

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES**

MINUTES

JUNE 1, 2017

HEALTH AFFAIRS COMMITTEE

ACADEMIC AND STUDENT AFFAIRS COMMITTEE

BUDGET AND FINANCE COMMITTEE

AUDIT COMMITTEE

DEVELOPMENT, ENDOWMENT AND INVESTMENTS COMMITTEE

LONG-RANGE PLANNING COMMITTEE

COMMITTEE OF THE WHOLE

JUNE 2, 2017

BOARD OF TRUSTEES

- 1 Approve: Minutes
- 2 Approve: 2017-2018 Board Meeting Schedule
- 3 Report: President's Report
- 4 Report: Faculty Senate President's Report
- 5 Report: Student Government Association President's Report

CONSENT AGENDA

- 6 Approve: USA Hospitals Medical Staff Credentials for February, March and April 2017
- 7 Approve: USA Hospitals Medical Staff Bylaws and Rules and Regulations, Revisions of April 11, 2017
- 9 Approve: Naming of Student Residence Halls

HEALTH AFFAIRS COMMITTEE

Report: Steve Furr, Chair

ACADEMIC AND STUDENT AFFAIRS COMMITTEE

- 10 Approve: Tenure and Promotion
 - 11 Approve: Tuition, Fees, Housing and Meal Plans
- Report: Bettye Maye, Chair

BUDGET AND FINANCE COMMITTEE

Report: Tom Corcoran, Chair

- 16 Approve: 2017 Bond Issue

AUDIT COMMITTEE

Report: Jimmy Shumock, Vice Chair

DEVELOPMENT, ENDOWMENT AND INVESTMENTS COMMITTEE

Report: Jim Yance, Chair

LONG-RANGE PLANNING COMMITTEE

Report: Mike Windom, Chair

- 19 Approve: 2017 Campus Master Plan

SPECIAL ACKNOWLEDGMENT

- 20 Approve: Commendation of The Honorable William S. Stimpson

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES**

**June 2, 2017
10:30 a.m.**

A meeting of the University of South Alabama Board of Trustees was duly convened by Judge Ken Simon, Chair *pro tempore*, on Friday, June 2, 2017, at 10:31 a.m. in the Board Room of the Frederick P. Whiddon Administration Building.

Members Present: Alexis Atkins, Chandra Brown Stewart, Scott Charlton, Tom Corcoran, Steve Furr, Ron Jenkins, Bettye Maye, Jimmy Shumock, Ken Simon, Mike Windom and Jim Yance.

Members Absent: Kay Ivey, Arlene Mitchell, Bryant Mixon, John Peek and Steve Stokes.

Administration and Others: Owen Bailey, Nicole Carr, Lynne Chronister, Josh Crownover, Chelsea Ivey Douglas (AASA), Joel Erdmann, Monica Ezell, Mike Finan, Happy Fulford, Andre' Green, Mike Haskins, David Johnson, Rod Kanter (Bradley Arant), Don Langham, John Marymont, Abe Mitchell, John Smith, Jean and Sandy Stimpson, Margaret Sullivan, Carl Thomas (SGA), Kathy Thompson, Jean Tucker, Elizabeth VandeWaa (Faculty Senate), Tony Waldrop and Scott Weldon.

The meeting came to order and the attendance roll was called. Chairman Simon called for adoption of the revised agenda. On motion by Mr. Corcoran, seconded by Mr. Windom, the revised agenda was adopted unanimously.

Chairman Simon called for consideration of **ITEM 1**, the minutes of the Board of Trustees meeting held on March 3, 2017, the special meeting of the Board of Trustees held on May 1, 2017, and the Evaluation and Compensation Committee meeting held on March 2, 2017. On motion by Mr. Shumock, seconded by Mr. Yance, the minutes were approved unanimously.

Chairman Simon called for consideration of **ITEM 2** as follows. On motion by Dr. Charlton, seconded by Mr. Shumock, the resolution was approved unanimously.

**RESOLUTION
BOARD MEETING SCHEDULE
2017-2018**

WHEREAS, Article II, Section 1, of the Bylaws provides that the Board shall schedule annually, in advance, regular meetings of the Board to be held during the ensuing year, and may designate one of such meetings as the annual meeting of the Board,

THEREFORE, BE IT RESOLVED that the regular meetings of the University of South Alabama Board of Trustees shall be held on the following dates:

Friday, September 8, 2017
Thursday, November 30, 2017
Friday, March 2, 2018
Friday, June 1, 2018

FURTHER, BE IT RESOLVED that the date of June 1, 2018, be designated as the annual meeting of the University of South Alabama Board of Trustees for 2017-2018.

Chairman Simon called for presentation of **ITEM 3**, the President's Report. President Waldrop recognized Trustee Emeritus Mr. Don Langham, Honorary Trustee Mr. Abe Mitchell and the new President of the African-American Student Association, Ms. Chelsea Ivey Douglas.

President Waldrop shared details on Spring Commencement that was held on May 6, noting approximately 2,280 degree candidates and about 1,400 graduates attending. He said Ms. Merceria Ludgood, Mobile County Commissioner, and Mr. David O'Sullivan, European Union Ambassador to the United States, delivered the keynote addresses. A video featuring commencement highlights was shown.

President Waldrop asked Dr. Smith for an update on the search for a compliance officer, a position he would supervise. Dr. Smith said approximately two dozen applications had been submitted and interviews would take place in the fall in anticipation of an appointment in January 2018.

President Waldrop stated a search for a chief diversity officer would begin soon. He noted diversity officers are employed throughout the campus and said the chief diversity officer would be the central point of contact for coordinating activities.

President Waldrop advised that the search for a director of community engagement was progressing. More than 200 candidates submitted applications.

President Waldrop called upon Provost Johnson to give an update on academic searches. Provost Johnson shared details on the searches underway for a dean of the College of Nursing, a dean of the Graduate School/associate vice president for Academic Affairs, and a dean for USA's new Honors College, to be implemented in the fall.

With reference to the institutional priority of student access and success, President Waldrop asked Provost Johnson to talk about a prestigious award received from the Association of Public and Land-grant Universities (APLU) and the Coalition of Urban Serving Universities, with funding from the Bill and Melinda Gates Foundation. Provost Johnson said the award was an important acknowledgement of the Institution's work to promote academic success and improve retention and graduation rates as accomplished through South's Pathway USA program. He introduced project principal investigator Dr. Andre' Green, Associate Dean of the College of Education and Professional Studies and Executive Director of USA's Center for Integrative Studies in Science, Technology, Engineering and Mathematics (CISSTEM), who explained that the Center assisted

other units seeking to secure external funding. Dr. Nicole Carr, Associate Vice President for Student Academic Success, discussed aspects of the project that focused on reducing the difficulties often experienced by transfer students. She credited CISSTEM Interim Director Dr. Kathy Thompson for her mentorship on the project, which garnered \$50,000 and earned South a position among a small group of elite cohorts recognized nationally and internationally as leaders in student success.

