The Board of Trustees of The University of Alabama met in the UAB National Alumni Society House on the campus of The University of Alabama at Birmingham on February 8, 2013. Trustee Paul W. Bryant, Jr., chaired the meeting. Michael A. Bownes served as Secretary.

On roll call, the following Trustees were present:

- The Honorable Marietta M Urquhart, Trustee from the First Congressional District
- The Honorable Joseph C. Espy III, Trustee from the Second Congressional District
- The Honorable W. Davis Malone III, Trustee from the Second Congressional District
- The Honorable Kenneth L. Vandervoort, M.D., Trustee from the Third Congressional District
- The Honorable James W. Wilson III, Trustee from the Third Congressional District
- The Honorable Paul W. Bryant, Jr., President pro tempore and Trustee from the Fourth Congressional District
- The Honorable Finis E. St. John IV, Trustee from the Fourth Congressional District
- The Honorable Ronald W. Gray, Trustee from the Fifth Congressional District
- The Honorable William Britt Sexton, Trustee from the Fifth Congressional District
- The Honorable Vanessa Leonard, Trustee from the Sixth 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 John H. England, Jr., Trustee from the Seventh Congressional District

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

The following Trustees were unable to attend:

The Honorable Robert Bentley, Governor

The Honorable Thomas R. Bice, Ed.D., State Superintendent of Education

The meeting also was attended by UA System Chancellor Robert E. Witt; UA President Judy Bonner; UAB Interim President Richard Marchase; UAHuntsville President Robert A. Altenkirch; staff members from the Office of the Chancellor, the three campuses, and the UAB Health System. Also in attendance were Student Representatives to the Board of Trustees Matthew Calderone from UA, Adrian Jones from UAB, and Caroline Butler from UAHuntsville. Faculty Representatives to the Board in attendance were Professor Steven Miller from UA, Dr. Julio C. Rivera from UAB, and Dr. Richard S. Miller from UAHuntsville.

Kellee Reinhart, Vice Chancellor for System Relations, introduced media representatives Ashley Roberts from Channel 13, Evan Belanger from al.com, Jason Morton from The Tuscaloosa News, Bryant Summerville from ABC 33/40, Yann Ranaivo from The Birmingham Business Journal, and Andrew Yeager from WBHM.
Chairman Bryant noted that Mrs. Brandy Lee, President of the UAB National Alumni Society, was in attendance and welcomed her.

Chairman Bryant said a draft of the November 1 and November 2, 2012 minutes had been sent to all Trustees. After discussion, and on motion of Trustee McMahon, seconded by Trustee Malone, the minutes were approved.

Chairman Bryant then recognized Chancellor Robert Witt for a report from The University of Alabama System.

Thank you, Trustee Bryant. I am very pleased to report that progress continues on the three campuses, the Health System, and in the System Office.

As you just heard in the presentation from Dr. Marchase and Dr. Watts, the extraordinary progress of The University of Alabama at Birmingham has not only continued, it has accelerated. Dick, I believe that is a tribute to your leadership over the past several months. During their presentation, they focused on the commercialization of technology. The individuals involved across our state in leading Accelerate Alabama acknowledge The University of Alabama at Birmingham as the leading university in our state in terms of the commercialization of technology.

The presentation covered the efforts of the University to aggressively begin to grow its enrollment. The progress that has been made in six short months has been extraordinary. Interim President Marchase put together a strong team led by Harland Sands. Equally important, in spite of all that was on his table, Dr. Marchase remained personally involved in that initiative and the progress to date has been exceptional.

The University of Alabama in Huntsville continues to make rapid progress in the past few months, having brought in several important new research grants. Less than two weeks ago, U.S. News and World Report recognized UAH as having one of the leading nursing programs in the country.

The University of Alabama continues its dramatic progress in terms of student enrollment growth and quality. Yesterday it was announced that
The University of Alabama had more National Merit Scholars in its entering Freshman class than any other public university in the country.

Progress at the Health System under the leadership of Dr. Will Ferniany remains extraordinary. At the last Health System Board meeting, the figures presented not only on the number of patients served, both outpatients and inpatients, but on the quality of patient care that our Health System is delivering were exceptional.

At the System Office level, we continue to work on the efficiency and productivity initiative. Executive Vice Chancellor Ray Hayes and I met yesterday with the three Presidents and Dr. Ferniany. The combined purchase program is progressing rapidly. The Web site is substantially designed. We’re about to enter negotiations on our most heavily purchased supplies and products to negotiate better prices. The programming to allow an individual to go on line, order products at lower costs, and have the information directly entered into the respective general ledgers will be complete by the beginning of the Summer and we expect to launch that program then.

