilities of membership on the Affiliate Staff as outlined in section 2.D.2.

2.D.2. Prerogatives and Responsibilities

Affiliate Staff members:

(a) May refer patients requiring hospitalization to a Medical Staff member with appropriate Clinical Privileges.

(b) May follow patients during their hospital stay by reviewing the medical record of referred patients and conversing with the attending physician, consultants and Hospital Staff concerning referred patients.

(c) May not write orders for inpatients and observation patients.

(d) May write orders for outpatient tests.

(e) Must provide a valid license and current liability insurance from the state where their primary practice is located.

(f) Shall not be eligible to vote at general Medical Staff meetings, committee meetings nor eligible to hold office.

(g) Shall have an acceptable clinical record as reflected by the National Practitioner Data Bank

(h) May attend the general Medical Staff meetings, except those portions devoted to peer review of Medical Staff members.

(i) May attend educational activities sponsored by the medical staff and the Hospital.

(j) May perform history and physical examinations in the office and have those reports entered into the Hospital's medical record.

(k) Are excused from providing specialty coverage for the Emergency Department and providing for unassigned patients.

(l) Shall not participate in professional practice evaluation and performance improvement processes.

IV. APPENDIX A - MEDICAL STAFF CATEGORIES SUMMARY

- For the Courtesy staff place Y in the Admit line under "Rights" and Add FPPE/OPPE to the responsibilities list.

CURRENT GRID:

	Active	Courtesy	Consulting	Community	Coverage	Honorary
Basic Requirements						
Number of hospital contacts/2-year	≥ 15	≥ 4 & < 15	NA	N	NA	N
Rights						
Admit	Y	≥ 4 & < 15	N	N	P	N
Exercise clinical privileges	Y	Y	Y	N	P	N
May attend meetings	Y	Y	Y	Y	Y	Y
Voting privileges	Y	P	P	N	P	P
Hold office	Y	N, unless waiver	N, unless waiver	N, unless waiver	N, unless waiver	N, unless waiver
Responsibilities						
Serve on committees	Y	Y	Y	Y	Y	Y
Meeting requirements	Y	N	N	N	N	N
Dues	Y	Y	Y	Y	Y	N
Comply w/ guidelines	Y	Y	Y	N	Y	N

Y = Yes
N = No
NA = Not Applicable
P = Partial (with respect to voting, only when appointed to a committee)

Example of revised grid table.

	Active	Courtesy	Consulting	Affiliate	Community	Coverage	Honorary
Basic Requirements							
Number of hospital contacts (2-years)	≥ 15	≥ 4 & < 15	NA	N/A	N	NA	N
Rights							
Admit	Y	Y	N	N/A	N	P	N
Exercise clinical privileges	Y	Y	Y	N/A	N	P	N
May attend meetings	Y	Y	Y	Y	Y	Y	Y
Voting privileges	Y	P	P	N	N	P	P
Hold office	Y	N, unless waiver	N, unless waiver	N	N, unless waiver	N, unless waiver	N, unless waiver
Responsibilities							
Serve on committees	Y	Y	Y	Y	Y	Y	Y
Meeting requirements	Y	N	N	N	N	N	N
FPPE/OPPE	Y	Y	Y	N	N	N	N
Dues	Y	Y	Y	Y	Y	Y	N
Comply w/ guidelines	Y	Y	Y	Y	N	Y	N

MEDICAL STAFF RULES AND REGULATIONS

V. 2.4 Surgical Care:

2.4.1 Preoperative documentation requirements

Except in emergencies, a history and physical examination, the pre-operative diagnosis, consent, laboratory reports and radiology reports must be completed in the patient's medical record prior to any surgical procedure. Preparation for surgery including pre-medication shall not be performed until proper entries are completed in the patient's medical record. The operating room circulating nurse will notify the operating staff surgeon if these criteria are not met. If this causes a delay in surgery, which results in a change in the surgery schedule, the operation shall be rescheduled to the next available time. In the case of an emergency, where any or all of the above entries have not been made in the medical record, the ~~operating attending~~ surgeon **or designee** shall make an entry in the medical record ~~regarding the~~ **stating that for this** patient's condition ~~prior to induction of anesthesia and that~~ a delay **to do the procedure** would be detrimental to the patient.

VI. 5.0 Consents

5.2 Responsibility for obtaining consent

Physicians are responsible for obtaining a patient's informed consent. Before obtaining informed consent, the risks, benefits, and potential complications/alternatives associated with procedures must be discussed with the patient or surrogate. The physician **or designee** must document in the medical record that the patient understood the risks and benefits and agreed to the proposed treatment. (See consent policy.)

ORGANIZATION MANUAL

VII. Delete Two Medical Staff Committees

~~3.I. USA HEALTH CHILDREN'S & WOMEN'S HOSPITAL CHILDREN'S QUALITY SERVICES COMMITTEE~~

~~3.I.1. Composition:~~

~~The USA Health Children's & Women's Hospital Children's Quality Services Committee shall consist of members who represent the clinical services provided to pediatric patients. Members consist of the selected chair, vice-chair and immediate past chair; the Academic chair of Pediatrics and representatives from the following areas: Pediatrics; Family Medicine; Hematology/Oncology; Pediatric Critical Care; Pediatric Hospitalists; Pediatric Residency Program; Infectious Disease; Neonatology; Radiology; Pediatric Emergency Department; Pediatric residents and Anesthesia, Radiology, and Pathology support representatives. *Ex officio* members consist of hospital, nursing, quality management, infection prevention and ancillary services from the members' pediatric areas of responsibility.~~

~~3.I.2. Duties:~~

~~The USA Health Children's & Women's Hospital Children's Quality Services Committee shall:~~

~~(a) consider and make recommendations to the MEC regarding the needs of pediatric services;~~
~~(b) approve evidence-based protocols, orders, and operational policies;~~
~~(c) oversee performance improvement projects relevant to the population served and develop strategies to address ongoing improvement;~~
~~(d) receive reports of medication safety initiatives and related data, and quality assurance event reporting pertaining to the population served;~~
~~(e) oversee customer service data for the population served; and~~
~~(f) discuss, assess, and make recommendations regarding intradepartmental and interprofessional collaboration to enhance coordination of care.~~

~~3.J. USA HEALTH CHILDREN'S & WOMEN'S HOSPITAL WOMEN'S QUALITY SERVICES COMMITTEE~~

~~3.J.1. Composition:~~

~~The USA Health Children's & Women's Hospital Women's Quality Services Committee shall consist of members who represent the clinical services provided to women's health patients. Members consist of the selected chair, vice-chair and immediate past chair; the Academic chair of Obstetrics and Gynecology and representatives from the following areas: Maternal Fetal Medicine, Obstetrics and Gynecology surgeons, Community Physicians, Family Medicine; Obstetrics/Gynecology Residency Program; Neonatology; Radiology; residents and Anesthesia, Radiology, and Pathology support representatives. *Ex officio* members consist of hospital, nursing, quality management, infection prevention, informatics and ancillary services from the members' women's health areas of responsibility, including labor and delivery, mother-baby, high-risk obstetrics and OB/Gyn Evaluation Center.~~

~~3.J.2. Duties:~~

~~The USA Health Children's & Women's Hospital Women's Quality Services Committee shall:~~

~~(a) consider and make recommendations to the MEC regarding the needs of women's health services;~~

