

B Y L A W S
OF THE BOARD OF TRUSTEES
OF THE UNIVERSITY OF SOUTH ALABAMA

PREAMBLE

The Legislature of the State of Alabama vested full management and control over the University of South Alabama in a Board of Trustees pursuant to Act No. 157, Acts of Alabama, 1963, Secondary Extraordinary Session, stating at that time: “The Governor and the State Superintendent of Education, by virtue of their respective offices, and the [T]rustees appointed from the senatorial districts of the state, enumerated in Section 16-55-2, are constituted a public body corporate under the name of the University of South Alabama to carry into effect the purposes expressed in this article and to establish a state institution of higher learning.”(Code of Alabama, 1975, Section 16-55-1). For the purpose of providing a definitive and orderly form of governance, and in order to continue to carry out the purposes required of the Board of Trustees of the University of South Alabama, in the establishment and continuation of a state institution of higher learning, the Board of Trustees hereby does promulgate and adopt these Bylaws.

ARTICLE I
THE BOARD OF TRUSTEES

The entire management and control over the University of South Alabama (hereinafter referred to as the “University”) shall be vested in the Board of Trustees of the University of South Alabama (hereinafter referred to as the “Board”); however, upon general or specific authorization or delegation made or provided for in these Bylaws, the Board may exercise such management and control through the officers, officials, committees and agents as it may deem fit and appropriate, all in accordance with state law. The Board acts as a body politic and no individual member of the Board shall have the authority to act for the Board or for the University.

Section 1. **Composition of Board.** Consistent with the 2014 amendatory language to Sections 16-55-2 , Code of Alabama 1975, the Board shall consist of **three** members from Mobile County; **five** members from the state at large; **two** members from the United States at large; the Governor, who shall be *ex officio* President of the Board; and **one** member from each of the following state senatorial districts, or combinations thereof, as those districts existed in 1963: (1) Sixteenth and Seventeenth Districts comprising Monroe and Wilcox Counties, and Butler, Conecuh, and Covington Counties, respectively; (2) Nineteenth and Twentieth Districts comprising Choctaw, Clarke, and Washington Counties, and Marengo and Sumter Counties, respectively; (3) Twenty-first District comprising Baldwin and Escambia Counties; (4) Twenty-third, Twenty-fifth, and Thirtieth Districts comprising Dale and Geneva Counties, Coffee and Crenshaw Counties, and Dallas and Lowndes Counties, respectively; and (5) Thirty-fifth District comprising Henry and Houston Counties.

Section 2. **Election and Term of Office.** The Governor, as an *ex officio* Trustee, serves his or her term of office in correspondence with his or her term of office as Governor of the State of Alabama. In accordance with the statute regarding the University of South Alabama, the Trustees are appointed by the Governor, by and with the advice and consent of the State Senate, and, for those appointed or reappointed after the effective date of the 2014 amendment to said statute, hold office for a term of six years, and until their successors shall be appointed and qualified. Any Trustee appointed to serve a twelve-year term before the effective date of the 2014 amendment will continue to serve for the remainder of that term. As terms expire after that date,

appointments to fill positions on the Board shall be for six-year terms. There are three classes of board members, so that, after the transition to all Trustees serving six-year terms, one-third of the members of the Board is appointed every two years. Vacancies occurring in the office of Trustee, from death or resignation, and the vacancies regularly occurring by expiration of the term shall be filled by the Governor, and the appointee holds office until the next meeting of the Legislature. Successors to those Trustees whose terms expire during an interim shall hold office for a full term, unless they are rejected by the Senate. Neither the existence nor continuation of a vacancy in the office of the Trustee shall serve to impair or hinder any provisions of these Bylaws or the validity of the operation and actions by the Board by virtue of that vacancy alone.

Section 3. **Compensation of Trustees.** No Trustee shall receive any pay or emolument other than his or her actual expenses incurred in the discharge of duties as a Trustee; such expenses shall be paid or reimbursed from university funds, upon the authorization of the President of the University (hereinafter referred to as the “President”).