Under the leadership of Chad Tindol, the System Office continues to make progress in helping our campuses and the Health System do a more effective job of putting policies and procedures in place that will allow us to manage the risks we continuously face.

Mr. Chairman, that concludes my report. Thank you very much.

Chairman Bryant thanked Chancellor Witt for his report.

Chairman Bryant said, as he called on Interim President Marchase, he wanted to again take this opportunity, on behalf of all the Board members, to express our sincere appreciation for the job he has done and his willingness to step in when he was needed. We appreciate that so much.

Dr. Marchase was recognized for his report and was asked to introduce his Faculty and Student Representatives at the conclusion.
Dr. Marchase said he had no further information to report. (UAB Institutional Report, Exhibit J). He then introduced UAB Faculty Representative Dr. Julio Rivera, who is an Associate Professor of Management Information Systems and Quantitative Methods.

Good morning Chancellor Witt, Trustees, Presidents, colleagues and friends. We appreciate all the work that you do for UAB.

About two years ago, when I put my name in nomination for Chair of our Faculty Senate, I wrote in my candidate statement that it could be said that we live in interesting times. Little did I know that my first six months as Chair of our Faculty Senate would be so interesting. In less than one year, our institution has undergone a major change in senior leadership, with the appointment of a new Provost, an Interim President, the prospective appointment of a new President, and three new deans. Rather than view these changes with trepidation, we view them as an opportunity for our institution to move on to greater achievement.

To that end, my colleagues and I in the Faculty Senate, as well as Dr. Marchase and Dr. Lucas, have been communicating with the faculty about their hopes and plans for the future. To continue that dialogue, I have invited Chancellor Witt to one of our Faculty Senate meetings. We are looking forward to hearing from him and we are excited about what the future holds for UAB.

At the same time, we are mindful of the challenges that all institutions of higher education face in the new century. While most people immediately think of economics as the greatest challenge, I believe that greater challenges lie in the mechanisms through which we deliver both our education and conduct research. New technologies and capabilities are not only changing the tools and methods that we use, but also the expectations of our students, researchers, and the community at large.

The traditional classroom or lab environment is rapidly changing into one where many new methods are available for the delivery of educational content. In the research arena, we are seeing changes in the methods used both to engage in research and disseminate its results. The challenge for faculty members is to acquire the knowledge necessary to apply the right method to the right situation. I am happy to say that, in the
past year, UAB has made great strides in providing support for faculty members seeking help in these areas.

We have a new Center for Teaching and Learning that has been created and staffed, giving us a focal point for activities that inform and assist faculty members in learning and applying new teaching methods and technologies. Although the Provost’s office has funded this and other initiatives, I am happy to say that faculty members are involved in providing direction and purpose to these efforts. Recently, a Faculty Enhancement and Career Development Committee was formed. Its purpose is to provide faculty members with the right resources to support their research and teaching endeavors and help them focus on activities that further their goals and the University’s larger goal of being a great center for research and education. While these efforts are just starting, I expect that they will spur our faculty members to greater achievement.

Indeed, even without the current efforts to support faculty, UAB has much to be proud of. In this vein, I would like to highlight some of the achievements of our faculty members in the past year. And as was mentioned earlier in our Interim President’s presentation, we have a number of faculty that achieve a number of outstanding feats. I will just name a few:

- Dr. Donna Arnett was named President of the American Heart Association.
- Dr. Constance Kamii received the Hero on the Horizon award at the National Association for the Education of Young Children.
- Dr. John Lowman was elected Chair of the American Board of Physical Therapy Specialties.
- Dr. Dean Sicking, whom we heard about earlier, was elected to the rank of Charter Fellow by the National Academy of Inventors, and so was Dr. Marchase.
- Dr. Rudi Weikard was named a Fellow of the American Mathematical Society.
- Dr. Robert Centor was named Chair-elect of the American College of Physicians for 2013-2014.
- Dr. Gwendolyn Childs was elected to a two-year term as Director-at-large on the Board of Directors for the Association of Nurses in AIDS Care.

These are but a few from a long list of faculty members who, through their dedication and efforts, brought great credit to themselves and our institution. I wish we had the time to go through the complete list.
In closing, let me talk briefly about my experience as a faculty member at UAB. I came to UAB with the intention of staying a few years to begin my career, and then moving on. That was just over 24 years ago. I suppose I should start looking for another job; it’s been a few years. In my time here at UAB, I have done a number of things, including serving on many committees. But I have to say that joining the Senate four years ago was the most eye-opening of these experiences. Most faculty members, and I was no exception, typically focus on teaching and research in their own specialty area. Joining the Faculty Senate gave me the opportunity to meet and interact with colleagues from across the University and to learn about how the University functions.