~~(b) approve evidence-based protocols, orders, and operational policies;~~

~~(c) oversee performance improvement projects relevant to the population served and develop strategies to address ongoing improvement;~~

~~(d) receive reports of medication safety initiatives and related data, and quality assurance event reporting pertaining to the population served;~~

~~(e) oversee customer service data for the population served; and~~

~~(f) discuss, assess, and make recommendations regarding intradepartmental and interprofessional collaboration to enhance coordination of care.~~

VIII. 3.K. USA HEALTH CHILDREN'S & WOMEN'S HOSPITAL PEER & QUALITY REVIEW COMMITTEE

3.K.2. Duties:

The USA Health Children's & Women's Hospital Peer & Quality Review Committee shall:

(a) review patient safety indicators and evaluate appropriateness of clinical care which includes complication prevention and mitigation actions when applicable, oversight and coordination of care, **and** documentation, ~~and coding~~;

(b) oversee the implementation of the peer review process;

(c) review cases referred for review per screening indicators and benchmark data;

(d) evaluate appropriateness of care and make recommendations for case ratings based upon the outcome of the Committee's analysis and deliberation (the case rating may be assigned to an individual, service line/departments/units or to the system. The proposed case rating recommendations are referred to the MEC for consideration);

(e) formulate Quality Improvement recommendations when care provides an opportunity for improvement or is related to a variance in practice, technique, adherence to evidence-based care or recommended practice, or other identified area; and

(f) perform any additional functions as may be set forth in applicable peer review policies or as requested by the Leadership Council, the MEC, or the Board.

EXHIBIT A

AMENDED AND RESTATED BYLAWS

OF

UNIVERSITY OF SOUTH ALABAMA HEALTH CARE AUTHORITY

ARTICLE I.

Offices

Section 1. **Principal Office.** The principal office of the University of South Alabama Health Care Authority (hereinafter called the "University Authority") shall be located at 307 University Boulevard, N., AD 170, Mobile, Alabama, 36688-0002, in the City of Mobile, Alabama (hereinafter called "the City").

Section 2. **Other Offices.** The University Authority may also have such other office or offices within or without the corporate limits of the City as the Board of Directors of the University Authority may determine or as its business may require.

ARTICLE II.

Powers and Conformity with Articles of Incorporation and Enabling Law

Section 1. **Powers.** The University Authority shall have such powers as are specified in its Articles of Incorporation, as may be amended from time to time, in conformity with the University Authority Act of 2016, and any act amendatory thereof, supplementary thereto or substituted therefor (hereinafter referred to as the "Enabling Law").

Section 2. **Inconsistency with the Artiles of Incorporation.** No provision of these Bylaws may be inconsistent with the provisions of the University Authority's Articles of Incorporation or the Enabling Law. In the event of any inconsistency between the Bylaws and the Articles of Incorporation of the University Authority, the Enabling Law and Articles of Incorporation shall control.

ARTICLE III.

Board of Directors

Section 1. **Creation and Duties of the Board In General.** All corporate powers of the University Authority shall be exercised by or under the authority of, and the business affairs of the University Authority shall be managed under the discretion of, a Board of Directors (the "Board"). The number of members of the Board shall be eleven or as specified in the Articles of Incorporation.

Section 2. **USA Health Providence Hospital.** The Board of Directors of the University of South Alabama Health Care Authority shall be the governing body of USA Health Providence Hospital and shall have final approval of all appointments and reappointments and conferring of clinical privileges to members of the medical staff subject to the hearing and appeal procedures set forth in the Medical Staff Bylaws and the General Rules and Regulations of the Medical

Staff (hereinafter collectively referred to as the "Medical Staff Bylaws"). The provisions relating to appointment and reappointment and conferring of clinical privileges of the medical staff, as contained in the Medical Staff Bylaws and as applicable to the University of South Alabama Health Care Authority, are incorporated herein by reference.

Section 3. Election of Directors. The members of the Board (hereinafter called "Directors") shall be selected in accordance with the provisions of the University Authority's Articles of Incorporation (as it may at the time exist). Any vacancy in the membership of the Board shall be filled in accordance with the University Authority's Articles of Incorporation.

Section 4. Terms of Directors. Each Director shall hold office for a term as established in the University Authority's Articles of Incorporation.

Section 5. Resignation of Directors. Any Director may resign at any time upon written notice to the University Authority addressed to it at its principal office or to an office of the Board. Any resignation shall become effective at the time or upon the happening of the condition, if any, specified therein, or, if no such condition or time is specified, upon its receipt. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Removal of Directors. Any Director may be removed in accordance with the Articles of Incorporation.

Section 7. Vacancy Among Directors. Any vacancy in the Board shall be filled by appointments made by the Trustees of the University of South Alabama at their next regular meeting or earlier as determined necessary by the Executive Committee of the Trustees of the University of South Alabama.

Section 8. Place of Meetings; Telephonic or Video Conference Meetings. All meetings of the Board shall be held at the principal office of the University Authority or at such other place or places as the Directors may from time to time determine. The Board may meet telephonically or via video conference.

Section 9. Regular and Special Meetings. Regular meetings of the Board shall be held quarterly at such time as the Board may determine in advance. A special meeting of the Board shall be held upon the call of either the President of the University Authority or a majority of the total number of Directors, and otherwise at such times as the Board may by resolution specify.

Section 10. Notice of Meetings. One day's notice of each special meeting shall be given to each Director, and, if required by law or by these bylaws, such notice shall also state the purpose for which such special meeting was called. The notice provided for in this section must be given in person by any reasonable means (including telephone), unless any Director is absent from the country or municipality in which he or she resides, in which event any such notice may be given by registered letter or by telegram. Attendance of a director at a meeting shall constitute a waiver of notice of such a meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 11. Waiver of Notice. Whenever any notice is required to be given under the provisions of the University Authority's Articles of Incorporation, or of these bylaws, a

waiver thereof in writing signed by the person entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice where such notice is permitted by state law. All such waivers shall be filed with the corporate records, or be made a part of the minutes of the relevant meeting.

Section 12. Quorum. A majority of Directors shall constitute a quorum for the transaction of business of the Board, and any meeting of the Board may be adjourned from time to time by a majority of the directors present. No vacancy in membership of the Board shall impair the right of a quorum to exercise all the powers and perform all the duties of the Board. Any regular meeting or special meeting of the Board may be continued in session by being adjourned at the end thereof to a specified time and place, and at any adjourned meeting may again be continued in session by adjournment thereof.

Section 13. Voting. Each Director shall be entitled to one vote at any meeting of the Board while in attendance. There shall be no voting by proxy.

Section 14. Business and Manner of Acting; Resolutions; Written Record. Any matter of business may be transacted at any meeting, except as otherwise required by law or these bylaws. Action approved by the majority of Directors present at any meeting at which a quorum is present shall be an act of the Board unless a greater portion is required by law or by the University Authority's Articles of Incorporation. At the request of any Director, the vote on any question before the Board shall be taken by yeas and nays and entered upon the record. All resolutions adopted by the Board shall constitute actions of the University Authority. All proceedings of the Board shall be reduced to writing, shall be signed by the secretary of the University Authority and shall be recorded in permanent physical or electronic storage.

