

# BOARD OF TRUSTEES FOR ALABAMA STATE UNIVERSITY

## MINUTES OF CALLED MEETING

JULY 14, 1999

The Board of Trustees for Alabama State University convened in a called meeting on July 14, 1999 in the Board Room of the Joe L. Reed Acadome at Alabama State University at 10 a.m.

Chairlady Wright welcomed Board members and read "A Prayer of Wisdom and Will" for invocation--**Agenda Item A**. She called the meeting to order and declared a quorum present--**Agenda Item B**. In attendance were Mr. James C. Cox, Mr. Oscar Crawley, Mr. Buford Crutcher, Mrs. Toreatha M. Johnson, Mr. Robert A. Jones, Jr., Dr. Joe L. Reed, Mr. Lanny S. Vines, and Mr. Donald V. Watkins.

Chairlady Wright called for **Agenda Item C--Adoption of the Agenda**. Mr. Watkins moved to amend the agenda to include after Item E, the President's Report, and before Item F, Committee Reports, a five-minute presentation by the Chairlady of the Faculty Senate. Mr. Jones seconded the motion. Chairlady Wright called for questions. Dr. Reed inquired whether all of the minutes of previous meetings listed had never been adopted or if changes had been made to them. President Harris responded that there had been no changes to the minutes dating back to February 6, 1998 which had been circulated but not adopted. Dr. Reed asked about the April 9, 1999 special meeting called by the Governor and whether adoption of the minutes relates to that meeting and to the "post session" held on that date.

President Harris responded that the packet that was circulated included minutes for the called meeting and "post session" which are in this consideration. Dr. Reed noted that he would not be voting on any minutes for the "post session" and that when the Board gets to that issue, he wants to bifurcate that question. Mr. Vines inquired whether the motion included the post meeting minutes. Mr. Watkins stated that his motion was just to add an item to the agenda. He further stated that he was going to move that the minutes be carried over to one more meeting because corrections need to be made to at least four sets of minutes due to some inaccuracies. He noted that someone has to review the minutes to make sure that they reflect the actions taken. Mr. Watkins stated that he was not calling into question some of the things done by President Harris or Mrs. Royster.

President Harris stated that he needs to know what to do because the minutes that have been circulated reflect to the best of his knowledge the actions taken in each session and that a tape recording of each session has been reviewed. He further stated that anyone who has questions about the minutes or who wishes to suggest changes should communicate those to him so that he can further review the minutes and then, as Secretary, prepare the document with everyone's input. The Board then can decide if the changes accurately reflect what happened.

Mr. Watkins suggested that the Board by consensus carry over to the September meeting the adoption of the minutes. He stated that he may be able to review them for errors and may be able to have them ready by the retreat time. Mr. Watkins further stated that he would communicate

with the Secretary to the Board and let him know what he thinks are the inaccuracies so that the inaccuracies can be highlighted for consideration by the entire Board. There was much discussion regarding the Trustees making the Secretary aware of inaccuracies in the minutes. Mr. Watkins enlarged his motion to include both issues and the enlarged motion was seconded by Mr. Jones

Chairlady Wright informed the Trustees that the motion on the floor was to adopt the agenda with two amendments -- (1) to add the Faculty Senate presentation after Item E and before Item F, and (2) to forego **Adoption of the Minutes--Agenda Item D**, until the September meeting. On the call for the vote, the motion was carried by unanimous vote.

Chairlady Wright called for **Agenda Item E--President's Report**. President Harris informed the Board that the statements he wanted to make would be brief and that most of what he would say would come during presentation of committee reports. He stated that it is essential that at some point minutes of the actions of the Board be adopted because he is taking actions based upon what he understands to be actions of the Board and if at some point it is decided that they are not actions of the Board, he will be in a situation where he will be acting without appropriate authority. President Harris said that he feels it is essential that the Board move to review what has been circulated to all members as the minutes as he saw them of the meetings that were held and then proceed to adopt them no later than the September meeting.

President Harris reported that the University is having an extraordinary summer session with 3,200 students enrolled which is an all time record of enrollment for the summer, and following a near record enrollment for the 1998 Fall. He stated that applications for next year (Fall 1999) far exceed the number of applicants for this time last year. Further, he said that the number of participants in New Student Orientation, which ended today, far exceeds the number of participants in last year's group.