The last year and a half, as Chair-elect and then Chair, have been particularly educational and rewarding. Thank you for this opportunity, and for your support of UAB, and I look forward to working with all of you as we continue our momentum forward. Thank you.

Dr. Marchase thanked Dr. Rivera and recognized the UAB Student Representative Adrian Jones, a senior in Physics with minors in Chemistry and Math. He is a member of the University Honors Program and a Ronald E. McNair Scholar.

To Chancellor Witt, Members of the Board, University Presidents, Distinguished Guests and Friends, welcome to our campus.

As President of the Undergraduate Student Government Association at UAB and UAB’s Student Representative to the UA System Board of Trustees, I have the privilege of representing approximately 18,000 students. And when I think of those students, I think of their relentless efforts to be the best they can be. I think of their undying spirit of service and commitment. Our students are not only scholars, but also athletes, leaders and advocates for their communities.

Those same students are national and international scholarship winners like Maurice Asouzu, who was recently named a UNCF/Merck Fellowship Recipient, one of only 15 in the nation. I also think of our Barry Goldwater Scholars like Kenneth Gray and Amiya Ahmed, and also Caleb Jones receiving honorable mention. I also think of Mallick Hossain, who was a Rhodes Scholar finalist, who came very close to giving us our second Rhodes Scholar in just two years. And I also think of Brendan Rice, who gave the Commencement speech at UAB’s graduation on December 15 and is now working in Africa with the Food and Agriculture Organization of the
United Nations to make sure that citizens of hungry nations are fed. I think about our music students who won awards at the Southeastern Regional National Association of Teachers of Singing Competition, and our nationally ranked Mock Trial Team, which had two winning teams and three individual award winners at the Mid-South Invitational. They have qualified for the national tournament 12 of the past 15 years.

It reminds me of my fraternity, the Iota Nu chapter of Alpha Phi Alpha Fraternity Inc., which went on to win Chapter of the Year in the State of Alabama and will go on to compete in the seven-state region in March. It also reminds me of the Alpha Xi Delta sorority, which was ranked in the top five nationally for fundraising for the program Autism Speaks. I also think of the Pi Delta chapter of The Tau Kappa Epsilon Fraternity, which won five International Leadership Excellence Awards just last year.

I think of our graduate students who work day in and day out on research projects and are constantly compiling their work for a much-anticipated dissertation. I think of our professional school students who spend so much time in their respective buildings that the University might want to consider charging them rent. And those same professional schools are ranked highly in the top of the nation, I might add.

Each time we gather for the UAB Institutional meeting, we affirm the promise of our System and its universities, and we recall that what binds UAB together is not the color of our skin or religious beliefs or sexual preference or even how much knowledge we may have, but what binds UAB together is what has bound us together for the last 40 years. It has been a commitment that the Blazers have made over 40 years ago that we would not be an institution of small thinking, but of outward thinking and wild optimism, that we would be an institution of creativity, innovation, and exploration. Doing the impossible is the birthright of this University, it is who we are, and it is how this University was built.

This mentality has been a trademark of UAB since Day One. From our pioneers, Doctors Volker, Hill, and McCallum, UAB’s first three Presidents, to Dr. Garrison and Dr. Marchase, these great leaders all had a few things in common: They believed in the vision and future of UAB, they believed that we had to take risks and try things that were said to be impossible, and they believed that we could achieve far more than we ever dreamed.
That same mindset defines the lives of all Blazers. Students feed off of that positive and vibrant energy that our administrators, our professors, our coaches and our advisors have. I am proud to say that my Student Government Administration has taken a page out of that book. I am proud that, for the first time ever, we are able to partner with the Alys Stephens Center and Blaze Productions to offer a student concert on our Green. And for the first time ever, we are able to have a “Halloween on the Green” event. We were able to launch our Social Blazers Rewards Program that gives students and non-students incentives and rewards for attending events around campus.

We also stayed true to trademark programs like the Andrew M. Sands Memorial Student Loan Program and the Travel Grants Program, in which we have given out thousands of dollars in student aid this past year. Recently, our Athletic Department hosted a “Hoops on the Hassephalt” that actually featured our new Head Basketball Coach Jared Hasse and our men’s basketball team. And our football head coach, Garrett McGee, hosted Football 101. It is programs like these that make UAB united. It is programs like these that we need to continue to make, that we continue to grow.