Section 15. Powers. All powers of the University Authority shall be exercised by the Board or pursuant to its authorization. Except as otherwise provided by law, by the University Authority's Articles of Incorporation or by these bylaws, the Board shall exercise the powers of the University Authority, conduct its business affairs, and control its property. In addition to the powers and authorities by these bylaws expressly conferred upon it, the Board may exercise all such powers of the University Authority and do all such lawful acts and things as are not by statute, by the University Authority's Articles of Incorporation (as it may at the time exist) or by these bylaws denied to them.

Section 16. Compensation of Directors. Each director shall serve without compensation but may be reimbursed for expenses actually incurred by him or her in connection with the performance of his or her duties.

ARTICLE IV.

Section 1. Officer. The officers of the University Authority shall consist of a President, a Vice President, a Secretary, and a Treasurer and other officers and assistant officers as the Board deems necessary or desirable. The President and the Vice President of the University Authority shall be members of the Board, and said offices shall not be held by the same person. The Secretary and the Treasurer of the University Authority and any other

officers of the University Authority need not be members of the Board of Directors, and said offices may (but need not) be held by the same person.

Section 2. **Other Officers, etc.** The Board may appoint such officers, employees and agents as it may deem necessary, who shall hold their offices for such terms and shall exercise such powers and perform such duties, at and for such compensation, as shall be determined from time to time by the Board. The Board may appoint a Chief Executive Officer to carry out the duties and responsibilities as set forth in these bylaws.

Section 3. **Election of Officers and Terms of Office.** The officers of the University Authority shall be elected by the Board. The term of office of each officer shall be a period of two (2) years after the expiration of the prior term, commencing on July 1, except (a) that any person elected as an officer to fill an unexpired term shall serve only until the expiration of the term of office of the officer whose place he or she filled, and (b) that if the term of any officer as a Director expires prior to the end of such two-year period or earlier date of expiration of his or her term of office as an officer, his or her term of office as an officer of the University Authority shall also expire on the date of expiration of his or her term as a Director. Any provision hereof to the contrary notwithstanding, if, at the expiration of the term of office of any officer, no successor thereto shall have been elected, then the officer whose term of office shall have expired shall continue to hold office until his or her successor shall be so elected. Any officer elected or appointed by the Board may, however, be removed at any time by the affirmative vote of a majority of the entire Board.

Section 4. **Delegation of Powers and Duties.** In case of the absence of any officer of the University Authority, or for any other reason that the Board may deem sufficient, the Board may delegate, for the time being, the powers and duties, or any of them, of such officer to any other officer, provided that a majority of the entire Board concurs therein.

Section 5. **Resignation.** Any officer may resign his or her office at any time by giving written notice thereof to the President of the University Authority. Such resignation, which may or may not be contingent upon formal acceptance, shall take effect on the date of receipt or at any later time specified in it. The vacancy will be filled by the Board for the unexpired portion of the term.

Section 6. **Powers. Authorities and Duties of Officers.** Subject to control of the Board, the several officers of the University Authority, in addition to the powers and authorities conferred and duties imposed upon them elsewhere in these bylaws, shall have and shall be charged with the powers, authorities and duties set forth in the following sections of this Article IV. The duties of the officers other than as outlined herein shall be prescribed by the Board or pursuant to its authorization.

Section 7. **Duties of Officers.** The duties of the President, Vice President, Secretary and Treasurer shall be those as are customarily performed by such officers in nonprofit corporations, including, without limitation, the following:

a. **President:** The President shall be the principal corporate officer of the University Authority and shall preside at all meetings of the Board. He shall also perform all duties incident to the office of President and such other duties as may be prescribed by the Board from time to time.

b. **Vice President:** The Vice President shall perform such duties as may be assigned to him or her by the Board or the President. In the absence of the President or in the event of his or her disability, inability, or refusal to act, the Vice-President shall perform the duties of the President with the full powers of, and subject to the restrictions upon, the President.

c. **Secretary:** The Secretary shall provide for the keeping of the minutes of all meetings of the Board and Board committees. He or she shall give or cause to be given appropriate notices in accordance with these bylaws or as required by law, and shall act as custodian of all corporate records and reports and of the corporate seal, assuring that it is affixed, when required by law, to documents executed on behalf of the University Authority. He or she shall perform all duties incident to the office and such other duties as may be assigned from time to time by the President of the Board.

d. **Treasurer:** The Treasurer shall keep or cause to be kept correct and accurate accounts of the properties and financial transactions of the University Authority. He shall perform all duties incident to the office and such other duties as may be assigned from time to time by the President. In addition, the Treasurer shall oversee the engagement by the University Authority of a firm or firms of certified public accountants to conduct an annual audit of the financial affairs of the University Authority in accordance with generally accepted accounting principles.

Section 8. **Assistant Secretary and Assistant Treasurer.** The Board may, in the event of extended absent or disability of either or both the Secretary and the Treasurer of the University Authority, appoint an assistant secretary or an assistant treasurer, respectively, to act in the position and to perform such other duties as may be assigned by the President.

Section 9. **Appointment, Powers, Authorities and Duties of Chief Executive Officer:**

a. The Board may select and appoint a Chief Executive Officer, who is hereby delegated (1) the responsibility for overall administrative management of the University Authority under the oversight and direction of the Board and (2) such authority as shall be necessary to effect such responsibility, subject to such policies as may from time to time be adopted by the Board or any committee to which the Board has delegated powers for such action, including but not limited to the following:

i. making reports to the Board on the overall activities of the University Authority, as well as appropriate federal, state, and local developments that affect operations, and take all reasonable steps to conform to all applicable laws and regulations;

ii. assisting the Board by annually preparing and updating a capital budget and preparing an operating budget showing expected receipts and expenditures, and supervise the business affairs of the University Authority to assure that funds are expended to the best possible advantage; and

iii. performing such other duties as the Board shall from time to time direct.

Section 10. **Fidelity Bonds.** In addition to complying with all other requirements set out in these bylaws in respect of any particular office, every officer, agent or employee of the University Authority who may receive, handle or disburse moneys for the account of the University Authority, or who may have any of the University Authority's property in his or her custody or control or be responsible for its safety or preservation, shall, at the direction of the

Board or the Treasurer of the University Authority, give a bond, in such form and in such amount and with such sureties as the Board or the Treasurer may require and approve.

Section 11. Contracts, Deposits, Signatures on Checks, Bonds and Notes.

a. Authority of employees of the University of South Alabama. Notwithstanding anything herein to the contrary, any individual employed by the University of South Alabama who has authority to act for the University of South Alabama in a particular capacity has the same authority to act for the University Authority, so long as such actions are consistent with the Enabling Law.

b. Execution of contracts. Except as herein otherwise provided, all contracts of the University Authority involving less than $100,000 per year, shall be made by the President and the Secretary, provided that the Board may by resolution expressly authorize any other officer or offices, agent or agents, in the name and on behalf of the University Authority, to enter into any contract or to execute and deliver any instrument; and such authority may be general or confined to specific instances.

c. Banking authority. The President of the University of South Alabama and Vice President for Finance and Administration of the University of South Alabama may, on behalf of the Board: open and close bank, brokerage, custody, safekeeping, or other accounts in the name of the University Authority; sell, transfer, and endorse for sale or transfer any and all securities on behalf of the University Authority; buy securities for the account of the University Authority; order the transfer or delivery of securities on the University Authority to any other person; pledge collateral, securities, or other property in the name of the University Authority and to make withdrawals, substitutions and exchanges in connection therewith; and exercise any other rights related to securities, including signing for all releases, powers of attorney, and/or other documents in connection with securities of the University Authority.

d. Deposits. All funds of the University Authority shall be deposited to the credit of the University Authority in such depositories as the President of the University of South Alabama and Vice President for Finance and Administration of the University of South Alabama may approve on behalf of the Board.

e. Signatures on checks. drafts. etc. All checks, drafts, and other orders for the payment of money for authorized disbursement or transfer of funds shall be signed by the person or persons designated for that purpose by the President of the University of South Alabama and Vice President for Finance and Administration of the University of South Alabama acting for the Board. In no event shall any check, draft, or other order for payment of money be signed or countersigned in blank.