President Waldrop called upon Dr. Erdmann for an update on athletics activities. Dr. Erdmann reported on the signing of South graduates Mr. Gerald Everett, tight end; Mr. Randy Allen, defensive end; and Mr. Josh Magee, wide receiver, with the Los Angeles Rams, Baltimore Ravens and Atlanta Falcons, respectively. He talked about the transition of Mr. Ben Hannon from the position of Director of Athletics Development to his previous position as head coach of Men's Golf. He presented a chart illustrating the upward trajectory of South's academic progress rate (APR) from 2007-2008 through 2015-2016, advising that South had the highest multi-year and the second highest single-year average APR rates among Sun Belt Conference (SBC) schools. He announced USA was the recipient of the SBC's Vic Bubas Cup, an award recognizing the most successful program in terms of competition, for a third consecutive year. He said Mr. Sean Collins, freshman athlete and McGill-Toolen graduate, would compete in the National Collegiate Athletic Association (NCAA) track and field national championship at the University of Oregon in the coming week and noted South would compete in the NCAA baseball regional championship in Hattiesburg, Mississippi, later in the day.

President Waldrop asked Ms. Chronister to talk about research partnerships. Ms. Chronister reported that South had signed an affiliation agreement with the National Institute for Aviation Research (NIAR) based at Wichita State University, the largest aviation university in the nation.

Ms. Chronister commended Mayor Stimpson for the City of Mobile's YES (Youth Empowered for Success) initiative, a job training program for local at-risk youth, and reported on a partnership coordinated by Dr. Evelyn Green, Assistant Professor in the Department of Hospitality and Tourism Management, that provided two days of job training to approximately 100 YES interns.

Chairman Simon asked Mayor Stimpson and his wife, Ms. Jean Stimpson, to join him for the presentation of **ITEM 20** as follows. Chairman Simon talked about Mayor Stimpson's dedicated service as a member of the Board of Trustees and read the resolution. Mr. Yance recognized Ms. Stimpson for her contributions to the community and made a motion to approve the resolution. Mr. Shumock seconded and the resolution was approved unanimously. Mayor Stimpson shared thoughts on the accomplishments and positive momentum of the University and on the potential to build upon partnerships for the good of Gulf Coast citizens:

**RESOLUTION
COMMENDATION OF THE HONORABLE WILLIAM S. STIMPSON**

WHEREAS, the Honorable William S. "Sandy" Stimpson was appointed to the Board of Trustees of the University of South Alabama in 2014, and

WHEREAS, during his tenure on the Board, Mr. Stimpson served as a member of the Audit Committee and the Long-Range Planning Committee, and

WHEREAS, Mr. Stimpson has been a vocal supporter of South, both through his trustee position and in his role of Mayor of the City of Mobile, and has been a vital link between the University and the city for successful collaborations, and

WHEREAS, the University's leadership looks forward to a continued close relationship with the city and its leadership as committed partners in expanding access to education and specialized health care, enhancing quality of life, and creating opportunities for research and innovation, and

WHEREAS, Mr. Stimpson has served the University with distinction, graciously contributing his time, energy, wisdom and guidance to the growth and development of higher education in the state of Alabama and region, and to the students, alumni, faculty and administration of the University of South Alabama,

NOW, THEREFORE, BE IT RESOLVED that the University of South Alabama Board of Trustees expresses its deep appreciation and gratitude to the Honorable William S. Stimpson for his devotion, service and commitment to advancing the interests of the University and its constituencies.

Chairman Simon introduced Adult Health Nursing Professor and 2017-2018 Faculty Senate President Dr. Elizabeth VandeWaa. Dr. VandeWaa reported on the activities of the Faculty Senate, **ITEM 4**, noting progress made on revisions to tenure and sabbatical policies and updating the Faculty Handbook; sustainability and recycling initiatives on campus; and improving faculty engagement and interaction through the activities of a new Faculty Mentoring Committee. She shared confidence in a fruitful year ahead working with members of the Faculty Senate Executive Committee, as well as with the Board, Administration and USA faculty.

Chairman Simon introduced former President of the African-American Student Association (AASA) and recently elected Student Government Association (SGA) President Mr. Carl Thomas. Mr. Thomas thanked the Board of Trustees, President Waldrop, Honorary Trustee Mr. Abe Mitchell and others for the privileges available to USA students and for the platform to discuss SGA objectives, **ITEM 5**. Among the activities he detailed were programs that would center on Mental Health Awareness Month; expansion of service-based learning and community outreach opportunities; expansion of the food pantry on campus; collaborations with other organizations like USA SAVE (Sexual Assault and Violence Educators); continued sponsorship of popular programs, such as parking ticket forgiveness day and the spring concert; and new programs and events celebrating the diversity of South's student body, such as Unity Fest. Chairman Simon recognized former SGA President Mr. Josh Crownover.

Chairman Simon addressed consent agenda **ITEMS 6, 7 and 9** as follows, respectively, noting all were unanimously recommended for Board approval by the respective committees that met on June 1. On motion by Dr. Charlton, seconded by Mr. Corcoran, the resolutions were approved unanimously:

**RESOLUTION
USA HOSPITALS MEDICAL STAFF APPOINTMENTS AND REAPPOINTMENTS
FOR FEBRUARY, MARCH AND APRIL 2017**

WHEREAS, the Medical Staff appointments and reappointments for February, March and April 2017 for the University of South Alabama Hospitals are recommended for Board approval by the Medical Executive Committees and the Executive Committee of the University of South Alabama Hospitals,

THEREFORE, BE IT RESOLVED that the Board of Trustees of the University of South Alabama approves the appointments and reappointments as submitted

**RESOLUTION
USA HOSPITALS MEDICAL STAFF BYLAWS AND RULES AND REGULATIONS
REVISIONS OF APRIL 11, 2017**

WHEREAS, revisions to USA Hospitals Medical Staff Bylaws and Rules and Regulations, approved at the April 11, 2017, Medical Staff meeting and attached hereto, are recommended for approval by the Medical Staffs and the Executive Committee of the University of South Alabama Hospitals,

THEREFORE, BE IT RESOLVED that the Board of Trustees of the University of South Alabama approves the revisions as submitted.

**RESOLUTION
NAMING OF STUDENT RESIDENCE HALLS**

WHEREAS, the University completed construction of a new residence hall in 2013 and did not officially name the residence hall at that time, and

WHEREAS, another residence hall is currently under construction and will be ready for occupancy in fall 2018, and

WHEREAS, the 2013 residence hall is currently called "New Hall," and

WHEREAS, the residence hall that will be completed in 2018 has not yet been named, and

WHEREAS, staff has recommended these two residence halls receive names in order to assist with identification, and

WHEREAS, one residence hall is recommended to be named Azalea after the prominent flowering shrub found throughout the city of Mobile, and

WHEREAS, the other residence hall is recommended to be named Camellia after the Alabama state flower,

THEREFORE, BE IT RESOLVED, the University of South Alabama Board of Trustees names the 2013 residence hall, Azalea Hall and the residence hall currently under construction, Camellia Hall.

Chairman Simon called for a report from the Health Affairs Committee. Dr. Furr, Committee Chair, said, at a meeting on June 1, Mr. Bailey introduced Health System Assistant Administrators Ms. Liz Kirby and Mr. Warren Greene, and gave updates on the University of South Alabama Health Care Authority and an agreement with physicians from the Mobile Diagnostic Center.

Chairman Simon called for a report from the Academic and Student Affairs Committee. Ms. Maye, Committee Chair, said, at a meeting on June 1, Provost Johnson presented **ITEM 10** as follows and the Committee voted unanimously to recommend Board approval. On motion by Mr. Shumock, seconded by Ms. Brown Stewart, the resolution was approved unanimously:

**RESOLUTION
TENURE AND PROMOTION**

WHEREAS, in accordance with University policy, faculty applications for tenure and promotion have been reviewed by the respective faculty peers, Departmental Chair, College Dean, and by the Provost and Senior Vice President for Academic Affairs or the Vice President for Medical Affairs, and the President, and of those faculty considered, the following individuals are hereby recommended for tenure and/or promotion,

THEREFORE, BE IT RESOLVED, the University of South Alabama Board of Trustees approves and grants tenure and/or promotion to those individuals whose names are listed below to be effective August 15, 2017.

