

BOARD OF TRUSTEES FOR ALABAMA STATE UNIVERSITY
MINUTES IF REGULAR MEETING
MAY 7, 2004

The Board of Trustees for Alabama State University was convened in regular meeting on May 7, 2004 at 9:00 a.m. in the Board Room of the Joe L. Reed Acadome.

The meeting was called to order by Chairlady Toreatha M. Johnson—**Agenda Item I.** Invocation was led by President Joe A. Lee—**Agenda Item II.** Trustees in attendance were James C. Cox, Buford Crutcher, Elton Dean, Thomas H. Figures, Toreatha M. Johnson, Robert A. Jones, Jr., Bobby M. Junkins, Patsy B. Parker, Lister H. Proctor, Joe L. Reed and Catherine W. Wright. Trustee Lawrence J. Lemak was absent. Chairlady Johnson declared a quorum present—**Agenda Item III, Establishment of Quorum.**

Chairlady Johnson called for **Agenda Item IV—Adoption of the Agenda.** There were no additions, corrections or deletions and on motion by Trustee Reed, second by Trustee Wright, the Agenda was adopted as written by unanimous vote.

Chairlady Johnson called for **Adoption of the Minutes of February 6, 2004—Agenda Item V.** There were no deletions, corrections or additions. It was moved by Trustee Reed that the minutes be received and that they be adopted at the next meeting, subject to any Board member having the right to look at them again. The motion was seconded by Trustee Wright and carried by majority vote. Voting aye were Trustees Johnson, Jones, Reed and Wright. Abstaining were Trustees Figures, Junkins and Proctor.

Agenda Item VI—President's Report. Chairlady Johnson called on President Lee who reported on some of the successes and challenges that had occurred since the February Board meeting. He introduced Mr. Patrick Carter, the new Athletics Director, whom he indicated had already made some significant impact on the program in addressing some program needs. President Lee expressed his gratitude to the faculty and staff for their dedication in helping to move the University forward. He enumerated on some of the accomplishments since the last meeting. He reported that a very successful Academic Affairs Retreat was held in Lockhart Hall; that the University received confirmation recently from NCATE that reaccreditation of the Teacher Education Program was reaffirmed; that ASU was selected to participate in the national reading initiative sponsored by NCATE and the Department of Education; that the 2004 graduating class gave their support of the University by committing \$2,800+, the balance of their room damage deposits, as their gift to the University. President Lee reported that the architectural designs are almost complete for the dining hall, the criminal justice/forensic sciences facility, the College of Education building and the renovation of the Hardy Center; that the expectation is for bids to go out in early June; that the external audit for 2003 has been completed and there were no adverse findings; that the compliance audit for 2002 conducted by the State Examiners of Public Accounts and

completed with two non-adverse findings; that the results of that audit shows that substantial strides have been made in clearing up some issues identified by the State Examiners. President Lee told the Trustees of the needs of the University that are persistent challenges.

He reported on various needs of the University—non-competitive salaries, police cars that are inoperable and/or in need of repair, extensive repair work needed in the bathrooms and residence halls, replacement of old pipes and fixtures, improvement of lighting and over-all security—that are persistent challenges. He noted that security cameras are being placed in strategic locations around campus. He updated the Trustees on the matter of the refinancing of certain bonds. He called on Vice President Leon Frazier to give a current status report on deferred maintenance. Vice President Frazier reported that work is being done from two prioritized lists for deferred maintenance, the first list worked out with President Lee and the Finance and Property Committee; that all of the funds (\$600,000) for that list have been committed with the exception approximately \$15,000; that the work will begin when the students are out of the dormitories; that the second list that his area is working against is the deferred maintenance list prepared at the request of the Finance Committee and some of the Board members to worked on when funds are available (**Attachment 1**). Vice President Frazier informed the Trustees that a survey from State Risk Management Division received and we are to make sure that our insurance requirements are met in order for them to continue covering the University.

Trustee Parker raised questions regarding needs on the deferred maintenance list and \$15,000 to be used for those needs. She also asked for a list of the maintenance done in the dormitories. Trustee Dean inquired about the deferred maintenance status if the interest rate for the bond refinancing does not go down, and whether or not there is an alternative plan for deferred maintenance. Vice President Gallot responded by giving information regarding the procedure involved in seeking to get the refinancing. Trustee Reed made comments regarding the \$112,000 used for risk management is to be refunded and used for the dormitories, in addition to the \$12,000 on hand. In regards to other questions raised by Trustee Dean, Trustee Reed stated that the Finance Committee report is going to recommend that there be some funds in the budget for dormitories; that if the market does not change, the University will hold what it has until the market does change.

Questions were raised and answers given by President Lee regarding the external consultants, Academy for Educational Development, who have been engaged to assist with the University's "rightsizing" issue. He noted that the consultants have been to the University and begun work; that they have a preliminary report that he expected to get today; that they are working diligently to stay within the timeframe; that he will send the preliminary to the Trustees as soon as he receives it. Chairlady Johnson inquired when the final AED report would be finished. President Lee responded that June 15 is the date that the consultants are working toward.

In regards to the Southern Normal report, which was included in the Trustees' packets, President Lee stated that the facility is a mammoth addition to the holdings of the University and a great piece of property to expand what the University is trying to do; that Dr. Bradley was hired as Interim Executive Director of the property; that there is no academy at Southern Normal; that there are several programs being operated—After School Tutorial, Learning Through the Arts; graduate courses are being offered; and several workshops have been sponsored. He invited the Trustees to tour the property. Chairlady Johnson asked about the lease agreement request made to the President from a local day care center and whether there are any liabilities for that center. President Lee stated that no lease agreement has been consummated with the center that has been operating on the campus for about ten (10) years; that he has an upcoming meeting to talk with Mrs. Rouser about the request. Chairlady Johnson indicated that the attorney needs to be made aware of the matter immediately.

Trustee Wright inquired about the information she has not received about Southern Normal, including the long-range plan, the organizational structure and where the University plans to go with the facility as an extension of its mission. She stated that without such information it would be difficult to make an assessment of Southern Normal. She requested that the information be made available regarding the mission of Southern Normal. Chairlady Johnson asked that the request be noted as part of the minutes, and she requested President Lee to follow through with the request. There were no other questions regarding the President's Report. Chairlady Johnson extended appreciation to President Lee for his report and to the faculty, staff and students for their accomplishments as reported by President Lee.