President Harris reminded the Board that he told them at the last meeting that he wanted to do all that could be done to make sure that whatever pay raises go forward for faculty members in their regular session were included in their summer session salaries. He noted that this summer faculty are being paid exactly the same rate as paid to them last summer, which means that any increase they received in their regular salaries was carried forward into their summer salaries. President Harris also noted that the other issue about summer salaries is how does the University get to the statewide average of about 20%. He told the Board that that concern will be addressed in part in the recommendations on budget for next year.

President Harris reported that there has been much discussion about campus expansion and where activities are taking place in the various sections of Montgomery. He invited the Board to join him for a short bus trip, if the meeting concludes in a timely fashion, to see what is happening and what is available and to then ask questions. The President concluded his remarks and offered to answer any questions the members might wish have.

Mr. Watkins asked if the President wanted to include anything about fund raising in his report since he has been involved in meetings of the Fund Raising Committee or whether he wanted to refer reporting on the Fund Raising Committee meetings to Mr. Vines, chair of the committee. President Harris stated that there has been activity in that committee and that one of the most important activities is the action of Mr. Vines himself who has made a substantial contribution to the Trust for Educational Excellence. President Harris expressed appreciation to Mr. Vines for his contribution. President Harris indicated that he would defer to Mr. Vines who has had some brief discussion with him but wishes to defer discussion to a later date. Mr. Vines stated that discussion would be deferred until the retreat. There were no other questions and Chairlady Wright thanked President Harris for his report.

Chairlady Wright called for the **Presentation from the Faculty Senate Chair—Agenda Item F**. It was noted that the Faculty Senate Chair was not present.

Chairlady Wright called for **Committee Reports—Agenda Item G**. President Harris stated that the Chairlady had asked him to report on activities of the **Executive Committee—Agenda Item G-1**. He distributed a brief statement of what occurred at the Committee meeting and reported that the Committee authorized the appointment of Attorney David Long of Sirote and Permutt to represent Alabama State University in **Allen, et al v. Alabama State Board of Education** to replace Attorney Terry Davis who withdrew as counsel for Alabama State University. The Committee authorized the President to instruct the new counsel to proceed with a strategy to settle the case in accordance with terms that would be favorable to Alabama State. The suggested strategy was in three parts: (1) The State Board of Education would use Praxis I or an equivalent for the initial test for teachers; (2) A student could attempt to pass the examination at any time during his/her studies and could make as many attempts at passage as the institution would permit; and (3) ASU would maintain control of appointment of a representative on the monitoring committee that would oversee maintenance of fairness of the testing process. President Harris further reported that Attorney Long had informed him that the Case had been settled and that all of the elements set forth in instructions to Attorney Long are included in the settlement agreement. The State Board of Education will pay ASU's attorney fees through the period of the fairness hearings and the final sign off by Judge Thompson. President Harris reported also that a copy of Attorney Long's letter to him reporting on the settlement of the case had been provided to each member for review and information and that a complete copy of the 36-page settlement agreement is also available should members wish to see it.

President Harris told the Board that the committee terminated the legal services of certain attorneys of record in several cases. These contain legal matters and any further discussion of them should be done in executive session. The committee also requested that the President conduct an orientation for new Board members. That concluded the report of the Committee.

Mr. Jones moved the adoption of the Executive Committee Report. The motion was seconded by Mr. Crawley. Chairlady Wright called for questions. Mrs. Johnson asked if the letter in the Trustees' folders from Attorney Long is the one referred to by President Harris and the President responded in the affirmative. Trustee Watkins informed the Board that because the report makes

reference to **Allen v. Alabama State Board of Education** and because he represents one of the parties in that case, he would not vote on the report. President Harris noted for the record that Mr. Watkins did not participate in any Executive Committee discussion of the case.

In answer to questions from Mr. Reed, President Harris responded that there were four members of the Executive Committee present at the meeting, that there was a quorum present, and that further discussion of the third issue he reported on should be taken up in the Executive Session.

Chairlady Wright called for action on the motion. Mr. Jones amended his motion for adoption of the report with respect to Items 1, 2 and 4 and for dealing with Item 3 after the Executive Session if there is request for discussion of that item. The amended motion was seconded by Mr. Crutcher and carried by majority vote. Voting aye were Trustees Vines, Jones, Crutcher, Crawley, Cox, Johnson and Wright. Trustees Reed and Watkins abstained.

