

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES**

MINUTES

MARCH 5, 2015

STANDING COMMITTEES

HEALTH AFFAIRS

ACADEMIC AND STUDENT AFFAIRS

LONG-RANGE PLANNING

BUDGET AND FINANCE

AUDIT

DEVELOPMENT, ENDOWMENT AND INVESTMENTS

MARCH 6, 2015

BOARD OF TRUSTEES

- Approve: Revised Agenda
- 1 Approve: Minutes
- 2 Report: President's Report

HEALTH AFFAIRS

- 3 Approve: USA Hospitals Credentials – November and December 2014, and January 2015
- 4 Approve: Nominees for Mobile County Hospital Board of Directors
- 5 Report: Gulf Coast Regional Care Organization, Mr. Stan Hammack

ACADEMIC AND STUDENT AFFAIRS

- Report: Bettye Maye, Committee Chair
- Report: War and Memory, Dr. Steven Trout
- 7 Approve: Honorary Doctorate Degrees

LONG-RANGE PLANNING

- Report: Jimmy Shumock, Committee Chair

BUDGET AND FINANCE

- Report: Tom Corcoran, Committee Chair
- 12 Approve: Line of Credit
- 13 Approve: Capital Transfer from the USA Health System to the USA Healthcare Management, LLC

AUDIT

- Report: John Peek, Committee Chair

DEVELOPMENT, ENDOWMENT AND INVESTMENTS

- Report: Jim Yance, Committee Chair

SPECIAL ACKNOWLEDGEMENT:

- 16 Approve: Posthumous Resolution Honoring Dr. James Lowe, Jr.

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES**

**March 6, 2015
10:30 a.m.**

A meeting of the University of South Alabama Board of Trustees was duly convened by Dr. Steve Furr, Chair *pro tempore*, on Friday, March 6, 2015, at 10:30 a.m. in the Board Room of the Frederick P. Whiddon Administration Building.

Members Present: Chandra Brown Stewart, Scott Charlton, Tom Corcoran, Steve Furr, Ron Jenkins, Bettye Maye, Arlene Mitchell, Bryant Mixon, John Peek (phone), Jimmy Shumock, Ken Simon, Sandy Stimpson, Steve Stokes, Mike Windom and Jim Yance.

Member Absent: Robert Bentley.

Administration and Others: Harry Brislin, Joe Busta, Lynne Chronister, Karin Caswell, Monica Curtis, Mike Diehl (NAA), Joel Erdmann, Julie Estis (Faculty Senate), Ron Franks, Happy Fulford, Stan Hammack, Mike Haskins, Terry Hazzard (Bishop State), David Johnson, Nick Lawkis, Christopher Lynch, Doug Marshall (Faculty Senate), Abe Mitchell, Mike Mitchell, Kelly Osterbind, Steve Simmons, John Smith, Steven Trout, Jean Tucker, Tony Waldrop, Danielle Watson (SGA), Kevin West (Faculty Senate) and Kelly Woodford (Faculty Senate).

Press: Cassie Fambro (*Press-Register/al.com*) and Alyssa Newton (*Vanguard*).

The meeting was called to order and the attendance roll was called. Chairman Furr called for adoption of the revised agenda. On motion by Judge Simon, seconded by Mr. Shumock, the revised agenda was approved unanimously. Chairman Furr called for consideration of **ITEM 1**, the minutes of the Board of Trustees meeting held on December 5, 2014. On motion by Mr. Yance, seconded by Mr. Shumock, the minutes were approved unanimously.

Chairman Furr called for presentation of **ITEM 2**, the President's Report. President Waldrop expressed appreciation to the Board of Trustees for its support during his first year as USA President. He introduced National Alumni Association (NAA) President Mr. Mike Diehl, and conveyed his enjoyment of the Distinguished Alumni and Service Awards Gala that took place on March 5. He recognized Faculty Senate officers Drs. Julie Estis, President; Kevin West, Vice President; Kelly Woodford, Secretary; and Doug Marshall, Past President.

President Waldrop congratulated Judge Simon for his recent transition to the Denver-based mediation firm Judicial Arbiter Group, Inc. He advised of Dr. Mike Mitchell's appointment as Vice President for Student Affairs; of Mr. Christopher Lynch's appointment as Executive Director of Enrollment Services; and of Mr. Nick Lawkis' appointment as Assistant Director of Governmental Relations. He mentioned Mr. Steve Simmons' plans to retire effective June 1, and

stated Dr. John Smith would serve as Interim Vice President for Finance and Administration while a national search is conducted to fill the position.

President Waldrop commented on the five strategic priorities -- Student Success and Access; Enhancement of Research and Graduate Education; Global Engagement; Excellence in Health Care; and University-Community Engagement. He talked about a variety of speaking engagements with community groups at which the priorities are communicated. He said the University committees are working diligently on the priorities and progress reports will be made annually.

President Waldrop remarked on the University's observance of Black History Month in February and called attention to a photo display in the Whiddon Administration Building lobby featuring various activities, including the annual *Soul Food* luncheon and a performance by Mobile's renowned Excelsior Band.