Section 4. **Primary Functions of the Board.** The Board acts as a public body corporate, and no individual member of the Board has the authority to act for the Board or the University. Communications to the Board shall be directed to the Board through the President or Chair *pro tempore*, except as otherwise provided herein. The Board of Trustees, as a public body corporate, has all rights, privileges, and authority necessary to promote the purpose of its creation, which is to establish and provide for the maintenance and operation of a state university in Mobile County. In accordance with such powers, the Board of Trustees shall have the power to organize the institution by appointment of instructors and faculty members, and such executive and administrative officers and employees, as may be necessary to operate the University, which the Board hereby delegates to the President; the Board may remove any faculty members or employees in its discretion, and shall have the power and authority to fix salaries or compensation, increase or reduce same at its discretion, all of which duty the Board hereby delegates to the President. The Board may prescribe courses of instruction, rates of tuition and fees, confer such academic and honorary degrees as are usually conferred by institutions of like character, and may do all else necessary and considered in the best interest of the institution to carry out the purposes of the institution.

Section 5. **Emeritus Status.** The Board, in its sole discretion, may recognize any Trustee who has served with distinction as Trustee Emeritus following said Trustee's term of service. The Trustee must have provided distinguished and meritorious service, outstanding leadership, and exceptional contributions to the University over a period of years. Any Trustee so recognized as Trustee Emeritus shall have no voting rights and will remain Trustee Emeritus at the pleasure of the Board of Trustees. Such designation shall confer no responsibilities, duties, rights, privileges, or benefits, but shall constitute recognition of service and experience and will publicly acknowledge that person as particularly suited for counsel and advice to the Board. The Board encourages the availability of those who have been awarded Trustee Emeritus status for such counsel and advice and may request special services of them.

Section 6. **Honorary Trustee.** The Board, in its sole discretion, may recognize as an Honorary Trustee any individual who has demonstrated a sustained and extraordinary commitment to the mission of the University. Election of an Honorary Trustee shall occur at any regular meeting of the Board and, because of the prestige of this position, shall occur on very rare occasions. Honorary Trustees shall have no voting rights and will maintain this designation at the pleasure of the Board. Such designation shall confer no responsibilities, duties, rights, privileges, or benefits, but shall constitute recognition of service with distinction to the University. It will also publicly acknowledge that person as particularly suited for counsel and advice to the Board.

Section 7. **Removal of a Trustee.** Under the laws of the State of Alabama, the Board of Trustees has no power to remove one of its members. Section 60 of the Constitution of Alabama, which provides that "[no] person convicted of embezzlement of the public money, bribery, perjury, or other infamous crime, shall be eligible to the legislature, or capable of holding any office of trust or profit in this state" sets forth the constitutional grounds and procedure for removing a Trustee.

ARTICLE II

MEETINGS OF THE BOARD OF TRUSTEES

Section 1. **Annual and Regular Meetings.** The Board shall hold a regular annual meeting each year at the University on the first Monday in June, unless the Board, in regular session, shall determine to hold its annual meeting at some other time and place. Each year at the

annual meeting, the Board shall schedule its regular meetings to be held during the ensuing year, and may designate one such meeting as the annual meeting of the Board. This schedule of meetings then will be recommended to the Governor for approval. The Chair *pro tempore* may cancel or change the date, place or time of a scheduled regular or annual meeting and will provide advance notice of such changes or cancellation. In any event, the Board shall meet at least once in each year.

Section 2. **Special Meetings.** In addition, other than the annual and regularly scheduled meetings of the Board, special meetings of the Board may be assembled, as follows: Special meetings may be called by the Chair *pro tempore* of the Board or the Governor by written notice mailed to each Trustee at least ten (10) days in advance of the date of the meeting; and a special meeting shall be called by the Chair *pro tempore* or the Governor upon application in writing of any three or more members of the board. No special meeting shall be held on a date less than ten (10) days subsequent to the Chair *pro tempore*'s or Governor's notice of the meeting, except in case of an emergency, which the Chair *pro tempore* or Governor shall specify in his or her notice to the Board of Trustees.

Section 3. **Adjourned Meetings.** At any meeting, the Board may continue in session as long as it may deem proper for the welfare of the institution. Any session may be adjourned, as provided in *Roberts Rules of Order*, as last revised, and continued at a future time with proper notice to all members.