Chairlady Wright called for the **Academic Affairs Committee Report—Agenda Item G-2**. Mrs. Johnson, Chair of the Committee, informed the Board that because of a lack of a quorum the Committee did not meet. Chairlady Wright recognized Trustee Reed who expressed dismay regarding failure of a quorum for the Academic Affairs Committee meeting and urged members to inform the chair in ample time if they are not going to attend a meeting. He noted that the chair drove 150 miles for the meeting and he postponed some things to attend the meeting only to learn that there was no quorum. Trustee Reed said that he feels that the committee meetings should not be trivialized and that members ought at least let the chair and the secretary know when they cannot attend so that other members would not take their time coming to a meeting that is not going to materialize. Mrs. Johnson, Mr. Jones and Chairlady Wright concurred with Mr. Reed's statements and made the same requests. Trustee Crutcher, a member of the Academic Affairs Committee, explained that he called in to report his inability to attend the meeting due to an emergency job situation.

President Harris stated that one of the things which he feels will help to effect the situation is to get a systematic, routine, long-term calendar of meetings of the Board and meetings of the committees. He informed the Board that at the time of the retreat he will have a two-year calendar of meeting dates that is being worked on for the Trustees to determine some reasonable times when the Board and the various committees will meet. He hopes that after the Board sees the proposed meeting dates and by the time of the September meeting, a calendar can be adopted that will allow Trustees to make their schedules.

Chairlady Wright called for the **Report of the Finance Committee—Agenda Item G-3**. She stated that she appointed the committees in May and that she was approved as Chair of the Finance Committee by the Board when the committee members were approved. When the Finance Committee met, she stepped down as chair and appointed a new committee chair. Mr. Crutcher, who was already a member of the committee, was appointed and she asked him to preside over the meeting. She then, in the July 14 meeting, appointed Mr. Crutcher to serve as Chair of the Finance Committee. It was noted that a vote was needed to approve the appointment. It was moved by Mr. Watkins that the Board approve the designation of Mr. Crutcher as Finance Committee Chair. The

motion was seconded by Mrs. Johnson, and carried by unanimous vote.

Chairlady Wright asked Mr. Crutcher to make the Finance Committee report. Mr. Crutcher informed the Board that the Committee met on July 8 and has not had a chance to review the minutes for final certification. The distribution of those minutes will be made to the Board, in the very near future, after they will have been reviewed to determine that all the items are included and necessary corrections made. Mr. Crutcher distributed a report of the Finance Committee meeting regarding several recommended items that came out of the meeting which require full Board action as well as resolutions that came out of the committee for which no actions were taken, and status reports on certain items. He stated that he wanted to go over each item as listed on the report. He began with **Item A--Favorably Reported Resolutions.**

**A1-- Establishment of the Center for Leadership and Public Policy Studies.** Mr. Crutcher stated that the Committee is looking to do things for the future and that about four years ago the President presented to the Board for action the creation of a center which he would later ask the President to speak to. He told the Board that Committee wants to establish the Center for Leadership and Public Policy Studies at the University to prepare our young graduates to be leaders of public

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policy across the country and the world. The Committee feels that there is a lot of support for a center and wants to move forward with great speed and a resolution has been prepared.

**A2-- Appointment of Interim Executive Director.** Mr. Crutcher stated that an interim director will be needed for the Center and a resolution has been prepared for an interim director to organize the center.

**A3-- Funding the Organizational Phase of the Center.** Mr. Crutcher told the Board that funding will be needed for the organizational phase and funding for continuation of the program for the coming fiscal year. As a result of this, the Finance Committee is looking at certain programs that are good programs but because the Board is trying to move to the future, the Committee is looking at termination of funding for at least two programs.

**A4-- Termination of Funding the Alabama Dropout Program.** The committee recommends termination of funding for this program.

**A5-- Termination of Funding the Alabama Black History Project.** The committee recommends termination of funding for this program.

