



**ALABAMA STATE UNIVERSITY BOARD OF TRUSTEES MEETING
DUNN-OLIVER ACADOME BOARD ROOM**

**May 9, 2014
10:00 A. M.**

MINUTES

I. CALL TO ORDER

The meeting of the Alabama State University Board of Trustees was called to order by Chairman Elton N. Dean, Sr., at 10:05 A.M. in the Dunn-Oliver Acadome Board Room.

II. INVOCATION

The invocation was given by Interim Vice President for Buildings and Grounds Mr. Eric Thornton.

III. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited by all.

IV. ESTABLISHMENT OF QUORUM

Upon completion of roll call, President Gwendolyn Boyd, affirmed a quorum. Board Members present were: The Honorable Elton N. Dean, Sr., Honorable Marvin L. Wiggins, Honorable Lucy Baker, Honorable Buford Crutcher, Honorable Taylor Hodge, Honorable Larry Thornton, Honorable Alfreda Green, Honorable Robert Gilpin and Honorable Herbert Young. Board Members absent were: The Honorable Robert Bentley, Honorable Thomas Figures and Honorable Bobby Junkins.

V. ADOPTION OF AGENDA

Trustee Baker moved to adopt the agenda, and the motion was seconded by Trustee Crutcher. The agenda was unanimously adopted.

VI. APPROVAL OF MINUTES – February 7, 2014

Chairman Dean called for the adoption of the minutes of the February 7, 2014 meeting. Trustee Wiggins moved to adopt the minutes. Trustee Baker seconded the motion and the minutes were unanimously accepted.

VII. ELECTION OF OFFICERS

Attorney Kenneth Thomas was asked to preside over the election of officers by Chairman Dean. Trustee Gilpin stated that the elections, according to Section 3 Article 1 of the Board of Trustee Bylaws, are to be done by ballot. Trustee Thornton moved that the board maintain the existing chair and vice chair. Trustee Crutcher seconded, 8 trustees voted for and 1 abstained, Trustee Gilpin. Trustee Hodge suggested that the board remain in order and utilize a ballot as prescribed in the bylaws for the record. Ballots were cast for the chair 9 ballots were cast in favor of Chairman Dean. Ballots were cast for the vice chair position and 8 voting trustees voted in favor of Trustee Wiggins and 1 trustee, voted in favor of Trustee Thornton. Based on the ballots Chairman Dean and Vice Chairman Wiggins will maintain their positions respectively. Chairman Dean thanked all to include Trustee Gilpin for noting the correct election protocol.

VIII. PRESIDENT'S REPORT

Dr. Gwendolyn Boyd began the president's report by unveiling the ASU Happy Video to the board.

- Dr. Boyd's 100 day report and the inauguration save the date card was distributed to all trustees. Thanks were extended to Destini Brae, an ASU student who works in the president's office, who helped prepare the 100 day report.
- Gratitude was extended to the student team who manage the ASU social media. 50-400,000 hits are daily received between Facebook, Twitter and Instagram which solidifies that others see ASU as a quality world class institution and they view ASU as authentic.
- The campus is undergoing a facelift. Mr. Thornton and his team were thanked for renewing and giving the main marquee and other sites a facelift.
- iCafe open the morning of May 9th serving Starbucks coffee. This development completes the square foot usage in the Levi Watkins Learning Center. It should bring in tremendous revenue.
- ASU is presently starting the search for a franchise for the stadium which will lead to another additional revenue stream.
- ASU is a part of the joint committee with the Montgomery community for the 50th Anniversary of the Selma to Montgomery March and the 60th anniversary of the Montgomery Bus Boycott.
- Commencement is Saturday, May 10th and the speaker is the actress Suzanne Douglas Cobb. Dr. Boyd expressed her pleasure with the number of students that will be receiving degrees.
- Alumni James and Juliette McNeil donated a \$100,000 as an alumni challenge scholarship for graduating seniors.
- The Montgomery Alumni Chapter of Delta Sigma Theta Sorority has made a donation of \$22,000 to ASU in honor of president.

- After two specific speaking engagements with new donors who have never been on the campus of ASU or given to ASU before Dr. Boyd obtain \$4,500 in donations.
- ASU is 1 of 11 beneficiaries of a program that will take place at Carnegie Hall in New York. ASU is the only academic institution to be a beneficiary of the event.
- Dr. Boyd and Zillah Fluker, VP of Development, will be hosted by Governor Dan Maloy at the Connecticut Science Center on May 14th. Governor Maloy plans to announce the Brandon L. McGhee Jr. Scholarship for Stem in honor of Brandon McGhee who is a 2004 graduate of ASU and serves in the House of Representatives for the State of Connecticut.
- The Zelia Stephens Early Childhood Center will remain open for business. It will receive state support for grades 1-3. This was accomplished with the work of Provost Wilson and help of State Superintendent Bice and Ms. Ella Bell.
- A military engagement dinner was held and the participants included the Heads of Alabama National Guard, Commandant from Maxwell, President of Air University, and the head of the VA association for the state of Alabama. All expressed their excitement about working with the university. As a result of the feedback from the event ASU will be developing an office of veterans affairs.
- ASU now has a master calendar to right size and reduce activities and to establish a protocol for events so that all programs are presented in the best light.
- The football schedule is out and the Turkey Day Classic will be held on November 22nd which is the Saturday before Thanksgiving. Additional information is on the website.
- September 5th is the Inauguration.
- Inaugural Day Classic will be held on September 6th when ASU will play Tennessee State University. There will be a battle the bands.
- ASU experienced the death of two seniors this year, Alexandria Ayers and Sylvester Moore. A memorial service, which had never been done before, was held with over 500 attendees. As a result ASU has developed a policy for awarding degrees to students posthumously.
- A retention taskforce has been established.
- In June ACHE will vote on our BS in Bio Medical Engineering and our Master in Social Work degrees.
- As a part of the standard procedures for operations ASU will follow the 10-4 schedule, in which the school will be closed on Fridays, for the summer months, with the exception of essential personnel.
- ASU has responded to the attempts to relocate the Interpretive Center.
- ASU responded to any requests by Moody's and SACS.

IX. STUDENT GOVERNMENT ASSOCIATION REPORT

The new student government president, Darren Dubose, introduced himself, his leadership team and Miss ASU. Mr. Dubose outlined his goals for the 2014 – 2015 academic years:

- Completion of the iCafe.
- To be the voice for the students and their concerns.
- Maintain good relationship between the SGA and the Board of Trustees
- Make sure there is good customer service.
- Implement hornet alert where text messages can be sent to keep students aware of activities and to serve as a means of communication.
- Build upon the student life and make sure students have more activities on campus.
- Repair academic excellence.
- Create a big brother big sister program for incoming freshmen.
- Create designated tutoring hours.
- Establish a printing place as the students are concerned with having a place for free printing.

X. Faculty Senate Report

Dr. Charlie Hardy, Chair of the Faculty Senate presented the Senate's new newsletter. He recognized and congratulated Dean Booth for her leadership with the College of Business Administration. He thanked and welcomed Dr. Franklin to the Faculty Senate. He announced that Dr. Dorothy Pain is retiring from the senate and as an ASU professor and Dr. Hardy presented her with a plaque. Dr. Pain thanked ASU and committed her support to Dr. Boyd.

Dr. Shirley Barnes, vice chair of academic excellence committee introduced the committee and gave an overview of their concerns and agenda.

XI. Non-Academic Staff Senate

No report was given.

