THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ALABAMA

April 8, 2011 – 10:45 a.m.
Executive Classroom 280
Bevill Conference Center and Hotel
The University of Alabama in Huntsville

AGENDA

A. Roll Call

B. Consideration of approval of minutes of February 4, 2011

C. Consideration of Executive Committee Report

D. Reports

1. Chancellor and UAHuntsville Interim President Malcolm Portera
2. UAHuntsville Faculty Rep to Board Dr. Jennifer English
3. UAHuntsville Student Rep to Board Ms. Jonna Greer

E. Administrative Report

F. Finance Committee Report

1. Consideration of Resolution approving Tuition and Fees Increase for First Professional Students in Medicine, Dentistry, and Optometry at UAB and for the College of Community Health Sciences (CCHS) at UA for 2011-2012
2. Administrative Action Item

a. Consideration of Resolution approving establishing of a Petty Cash Fund for Project pHree in the School of Public Health at UAB

3. Consideration of Resolution approving revisions to Board Rule 419. Procedures for Issuing Bonds
MINUTES OF THE APRIL 8, 2011 MEETING
OF THE FINANCE COMMITTEE OF
THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ALABAMA

The Finance Committee of The Board of Trustees of The University of Alabama met in the Executive Classroom in the Bevill Conference Center and Hotel, on the campus of The University of Alabama in Huntsville, on Friday, February 8, 2011. Trustee John H. England, Jr., chaired the meeting. Michael A. Bownes served as Secretary.

On roll call, the following Committee members were present:

The Honorable Angus R. Cooper II, Trustee from the First Congressional District

The Honorable Joseph C. Espy III, Trustee from the Second Congressional District

The Honorable William Britt Sexton, Trustee from the Fourth Congressional District

The Honorable Ronald Gray, Trustee from the Fifth Congressional District

The Honorable Joe H. Ritch, Trustee from the Fifth Congressional District

The Honorable John H. England, Jr., Trustee from the Seventh Congressional District

Other Trustees in attendance:

The Honorable Marietta M. Urquhart, Trustee from the First Congressional District

The Honorable Vanessa Leonard, Trustee from the Third Congressional District

The Honorable James Wilson III, Trustee from the Third Congressional District
The Honorable Finis E. St. John IV, President pro tempore, Trustee from the Fourth Congressional District

The Honorable John J. McMahon, Jr., Trustee from the Sixth Congressional District

The Honorable Karen P. Brooks, Trustee from the Seventh Congressional District

The Honorable Andria Scott Hurst, Trustee from the Seventh Congressional District

The meeting was also attended by Chancellor and Interim UAHuntsville President Malcolm Portera, Vice Chancellor for Financial Affairs C. Ray Hayes, UA President Robert Witt, and UAB President Carol Garrison, as well as support staff from the UA System Office, UA, UAB, and UAHuntsville.

Kellee Reinhart introduced the press: Wayne Grayson from The Tuscaloosa News and Paul Gattis from The Huntsville Times.

Chairman England called for a motion to approve the minutes of the February 4, 2010, meeting. On motion of Trustee Espy, seconded by Trustee Ritch, the minutes were approved.

Chairman England called on Dr. Eli Capilouto, UAB Provost, to introduce the resolution approving Tuition and Fees Increase for First Professional Students in Medicine, Dentistry, and Optometry at UAB and for the College of Community Health Sciences (CCHS) at UA for 2011-2012.

Dr. Capilouto said all three professional schools have a record of consistent and outstanding student performance in national board exams. The competition for residency positions has grown intensely, with the School of Medicine excelling in this matching program with 95% of the students getting their first match, exceeding the national average. The School of Optometry was first among optometry schools with a 100% pass rate in all three sections of the national boards; 100% of dental students also passed national boards. In the area of research, the School of Medicine had research expenditures over $300 million. The Schools of Optometry and Dentistry led their peers in rankings in research; all three programs are training the next generation of researchers and they have combined first professional and Ph.D. programs that are funded through national awards. These schools are the pipeline for future health care providers. This year the primary care residents for medicine are up from 2006 by 20 percent with nearly 50 percent of students going into internal medicine, pediatrics, family medicine, and ob-gyn; another 10 percent are going into general surgery. Programs in Tuscaloosa and Huntsville are targeting rural
Chairman England called on Vice Chancellor for Financial Affairs Ray Hayes to introduce the administrative item for consideration, a Resolution approving establishment of a Petty Cash Fund for Project pHree in the School of Public Health at UAB.

Mr. Hayes said this is to increase the petty cash fund for a public health research project from $5,000 to $8,000. He recommended approval.

Chairman England called for a motion to approve the administrative item. On motion of Trustee Sexton, seconded by Trustee Espy, the motion was approved.

RESOLUTION

WHEREAS, The University of Alabama at Birmingham is continuing work on Project pHree; and

WHEREAS, the methodology used in this study includes a large number of participants with each making several visits with increasing incentive payments for additional visits to keep the participants engaged; and

WHEREAS, the participants are also required to do at home tasks for which they receive additional incentive payments; and

WHEREAS, it is more efficient for the staff handling the study to provide the payments via a petty cash fund; and

WHEREAS, the School of Public Health has, in coordination with UAB Financial Affairs, developed a detailed methodology for monitoring, reimbursing, and reconciling a petty cash fund for the study;

NOW, THEREFORE, BE IT RESOLVED by The Board of Trustees of The University of Alabama that it does hereby approve the establishment of a petty cash fund Project pHree in the amount of $8,000.

Chairman England called on Mr. Hayes to introduce the proposed Resolution approving revisions to Board Rule 419. Procedures for Issuing Bonds.

Mr. Hayes said this is an update to our Board Rules. The intent of this proposed change is to insure that no affiliate will issue any debt without approval of the Board of
Trustees. We will work with our affiliate organizations to inform them of this Board Rule and set up procedures to assist in compliance.

Chairman England asked the President pro tem if he had any comments. Trustee St. John said that this was another gap in the review protocol and this resolution should fill that gap. There have been instances whereby it was unclear whether the bond issues submitted by some of the affiliates need to go to the Board and whether the Board should be aware of them. He said that when debt is issued and there is reference to the UA System Board, the Board should have the responsibility of prior approval.

Chairman England called for a motion to approve the resolution. On motion of Trustee Cooper, seconded by Trustee Sexton, the motion was approved.

RESOLUTION

BE IT RESOLVED by The Board of Trustees of The University of Alabama that it approves the revisions to Board Rule 419. Procedures for Issuing Bonds. (Exhibit A)

Trustee Ritch asked if there was a clear understanding of what is meant by “affiliate.” Mr. Hayes said that there are different levels of affiliation and currently there are 35 affiliated organizations throughout the System.

Chairman England said there was an additional resolution for consideration to approve revised signature authority at UAHuntsville. Copies of the resolution had been distributed and were placed at each seat.

Chairman England called for a motion to suspend the rules and amend the Agenda in order to consider this resolution. On motion of Trustee Espy, seconded by Trustee Sexton, the motion was approved.

Vice Chancellor Hayes said that this was a revised signature authority for UAHuntsville to add the Interim President in the signature authority matrix at the University. Mr. Hayes recommended approval.

The resolution was approved.