Chairlady Johnson called for the **Report from the Faculty Senate—Agenda Item VII** which was given by Dr. Derryn Moten, Chair of the Faculty Senate. Copies of the report were distributed (**Attachment 2**). He acknowledged that there is a long way to go in equalizing the salaries of the faculty; expressed appreciation for the efforts of President Lee and Chairlady Johnson in arranging for a joint meeting with the Faculty Senate at which time there was discussion regarding the difficulties that exist between the faculty and the administration and the faculty and the Board. He made comments and raised some questions about Southern Normal and some inconsistencies in reports. Dr. Moten distributed copies of books authored by some ASU faculty members and called to the attention of the Trustees the Faculty Senate's concern about faculty members not being protected in some contracts they negotiate with some publishers; that the University is obligating itself to do certain things that it may not be aware that it is doing regarding customized textbooks and the sale of a certain number of textbooks for certain courses and the prohibition of any other textbooks being used for those courses. Regarding the matter of books authored by ASU faculty and students being required to purchase those books, Chairlady Johnson asked him to get with President Lee regarding the book matter as it might be a legal matter and that President Lee will get with Attorney Gray about the book issue as soon as possible. She also asked that Dr. Moten get with the President about any other issues he did not report on and that President Lee be

prepared to entertain the issues at the Retreat. Chairlady Johnson thanked Dr. Moten for the report.

The **Report from the Non-Academic Staff Council—Agenda Item VIII** was given by Mrs. Jessyca Darrington, Chair of the Non-Academic Staff Council. She reported on concerns of individual Non-Academic Staff members polled from the different divisions. There were concerns regarding salary increases not received for 2003-2004, inadequate dental coverage by Blue Cross-Blue Shield, the status of downsizing, employee discounts for children enrolled in the Early Childhood Center, Blue Cross-Blue Shield insurance rate increase and notification to employees about the increase, cost of living raises for 2004-2005, training needs for the employees, and the manner in which information is provided regarding decisions made by the administration. Copies of the report were distributed (**Attachment 3**). Chairlady Johnson asked question about procedure use in working with problems reported for the various groups. President Lee indicated that there is not a general procedure for working with reported problems and that he has an open door policy where concerns can be brought to his attention and dealt with. Chairlady Johnson expressed appreciation to Mrs. Darrington for her report.

Agenda Item IX—Report from the Student Government Association (SGA). Mr. Abraham Lee, SGA President, made the report about the repairs needed in the dormitories. He distributed a report that was done by Perkins and Will, a company that specializes in housing and residential life, for the SGA regarding conditions of student housing (**Attachment 4**). He called attention to certain aspects of the report. Chairlady Johnson thanked Mr. Lee for the SGA report.

Chairlady Johnson informed the Trustees that one of the critical reports needed for the Executive Session is to be done by a person who has to leave. She asked for a motion to amend the agenda to move the **Executive Session to become Item X** and **Board Committee Reports will become Item XII**. On motion by Trustee Wright, second by Trustees Jones and Parker, the **Executive Session—Agenda Item XI**—was moved up on the agenda as Item X for discussion of a pending legal action. The motion was carried by unanimous vote. The Board went into **Executive Session—Agenda Item X**.

Chairlady Johnson convened the Board in open session and requested President Lee to give the **Report from the Executive Session—Agenda Item XI**. President Lee reported, for the record, that the litigation brought by former Head Coach L. C. Cole has been dismissed. President Lee recommended that the Board accept the proposed settlement for Peoples Baptist Church. On motion by Trustee Parker, second by Trustees Junkins and Wright, the President's recommendation was accepted by majority vote. Voting aye were Trustees Cox, Crutcher, Dean, Johnson, Jones, Junkins, Parker, Proctor, Reed and Wright. Trustee Figures abstained.

President Lee recommended that the Board accept the proposal for the settlement of the Ron Dickerson Case. On motion by Trustee Reed, second by Trustee Parker, the President's recommendation was approved by majority vote. Voting aye were Trustees Cox, Crutcher, Dean, Figures, Johnson, Jones, Junkins, Parker, and Reed. Trustees Proctor and Wright abstained.

President Lee recommended that his position on the dismissal of Ms. Shirley Jones be sustained. On motion by Trustee Figures, second by Trustee Dean, the President's dismissal of Ms. Shirley Jones was sustained by majority vote. Voting aye were Trustees Cox, Crutcher, Dean, Figures, Jones, Junkins, Parker, Proctor, Reed and Wright. Trustee Johnson abstained.

Agenda Item XII—Board Committee Reports. Chairlady Johnson, Chair of the Executive Committee, informed the Trustees that the **Executive Committee** had not met since the last meeting and that there was no report.—**Agenda Item X-A.**

Chairlady Johnson called for the **Finance and Properties Committee Report—Agenda Item X-B.** Trustee Reed, Chair of the Finance and Properties Committee, made the report. He indicated that President Lee and Vice President Freddie Gallot, Jr. would make come comments on some of the issues that would be put before the Board. He distributed copies of the document, Why We Oppose HB 315/SB 295 (The ACHE Bill) which was introduced giving ACHE more authority. He stated that he was calling it to the attention of the Board because of the seriousness of the matter; that if the bill had passed, ACHE would have had the authority to make Alabama State University a community college as well as some of the other four-year institutions, excluding University of Alabama, Auburn University, University of Montevallo and State Board of Education. Trustee Reed noted that there is still danger and people who are trying to limit Alabama State (**Attachment 5**). He called attention to the letters from Banks, Finley, White & Co. and indicated that the letters were in the Trustees' packets. Trustee Reed asked Vice President Freddie Gallot, Jr. to make comments about the letters. Vice President Gallot explained that Trustees have certain fiduciary responsibilities regarding fraud and participating in fraud; that as part of the new audit standard—SAS No.99, external auditors are required to do an evaluation and interview with all Board members to determine if the Trustees have any idea whether any fraud exist at the University or whether there is any conflict between the Board member and the University; that it is a safety means to assure that the University, the administration and the management of the University are not supporting any kind of fraud that might occur. Trustee Jones commented that the auditors had indicated that some type of training would be provided prior to the next fiscal year. Vice President Gallot stated that the training is scheduled to take place at the Retreat in July, 2004.