XII. Executive Privilege

Chairman Dean took executive privilege and invited Attorney Donald Watkins to speak. Attorney Watkins congratulated Chairman Dean and Vice Chairman Wiggins on their reappointments and he also congratulated Dr. Boyd on her appointment as the president of ASU. He stated that the FBI had been working with ASU since December of 2013 and that they wanted to help ASU and develop a partnership with ASU.

Chairman Dean thanked Attorney Watkins for support to ASU pro bono.

XIII. COMMITTEE REPORTS

A. Student Affairs Committee

By the request of Dr. Smith,

- Chairman Dean presented the resolution to adopt the smoke and tobacco free policy for the students. Trustee Wiggins moved and Trustee Baker seconded. The resolution was unanimously accepted.
- Chairman Dean presented the resolution to establish the Office of Veteran Affairs. Trustee Baker moved and Trustee Hodge seconded. The resolution was unanimously accepted.
- Chairman Dean presented the resolution to rename the Office of Minority and International Student Affairs to be named the Office of Diversity and International Affairs. Trustee Hodge moved and Trustee Wiggins seconded. The resolution was unanimously accepted.
- Chairman Dean presented the resolution to rename the Office of Student Affairs to the Office of Student Life. Trustee Baker moved and Trustee Wiggins seconded. The resolution was unanimously accepted.

B. Athletics Committee

Trustee Baker, Chair of the Committee yielded the floor to Mr. Hines, Acting Director of Athletic Department. Mr. Hines reported that season tickets were being loaded into the system and that this should be done by May 15th. Trustee Young inquired about the substantial delay in getting the tickets out. Mr. Hines reported that ticket prices have been significantly reduced for early bird purchasers as an incentive due to the delay.

Trustee Young commended Mr. Hines for the athletic achievements. Mr. Hines stated that all of the teams are doing well. Trustee Baker inquired about the commissioner cup and Mr. Hines informed him that we are in first place in most categories, but the official announcement has not been made.

C. Academic Affairs Committee

Trustee Hodge, Chair of the Committee, yielded the floor to Dr. Wilson, Interim Provost Vice President for Academic Affairs. Dr. Wilson introduced the resolution for awarding degrees to students posthumously. Trustee Baker moved and Trustee Wiggins seconded and the resolution was unanimously accepted.

D. Development Committee

Trustee Gilpin, Chair of the Committee, presented the MOU between ASU and the ASU Foundation. Trustee Gilpin moved and Trustee Crutcher seconded and it was unanimously accepted.

E. Finance Committee

Trustee Young, Chair of the committee, reported that there is mis-information being communicated. Moody's has not asked for any re-order of the university other than the reduction of expenses. Trustee Young introduced a resolution to establish a hiring freeze that would only permit new hires and or new contracts with the board of trustee approval. Trustee Gilpin questions the hiring to replace existing positions and expressed concern regarding the clarity of the language in the document. Dr. Boyd inquired about the hiring of the required individuals for the upcoming new programs. Chairman Dean stated that no essential positions have to wait until September for the convening of the Board of Trustee meeting since an executive meeting can be called to not delay the process. Dr. Boyd informed the board that there is someone that an offer has been extended to and that ASU was merely waiting to receive the signed contract. Trustee Thornton questioned the moving forward on the organization chart and the effect of the hiring freeze. Trustee Young moved to accept the resolution and Trustee Baker seconded. 8 voted for and one abstained, Trustee Gilpin. Trustee Young presented a resolution to hire a consultant to work with SACS to advise the board in the process. Trustee Gilpin expressed concerns and suggested an amendment to the document that the board of trustees would approve the consultant with the president. The suggested amendment was notated. Trustee Baker moved and Trustee Hodge seconded and the board unanimously voted for the resolution.

F. Audit Committee

Trustee Green, Chair of the committee, reported that the WVAS Audit was completed without findings. Trustee Young moved to accept the audit, Trustee Baker seconded and the board unanimously voted to accept the audit. Trustee Green stated the Warren Averett Audit is complete and that there were limited findings. She further stated that this is a better audit than previous, however, as a result of the open FSS audit Warren Averett issued a qualified opinion. Dr. Gallot stated that it is best to have an unqualified over a qualified opinion.

D. Property Committee

Chairman Dean, Chair of the Committee, yielded the floor to Mr. Thornton who stated that ASU is presently looking into additional housing options. Three companies

presented options and two are expected to make presentations. Dr. Knight suggested they hold on making the housing decision until it is determined what we can legally do. Trustee Crutcher agreed to help facilitate the presentations.

XIV. APPROVAL OF PERSONNEL ACTIONS REPORT (*January 11, 2014 – May 8, 2014*)

A list of new hires was reviewed by all, Chairman Dean noted that the VP of Finance is not on the report as they are out of town and need to sign contract. The one new hire is the VP of IT. Trustee Baker moved to receive the personnel actions, Trustee Gilpin seconded. 7 voted in favor, 1 abstained and 1 opposed, Trustee Young.

XV. Other Business

Trustee Wiggins expressed concern about the resolution that affected international travel as some grants that fund this type of travel.

Dr. Boyd via Dr. Wilson presented the recommendations for Promotion and Tenure. Trustee Young expressed concern for not getting reports and resolutions 5 days prior to the meeting. He also suggested that information not obtained in advance should not be entertained in the future. Trustee Thornton moved to accept the promotion and tenure recommendation, Trustee Gilpin seconded. 7 voted for and 2 abstained, Trustee Green and Trustee Young.

Chairman Dean expressed gratitude for the faculty and staff. He also articulated concern for the negative publicity and attested that they are not criminals on the Board of Trustees. He encouraged the media to report the many positive things going on at ASU on the news.

Chairman Dean presented the resolution to change the human resources policies for suspension with pay. Trustee Young moved, Trustee Baker seconded and all unanimously voted in favor.

Chairman Dean presented the resolution to change the human resources policies for compensatory time off. Trustee Baker moved, Trustee Wiggins seconded and all voted in favor.

Trustee Wiggins presented the resolution to establish intergovernmental relationship with the FBI and the payment of legal fees to Donald Watkins. Trustee Young requested to table the vote on the resolution due to the language in the document. Trustee Young moved, Trustee Gilpin seconded, 8 voted in favor and 1, Trustee Wiggins, opposed.

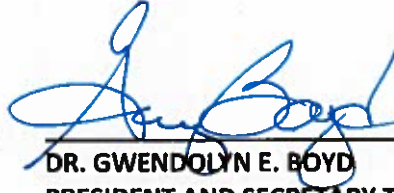
Chairman Dean requested to conduct a workshop regarding the organization chart and the Trust for Excellence in meeting on May 23, 2014. Trustee Baker moved, Trustee Crutcher seconded and all voted in favor.

XVI. Adjournment

The meeting recessed at 12:11 PM.



ELTON N. DEAN, SR., CHAIRMAN
ALABAMA STATE UNIVERSITY
BOARD OF TRUSTEES



DR. GWENDOLYN E. BOYD
PRESIDENT AND SECRETARY TO THE
ALABAMA STATE UNIVERSITY BOARD OF TRUSTEES

DATED: 5/9/14

RESOLUTION

ALABAMA STATE UNIVERSITY

Alabama State University Smoke and Tobacco Free Policy for Students

Whereas, the effects of smoking and tobacco use have become a matter of national concern in the United States because of its link to diseases, i.e., cancer and heart disease, and death;

Whereas, in order to protect its students from the harmful effects of smoking and tobacco, Alabama State University has elected to become a smoke and tobacco free campus;

Whereas, to accomplish the Administration's goals of becoming a smoke and tobacco free campus, the Administration has deemed it appropriate to bring forth the attached Smoke and Tobacco Free Policy to the Alabama State University Board of Trustees for review and adoption;

Be it Resolved, that the Alabama State University Board of Trustees deems smoking and tobacco use to be a matter of concern for Alabama State University students; and

Be it Resolved, that the Alabama State University Board of Trustees hereby adopt the attached Smoke and Tobacco Free Policy for Students to assist with improving the air quality and health, and

Be it Further Resolved, that the Alabama State University Board of Trustees approves the revisions to Article II and Article IV of "The Pilot", the official student handbook, as attached hereto, to acknowledge this policy change.