Section 4. **Quorum.** Seven members of the Board of Trustees shall constitute a quorum, but a smaller number may adjourn from day to day until a quorum is present. A majority of those present shall govern unless a greater number is required hereunder. Members of the Board of Trustees may participate in a meeting of the Board or committee by means of telephone conference, video conference, or similar communications equipment by means of which all persons participating in the meeting may hear each other at the same time. Participation by such means shall constitute presence in person at a meeting for all purposes. However, a majority of a quorum of the members of the Board of Trustees, or, in the event of a meeting of only the executive committee, a majority of a quorum of the executive committee of the Board of Trustees, must be physically present at the location noticed and called for the meeting in order to conduct any business or deliberation. Members of the Board of Trustees and any committees of the board

may not utilize electronic communications or otherwise conduct meetings except as in compliance with the Alabama Open Meetings Act. No Trustee for whom a conflict of interest exists shall vote on such matter before the Board.

Section 5. **Agenda.** The President shall mail to each member of the Board notice of the time and place of any meeting, which shall include an agenda for the meeting, at least ten (10) days prior to the time of meeting. The development and preparation of the agenda for Board meetings shall be vested in the President, who shall place such items on the agenda as are needed for the ongoing operation of the institution and/or that require the approval of the Board. Members of the Board desiring to place any item or items on the agenda for meetings shall inform the President in writing not less than fifteen (15) days prior to the meeting concerning such items, and the President shall include the items in the agenda to be mailed out to the members of the Board in accordance with the foregoing. Any item not included on the agenda mailed to members prior to a meeting may be considered upon the approval of a majority of those present and voting; provided, however, that any discussion or action upon the election of officers of the Board and/or the appointment and/or termination, including a contract renewal, of the President of the University, must be specifically identified on the agenda that was mailed at least ten (10) days prior to the time of meeting. The agenda that is approved by the Board at the commencement of the Board meeting shall be considered the official agenda. The omission of an item from the official agenda shall not invalidate otherwise valid actions by the Board.

Section 6. **Minutes.** Minutes of all meetings of the Board and its committees shall be prepared and distributed promptly to all members of the Board under the direction of the Secretary of the Board. Upon approval by the Board or committee, such minutes shall be maintained permanently and in an accessible manner in the Office of the President under the direction of the Secretary of the Board.

Section 7. **Public Admission to Meetings.** All meetings of the Board of Trustees shall be open to the public, except that the Board may declare an executive session as authorized by law. Formal action by the Board resulting from any executive session discussions shall be taken by the Board in an open meeting and made a part of the official minutes.

Section 8. **Rules of Order.** Rules of order shall be in accordance with *Robert's Rules of Order*, as last revised, which are the normal governing parliamentary procedure rules. The Chair of the meeting will determine all questions concerning such rules.

Section 9. **Meeting Attendance.** Inasmuch as the Board of Trustees has determined that meeting attendance is crucial to the most efficient management of the University and operation of the Board, the names of all Trustees who do not attend at least half the meetings scheduled each Board year will be reported to the Chair *pro tempore* at the next annual meeting of the Board, and the Chair *pro tempore* will then take the actions he or she deems appropriate.

ARTICLE III OFFICERS

The Board shall have the following officers and any other officers it may elect from time to time. Such officers shall have the powers and shall perform the duties as are set forth herein, together with those which may be authorized and delegated by the Board from time to time. The terms of office for the Chair *pro tempore*, Vice Chair, and Secretary will be three years, with elections held at the annual meeting of the Board corresponding with the expiration of those terms. If a vacancy occurs during the term of any such office, an election to complete the term of that office will be held at the next meeting of the Board.

Section 1. **President of the Board.** The Governor of the State of Alabama shall be *ex officio* President of the Board. The President may call special meetings of the Board upon the conditions set forth herein.

Section 2. **Chair Pro Tempore.** Upon adoption of these Bylaws and thereafter, the Board of Trustees shall elect from its membership a Chair *pro tempore* for a three-year term, commencing immediately following the annual meeting at which the election is held. Such officer may not be elected for successive terms. He or she shall preside at all Board meetings and call special meetings of the Board upon the conditions set forth herein. The Chair *pro tempore* shall serve as chair of the Executive Committee, and shall appoint such committees as may be authorized by the Board, or as he or she may deem desirable, fill vacancies which will occur on such committees, and give final approval to the agenda for the Board meeting.