**A6 & A7--Appointment of Erskine Brown and Jeff Miller to Act as Lobbyist,** respectively. Mr. Crutcher told the Board that resolutions came out of the committee for Board adoption of the appointment of two lobbyists to continue to act in the Board's stead if there is any legislation that comes forth to change the governance structure of the Board of Trustees.

Mr. Crutcher informed the Board that there are certain **Reported Resolutions-Item B** that came out of the committee that Mr. Vines will be ask to talk about later. The resolutions are for having a complete institutional analysis done. He stated that the Committee wants to put those resolutions before the full Board. The resolutions are: **B1-Hiring of Qualified Educational Consultant for Assessment of Academic Area of the University; B2- Hiring of Qualified Educational Consultant for Assessment of the Fiscal Area of the University, B3-Hiring of Qualified Educational Consultants for Assessment of Personnel Area of the University, and B4-Hiring of Qualified Educational Consultant for Assessment of Facilities Area of the University.**

Mr. Crutcher told the Board that other items that came out of the committee and are recommended to the Board for further actions are **C1-- Increase in Threshold on Fixed Asset Equipment** from \$200 to \$1,000 recommended by the President. **C2 - Proposed Acquisition of Football Facility** and authorization for the President to enter into a lease not to exceed three (3) years and not to exceed \$5,000 a month for a mobile facility. Mr. Crutcher informed the Board that the President reported that a facility is needed for the football program in order to move the program out of Lockhart Hall so as to begin renovation of that building in the near future. He reminded the Board that Lockhart Hall has already been approved for renovation and that an architect had been appointed. **C3-Proposed Acquisition of Baptist Hospital Downtown.** Mr. Crutcher explained that the President will ask the Board to authorize him to continue negotiations for the purpose of acquiring Baptist Hospital Downtown facility and the Finance Committee is recommending consideration and action of this item. **C4- Authorization of Change Orders for the Buskey Allied Health Sciences Building** in the amount of approximately \$112,000 to \$118,000. The Finance Committee wants the change orders reported to the Board with the delineation of those costs.

Mr. Crutcher reported that regarding **Status Reports-Item D, an Exit Conference the for Fiscal Year 1996-97 Annual Audit by the State of Alabama Examiners of Public Accounts-D1** was held on July 8, 1999 in connection with the audit. The auditors made the Committee aware of some findings and recommendations. The full final report will be presented at some time in August or September. Mr. Crutcher stated that it would be prudent for the Board to look over those recommendations when the final report is received.

**D2-University's Investment Portfolio.** Mr. Crutcher informed the Board that the Committee had the opportunity to review the investment portfolio which looks pretty good at this time. He noted that Vice President Gallot indicated that it is adequate, and that there was a moderate rate of return but the Committee feels that there needs to be better returns in the future. Mr. Crutcher stated that the Committee has not had time to really look at the performance or to come up with a better way of investing.

**D3-Year-to-Date Expenditures.** Mr. Crutcher reported to the Board that year-to-date expenditures were presented to the Committee which were well delineated. He stated that he feels that this type of report is actually what is needed by the Board rather than surface reports. The Committee asked that year-to-date expenditure reports be prepared and presented on a quarterly

simple. There was much extensive discussion and numerous questions raised regarding the possible Ben Moore Hotel acquisition.

The Chairlady asked for Board action regarding the motion to receive the Finance Committee's report and to act on each item individually. Mr. Crutcher called for the vote on the motion and it was carried by majority vote. Voting aye were Trustees Vines, Watkins, Jones, Crutcher, Crawley, Cox, and Johnson. Trustee Reed abstained.

Mr. Crutcher asked if the next business of the Board was to act on each recommended item individually. The Chairlady responded affirmatively. Mr. Crutcher introduced the resolution for **Establishing the Center for Leadership and Public Policy Studies–Item A1**. It was moved by Trustee Watkins, seconded by Trustee Jones that the resolution be adopted. Trustee Watkins asked to speak to the resolution after President Harris speaks. The Chairlady called for questions. Trustee Johnson stated that the Center report sounds commendable but expressed concern about adopting the resolution without some full and extensive discussion on the Center as to how it coincides with what the University is already doing, and other things in academic and other areas, location, consultant and job description, qualifications for consultant, and cost factors. She suggested that the Center resolution be discussed at the retreat and that the Board forego adopting a resolution at this time.