Done on this 9th day of May, 2014



Gwendolyn E. Boyd
President of Alabama State University
Secretary to the Board of Trustees



Elton N. Dean, Sr.
Chair, Alabama State University Board of Trustees

RESOLUTION

ALABAMA STATE UNIVERSITY

Establish the Office of Veterans Affairs

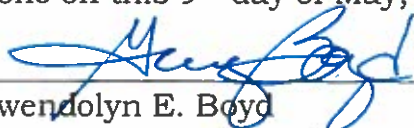
Whereas, the Division of Student Affairs includes providing services for a all students to include a growing population of veterans, and

Whereas, the Office of Veterans Affairs will provide, facilitate, and coordinate programs and services to meet the special needs of veterans, service members, dependents, and survivors in order to ease their transition to college life and fulfill their educational goals; and

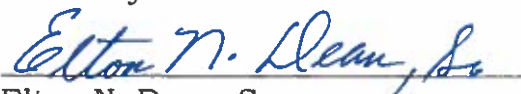
Whereas, the vision of the Office of Veterans Affairs is to ensure that Alabama State University will be the “University of Choice” for all student veterans, service members, dependents, and survivors by being recognized as a “Veterans Friendly University” and

Be It Resolved, that the Board of Trustees of Alabama State University approves the recommendation to create an Office of Veterans Affairs under the purview of the Division of Student Affairs, effective immediately.

Done on this 9th day of May, 2014



Gwendolyn E. Boyd
President of Alabama State University
Secretary to the Board of Trustees



Elton N. Dean, Sr.
Chair, Alabama State University Board of Trustees

RESOLUTION

ALABAMA STATE UNIVERSITY

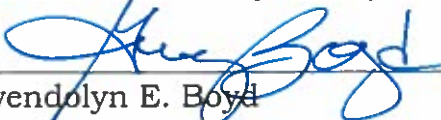
Rename the Office of Minority and International Student Affairs

Whereas, the Office of Minority and International Student Affairs be renamed the Office of Diversity and International Affairs; and

Whereas, the name change will clearly identify what this office does, who they are, and defines the mission and goals; and

Be It Resolved, that the Board of Trustees of Alabama State University approves the recommendation to rename the Office of Minority and International Student Affairs to the Office of Diversity and International Affairs under the purview of the Division of Student Affairs, effective immediately.

Done on this 9th day of May, 2014



Gwendolyn E. Boyd
President of Alabama State University
Secretary to the Board of Trustees



Elton N. Dean, Sr.
Chair, Alabama State University Board of Trustees

RESOLUTION

ALABAMA STATE UNIVERSITY

Rename the Office of Student Activities

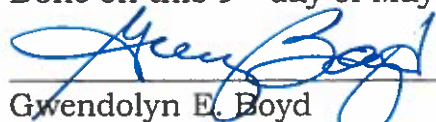
Whereas, the Office of Student Activities be renamed the Office of Student Life; and

Whereas, the name change will clearly identify what this office does, who they are, and defines the mission and goals; and

Whereas, this office will also focus on students involved with life skills, leadership, community service and volunteerism; and

Be It Resolved, that the Board of Trustees of Alabama State University approves the recommendation to rename the Office of Student Activities to the Office of Student Life under the purview of the Division of Student Affairs, effective immediately.

Done on this 9th day of May, 2014



Gwendolyn E. Boyd
President of Alabama State University
Secretary to the Board of Trustees



Elton N. Dean, Sr.
Chair, Alabama State University Board of Trustees

**MEMORANDUM OF UNDERSTANDING
BY AND BETWEEN
ALABAMA STATE UNIVERSITY
AND
ALABAMA STATE UNIVERSITY FOUNDATION, INC.**

THIS AGREEMENT, entered into as of this 9th day of May, 2014, by and between the ALABAMA STATE UNIVERSITY ("University") and the ALABAMA STATE UNIVERSITY FOUNDATION, INC. ("Foundation").

WHEREAS, the purpose of this Memorandum of Understanding (MOU) between the University and the Foundation is to guide and direct the parties respecting their affiliation, cooperation and working relationship, inclusive of anticipated future arrangements and agreements in furtherance thereof, and

WHEREAS, the Foundation is a legal entity separate and apart from the University, a nonprofit tax-exempt corporation organized under the law of the State of Alabama and Section 501(c) (3) of the Internal Revenue Code, as amended; and

WHEREAS, the Foundation was organized and incorporated, December 27, 1967, for the purpose of stimulating voluntary private support from alumni, parents, friends, corporations, foundations, and others for the benefit of the University.

WHEREAS, the Foundation exists to encourage, manage and administer private resources to support the mission and priorities of the University, as established by the Board of Trustees and as implemented by the President of the University.

WHEREAS, the Foundation was created for the express purpose of serving the varied mission(s) of the University as well as to solicit, receive and hold any gifts, donations, and grants for the purpose of supporting and enhancing the University's programs and activities.

WHEREAS, the Foundation shall not engage in activities, programs, and services that are in conflict with or inconsistent with the policies, mission, and goals of the University or the Foundation; and

NOW THEREFORE, in consideration of the premises, institutional policies and the Bylaws of the Foundation, Alabama State University and the Alabama State University Foundation, Inc. enter into this Agreement as follows:

Foundation/University Relationship Guiding Principles

1. The Foundation and the University agree to abide by this Memorandum of Understanding and Guiding Principles, as expressly set forth herein.
2. The Foundation, through its Board of Directors, shall adopt specific goals and performance objectives annually for the Foundation to support the University's goals and objectives.
3. Neither the Foundation nor University shall have any liability for the obligations, acts or omissions of the other party. Neither the Foundation nor the University shall accept any gift, donation or grant or enter into any transaction that creates any liability for the other party.
4. In consideration of the Foundation's services, and where permitted by law, the University shall provide the Foundation, subject to available resources as determined in the sole discretion of the President, with in-kind services, such as staff and/or administrative services, including not limited to the salary, benefits and compensation of the Executive Director, office space, technology, use of University facilities, and access and participation in University sponsored or promoted activities, programs and services, subject to any established University policies or procedures applicable to such facilities, programs, activities and services.
5. Similarly, in consideration of the University services, the Foundation may provide the University with fair and reasonable compensation or payment for services. The amount of compensation may be negotiated on an annual basis by year-end of the preceding year in accordance with University regulations and policies. In further consideration of University services, the Foundation may also provide in-kind support, as agreed upon by the parties.
6. The Foundation shall be granted the use of the name, Alabama State University. Furthermore, by mutual agreement, the Foundation may use associated marketing symbols and any other identifying marks of the University so long as this Agreement remains in effect, in accordance with the University policies and guidelines.
7. The Foundation will establish asset-allocation, disbursement, gift management, acceptance and spending policies in accordance to its Bylaws. It will promptly acknowledge and issue receipts for all gifts on behalf of the Foundation and the University and provide appropriate recognition and stewardship of such gifts. The University and the Foundation acknowledge that those gifts provided to the Foundation are distinct from the University. The Foundation shall establish a procedure to ensure that gifts, funds and other items of value are clearly and conspicuously disclosed to the University, via the Executive Director. When distributing gift funds to the University, the Foundation shall monitor and disclose any terms, conditions, or limitations imposed by donor or by state or federal law on the gift. The University shall abide by such restrictions to the extent permitted by

law. The Foundation shall also provide the University with a copy of its investment policy statement. No administrative or capital funds shall be charged by the Foundation upon receipt of endowed funds, except with the consent of the donor.