Section 3. **Vice Chair.** Concurrent with the time of election of the Chair *pro tempore* for the term set forth for the Chair *pro tempore* in Section 2, the Board shall elect from its membership a Vice Chair. In the absence of the Chair *pro tempore*, the Vice Chair shall assume those duties. The Vice Chair shall serve on the Executive Committee.

Section 4. **The Secretary.** Concurrent with the time of election of the Chair *pro tempore* and for the term set forth for the Chair *pro tempore* in Section 2, the Board shall elect a Secretary. Through the Office of the President of the University, the Secretary shall be responsible for the preparation and distribution of notices of Board meetings and agendas. In addition, he or she shall attend Board meetings and make, record, and retain complete records and minutes of all official actions of the Board and its committees. The Secretary shall be the custodian of the corporate seal and affix the seal to documents as executed on behalf of the Board and shall attest to the same and certify any action of the Board. The Secretary shall serve on the Executive Committee.

Section 5. **Removal from Office.** Any officer of the Board may be removed from his or her office for cause by a two-thirds vote of the full Board of Trustees.

ARTICLE IV COMMITTEES

Organization. The Board may create such committees as it deems proper, and may assign to such committees any authority, duty or responsibility desired by the Board; provided, however, that all committees, except the Executive Committee, are advisory to the full Board. The committees of the Board shall consist of the standing committees created herein and other committees created by the Board from time to time. The standing committees shall have the powers, duties and responsibilities set forth herein, or subsequently assigned by the Board through adoption and approval of amendments to these Bylaws. Vacancies in committee memberships shall be filled in the same manner as when appointments originally were made. Committee members and the chair and the vice chair of the committees shall be appointed by the Chair *pro tempore* for terms concurrent with the term of the Chair *pro tempore*.

Method of Operation. The committees and subcommittees shall meet upon the call of the President, the Chair *pro tempore*, or the chair of the committee or subcommittee. Unless otherwise provided, actions taken by such committees are not binding upon the Board, but shall be advisory, except those actions undertaken by the Executive Committee, as authorized in Article IV, Section I, herein. All recommendations and actions of the committees shall be reported to the Board of Trustees.

Committee Participation. The President of the University is vested with the responsibility of providing notice of all committee meetings to the members of the committees. The Chair *pro tempore* will serve as an *ex officio* member on each committee. The President and the Chair *pro tempore* may participate in all meetings but shall have no vote, except that the Chair *pro tempore* shall have a vote on the Executive Committee and any other committee when he or she is a member of the committee. All committees assist and support the Board, President, faculty, and staff in carrying out their responsibilities. Committees may request through the Office of the President any information necessary or appropriate to their deliberations. All committee reports and recommendations shall be submitted for consideration and are advisory in nature until they have been approved by the full Board. Any Board member may attend any committee meeting.

Section 1. **Executive Committee.** The Chair *pro tempore* shall appoint an Executive Committee consisting of seven (7) members of the Board, subject to the approval of the Board, with terms concurrent with the term of the Chair *pro tempore*, who serves as chair of the Executive Committee. The majority of the Executive Committee constitutes a quorum. With notice from the President or the Chair *pro tempore*, the Executive Committee may meet at any time. The Executive Committee has the power to transact all business of the Board in the interim between meetings of the Board and may perform all duties and transact all business necessary for the well-being of the University, including, but not limited to, matters related to real estate, personnel, investments and athletics. However, action by the full Board is required to amend these Bylaws, remove officers of the Board, select or remove the President of the University, issue bonded indebtedness on behalf of the University, or as otherwise determined by the full Board. The Executive Committee shall serve a dual role as Governance Committee responsible for trustee matters including, but not limited to, service, honorary designations, efficiency, educational

development, and travel. Minutes of the Executive Committee shall be submitted to all members of the Board.

Section 2. **Budget and Finance Committee.** The Budget and Finance Committee shall be responsible for the review and study of budget requests; recommending comprehensive budgets; review and study of real estate transactions and matters related to facilities construction and infrastructure maintenance; and submitting such reports and recommendations to the Executive Committee of the Board and/or the full Board, as deemed necessary and appropriate.

Section 3. **Audit Committee.** The Audit Committee shall be responsible for the oversight and integrity of the financial statements and other financial reports; performance of the University's internal and external audit functions; selection of an external auditor; assurance that the University is performing self-assessment of operating risks and evaluations of internal controls on a regular basis; the study and review of all reports and other correspondence from external auditors; and the submission of audit reports and recommendations to the Board of Trustees. The Executive Director of Internal Audit shall be accountable to the Board of Trustees through the Audit Committee, and shall make reports to the Audit Committee as appropriate.