I attribute our growth and success to the relationships that the students, faculty, and administration share at UAB. It is a very special relationship in that we do something that is very, very uncommon these days -- we work together. Henry Ford once said, “Coming Together is the Beginning, Keeping together is Progress, but Working together is Success.” And needless to say, at UAB, we choose success.

It is amazing what we can accomplish when we sit down and talk about our ideas for the University. When I approached Dr. Rivera, the Chairman of the Faculty Senate, about addressing the Senate, he didn’t hesitate to put me on the agenda. Whenever I reach out to an administrator, they are always there to lend a helping hand. I am proud to say that I can pick up the phone today and call the President’s office and be scheduled for a meeting next week. They value our opinion and we trust their leadership. We work together, not because we have to, but because we know it is the right thing to do. The late Civil Rights activist and leader Dr. Martin Luther King, Jr., once said, “We must learn to live together as brothers or perish together as fools.” Which one will we choose?

Let us work together to continue to improve and grow our University, while always keeping the wishes of the students in mind. I can truly say that, during my four years at UAB, I have seen our school spirit
and pride evolve by leaps and bounds. I have seen participation at events around campus drastically increase. The support of our administrators, our faculty, our athletic program, our athletes, and our coaches is at an all-time high. As we continue to do our part, we ask that you take note.

In closing, the student body at UAB extends our warm thanks to the members of the Board for your leadership and support. I would like to personally thank you for showing me that we are all a team, that we are all in this together, and that it doesn’t matter whether we support Blaze, Charger Blue, or Big Al, whether we scream “Roll Tide” or “Go Blazers,” and, yes, sometimes I scream both. But what matters is that we all have an opportunity to have the ultimate collegiate experience, and when it’s all said and done, we have the resources to go into the fields of our choice, we have the best internships, the best fellowships, and the best jobs. So, again, I thank you for striving to make the UA System one of the best systems in the nation. If we all embrace that reality, embrace the simple fact that we are all in this together, oh the mighty things we will be able to achieve. God bless you, thank you for your support, and Go Blazers!

Chairman Bryant thanked Mr. Jones for his remarks.

Chairman Bryant said the Administrative Report has been distributed to all Trustees. After discussion, and on motion of Trustee Wilson, seconded by Trustee Brooks, the Board accepted the Administrative Report. (Exhibit B)

Chairman Bryant recognized Trustee John England, Jr., for a report from the Academic Affairs, Student Affairs, and Planning Committee. Trustee England said he had a point of personal privilege. He said the last speaker is from Perry County and that is the county he is from. The speaker also said he was a member of a fraternity called Alpha Phi Alpha and that is the fraternity he is a member of. He said he would now give his report.

The Academic Affairs, Student Affairs, and Planning Committee met this morning at 9:15 a.m., with other Trustees present. The Committee considered 20 items for
consideration for recommendation to the Board for action: five individual action items, and 15 administrative action items. The Committee recommends approval of the items identified on your Board agenda as Items E.1. through E.6.o. (pages 54-97).

He said if there were any questions regarding any of these items, Vice Chancellor Nash or the Provosts would respond to them.

After discussion, and on motion of Trustee England, seconded by Trustee Malone, the Board approved the following resolutions, separately and severally:

(Insert Resolutions)

Chairman Bryant thanked Trustee England for his report and said, as another matter of personal privilege, a guest had arrived that he might want to introduce. Judge England introduced Birmingham Mayor William Bell. Chairman Bryant welcomed the Mayor to the meeting.

Chairman Bryant then recognized Trustee Britt Sexton for a report from the Finance Committee. Trustee Sexton said the Finance Committee of the Board of Trustees met yesterday, February 7, 2013, with other Trustees in attendance. The Committee reviewed and approved four action items and three administrative items which are in the Board Book on pages 98-126. He said the Committee recommends these items for approval.

After discussion, and on motion of Trustee Sexton, seconded by Trustee Vandervoort, the Board adopted the following resolutions, separately and severally:

509. **Patent Policy**

I. **Purpose**
In view of the far-reaching research on the various campuses of The Board of Trustees of The University of Alabama (hereinafter referred to as University), it is inevitable that new discoveries and inventions will be made. The members of the Board of Trustees (hereinafter referred to as the Board) recognize the importance of obtaining the greatest public benefit and usefulness from the products of the University's scientific research and inventiveness, and that the protection and control provided under patent laws or other legal means for the protection of property rights may be necessary to obtain this goal. It is further recognized that employees of the University need assistance in determining and evaluating patentability and in prosecuting patent applications for or otherwise protecting inventions made by them. Furthermore, many such inventions involve equities beyond those of the inventor since the use of University facilities, the assignment of duties as a condition of employment, and the use of research funds with contractual obligations regarding patent rights give rise to questions concerning the rights and equities of all concerned. The purpose of this patent policy is to establish a mechanism to serve the public benefit and interest, to determine and apprise all concerned parties of relative rights and equities, to facilitate patent applications, the licensing of inventions, the equitable distribution of any royalties or other financial returns, to provide necessary uniformity in patent matters, and to provide for adequate reporting of patent activities.