8. The Executive Director of the Foundation shall be appointed by the President of the University (in accordance with the University's policies and procedures) and confirmed by the Foundation Board of Directors. The Executive Director shall be an employee of the University. In his or her role as Executive Director, the Executive Director shall report directly to the Chair of the Foundation Board. The Executive Director shall report regularly to the President's cabinet or other designated administrative body. The Executive Director shall communicate and promptly advise the Chair of the Foundation Board, especially with respect to business and fiduciary matters. The Executive Director shall advise, inform, and serve as a key liaison to the Foundation Board of Directors.
9. The Foundation's Executive Director is responsible for communicating University priorities and long-term plans to the Foundation as approved by the Alabama State University Board of Trustees. The Executive Director is also responsible for implementing Foundation policies and actions taken by the Foundation Board of Directors.
10. It is mutually understood and agreed by and between the University and the Foundation to abide by the following Guiding Principles:
 - a. The Foundation's Board of Directors will continue to be guided by its governing Bylaws relative to its operations.
 - b. The Foundation shall amend its Bylaws to reflect the intent of this Memorandum of Understanding.
 - c. The Foundation's Board of Directors will approve all fiscal activities including, but not limited to, the disbursement of funds and the allocation of expenses. Moreover, the Foundation's disbursements on behalf of the University must be reasonable and appropriate expenses that support the University, are consistent with donor intent, and do not conflict with state or federal law.
 - d. All funds donated to the Foundation will continue to be received by the Foundation for their stated purpose. The Foundation will receive, hold, manage, invest, and disperse contributions of cash and other forms of property, including immediately vesting gifts and deferred gifts that are contributed in the form of planned and deferred-gift instruments.
 - e. The Foundation's Board of Directors' fund raising engagements will be directed by the University's goals and objectives. The University, through its President and representatives, will coordinate fund raising initiatives with

the Foundation Board of Directors, including major gifts solicitations. The University President and development staff will work in conjunction with the leadership of the Foundation Board and the Foundation Executive Director to identify, cultivate, and solicit prospects for private gifts.

- f. This Memorandum of Understanding shall not be modified or amended except by mutual consent at the request of either party. All amendments or modifications must be in writing and executed by the parties. This agreement should be reviewed annually by both parties.
- g. Neither party shall have the right to assign or transfer its rights or obligations under this agreement without the express, written consent of the other party.
- h. The University recognizes that the Foundation is a private corporation with the authority to keep all records and data confidential consistent with the law. Any requests to review Foundation records must be first discussed with the Chair of the Foundation Board. The Foundation will provide access to data and records to the University in accordance with written requests by the University in accordance with applicable law and Foundation policies and guidelines.
- i. The Foundation shall retain its separate current mailing address.

Foundation Funding and Administration

- 11. The Foundation is responsible for the performance and oversight of all aspects of its operations based on a comprehensive set of bylaws that clearly address the Board's fiduciary responsibilities. This includes expectations of the incident Board members based upon ethical guidelines and policies.
- 12. The Foundation is responsible for the employment, compensation and evaluation of all its employees, excluding the Executive Director.
- 13. The Foundation may earmark a portion of its unrestricted funds to a discretionary fund for the President of the University. The Foundation will either transfer a percentage of those funds annually to the University in compliance with state law and University policies or reimburse appropriate presidential expenditures. (All such expenditures must comply with the Internal Revenue Code 501(c)(3) and be consistent with the Foundation's mission.) If funds are transferred to the University under this provision, any disbursements of funds shall be done in accordance with state law and University policy.
- 14. The Foundation is a depository of private gifts and will make available funds to the designated entity within the University in compliance with applicable laws, University policies, Foundation policies, donor stipulations and gift agreements.

15. The Foundation has the right to fund its operations by reasonable means in accordance with Foundation policies. Such methods may include the assessment of fees for services, imposing administrative fees, or imposing taxes upon gifts. These policies will be given to the University and will be made available to the public and disclosed in accordance with applicable laws and regulations.
16. The Foundation will provide access to data and records to the University upon request basis in accordance with applicable laws, Foundation policies, and guidelines.
17. The Foundation shall use generally accepted accounting principles in its financial recordkeeping and reporting. The Foundation will provide, or cause to be provided, audited financial data in conformity with the reporting requirements of the State of Alabama. This data will be provided in a timely manner so that reporting requirements of the State are met. The audit report shall include financial statements, a management letter and audit opinion, which addresses the conformance of the operating procedures of the Foundation to the provision of this Agreement and institutional policy.

This Agreement shall remain in effect unless terminated by either party by giving a 180-day written notice to the other party. Should either party terminate this Agreement, the other party has the right, within the notice period, to terminate any third party agreements, formal or informal, and require all outstanding obligations to be paid in full to the third party. Outstanding obligations would include, but not be limited to, advance funds borrowed for specific initiatives and any obligations on behalf of the terminating party or any of its affiliated organizations. Upon termination, the Foundation shall transfer a copy of all records of funds provided to the University and assist, as needed, with any transaction requirements.

IN WITNESS WHEREOF, the University and the Foundation have executed this Agreement effective the 9th day of May, 2014.

Elton N. Dean, Sr.

Elton N. Dean, Sr.
Chair, Alabama State University
Board of Trustees

Date: 5/23/2014

Janet H. Sutton

Janet H. Sutton
Chair, ASU Foundation, Inc.
Board of Directors

Date: 22-May 2014

Dr. Gwendolyn E. Boyd

Dr. Gwendolyn E. Boyd
President, Alabama State University

Date: 5/23/14

Virginia J. Harper

Virginia J. Harper
Executive Director
ASU Foundation, Inc.

Date: 5-22-2014

ASU Board of Trustees Approved: 5/23/14

ASU Foundation, Inc. Board Approved: _____

ALABAMA STATE UNIVERSITY

BOARD OF TRUSTEES

RESOLUTION

**FREEZE ON ALL HIRING, EXECUTION OF CONSULTING
CONTRACTS AND INTERNATIONAL TRAVEL**

Whereas, Alabama State University received a downgrade from Moody's Investors service on January 21, 2014:


And whereas, Moody's stated in the rating update that a challenge for the University was "management's inability or unwillingness to significantly cut operating expenses and staunch expense growth as operating revenues stagnate in fiscal year 2012 and 2013 are symptoms of weak governance that could continue to erode flexible reserves.";

And whereas, as stated in SACSCOC Comprehensive Standard 3.2.2. The legal authority and operating control of the institution are clearly defined for the following fiscal stability of the institution within the institution's governance structure;


And whereas the Chair of the Board of Trustees chair appointed an ad hoc Recovery Committee to evaluate the Moody's downgrade and aid the President in developing a plan to develop financial best practices and ultimately respond to the Moody's report:

Now therefore be it resolved, the ASU Board of Trustees adopts a freeze on all hiring, the execution of consulting contracts and approval of international travel in an effort to respond to the Moody's downgrade. University administration, including the University president will not hire additional staff, engage in any consulting contracts or approve any international travel without review and approval by the Board of Trustees or the Executive Committee when the Board is not in session.

Executed this 9th day of May 2014.