Trustee Reed made comments regarding restoration of the Nate King Cole Birth House. He stated that the Finance Committee recommends that \$75,000 be allocated for the restoration; that other sources of funds will be sought; that a tax-exempt Nate King

Cole Foundation of Alabama State University be created and that the Board of Trustees be the Trustees for the Foundation, patterned after what Judge Murphy did for the Trust for Educational Excellence; that Barganier and Sims, experts in restoration of old building, be authorized to review the property to determine a definite restoration cost. It was moved by Trustee Parker, seconded by Trustee Jones, that the recommendation be adopted. President Lee informed the Trustees that he has made contact with Mr. Knight and there has been some contact with the Cole Family regarding some additional funds for the restoration. On call for the vote by Chairlady Johnson, the motion was carried by majority vote. Voting aye were Trustees Cox, Crutcher, Figures, Johnson, Jones, Junkins, Parker, Proctor, Reed and Wright. Trustee Dean voted nay.

Trustee Reed reported that President Lee brought the matter of additional funding needs for the 2004 Summer School to the attention of the Committee; that the Finance Committee recommends approval of an additional \$150,000 for the 2004 Summer School and for adjunct salaries to be taken from unfilled non-academic positions. President Lee explained that certain courses need to be offered for students needing them for completion of graduation requirements and there is a shortfall of funds to cover salaries for adjuncts. On motion by Trustee Reed, second by Trustee Parker, the recommendation was approved by majority vote. Voting aye were Trustees Cox, Crutcher, Figures, Johnson, Jones, Junkins, Parker, Proctor, Reed and Wright. Trustee Dean voted nay.

Trustee Reed informed the Trustees that funding for repair of the Acadome Sound System at a cost of \$24,000 is being recommended by the Committee to be taken from unfilled non-academic positions, upon recommendation of President Lee. In response to question regarding getting estimates from other companies, President Lee informed the Trustees that Coffin & Frickie is the company that developed the system and Trustee Reed indicated that Coffin & Frickie were sound experts at the time of the construction of the Acadome and were recommended to do the sound work. Vice President Gallot informed Trustee Dean that the Acadome does not produce revenue sufficient for taking care of major repairs. On motion by Trustee Jones, second by Trustee Parker and carried by majority vote, the recommendation was approved. Voting aye were Trustees Cox, Crutcher, Dean, Figures, Johnson, Jones, Junkins, Parker, Proctor, and Reed. Trustee Wright abstained.

Trustee Reed reported that President Lee requested the Finance Committee to release funds for bonuses to be paid to the men's and women's basketball coaches. He asked President Lee to give more information regarding the bonuses. President Lee explained that there are incentives in the contracts for basketball and football coaches for winning certain division play; that incentives payments are due because of the women's team winning co-championship status at the Southwestern Athletic Conference (SWAC) Tournament and for the men's team playing in the first round of the National Collegiate Athletic Association (NCAA) Tournament; that the total payment of \$27,700 will be taken from the University's share of the NCAA distribution. Trustee Reed informed the

Trustees that the Finance Committee recommends approval to pay the incentives. On motion by Trustee Jones, second by Trustee Wright, the recommendation was approved by unanimous vote.

Trustee Reed and President Lee gave information regarding funding needs for next fiscal year. President Lee told the Trustees that because of the University's low tuition rates, and the State's low financial support the University has to raise its tuition rates to help meet personnel needs, insurance increases, utilities and other fixed costs; that he recommended to the Finance Committee that tuition rates be raised. In response to question from Trustee Johnson, Vice President Gallot stated that about \$3.1 million would be generated from the tuition increase. Trustee Reed stated that the Finance Committee is recommending that the President's recommendation be approved, and on motion by Trustee Reed, second by Trustees Jones and Figures, the recommendation was approved by majority vote. Voting aye were Trustees Cox, Crutcher, Figures, Johnson, Jones, Parker, Proctor, Reed and Wright. Trustees Dean and Junkins voted nay.

Trustee Reed explained the need for the University to have a Founder's Day Banquet as a fund-raiser on Friday during Founder's Day week. He stated that the Finance Committee is recommending approval of the activity and for planning to begin. The recommendation was accepted by consensus.

Trustee Reed reported that the Finance Committee is recommending that Banks, Finley, White & Co. be appointed to do the external audit for fiscal year 2004. On motion by Trustee Jones, second by Trustee Cox and carried by unanimous vote, approval was given for Banks, Finley, White & Co. to be appointed as external auditors for fiscal year 2004.

Trustee Reed indicated that if it would please the chair, he would forego the information items of the Finance Committee report Chairlady Johnson asked him to do so and she thanked Trustee Reed for the Finance Committee report.

Agenda Item X-C—Academic Affairs Committee Report. Trustee Wright, Chair of the Academic Affairs Committee, stated that there were no action items from the Committee. She called on Vice President Evelyn White to give a 2-minute report on some issues the Committee wanted reported to the Board. Vice President Evelyn White reported that regarding the Exit Examinations, during the fall meeting of the Academic Affairs Committee meeting approval was given to reinstate the examinations; that at the January meeting,, Trustee Reed requested that professional opinions be obtained from our legal counsel and a testing expert to determine if there is a conflict between the court ruling on Allen v. State Board of Education and the reinstatement of the exit examinations; that both individuals have indicated that they do not see a conflict in reinstating the examinations.

She reported indicated that the microbiology program remains under review of the Oversight Committee; that no problem is anticipated with the proposal and hopefully

the program can begin in 2005. Vice President White reported that NCATE continuing accreditation announcements have been distributed; that more workshops are being offered to prepare the students for the PEPE and hopefully the report card will improve; that two mini summer sessions will be implemented this summer; that data is being collected on the impact of the new attendance policy; that there is great excitement about finalizing the plans for the education and criminal justice facilities. Trustee Figures asked if procedurally the Board needs to take the exit examination matter off of hold and formally endorse and authorize in view of the fact that counsel has been consulted. Trustee Wright stated that she asked the Board to defer any action from the Academic Affairs Committee; that she needed to bring the matter back up at a later time and that she did not bring it up at this meeting for action; that she feels that the Academic Affairs Committee needs to see the information provided to the University; that she is recommending that the information be accepted and no action taken until the Academic Affairs Committee can meet again. Chairlady Johnson expressed appreciation to Trustee Wright for the report.