Section 4. **Long-Range Planning Committee.** The Long-Range Planning Committee shall be responsible for long range plan recommendations; review of new and existing academic programs; academic planning and organization; mission statement and statements of role and scope; review of planning for new facilities; and other matters which may be referred to it by the President or the Board.

Section 5. **Health Affairs Committee.** The Health Affairs Committee shall be responsible for providing guidance to and receiving reports from staff and administrative personnel responsible for the University of South Alabama Hospitals and Clinics. It will consider and make recommendations requiring Board action relating to the Hospitals and Clinics and the College of Medicine. In addition to committee members designated as provided in these Bylaws, the committee includes, as non-voting *ex officio* members, the President, the Vice President for Medical Affairs, Dean of the College of Medicine, the President of the Medical Staff of the University of South Alabama Medical Center and the Chief Executive Officer of USA Health.

Section 6. **Academic and Student Affairs Committee.** The Academic and Student Affairs Committee shall be responsible for receiving and reviewing information relevant to issues involving academic affairs and student affairs at the University.

Section 7. **Development, Endowment and Investments Committee.** The Development, Endowment and Investments Committee shall be responsible for establishing policies and guidelines to oversee the University's Development and Alumni Relations programs, invest and manage the University's endowment and other investment funds, and for submitting such reports and recommendations to the Executive Committee of the Board and/or the full Board of Trustees, as deemed necessary and appropriate.

Section 8. **Evaluation and Compensation Committee.** The Evaluation and Compensation Committee shall be responsible for conducting periodic performance reviews of the President and recommending to the Board an appropriate compensation package for the President.

ARTICLE V PRESIDENT AND DUTIES

Appointment of the President of the University as Chief Executive Officer of the Institution. The President shall be selected by the Board of Trustees and serve at the pleasure of the Board but may be removed only by a vote of eight members of the Board. The Board of Trustees is responsible for conducting periodic evaluations of the performance of the President.

The President is the chief educational and administrative officer of the University. Unless excused by the Chair *pro tempore*, he or she shall attend and participate in all meetings of the Board and may make recommendations on matters before the Board. The President does not vote on Board matters. The President shall be responsible for the execution of the policies of the Board and the Executive Committee and performing all those matters necessary to carry out the ends and purposes for which the University was established. The President shall have all authority necessary to conduct the programs of the University, including the authority to award degrees, add officers to the University which he or she deems necessary, delegate authority among subordinates and all other authority which shall, from time to time, be delegated by the Board of Trustees to the President. Prior to appointment of vice presidents, the President shall notify the Board of his or

her intention to appoint such officers to the University. The President reports to the Board on the current operations of the University and directs, coordinates and implements the planning, development and appraisal of all activities of the University of South Alabama.

ARTICLE VI CONFLICT OF INTEREST

Members of the Board of Trustees (“Trustees”) of the University of South Alabama have an affirmative obligation to act at all times in the best interests of the University. This policy serves to define the term “conflict of interest” to assist members of the Board in identifying and disclosing such conflicts, and to minimize the impact of such conflicts on the actions of the University whenever possible.

Fiduciary duty. Each Trustee has a fiduciary duty to conduct himself or herself without conflict to the interests of the University. When acting within his or her capacity as a Trustee, he or she must subordinate personal, business, third-party, and other interests to the welfare and best interests of the University.

Conflict of interest. A “conflict of interest” is any transaction or relationship which presents, or may present, a conflict between a Trustee’s obligations to the University and his or her personal, business, or other interests. A conflict of interest may arise in any circumstance that may compromise the ability of a Trustee to make unbiased and impartial decisions on behalf of the University. Such circumstances may involve family relationships,¹ business transactions, professional activities, or personal affiliations.

Further, Alabama Code §13A-10-62 (1975) provides:

- (a) A public servant commits the crime of failing to disclose a conflict of interest if he exercises any substantial discretionary function in connection with a government contract, purchase, payment or other pecuniary transaction without advance public disclosure of a known potential conflicting interest in the transaction.