Trustee Watkins spoke to the resolution and indicated that he did not think the Board could wait for discussion at the retreat. He spoke of the demand for the kind of functions the Center could provide and the need for those services, and that no other institution with our heritage has such a center. ASU is constantly asked if it can provide certain contract services. There was much discussion regarding establishing the center. Trustee Crawley called for the vote. Chairlady Wright put the question and it was carried by majority vote. Trustees Cox, Crawley, Crutcher, Jones, Watkins, Wright and Vines voted aye. Trustees Johnson and Reed abstained.

**A2–Appointment of Interim Executive Director to Organize the Center for Leadership and Public Policy Studies and A3–Funding the Organizational Phase of the Establishment of the Center for Leadership and Public Policy Studies.** Trustee Vines inquired about having heard that Dr. Richard Arrington is being considered for the interim Executive Director's position. Trustee Watkins and President Harris informed the Board that Dr. Arrington and three other persons are being considered. There was great discussion regarding funding the Center and the appointment of an interim Executive Director. Trustee Jones suggested that the Center be funded on an interim basis and Trustee Vines asked if the interim operations could be set up. It was moved by Trustee Watkins and seconded by Trustee Jones that the Items A2 and A3 be adopted. Voting aye were Trustees Cox, Crawley, Crutcher, Jones, Watkins, Vines and Wright. Trustees Johnson and Reed abstained.

Trustee Crutcher presented **Item A4–Termination of Funding for the Alabama Drop-Out Program** for action. President Harris noted that these are budgetary matters and ought to be handled in the context of the budget. Mr. Watkins requested then that Items A4 and **A5–Termination of Funding the Alabama Balck History Project** be withdrawn. Chairlady Wright stated it was the general consensus of the Board to withdraw **Items A4 and A5**. Mr. Crutcher inquired if those items would be referred back to the Finance Committee. President Harris stated that those items would go

question and a vote by show of hands. The motion was carried by majority vote. Voting aye were Trustees Johnson, Cox, Crawley, Crutcher, Jones, Watkins and Vines. Voting nay was Trustee Reed.

Trustee Crutcher introduced the second resolution to appoint Mr. Jeff Miller as lobbyist contingent upon the Governor calling a special session. It was moved by Trustee Watkins, seconded by Trustee Jones that the resolution be adopted appointing Mr. Miller at the rate of \$5,000 or a pro rata share thereof. The motion was carried by majority vote. Voting aye were Trustees Johnson, Cox, Crawley, Crutcher, Jones, Watkins and Vines. Voting nay was Trustee Reed.

Trustee Crutcher introduced **Item B--Reported Resolutions** which came as a result of Trustee Vines and the Fund Raising Committee's recommendations. President Harris asked to speak to the resolutions and stated that he feels it incumbent to make the Trustees aware that a major study of the University and all aspects of it including educational programs, facilities and all of the items involved in the resolutions is underway. He informed the Board that the major self-study of the University that involves external consultants and educational experts in this review has been going on for about eight months and will culminate in a series of reports and recommendations, and reaffirmation of accreditation, some time in the spring of next year. President Harris stated that he believes that all of the matters identified in the resolutions are being reviewed in that study. He urged that before the Board move to authorize the studies that the administration have time to present, at the retreat, what is being done and if that does not meet the level of assessment and where the Board thinks the University ought to go, then the Board could move to implement the resolutions.

Trustee Vines responded that after or about the time he decided, looking from the outside in, if the Board needed the studies in the areas, and he was provided reports on physical plant, interim facilities and land use, dated July 1999; curriculum study, dated March 10, 1999; investment policies, no date, he did not see the detailed and comprehensive analysis in any of the materials sent to him. Trustee Vines stated that his point is that the questions being asked about the Ben Moore Hotel, the Dropout Prevention Program and the Black History Program evidences the need of a comprehensive, detailed analysis of these areas. He stated he has a generalized idea of where we are which is amorphous, ambiguous and not what he had in mind.