Dr. Gwendolyn E. Boyd Date
President of Alabama State University
Secretary to the Board



Elton N. Dean, Sr. Date
Chair, Alabama State University
Board of Trustees

WVAS-FM RADIO STATION
ALABAMA STATE UNIVERSITY
FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED
SEPTEMBER 30, 2013 AND 2012

Reviewed By: _____
Signature of Shareholder
Date: _____
Number of Reports Issued 10
Copies Sent By: _____
Typist Review By: _____
HL
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WVAS-FM RADIO STATION
ALABAMA STATE UNIVERSITY
SEPTEMBER 30, 2013 AND 2012

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Independent Auditors' Report

To the Board of Trustees of
Alabama State University
Montgomery, Alabama

We have audited the accompanying basic financial statements of the WVAS-FM Radio Station of Alabama State University ("the Station"), as of and for the years ended September 30, 2013 and 2012, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Station as of September 30, 2013 and 2012, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 – 7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by accounting principles generally accepted in the United States of America who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Warren Averett, LLC

Montgomery, Alabama
March 31, 2014

**WVAS-FM RADIO STATION
ALABAMA STATE UNIVERSITY
Management's Discussion and Analysis
Fiscal Years Ended September 30, 2013 and 2012**

Management's Discussion and Analysis

This section of the WVAS-FM Radio Station's ("the Station") annual financial report presents a discussion and analysis of the financial performance of the Station during the fiscal years ended September 30, 2013 and 2012. This discussion has been prepared by management along with the financial statements and related footnote disclosures. This report should be read in conjunction with, and is qualified in its entirety by, the financial statements and footnotes. The discussion and analysis is designed to focus on current activities, resulting change and current known facts. The financial statements, footnotes and this discussion are the responsibility of management.

Using the Annual Report

This annual report consists of a series of financial statements, prepared in accordance with the Governmental Accounting Standards Board Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*.

One of the most important questions asked about the Station's finances is whether the Station is better off or worse off as a result of the year's activities. The key to understanding this question is the Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position and the Statement of Cash Flows. These statements present financial information in a form similar to that used by corporations. The Station's Net Position is one indicator of the Station's financial health. Over time, increases or decreases in Net Position is one indicator of the improvement or erosion of the Station's financial health.

The Statement of Net Position includes all assets, deferred outflows of resources, liabilities, and deferred inflows of resources. It is prepared under the accrual basis of accounting, whereby revenues and assets are recognized when the service is provided and expenses and liabilities are recognized when others provide the service, regardless of when cash is exchanged.

The Statement of Revenues, Expenses and Changes in Net Position presents the revenues earned and the expenses incurred during the year. Activities are reported as either operating or nonoperating. The utilization of long-lived assets, referred to as Capital Assets, is reflected in the financial statements as depreciation, which amortizes the cost of an asset over its expected useful life.

Another important factor to consider when evaluating viability is the Station's ability to meet financial obligations as they mature. The Statement of Cash Flows presents the information related to cash inflows and outflows summarized by operating, capital and noncapital financing and investing activities.

**WVAS-FM RADIO STATION
ALABAMA STATE UNIVERSITY
Management's Discussion and Analysis
Fiscal Years Ended September 30, 2013 and 2012**

The Station has a basic financial structure that is summarized as follows:

Condensed Financial Information

	2013	2012
ASSETS		
Current assets	\$ 116,405	\$ 134,533
Capital assets, net	79,585	93,043
Total assets	\$ 195,990	\$ 227,576
LIABILITIES		
Current liabilities	\$ 1,289	\$ 3,373
Total liabilities	1,289	3,373
DEFERRED INFLOWS OF RESOURCES		
Deferred revenue	77,988	86,255
NET POSITION		
Invested in capital assets	79,585	93,043
Restricted:		
Corporation for Public Broadcasting grant activity	37,128	44,905
TOTAL NET POSITION	\$ 116,713	\$ 137,948

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents

Cash and cash equivalents consist of cash in the Station's bank accounts.

Capital Assets

Capital assets consist of Kilby Hall building space occupied by the Station, the radio tower and equipment used by the Station.

**WVAS-FM RADIO STATION
ALABAMA STATE UNIVERSITY
Management's Discussion and Analysis
Fiscal Years Ended September 30, 2013 and 2012**

LIABILITIES

CURRENT LIABILITIES

Accounts Payable and Accrued Liabilities

Accounts payable represents amounts due at September 30, 2013 and 2012, for goods and services received prior to the end of the fiscal year.

DEFERRED INFLOWS OF RESOURCES

Deferred revenue includes amounts received in advance from grant and contract sponsors that have not yet been earned under the terms of the agreement. The amounts, which are deferred, are recognized as revenue in the following fiscal year.

NET POSITION

Net Position represents the Station's assets plus deferred outflows of resources, less deferred inflows of resources and liabilities. Total Net Position at September 30, 2013, is \$116,713.

Analysis of Net Position

Restricted expendable Net Position consists of income from grants from the Corporation for Public Broadcasting ("the CPB") with expenditure restrictions.

	<u>2013</u>	<u>2012</u>
Operating Revenues		
Corporation for Public Broadcasting Grants	\$ 166,288	\$ 149,119
Louisiana Public Broadcasting - Gulf Coast Oil Spill Grant	-	4,363
Alabama Tourism Department - WVAS Tourism 2012	-	4,469
National Center for Media Engagement - American Graduate Community Engagement Grant	20,000	25,200
Alabama Public Television	8,332	1,668
Contributions	65,461	65,857
Contributed support - Alabama State University	815,890	891,049
Total Operating Revenues	<u>1,075,971</u>	<u>1,141,725</u>
Total Operating Expenses	<u>1,097,206</u>	<u>1,130,040</u>
Total Operating Income (Loss)	<u>(21,235)</u>	<u>11,685</u>
Increase (Decrease) in Net Position	(21,235)	11,685
Net Position		
Net Position, beginning of year	<u>137,948</u>	<u>126,263</u>
Net Position, end of year	<u>\$ 116,713</u>	<u>\$ 137,948</u>

**WVAS-FM RADIO STATION
ALABAMA STATE UNIVERSITY
Management's Discussion and Analysis
Fiscal Years Ended September 30, 2013 and 2012**

Total operating revenues for fiscal year 2013 were \$1,075,971. Grants from the CPB were \$166,288. Private contributions were \$65,461 and contributed support from Alabama State University was \$815,890. Operating expenses, including depreciation of \$13,458, totaled \$1,097,206. Of this total, \$893,432 or 82% was for management and general expenses.

OPERATING REVENUES

Corporation for Public Broadcasting Grants

This includes all restricted revenues made available by the CPB. Grant revenues are recorded when awarded and received. Unexpended grant funds that are returned to the CPB are expenses.

Contributed Support – Alabama State University

Contributed support includes donated facilities from Alabama State University, such as office and studio space on the University's main campus. Administrative support from the University is also included and consists of allocated institutional support and operation and maintenance of plant costs, estimated as incurred, by the University on behalf of the Station. This support is shown as operating revenue and operating expense on the Statement of Revenues, Expenses and Changes in Net Position. The expense is allocated to the management and general functional category.

OPERATING EXPENSES

Operating expenses totaling \$1,097,206 include salaries and benefits of \$550,795, materials and services of \$532,953 and depreciation of \$13,458 (depreciation was charged to management and general expenses).

NONOPERATING REVENUES (EXPENSES)

Contributed Support – Alabama State University

This amount consists of capital asset purchased by Alabama State University.