PAT CAPPS COVEY COLLEGE OF ALLIED HEALTH PROFESSIONS:

Tenure:
Padmamalini Thulasiraman

Promotion to Associate Professor:
Padmamalini Thulasiraman

Promotion to Senior Instructor:
Kendra D. Hudson
Ronald E. Morgan, Jr.

Promotion to Professor:
Robert B. Dale

COLLEGE OF ARTS AND SCIENCES:

Tenure:
Stephen E. Costanza
Sarah Koon-Magnin
Phillip N. Smith
Lawrence R. Tatom
Eleanor E. ter Horst

Promotion to Associate Professor:
Stephen E. Costanza
Sarah Koon-Magnin
Phillip N. Smith

Promotion to Senior Instructor:
D. Andrew Murray
Katherine B. Rigsby

Promotion to Professor
Jörg Feldvoss
Joshua D. Foster
Richard L. Hillyer
Mir Zohair Husain
Matthew A. Johnson

MITCHELL COLLEGE OF BUSINESS:

Promotion to Professor:
William E. Gillis

SCHOOL OF COMPUTING:

Tenure:
Jordan D. Shropshire

Promotion to Professor:
Jingshan Huang
Jordan D. Shropshire

COLLEGE OF EDUCATION AND PROFESSIONAL STUDIES:

Tenure:
Brooke E. Forester
Ronald A. Styron

Promotion to Associate Professor:
Brooke E. Forester

COLLEGE OF ENGINEERING:

Tenure:
Eric J. Steward
Christy W. West

Promotion to Professor:
Silas J. Leavesley
Bret M. Webb
Kevin N. West

Promotion to Associate Professor:
Eric J. Steward
Christy W. West

GLOBAL USA:

Promotion to Senior Instructor:
K. Chiméne Gecewicz

MARX LIBRARY:

Tenure:
Elizabeth R. Shepard

Promotion to Associate Librarian:
Elizabeth R. Shepard

Promotion to Senior Librarian:
Angela M. Rand

COLLEGE OF MEDICINE:

Tenure:
Jonathon Audia
Tony Waldrop

Promotion to Professor:
Abu Bakr Al-Mehdi
Mikhail Alexeyev
Phillip Fields
Ajay Singh (Joint Appointment)

Promotion to Associate Professor:
Eduardo Calderon
Seema Singh (Joint Appointment)

BAUGH BIOMEDICAL LIBRARY:

Promotion to Senior Librarian:
Luther Lemley

COLLEGE OF NURSING:

Promotion to Associate Professor:
Taralyn W. McMullan
Margaret M. Nadler
Sarah H. Roberts
Debra M. Swanzy

Ms. Maye reported that, at the Committee meeting, Provost Johnson presented **ITEM 11** as follows, noting the resolution authorized a 3.5 percent tuition increase, incremental increases in the resource fees for Health Sciences programs, and a schedule of housing and dining rates. She said the Committee voted unanimously to recommend approval by the Board of Trustees. On motion by Mr. Corcoran, seconded by Mr. Shumock, the resolution was approved unanimously:

**RESOLUTION
TUITION, FEES, HOUSING AND DINING RATES, 2017-2018**

WHEREAS, the University of South Alabama is committed to maintaining high-quality educational and student services programs, and

WHEREAS, the Alabama Legislature has approved a 2017-2018 education budget that provides no increase in USA's state funding, and

WHEREAS, USA has faced over \$300 million in accumulated reductions in state appropriations since 2007-2008, and

WHEREAS, after extensive analysis of the University's financial needs for 2017-2018 and beyond, the University Administration and Budget Council have determined that increases in tuition, fees, housing and dining rates are necessary to maintain the standard of quality that USA students and their families desire and expect, and

WHEREAS, with the proposed tuition, fees, housing and dining rates for 2017-2018, as set forth in the attached schedules, such costs at the University would continue to be among the lowest in effect at peer public, doctoral-level research institutions in the state of Alabama,

THEREFORE, BE IT RESOLVED that the Board of Trustees of the University of South Alabama approves the tuition, required student fees, housing and dining rates for the 2017-2018 academic year as set forth in the attached schedules.

Ms. Maye stated, during the Committee meeting, Provost Johnson introduced the new Executive Director of University Libraries, Ms. Lorene Flanders; announced the College of Education had been renamed the College of Education and Professional Studies to better reflect the diversity of the programs offered; and introduced Associate Vice President for Enrollment Services

Mr. Christopher Lynch for a report on the Pathway USA program. She said Associate Dean of Students and Title IX Coordinator Dr. Krista Harrell introduced Mr. Brian Allred, Director of Campus Recreation, for a report on outdoor fitness and plans for a new Lake Fitness Trail on the north side of campus. She added Ms. Chronister introduced Dr. Carlos Montalvo, Assistant Professor of Mechanical Engineering and Director of the College of Engineering's FAST (Facility for Aerial Systems and Technology) Laboratory, for a report on simulation analysis and design and drone testing, and for a drone demonstration.

Chairman Simon called for a report from the Budget and Finance Committee. (As a quorum of the members of the Budget and Finance Committee was not present on June 1, related reports were presented to the general assembly of Trustees present on June 1). Mr. Corcoran, Committee Chair, said, on June 1, Mr. Weldon discussed the quarterly financial statements ended March 31, 2017, and noted nothing unusual or unexpected in the reports.

With reference to an in-depth discussion with Board members in March on plans to issue bonds, Mr. Corcoran stated, on June 1, Mr. Weldon and Mr. Josh McCoy of PFM provided an update on the sale of Series 2017 bonds. He reported the sale was completed and called attention to the resolution as follows and the accompanying materials, **ITEM 16**. Mr. Weldon advised that the bonds, which sold on June 1 at a premium of about \$6.6 million, carried a face value of \$38,105,000. He said, due to a fortunate shift in interest rates, the bonds sold at an effective interest rate of 3.19 percent. He introduced Mr. Rod Kanter of Bradley Arant to explain the particulars of the resolution. On motion by Mr. Corcoran, seconded by Ms. Atkins, the resolution was approved unanimously:

RESOLUTION
A RESOLUTION AUTHORIZING THE ISSUANCE OF THE
\$38,105,000 UNIVERSITY FACILITIES REVENUE BONDS, SERIES 2017

BE IT RESOLVED by the Board of Trustees (herein called the "Board") of the **UNIVERSITY OF SOUTH ALABAMA** (herein called the "University") as follows:

Section 1. (a) Findings. The Board has determined and hereby finds and declares that the following facts are true and correct:

(1) it is necessary, advisable, in the interest of the University and the public that the University design, acquire, construct, install, furnish and equip various capital improvements, equipment and assets on the campus of the University including, without limitation, utility and infrastructure improvements and a new residence hall for students of the University (herein called the "2017 Improvements"); and

(2) it is necessary, advisable and in the interest of the University and the public that the University issue its \$38,105,000 University Facilities Revenue Bonds, Series 2017, in order to pay for: (i) the costs of the 2017 Improvements, (ii) capitalized interest respecting the Series 2017 Bonds, (iii) the costs and expenses of issuing the said Series 2017 Bonds, and (iv) the premium for the municipal bond insurance policy respecting certain of the said Series 2017 Bonds.