II. Policy and Procedure

A. It shall be the policy of the Board to encourage the concept that patentable inventions produced at the University shall be used for the greatest possible public benefit and to provide every reasonable incentive to the faculty, students and staff for the disclosure, evaluation and dissemination of such inventions. When University support makes the research effort possible or when it provides support for the development of a patentable invention, it is reasonable for the University to participate in the fruits of such development, including reimbursement for its costs. To that end, the University encourages the procurement of patents for such inventions and the licensing or other commercialization thereof in the interest of the public, the inventor, and the University.

B. The President of each campus shall appoint an officer or Patent Committee or designate a non-profit organization established for the benefit of the campus to administer this policy. Each campus President may promulgate additional regulations and guidelines pursuant to this Policy to administer this policy within his/her respective campus.

C. This patent policy of the University, as amended from time to time, shall be deemed to be a condition of employment and contractual obligation, both
while employed and thereafter, of every employee of each campus, including student employees, and a condition of enrollment and attendance and contractual obligation, both while in attendance and thereafter, by every student at each campus.

D. Any invention or discovery (1) which is the result of research carried on by or under the direction of an employee of a campus of the University and/or having the costs thereof paid from funds provided by, under the control of or administered by a campus of the University, or (2) which is made by an employee of a campus of the University and which relates to the employee's field of work, or (3) which has been developed in whole or in part by the utilization of resources or facilities belonging to a campus of the University, shall be the property of the applicable campus of the University. The applicability of the above stated criteria to any invention or discovery will be determined at the sole discretion of the President of the respective campus of the University or his/her designee.

E. As a condition of their employment or continued employment by or enrollment at a campus of the University, each faculty member, employee and student agrees that he/she shall be contractually bound by this patent policy as implemented by the respective campuses of the University and shall report to the officer or non-profit organization so designated by the President of the campus of the University to manage and commercialize such inventions and discoveries with respect to that campus, any invention or discovery which such faculty member, employee or student has conceived, discovered, developed and/or reduced to practice by them or under their direction at any time following their initial appointment by, employment by, or enrollment with that campus of the University. All inventions and discoveries that meet the criteria of II.D. shall be automatically assigned to the University for the benefit of the appropriate campus of the University immediately upon creation or discovery or reduction to practice of the invention or discovery. Faculty members, employees and students do not have the authority to assign rights in such inventions and discoveries to third parties. The President of each campus of the University is authorized to further assign any invention or discovery it is deemed to own pursuant to this policy to a designated nonprofit organization established for the benefit of the respective campus of the University, which said assignment shall be conditioned on full compliance with this policy, regulations promulgated hereunder by the Board or by the President of the respective campus of the University, and appropriate state and federal law.
F. If the invention or discovery is one which is determined to be owned by a campus of the University, the President of the applicable campus or his/her designee shall further evaluate the invention or discovery and determine if and how best to develop, commercialize and protect the invention as he/she deems appropriate, including, but not limited to, applying for patent protection, or requesting further development of the invention or discovery. In making this determination, the benefits that might accrue to both the campus of the University and the inventor(s) shall be considered. The designee shall act promptly in carrying out these duties so that the rights of the inventor(s) and the campus of the University may be protected.

G. If it is determined that the invention or discovery is one which is owned by the University pursuant to this policy but is one in which a campus of the University has no interest in retaining ownership, a campus of the University (or the non–profit organization to which an invention may have been assigned in accordance with the terms of this policy) may, but is under no obligation to, release its ownership rights to the inventor(s) on terms and conditions determined by the President or his/her designee, subject to any third party rights.

H. In consideration of the automatic assignment of ownership set forth in this policy, the Presidents or their designees are authorized to pay to the inventors, their heirs or assigns, a percentage of the royalties, fees, or other financial returns received by the campus of the University (or the non–profit organization to which an invention may have been assigned in accordance with the terms of this policy) from such invention after a deduction of fifteen percent (15%) thereof for overhead costs, plus a deduction for costs of patenting and protection of intellectual property rights and any unusual expenses paid by the campus or its non–profit designee or the inventor (which have been approved by the campus or its non-profit designee). Each campus President shall be responsible for the development of a policy governing the percentage of royalties, fees, and other financial returns on an invention paid to the inventor and governing the internal distribution of the campus of the University’s share of such financial returns.