Expenses by Function

	<u>2013</u>	<u>2012</u>
Program Services:		
Programming and production	\$ 101,721	\$ 106,919
Broadcasting, transmission, and distribution	21,053	24,736
Program information and promotion	61,310	43,091
Supporting Services:		
Underwriting and Grant Solicitation	13,483	-
Fundraising and membership development	6,207	19,160
Management and general	893,432	936,134
Total operating expenses	<u>\$ 1,097,206</u>	<u>\$ 1,130,040</u>

**WVAS-FM RADIO STATION
ALABAMA STATE UNIVERSITY
Management's Discussion and Analysis
Fiscal Years Ended September 30, 2013 and 2012**

STATEMENT OF CASH FLOWS

Another way to assess the financial health of the Station is to look at the Statement of Cash Flows. Its primary purpose is to provide relevant information about the cash receipts and cash payments of the Station during a period. The Statement of Cash Flows also helps users assess:

- The ability to generate future net cash flows
- The ability to meet obligations as they come due, and
- A need for external financing

	2013	2012
Cash and cash equivalents provided (used) by:		
Operating activities	\$ (18,128)	\$ 61,516
Net increase (decrease) in cash and cash equivalents	\$ (18,128)	\$ 61,516
Cash and cash equivalents - beginning of year	134,533	73,017
Cash and cash equivalents - end of year	\$ 116,405	\$ 134,533

Direct sources of cash to the Station include grants from the CPB, as well as cash received from private gifts. The Station does not receive cash directly from the University thus the donated facilities and administration support from the University is reported as a noncash transaction on the Statement of Cash Flows.

Factors Impacting Future Periods

The CPB contributes approximately 22% of general operations. This level of support is one of the key factors influencing the Station's financial condition. The Station does not expect this level of support to change significantly in future years.

CONTACTING THE STATION'S FINANCIAL MANAGEMENT

This financial report is designed to provide the Board of Trustees, the CPB and management of the Station with a general overview of the Station's finances and to show the Station's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Freddie Gallot, Jr., Vice President for Finance, 915 South Jackson, Montgomery, Alabama 36104, or call 334-229-4223 during regular office hours, Monday through Friday, from 8:00 a.m. to 5:00 p.m., Central Standard Time.

WVAS-FM RADIO STATION
ALABAMA STATE UNIVERSITY
STATEMENTS OF NET POSITION
SEPTEMBER 30, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 116,405	\$ 134,533
NONCURRENT ASSETS		
Capital assets, net	79,585	93,043
TOTAL ASSETS	<u>\$ 195,990</u>	<u>\$ 227,576</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	\$ 1,289	\$ 3,373
DEFERRED INFLOWS OF RESOURCES		
Deferred revenue	77,988	86,255
NET POSITION		
Invested in capital assets	79,585	93,043
Restricted for:		
Corporation for Public Broadcasting grant activity	37,128	44,905
TOTAL NET POSITION	<u>\$ 116,713</u>	<u>\$ 137,948</u>

See independent auditors' report and notes to financial statements.

WVAS-FM RADIO STATION
ALABAMA STATE UNIVERSITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEARS ENDED SEPTEMBER 30, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
OPERATING REVENUES		
Community Service Grant from the Corporation for Public Broadcasting	\$ 166,288	\$ 149,119
Gulf Coast Oil Spill Grant from Louisiana Public Broadcasting	-	4,363
WVAS Tourism 2012 Grant from the Alabama Tourism Department	-	4,469
American Graduate Community Engagement Grant from the National Center for Media Engagement	20,000	25,200
Alabama Public Television	8,332	1,668
Contributions	65,461	65,857
Contributed support - Alabama State University	815,890	891,049
	<u>1,075,971</u>	<u>1,141,725</u>
OPERATING EXPENSES		
Program Services:		
Programming and production	101,721	106,919
Broadcasting, transmission and distribution	21,053	24,736
Program information and promotion	61,310	43,091
Supporting Services:		
Underwriting and grant solicitation	13,483	-
Fundraising and membership development	6,207	19,160
Management and general	893,432	936,134
	<u>1,097,206</u>	<u>1,130,040</u>
Total operating expenses	<u>1,097,206</u>	<u>1,130,040</u>
Total operating income (loss) before other changes in net position	<u>(21,235)</u>	<u>11,685</u>
CHANGE IN NET POSITION		
Increase (decrease) in net position	(21,235)	11,685
Net position, beginning of year	<u>137,948</u>	<u>126,263</u>
Net position, end of year	<u>\$ 116,713</u>	<u>\$ 137,948</u>

See independent auditors' report and notes to financial statements.

WVAS-FM RADIO STATION
ALABAMA STATE UNIVERSITY
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2013 AND 2012

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from Corporation for Public Broadcasting Grants	\$ 163,721	\$ 166,358
Cash received from Louisiana Public Broadcasting	-	7,273
Cash received from contributions	59,761	65,857
Cash received from Alabama Public Television	8,332	10,000
Cash received from National Center for Media Engagement	20,000	25,200
Cash received from Alabama Tourism Department	-	4,469
Cash paid to suppliers and employees	<u>(269,942)</u>	<u>(217,641)</u>
Net cash provided (used) by operating activities	<u>(18,128)</u>	<u>61,516</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(18,128)	61,516
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>134,533</u>	<u>73,017</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 116,405</u></u>	<u><u>\$ 134,533</u></u>

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES

Operating income (loss)	\$ (21,235)	\$ 11,685
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	13,458	21,499
Change in accounts receivable	-	2,911
Change in accounts payable	(2,084)	(149)
Change in deferred revenue	<u>(8,267)</u>	<u>25,570</u>
Net cash provided (used) by operating activities	<u><u>\$ (18,128)</u></u>	<u><u>\$ 61,516</u></u>

NONCASH TRANSACTIONS

Contributed support - Alabama State University - donated materials, facilities and administrative support	\$ 815,890	\$ 891,049
Operating expenses	<u>(815,890)</u>	<u>(891,049)</u>

See independent auditors' report and notes to financial statements.

WVAS-FM RADIO STATION
ALABAMA STATE UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013 AND 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed by WVAS-FM Radio Station of Alabama State University ("the Station") are described below to enhance the usefulness of the financial statements to the reader.

Reporting Entity

The Station is a Public Telecommunications Entity operated by Alabama State University (the University) and is licensed under the provisions of the Communications Act of 1934. The accompanying financial statements were prepared based on the combination of various accounts associated with the Station and its related operations and do not present the financial position or changes in financial position of Alabama State University. The Station is dependent upon support from the Corporation for Public Broadcasting, Alabama State University and the public.

Basis of Accounting

The financial statements of the Station are presented using the economic resources measurement focus and the accrual basis of accounting.

The Station has adopted GASB Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*. This statement establishes standards for external financial reporting for public colleges and universities. The financial statement presentation provides a comprehensive entity-wide perspective of the Station's net position, revenues, expenses and changes in net position and cash flows.

Revenue Recognition

Operating revenues include grants received from the Corporation for Public Broadcasting. Corporation for Public Broadcasting grants are recognized when awarded and received and all applicable eligibility requirements are met. Eligibility requirements are established by the provider of the funds and may stipulate the qualifying characteristics of recipients, time requirements, allowable costs, and other contingencies. Grant funds that are not used during the stated award period are returned to the Corporation for Public Broadcasting and expensed.

WVAS-FM RADIO STATION
ALABAMA STATE UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013 AND 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

Operating revenues from other grants and contracts that do not have eligibility requirements are recognized when WVAS-FM Radio is entitled to the funds.

Operating revenues also include contributed support from Alabama State University. This amount represents the value of donated services, facilities and the administrative support provided by the University. Contributions in the form of private gifts from individuals are also included in operating revenues.