(b) Series 2017 Bonds to be Issued as Additional Bonds Under the Indenture; Special Findings Under Section 8.2(b) of the Indenture. The Series 2017 Bonds shall be issued as additional parity bonds under Article VIII of the Indenture hereinafter referred to. In accordance with the provisions of Section 8.2(b) of the Indenture, the Board hereby finds and declares as follows:

(1) the University is not now in default under the Indenture, and no such default is imminent;

(2) the Series 2017 Bonds shall be designated "Series 2017";

(3) the persons to whom the Series 2017 Bonds are to be delivered are set forth in Section 6 hereof;

(4) the Series 2017 Bonds are to be issued by sale in accordance with, and at the sale price set forth in, Section 6 hereof;

(5) (a) the only bonds that have previously been issued by the University under the Indenture are its (i) \$31,680,000 original principal amount University Tuition Revenue Refunding and Capital Improvement Bonds, Series 1996, dated February 15, 1996 (herein called the "Series 1996 Bonds"), which were issued under and pursuant to the Trust Indenture dated as of February 15, 1996 further described in Section 2 hereof, (ii) \$7,055,000 original principal amount University Tuition Revenue Refunding Bonds, Series 1996B, dated October 15, 1996 (herein called the "Series 1996B Bonds"), which were issued under and pursuant to the First Supplemental Trust Indenture dated as of October 15, 1996, (iii) \$40,130,000.70 original principal amount University Tuition Revenue Bonds, Series 1999, dated March 1, 1999 (herein called the "Series 1999 Bonds"), which were issued under and pursuant to the Second Supplemental Trust Indenture dated as of October 15, 1999, (iv) \$51,080,000 original principal amount Tuition Revenue Refunding and Capital Improvement Bonds, Series 2004, dated March 15, 2004 (herein called the "Series 2004 Bonds"), which were issued under and pursuant to the Fourth Supplemental Trust Indenture dated March 15, 2004, (v) \$100,000,000 original principal amount University Tuition Revenue Refunding and Capital Improvement Bonds, Series 2006, dated December 1, 2006 (herein called the "Series 2006 Bonds"), which were issued under and pursuant to the Fifth Supplemental Trust Indenture dated as of December 1, 2006, (vi) \$112,885,000 original principal amount University Facilities Revenue Capital Improvement Bonds, Series 2008, dated September 1, 2008 (herein called the "Series 2008 Bonds"), which were issued under and pursuant to the Sixth Supplemental University Facilities Revenue Trust Indenture dated as of September 1, 2008, (vii) \$29,750,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2010, dated June 16, 2010 (herein called the "Series 2010 Bond"), which was issued under and pursuant to the Seventh Supplemental University Facilities Revenue Trust Indenture dated as of June 16, 2010, (viii) \$25,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2012-A, dated January 4, 2012 (herein called the "Series 2012-A Bond"), which was issued under and pursuant to an Eighth Supplemental University Facilities Revenue Trust Indenture dated as of January 4, 2012 (herein called the "Eighth Supplemental Indenture"), (ix) \$7,740,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2012-B, dated January 4, 2012 (herein called the "Series 2012-B Bond"), which was issued under and pursuant to the Eighth Supplemental Indenture, (x) \$32,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-A, dated June 28,

2013 (herein called the "Series 2013-A Bond"), which was issued under and pursuant to the Ninth Supplemental University Facilities Revenue Trust Indenture dated June 28, 2013 (herein called the "Ninth Supplemental Indenture"), (xi) \$8,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-B, dated June 28, 2013 (herein called the "Series 2013-B Bond"), which was issued under and pursuant to the Ninth Supplemental Indenture, (xii) \$10,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-C, dated June 28, 2013 (herein called the "Series 2013-C Bond"), which was issued under and pursuant to the Ninth Supplemental Indenture, (xiii) \$41,245,000 original principal amount University Facilities Revenue Refunding Bond, Series 2014-A, dated March 14, 2014 (herein called the "Series 2014-A Bond"), which was issued under and pursuant to the Tenth Supplemental University Facilities Revenue Trust Indenture dated March 14, 2014, (xiv) \$6,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2015, dated June 15, 2015 (herein called the "Series 2015 Bond"), which was issued under and pursuant to the Eleventh Supplemental University Facilities Revenue Trust Indenture dated June 15, 2015, (xv) \$85,605,000 original principal amount University Facilities Refunding Revenue Bonds, Series 2016, dated September 14, 2016 (herein called the "Series 2016 Bonds"), which were issued under and pursuant to the Twelfth Supplemental University Facilities Revenue Trust Indenture dated as of September 1, 2016, (xvi) \$20,000,000 original principal amount University Facilities Revenue Refunding Bond, Series 2016-B, dated December 7, 2016 (herein called the "Series 2016-B Bond"), which was issued under and pursuant to a Thirteenth Supplemental University Facilities Revenue Trust Indenture dated December 7, 2016 (herein called the "Thirteenth Supplemental Indenture"), (xvii) \$35,000,000 original principal amount University Facilities Revenue Refunding Bond, Series 2016-C, dated December 7, 2016 (herein called the "Series 2016-C Bond"), which was issued under and pursuant to the Thirteenth Supplemental Indenture, and (xviii) \$45,000,000 original principal amount University Facilities Revenue Refunding Bond, Series 2016-D, dated December 7, 2016, which was issued under and pursuant to the Thirteenth Supplemental Indenture (herein called the "Series 2016-D Bond" and, together with the Series 1999 Bonds, the Series 2008 Bonds, the Series 2010 Bond, the Series 2012-A Bond, the Series 2012-B Bond, the Series 2013-A Bond, the Series 2013-B Bond, the Series 2013-C Bond, the Series 2014-A Bond, the Series 2015 Bond, the Series 2016 Bonds, the Series 2016-B Bond, the Series 2016-C Bond and the Series 2016-D Bond, the "Outstanding Bonds"); and (b) in Article VIII of the Indenture, the University has reserved the right to issue additional bonds, secured by a pledge of the Pledged Revenues on a parity with the Outstanding Bonds and with such additional bonds as shall have thereafter been issued thereunder, upon compliance with the applicable provisions of said Article VIII;

(6) the Outstanding Bonds are the only bonds heretofore issued under the Indenture that are at this time and upon issuance of the Series 2017 Bonds outstanding under the Indenture; and

(7) the Series 2017 Bonds will be issued for the purposes described in in paragraph (2) of Section 1 hereof.

The Trustee is hereby requested to authenticate and deliver the Series 2017 Bonds to the purchasers specified in Section 6 hereof upon payment of the purchase price designated therein.

Section 2. Authorization of the Series 2017 Bonds. For the purposes specified in Section 1 of this resolution, the Board does hereby authorize to be issued by the University its \$38,105,000 University

Facilities Revenue Bonds, Series 2017, dated their date of initial issuance (herein called the "Series 2017 Bonds"), all under the terms, conditions and provisions set out in a Fourteenth Supplemental University Facilities Revenue Trust Indenture dated the date of issuance of the Series 2017 Bonds (herein called the "Fourteenth Supplemental Indenture"), between the University and The Bank of New York Mellon Trust Company, N.A., as trustee (herein called the "Trustee"), which is supplemental to the University Facilities Revenue Trust Indenture between the University and the Trustee dated as of February 15, 1996 (the said Trust Indenture, as heretofore supplemented and amended and as further supplemented and amended by the said Fourteenth Supplemental Indenture, herein called the "Indenture"). All the provisions of the Indenture respecting the Series 2017 Bonds are hereby adopted as a part of this resolution as fully as if set out at length herein.