Anything in these bylaws to the contrary notwithstanding, the President of the University of South Alabama and Vice President for Finance and Administration of the University of South Alabama may authorize the establishment of a special or limited bank account or accounts for payroll, working fund or other special or limited purpose or purposes of the University Authority, and may authorize the withdrawal of such funds on the signature of authorized persons.

f. Signature on bonds. notes. etc. To be valid as against the University Authority, all bonds, promissory notes, bills of exchange and other evidence of indebtedness, not including checks, drafts and other orders for the payment of money which are provided for in the preceding subsection (c) of this section, shall be signed in the name of the University Authority

by the Secretary, and the President, or by such other officer or officers as may be authorized by the Board; provided, that such bonds, promissory notes, bills of exchange and other evidences of indebtedness may be executed with facsimile signatures of any such officer or offices when so permitted by applicable provisions of law.

g. Satisfaction of Mortgages and Releases of Mortgaged Property. The Treasurer, the Secretary or other officer or agent designated by the Board may enter a record satisfaction of any mortgage to the University Authority which has been paid and may enter credits of record as to any mortgage which has not been fully paid, and may release any part of the mortgaged property from the mortgage.

ARTICLE V.

BOARD COMMITTEES

Section 1. Executive Committee. The Executive Committee shall consist of the President, Vice President, Secretary and Treasurer of the University Authority, and the President of the University Authority shall serve as President of the Executive Committee. The Executive Committee shall have power to transact all regular business of the University Authority during the interim between the meetings of the Board, provided (a) that any action which it may take shall not conflict with the policies and express wishes of the Board, and (b) that it shall refer all matters of major importance to the Board. Should any matter of extreme emergency arise between the regular meetings of the Board, it shall be the duty of the Executive Committee to request the President to call a special meeting of the Board. The Executive Committee shall meet at the call of its President.

Section 2. Special Committees. The Board has other duties which may require the formation of ad hoc committees. Each such committee shall be appointed by the President of the University Authority and shall meet only as required to resolve the issue at hand. No such committee shall be required to record or keep minutes of its meetings; however, all recommendations made by it shall be submitted to the Board and shall be recorded in the appropriate minutes of meetings of the Board.

Section 3. Term. Each member of a special committee shall continue in such capacity until the next annual meeting of the Board or until such person's successor is appointed, unless the committee shall sooner be terminated by the Board.

Section 4. Resignation and Removal. Any member of a committee may resign at any time upon written notice to the University Authority addressed to it at its principal office or to its President or Secretary. The Board may remove any member of a committee from such office at any time with or without cause.

Section 5. Chairmen of Committees. The President shall appoint one member of each committee as chairman.

Section 6. Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner as is provided for in the case of original appointments.

Section 7. **Rules of Governance.** Each committee may adopt rules for its own governance not inconsistent with the Articles of Incorporation of the University Authority, these Bylaws or rules adopted by the Board.

Section 1. **Quorum.** A majority of the membership of any Committee shall constitute a quorum. No vacancy in membership of any Committee shall impair the right of a quorum to exercise all the powers and perform all the duties of the Committee.

ARTICLE VI.

INDEMNIFICATION

Section 1. **Definition.** For purposes of this Article VI, the term "officer" shall include the University Authority's officers, directors, trustees, and the members of any other governing body of the University Authority, and any reference herein to directors, officers, employees, or agents shall include former directors, trustees, officers, employees, and agents and their respective heirs, executors, and administrators.

Section 2. **In General.** To the extent allowed by law, the University Authority shall indemnify any officer of the University Authority who is or was a party to any proceeding by reason of the fact that the officer is or was such an officer or is or was serving at the request of the University Authority as a director, trustee, officer, employee, or agent of another corporation, partnership, joint venture, trust, employee benefit plan, or other profit or nonprofit enterprise against all liabilities and expenses incurred in the proceeding except such liabilities and expenses as are incurred because of the officer's willful misconduct or knowing violation of the criminal law. Unless a determination has been made that indemnification is not permissible, the University Authority shall make advances and reimbursements for expenses incurred by an officer of the University Authority in a proceeding upon receipt of an undertaking from the officer to repay the same if it is ultimately determined that the officer is not entitled to indemnification. Such undertaking shall be an unlimited, unsecured general obligation of the officer of the University Authority and shall be accepted without reference to the officer's ability to make repayment. The Board is hereby empowered to contract in advance to indemnify and advance the expenses of any officer of the University Authority.

Section 3. **Additional Indemnification.** The Board is hereby empowered to cause the University Authority to indemnify or contract in advance to indemnify any person not specified in Section 2 of this Article VI who was or is a party to any proceeding, by reason of the fact that such person is or was an employee or agent of the University Authority, or is or was serving at the request of the University Authority as a director, trustee, officer, employee, or agent of another corporation, partnership, joint venture, trust, employee benefit plan, or other profit or nonprofit enterprise, to the same extent as if such person was specified as one to whom indemnification is granted in Section 2.

Section 4. **Indemnification Insurance.** The University Authority may purchase and maintain insurance to indemnify it against the whole or any portion of the liability assumed by it in accordance with this Article VI and may also procure insurance, in such amounts as the Board may determine, on behalf of any person who is or was a director, trustee,

officer, employee, or agent of another corporation, partnership, joint venture, trust, employee benefit plan, or other profit or nonprofit enterprise, against any liability asserted against or incurred by such person in such capacity or arising from such person's status as such, whether or not the University Authority would have power to indemnify such person against such liability under the provisions of this Article VI.

Section 5. **Legal Determinations.** In the event of a change in the composition of a majority of the Board after the date of the alleged act or omission with respect to which indemnification is claimed, any determination as to indemnification and advancement of expenses with respect to any claim for indemnification made pursuant to Section 2 of this Article VI shall be made by special legal counsel agreed upon by the Board and the proposed indemnitee. If the Board and the proposed indemnitee are unable to agree upon such special legal counsel, the Board and the proposed indemnitee each shall select a nominee, and the nominees shall select such special legal counsel.

Section 6. **Scope of Indemnification.** The provisions of this Article VI shall be applicable to all actions, claims, suits, or proceedings commenced after the adoption hereof, whether arising from any action taken or failure to act before or after such adoption. No amendment, modification, or repeal of this Article VI shall diminish the rights provided hereby or diminish the right to indemnification with respect to any claim, issue, or matter in any then pending or subsequent proceeding that is based in any material respect on any alleged action or failure to act prior to such amendment, modification, or repeal.

ARTICLE VII.

General Provisions

Section 1. **Annual Report.** Within a reasonable period of time after the close of each fiscal year, the Chief Executive Officer, if one has been appointed by the Board, shall submit to the Board an annual report or separate reports which shall include such information that the Board deems necessary in order to carry out its fiduciary oversight responsibility.