Nonoperating revenues represent contributed support from Alabama State University in the form of capital assets purchased for the Station and is recognized upon purchase of the assets.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Station considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Cash and cash equivalents include cash on hand and demand deposits.

Deferred Revenue

Deferred revenue includes amounts received in advance from grant and contract sponsors that have not yet been earned under the terms of the agreement. The amounts, which are deferred, are recognized as revenue in the following fiscal year.

Accounts Receivable

Accounts receivable are presented at their net amounts.

Capital Assets

Property, plant and equipment are valued at cost. Donated fixed assets are valued at their estimated value on the date donated. Depreciation has been provided over the estimated useful lives using the straight-line method.

Estimated useful lives by asset category are as follows:

Building	35 years
Tower facility	20 years
Equipment	5-15 years

WVAS-FM RADIO STATION
ALABAMA STATE UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013 AND 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets (Continued)

When property and equipment are disposed of, the related cost and accumulated depreciation are removed from the accounts with gains or losses on disposition being reflected in current operations. The Station capitalizes all property and equipment in excess of \$5,000. Maintenance and repairs are expensed as incurred.

Net Position

The Station's net position is classified for financial reporting in the following net position categories:

- **Invested in Capital Assets:** Capital assets, net of accumulated depreciation.
- **Restricted:** Net positions that are subject to externally imposed stipulations.

Donated Facilities and Administrative Support

Donated facilities from the University consist of office and studio space on the University's main campus. Administrative support from the University consists of allocated institutional support and operation and maintenance of plant costs estimated as incurred by the University on behalf of the Station. This support is shown as revenue and expense on the statement of revenues, expenses and changes in net position.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements. They also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The Company has evaluated subsequent events through March 31, 2014, the date which the financial statements were available to be issued.

WVAS-FM RADIO STATION
ALABAMA STATE UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013 AND 2012

2. CASH AND CASH EQUIVALENTS

The Station's cash and cash equivalents are subject to custodial credit risk, which is examined in more detail below:

Custodial Credit Risk of Bank Deposits – Custodial credit risk is the risk that in the event of a bank failure, the Station's deposits (in excess of FDIC insurance) may not be returned to it. At September 30, 2013, the Station's depositories had a carrying balance of \$116,405 and the bank balance was \$116,405.

The Station maintains cash deposits in an Alabama State University ("the University") bank account. The University's deposit policy for custodial credit risk limits deposits to financial institutions that are members of the Alabama State Treasury's Security for Alabama Funds Enhancement (SAFE) Program. Under the SAFE program, the University's funds are protected through a collateral pool administered by the Alabama State Treasury. Certain banks holding deposits belonging to the state, counties, cities, or agencies of any of these entities must pledge securities as collateral against these deposits. In the event of the failure of a bank, securities pledged by that bank would be liquidated by the State Treasurer to replace the public deposits. If the securities pledged failed to produce adequate funds for that purpose, every bank participating in the pool would share the liability for the remaining balance.

3. CHANGE IN CAPITAL ASSETS

Capital assets are stated at cost at date of acquisition or fair market value at date of donation in the case of gifts. A summary of the changes in capital assets for the years ended September 30, 2013 and 2012 is as follows:

	<u>Balance</u> <u>10/1/12</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>9/30/13</u>
Building	\$ 285,764	\$ -	\$ -	\$ 285,764
Tower facility	139,610	-	-	139,610
Equipment	<u>508,035</u>	-	-	<u>508,035</u>
Total	<u>933,409</u>	<u>-</u>	<u>-</u>	<u>933,409</u>
Less accumulated depreciation:				
Building	(228,612)	(8,164)	-	(236,776)
Tower facility	(139,610)	-	-	(139,610)
Equipment	<u>(472,144)</u>	<u>(5,294)</u>	-	<u>(477,438)</u>
Total	<u>(840,366)</u>	<u>(13,458)</u>	<u>-</u>	<u>(853,824)</u>
Capital assets, net	<u>\$ 93,043</u>	<u>\$ (13,458)</u>	<u>\$ -</u>	<u>\$ 79,585</u>
	<u>Balance</u> <u>10/1/11</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>9/30/12</u>
Building	\$ 285,764	\$ -	\$ -	\$ 285,764
Tower facility	139,610	-	-	139,610
Equipment	<u>508,035</u>	-	-	<u>508,035</u>
Total	<u>933,409</u>	<u>-</u>	<u>-</u>	<u>933,409</u>
Less accumulated depreciation:				
Building	(220,448)	(8,164)	-	(228,612)
Tower facility	(139,610)	-	-	(139,610)
Equipment	<u>(458,809)</u>	<u>(13,335)</u>	-	<u>(472,144)</u>
Total	<u>(818,867)</u>	<u>(21,499)</u>	<u>-</u>	<u>(840,366)</u>
Capital assets, net	<u>\$ 114,542</u>	<u>\$ (21,499)</u>	<u>\$ -</u>	<u>\$ 93,043</u>

WVAS-FM RADIO STATION
ALABAMA STATE UNIVERSITY
 NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2013 AND 2012

3. CHANGE IN CAPITAL ASSETS (Continued)

Total depreciation expense amounted to \$13,458 and \$21,499 for 2013 and 2012, respectively.

The U.S. Department of Commerce has a reversionary interest in equipment with an original cost of \$34,582 that was purchased in part with a Public Telecommunications Facilities Program (PTFP) grant received from the National Telecommunications and Information Administration. The reversionary interest in the equipment is pursuant to the terms of federal priority liens which extend for a period of ten years after equipment is placed in service. Current liens on equipment extend through fiscal year 2019.

4. COMMUNITY SERVICE GRANTS

The Station receives a Community Service Grant from the Corporation for Public Broadcasting annually. The Community Service Grants received and expended during the most recent fiscal years were as follows:

<u>Year of Grant</u>	<u>Grants Received</u>	<u>Expended</u>		<u>Uncommitted</u>
		<u>2012</u>	<u>2013</u>	
2012	\$ 166,358	\$ 88,435	\$ 77,197	\$ 726
2013	166,353	-	89,091	77,262

5. INCOME TAX STATUS

The Station is part of the University which is considered a political subdivision of the State of Alabama. Accordingly, the Station is exempt from federal income taxes under Section 115 of the Internal Revenue Code.

6. RETIREMENT PLANS

WVAS-FM Radio Station participates in the University's retirement plan, the Teachers' Retirement System of Alabama (TRS), a cost sharing, multiple-employer public retirement system. In addition, certain WVAS-FM Radio Station employees meeting eligibility requirements participate in the University's optional programs with the Teachers Insurance and Annuity Association - College Retirement Equities Fund (TIAA-CREF). TRS is a defined benefit plan while the TIAA-CREF programs are defined contribution plans.

The TRS was established as of September 1939, under the provision of Act 419 of the Legislature of 1939 for the purpose of providing retirement allowances and other specified benefits for qualified persons employed by State-supported educational institutions. The responsibility of the general administration and operation of TRS is vested in its Board of Control.

WVAS-FM RADIO STATION
ALABAMA STATE UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013 AND 2012

6. RETIREMENT PLANS (Continued)

Participants in TRS who retire at age sixty with 10 years of credited service, or after completing twenty-five years of credited service, regardless of age, are entitled to an annual benefit, payable monthly for life. Service retirement benefits are calculated by three methods with the participants receiving payments under the method which yields the highest monthly benefit. These methods include (1) minimum guaranteed, (2) money purchase, or (3) formula. Under the formula method, participants are allowed 2.0125% of their final average salary (average of the three highest years of annual compensation during the last 10 years of service) for each year of service. A participant terminating before reaching retirement age, but after completing 10 years of credited service, is eligible for a vested allowance at age sixty provided accumulated employee contributions are not withdrawn. TRS also provides death and disability benefits.

