
The Finance Committee of The Board of Trustees of The University of Alabama met on Friday, September 14, 2012, in Sellers Auditorium in the Bryant Conference Center at The University of Alabama. Trustee Angus R. Cooper II 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 W. Davis Malone III, Trustee from the Second Congressional District

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

The Honorable Kenneth L. Vandervoort, 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 Gray, Trustee from the Fifth 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 Robert E. Witt, Vice Chancellor for Financial Affairs Ray Hayes, UA President Guy Bailey, UAB Interim President Richard Marchase, and UAHuntsville President Robert Altenkirch, as well as support staff from the UA System Office, UA, UAB, and UAHuntsville.

Kellee Reinhart introduced the press: Chris Pow from AL.com; Kim Eaton from The Tuscaloosa News; and Jerome Davis and Jennifer Edwards from WVUA.

Chairman Cooper called for a motion to approve the minutes of the June 14, 2012, meeting. On motion of Trustee Malone, seconded by Trustee Sexton, the minutes were approved.

Chairman Cooper called on Vice Chancellor Ray Hayes to introduce the resolution approving Operating Budgets for UA, UAB, University Hospital, UAHuntsville, and UA System for FY 2012-2013. The detailed proposal was mailed under separate cover.

Mr. Hayes presented updated goals to include: maintaining quality, excellence and fiscal integrity; focusing on affordability while maintaining our quality; and planning growth in specific areas for each campus. We continue to focus on students and many students are struggling financially, but we will continue to work hard on managing costs. Chancellor Witt has several initiatives planned to address this issue.

A slide from the The Chronicle of Higher Education and Grapevine showed the most recent data by state. Alabama decreased overall educational funding for higher education by 4.7% for FY 2012. Overall our three campuses have seen $819 million in State funding cumulatively lost in our budgets since 2008 with State appropriations
decreasing by 28%. When we add in our Health System and affiliates, our State appropriation is 9% of our total revenue budget of $4.878 billion.

Mr. Hayes went on to say we are concerned about the decreasing amount of available funding for grants, especially Pell Grants, and the increase in student loans. On the national level, there is increased focus on accountability; debate on the value of a degree; and concern about student debt.

Information from the University of Chicago showed that education and economic earnings and wealth are very clearly positively related. College graduates earn about 5.4 times more than high school dropouts.

The University of Alabama System is Alabama’s largest higher education enterprise. Our operations generated over $7.6 billion in economic impact in FY 2010, while over 95,000 jobs were generated by our three campuses. Our System revenue has increased to $3.67 billion and we continue to be concerned about student affordability. Student financial assistance has increased by $106 million since 2008; at UA, 22% of the financial aid is federally funded.

Following his remarks Mr. Hayes called on the campus Chief Financial Officers to present their individual budgets.

Dr. Lynda Gilbert, UA Vice President for Financial Affairs, said the UA budget priority is to meet the needs of their students and faculty. Strategic needs include compensation, new faculty and staff positions, scholarship funding, disability services support, admissions support, and funding growth of the physical campus, which is a significant focus. The change in budget between the two fiscal years showed that revenues are budgeted to increase by over $35 million and expenditures will increase by $22.4 million. The majority of changes occurred in Compensation and Benefits with $23 million and in Scholarships with $14.8 million. Dr. Gilbert’s revenue breakdown showed increasing reliance on University-generated funds. The largest expense category at 70% is Compensation and Benefits of which $127 million is fringe benefits and $369 million is for compensation; scholarship and expense is budgeted at $123 million; and supplies are budgeted at $185.7 million.

Mr. Richard Margison, UAB Vice President for Financial Affairs, presented FY 2013 budget information for UAB. He said UAB had its largest enrollment – almost 18,000 students; freshman enrollment is up 4% and graduate student enrollment increased over 6%. They want to ensure a successful academic experience including sustaining academic programs of excellence and initiatives to support student retention, graduation, health and wellness. UAB plans to seek funds from the capital markets as they continue to improve and expand facilities.
UAB budgeted for anticipated increases in tuition and fees while State appropriations are down $8.7 million. On the expense side, the budget will permit normal promotions, market adjustments, and some select merit increases for high performing staff as well as $3 million for scholarships and graduate fellowships. Projected FY 2012 revenue and expenses are below what had been forecast last year. Operating revenue is budgeted to increase due to anticipated tuition and grant spending. Major sources of revenue are State funding which is 22% (78% is self-generated); and compensation programs which account for almost 65% of their total budget.