Section 2. **Conflict of Interest.** Any Director, officer, employee, or committee member having an interest in a contract or other transaction presented to the Board or a committee thereof for authorization, approval, or ratification shall make a prompt, full, and frank disclosure of his or her interest to the Board or committee prior to its acting on such contract or transaction. The body to which such disclosure is made shall thereupon determine, by majority vote, whether the disclosure shows that a conflict of interest exists or can reasonably be construed to exist. If a conflict of interest exists, such person shall not vote on, nor use his or her personal influence on, nor participate (other than to present factual information or to respond to questions) in the discussions or deliberations with respect to, such contract or transaction. Such person may not be counted in determining the existence of a quorum at any meeting where the contract or transaction is under discussion or is being voted upon. The minutes of the meeting shall reflect the disclosure made, the vote thereon and, where applicable, the abstention from voting and participation, and whether a quorum was present. The foregoing shall not be interpreted to mean that a Director must not comply with provisions of state laws and accepted ethical standards and guidelines for determining conflict of interest.

Section 3. **Fiscal Year.** The fiscal year of the University Authority shall be October 1 through September 30.

Section 4. **Corporate Seal.** The corporate seal shall have inscribed thereon the name of the University Authority and the words "CORPORATE SEAL" and "ALABAMA."

Section 5. **Procedure.** The Board, Board committees, management committees, and any other committees may adopt rules of procedure which shall not be inconsistent with these bylaws.

Section 6. **Construction of Terms and Headings.** Words used in these bylaws shall be read as the masculine or feminine gender and as the singular or plural, as the context requires. The captions or headings in these bylaws are for convenience only and are not intended to limit or define the scope or effect of any provision of these bylaws.

Section 7. **Annual Audit.** The Treasurer shall oversee the engagement by the University Authority of a firm or firms of certified public accountants to conduct an annual audit of the financial affairs of the University Authority in accordance with generally accepted accounting principles. The Board shall submit all audits required herein to the University of South Alabama as promptly as practicable after the end of each fiscal year of the University Authority.

ARTICLE VIII.

Adoption of Bylaws; Amendment to Bylaws

The initial bylaws of the University Authority shall be adopted by the Board, and approved by the Trustees of the University of South Alabama. The power to alter, amend or repeal the bylaws or adopt new bylaws shall be vested in the Board; provided, that any amendment to the bylaws of the University Authority adopted by the Board shall not become effective until such amendment has been approved by a majority vote of a quorum of the Trustees of the University of South Alabama.

Effective as amended this the 8th Day of December, 2023.

University of South Alabama Strategic Priorities 2024-2029

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

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

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

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

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

1) Strategically increase enrollment to 16,500 students.
    a) Employ targeted recruitment efforts for undergraduate students, adult learners, veterans, international students, Start South students, and graduate students.
2) Increase performance on student success metrics for all students related to progression and completion.
3) Provide students services and student life experiences that they value, support their personal wellness, and create opportunities for personal development.
4) LevelUP: Ensure all students are prepared for what comes next whether employment or advanced education.
5) Provide faculty and staff professional development and support to increase the implementation of high-impact practices resulting in increased student engagement and success and meaningful relationships with faculty and staff.

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

6) Ensure graduate students have meaningful engagement in research, clinical and/or other professional opportunities.
7) Increase the number of grant-funded graduate students.
8) Develop high-demand graduate programs aligned with institutional strengths.
9) Increase the number of terminally-degreed graduate students.

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

10) Recognize and support excellence in faculty research, scholarly work, and creative achievements with emphasis on the structural supports necessary to achieve higher levels of national recognition in these areas.
11) Increase grant proposal submissions.
12) Increase the amount of research dollars awarded.
13) Increase the proportion of research that is interdisciplinary.
14) Increase the proportion of research that is interindustry to include research that builds partnerships with other higher educational institutions, businesses, municipalities, and governmental and non-profit organizations.

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

15) Ensure that students' educational programs include faculty-guided, substantive engagement through collaborative community partnerships to include internships, clinical placements, research experiences, and/or other experiential learning (e.g., study abroad and service learning).
16) Ensure that the University strategically engages with business, governmental, healthcare, and civic partners to identify and address critical challenges.
    a) Engage with business and industry to be responsive to the workforce development needs in the broader community.
    b) Monitor and evaluate the University's impact on the local and statewide economy.
    c) Engage our civic partners in the Gulf Coast region to identify, prioritize and address issues impacting the educational and health outcomes of our local community.

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

16) Ensure excellent fiscal management and financial health of the USA Health System.
17) Ensure high satisfaction ratings among patients.
18) Ensure the safety of patients in our care.

COMMITTEE MINUTES

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Audit Committee

December 7, 2023
1:30 p.m.

A meeting of the Audit Committee of the University of South Alabama (USA) Board of Trustees was duly convened by Mr. Ron Graham, Chair, on Thursday, December 7, 2023, at 1:31 p.m. in the Board Room of the Frederick P. Whiddon Administration Building. Meeting attendance was open to the public.

Members:	Alexis Atkins, Tom Corcoran, Ron Graham, Ron Jenkins and Lenus Perkins were present.
Member Absent:	Bill Lewis.
Other Trustees:	Chandra Brown Stewart, Scott Charlton, Steve Furr, Luis Gonzalez, Arlene Mitchell, Jimmy Shumock, Steve Stokes, Mike Windom and Jim Yance.
Administration & Guests:	Delaware Arif (Faculty Senate), Owen Bailey, Jim Berscheidt, Joél Billingsley, Jo Bonner, Lynne Chronister, Kristin Dukes, Joel Erdmann, Monica Ezell, Melinda Gratwick (KPMG), Buck Kelley, Andi Kent, John Marymont, Mike Mitchell, Amanda Price (KPMG), Kristen Roberts, Keith Shurbutt (KPMG), Donna Streeter (Faculty Senate), Margaret Sullivan, Peter Susman, Christina Wassenaar (Faculty Senate) and Ashley Willson (KPMG).

Following the attendance roll call, **Item 1**, Mr. Graham called for consideration of the minutes for a meeting held on September 7, 2023, **Item 2**. On motion by Mr. Corcoran, seconded by Ms. Atkins, the Committee voted unanimously to adopt the minutes.

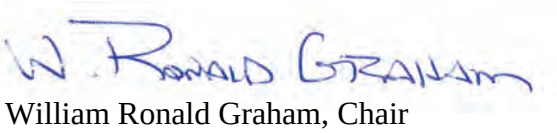
Mr. Graham called on Ms. Roberts for the presentation of **Item 3**, the KPMG audit reports for the fiscal year ended September 30, 2023. Ms. Roberts welcomed Ms. Ashley Willson, KPMG lead engagement partner, who, along with KPMG's Ms. Amanda Price and Mr. Keith Shurbutt, delivered the required communications. Ms. Willson noted that KPMG was prepared to issue an unmodified opinion on the draft financial statements once approved by University management. Mr. Shurbutt advised that an unmodified opinion on the single audit, pertaining to compliance and federal programs, would be issued.

Mr. Graham called on Mr. Susman to address **Item 4**, ratification of the fiscal year 2024 Office of Internal Audit (OIA) budget. Mr. Susman explained that the OIA budget, which was part of the overall 2023-2024 University budget authorized in September 2023, provided the resources necessary for the OIA to carry out its mission as outlined in the OIA charter, and he provided an overview on budget factors. On motion by Ms. Atkins, seconded by Mr. Corcoran, the Committee voted unanimously to ratify the 2024 OIA budget.