Chairlady Johnson called for the **Student Affairs Committee Report—Agenda Item X-D**. Trustee Parker, Chair of the Student Affairs Committee, informed the Trustees that she will mail some information to them next week regarding the concerns of the Committee. She made additional comments about training CDs that can be ordered for the non-academic staff which can be used throughout the year.

Agenda Item XIII—Personnel Actions. Chairlady Johnson called for the Personnel Actions. President Lee indicated that with one exception noted among the academic hires list were individuals who are involved with a special grant program tutoring young children at Southern Normal after school and on weekends that those persons be removed from the list because of the implications; that seeing the individuals on the list in this capacity would lead to a misunderstanding of their actual status with the University; that their employment status is not effected; that the administration will look at another way of presenting individuals who are on special grants and temporary appointments. He asked that the names of Miss Cassandra Culver, Ms. Jeraline Curry and Ms. Mishara Lynn be removed from the list of new academic hires. He stated that the rest of the report is submitted for Board approval. It was moved by Trustee Figures, seconded by Trustee Parker, that the personnel **Recommendations for Promotions in Academic Rank—Agenda Item A; Recommendations for Tenure—Agenda Item B; Academic New Hires—Agenda Item C; Non-Academic New Hires—Agenda Item D; Academic Separations—Agenda Item E and Non-Academic Separations—Agenda Item F** be accepted. The motion was carried by unanimous vote.

Agenda Item XIV—Other Business. Chairlady Johnson introduced Adjutant General Willie Alexander, President of the Alabama State University National Alumni Association, to make a presentation—**Agenda Item XIV-A**. General Alexander expressed appreciation for being allowed to be at the meeting to talk about the stadium proposal and the resolution that was resolved in the February meeting. He reported that

the entire Executive Board fully supports the proposed stadium; alumni from across the country have indicated their desire to have a stadium on campus and they feel that Alabama State should have a stadium on campus. There was much discussion regarding the inability of the Board to provide financial support for the stadium project and the Board receiving in writing from the National Alumni Association what they are requesting the Board to do for review by University Counsel Crystal of the Hawkins Group stated that she is to prepare provide information regarding the stadium project and get it to President Lee for review by the University Counsel. Chairlady Johnson thanked General Alexander for his presentation.

There was no other business to come before the Board and the meeting was adjourned at 1:56 p.m.



Joe A. Lee, President of the University
and Secretary to the Board

APPROVED



Toreatha M. Johnson, Chair of the Board

**BYLAWS OF THE BOARD OF TRUSTEES OF ALABAMA STATE
UNIVERSITY**

ARTICLE I. OFFICERS OF THE BOARD

Section 1. The officers of the Board shall be ex officio President; Chairman (President Pro Tem); Vice Chairman (Vice President Pro Tem); and a Secretary.

Section 2. The term of office for the Chairman and Vice-Chairman shall be for two (2) years. They may be reelected for another consecutive term, but they may not be elected for a third consecutive term. After one intervening election, they may be elected for an additional terms, but not serve beyond their term as members of the Board. ~~The Chairman and Vice-Chairman shall serve two (2) year terms, may be reelected, but shall not serve beyond their term as members of the Board.~~

Section 3. At the expiration of the terms of the Chairman and the Vice Chairman, the Board shall elect, at its regular annual May meeting, from among its own membership, the Chairman and the Vice Chairman who shall serve until their successors are elected. Such election shall be by ballot, and the vote of the majority of the members present shall be required to elect.

Section 4. The President of the university shall be ex officio Secretary of the Board.

Section 5. In the event the Chairman resigns, becomes incapacitated or otherwise cannot complete the term of office, the vice-Chairman shall assume the office of Chairman and

complete the unexpired term. If the Vice-Chairman declines to assume the office, the Board shall, at any regular or special meeting, fill the position for the unexpired term. A vacancy occurring in the office of the Vice-Chairman of the Board shall be filled, for the unexpired term of such officer, by the Board at any regular or special meeting.

Section 6. The Secretary shall give a fidelity bond in the amount prescribed by the Board.

Section 7. The Board may remove any officer of the Board upon conviction of a crime involving moral turpitude, following a due process hearing, upon a vote of the majority of the Board.

ARTICLE II. DUTIES OF OFFICERS

Section 1. The President: The Governor shall be ex officio President of the Board and it shall be his duty to call meetings as herein provided, and to perform such other special duties as shall be vested in him by law or by the Board.

Section 2. The Chairman. The Chairman shall preside over meetings of the Board, certify the expenses incurred by Trustees in the discharge of their duties as trustees, and perform the powers and duties of the President of the Board ~~or by the Board~~ **in his absence.**

Section 3. The Vice-Chairman. The Vice-Chairman shall have and perform the powers and duties of the President and the Chairman during their absence or disability and such other duties as are delegated to him by the President of the Board or Chairman, or by the Board. ~~Nothing in these bylaws shall prohibit the members of the Board of Trustees from impeaching, through a vote of the majority of the members present, any officer prior to the expiration of his/her term. The impeachment vote must be based upon the officer's nonfeasance or misfeasance as an officer of the Board.~~

Section 4. The Secretary. The Secretary shall attend all meetings of the Board and shall keep a fair and true record of the proceedings. He shall countersign all vouchers for payment of expenses of Trustees. He shall give and transmit all notices required by law or resolution. He shall affix the corporate seal to all documents upon which the seal is required by law and which shall have been executed by the President of the Board or other duly authorized officer of the Board pursuant to resolution of the Board. He shall have charge of all books and documents and shall perform such other duties as are delegated to him by the Board of Trustees.

Section 5. No officer of the Board or Committee Chairperson shall have any power or authority, by virtue of his/her position as an officer or Committee Chair, to direct or supervise the President and his administrative subordinates in the discharge of their administrative duties when the Board and its Committees are not in session.

ARTICLE III. MEETINGS OF THE BOARD

Section 1. Robert's Rules of Order, as modified by the provisions of these Bylaws, shall govern the conduct of business of the Board.