President Waldrop called upon Ms. Chronister for a report on research activities. Ms. Chronister introduced Mr. Harry Brislin, Manager of the USA Technology and Research Park. Mr. Brislin expressed enthusiasm for his appointment to the position. Ms. Chronister discussed the significance of the School of Computing's prestigious seven-year redesignation by the U.S. National Security Agency and the Department of Homeland Security as a Center for Academic Excellence in Information Assurance/Cyber Defense, of which fewer than 50 are recognized in the country. She mentioned two large awards that resulted from the U.S. RESTORE Act. She said USA's Department of Marine Sciences and Center for Environmental Resiliency received \$6.8 million to be used over five years for environmental sciences and snapper population issues. She added that funding from the National Institute of Standards and Technology (NIST) will make possible the installation of a large wave flume, the only one in the southeastern United States. She reported on the University's partnership in a \$20 million grant awarded to Colorado State University's Disaster Resiliency Research Center.

Ms. Kelly Osterbind, University Registrar, discussed the expansion of Spring Commencement activities into two ceremonies since the growth in attendance has exceeded the seating capacity of the Mitchell Center Arena. She shared graduation statistics and stated other upgrades to the program include the addition of another ramp to exit the stage and sign language interpreters. She thanked the Faculty Senate for suggesting the second ramp.

As photos were shown, Mr. Fulford, Executive Director of Governmental Relations, reported on efforts to engage state and national legislators in University affairs. He presented charts detailing Alabama Education Trust Fund data and addressed economic factors that impact state funding. He discussed expectations for the legislature to act on Governor Bentley's appointment and reappointment of Trustees.

Ms. Danielle Watson discussed recent SGA initiatives, including adoption of the *LiveSafe* safety application for personal devices and the *OrgSync* campus engagement network. She thanked the

Board of Trustees for its support during her tenure as SGA President. Dr. Julie Estis reported on faculty and administrative collaborations relative to the incorporation of President Waldrop's five strategic priorities, and she stated policies and procedures are being assessed for possible updates. She discussed collaborative planning of a student convocation in the fall. She talked about *Board of Trustees Day* to be held on March 18, which will allow opportunities for students and faculty to interact with members of the Board. She stated all meeting minutes and initiatives of the Faculty Senate are posted on the Web site.

President Waldrop introduced Ms. Karin Caswell, Manager of Interior Design, for a report on the University's three-year Campus Sign Master Plan, to include installation of map kiosks at entrance portals, street directional signs, pedestrian signs and building signs. She talked about design consistency and the use of school colors and the USA logo, calling the project a branding opportunity. Photos were shown.

Dr. Waldrop called upon Dr. Erdmann for a report on Athletics activities. Dr. Erdmann expressed enthusiasm for the opportunity to recognize the great achievements of USA athletes. He reported that the Women's Soccer team won the regular fall season championship and the Sun Belt Tournament Championship. Under Head Coach Graham Winkworth, the Women's Soccer team ended the season with the highest national ranking in terms of the NCAA rating percentage index (RPI) in the history of the program with a team comprised of mostly freshmen and sophomores. He said the team had a fall cumulative GPA of 3.53. The athletes and coaches of the Men's Cross Country team filed into the room, and Dr. Erdmann stated the team won the Sun Belt Conference Championship under Head Coach Paul Brueske and Assistant Coach David Barnett. Photos of the athletes with tournament trophies were shown. Dr. Erdmann stated the championship was hosted locally at Battleship Park. The athletes shared biographical information, as did the coaches. Dr. Erdmann gave a brief summary of other team schedules and results. President Waldrop called upon Mr. Haskins, who discussed the Camellia Bowl held in Montgomery on December 20. Mr. Haskins introduced a spirited commercial that aired on ESPN, garnering USA's football team and the Institution national exposure.

Chairman Furr called for a report from the Health Affairs Committee. On behalf of Dr. Stokes, Committee Chair, Dr. Charlton stated that, at the March 5 meeting, the Committee voted unanimously to recommend Board approval of **ITEM 3** as follows. Chairman Furr called for a vote and the resolution was approved unanimously:

**RESOLUTION
USA HOSPITALS MEDICAL STAFF APPOINTMENTS AND REAPPOINTMENTS
FOR NOVEMBER AND DECEMBER 2014, AND JANUARY 2015**

WHEREAS, the Medical Staff appointments and reappointments for November and December 2014, and January 2015, for the University of South Alabama Hospitals are recommended for Board approval by the Medical Executive Committees and the Executive Committee of the University of South Alabama Hospitals,

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

Dr. Charlton reported that the Committee voted unanimously to recommend Board approval of **ITEM 4** as follows. Chairman Furr called for a vote and the resolution was approved unanimously:

**RESOLUTION
NOMINEES FOR MOBILE COUNTY HOSPITAL BOARD**

WHEREAS, pursuant to the Certificate of Incorporation of the Mobile County Hospital Board, the University of South Alabama Board of Trustees is required to nominate in writing to the governing body of Mobile County, two (2) persons for the position of Director of the Corporation,

THEREFORE, BE IT RESOLVED, the University of South Alabama Board of Trustees hereby nominates Mr. Leo Dekle and Dr. Samuel Strada to be considered by the Mobile County Commission for the selection of one to serve on the Mobile County Hospital Board.

Dr. Charlton called upon Mr. Hammack to report on the activities of the Health System and Health Sciences, **ITEM 5**. Relative to facilitation of a Medicaid managed care organization for the Gulf Coast region, Mr. Hammack stressed the importance of outcomes, an element the University has consistently demonstrated through peer outperformance. He stated funding is a priority. He thanked the Board of Trustees for its support of the endeavor.