Section 3. Source of Payment of the Series 2017 Bonds. The principal of and the interest on the Series 2017 Bonds shall be payable solely from Pledged Revenues as defined in the Indenture. Nothing contained in this resolution, in the Series 2017 Bonds or in the Indenture shall be deemed to impose any obligation on the University to pay the principal of or the interest on the Series 2017 Bonds except from and to the extent of the Pledged Revenues. The Series 2017 Bonds shall not represent or constitute obligations of any nature whatsoever of the State of Alabama (herein called the "State") and shall not be payable out of moneys appropriated to the University by the State. The agreements, covenants and representations contained in this resolution, in the Series 2017 Bonds and in the Indenture do not and shall never constitute or give rise to any personal or pecuniary liability or charge against the general credit of the University, and in the event of a breach of any such agreement, covenant or representation, no personal or pecuniary liability or charge payable directly or indirectly from the general revenues of the University shall arise therefrom. Neither the Series 2017 Bonds nor the pledge or any agreement contained in the Indenture or in this resolution shall be or constitute an obligation of any nature whatsoever of the State, and neither the Series 2017 Bonds nor any obligations arising from the aforesaid pledge or agreements shall be payable out of any moneys appropriated to the University by the State. Nothing contained in this section shall, however, relieve the University from the observance and performance of the several covenants and agreements on its part herein contained and contained in the Indenture.

Section 4. Series 2017 Bonds Payable at Par. All remittances of principal of and interest on the Series 2017 Bonds to the holders thereof shall be made at par without any deduction or exchange or other cost, fees or expenses. The bank at which the Series 2017 Bonds shall at any time be payable shall be considered by acceptance of its duties under the Indenture to have agreed that it will make or cause to be made remittances of principal of and interest on the Series 2017 Bonds, out of the moneys provided for that purpose, in bankable funds at par without any deduction for exchange or other cost, fees or expenses. The University will pay to such bank all reasonable charges made and expenses incurred by it in making such remittances in bankable funds at par.

Section 5. Authorization of Fourteenth Supplemental Indenture. The Board does hereby authorize and direct the President of the University to execute and deliver, for and in the name and behalf of the University, to The Bank of New York Mellon Trust Company, N.A., as Trustee under the aforesaid Indenture, the Fourteenth Supplemental Indenture in substantially the form presented to the meeting at which this resolution is adopted and attached as Exhibit I to the minutes of said meeting (which form is hereby adopted in all respects as if set out in full in this resolution), and does hereby authorize and direct the Secretary of the Board and the Chairman Pro Tempore of the Board to affix to the Fourteenth Supplemental Indenture the corporate seal of the University and to attest the same.

Section 6. Sale of the Series 2017 Bonds. The Series 2017 Bonds are hereby sold and awarded to Raymond James & Associates, Inc., Protective Securities, a Division of Proequities, Inc., Wells Fargo Securities, and PNC Capital Markets LLC (collectively herein called the "Underwriters"), at and for a

purchase price equal to \$44,588,608.57 (representing the principal amount of the Series 2017 Bonds less an underwriting discount of \$105,703.43, plus original issue premium of \$6,589,312). The Board does hereby authorize and direct the President of the University and the Vice President for Finance and Administration to execute and deliver, for and in the name and behalf of the University, a Bond Purchase Agreement with the Underwriters respecting the Series 2017 Bonds, a copy of which is presented to the meeting at which this resolution is adopted and attached as Exhibit II to the minutes of said meeting (which such Bond Purchase Agreement is hereby adopted in all respects as if set out in full in this resolution). The Series 2017 Bonds shall bear such date, shall mature at such times and in such manner, shall bear such rate or rates of interest, shall be payable at such place, shall be in such denomination, shall bear such numbers and shall be in such form and contain such provisions as are set out in the said Bond Purchase Agreement and the Fourteenth Supplemental Indenture authorized in Section 5 above.

Section 7. Preliminary Official Statement; Official Statement. (a) The actions of the Underwriters in circulating, on behalf of the University, a Preliminary Official Statement dated May 17, 2017, respecting the Series 2017 Bonds, a copy of which is attached hereto as Exhibit III, are hereby ratified and affirmed, and the said Preliminary Official Statement is hereby adopted as the Preliminary Official Statement of the University. The Board hereby ratifies and affirms the actions of the President and of other officers of the University in causing the said Preliminary Official Statement to be "deemed final" as of its date within the meaning of Rule 15c2-12(b)(1) promulgated by the U.S. Securities Exchange Commission (the "Rule").

(b) The Board does hereby authorize and direct the President of the University and the Vice President for Finance and Administration to execute, for and in the name and behalf of the University, an Official Statement with respect to the Series 2017 Bonds dated the date of sale of the Series 2017 Bonds, in substantially the form of the Preliminary Official Statement, with such changes as shall be necessary to conform to the provisions of this resolution and to reflect such other changes as shall be approved by the President of the University or the Vice President for Finance and Administration and acceptable to the Underwriters. The Board does hereby declare that the Official Statement so executed by the President of the University or the Vice President for Finance and Administration shall be the Official Statement of the University with respect to the Series 2017 Bonds.

Section 8. Authorization of Continuing Disclosure Agreement. The President of the University is hereby authorized and directed to execute and deliver, on behalf of the University, a Continuing Disclosure Agreement for the benefit of the beneficial owners of the Series 2017 Bonds, in substantially the form presented to the meeting at which this resolution is adopted (which form shall be attached as Exhibit IV to the minutes of said meeting and which is hereby adopted in all respects as if set out in full in this resolution). The said Continuing Disclosure Agreement is to be entered into contemporaneously with the issuance of the Series 2017 Bonds in order to assist the Underwriters of the Series 2017 Bonds in complying with the Rule. The rights of enforcement of the said Continuing Disclosure Agreement shall be as provided therein, and in no event shall a default by the University thereunder constitute a default hereunder or under the Indenture.

Section 9. Execution and Delivery of the Series 2017 Bonds. The Board does hereby authorize the President of the University to execute the Series 2017 Bonds, in the name and on behalf of the University, by manually signing each said bond, and does hereby authorize the Secretary of the Board and the Chairman Pro Tempore of the Board to cause the corporate seal of the University to be imprinted or impressed on each of the Series 2017 Bonds and to attest the same by signing the Series 2017 Bonds, and the President of the University is hereby authorized and directed to deliver the Series 2017 Bonds, subsequent to their execution as provided herein and in the Indenture, to the Trustee under the Indenture, and to direct the Trustee to authenticate all the Series 2017 Bonds and to deliver them to the Underwriters, upon payment to the University of the purchase price therefor in accordance with the provisions of Section 6 hereof.

Section 10. Application of Proceeds. The entire proceeds derived by the University from the sale of the Series 2017 Bonds, less and except the underwriter's discount in the amount of \$105,703.43 to be retained by the Underwriters and the \$75,290.42 premium for the municipal bond insurance policy to be wired directly by the Underwriters to Build America Mutual Assurance Corporation, the provider thereof, shall be paid to the Trustee under the Indenture, which is thereupon authorized and directed to apply and disburse such moneys for the purposes and in the order specified in Section 1.6 of the Fourteenth Supplemental Indenture herein authorized.