Mr. John Faulstich, UABHS Chief Financial Officer, presented the FY 2013 budget for University Hospital. He said major initiatives and investments in their quality initiatives, their documentation and infrastructure are some of the things this Board has supported and they are investing in dealing positively and effectively with health care reform changes. Key budget assumptions for 2013 include the reduction in State appropriations, Medicaid changes, Medicare reimbursement, and managed care contracts. Bad debt and charity care rose to almost 11% in FY 2012 and they continue to deal with the increase in charity care transfers from other hospitals.

Attracting and retaining top staff talent and investing in people continues to be a priority. University Hospital has 1,147 beds and, if growth continues, it may be a challenge to support the growth. University Hospital will continue to grow and invest in the initiatives to be prepared for healthcare reform, invest in people, and continue to support the clinical departments. Mr. Faulstich responded to Trustee Espy’s question regarding bad debt and said the total for charity and bad debts is over $400 million.

Mr. Ray Pinner, UAHuntsville Vice President for Finance and Administration, presented the proposed operating FY 2013 budget for UAHuntsville. Key strategies include maintaining a balanced budget; providing a merit-based salary pool for faculty, staff, and graduate assistants; funding customary faculty promotions; protecting revenue-generating units; protecting budgets for plant maintenance and renewals; and continuing to implement operating efficiencies. Mr. Pinner projected an increase for tuition ($5.6 million), but projected a slight decline for grants and contracts.

The primary change in non-operating revenue is the 4% decline in State appropriations. Operating expenses are up 1.1% and the change in net assets is about $8 million; revenue distribution is approximately 23% from appropriations, 27% from tuition and fees, 42% from grants and contracts, and auxiliary and other operations make up the balance. About two-thirds of UAHuntsville’s expenses are investments in faculty and staff compensation and benefits; the other third is supplies, scholarships and related expenses.
Mr. Hayes said the System Office Operating Budget is summarized on pages 28-29 of the September 2012 Budget Recommendation Book. The three-year System Office budget plans both for the construction and operation of the new System Building that was presented in the Physical Properties Committee Report. Mr. Hayes requested approval of all of the operating budgets as presented.

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

RESOLUTION

WHEREAS, The Board of Trustees of The University of Alabama has reviewed the proposed operating budget for The University of Alabama System and each of its units: The University of Alabama, The University of Alabama at Birmingham, The University of Alabama Hospital, The University of Alabama in Huntsville, and The University of Alabama System Office, for the fiscal year 2012-2013;

NOW, THEREFORE, BE IT RESOLVED by The Board of Trustees of The University of Alabama that the proposed Operating Budgets for FY 2012-2013 for all units of The University of Alabama System, presented to the Finance Committee and distributed to all Board members, and to be maintained on file with the Secretary of the Board of Trustees, are hereby adopted.

Chairman Cooper called on Ray Pinner to introduce the resolution authorizing UAHuntsville to proceed with planning for a Bond Issue, select a Financial Advisor, and identify a Bond Counsel.

Mr. Pinner said construction of a new Student Life Center is underway and will be funded through a $25 million revenue bond issue. Mr. Pinner asked the Committee for authorization to plan this bond issue as outlined in the Board Rules. The current debt totals $81.4 million with annual debt payments of $6.2 million; all debt is fixed-rate. Bond ratings are Standard and Poor’s (A+); and Moody’s (Aa3). Mr. Pinner asked for authorization to proceed with planning for the bond issue, selecting a financial advisor and identifying a bond counsel and said UAHuntsville will return to a future Board meeting with a recommendation.

Chairman Cooper called for a motion to approve the item. On motion of Trustee Sexton, seconded by Trustee Malone, the item was approved.
RESOLUTION

WHEREAS, The Board of Trustees of The University of Alabama granted Stage IV approval to UAH for the construction of a new Student Life Center at its meeting on June 15, 2012, and approved a Project Budget of $25,000,000, with funding designated from a future University bond issue; and

WHEREAS, UAH needs to secure a financial advisor and bond counsel to assist with the determination of the timing and amount of the bond issue for the aforementioned Project; and

WHEREAS, the Board will incur certain costs in connection with the Project prior to the issuance of the bonds, and the Board intends to allocate a portion of the proceeds to reimburse the Board for certain costs incurred in connection with the Project paid prior to the issuance of the bonds;

NOW, THEREFORE, BE IT RESOLVED that The Board of Trustees of The University of Alabama hereby authorizes UAH to:

1. Proceed with planning for the bond issue;
2. Select a financial advisor in accordance with the provisions of Board Rule 419;
3. Work with General Counsel to identify bond counsel through the regular procedures; and
4. Return to a future Board meeting with final recommendations for a bond issue.