Chairman Furr called for a report from the Academic and Student Affairs Committee. Ms. Maye, Committee Chair, stated that, at the March 5 committee meeting, Dr. Johnson reported on state legislative authority related to distance education and Alabama's membership with the National Council for State Authorization Reciprocity Agreements, also known as SARA. She advised that Dr. Smith reported on housing projections for the 2015 fall semester, and that University Police Chief Aull reported on the *LiveSafe* security application that is being piloted within the University community.

Ms. Chronister introduced Dr. Steven Trout, Chair of the English Department and author of nine books. Flyers were distributed as Dr. Trout discussed collective memory studies that focus on how cultures recall historical events. He talked about the activities and projects of USA's Center for the Study of War and Memory, as well as the contributions of faculty members Dr. Susan McCready, the Center's Associate, and Frye Gaillard, Writer in Residence.

Ms. Maye reported that the Committee voted unanimously to recommend Board approval of **ITEM 7** resolutions as follows. Chairman Furr called for a vote and the resolutions were approved unanimously:

**RESOLUTION
HONORARY DOCTORATE DEGREE FOR DR. RICHARD E. LAPCHICK**

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

WHEREAS, Dr. Richard E. Lapchick helped form and is the President and CEO of the National Consortium for Academics and Sport (NCAS), and

WHEREAS, Dr. Lapchick currently serves as Director of the DeVos Sport Business Management Program, and as Director of the Institute for Diversity and Ethics in Sport at the University of Central Florida, and

WHEREAS, Dr. Lapchick has served as a United Nations Senior Liaison Officer at the International Conference on the Middle East, the World Conference for the United Nations Decade for Women, and the United Nations Centre Against Apartheid, and

WHEREAS, Dr. Lapchick helped found the Hope for Stanley Foundation and the Center for the Study of Sport in Society at Northeastern University, and

WHEREAS, Dr. Lapchick is a prolific writer of 16 books, is a regular columnist for ESPN.com and The Sports Business Journal, has written more than 550 articles and given more than 2,800 public speeches, and is considered among the nation's experts on sport and social issues, and

WHEREAS, Dr. Lapchick has received numerous awards, including the Martin Luther King Fellowship, Kenneth Kaunda Award for Humanism, Ralph Bunch International Peace Award, Dryslongo Award for Combating Racism, and Women's Sports Foundation President's Award, and

WHEREAS, Dr. Lapchick is a board member of the Open Doors Foundation and serves on the advisory boards of the Women's Sports Foundation, the Alliance of Women Coaches, Harbor House and the Giving Back Fund,

THEREFORE, BE IT RESOLVED, for his academic accomplishments as a scholar of sport and social inequality, and for his service as a human rights activist and as a pioneer for racial equality, the University of South Alabama is pleased to bestow upon Dr. Richard E. Lapchick, this day, the degree of Doctor of Humane Letters (L.H.D.), *honoris causa*.

RESOLUTION

HONORARY DOCTORATE DEGREE FOR UNITED STATES SECRETARY OF THE NAVY RAY MABUS

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

WHEREAS, Ray Mabus serves as the 75th United States Secretary of the Navy and leads America's Navy and Marine Corps, and

WHEREAS, Secretary Mabus has prioritized improving the quality of life of Sailors, Marines and their families, decreasing the Department's dependence on fossil fuels and strengthening partnerships and revitalizing the Navy's shipbuilding program, and

WHEREAS, Secretary Mabus prepared a long-term recovery plan for the Gulf of Mexico in the wake of the Deepwater Horizon oil spill that passed into law by Congress as the Restore Act which included a fund to aid in the Gulf Coast's recovery, and

WHEREAS, Secretary Mabus has traveled to over 100 countries to maintain and develop relationships with national and international officials and visit with Sailors and Marines forward deployed or stationed around the world, including 12 separate visits to Afghanistan in recognition of the sacrifice and service of Sailors and Marines deployed in combat zones, and

WHEREAS, Secretary Mabus has received his Bachelor's degree from the University of Mississippi, his Master's from Johns Hopkins University, and his Juris Doctorate in Law from Harvard University, and

WHEREAS, Secretary Mabus served as Governor of Mississippi from 1988 to 1992, and as Ambassador to the Kingdom of Saudi Arabia from 1994-1996,

THEREFORE, BE IT RESOLVED, for his commitment and service to the United States, and for his dedication to a strong and prosperous nation, the University of South Alabama is pleased to bestow upon Ray Mabus, this day, the degree of Doctor of Humane Letters (L.H.D.), *honoris causa*.

Chairman Furr called for a report from the Long-Range Planning Committee. Mr. Shumock, Committee Chair, stated that, at the meeting on March 5, Dr. Coleman gave an overview of the strategic planning process and efforts to update USA's Strategic Plan 2014-2017 in the coming months. He said the Board will consider the recommendations of the University Assessment Advisory Committee at its September meeting.

Chairman Furr called for a report from the Budget and Finance Committee. Mr. Corcoran, Committee Chair, stated that, at the March 5 Committee meeting, Mr. Simmons presented the financial statements for the three months ended December 2014 and Ms. Stokley, Chair of the Process Improvement Committee, delivered a report.