Section 2. Regular meetings of the Board shall be held in lieu of those set by Alabama Code, Section 16-5-26, in the month of February during Founder's Day Week, in the month of May during Commencement Week, and ~~at some time~~ during the month of September. Unless otherwise provided by a majority vote of the Board, each adjournment of a regular meeting shall be to a date set by the Chair for the next regular meeting. ~~Upon the application in writing of any four members of the Board, the President of the Board must reconvene a regular meeting or call a special meeting, naming the time and place thereof and causing notices to be issued in writing to the several members of the Board. Such meeting shall not be held on a date less than ten (10) days subsequent to the notices from the President of the Board.~~

Section 3. Special meetings of the Board may be assembled by either one of the two methods outlined as follows: (1) Special meetings of the Board may be called by the governor. In calling such special meetings, the governor shall mail a written notice to each trustee, naming the time and place thereof, at least ten (10) days in advance of the date of such meetings. (2) Upon the application in writing of any four members of the Board, the governor shall call a special meeting, naming the time and place thereof and causing notices to be issued in writing to the several members

of the Board. Such meetings shall not be held on a date less than ten (10) days subsequent to the notices from the governor.

Section 4. The Chairman of the Board and the President of the University shall prepare, in writing, the agenda for all meetings and such explanatory materials and recommendations as may be deemed desirable concerning items on the agenda. He, The President shall transmit by mail such agenda and explanatory materials and recommendations, if any, so as to reach all members at least ten (10) days before the next regular meeting and as soon as possible before each special meeting of the Board. Any member of the Board may require the President of the University to place an item on the agenda by making such request so that the item and appropriate background material can be disseminated to the members of the Board at least five (5) days before the next regular meeting or three (3) days before a special meeting. The agenda shall be approved by the Chairmen of the Board, but A majority of the members present may alter or modify the agenda. No business other than that on the approved agenda shall be transacted, except by majority vote of members present.

Section 5. All meeting shall be open to the public, except a majority of the Trustees present may elect to go into executive session for consideration of matters appropriate in executive session deliberations. Only members of the Board, the President of the University (except in a case of a matter personal to him) and such other persons as are deemed essential to the deliberations shall be in attendance during an executive session.

Section 6. Policy matters, as adopted by the Board, shall be reduced to writing and made available to each member of the Board, and shall be made a part of the appropriate policy manual of the University. Unless otherwise provided, all policy matters shall become effective immediately upon their adoption.

Section 7. All communications to the Board shall be transmitted through the President of the University in his capacity as Secretary of the Board, shall be in writing, and if approved by the Chairman, shall be placed on the agenda. Except as provided by the agenda, no person shall be allowed to address the Board unless by majority vote of all members present.

ARTICLE IV. COMMITTEES

Section 1. Standing Committees of the Board are the Executive Committee, the Committee on Finance and Property, the Committee on Academic Affairs and the Committee on Student Affairs. **The Standing Committees shall be composed of five (5) members. Membership on the Standing Committees shall be for two years to coincide with the terms of the officers of the Board. Except for the Executive Committee, all committee members shall be appointed by the Chairman.**

Section 2. ~~The Executive Committee shall consist of the officers of the Board and two (2) persons elected from the membership of the Board by a majority of the members present.~~ **The Executive Committee shall consist of the Chairman and Vice-**

Chairman of the Board, the immediate past Chair of the Board, and two members elected at-large. In the event that the immediate past Chairman is no longer a member of the Board, or otherwise ineligible to serve, the next immediate preceding Chairman of the Board shall serve on the committee, and in the absence of such a member, then a third at-large member shall be elected to the committee. In the event it is not possible for the Chairman of the Board to get a quorum of the Board present for a regular or special meeting after he/she has made a diligent effort to do so, then the Executive Committee shall exercise those powers of the Board required to meet the emergency governance needs of the University until such time as a quorum can meet, The executive Committee shall exercise those powers of the Board, except: that it shall not appoint, remove or fix the salaries of faculty and other officers and professional and operating personnel; alter or modify the governance of the University, prescribe courses of instruction or rates of tuition and fees, confer academic and honorary degrees; elect or remove the President of the University; convey or encumber real estate; and revoke any previous order, resolution or vote of the Board or otherwise amend Board policy. The Executive Committee shall meet upon call of the Chairman of the Board or any two of its members and shall report all its interim actions at the next regular meeting of the Board.

Section 3. The Committee on Finance and Property shall function between meetings of the Board as necessary. It shall consist of ~~four~~**five** members appointed by the Chairman, with the advice and consent of the Board, to staggered two-year terms subject to reappointment and to coincide with terms of membership on the Board. The Committee

shall see that all funds are employed in furtherance of University purposes and that all requirements placed on special funds from any source are adhered to. It shall have power to inquire into and review the process of developing and administering the University budget, meet with auditors, hold discussions with the President or his designee(s) and other administrators concerning any matter affecting the University finances, and recommend appropriate action where necessary; review appropriations requests, mission, fees and assessments; and review the management, maintenance, and development of the physical plant, acquisition and disposition of property, land, facilities, and equipment; make reports, recommendations, and/or bring to the Board's attention any matter it deems appropriate concerning the finance and property of the University and carry out other duties assigned by the Board. **Upon the recommendation of the President, the Committee may authorize the reallocation of existing budget funds from one line item to another in an amount not to exceed 20% of the amount of such line item.** The Committee may not carry out any action that is inconsistent with the policies of the Board. Nothing herein shall be construed to preclude any individual Board member from inquiring into the affairs of the University.

Section 4. The Committee on Academic affairs of the Board of Trustees shall review and evaluate recommendations from the administration relating to academic organization, curricula, and other matters having to do with faculty and academic affairs. The Committee shall make appropriate recommendations to the Board when action is required on such matters. The Committee shall take no actions that are contrary to Board policy.

Section 5. The Committee on Student Affairs of the Board of Trustees shall review and evaluate recommendations from the administration relating to issues that affect students' lives and welfare. Such issues include, but are not limited to, health and safety matters, pre-college orientation, housing and food service, the student center, career planning and placement, intramural and intercollegiate athletics, racial and cultural diversity and the student disciplinary and ethics code. The Committee shall make appropriate recommendations to the Board when action is required on such matters.

Section 6. Special committees may be appointed by the Chairman for matters specially assigned to such committees and shall remain in existence until completion of their charge. All actions of such committees shall be subject to approval of the Board as a whole.

Section 7. The Chairman and Secretary shall be ex officio members of all special committees and participate in committee discussion but shall not offer motions or vote. Where the Chairman is appointed to a committee, as a member thereof, he shall be entitled to offer motion and to vote just as other members of the committee.