Regarding **Item 5**, a report on the activities of the OIA, Mr. Susman discussed the OIA 2023 Annual Report, the search underway to fill the position of OIA director, and plans for a quality assessment to be conducted with assistance from the firm of Warren Averett.

There being no further business, the meeting was adjourned at 1:46 p.m.

Respectfully submitted:



William Ronald Graham, Chair

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Development, Endowment and Investments Committee

December 7, 2023
1:46 p.m.

A meeting of the Development, Endowment and Investments Committee of the University of South Alabama (USA) Board of Trustees was duly convened by Mr. Jim Yance, Chair, on Thursday, December 7, 2023, at 1:46 p.m. in the Board Room of the Frederick P. Whiddon Administration Building. Meeting attendance was open to the public.

Members:	Chandra Brown Stewart, Scott Charlton, Luis Gonzalez, Jimmy Shumock, Steve Stokes, Mike Windom and Jim Yance were present.
Other Trustees:	Alexis Atkins, Tom Corcoran, Steve Furr, Ron Graham, Ron Jenkins, Bill Lewis, Arlene Mitchell and Lenus Perkins.
Administration & Guests:	Terry Albano, Delaware Arif (Faculty Senate), Owen Bailey, Jim Berscheidt, Joél Billingsley, Jo Bonner, Lynne Chronister, Kristin Dukes, Susan Durrell (Commonfund), Joel Erdmann, Ilana Escandon (Commonfund), Monica Ezell, Buck Kelley, Andi Kent, John Marymont, Mike Mitchell, Norman Pitman, Kristen Roberts, Donna Streeter (Faculty Senate), Margaret Sullivan, Peter Susman, Drew Underwood and Christina Wassenaar (Faculty Senate).

Following the attendance roll call, **Item 6**, Mr. Yance called for consideration of the minutes for a meeting held on September 7, 2023, **Item 7**. On motion by Mr. Shumock, seconded by Ms. Brown Stewart, 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 Mr. Norman Pitman, the University's investment consultant, provided an overview on endowment and investment results and manager performance for the fiscal year ended September 30, 2023, advising of an 11.11 percent return that produced investment earnings of approximately $19.4 million. Also discussed was the dismissal of a manager, the addition of artificial intelligence and supply chain funds to the portfolio and performance results since the inception of the endowment.

Mr. Albano introduced Ms. Susan Durrell and Ms. Ilana Escandon representing Commonfund. Ms. Durrell and Ms. Escandon shared background on Commonfund, and discussed the University's portfolio, as well as factors influencing market conditions.

Ms. Roberts presented a chart demonstrating the outstanding performance of the University's endowment compared to the endowment performance of 430 colleges and universities, including ivy league schools, for the period July 1, 2022, to June 30, 2023, as reported by the Wilshire Trust.

She noted that USA's endowment performed in the 26th percentile and she commended Mr. Albano and Mr. Drew Underwood, Director of Treasury Management, for their efforts on behalf of the University.

Mr. Yance asked Mr. Albano to address **Item 9**, a resolution acknowledging the Committee's annual evaluation of the University's endowment and non-endowment investment policies. (To view resolutions, policies and other documents authorized, refer to the minutes of the Board of Trustees meeting held on December 8, 2023.) Mr. Albano noted that this action fulfilled a requirement of the Southern Association of Colleges and Schools Commission on Colleges and affirmed the recommendation that revision of the policies was not needed at the present time. On motion by Dr. Charlton, seconded by Ms. Brown Stewart, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Mr. Yance called on Ms. Sullivan for a report on the activities of the Division of Development and Alumni Relations, **Item 11**. Ms. Sullivan advised of a record fundraising year for fiscal year 2023, with new gifts and commitments totaling approximately $41.5 million. She added that gifts pledged for the first two months of fiscal year 2024 totaled just over $18 million and included commitments of $10 million from the Mobile City Council and $5 million from the Mobile County Commission for the Whiddon College of Medicine. She provided details on a number of events held over the fall semester and planned into the spring semester, as well as on initiatives in progress, which she noted included a partnership with the national consulting firm CCS Fundraising to conduct a capital campaign feasibility study.

Mr. Yance called on Dr. Erdmann, who presented **Item 10**, a resolution authorizing the appointment of directors for the Jaguar Athletic Fund, Inc., as set forth. On motion by Judge Windom, seconded by Ms. Brown Stewart, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

There being no further business, the meeting was adjourned at 2:09 p.m.

Respectfully submitted:

James A. Yance, Chair

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Health Affairs Committee

December 7, 2023
2:09 p.m.

A meeting of the Health Affairs Committee of the University of South Alabama (USA) Board of Trustees was duly convened by Mr. Jimmy Shumock, Chair, on Thursday, December 7, 2023, at 2:09 p.m. in the Board Room of the Frederick P. Whiddon Administration Building. Meeting attendance was open to the public.

Members:	Chandra Brown Stewart, Scott Charlton, Tom Corcoran, Steve Furr, Jimmy Shumock, Steve Stokes and Jim Yance were present.
Other Trustees:	Alexis Atkins, Luis Gonzalez, Ron Graham, Ron Jenkins, Bill Lewis, Arlene Mitchell, Lenus Perkins and Mike Windom.
Administration & Guests:	Delaware Arif (Faculty Senate), Owen Bailey, Jim Berscheidt, Joél Billingsley, Jo Bonner, Debbie Browning, Lynne Chronister, Kristin Dukes, Joel Erdmann, Monica Ezell, Buck Kelley, Andi Kent, John Marymont, Mike Mitchell, Kristen Roberts, Donna Streeter (Faculty Senate), Margaret Sullivan, Peter Susman and Christina Wassenaar (Faculty Senate).

Following the attendance roll call, **Item 12**, Mr. Shumock called for adoption of the revised agenda, **Item 12.A**. On motion by Mr. Yance, seconded by Dr. Charlton, the Committee voted unanimously to adopt the revised agenda. Mr. Shumock called for consideration of the minutes for a meeting held on September 7, 2023, **Item 13**. On motion by Dr. Charlton, seconded by Mr. Yance, the Committee voted unanimously to adopt the minutes.

Mr. Shumock called on Mr. Bailey, who presented **Item 14**, a resolution authorizing the USA Health Hospitals medical staff appointments and reappointments for August, September and October 2023. (To view resolutions, policies and other documents authorized, refer to the minutes of the Board of Trustees meeting held on December 8, 2023.) On motion by Dr. Stokes, seconded by Ms. Brown Stewart, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Mr. Bailey explained **Item 15**, a resolution authorizing revisions to the USA Health Hospitals Medical Staff Bylaws and to associated documents. On motion by Mr. Yance, seconded by Dr. Stokes, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Mr. Bailey discussed **Item 16**, a resolution authorizing USA Health Hospitals Medical Executive Committee officers for the 2024 and 2025 calendar years. On motion by Dr. Stokes, seconded by Dr. Charlton, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Mr. Bailey presented details pertaining to **Item 17** and **Item 17.A**, resolutions authorizing waiver of eligibility requests in order to proceed with recruitment of physicians as recommended for clinical positions with the Department of Neurology and Department of Urology at USA Health. On motion by Mr. Yance, seconded by Mr. Corcoran, the Committee voted unanimously to recommend approval of the resolutions by the Board of Trustees.