Section 11. Resolution Constitutes Contract; Severability. The provisions of this resolution shall constitute a contract between the University and the holders of the Series 2017 Bonds. The various provisions of this resolution are hereby declared to be severable. In the event any provision hereof shall be held invalid by a court of competent jurisdiction, such invalidity shall not affect any other portion of this resolution.

Section 12. General Authorization. The President of the University, the Vice President for Finance and Administration of the University, and the Secretary of the Board and Chairman Pro Tempore of the Board are hereby authorized to execute such further agreements, certifications, instruments or other documents, and to take such other actions as any of them may deem appropriate or necessary, for the consummation of the transactions covered by this resolution and to the end that the Series 2017 Bonds may be executed, issued and delivered.

Chairman Simon called for a report from the Audit Committee. Mr. Shumock, Committee Vice Chair, said, at a meeting on June 1, Mr. Weldon advised that the E-Verify issue discussed at the March meeting was not yet resolved and an opinion from the Alabama Attorney General was expected at some point in the future. He said President Waldrop gave an update on the progress to implement a task force on compliance.

Chairman Simon called for a report from the Development, Endowment and Investments Committee. Mr. Yance, Committee Chair, stated, at a meeting on June 1, endowment performance was presented and the return exceeded expectations relative to the index.

Mr. Yance said the Committee heard a report from Ms. Sullivan on the *Upward & Onward* Campaign, noting that, as of March 30, 2017, South had surpassed the \$100 million milestone, which was celebrated with a public announcement and the release of a video marking the achievement during the week of April 24. He emphasized the campaign was a reflection of the interest and interaction of donors and alumni who share a stake in the University. He said Annual Fund results were also discussed.

Chairman Simon called for a report from the Long-Range Planning Committee. Mr. Windom, Committee Chair, reviewed that, on May 1, the Committee met, heard a presentation by Mr. Weldon and Associate Vice President for Institutional Effectiveness Dr. Angela Coleman on a proposed 2017-2027 Campus Master Plan (Plan), and was offered the opportunity to recommend revisions. He noted a considerable amount of work by the University's Long-Range Planning Committee to develop the Plan, which addressed potential facilities projects and infrastructure needs; included input from the various campus constituencies; and received the endorsements of

the Faculty Senate and the SGA. Referring to copies of the Plan on the table, he stated adoption would fulfill a SACSCoC (Southern Association of Colleges and Schools Commission on Colleges) requirement for accreditation reaffirmation and that its intended use would be as a guide for the future. He said, at a meeting on June 1, the Committee voted unanimously to recommend Board approval of **ITEM 19** as follows. On motion by Captain Jenkins, seconded by Ms. Maye, the resolution was approved unanimously:

**RESOLUTION
CAMPUS MASTER PLAN, 2017-2027**

WHEREAS, the University of South Alabama's continued enrollment and program growth depends on providing adequate academic, administrative, campus life, and student services facilities and the use of the Institution's land in the most effective manner, and

WHEREAS, the University seeks to gain the maximum benefit from the financial investment in the physical development of the campus, and

WHEREAS, the Southern Association of Colleges and Schools has recommended that universities establish and adhere to a campus master plan, and

WHEREAS, the University's Campus Master Plan Committee, composed of administrators, faculty, staff, and students, met monthly during the 2016-2017 academic year, gathering data and input from a varied constituency of the University community, and

WHEREAS, this committee has identified needs for new facilities, renovation of existing structures, and implementation of design standards for campus and landscape architecture and developed the 2017 Campus Master Plan, attached hereto as Exhibit A,

NOW, THEREFORE BE IT RESOLVED that the Board of Trustees of the University of South Alabama approves the 2017 Campus Master Plan, covering the 2017-2027 time frame, and authorizes the University President to accept and utilize this plan as a general guide for the maintenance and future growth of the campus.

Chairman Simon asked President Waldrop if he wished to make additional remarks. President Waldrop reflected on the Distinguished Alumni and Service Awards Gala held on June 1 and asked Ms. Sullivan to share information on the individuals honored. Ms. Sullivan recognized Ms. Karen Edwards, Director of the Office of Alumni Relations, for her involvement.

There being no further business, the meeting was adjourned at 11:44 a.m.

Attest to:

Respectfully submitted:



Arlene Mitchell, Secretary



Kenneth O. Simon, Chair *pro tempore*

APPENDIX A



UNIVERSITY OF SOUTH ALABAMA

**DISCLOSURE OF INFORMATION ON PURCHASE OF REAL PROPERTY
PURSUANT TO ALABAMA ACT 2014-133**

PROPERTY ADDRESS:

563 Hunley Road
Mobile, Alabama 36608
Key Number 00489162

APPRAISAL INFORMATION:

A property appraisal was not obtained as the property was acquired by a best price offer of \$100.00 submitted to the State of Alabama. The accepted purchase price was lower than the 2016 fair market value of the property as assessed and reported by The Mobile County Revenue Commission.

CONTRACTS RELATED TO THE PURCHASE:

Tax Deed issued by the State of Alabama attached as “**Exhibit A**”

PURCHASE TERMS:

Cash Purchase

SOURCES OF FUNDS USED IN THE PURCHASE:

Unrestricted Funds

USA PROPERTIES

775 N. University Blvd. | Suite 150 | Mobile, Alabama 36608-4548
TEL: (251) 460-6100 | FAX: (251) 461-1765 | SouthAlabama.edu

EXHIBIT "A"



Deed Number: 60052

2017047212 1/1
Bk: LR7545 Pg: 843
Document Type: D

Mobile County, Alabama
I hereto certify this instrument
filed on 08/18/2017 01:06:10 PM
Don Davis Probate Judge

Deed Tax \$ 00
Mortgage Tax \$ 00
Mineral Tax \$ 00
No Tax \$ 00
Judge Fee \$ 00
S R Fee \$ 2.00
Surcharge Fee \$ 00
Recording Fee \$ 3.50
TOTAL \$ 6.50
2017047212
Bk LR7545
Pg 843

450
200
650

THE STATE OF ALABAMA

KNOW ALL MEN BY THESE PRESENTS

THAT WHEREAS on the 9th day of April, 2012, the Probate Court of MOBILE County rendered a decree for sale of lands hereinafter described and conveyed, for payment of State and County taxes then due from PURSE, SAM & DELMA L the owner of said lands, and for the payment of fees, costs and expenses of and under said decree, and the sale had in execution thereof.

And WHEREAS, thereafter, to-wit, on the 31st day of May, 2012, under and in pursuance of said decree, said lands were regularly offered for sale by the Tax Collector of MOBILE County for said taxes, fees, costs and expenses, and no person having bid a sufficient sum for the said lands to pay the same, said lands, were bid in for the State for the sum of said taxes, fees, costs, and expenses.

AND WHEREAS, the time allowed by law for the redemption of said lands has elapsed since said sale, and the same not having been redeemed, the title thereto under said sale is still in the State.

And WHEREAS, said land having been entered upon the books of the State Land Commissioner, and the State Land Commissioner of the State of Alabama, with the approval of the Governor, has fixed the price of said land, and ascertained that the sum of ONE HUNDRED DOLLARS & ZERO CENTS is sufficient to cover and satisfy all claims of the State and County against said lands for or on account of taxes, interest, fees, costs and officers' fees which were due upon or have accrued against said lands, as provided by law.

And WHEREAS, application has been made to the State Land Commissioner of the State of Alabama by UNIVERSITY OF SOUTH ALABAMA to purchase said land, and sum of ONE HUNDRED DOLLARS & ZERO CENTS (100 00) therefore has been paid into the State Treasury.