Section 8. A majority of the members of Standing and Special Committees shall constitute a quorum.

Section 9. The minutes of all committee meetings shall be provided to members of the Board. The several committees of the Board of Trustees shall meet at the call of the chair

of each committee. Notice of the time and place of the meeting, and an agenda for same, must be sent to all members of the Board of Trustees at least five days before the meeting. All trustees may attend the meetings but only committee members may participate in the deliberations or vote, except at the request of committee members. Within ~~seven (7)~~ fifteen (15) business days after such a meeting, the Chair of the Committee shall prepare a report on the salient matters that came before the committee. The report shall contain any recommendations that resulted from discussions in the meeting, along with appropriate supporting documentation for same. The report is to be disseminated ~~immediately~~ to all members of the Board of Trustees so as to arrive to each member at least ~~seven~~ **five** days before any item within it is to be deliberated upon at a meeting of the Board of Trustees. Such report, including supporting documentation, must also be presented to the President so that appropriate items may be placed upon the agenda for the Board meeting.

Section 10. Meetings of a standing or special committee shall be called by the chair of the committee. Such meetings must be called in such a timely manner as to enable the President to give each Board member at least five (5) days prior notice of any committee meetings, together with the proposed agenda for such meetings.

ARTICLE V. VOTING

Section 1. Action by the Board and by committee shall be taken by a majority of the quorum present, unless otherwise herein provided. Voting by proxy or any designated

representatives for members of the Board shall be prohibited in all meetings of the Board and in all meetings of committees of the Board.

ARTICLE VI. UNIVERSITY OFFICERS

Section 1. The President of the University shall have the authority and responsibility for the administration of all operations and the day-to-day affairs of the University. He shall be spokesman for the University and interpreter of University policy, as declared by the Board. He shall be ex officio chairman of the faculty and a non-voting member on all committees in the University. He shall make periodic reports to the Board as he deems advisable or as the Board requests.

Section 2. The President shall have power at his discretion to delegate to the vice-presidents and to other officers such of his authority as will assist him in the performance of his duties and facilitate functioning of the institution. The Faculty Senate, the various councils and such standing, ad hoc and advisory committees shall also assist him, as he shall deem appropriate.

Section 3. The Board shall, upon recommendation of the President of the University appoint a vice-president who shall be the chief fiscal officer, responsible to the President of the University and accountable to the Board of Trustees for the annual operating budget and all financial and business affairs of the University. This vice-president shall be responsible for maintaining records of all accounts and all receipts and disbursements

on accounts of the University. He and other designated subordinate officers shall give such bonds, as the Board shall require.

Section 4. The Board shall, upon recommendation of the President of the University, appoint vice-presidents, deans and such other officers, as it deems necessary for operation of the University.

Section 5. The duties of the President of the University and other administrative officers shall be published in appropriate policy manuals of the University.

ARTICLE VII. HONORARY DEGREES

Section 1. Honorary degrees shall be awarded upon recommendation of the President of the University if approved by a two-thirds vote of the Board. Types of persons who may be recognized with honorary degrees are prominent educators leaders in the public affairs, statesmen, civic leaders, businesspersons, professional persons, and distinguished persons in the arts, sciences and the humanities.

Section 2. Honorary degrees shall not be awarded to active employees of the University or to active members of the Board.

Section 3. Names of all nominees for honorary degrees shall be held in strictest confidence and shall be considered by the Board only when meeting in executive session. No honorary degree shall be conferred in absentia.

Section 4. In addition to the selection process enumerated above, the President or any Trustee may, at a regular or special meeting of the Board, recommend a qualified candidate for an honorary degree and by unanimous vote of the Trustees present and voting, such degree shall be awarded.

Section 5. To name or rename any University facility in honor of an individual, the Board shall follow the procedure set forth in the bylaws to confer an honorary degree.

ARTICLE VIII. AMENDMENTS

Section 1. These bylaws may be amended by action of a ~~majority~~ **two thirds** vote of the members of the Board present at any regular or special meeting; provided, however, that notice of the proposed addition of amendment shall be given to each member of the Board and the President of the University at least ~~ten~~ **twenty (20)** days prior to such regular or special meeting.

Amendment to Section 2.3 of the Personnel Policy Handbook

No person shall be permanently employed in an executive, administrative, or senior managerial level position without the prior approval of the Board. However, should the President feel it is necessary to the operation of the University that such a position be filled on an interim basis, he may do so. However, if the President has identified the person he/she wishes to fill the position on a permanent basis, the President shall submit such person's name to the Executive Committee. Should the Executive Committee endorse the candidate, he/she may be hired temporarily and his/her name forwarded to the whole Board for approval.

ALABAMA STATE UNIVERSITY

RESOLUTION

VIVA HEALTH BENEFITS

WHEREAS, in an effort to provide comprehensive and affordable health insurance option to our employees, Alabama State University hereby resolves to offer VIVA HEALTH benefits in unison with the current benefits being provided by Blue Cross Blue Shield of Alabama; and

WHEREAS, VIVA HEALTH, INC., an affiliate of the UAB Health System and managed care company in the state of Alabama provides a fully insured healthcare benefit plan to the employees of Alabama State University; and

WHEREAS, VIVA HEALTH option provides comprehensive health care coverage with no calendar year deductible; Pharmacy Benefits; Routine Vision Exams; and no pre-existing waiting period for health coverage:

THEREFORE BE IT RESOLVED: That effective October 1, 2004, the Board of Trustees authorizes, at the discretion of the President, VIVA HEALTH benefits to the employees of Alabama State University.

Alabama State University

RESOLUTION

Health Insurance Premium Rate

WHEREAS, in an effort to contain cost and provide affordable health insurance to our employees, Alabama State University hereby resolves to pay health insurance premiums at a ratio of employer/employee (75/25 percent) for all single health insurance premiums.

THEREFORE BE IT RESOLVED: That effective October 1, 2004, The Board of Trustees establishes that Alabama State University will pay health insurance premiums at a ratio of employer/employee (75/25 percent) for all single health insurance premiums.