BE IT FURTHER RESOLVED that the Board of Trustees does hereby declare that it intends to allocate a portion of the proceeds of the bonds to reimburse the Board for expenses incurred after the date that is no more than 60 days prior to the date of the adoption of this Resolution, but prior to the issuance of the bonds in connection with this Project. This resolution is adopted pursuant to the requirements of Treasury Regulations Section 1.150-2(e).

Chairman Cooper called on Dr. Lynda Gilbert to introduce the resolution authorizing UA to draw from and replenish the Intercollegiate Athletics Quasi-Endowment Fund to accommodate the Rowing Team facility in the Student Center at the Presidential Village.
Dr. Gilbert said the fund was established in 1972 for the benefit of the Athletic Department with an initial transfer of $1 million, with a current value of $9.8 million. The earnings may be used for capital improvements or the debt service of intercollegiate athletics. Two projects supported by this fund have not been paid back into the fund: the Sewell Thomas Baseball Field Renovation and the Bryant-Denny Stadium North Zone Expansion, but are on schedule for repayment. The funding request is $6.7 million with annual repayment of $448,000 per year. Dr. Gilbert requested approval.

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

RESOLUTION

WHEREAS, The University of Alabama is requesting a scope and budget revision in accordance with Board Rule 415 to include space in the Student Center at Presidential Village to accommodate the Rowing team at a projected cost of $2,820,500; and

WHEREAS, the University is requesting approval to construct a one-story rowing facility located at the Park at Manderson Landing on the shore of the Black Warrior River at a cost of $3,893,062; and

WHEREAS, officials at The University of Alabama have requested to fund the budget revision to the Student Center at Presidential Village Project to accommodate the Rowing team and the rowing facility located at the Park at Manderson Landing for a combined amount of $6,713,562 from the corpus of the Intercollegiate Athletics Quasi-Endowment Fund and have proposed to replenish the corpus of said Fund in the manner set forth in Exhibit A hereto, from Intercollegiate Athletics department revenues;

NOW, THEREFORE, BE IT RESOLVED by The Board of Trustees of The University of Alabama that it does hereby approve and authorize The University of Alabama to draw upon and replenish the Intercollegiate Athletics Quasi-Endowment Fund in the manner set forth in Exhibit A hereto.

Chairman Cooper called on Ray Hayes to introduce the resolution approving revisions to Board Rule 405. Deposit of University Funds.
Mr. Hayes said this update to Board Rule 405 will assist the campuses in supporting sponsored research projects. The Board approved allowing the campuses to set up imprest funds to provide incentive payments for participants in research projects. This update will allow the campuses to establish accounts up to $15,000 from the current limit of $5,000. Mr. Hayes said his office worked with Internal Audit and the campuses and both concurred with the update.

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

RESOLUTION

BE IT RESOLVED by The Board of Trustees of The University of Alabama that it approves the revisions to Board Rule 405. Deposit of University Funds. (Exhibit B)

Chairman Cooper called on Ray Hayes to introduce the administrative items found on pages 17-36 of the Finance Book.

Mr. Hayes said the first three items are revised signature authorities from UAB, UAHuntsville, and UA. The fourth item is an update of depository account and authorizing individuals on accounts for UA. He recommended approval.

Chairman Cooper called for a motion to approve the resolutions, separately and severally. On motion of Trustee Wilson, seconded by Trustee Sexton, the resolutions were approved.

RESOLUTION

BE IT RESOLVED by The Board of Trustees of The University of Alabama that Dr. Richard B. Marchase as Interim President of The University of Alabama at Birmingham; Dr. Linda C. Lucas as Provost of The University of Alabama at Birmingham; Mr. Richard L. Margison as Vice President for Financial Affairs and Administration of The University of Alabama at Birmingham; Ms. Patricia A. Raczynski as Associate Vice President for Financial Affairs; Ms. Stephanie Mullins, Assistant Vice President for Financial Affairs/Controller; and Mr. Harlan Sands, Vice Provost for Administration and Quality Improvement of The University of Alabama at Birmingham are each authorized to act for and in the name of The Board of Trustees of The University of Alabama in making application for and negotiating and executing contract or grant agreements with any
agency of local, state, national or foreign government, foundation, corporation, or individual with regard to research, instructional, and service activities, and in furnishing necessary reports or other instruments in connection therewith.