NOW THEREFORE, the State Land Commissioner of the State of Alabama, by virtue of and in accordance with the authority in him vested by law, with the approval of the Governor of Alabama, and in consideration of the premises above set out, has this day granted, bargained, sold, and conveyed and by these presents does grant, bargain, sell and convey unto the said UNIVERSITY OF SOUTH ALABAMA without warranty or covenant of any kind on the part of the State, express or implied, all right and title of the State of Alabama acquired by the tax sale aforesaid in and to said lands, described as follows:

Parcel # 022804171000006

Legal Description: LOT 6 BLK 26 HILLSDALE HGTS MBK 10 P 183 #SEC 17 T4S R2W #MP28 04 17 1 000

lying and being situated in said County and State, to have and to hold the same, the said right and title of the State in the land aforesaid, unto UNIVERSITY OF SOUTH ALABAMA and his/her/their/its heirs, assigns and successors forever.

In testimony whereof I have hereunto set my hand and seal this the 4th day of August, 2017.

Approved
Kay Ivey
Governor of Alabama

STATE LAND COMMISSIONER OF ALABAMA
Vernon Barnett
By State Land Commissioner

THE STATE OF ALABAMA, MONTGOMERY COUNTY

I, Leah M. Justice, a Notary Public in and for said County, in said State hereby certify that Revenue Commissioner Vernon Barnett, whose name is signed to the foregoing conveyance as State Land Commissioner, and who is known to me, acknowledged before me on this day that, being informed of the contents of this conveyance, he/she, in his/her capacity as such State Land Commissioner, executed the same voluntarily on the day the same bears date.

Given under my hand this the 4th day of August, 2017.

Leah M. Justice, Notary Public

My Commission expires: 7-14-18

Grantor:
Alabama Department of Revenue
Property Tax Division
Gordon Persons Bldg.
50 N. RIPLEY STREET RM 4103
MONTGOMERY, ALABAMA 36104

Grantee:
UNIVERSITY OF SOUTH ALABAMA
307 N. UNIVERSITY BLVD., AD-170
MOBILE, AL 36688

PROPERTY ADDRESS:
563 HUNLEY RD.
MOBILE, AL 36608

This instrument was prepared by: Deanna Coman

Deed Number: 60052

**Proposed Changes to University of South Alabama Hospitals Medical Staff Bylaws and Rules and Regulations
Revision/Additions Descriptions
Approved at the USA Hospitals General Medical Staff Meeting on April 11, 2017**

RECOMMENDED TO BE EFFECTIVE June 2, 2016

BYLAWS

- 1) **ARTICLE XII - APPOINTMENTS**
Section 12.03 Conditions of Appointment
Added expectations for practitioners to complete Electronic Medical Records training and gave responsibility for enforcement of these requirements to the Medical Executive Committee Chair.
- 2) **ARTICLE XIV - PHYSICIAN/HEALTHCARE PROVIDER HEALTH**
Section 14.04 Reporting and Investigation
Revised the timeframe for the Medical Review Officer to make recommendations to the Physician Review Committee from 24 hours to two business days.
Section 14.05 Return to Duty
Added as a condition of returning to practice, for the practitioner to undergo a "Fitness for Duty" evaluation.
- 3) **ARTICLE XXI - DEPARTMENTS/ CW SERVICE LINES**
Added Anesthesia and Pathology to the CW service lines supporting department list
- 4) **ARTICLE XXIII - MEDICAL EXECUTIVE COMMITTEE**
Section 23.01 Meetings
Added attendance limitations to membership plus invited guests determined by the MEC Chair.
Section 23.03 Membership
Added majority of MEC members will be voting members who actively practice at the hospital.
Revised the voting members list for CW to include Residency Program Director for primary service lines.
Revised Ex-Officio members for both hospitals to include residents from primary services and the College of Medicine Dean/V.P. of Medical Affairs.

RULES AND REGULATIONS

The following sections were revised to eliminate the terminology of using a written format:

2.2.4 Consultation report, 2.3.3 Admission Notes, 2.3.4 Primary attending physician involvement, 2.3.8 Medical Students, 2.4.1 Preoperative documentation requirements, 2.4.6 Anesthesia assessment, 2.4.7 Anesthesia consent, 2.5.6 Admit orders, 2.7.1 Patient discharge, 2.8.2 Release of body, 3.1 Responsibility for Completing Medical Records, 3.2.2 Progress notes, 3.2.5 Documentation requirements, 3.3.8 Permanently filing incomplete records, 3.4.2 Removal from hospital, 3.4.4 Required signatures, 3.4.5 Abbreviations and symbols, 3.5.1 Outpatient Medical Records Requirements, 4.1 Physician Orders, 4.2 Routine orders, 4.3 Legibility, 4.4 Physician Order sets and (down time) Pre-printed orders, 4.7 Laboratory testing orders by Pharmacists and 4.10 Cancellation of orders following operating room procedures.

Additional revisions:

1. **2.5.1 Admissions - Scope of Services (New title)**
Revised both scope of service sections to include the CMS required nondiscrimination list.
Revised CW scope to include "limited same day surgical services".
2. **3.2.3 Discharge summary**
Revised to eliminate written terminology and to state a nurse practitioner or physician assistant can write the discharge plan provided the summary is co-authenticated by the responsible physician.
3. **3.3.2 Procedure**
Revised the Medical Records Department to Health Information Management Department.
4. **4.5 Verbal or telephone orders**
Revised to clarify the authentication of verbal/telephone orders not to exceed 96 hours and that any physician covering could authenticate this type of order.
5. **6.4 Emergency Department/Evaluation Center Admissions**
Deleted this section that states a copy of the ED record will accompany the patient when admitted.

**Proposed Changes to University of South Alabama Hospitals Medical Staff Bylaws
Revisions approved at the USA Hospitals General Medical Staff Meeting on April 11, 2017**

Bold and Underlined are additions - ~~Strikethroughs are deletions~~

BYLAWS

ARTICLE XII - APPOINTMENTS

Section 12.03 Conditions of Appointment

- A. Any person accepting appointment to the Medical Staff of the Hospital agrees to immediate testing of blood and/or urine for controlled substances and/or alcohol upon appropriate request. An appropriate request is based upon suspicion of impairment from alcohol and/or drug abuse and may be made by the Chair of MEC, Department Chair, or Hospital Administrator. Medical Staff members who suspect another member of having impairment have a responsibility to immediately notify the Chair of MEC, Department Chair, or Hospital Administrator of their concerns.

Any person who refuses such testing will be treated administratively as though they tested positive for alcohol and/or controlled substances. Administrative procedures to be followed in such instances will be those defined for the involuntary detection of the impaired Physician.

Mandatory periodic drug and/or alcohol testing shall be required of any Medical Staff member identified as impaired from drug and/or alcohol abuse disorders as part of ongoing treatment and monitoring of the impaired individual.