RESOLUTION

ALABAMA STATE UNIVERSITY BOARD OF TRUSTEES Recommending

A 7-GAME SWAC FOOTBALL SCHEDULE

Whereas, the Finance and Property Committee of the Alabama State University Board of Trustees recalls the SWAC Football scheduling cycle, adopted prior to the 1999-2000 season by the SWAC Council of Presidents; and

Whereas, noting with regret, that the adopted cycle was changed prior to the 2002 season to a nine game conference schedule; and

Whereas, recognizing the opportunities that each member of the SWAC has to compete in games outside of the Conference; and

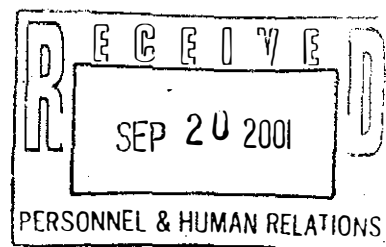
Whereas, believing that it is in the best interest of each SWAC member institution to require that all SWAC institutions play each other each season;

Be it Resolved that the Finance and Property Committee of the Alabama State University Board of Trustees recommends that the SWAC return to the original football scheduling cycle, adopted prior to the 1999-2000 season, calling for each SWAC institution to play a seven (7) game conference schedule, thus allowing institutions to schedule four (4) contests outside of the SWAC if desired, fully understanding that some institutions will continue to schedule SWAC institutions, but not mandating the scheduling of all SWAC institutions.

Joe L. Reed, Chair,
Finance and Property Committee
Alabama State University
Board of Trustees

Date

CONTRACT OF EMPLOYMENT



STATE OF ALABAMA)
MONTGOMERY COUNTY)

This Contract, is made and entered into in the City of Montgomery, Alabama, on this the 20 day of September, 2001, by and between the Board of Trustees for Alabama State University, (hereinafter referred to as the Board) and, Joe A. Lee, (hereinafter referred to as President), and is subject to the terms and conditions hereinafter set forth.

WHEREAS, Code of Alabama, (1979), as amended, § 16-50-23 authorizes the Board, inter alia, to organize the University by appointing a president...whose salary shall be fixed by the Board and who shall serve as chief executive officer of the University; and

WHEREAS, the Board has, by Resolution, appointed Joe A. Lee, President and Chief Executive Officer of Alabama State University, and does hereby authorize the Chair of the Board to enter into this contract of employment.

NOW THEREFORE, in consideration of the mutual conditions and covenants contained herein, it is agreed by and between the parties as follows:

A. GENERAL CONDITIONS OF EMPLOYMENT

1. APPOINTMENT

The Board hereby appoints Joe A. Lee as President of Alabama State University (hereinafter sometimes referred to as "ASU") and Joe A. Lee hereby accept such appointment.

As President, Joe A. Lee, shall be the chief executive officer of Alabama State University and shall have charge of its administration under the policies of the Board and all applicable laws. The President agrees that he will at all times faithfully, industriously, and with the best of his experience, ability, and talent, perform all of the duties required pursuant to the terms of this Contract and the official policies of the Board. The position description is attached hereto and incorporated herein.

2. DURATION OF CONTRACT AND EVALUATION OF PERFORMANCE

Subject to the provisions herein, it is understood that the President of the University serves at the pleasure of the Board. The President's appointment and employment as President of ASU shall be for the term commencing September 1, 2001,

and it is the intent of the Board that said contract should renew annually through August 31, 2005. In addition, the Board and the President may extend this contract annually.

In the event the Board is interested in continuing the services of the President beyond August 31, 2005, the parties agree that not less than nine (9) months prior to August 31, 2005 they will begin negotiations for a new contract, which negotiations should be concluded not less than three (3) months prior to August 31, 2005. In the event the Board is not desirous of continuing the services of the President beyond August 31, 2005, then the Board should so notify the President not less than nine (9) months before said date.

The President shall recommend and the Board shall annually set goals for ASU and for the President. The President's performance will be evaluated annually by the Board on the basis of these goals and other criteria relevant to the performance of the President. Following each evaluation, the Board shall identify areas of deficiency, if any, and upon consultation with the President, develop a plan for corrective action.

3. COMPENSATION

Beginning September 1, 2001, the Board shall pay the President an annual base salary of One Hundred Fifty Thousand Dollars (\$150,000.00), payable in equal monthly installments. The President's salary will be reviewed annually by the Board and, in the Board's sole discretion, may make such annual increases as it deems appropriate giving due consideration to the evaluation of the President, his accomplishments, and his job performance during the prior year.

In addition to the aforementioned base salary, the President shall, in the sole discretion of the Board, be entitled to any cost of living increase that all other University faculty and administrative staff receive. In addition, in recognition of his accomplishments, the Board may, in its sole discretion, grant such meritorious compensation as it deems appropriate.

4. DESIGNATED OTHER BENEFITS

In addition to his salary, and including any increases, if any, except as otherwise provided in this contract, the President will be entitled to all normal and customary fringe benefits extended to ASU's faculty and administrative staff, including but not limited to, sick leave, participation in the retirement program through the retirement system of Alabama, medical and life insurance, workers compensation insurance, the right to participate in all optional insurance programs and payment for memberships and other related expenses for professional organizations designed to enhance his knowledge, skills and professionalism.

The President shall earn annual leave at the rate of two (2) days per month.

The Board shall pay One Thousand Two Hundred Fifty Dollars (\$1,250.00) annually as premium on any desired benefit selected by the President, including but not limited to the TIA-CREF Plan.

The President shall have use of an ASU Corporate Credit Card for expenses related to his employment. He shall also be provided with a cellular telephone and paging system at ASU expense.

At the conclusion of two (2) academic years, the Board, in its sole discretion, based upon the accomplishments of the President, may authorize such sabbatical for the President as it deems appropriate for his personal and professional development. The terms and conditions of such sabbatical, if any, shall be approved by the Board.

5. RESIDENCE

As a condition and for the duration of his employment as President, Joe A. Lee, is required to live in and use with his immediate family and guests, the President's home, which is located on the campus of Alabama State University. This condition is imposed for the convenience and benefit of ASU because the Board has determined that the President should reside near campus in order to embody the spirit of ASU and to be easily available for ASU functions. The residence and its grounds shall be maintained in a good state of repair by ASU and public areas shall be furnished by ASU which furnishings shall remain the property of ASU. The Board shall provide and pay for all utilities at the President's residence including the provision of reasonable housekeeping services. The Board shall provide appropriate insurance, including liability insurance for the protection of the President's personal property, including all furnishings and household goods located therein.