BE IT FURTHER RESOLVED that Ms. Lynn Stedman as Director of the Office of Sponsored Programs of The University of Alabama at Birmingham is authorized to act for and in the name of The Board of Trustees of The University of Alabama in making application for and negotiating and executing contract and grant agreements with any agency of local, state, national or foreign government, foundation, corporation or individual with regard to research and service activities and in furnishing necessary reports or other instruments in connection therewith.

BE IT FURTHER RESOLVED that Mr. David Winwood as Chief Executive Officer of the UAB Research Foundation is authorized to act for and in the name of The Board of Trustees of The University of Alabama in negotiating and executing Material Transfer Agreements.

BE IT FURTHER RESOLVED that Dr. Shirley Salloway Kahn as Vice President for Development, Alumni and External Relations of The University of Alabama at Birmingham is authorized to act for and in the name of The Board of Trustees of The University of Alabama in negotiating and executing contracts for performances at the Alys Robinson Stephens Performing Arts Center with any corporation or individual and in furnishing necessary reports or other instruments in connection therewith.

BE IT FURTHER RESOLVED that Ms. Belinda Mitchell as Director of University Purchasing of The University of Alabama at Birmingham is authorized to act for and in the name of The Board of Trustees of The University of Alabama in negotiating and executing contracts with a total annual value of less than $100,000 for purchase of supplies and equipment and for maintenance services for equipment with any corporation or individual and in furnishing necessary reports or other instruments in connection therewith.

BE IT FURTHER RESOLVED that, effective immediately, any two of the following four officials: Dr. Richard B. Marchase, Mr. Richard L. Margison, Ms. Patricia Raczynski, and Mr. John S. Pelliccio, Assistant Vice President for Financial Affairs/Treasurer, of The University of Alabama at Birmingham be, and hereby are, authorized for and in the name of the said The Board of Trustees of The University of Alabama, a
corporation, to sell at public or private sale or exchange any or all shares of stock, bonds, corporation, or government which may now or hereafter stand in the name of The Board of Trustees of The University of Alabama for The University of Alabama at Birmingham or in its name and in the name of others, and to receive and receipt for the purchase price of property received in exchange, and in the name of The Board of Trustees of The University of Alabama to sign any transfers, assignments, or powers of attorney that may be necessary to make the transfer or exchange and to deliver the same or exchanged, to the transferee or his agents.

BE IT FURTHER RESOLVED that all previous resolutions granting any of the foregoing powers or authority to any persons be, and hereby are, rescinded.

RESOLUTION

BE IT RESOLVED by The Board of Trustees of The University of Alabama that Robert A. Altenkirch, President; Vistasp M. Karbhari, Provost and Executive Vice President for Academic Affairs; Brent M. Wren, Associate Provost for Undergraduate Studies and Institutional Effectiveness; and Ray M. Pinner, Vice President for Finance and Administration of The University of Alabama in Huntsville, are each authorized to act for and in the name of The Board of Trustees of The University of Alabama in making application for and negotiating and executing contract or grant agreements with any agency of local, state, national or foreign government, foundation, corporation, or individual with regard to research, instructional and service activities, and in furnishing necessary reports or other instruments in connection therewith.

BE IT FURTHER RESOLVED that Dean O. Smith, Interim Vice President for Research; Thomas M. Koshut, Associate Vice President for Research; Gloria Greene, Director of Sponsored Programs; and Felecia D. Troupe, Assistant Director of Sponsored Programs of The University of Alabama in Huntsville, are each authorized to act for and in the name of The Board of Trustees of The University of Alabama in making application for and negotiating and executing contract or grant agreements with any agency of local, state, national or foreign government, foundation, corporation, or individual with regard to research and service activities, and in furnishing necessary reports or other instruments in connection therewith.
BE IT FURTHER RESOLVED that Ray M. Pinner, Vice President for Finance and Administration of The University of Alabama in Huntsville, is hereby authorized for and on behalf of this corporation and in its name to sign checks or other orders for the payment of money from funds standing to the credit of The University of Alabama in Huntsville. All of said checks and orders for payment of money must be countersigned by Robert C. Leonard, Assistant Vice President, Finance and Business Services.