Covered employees are required by statute to contribute to TRS. All regular employees of the University are members of TRS with the exception of temporary and part-time employees who, by definition, are those employees hired for a predetermined period of employment of less than one year and employees working less than one half of a regular schedule.

Historical trend information and funding status information is designed to provide information about the plan's progress made in accumulating sufficient assets to pay benefits and to disclose "actuarial accrued liability" and the funding of excess unfunded liability. This information is presented in the University's financial statements which can be obtained from Alabama State University, 915 South Jackson, Montgomery, Alabama 36104.

7. OTHER POST-EMPLOYMENT BENEFITS

The University and WVAS-FM Radio Station offer post-employment health care benefits to all employees who officially retire from the University and WVAS-FM Radio Station. Health care benefits are offered through the Alabama Public Education Employees' Health Insurance Plan (PEEHIP) with TRS. Retirees who elect to participate in PEEHIP pay a portion of the PEEHIP premium, with the University paying an allocation toward the cost of retiree coverage.

Certain retirees may also elect to continue their basic term life insurance coverage and accidental death and dismemberment insurance up to certain maximum amounts. The retirees pay the full amount of the premiums in such cases. Retirees are eligible for tuition assistance benefits for themselves as well as for their spouse and unmarried dependent children.

GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions* (GASB 45), was adopted as of October 1, 2007. This statement requires governmental entities to recognize and match other post-retirement benefit costs with related services received and also to provide information regarding the actuarially calculated liability and funding level of the benefits associated with past services. The adoption of GASB 45 did not have a material impact on the financial statements, principally because most retirees elect to participate in the State-sponsored PEEHIP.

WVAS-FM RADIO STATION
ALABAMA STATE UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013 AND 2012

7. OTHER POST-EMPLOYEMENT BENEFITS (Continued)

PEEHIP is a cost-sharing multi-employer defined benefit health care plan administered by the Public Education Employee Health Insurance Board. PEEHIP offers a basic hospital/medical plan that provides basic medical coverage for up to 365 days of care during each hospital confinement. The basic hospital/medical plan also provides for physicians' benefits, outpatient care, prescription drugs, and mental health benefits. Major medical benefits under the basic hospital/medical plan are subject to a lifetime contract maximum of \$1,000,000 for each covered individual. The *Code of Alabama 1975*, Section 16-25A-8 provides the authority to set the contribution requirements for retirees and employers.

This information is presented in the University's financial statements which can be obtained from Alabama State University, 915 South Jackson, Montgomery, Alabama 36104.

8. CONTINGENT LIABILITIES

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although WVAS-FM Radio Station expects such amounts, if any, to be immaterial.



**AUTHORIZATION OF TENURE
FOR
CERTAIN FACULTY MEMBERS**

WHEREAS, the current *Alabama State University Faculty Handbook* and the faculty evaluation plan (*A System of Faculty Evaluation for the Improvement of Faculty Performance*) delineate the criteria, policies and procedures for the tenure and promotion of faculty members; and

WHEREAS, a number of faculty members have made applications for tenure and promotion in compliance with the established policies and procedures; and

WHEREAS, the applicants recommended herein have been appropriately evaluated against the established criteria, and the University has followed the prescribed procedures in doing so; now, therefore,

BE IT RESOLVED, that the faculty members named on the attached lists be granted tenure as indicated, effective at the beginning of the 2014 Fall Semester.



Dr. Gwendolyn E. Boyd, President
Alabama State University

APPROVED MAY 09



Honorable Elton N. Dean Sr., Chair
Alabama State University
Board of Trustees

APPROVED MAY 09

Office of the Provost and Vice President for Academic Affairs
Tenure Recommendations for the A/Y 2014-2015

COLLEGE/NAME	CURRENT RANK	Approval for Tenure	
		Yes	No
Liberal Arts and Social Sciences			
Abiddie, Sabella Ogbodobe	Assistant Professor	X	
Peifer, Elizabeth	Assistant Professor	X	
Taylor, Felicia	Assistant Professor	X	
Education			
Edwards, LaWanda	Associate Professor	X	
Rossi, Marcia	Professor	X	
Health Sciences			
Duncan, J. Chad	Associate Professor	X	
Henderson, DeAnna	Assistant Professor	X	
Raines, Greshundria	Associate Professor	X	
Thomas, Tracy A.	Assistant Professor	X	
Science, Mathematics & Technology			
Barnett, Cleon	Assistant Professor	X	
Hou, Harvey	Associate Professor	X	
Visual and Performing Arts			
Andrews, Charmagne	Assistant Professor	X	
Jones, Joel	Associate Professor	X	



APPROVED MAY 09

Office of the Provost and Vice President for Academic Affairs
Promotion Recommendations for the A/Y 2014-2015

COLLEGE/NAME	CURRENT RANK	RECOMMENDED RANK	APPROVAL	
			Yes	No
Business Administration				
McNeal, Robert	Assistant Professor	Associate Professor	X	
Liberal Arts and Social Sciences				
Abiddje, Sabella Ogbodobe	Assistant Professor	Associate Professor	X	
Peifer, Elizabeth	Assistant Professor	Associate Professor	X	
Byrd, L. Simone	Assistant Professor	Associate Professor	X	
Taylor, Felicia	Assistant Professor	Associate Professor	X	
Education				
Barnes, Shirley	Associate Professor	Professor	X	
Health Sciences				
Vazin, Tina	Associate Professor	Professor	X	
Health Sciences				
Heitzman, Jill	Assistant Professor	Associate Professor	X	
Henderson, DeAnna	Assistant Professor	Associate Professor	X	
LaPorte, Cindy	Associate Professor	Professor	X	
Plettenberg, Cheryl	Associate Professor	Professor	X	
Simmons, Sabine	Instructor	Assistant Professor	x	
Thomas, Tracy A.	Assistant Professor	Associate Professor	X	
Science, Mathematics & Technology				
Barnett, Cleon	Assistant Professor	Associate Professor	X	
Dennis, Vida	Associate Professor	Professor	X	
Noble, Peter	Associate Professor	Professor	X	
Visual and Performing Arts				
Jones, Joel	Associate Professor	Professor	X	
Stockard, Anthony	Assistant Professor	Associate Professor	X	



APPROVED MAY 09

**ALABAMA STATE UNIVERSITY
BOARD OF TRUSTEES**

**RESOLUTION
REVISION OF THE HUMAN RESOURCES POLICIES AND
PROCEDURES MANUAL, SECTION 3.0, PARAGRAPH 3.1.4 (e)
2. COMPENSATORY TIME OFF**

WHEREAS, Alabama State University adopts the revision of the Human Resources Policies and Procedures Manual, Section 6.0, Paragraph 3.1.4 (e) 2;

NOW THEREFORE BE IT RESOLVED, Accumulated compensatory time must not exceed 240 hours of overtime. ~~After 240 hours, a non-exempt employee must be given his or her compensatory time or be paid for the time.~~ After a non-exempt employee accumulates 240 hours of accumulated compensatory time, the hours will be held in escrow, and any unused compensatory time will be paid to the non-exempt employee upon exit from the University. The employee will be paid for any additional overtime hours worked provided that the employee currently exceeds the accumulated compensatory overtime limit.

Executed this 9th day of May 2014.



Dr. Gwendolyn E. Boyd Date
President of Alabama State University
Secretary to the Board



Elton N. Dean, Sr. Date
Chair, Alabama State University
Board of Trustees