I. It is understood that many research contracts, grants, and consulting agreements from or with the United States Government or its agencies, corporations, or individuals contain ownership of intellectual property clauses that may be at variance with this policy but which, if agreed to, require compliance. Such documents which are at variance with this policy may be referred to the appropriate designated officer of the campus for recommendations prior to approval.
J. Annual reports of patent matters will be made to the Chancellor for his/her information and that of the Board within thirty days (30) following the end of each fiscal year, to include as a minimum identification of each patent and patent applied for, the distribution of patent revenue including the share going to the inventor, and the expenses of obtaining and managing patents. The Chancellor may prescribe appropriate formats for such reporting.


RESOLUTION

BE IT RESOLVED by The Board of Trustees of The University of Alabama that it approves the revisions to Board Rule 509. Patent Policy.

(Exhibit B)

(Insert Resolutions)

Chairman Bryant thanked Trustee Sexton for his report and recognized Trustee Karen Brooks for a report from the Physical Properties Committee. Trustee Brooks said the Physical Properties Committee met yesterday and considered 28 resolutions for action by the Board, which are included in your Board Book on pages 127-254. The Committee thoroughly reviewed and approved all 28 resolutions and now recommends the approval of these items identified on your Board Agenda as G.1.a.1) through G.2.b.2) and G.3.a.1) through G.4.a.3).

Trustee Espy was recognized and said yesterday there was a good bit of discussion during this particular committee concerning the Hardy project, which is on page 240, item G.2.b.2). There were discussions relating to the process, the price and the property
itself. He said he, along with other Trustees and staff members, want to make one particular part of the process clear. The debate was about the process, not about the fact that we would or would not use eminent domain or condemnation in an appropriate setting. We would use it if it is appropriate, but the process must be followed.

Secondly, the debate was not about the property itself but was about the price of the property. While he thinks there is debate on this Board about the price, he believes there is a consensus of the Board that the property should be purchased and it is in the best interest of UAB.

Trustee Espy said he sought the advice of General Counsel yesterday and asked whether or not, based upon the facts presented, we could proceed with the purchase of this property. The General Counsel assured him this morning that, based upon the totality of the circumstances and the open and robust public discussion they had, we would be responsible and would comply with our responsibilities if we moved to purchase the property. Therefore, upon the urging of his friend Trustee John McMahon, Trustee Espy said he would vote yes on this particular property.

After discussion, and on motion of Trustee Brooks, seconded by Trustee Wilson, the Board adopted the following resolutions, separately and severally:

(Insert Resolutions)

Trustee Brooks said the Committee also received, as an information item, a report on the disposition of property located in Salisbury, North Carolina.

Chairman Bryant thanked Trustee Brooks for her report and recognized Trustee Ron Gray for a report from the Investment Committee. Trustee Gray said the Investment
Committee of the Board of Trustees met on Thursday, February 7, 2013. The Committee heard a presentation on the Green and Gold Fund, a student-managed investment fund at UAB. Since its inception in 2006, the Fund has received three first place finishes in competition with other schools. This is quite an accomplishment and these students should be congratulated.

Chairman Bryant thanked Trustee Gray for his report and recognized Trustee James Wilson for a report from the UAB Health System Board Liaison Committee. Trustee Wilson said the UAB Health System Board Liaison Committee met yesterday afternoon and considered one resolution for action by the Board which is included in the Board Book on page 255. The Committee thoroughly reviewed and approved this resolution and now recommends the approval of this item.

After discussion, and on motion of Trustee Wilson, seconded by Trustee Brooks, the Board adopted the following resolution:

(Insert Resolution)

Chairman Bryant thanked Trustee Wilson for his report and recognized Trustee Vanessa Leonard for a report from the Audit Committee. Trustee Leonard said the Audit Committee met yesterday afternoon with representatives from PricewaterhouseCoopers and heard their presentation of financial highlights, audit results, required disclosures, and management letter comments for The University of Alabama System for the fiscal year ended September 30, 2012.
The Committee also reviewed and approved the resolution on page 259 of the Board Book approving the Financial Statements for The University of Alabama System for the fiscal year ended September 30, 2012.