BE IT FURTHER RESOLVED that Vistasp M. Karbhari, Provost and Executive Vice President for Academic Affairs, and Brent M. Wren, Associate Provost for Undergraduate Studies and Institutional Effectiveness of The University of Alabama in Huntsville, are hereby authorized to act for and in the name of The Board of Trustees of The University of Alabama in negotiating and executing contracts with any agency of local, state, national or foreign government, foundation, corporation, or individual with regard to the Student Health Center; the Counseling Center; the Office of Disability Services; student affairs activities, such as student activity events, intramural sports, and related matters, and in furnishing necessary reports or other instruments in connection therewith.

BE IT FURTHER RESOLVED that Robert Lyon, Vice President for University Advancement of The University of Alabama in Huntsville, is hereby authorized to act for and in the name of The Board of Trustees of The University of Alabama in negotiating and executing contracts with any agency of local, state, national or foreign government, foundation, corporation, or individual with regard to advancement and development activities and in furnishing necessary reports or other instruments in connection therewith.

BE IT FURTHER RESOLVED that Delois H. Smith, Vice President for Diversity of The University of Alabama in Huntsville, is hereby authorized to act for and in the name of The Board of Trustees of The University of Alabama in negotiating and executing contracts with any agency of local, state, national or foreign government, foundation, corporation, or individual with regard to the Office of Diversity and the Office of Multicultural Affairs, and in furnishing necessary reports or other instruments in connection therewith.

BE IT FURTHER RESOLVED that Karen Mack Clanton, Director of Professional and Continuing Studies of The University of Alabama in Huntsville, is hereby authorized to act for and in the name of The Board of
Trustees of The University of Alabama in negotiating and executing standard form instructor contracts with any corporation or individual for courses taught in the Division of Professional and Continuing Studies and in furnishing necessary reports or other instruments in connection therewith.

BE IT FURTHER RESOLVED that Ray M. Pinner, Vice President for Finance and Administration, and Robert C. Leonard, Assistant Vice President for Finance and Business Services of The University of Alabama in Huntsville, are hereby authorized to act for and in the name of The Board of Trustees of The University of Alabama in negotiating and executing contracts for maintenance services for software and equipment and for pest control services for buildings with any corporation or individual and in furnishing necessary reports or other instruments in connection therewith.

BE IT FURTHER RESOLVED that John Maxon, Associate Vice President for University Housing and Campus Business Operations, and Juanita Owen, Director, Conference and Events Bureau of The University of Alabama in Huntsville, are hereby authorized to act for and in the name of The Board of Trustees of The University of Alabama in negotiating and executing lease contracts for on-campus housing residents, and grants-in-aid and contracts for services for the following auxiliary services: Food Services, Bookstore, University Fitness Center, University Center, Tom Bevill Conference Center and Hotel, and the Conference and Events Bureau.

BE IT FURTHER RESOLVED that William E. Brophy, Director of Athletics of The University of Alabama in Huntsville, is hereby authorized to act for and in the name of The Board of Trustees of The University of Alabama in negotiating and executing Athletic Grants-in-Aid (and renewals thereof) and National Letters of Intent (and releases therefrom) with individual athletes, and in furnishing necessary reports or other instruments in connection therewith.

BE IT FURTHER RESOLVED that any two of the following three officials acting together: Robert A. Altenkirch, President; Ray M. Pinner, Vice President for Finance and Administration; and Robert C. Leonard, Assistant Vice President of Finance and Business Services of The University of Alabama in Huntsville, are authorized for and in the name of The Board of Trustees of The University of Alabama to sell at public or private sale or exchange any or all shares of stock, bonds, or securities in any corporation, association, trust, municipal corporation, or government
which may now or hereafter stand in the name of The Board of Trustees of
The University of Alabama for The University of Alabama in Huntsville, or
in its name and in the name of others, and to receive and receipt for the
purchase of property received in exchange and in the name of The Board of
Trustees of The University of Alabama, to sign any transfers, assignments,
or powers of attorney that may be necessary to make the transfer or
exchange and to deliver the same, together with the stock or securities sold
or exchanged, to the transferee or his agent.

BE IT FURTHER RESOLVED that all previous resolutions granting
any of the foregoing powers of authority be, and hereby are, rescinded.