Mr. Corcoran stated the committee voted unanimously to recommend Board approval of **ITEM 12** as follows. Chairman Furr called for a vote and the resolution was approved unanimously:

**RESOLUTION
LINE OF CREDIT**

WHEREAS, the University of South Alabama desires to establish a \$5,000,000 revolving line of credit which will provide funds the majority of which will be used to finance the acquisition of property from the Mobile Area Water and Sewer System (MAWSS), and

WHEREAS, the University has received a variable interest rate quote on such a line of credit from Compass Bank of the one-month London Interbank Offered Rate (LIBOR) plus a spread of one percentage point (which spread remains fixed for the one-year term of the letter of credit and future renewals), which is a current market rate and which will reset monthly based on the then-current LIBOR rate,

THEREFORE, BE IT RESOLVED, the University of South Alabama Board of Trustees authorizes the establishment with Compass Bank of a \$5,000,000 unsecured revolving line of credit with a variable interest rate set at one-month LIBOR plus one percentage point, and

BE IT FURTHER RESOLVED, the University of South Alabama Board of Trustees authorizes the President and the Vice President for Finance and Administration of the University of South Alabama to execute, attest, acknowledge and deliver any documents required, and to take all actions necessary on behalf of the University of South Alabama to carry out the actions authorized by this resolution, and

BE IT FINALLY RESOLVED, the University of South Alabama Board of Trustees authorizes the President and the Vice President for Finance and Administration or their designees to initiate advances on the line of credit as needed.

Mr. Corcoran reported that the Committee voted to recommend Board approval of **ITEM 13** as follows. Chairman Furr called for a vote and the resolution was approved unanimously:

**RESOLUTION
CAPITAL TRANSFER FROM THE UNIVERSITY OF SOUTH ALABAMA HEALTH SYSTEM
TO THE USA HEALTHCARE MANAGEMENT, LLC**

WHEREAS, the University of South Alabama Health System created the USA HealthCare Management, LLC, in 2010 as its means to enter into broad healthcare opportunities, and

WHEREAS, the USA HealthCare Management, LLC, currently employs 59 percent of the University of South Alabama Health System employees, and

WHEREAS, the University of South Alabama is the sole member of the USA HealthCare Management, LLC, and

WHEREAS, the USA HealthCare Management, LLC, is the sole member of the Gulf Coast Regional Care Organization, created in 2014, and

WHEREAS, the Gulf Coast Regional Care Organization is exploring the opportunity to be the capitated Medicaid provider in the region, and

WHEREAS, the University of South Alabama Health System desires to capitalize the USA HealthCare Management, LLC, and

WHEREAS, this capital is necessary to meet Medicaid solvency requirements to establish a Health Home program and for other financial needs,

THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama authorizes the President to transfer \$2.5 million from the University of South Alabama Health System accounts to the USA HealthCare Management, LLC, as a capital investment.

Chairman Furr called for a report from the Audit Committee. On behalf of Mr. Peek, Committee Chair, Dr. Charlton stated that, at the March 5 Committee meeting, Mr. Simmons reported on the annual audit conducted by KPMG on Athletics procedures for compliance with NCAA standards.

Chairman Furr called for a report from the Development, Endowment and Investments Committee. Mr. Yance, Committee Chair, stated that, at the meeting on March 5, endowment performance for the quarter and since inception was reviewed, as was the National Association of College and University Business Officers' (NACUBO) endowment study for 2014. He summarized the data presented.

Concerning **ITEM 16** as follows, Chairman Furr called for comments from President Waldrop, who stated he held the late Dr. James Lowe in the highest regard. He introduced Dr. Terry Hazzard, Dean of Students at Bishop State Community College, and Dr. Furr read the resolution. On motion by Mr. Yance, seconded by Mr. Shumock, the Board voted unanimously to approve the resolution. Dr. Hazzard shared appreciation and invited the University community to attend Dr. Lowe's memorial service.

**RESOLUTION
POSTHUMOUS RESOLUTION HONORING DR. JAMES LOWE, JR.,
PRESIDENT, BISHOP STATE COMMUNITY COLLEGE**

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

WHEREAS, Dr. James Lowe, Jr., was a teacher, head football coach, athletics director, principal and assistant superintendent, and served as an administrator with the Alabama State Department of Education, and

WHEREAS, Dr. Lowe served as Vice Chancellor for Instructional and Student Services in the Alabama Community College System; Vice Chancellor of College Operations at the Department of Postsecondary Education; Interim President of Northwest-Shoals Community College; and Dean of Academic Instruction at Chattahoochee Valley Community College, and

WHEREAS, Dr. Lowe was named Interim President in 2007 and made permanent President of Bishop State Community College in 2008, and

WHEREAS, Dr. Lowe provided the leadership required to bring Bishop State Community College from very difficult and challenging circumstances to an institution that now functions at a high level with a focus on serving the workforce training needs of a dynamic economy in Mobile and the surrounding areas, and

WHEREAS, Dr. Lowe was instrumental in forging partnerships with the University of South Alabama, and

WHEREAS, Dr. Lowe was a man who exhibited the highest level of honor, integrity and leadership in his personal and professional life,

THEREFORE, BE IT RESOLVED that the University of South Alabama hereby expresses its sincere appreciation to the late Dr. James Lowe, Jr., for his generous service in education to the State of Alabama, and

BE IT FURTHER RESOLVED that the University of South Alabama extends its most sincere condolences and deepest sympathies to the family, friends and colleagues of Dr. James Lowe, Jr., and its gratitude for his support and friendship.