The President's residence shall be equipped with a watts line, a facsimile system, cable television and computer equipment with up-to-date technology and convenience.

6. AUTOMOBILE

Upon acceptance of the position and arrival to work, the President will be entitled to the use of a new automobile provided by the Board. The maintenance, leasing, operating, insurance and other costs associated with this vehicle, including a cellular telephone, will be paid by ASU. The Corporate Credit Card shall also be available for this purpose.

7. ENTERTAINMENT AND TRAVEL EXPENSES

The reasonable cost of all official entertainment and travel by the President shall be reimbursed or paid for by ASU. The Board recognizes that the President's spouse may be helpful to him in performing his duties as President, and to the extent permitted

by Alabama law, any expenses incurred in connection with the President's spouse in the performance of his official duties, shall be reimbursed by ASU. In addition, the President may attend educational conferences, conventions, seminars, other professional activities, and other meetings to advance the interests of ASU. The reasonable expenses connected therewith shall be reimbursed. Reimbursement shall also be provided for membership in appropriate professional, service, and civic organizations that will enhance the goodwill of the University.

8. RELOCATION ALLOWANCE

ASU shall reimburse the President for the actual moving expenses up to Five Thousand Dollars (\$5,000.00) for all reasonable relocation costs for the President and his family, which shall be in addition to the compensation identified in section 3 above.

9. TERMINATION

This employment Contract may be terminated as follows:

1. Mutual written agreement of the parties.
2. Resignation from the presidency, provided that the President gives the Board at least six (6) months written notice of the proposed resignation.
3. Termination for just cause. In the event the Board of Trustees determines that just cause exists, it may terminate this contract, provided, however, that prior to voting on a proposal to terminate this contract for just cause, the Board shall give the President a reasonable opportunity to meet with the Board in an executive session, if so requested by the President, to discuss the proposed termination.

Termination for just cause requires a majority vote of the Board to dismiss the President. The President shall be entitled to a hearing before the Board in an executive session.

B. GENERAL PROVISIONS

1. ENTIRE CONTRACT

This Contract contains the entire Contract concerning the employment arrangement between the parties and shall, as of the effective date hereof, supersede all other Contracts, if any, written or oral, between the parties. The parties stipulate that neither of them has made any representation with respect to the subject matter of this Contract except such representations as are specifically set forth herein. Each of the parties

acknowledges that it has relied on its own judgment in entering into this Contract.

2. MODIFICATION OF THE CONTRACT

No wavier or modification of this Contract or of any covenant, condition, or limitation herein shall be enforceable unless in writing and duly executed by the party to be charged therewith, and the parties further agree that provisions of this section may not be waived except as herein provided.

3. WAIVER OR BREACH

No wavier by either party of any rights under this Contract will be valid unless set forth in writing signed by that party. The failure of either party to insist strict performance of this Contract shall not be construed as a wavier.

4. GOVERNING LAW

This Contract has been entered into by the parties in the State of Alabama. It is to be construed as a contract in accordance with the laws of the State of Alabama and its terms and conditions shall be subject to all applicable State and Federal laws.

5. VENUE

It is agreed by and between the parties that in the event legal action is brought by either party against the other on any matter arising out of this contract, it is agreed that such action shall be commenced in a State Court of competent jurisdiction in Montgomery County, Alabama.

6. DISBURSEMENTS SUBJECT TO AUDIT BY THE ALABAMA DEPARTMENT OF PUBLIC ACCOUNTS

It is understood by and between the parties that ASU is a State University and that all expenditures made by any official of the University, including the President, are subject to audit by the Alabama Department of Public Accounts. The President agrees that any and all expenditures that he authorizes will be done in accordance with the applicable law and in consultation with the Alabama Department of Public Accounts.

7. NOTICES

All notices required or permitted to be given under this Contract shall be in writing and shall be mailed, postage prepaid, by registered or certified mail

or personally delivered with signed receipt of delivery made. Notice given by registered mail shall be deemed made three (3) days after mailing. Notices shall be addressed to the respective parties as follows:

If to Alabama State University Board of Trustees:

Chair, Board of Trustees
Alabama State University
Attn: Secretary of the Board
Administration Offices
915 South Jackson Street
Post Office Box 271
Montgomery, Alabama 36101-0271

If to President Joe A. Lee:

President's Residence
1135 North University Drive
Montgomery, Alabama 36104

8. SEVERABILITY

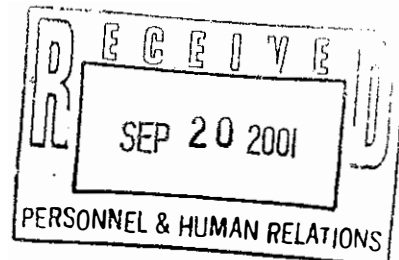
If any provision of this Contract shall be determined to be void, invalid, unenforceable or illegal for any reason, it shall be ineffective only to the extent of such prohibition, and the validity of the remainder shall not be affected thereby.

IN WITNESS WHEREOF, the parties have hereunto set their hands this 20 day of September, 2001.

**BOARD OF TRUSTEES FOR ALABAMA
STATE UNIVERSITY**

By [Signature], Chair

[Signature], President





ALABAMA STATE UNIVERSITY

MONTGOMERY, ALABAMA 36101 • 334 / 229-4200

OFFICE OF THE PRESIDENT

September 27, 2004

To Members of the ASU Board of Trustees:

I am pleased to present this report on positive publicity generated by the Office of University Relations about Alabama State University over the past year (September 2003 – present). As cited on the enclosed matrix, University Relations issued 140 news releases on outstanding programs, events and personalities connected to ASU and another 7,025 hometown news releases on graduates and honor students, which were disseminated nationwide.

Highlights of print and broadcast media coverage generated by the University's public relations program are provided for your review. Please note that the total number of articles and stories generated last year far exceeds the overview that is provided.

All toll, 82 features were generated last year, 84 news briefs on accomplishments and/or upcoming events were published, and the University's name was mentioned in another 75 articles. Thus, the University received positive publicity at least 241 times in state newspapers last year.

Positive television coverage during this period resulted in 455 stories. The Nielsen audience for all TV coverage exceeded 17 million.

Beginning in October, you will be able to read ASU's positive statewide print media coverage daily online at www.asutoday.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Joe A. Lee".

Joe A. Lee