He indicated that Trustees to discharge their fiduciary duties, need world class experts who have no connection with the University, who are totally impartial, who can look at the academic programs to see what the niches are. The Board needs to find out, in his view, what academic areas we want to emphasis based on the complexion of the student body and where the Board wants to take the University, the niches the Board wants the school to specialize in and then look at the physical plant facilities. He emphasized that he is talking about a long-range program and detailed analysis of all of the other physical plant issues that will devolve from and around the academic analysis. He said then personnel will have to be looked at to determine if there are qualified personnel to implement these academic goals and the total overall long-range evaluation of the academic programs and if not, begin to move in that direction with the personnel. He said that lastly would be assessment of expenditures reparable to the other three studies. He said probably there would be elimination of some areas, beefing up other areas and determining if the money is being spent



consistent with the overall game plan of the academic and educational program on a long-range basis. Trustee Vines stated that he believes that if the Board is in possession of that information on a detailed, comprehensive basis, then it would be in a posture to make some intelligent decisions and understand where we are going and how we are going to get there. He said he feels it is important in discharging fiduciary responsibilities. He stated we need expert opinions and there are people who specialize in and who know how to provide us with advice on these four areas. Trustee Vines said that his proposal would be to get the best experts in the country on this and bring a number of them to the Board for interviews in each area. He explained that the Board might decide that it does not need any additional consulting when their proposals are compared with what is already in house. Trustee Vines stated that he does not think that will be the case. He said he thinks the Board needs a comprehensive, detailed analysis by independent, impartial, highly qualified experts to give information in the four areas without which he does not think the Board is in a posture to function at its highest and best.

Trustee Watkins concurred with Trustee Vines's proposal and informed the Board that the Fund Raising Committee, chaired by Trustee Vines, is about to embark on very serious fund raising, above the \$1 million for match by the State, at the level that other institutions go after. He stated that if a \$50 million campaign is implemented people will need to be told what is going to be done with the money--what is the use plan for it. Trustee Watkins further explained that the recommendations for consultants grew out of the discussion for such a campaign and the need to prepare the Fund Raising Committee with analytical information regarding the University in order to be in position to promote the campaign at a higher level among the private funding sector.

Trustee Cruther asked the Chairlady if the four resolutions could be considered together. Chairlady Wright called for a motion. It was moved by Trustee Crawley, seconded by Trustee Cox to hire qualified, educational consultants for assessment of the academic area, fiscal area, personnel area and the facilities area of the University--**Item B1-4**. She called for questions. Trustee Reed asked President Harris if he was saying that he did not think this was the right thing to do. President Harris responded that his position is that much of this type of assessment is going on at a level higher than is known. He stated that if or when this is done as we proceed a lot will become clear and he hopes it will be beneficent to everyone. President Harris inquired who is suppose to do the hiring of the consultants. Trustee Vines explained that his thought is to select at least two in each category that are highly qualified, circulate their resumes to the Board members in advance, have the individuals come for personal interviews, than compare with what is already in house, determine what benefit they can provide compared with what is in house and a decision can be made as to whether they are needed or not and either hire or not hire them. He stated that he feels that we have everything to gain and nothing to lose with that approach.

President Harris added that he hopes that as part of the process there would be an opportunity to make clear to the Board what the current analysis and review situation is because he believes it is more sophisticated than is known at this time. President Harris and Trustee Vines agreed that there is no conflict. In answer to question from Dr. Reed, President Harris and Chairlady Wright explained

that the resolutions came out of the Fund Raising Committee to the Finance Committee for discussion and out of the Finance Committee to the Board.

Chairlady Wright called for other questions and there being none, she called for the vote. The motion was carried by majority vote. Voting aye were Trustees Wright, Vines, Watkins, Jones, Crutcher, Cox, Crawley and Johnson. Abstaining was Trustee Reed.

Trustee Crutcher introduced **Item C1—Increase in Threshold on Fixed Asset Equipment--** and informed the Board that President Harris requested an increase in the capitalization threshold for equipment from \$200 to \$1,000. He stated that the Finance Committee is recommending the matter to the Board for action and moved adoption of the increase. President Harris told the Chairlady that since the recommendation is from a standing committee, a second is not needed. Chairlady Wright called for questions and the vote. The motion was carried by unanimous vote.