Dr. Furr invited Trustees and guests to support the athletics exhibitions scheduled on Saturday, March 7. Judge Simon commended the University leadership for its participation in the events marking the 50th anniversary of "Bloody Sunday" in Selma.

There being no further business, the meeting was adjourned at 11:39 a.m.

Attest to:

Respectfully submitted:


James H. Shumock, Secretary


Steven P. Furr, M.D., Chair *pro tempore*

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES**

HEALTH AFFAIRS COMMITTEE

**March 5, 2015
2:00 p.m.**

A meeting of the University of South Alabama Board of Trustees Health Affairs Committee was duly convened by Dr. Scott Charlton on behalf of Dr. Steve Stokes, Chair, on Thursday, March 5, 2015, at 2:00 p.m. in the Board Room of the Frederick P. Whiddon Administration Building.

Members Present: Chandra Brown Stewart, Scott Charlton, Bettye Maye, Arlene Mitchell, and Ken Simon.

Member Absent: Steve Stokes.

Other Trustees: Tom Corcoran, Steve Furr, Ron Jenkins, Bryant Mixon, Jimmy Shumock, Sandy Stimpson, Mike Windom and Jim Yance.

Administration and Others: Joe Busta, Lynne Chronister, Monica Curtis, Joel Erdmann, Julie Estis (Faculty Senate), Mike Finan, Ron Franks, Stan Hammack, Mike Haskins, David Johnson, Doug Marshall (Faculty Senate), Mike Mitchell, Danny Rickert, Steve Simmons, John Smith, Becky Tate, Jean Tucker, Tony Waldrop and Kevin West (Faculty Senate).

Press: Cassie Fambro (*Press-Register/al.com*), Alyssa Newton (*Vanguard*) and Alyson Stokes (*Lagniappe*).

The meeting came to order and the attendance roll was called. Dr. Charlton called for consideration of the minutes of the Committee meeting held on December 4, 2014. On motion by Ms. Brown Stewart, seconded by Ms. Maye, the minutes were approved unanimously.

Dr. Charlton moved for the approval of **ITEM 3**, a resolution authorizing the USA Hospitals medical staff appointments and reappointments for November and December 2014, and January 2015 (for copies of resolutions, policies and other authorized documents, refer to the minutes of the Board of Trustees meeting held March 6, 2015). Ms. Brown Stewart seconded and the Committee voted unanimously to recommend approval by the Board of Trustees.

Dr. Charlton called for consideration of **ITEM 4**, a resolution to approve the nomination of Mr. Leo Dekle and Dr. Samuel Strada for consideration by the Mobile County Commission for the selection of either to serve on the Mobile County Hospital Board of Directors. On motion by Ms. Brown Stewart, seconded by Ms. Mitchell, the Committee voted unanimously to recommend approval by the Board of Trustees.

Dr. Charlton asked for a report on the activities of the USA Health System and the Division of Health Sciences, **ITEM 5**. With regard to Alabama's transition to a Regional Care Organization (RCO) system for healthcare delivery, thereby addressing the inefficiencies long perpetuated

by an antiquated Medicaid structure, Mr. Hammack presented a visual overview on creation of the Gulf Coast Regional Care Organization (GCRCO). A map was shown depicting Alabama's division into regions, as was a facilitation timeline. Given USA's administration of the managed care organization PrimeHealth some years prior, Mr. Hammack stated the University is in an ideal position for execution of the GCRCO. He introduced USA Health Services Foundation (HSF) Executive Director Ms. Becky Tate and HSF Practice Director Mr. Danny Rickert, both of whom served as PrimeHealth officers. Ms. Tate and Mr. Rickert will serve as GCRCO Chief Executive Officer and Chief Financial Officer, respectively. Judge Simon asked if an RCO system would prompt improvements in healthcare delivery. Mr. Hammack affirmed that providers will be required to satisfy metrics, and the resulting data will guide progress. He added that the prospect of coordinating with rural physicians and hospitals to treat Medicaid patients will be a boon for the University. He stated the RCO model will allow providers to customize care based upon the needs of an area. Mr. Corcoran commented on the difficulty of meeting the objectives of improved quality and cost reduction, and asked that a cost analysis be presented at a future meeting. Mr. Hammack acknowledged the challenge, stating that the University is committed to transforming services. Judge Simon expressed concern that numerous rural pockets throughout the state have inadequate access to medical care. Mr. Hammack observed the importance of traditional providers subscribing to the RCO concept. Judge Simon suggested that the University be promoted as a leader in the RCO initiative.

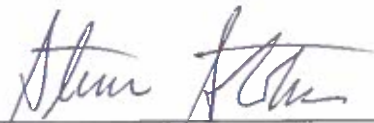
There being no further business, the meeting was adjourned at 2:28 p.m.

Respectfully submitted:



Scott A. Charlton, M.D.