Provost Kent provided background on **Item 18**, a resolution authorizing the revised Bylaws of the University of South Alabama Health Care Authority. On motion by Dr. Stokes, seconded by Dr. Furr, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Mr. Shumock called on Dr. Marymont to deliver a report on the activities of USA Health and the Whiddon College of Medicine, **Item 19**. Dr. Marymont welcomed Mr. Gonzalez to the Board of Trustees, and recounted that they became acquainted many years earlier when he treated Mr. Gonzalez for an injury.

Mr. Bailey introduced and provided professional background on Ms. Debbie Browning, Chief Executive Officer at USA Health Children's & Women's Hospital (CWH). Ms. Browning presented an overview on the comprehensive efforts and programs launched by the CWH women's services team to eliminate inequities, reduce maternal mortality and morbidity, and raise awareness.

There being no further business, the meeting was adjourned at 2:32 p.m.

Respectfully submitted:

James H. Shumock, Chair

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Academic and Student Affairs Committee

December 7, 2023
2:32 p.m.

A meeting of the Academic and Student Affairs Committee of the University of South Alabama (USA) Board of Trustees was duly convened by Judge Mike Windom, Chair, on Thursday, December 7, 2023, at 2:32 p.m. in the Board Room of the Frederick P. Whiddon Administration Building. Meeting attendance was open to the public.

Members:	Scott Charlton, Steve Furr, Luis Gonzalez, Ron Graham, Ron Jenkins, Bill Lewis, Lenus Perkins and Mike Windom were present.
Other Trustees:	Alexis Atkins, Chandra Brown Stewart, Tom Corcoran, Arlene Mitchell, Jimmy Shumock, Steve Stokes and Jim Yance.
Administration & Guests:	Delaware Arif (Faculty Senate), Owen Bailey, Jim Berscheidt, Joél Billingsley, Jo Bonner, Lynne Chronister, Lisa Collins, Kristin Dukes, Joel Erdmann, Monica Ezell, Phil Fishel, Buck Kelley, Andi Kent, John Marymont, Mike Mitchell, Broderick Morrissette, Charlotte Pence, Kristen Roberts, Donna Streeter (Faculty Senate), Margaret Sullivan, Peter Susman, Christina Wassenaar (Faculty Senate) and Mike Wilkinson.

Following the attendance roll call, **Item 20**, Judge Windom welcomed Mr. Gonzalez to the Committee and then called for consideration of the minutes for a meeting held on September 7, 2023, **Item 21**. On motion by Mr. Graham, seconded by Capt. Jenkins, the Committee voted unanimously to adopt the minutes.

Judge Windom called on Provost Kent, who presented **Item 22**, a resolution authorizing sabbatical awards for fall 2024 through spring 2025. (To view resolutions, policies and other documents authorized, refer to the minutes of the Board of Trustees meeting held on December 8, 2023.) On motion by Judge Lewis, seconded by Dr. Charlton, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Provost Kent and Dr. Marymont discussed **Item 23**, a resolution granting emeritus status to retired faculty who served the Division of Academic Affairs and the Whiddon College of Medicine, and conveying the Board's appreciation for their service to the University. On motion by Judge Lewis, seconded by Capt. Jenkins, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Judge Windom called on Dr. Marymont, who expressed his support for **Item 24**, a resolution awarding tenure to a Whiddon College of Medicine faculty member. On motion by Mr. Graham,

seconded by Capt. Jenkins, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Judge Windom reminded the group that the Board would later vote to effect a change in the name of the Committee.

Judge Windom asked Provost Kent for a report on the activities of the Division of Academic Affairs, **Item 25**. Provost Kent shared a brief history on USA's Stokes Center for Creative Writing ("the Center"); recognized Dr. and Mrs. Stokes for their philanthropic support of the Center; and further recognized Dr. Stokes for his writing talent. She introduced Dr. Charlotte Pence, Professor of English and the Center's Director. Dr. Pence provided an overview on the Center and answered questions.

Judge Windom called on Dr. Mitchell for a report on the activities of the Division of Student Affairs, **Item 26**. Dr. Mitchell introduced and gave background on Dr. Mike Wilkinson, USA's new Assistant Vice President for Student Affairs and noted the areas for which he had oversight. Dr. Wilkinson conveyed words of enthusiasm for his new role.

Dr. Mitchell reported that student mental well-being was a chief topic being addressed on campus and announced that psychiatric services offered at the Student Health Center (SHC) had been expanded to Monday through Friday. He introduced and gave background on Ms. Lisa Collins, psychiatric nurse practitioner, who recently joined the SHC. Ms. Collins, along with Mr. Phil Fishel, Interim Chief of Police, answered questions concerning crisis protocols.

Judge Windom called on Dr. Billingsley for a report on the activities of the Division of Diversity and Community Engagement, **Item 27**. Dr. Billingsley introduced Mr. Broderick Morrissette, Assistant Director of Strategic Initiatives for the Division of Diversity and Community Engagement and leader of USA's *Campus to Career* program. Mr. Morrissette shared information on the National First-Generation College Celebration observed on campus in November.

Judge Windom called on Ms. Chronister to present **Item 28**, a report on the activities of the Division of Research and Economic Development. Ms. Chronister gave an overview on extramural funding awarded for the 2023 fiscal year, advising of more than $139 million received by the University, inclusive of $59.4 million awarded for the construction of the Whiddon College of Medicine building.

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

Respectfully submitted:

Michael P. Windom, Chair

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Budget and Finance Committee

December 7, 2023
3:04 p.m.

A meeting of the Budget and Finance Committee of the University of South Alabama (USA) Board of Trustees was duly convened by Mr. Tom Corcoran, Chair, on Thursday, December 7, 2023, at 3:04 p.m. in the Board Room of the Frederick P. Whiddon Administration Building. Meeting attendance was open to the public.

Members:	Alexis Atkins, Chandra Brown Stewart, Tom Corcoran, Ron Graham, Lenus Perkins, Jimmy Shumock and Steve Stokes were present.
Other Trustees:	Scott Charlton, Steve Furr, Luis Gonzalez, Ron Jenkins, Bill Lewis, Arlene Mitchell, Mike Windom and Jim Yance.
Administration & Guests:	Delaware Arif (Faculty Senate), Owen Bailey, Jim Berscheidt, Joél Billingsley, Jo Bonner, Lynne Chronister, Kristin Dukes, Joel Erdmann, Monica Ezell, Phil Fishel, Buck Kelley, Andi Kent, Nick Lawkis, John Marymont, Mike Mitchell, Kristen Roberts, Donna Streeter (Faculty Senate), Margaret Sullivan, Peter Susman and Christina Wassenaar (Faculty Senate).

Following the attendance roll call, **Item 29**, Mr. Corcoran called for adoption of the revised agenda, **Item 29.A**. On motion by Mr. Perkins, seconded by Mr. Shumock, the Committee voted unanimously to adopt the revised agenda. Mr. Corcoran called for consideration of the minutes for a meeting held on September 7, 2023, **Item 30**. On motion by Ms. Atkins, seconded by Mr. Graham, the Committee voted unanimously to adopt the minutes.

Mr. Corcoran called on Ms. Roberts to discuss the financial statements for the year ended September 2023, **Item 31**. Ms. Roberts reported that the University's net position to end the year was approximately $493 million, an increase of more than $132 million as compared to the net position reported for the 2022 fiscal year.