Trustee Crutcher reported that President Harris proposed to the Finance Committee that he be authorized to lease a mobile football facility which has already been identified as one used by the Tennessee Titans. He told the Board that the facility would allow the football program to move from Lockhart Hall and permit renovation to begin on that building. The lease cost will be \$5,000 a month and can be applied to a purchase. The Finance Committee recommends approval of **Item C2**. Chairlady Wright called for questions. In answer to Trustee Cox's question, Chairlady Wright asked President Harris to give the information. President Harris stated that it is a full fledged facility that will have office, meeting room, locker room spaces and all matters that would make it possible for Coach Dickerson and his staff to conduct the affairs of the football program. He reminded the Board that certain promises were made to Coach Dickerson when he was recruited regarding upgrading facilities. President Harris stated that he hopes that within a three or four-year period there would be permanent facilities and that in the meantime, the mobile facility provides adequately everything that the football program needs. President Harris informed the Board that the facility was reviewed on site by ASU personnel. He noted that the recommendation is presented after long-time study of trying to find other ways to provide space. He stated that the facility will be placed on the southeast end of Hornet Stadium where the football practice field is located. He told the Board that a survey has been made and there is adequate space to place it there and that the mobile facility will be a significant improvement over what is currently being used. President Harris explained that the facility consists of 16 separate units that will be linked together and office space will be configured. He told the Board that some site work, which has been researched, will have to be done and the tie-in with water and sewer has been determined. He stated that the facility will become available on August 31 and it is hoped it can be operational by the middle of September. He informed the Board that the University's insurance policies will be expanded to cover liability and fire for the football facility. Chairlady Wright called for other questions and the vote. The vote to proceed was unanimous.

Trustee Crutcher reported that President Harris asked for authority to negotiate for **Acquisition of Baptist Hospital Downtown—Item C3** and the Committee is recommending this request to the Board for action. In response to questions from Trustee Watkins, President Harris

orders and the costs to the Board for review and action. He told the Board that Vice President Leon Frazier is prepared to make the report. Vice President Frazier distributed a one-page summary showing the details of the change orders and he gave information on the current status of the project. He told the Board that as of today, the Construction Manager reported to him that the site work is ongoing, 25% of the grade steel has been installed, 2/3 of the basement excavation is complete. He explained to the Board that the need for the change orders came about because of several problems that emerged during site preparation and had to be dealt with before the project could continue. Vice President Frazier reported that all of the problems resulted in five change orders in the amount of \$112,455. A discussion ensued. Following great discussion, it was moved by Trustee Vines that authorization be given for the payment of the change orders as set forth on the summary sheet in the amount of \$122,455 with the provision that the legal counsel of the University or other appropriate counsel investigate and pursue any recoupment the University is entitled to as a result of the change order expenditures. The motion was seconded by Trustee Crutcher, and carried by majority vote. Voting aye were Trustee Cox, Crawley, Crutcher, Vines, Watkins, Johnson and Reed. Voting nay was Trustee Jones. President Harris informed the Board that the change orders add nothing to the project cost of the building because they are encumbered in the contingency amount set forth.

Trustee Crutcher informed the Chairlady and the Board that **Item D-Status Reports** are just for information purposes and no action is required for the Board.

Trustee Johnson inquired whether expenditures are running as projected to-date in the budget. Chairlady Wright indicated that there was some discussion with President Harris because there was some concern that there may have been some need to exercise prudence toward end of the year but President Harris assured them that the budget is in line and he does not anticipate any problems. President Harris stated that he expects income will exceed the budget. Mr. Crutcher stated that he had no other items to report.

Trustee Vines was recognized and he stated that the Fund Raising Committee had discussed at one of their meetings that it would probably be appropriate for the Trustees to receive quarterly reports reparable to the investment portfolio and he asked for agreement that the Trustees would receive quarterly reports which would aid the Trustees in discharging their fiduciary responsibilities. The same was moved by Trustee Vines and seconded by Trustee Watkins and carried by unanimous vote. President Harris informed the Board that in addition to being members of the Board of Trustee for the University, the Trustees also constitute a separate board for the Trust for Educational Excellence as declared by Judge Murphy and at least once a year that group ought to meet as a Board of the Trust and he intends to recommend that the group meet in the September meeting at the time finances are discussed. Trustee Watkins indicated that the Finance Committee had already discussed quarterly reports. He made comments about the investment portfolio. Chairlady Wright called for the vote and it was carried unanimously.

President Harris told the Board that he will have the most recent report on investments circulated to all Trustees. It was noted that the Finance Committee has already