On behalf of:



Steven H. Stokes, M.D., Chair

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES**

ACADEMIC AND STUDENT AFFAIRS COMMITTEE

**March 5, 2015
2:28 p.m.**

A meeting of the University of South Alabama Board of Trustees Academic and Student Affairs Committee was duly convened by Ms. Bettye Maye, Chair, on Thursday, March 5, 2015, at 2:28 p.m. in the Board Room of the Frederick P. Whiddon Administration Building.

Members Present: Chandra Brown Stewart, Scott Charlton, Ron Jenkins, Bettye Maye, Bryant Mixon and Mike Windom.

Other Trustees: Tom Corcoran, Steve Furr, Arlene Mitchell, Jimmy Shumock, Ken Simon, Sandy Stimpson and Jim Yance.

Administration and Others: Zeke Aull, Joe Busta, Lynne Chronister, Monica Curtis, Joel Erdmann, Julie Estis (Faculty Senate), Ron Franks, Stan Hammack, Mike Haskins, David Johnson, Doug Marshall (Faculty Senate), Mike Mitchell, Ravi Rajendra, Steve Simmons, John Smith, Jean Tucker, Tony Waldrop and Kevin West (Faculty Senate).

Press: Cassie Fambro (*Press-Register/al.com*), Alyssa Newton (*Vanguard*) and Alyson Stokes (*Lagniappe*).

The meeting came to order and the attendance roll was called. Ms. Maye, Committee Chair, called for consideration of the minutes for the Committee meetings held on December 4 and 5, 2014. On motion by Ms. Brown Stewart, seconded by Capt. Jenkins, the minutes were approved unanimously.

Ms. Maye called on Dr. Johnson for presentation of **ITEM 7**, a resolution to award honorary doctorate degrees to Spring Commencement speakers Dr. Richard Lapchick, DeVos Eminent Scholar Chair and Director, Sports Business Management Program, College of Business Administration at the University of Central Florida, and Secretary Ray Mabus, United States Navy (for copies of resolutions, policies and other authorized documents, refer to the minutes of the March 6, 2015, Board of Trustees meeting). Dr. Johnson shared background highlights for both individuals. On motion by Ms. Maye, seconded by Ms. Brown Stewart, the Committee voted unanimously to recommend approval by the Board of Trustees.

Dr. Johnson addressed **ITEM 6**, a report on the activities of the Division of Academic Affairs. He presented a visual overview on reciprocity in distance education, noting USA and other institutions are required to seek authorization from states for non-resident students who register for on-line classes. He described the system as exhaustive and inefficient, adding that staff had been hired to manage the documentation. As a remedy, he outlined the benefits of Alabama joining the National Council for State Authorization Reciprocity Agreements (SARA), and, with reference to the more than 2,000 out-of-state students enrolled for on-line classes at USA, he stressed the importance of

being proactive in this effort. He advised that Governor Bentley had signed legislation for the state's participation in SARA and had appointed President Waldrop to serve on a Reciprocity Committee with other university presidents. Dr. Johnson will serve as the lead negotiator for Alabama.

Ms. Maye called upon Dr. Smith for presentation of **ITEM 8**, a report on the activities of the Division of Student Affairs. With regard to construction of a new residence hall, Dr. Smith reminded the Committee that an architect had been engaged for room design and construction cost estimates. He discussed expectations for occupancy in the fall and answered questions about the Administration's effort to predict demand for housing on campus.

Dr. Smith introduced University Police Chief Zeke Aull, who discussed promotion of the *LiveSafe* application for mobile devices which allows students to report crime and emergencies, and request police assistance. One feature called *SafeWalk* enables students to register for GPS monitoring. A chart was viewed of the types of tips reported to the University Police via *LiveSafe*. Chief Aull expressed hopes for offering *LiveSafe* to students, faculty and staff free of charge. He said the launch of *LiveSafe* was a student-led initiative. He recognized SGA Senators Mr. Ravi Rajendra and Mr. Marcus Williams for their involvement.

There being no further business, the meeting was adjourned at 2:47 p.m.

Respectfully submitted:


Bettye R. Maye, Chair

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES**

LONG-RANGE PLANNING COMMITTEE

March 5, 2015

2:47 p.m.

A meeting of the University of South Alabama Board of Trustees Long-Range Planning Committee was duly convened by Mr. Jimmy Shumock, Chair, on Thursday, March 5, 2015, at 2:47 p.m. in the Board Room of the Frederick P. Whiddon Administration Building.

Members Present: Chandra Brown Stewart, Bettye Maye, Bryant Mixon, Jimmy Shumock, Sandy Stimpson and Mike Windom.

Member Absent: John Peek.

Other Trustees: Scott Charlton, Tom Corcoran, Steve Furr, Ron Jenkins, Arlene Mitchell, Ken Simon and Jim Yance.

Administration and Others: Joe Busta, Lynne Chronister, Angela Coleman, Monica Curtis, Joel Erdmann, Julie Estis (Faculty Senate), Ron Franks, Stan Hammack, Mike Haskins, David Johnson, Doug Marshall (Faculty Senate), Mike Mitchell, Steve Simmons, John Smith, Jean Tucker, Tony Waldrop, Kevin West (Faculty Senate).

Press: Cassie Fambro (*Press-Register/al.com*), Alyssa Newton (*Vanguard*) and Alyson Stokes (*Lagniappe*).