¹Family relationships include spouse, child, grandchild, parent, grandparent, sibling, niece, nephew, aunt, uncle, cousin, in-laws and step relations, as well as any person living in the household of a Trustee.

- (b) A “potential conflicting interest” exists, but is not limited to, when the public servant is a director, president, general manager or similar executive officer, or owns directly or indirectly a substantial portion of any non-governmental entity participating in the transaction.
- (c) Public disclosure includes public announcement or notification to a superior officer or the attorney general.
- (d) Failing to disclose a conflict of interest is a Class A misdemeanor.

Disclosure. The Board of Trustees recognizes that conflicts of interest are not uncommon, and that not all conflicts of interest are necessarily harmful to the University. However, the Board requires full disclosure of all actual and potential conflicts of interest. Each Trustee shall disclose any and all facts that may be construed as a conflict of interest, both through an annual completion of a Statement of Disclosure, and completion of an amended Statement of Disclosure whenever such actual or potential conflict occurs.

Process. Any actual or potential conflicts which are presented in a Statement of Disclosure or amended Statement of Disclosure will be evaluated for action, as needed, by the Chair *pro tempore* of the Board of Trustees. The Chair *pro tempore*, or Vice Chair if evaluating a possible conflict of the Chair *pro tempore*, of the Board may either handle the evaluation on his or her own or refer it to the Board for further consideration. Additional information from a Trustee may be sought at any time. A Trustee whose potential conflict is under review may not debate, vote, or otherwise participate in the evaluation of the conflict. If a conflict is being evaluated or has been found to exist, the Trustee shall recuse himself or herself from any discussion or voting regarding transactions involving the area of conflict.

Resolution. If it is determined that an actual or potential conflict of interest does exist, an appropriate remedy shall be determined. Such remedy may include, but is not limited to, the following:

- Waive the conflict of interest as unlikely to affect the Trustee’s ability to act in the best interests of the organization.
- Determine that the Trustee should be recused from all deliberation and decision-making related to the particular transaction or relationship that gives rise to the conflict of interest.

Policy regarding Trustees doing business with the University. A conflict of interest exists any time a Trustee seeks to enter into a business relationship with the University. Similar conflicts may arise through family members or through organizations in which a Trustee serves in a leadership, employment, or ownership capacity.

Such conflicts do not necessarily preclude business relationships with the University. The following procedure is designed to resolve conflicts of interest whenever a Trustee or a member of his or her family (see footnote number 1) has an ownership interest in, is a director, officer, or key individual of an entity which intends to enter into a business relationship with the University:

- The Trustee must promptly disclose the intent to enter into a business relationship with the University to the Chair *pro tempore* of the Board of Trustees.
- The Trustee must recuse himself or herself from all deliberation, debate and voting related to the contemplated business relationship.
- The Chair *pro tempore* or the Board if the issue is referred by the Chair *pro tempore*, must determine without the presence or participation of the Trustee under review that the transaction is fair and in the best interest of the University.
- If the business relationship under consideration is approved, the Trustee may not participate in any process by which his or her performance as a vendor or recipient is evaluated, or in any such evaluation of a related party.

Notwithstanding the foregoing, contracts, or proposals for purchases of goods, property, or services will not be awarded to organizations in which a Trustee either:

- 1) holds an interest of ten percent (10%) or greater, or
- 2) serves as a director or senior executive officer,

if a substantial part of the contract or proposal involves the quality of performance (i.e. possibly requiring enforcement of a performance bond or filing suit for non-performance). Also, no Trustee shall advocate or attempt to influence the employment by the University of any member of his or her family.

ARTICLE VII
OFFICIAL CORPORATE SEAL

The official corporate seal of the University of South Alabama shall be circular in form, encircled as follows:



ARTICLE VIII
AMENDMENT OR REPEAL OF BYLAWS

After the adoption of these Bylaws, they may be amended or repealed at any meeting of the Board by eight members of the Board voting in favor of same, but no such action shall be taken unless notice of the substance of such proposed adoption, amendment or repeal was given at a previous meeting or notice in writing of the substance of the proposed change was served upon each member of the Board at least thirty (30) days in advance of the final vote upon such change. However, by unanimous consent of the entire Board, the requirements for such notice may be waived. The Chair *pro tempore* may appoint an ad hoc committee which may meet from time to time to consider Bylaw amendments.

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