After discussion, and on motion of Trustee Leonard, seconded by Trustee Malone, the Board adopted the following resolution:

(Insert Resolution)

Chairman Bryant thanked Trustee Leonard for her report and recognized Trustee Andria Scott Hurst for a report from the Honorary Degrees and Recognition Committee. Trustee Hurst said the Honorary Degrees and Recognition Committee met yesterday. The Committee considered two proposed items: Consideration of Doctor of Science Honorary Degree for Mr. Patrick Scheuermann at UAHuntsville and Consideration of Resolution accepting gift of Facebook, Inc., expressing appreciation, and approving naming the Facebook Suite in the Center for Information Assurance and Joint Forensics Research on the Fourth Floor of the University Boulevard Office Building at UAB. The Committee approved these items.

After discussion, and on motion of Trustee Hurst, seconded by Trustee Wilson, the Board adopted the following resolution:

(Insert Resolution)

Chairman Bryant thanked Trustee Hurst for her report and said the Administrative Action Items listed on the Agenda are normally acted upon as a unit, separately and severally. He said anyone who wished to speak to any of these items should feel free to do so.
After discussion, and on motion of Trustee Vandervoort, seconded by Trustee Malone, the Board adopted the following resolutions, separately and severally:

(Insert Resolutions)

Chairman Bryant recognized Trustee Finis St. John for a report from the Nominating Committee. Trustee St. John said the Nominating Committee met this morning to recommend two Trustees for selection to the UAB Health System Board of Directors for three-year terms. The Committee unanimously recommends the re-election of Trustees Ronald W. Gray and James W. Wilson III.

After discussion, and on motion of Trustee St. John, seconded by Trustee McMahon, the Board approved the election of Ronald W. Gray and James W. Wilson III to the UAB Health System Board of Directors for three-year terms.

Trustee St. John said the Committee also considered nominations to fill the vacancy in the unexpired term of a Trustee from the First Congressional District following the retirement of Angus Cooper. The Committee unanimously recommends the election of Harris Morrissette to fill this unexpired term.

Chairman Bryant asked Secretary Bownes to distribute ballots for the election of a Trustee from the First Congressional District. The said vacancy is due to the retirement of Trustee Angus Cooper. The Board is authorized to vote for anyone who is a resident of the district. He then asked Secretary Bownes to collect and count the ballots after the voting.

Chairman Bryant said he was pleased to announce the unanimous election of Harris V. Morrissette as a Trustee from the First Congressional District.
Trustee St. John said the Nominating Committee also met to consider the election of a Trustee for a full term from the First Congressional District to fill the vacancy caused by the expiration of term of Trustee Marietta Urquhart and unanimously recommends the re-election of Marietta Urquhart.

Chairman Bryant asked Secretary Bownes to distribute ballots for the election of a Trustee from the First Congressional District. He then asked Secretary Bownes to collect and count the ballots after the voting.

Chairman Bryant said he was pleased to announce the unanimous re-election of Marietta Urquhart as a Trustee from the First Congressional District.

Chairman Bryant thanked Trustee St. John for his report and called on Trustee John McMahon, Jr., for a report on the Presidential Search at The University of Alabama at Birmingham. He said he would also like to take this opportunity to again thank those people who agreed to serve on this committee. He said he knew they spent a lot of time, effort and thought throughout the process.

Trustee McMahon said about five months ago they began the process of identifying individuals and making a recommendation to the Chancellor regarding the next President of The University of Alabama at Birmingham. These leadership decisions regarding the selection of the Chancellor and the campus Presidents are the most important deliberations this Board has to make. The Committee, appointed by the President pro tem, was large and diverse, representing every segment of this institution and the academic community. Its charge from the Chancellor and from the pro tem was
to do a national search and identify the best possible candidates to serve this institution and this state.

The Committee worked very hard. They examined dozens of resumes of applicants and nominees, met numerous times and had a very vigorous debate about the attributes and qualities they were looking for. They were able to identify four outstanding candidates, all of whom, in the judgment of the committee, would have made excellent presidents. At the end of the day, however, the committee voted unanimously on one candidate and that is the candidate they recommended to the Chancellor.

Trustee McMahon said, on a personal basis, he has been involved in searches for this institution at the Presidential level, the dean’s level, and other levels since 1987. He has never before seen the institution come together in unanimous support and enthusiasm for a candidate like they have in this case.

The unanimous support within the institution and the unanimous support of the Search Committee is a remarkable testament to the standing and status this individual has in this community and at this institution.

Trustee McMahon recognized Chancellor Witt, noting that he has the committee’s enthusiastic, unanimous recommendation.