The meeting came to order and the attendance roll was called. Mr. Shumock, Committee Chair, called upon Dr. Johnson for discussion of **ITEM 9**, a report concerning USA's Strategic Plan (Plan) and assessment. Dr. Johnson advised of plans to modify the Plan to include the five institutional priorities announced by President Waldrop in September 2014. He called for comments from Dr. Angela Coleman, Associate Vice President for Institutional Effectiveness. Dr. Coleman presented a graphic overview of the planning process since Board adoption of the 2014-2017 Strategic Plan in September 2013. She said multiple constituencies take part in a comprehensive sequence of planning cycle activities through which progress towards USA's strategic goals is monitored, metrics are developed and refined, and assessment results are compiled annually into a "scorecard" document. Discussion took place about community involvement and the prospect of attaining the Carnegie Community Engagement Classification in the future.

There being no further business, the meeting was adjourned at 2:57 p.m.

Respectfully submitted:



James H. Shumock, Chair

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES**

BUDGET AND FINANCE COMMITTEE

March 5, 2015

2:57 p.m.

A meeting of the University of South Alabama Board of Trustees Budget and Finance Committee was duly convened by Mr. Tom Corcoran, Chair, on Thursday, March 5, 2015, at 2:57 p.m. in the Board Room of the Frederick P. Whiddon Administration Building.

Members Present: Tom Corcoran, Arlene Mitchell, Jimmy Shumock, Sandy Stimpson and Jim Yance.

Member Absent: Steve Stokes.

Other Trustees: Chandra Brown Stewart, Steve Furr, Ron Jenkins, Bettye Maye, Bryant Mixon, Ken Simon and Mike Windom.

Administration and Others: Joe Busta, Lynne Chronister, Monica Curtis, Joel Erdmann, Julie Estis (Faculty Senate), Ron Franks, Stan Hammack, Mike Haskins, David Johnson, Doug Marshall (Faculty Senate), Mike Mitchell, Steve Simmons, John Smith, Polly Stokley, Jean Tucker, Tony Waldrop and Kevin West (Faculty Senate).

Press: Cassie Fambro (*Press-Register/al.com*), Alyssa Newton (*Vanguard*) and Alyson Stokes (*Lagniappe*).

The meeting came to order and the attendance roll was called. Mr. Corcoran, Committee Chair, called for consideration of the minutes for the Committee meeting held on December 4, 2014. On motion by Ms. Mitchell, seconded by Mr. Shumock, the minutes were approved unanimously.

Mr. Corcoran called upon Mr. Simmons to address **ITEM 10**, the quarterly financial statements for the three months ended December 31, 2014. Mr. Simmons stated the information reported in the statements was as expected.

Ms. Polly Stokley, University Controller and Chair of the University's Process Improvement Committee (PIC), presented **ITEM 11**, a report on the work of the president-appointed, 18-member team made up of faculty and staff. Accompanied by a visual summary, she discussed the group's mission statement and the handling of recommendations forwarded by the University community to the PIC for consideration. She said a total of 94 suggestions have been forwarded since the committee's installment in June 2014, 70 of which came in right away. She reported closure on 16 percent of the recommendations logged.

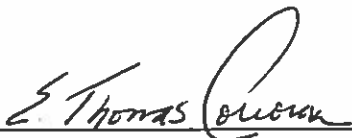
Mr. Simmons discussed **ITEM 12**, a resolution authorizing a \$5 million unsecured, revolving line of credit with BBVA Compass Bank and giving the President and Vice President for Finance and

Administration the authority to execute the documentation and actions necessary for implementation, and to initiate credit advances as needed (for copies of resolutions, policies and other authorized documents, refer to the minutes of the March 6, 2015, Board of Trustees meeting). He said access to an open line of credit would be to the University's advantage from time to time, and stated plans are to draw upon the available funds now to replace operating cash from the Hospitals that was used to complete the Mobile Area Water and Sewer System property acquisition. He discussed that the terms include a rate of one percent above the LIBOR (London Interbank Offered Rate) and he stated the fees were waived. On motion by Mayor Stimpson, seconded by Mr. Shumock, the Committee agreed unanimously to recommend approval by the Board of Trustees.

Mr. Simmons addressed **ITEM 13**, a resolution authorizing the President to transfer \$2.5 million from the USA Health System to the USA HealthCare Management (HCM), LLC, as a capital investment for the creation of the Gulf Coast Regional Care Organization, of which the University is a sole member. Mr. Corcoran asked Mr. Simmons to distinguish between the Health System and HCM entities. Mr. Simmons described that both operations belong to the University, and that the LLC designation provides certain legal protections. He said the transaction requested is a transfer of cash to meet Medicaid's solvency requirement should the RCO fail to move forward. Mr. Yance asked about the next capital commitment. Mr. Simmons projected an installment of \$15 million out of the overall \$40 million cost that is expected. Mr. Simmons and Mr. Hammack addressed a range of complexities involving RCO creation and management. On motion by Mr. Shumock, seconded by Ms. Mitchell, the Committee agreed unanimously to recommend approval by the Board of Trustees.

There being no further business, the meeting was adjourned at 3:20 p.m.

Respectfully submitted:



E. Thomas Corcoran, Chair

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES**

AUDIT COMMITTEE

March 5, 2015

3:20 p.m.