Mr. Corcoran called on Ms. Roberts to present **Item 32**, a resolution authorizing the amendment, modification and possible refunding of USA's 2023 Series-A and Series-B university facilities revenue bonds. (To view resolutions, policies and other documents authorized, refer to the minutes of the Board of Trustees meeting held on December 8, 2023.) Ms. Roberts discussed the specifics of the resolution, noting that, as vetted by the University's external bond counsel, the parameters set forth provided the University flexibility with regard to interest rates for the financing of the long-term debt for the Providence Hospital acquisition. On motion by Mr. Graham, seconded by Ms. Atkins, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

As to **Item 33**, a report on public safety, Mr. Corcoran called on Mr. Susman, who reminded the group that the University was subject to Clery Act crime reporting requirements. He introduced

Mr. Phil Fishel, Interim Chief of Police, to present the report. Mr. Fishel provided additional context on Clery Act reporting and detailed charts illustrating the main-campus offenses reported over the 2022 calendar year, along with the data for 2020 and 2021. He also discussed crimes reported for all campuses, including USA Health locations, for the 2023 calendar year through November 15, and responded to questions.

Mr. Corcoran called on Mr. Kelley for a report on university facilities, **Item 34**. Mr. Kelley briefed the Committee on the progress thus far in constructing a state-of-the-art instructional facility for the Whiddon College of Medicine; the completion of the Physicians Office Building at the USA Health complex on Hillcrest Road; and the renovation of an existing building for the Army and Air Force ROTC programs.

There being no further business, the meeting was adjourned at 3:18 p.m.

Respectfully submitted:

E. Thomas Corcoran, Chair

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Long-Range Planning Committee

December 7, 2023
3:18 p.m.

A meeting of the Long-Range Planning Committee of the University of South Alabama (USA) Board of Trustees was duly convened by Ms. Chandra Brown Stewart, Chair, on Thursday, December 7, 2023, at 3:18 p.m. in the Board Room of the Frederick P. Whiddon Administration Building. Meeting attendance was open to the public.

Members:	Chandra Brown Stewart, Ron Jenkins, Judge Lewis, Lenus Perkins, Steve Stokes, Mike Windom and Jim Yance were present.
Other Trustees:	Alexis Atkins, Scott Charlton, Tom Corcoran, Steve Furr, Luis Gonzalez, Ron Graham, Arlene Mitchell and Jimmy Shumock.
Administration & Guests:	Delaware Arif (Faculty Senate), Owen Bailey, Jim Berscheidt, Joél Billingsley, Jo Bonner, Lynne Chronister, Angela Coleman, Kristin Dukes, Joel Erdmann, Monica Ezell, Buck Kelley, Andi Kent, Nick Lawkis, John Marymont, Mike Mitchell, Kristen Roberts, Donna Streeter (Faculty Senate), Margaret Sullivan, Peter Susman and Christina Wassenaar (Faculty Senate).

Following the attendance roll call, **Item 35**, Ms. Brown Stewart called for consideration of the minutes for a meeting scheduled to take place on October 30, 2023, **Item 36**. On motion by Judge Lewis, seconded by Capt. Jenkins, the Committee voted unanimously to adopt the minutes.

Ms. Brown Stewart called on Dr. Angela Coleman, Associate Vice President for Institutional Effectiveness, to discuss **Item 37**, a resolution authorizing the *University of South Alabama Strategic Priorities 2024 to 2029*. (To view resolutions, policies and other documents authorized, refer to the minutes of the Board of Trustees meeting held on December 8, 2023.) Dr. Coleman provided insight on the process leading to completion of the draft proposed. She pointed out that the draft reaffirmed the University mission and core values and stated the document would be revisited over time and updated as appropriate, adding also that work to establish student success indicators would continue. Provost Kent conveyed appreciation to Dr. Coleman and the entire team engaged in this effort, which she noted included Trustees. On motion by Mr. Yance, seconded by Mr. Perkins, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

There being no further business, the meeting was adjourned at 3:26 p.m.

Respectfully submitted:

Chandra Brown Stewart, Chair

UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES

Committee of the Whole

December 7, 2023
3:26 p.m.

A meeting of the Committee of the Whole of the University of South Alabama (USA) Board of Trustees was duly convened by Ms. Arlene Mitchell, Chair *pro tempore*, on Thursday, December 7, 2023, at 3:26 p.m. in the Board Room of the Frederick P. Whiddon Administration Building. Meeting attendance was open to the public.

Members:	Alexis Atkins, Chandra Brown Stewart, Scott Charlton, Tom Corcoran, Steve Furr, Luis Gonzalez, Ron Graham, Ron Jenkins, Bill Lewis, Arlene Mitchell, Lenus Perkins, Jimmy Shumock, Steve Stokes, Mike Windom and Jim Yance were present.
Member Absent:	Kay Ivey.
Administration & Guests:	Delaware Arif (Faculty Senate), Owen Bailey, Jim Berscheidt, Joél Billingsley, Jo Bonner, Lynne Chronister, Kristin Dukes, Joel Erdmann, Monica Ezell, Buck Kelley, Andi Kent, Nick Lawkis, John Marymont, Mike Mitchell, Kristen Roberts, Donna Streeter (Faculty Senate), Margaret Sullivan, Peter Susman and Christina Wassenaar (Faculty Senate).

Following the attendance roll call, **Item 38**, Chair Mitchell called for consideration of the minutes for meetings of the Committee of the Whole and Evaluation and Compensation Committee held on September 7, 2023, as well as for a meeting of the Executive Committee held on September 26, 2023, **Item 39**. On motion by Mr. Shumock, seconded by Mr. Yance, the Committee voted unanimously to adopt the minutes.

Chair Mitchell called on Ms. Dukes to present **Item 40**, a resolution authorizing the revised *Bylaws of the Board of Trustees of the University of South Alabama*. (To view resolutions, policies and other documents authorized, refer to the minutes of the Board of Trustees meeting held on December 8, 2023.) Ms. Dukes outlined the revisions incorporated into the bylaws document proposed. On motion by Judge Windom, seconded by Mr. Yance, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

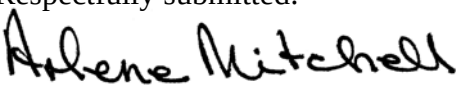
Chair Mitchell turned to President Bonner, who introduced **Item 41**, a resolution commending Ms. Laura Schratt, former Executive Director of the Office of Internal Audit, for her service to the University. President Bonner commented on Ms. Schratt's love for the University and noted she would be present for the Board of Trustees meeting on December 8, 2023. On motion by Mr. Corcoran, seconded by Mr. Graham, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

In accordance with the provisions of the Alabama Open Meetings Act, Chair Mitchell made a motion to convene an executive session for an anticipated duration of 30 minutes for the purpose of discussing pending or threatened litigation, **Item 42**. She stated that Ms. Dukes had submitted the required written declaration for the minutes and that adjournment of the meeting would be in effect upon the conclusion of the executive session. Ms. Atkins seconded and, at 3:30 p.m., the Committee voted unanimously to convene an executive session, as recorded below. The executive session began at 3:35 p.m.:

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

There being no further business, the meeting was adjourned at 4:01 p.m.

Respectfully submitted:



Arlene Mitchell, Chair *pro tempore*

APPENDIX A

Executive Session

University of South Alabama Board of Trustees Committee of the Whole meeting on December 7, 2023.

The purpose of the executive session for the above-referenced meeting is to discuss pending or threatened litigation.

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