RESOLUTION

BE IT RESOLVED by The Board of Trustees of The University of
Alabama that Dr. Richard B. Marchase as Interim President of The
University of Alabama at Birmingham; Dr. Linda C. Lucas as Provost of
The University of Alabama at Birmingham; Mr. Richard L. Margison as
Vice President for Financial Affairs and Administration of The University
of Alabama at Birmingham; Ms. Patricia A. Raczynski as Associate Vice
President for Financial Affairs; Ms. Stephanie Mullins, Assistant Vice
President for Financial Affairs/Controller; and Mr. Harlan Sands, Vice
Provost for Administration and Quality Improvement of The University of
Alabama at Birmingham are each authorized to act for and in the name of
The Board of Trustees of The University of Alabama in making application
for and negotiating and executing contract or grant agreements with any
agency of local, state, national or foreign government, foundation,
corporation, or individual with regard to research, instructional, and service
activities, and in furnishing necessary reports or other instruments in
connection therewith.

BE IT FURTHER RESOLVED that Ms. Lynn Stedman as Director
of the Office of Sponsored Programs of The University of Alabama at
Birmingham is authorized to act for and in the name of The Board of
Trustees of The University of Alabama in making application for and
negotiating and executing contract and grant agreements with any agency
of local, state, national or foreign government, foundation, corporation or
individual with regard to research and service activities and in furnishing
necessary reports or other instruments in connection therewith.
BE IT FURTHER RESOLVED that Mr. David Winwood as Chief Executive Officer of the UAB Research Foundation is authorized to act for and in the name of The Board of Trustees of The University of Alabama in negotiating and executing Material Transfer Agreements.

BE IT FURTHER RESOLVED that Dr. Shirley Salloway Kahn as Vice President for Development, Alumni and External Relations of The University of Alabama at Birmingham is authorized to act for and in the name of The Board of Trustees of The University of Alabama in negotiating and executing contracts for performances at the Alys Robinson Stephens Performing Arts Center with any corporation or individual and in furnishing necessary reports or other instruments in connection therewith.

BE IT FURTHER RESOLVED that Ms. Belinda Mitchell as Director of University Purchasing of The University of Alabama at Birmingham is authorized to act for and in the name of The Board of Trustees of The University of Alabama in negotiating and executing contracts with a total annual value of less than $100,000 for purchase of supplies and equipment and for maintenance services for equipment with any corporation or individual and in furnishing necessary reports or other instruments in connection therewith.

BE IT FURTHER RESOLVED that, effective immediately, any two of the following four officials: Dr. Richard B. Marchase, Mr. Richard L. Margison, Ms. Patricia Raczynski, and Mr. John S. Pelliccio, Assistant Vice President for Financial Affairs/Treasurer, of The University of Alabama at Birmingham be, and hereby are, authorized for and in the name of the said The Board of Trustees of The University of Alabama, a corporation, to sell at public or private sale or exchange any or all shares of stock, bonds, corporation, or government which may now or hereafter stand in the name of The Board of Trustees of The University of Alabama for The University of Alabama at Birmingham or in its name and in the name of others, and to receive and receipt for the purchase price of property received in exchange, and in the name of The Board of Trustees of The University of Alabama to sign any transfers, assignments, or powers of attorney that may be necessary to make the transfer or exchange and to deliver the same or exchanged, to the transferee or his agents.

BE IT FURTHER RESOLVED that all previous resolutions granting any of the foregoing powers or authority to any persons be, and hereby are, rescinded.
RESOLUTION

WHEREAS, The University of Alabama maintains with the approved depositaries designated in Exhibit C (which consists of seven (7) pages), those accounts identified therein; and

WHEREAS, Board Rule 406 requires that each University official authorized to effect transactions involving those accounts, including those authorized to sign checks, initiate wire and automatic transfers, or otherwise withdraw funds from these authorized depositaries, must be designated by resolution of the Board; and

WHEREAS, Board Rule 406 further requires that such authority to effect transactions may not be delegated by the persons so authorized; and

WHEREAS, Board Rule 406 further requires that for each division of the University all individuals with authority to effect such transactions be identified in a single resolution, which shall be revised in its entirety when any change in persons so authorized is made so that the most current resolution listing those persons so authorized can be readily verified by the Secretary of the Board;

NOW, THEREFORE, BE IT RESOLVED by The Board of Trustees of The University of Alabama that the individuals identified on Exhibit C are authorized to effect the transactions specified therein on behalf of The University of Alabama until this authorization is removed by official action of the Board. This resolution supersedes any prior resolutions granting such authority to act on behalf of The University of Alabama to any individual or individuals.

There being no further business to come before the Committee, the meeting was adjourned.

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C. Ray Hayes                     Michael A. Bownes
Vice Chancellor for Financial Affairs     Secretary of the Board of Trustees