A meeting of the University of South Alabama Board of Trustees Audit Committee was duly convened by Dr. Scott Charlton on behalf of Mr. John Peek, Chair, on Thursday, March 5, 2015, at 3:20 p.m. in the Board Room of the Frederick P. Whiddon Administration Building.

Members Present: Scott Charlton, Ron Jenkins, Bryant Mixon and Sandy Stimpson.

Member Absent: John Peek.

Other Trustees: Chandra Brown Stewart, Tom Corcoran, Steve Furr, Bettye Maye, Arlene Mitchell, Jimmy Shumock, Ken Simon, Mike Windom and Jim Yance.

Administration and Others: Joe Busta, Lynne Chronister, Monica Curtis, Joel Erdmann, Julie Estis (Faculty Senate), Ron Franks, Stan Hammack, Mike Haskins, David Johnson, Doug Marshall (Faculty Senate), Mike Mitchell, Steve Simmons, John Smith, Jean Tucker, Tony Waldrop and Kevin West (Faculty Senate).

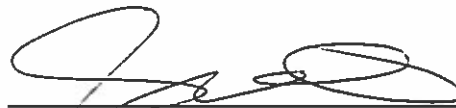
Press: Cassie Fambro (*Press-Register/al.com*), Alyssa Newton (*Vanguard*) and Alyson Stokes (*Lagniappe*).

The meeting came to order and the attendance roll was called. Dr. Charlton moved for the adoption of the minutes of the Committee meeting held on December 4, 2014. Capt. Jenkins seconded and the minutes were approved unanimously.

Dr. Charlton called for presentation of **ITEM 14**, the KPMG Report on USA Intercollegiate Athletics for the year ended September 2014. Mr. Simmons stated KPMG is engaged annually to examine the accuracy of the information that the University reports to the National Collegiate Athletics Association. He said the report was free of findings.

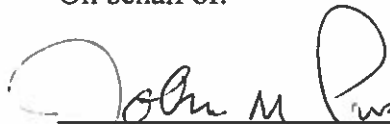
There being no further business, the meeting was adjourned at 3:22 p.m.

Respectfully submitted:



Scott A. Charlton, M.D.

On behalf of:



John M. Peek, Chair

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES**

DEVELOPMENT, ENDOWMENT AND INVESTMENTS COMMITTEE

**March 5, 2015
3:22 p.m.**

A meeting of the University of South Alabama Board of Trustees Development, Endowment and Investments Committee was duly convened by Mr. Jim Yance, Chair, on Thursday, March 5, 2015, at 3:22 p.m. in the Board Room of the Frederick P. Whiddon Administration Building.

Members Present: Tom Corcoran, Ron Jenkins, Ken Simon, Mike Windom and Jim Yance.

Member Absent: Steve Stokes.

Other Trustees: Chandra Brown Stewart, Scott Charlton, Steve Furr, Bettye Maye, Bryant Mixon, Arlene Mitchell, Jimmy Shumock and Sandy Stimpson.

Administration and Others: Terry Albano, Joe Busta, Lynne Chronister, Monica Curtis, Joel Erdmann, Julie Estis (Faculty Senate), Ron Franks, Stan Hammack, Mike Haskins, David Johnson, Doug Marshall (Faculty Senate), Mike Mitchell, Norman Pitman, Steve Simmons, John Smith, Jean Tucker, Tony Waldrop and Kevin West (Faculty Senate).

Press: Cassie Fambro (*Press-Register/al.com*), Alyssa Newton (*Vanguard*) and Alyson Stokes (*Lagniappe*).

The meeting came to order and the attendance roll was called. Mr. Yance called for consideration of the minutes of the Committee meeting held on December 4, 2014. On motion by Mr. Windom, seconded by Mr. Corcoran, the Committee voted unanimously to approve the minutes.

Mr. Yance called upon Mr. Albano and Mr. Pitman to deliver the endowment performance report, **ITEM 15**. Graphic materials demonstrated a performance of 1.75 percent versus the relative index of 1.15 percent for the period October 1 to December 31, 2014, an outperformance by 60 basis points. The endowment total at the end of the period was \$144,138,196. Mr. Pitman discussed the underperformance of Schwab and Private Advisors. Given the emphasis on long-term gains, Mr. Albano stated the University's investments are positioned correctly despite the minor setbacks. He reviewed asset allocation and reported that the annualized performance since inception in April 2000 was 5.26 percent versus the index of 4.46 percent, an outperformance by 80 basis points. He discussed the National Association of College and University Business Officers' (NACUBO) 2014 endowment study which showed that the University of South Alabama performed extremely well compared to peer institutions in Alabama. A chart demonstrating one-, three- and five-year comparisons was viewed. Mr. Albano said NACUBO tracks the endowments of approximately 800 institutions. Ms. Mitchell recommended a review of the investment guidelines with regard to manager

Development, Endowment and Investments Committee
March 5, 2015
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allocation restrictions. For a better perspective, Mr. Shumock suggested it would help the Committee to see a comparison of manager performance over a longer period of time. Dr. Charlton asserted that adherence to the guidelines would assure growth over time. Mr. Yance agreed that the policy is effective, noting that USA's endowment has performed better than the endowments of 75 percent of the institutions ranked in the nation.

There being no further business, the meeting was adjourned at 3:44 p.m.

Respectfully submitted:


James A. Yance, Chair