Chancellor Witt said he would like to join Trustee Bryant in thanking Trustee McMahon in his leadership of this committee and the members of the committee for their dedication and their extensive amount of hard work. The committee has recommended Dr. Ray Watts to be the next President of The University of Alabama at Birmingham. He said he strongly endorses that recommendation. He believes Dr. Watts’ background,
experience and leadership skills make him the right person for this position and he recommends him to the Board.

After discussion, and on motion of Trustee McMahon, seconded by Trustee Wilson, the Board unanimously approved the election of Dr. Ray Watts as the next President of UAB.

Chairman Bryant congratulated Dr. Watts and called on him for any comments.

I am honored and humbled to serve as the seventh President of UAB. I want to express my appreciation to the Presidential Search Committee, Chancellor Witt, and to our Board of Trustees for their confidence in my ability to lead this great University and medical center. I love UAB, my collegiate alma mater, and I love my hometown of Birmingham and my home state of Alabama. It is an honor to serve all aspects of our communities. I know where I truly want and need to be and that is here at UAB.

I also want to express my appreciation, publicly, to Dr. Richard Marchase for the outstanding job that he has done as Interim President of UAB. He has reached out and very actively engaged our senior leadership, our faculty, staff and students and we have moved together on an upward trajectory under his leadership. I am thankful that he will still be with us at UAB and be our Vice President for Research and Economic Development. We have very high expectations in those areas.

I would also like to recognize the outstanding Presidents and campus leaders who have gone before us and built a foundation of excellence and set very high standards for all aspects of our institution. As President, I am fortunate to take the reins of an institution that is on an upward trajectory. I am fully committed to helping us achieve strategic priorities that continue to support the economic impact and our multifaceted mission.

I want to continue the progress that we are making in the areas you heard about during our Institutional Presentation this morning, including innovative educational programs and excellent learning opportunities for our students and trainees and outstanding care of our patients second to none; research, the discovery of new knowledge that changes the future and will deliver new treatments and cures for many important diseases facing mankind, both here and around the world; and community service. We will
continue to be a force locally across our state, across the nation and globally. We will focus on our strengths and build excellence together.

Our people are our greatest asset, no question, faculty, staff, students, trainees, and administrative leaders, and we will strive to fulfill our mission in full measure. Our goal is to be one of the most dynamic and productive universities in the 21st Century.

We also want to work with all of our campuses so that the UA System is one of the great public university systems in America and beyond. We already are there but we want to continue to build and work together.

We have excellent, world-class facilities, and we have room for growth in the near future. Hence, our major investments beyond our new student center, freshman housing and potential research facilities in the near term will primarily be in people, programs and technology. We want to provide the very best environment and opportunities to our faculty, students and staff to be as productive and successful as possible.

During this period of economic uncertainty, we will be very thoughtful and strategic with additional capital investments. They will have to be mission-critical, support our top priorities and be well planned financially.

As the first order of business, I look forward to meeting personally with our key constituent groups, our faculty and staff, administrative leaders, students, alumni, community supporters and our governmental leaders in order to become familiar with our greatest opportunities and challenges. I know many of them but I want to make sure that I visit with all aspects of our constituents and that I represent all parts of our great University equally and well.

Over the coming months, we will engage all units across the University in a strategic planning process that will bring us together with a comprehensive plan to determine our top priorities, guide our investments and chart a course over the next one to three and five years and beyond. The strategic plan will and must be driven by our faculty and our leaders with input from our students, our trainees, staff and our alumni and community supporters. And, indeed, our plans as we formulate them, we will bring them to our Board and we will make sure we have got the best ideas coming forward that are well thought out and that are always responsible.
The plan will also guide a very important university philanthropic campaign that we will launch in October 2013. We want this plan to work with our institutional investments to centergize and have the highest impact to achieve all parts of our mission.

As I hope you can see from the Institutional Presentation and from these comments, I am very excited about the future of UAB and I welcome the challenges and opportunities that lie ahead to work together with all of you and others to create a great future not only for UAB, The University of Alabama System but all Alabamians and Americans, indeed people around the world who will need our help. We have an excellent senior leadership team, as Dr. Marchase discussed, and that group, with our faculty and other leaders, has helped us move forward progressively in these last six months.

In closing, I look forward to working with the Board, with the Chancellor, UA System and UAB leaders, our faculty and staff, our trainees and students, our alumni and community and government leaders who have made such an important difference in the progress that we have been able to make. And, indeed, this will allow us to achieve new heights of excellence for the betterment of all of our citizens. Thank you.

Chairman Bryant thanked Dr. Watts for his comments.

There being no further business to come before the Board, the meeting was adjourned subject to the call of the Chair.

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Michael A. Bownes, Secretary