- B. Any person applying for appointment to the Medical Staff of the Hospital, as a condition of maintaining such appointment, agrees that, at the request for cause of the Chair of MEC, Department Chair, Hospital Administrator, or a Fair Hearing or Corrective Action Committee of the MEC, as determined by the requesting body, they will undergo a complete physical and/or mental health evaluation concerning their ability to care for patients and/or ability to work cooperatively with colleagues, support staff, and other members of the USA Hospitals community. This evaluation shall be performed by a Physician and/or other appropriate health care professional who is mutually acceptable to the staff member or applicant and the party requesting the evaluation. The staff member or applicant shall agree to allow the report of the evaluation to be made available to the party requesting the evaluation.
- C. It shall be the responsibility of the Medical Staff member to report immediately to his Department Chair any investigation or actions taken against him with regard to any hospital appointment or privileges, licensure, certification, health care affiliation, or criminal charges.
- D. Each Medical Staff member must comply with hospital requirements for immunizations as set forth in the hospital policy.
- E. **All practitioners who seek patient care activities at the time of initial hospital appointment are required to complete training sessions on the use of the hospital's electronic medical record (EMR) prior to the initiation of any clinical activities except as exempted by hospital policy. All practitioners who provide ongoing patient care at the University of South Alabama Hospitals are required to utilize the EMR for computerized order entry and all applicable clinical documentation except as exempted by hospital policy. Non-compliance with these requirements can result in suspension of patient care activities, including elective admissions, outpatient care activities, and non-emergency surgical cases. Enforcement of these requirements is the responsibility of the Medical Executive Committee Chair. Upon documentation that the practitioner has agreed to utilize the EMR for all applicable patient care activities, hospital privileges will be reinstated.**

ARTICLE XIV

PHYSICIAN/HEALTHCARE PROVIDER HEALTH

Section 14.01 Purpose

The purpose of identifying and managing individual Physician/healthcare provider illness or any impairment condition is to assist and rehabilitate, rather than discipline, a Physician/healthcare provider in retaining or regaining acceptable professional functioning consistent with the care and protection of patients

Section 14.02 Definition

Impairment is defined as the inability to practice medicine or osteopathy or healthcare with reasonable skill and safety to patients by reason of illness or impairment of capability as a result of any mental or physical condition.

Section 14.03 Education of Medical Staff/healthcare provider

Medical Staff/appointee will be provided information about illness and impairment recognition issues. Education will include, but not be limited to, information provided with the appointment application.

Proposed Changes to University of South Alabama Hospitals Medical Staff Bylaws Revisions approved at the USA Hospitals General Medical Staff Meeting on April 11, 2017

Section 14.04 Reporting and Investigation

- A. The individual who suspects a Physician/appointee of being impaired will provide a verbal or written report to the Administrator or designee, the Chair of MEC, or Department Chair. A Physician/appointee may also self-report to any of these individuals. The report will include a description of the incident(s) or observation(s) that led to the belief that the Physician/appointee might be impaired. This report will immediately be forwarded to the Medical Review Officer (MRO). The MRO is appointed by the Hospital Administrator.
- B. The MRO will conduct the initial review and collect any needed additional information, which may include further interviews. The MRO will present the review of the case and recommendations to the Physician Review Committee (PRC) within ~~24 hours~~ **two business days** of receiving a report of a possibly impaired Physician/appointee. The PRC is comprised of the Chair of MEC or designee; Department Chair, and the Hospital Administrator or designee. If the Department Chair cannot participate in the review, an alternate will be designated by the Chair of MEC. At this meeting, the PRC will determine what, if any, immediate action(s) need to be taken. The PRC may also conduct further interviews if necessary. The PRC must reach a decision on the same day the MRO reports to them.
- C. If the PRC decides that there is sufficient evidence that the Physician/appointee is impaired, it will meet with that Physician/appointee immediately. The Physician/appointee will be informed that as a result of the complaint and validation via the review by the MRO and PRC, his/her ability to practice medicine/privileges safely is questionable and consequently privileges to practice medicine in any USA Hospital are immediately administratively suspended pending further review. The Physician/appointee may choose to appeal this decision to the Vice President for Health Systems. If not appealed within 24 hours or the appeal is unsuccessful, the Director of the Medical Association of the State of Alabama Physician Health Program/ other supervising authority will be notified of the Physician/appointee's presumed impairment to evaluate the Physician/appointee and, if deemed necessary, establish a mandatory treatment/rehabilitation program. The Director of the Medical Association of the State of Alabama Physician Health Program will determine if the Physician needs to be reported to the licensing board.
- D. If the Medical Director of Alabama's Physician Health Program concurs that the Physician is impaired, the Physician's hospital privileges will be suspended pending successful completion of a rehabilitation program.
- E. If the Chair of MEC or Hospital Administrator believes that there is an immediate risk of the Physician/appointee compromising patient safety, his hospital privileges will be administratively suspended pending the process described above.
- F. The Physician/appointee will be required to provide information regarding his treatment or rehabilitation and monitoring as determined by the treatment program.
- G. If the Physician/appointee fails to complete Alabama's Physician Health Program/other applicable authority, he is considered noncompliant with the treatment/rehabilitation program and is considered a Corrective Action (see Article XV) concern.

Section 14.05 Return to Duty

The Physician/appointee may resume patient care duties when recommended by the treatment program and approved by the Vice President for Health Systems. The Department Chair or designee shall monitor the Physician/appointee's exercise of clinical privileges in the hospital following return to duty.

As a condition of returning to practice, a physician/appointee will undergo a "fitness for duty" evaluation to indicate that the practitioner has no physical or mental problem that would interfere with their ability to perform the privileges granted to care for patients and/or ability to work cooperatively with colleagues, support staff, and other members of the USA Hospitals community. This evaluation shall be performed by a physician and/or other appropriate health care professional who is mutually acceptable to the staff member and the party requesting the evaluation. The staff member or applicant shall agree to allow the report of the evaluation to be made available to the MEC Chair, Hospital Administrator or a Fair Hearing or Corrective Action Committee of the MEC requesting the evaluation.

ARTICLE XXI

DEPARTMENTS/ CW SERVICE LINES

The Medical Staff shall be organized in the following Hospital departments and/or service lines:
Children's and Women's Departments are as follows:

Children's and Women's

- A. Family Medicine ~~and Internal Medicine~~
- B. Obstetrics and Gynecology
- C. Pediatrics/ ~~and~~ Neonatology
- D. **Support Department representatives:** Radiology, Surgery, **Anesthesia, Pathology**

These departments are represented in the Women's and Children's service line committees.

**Proposed Changes to University of South Alabama Hospitals Medical Staff Bylaws
Revisions approved at the USA Hospitals General Medical Staff Meeting on April 11, 2017**

Medical Center

- A. Anesthesiology
- B. Emergency Medicine
- C. Family Medicine
- D. Internal Medicine
- E. Neurology
- F. Neurosurgery
- G. Obstetrics and Gynecology
- H. Orthopedic Surgery
- I. Pathology
- J. Pediatrics
- K. Psychiatry
- L. Radiology
- M. Surgery

Additionally, other departments may be authorized from time to time by the Executive Committee either independently or on recommendation of the MEC.

ARTICLE XXIII

MEDICAL EXECUTIVE COMMITTEE

Section 23.01 Meetings

The MEC shall meet at least quarterly. Two voting (2) members must be in attendance in order to constitute a quorum and conduct committee business. Attendance will be limited to membership plus invited guests as determined by the MEC Chair.

Section 23.03 Membership

Members of the Organized Medical Staff may be appointed for service on the MEC. The membership of the MEC, the majority of which shall be **voting member** physicians who are actively practicing in the hospital, shall consist of no more than 22 voting members including the following:

- A. Chair
- B. Immediate Past Chair
- C. Chair-Elect/Secretary
- D. Department Chairs and/or CW Service Line Chair
- E. Elected At-Large Members of the Medical Staff
- F. CW Only - Residency Program Directors (Primary Service)

Biennially, the Chair of MEC, Chair-Elect/Secretary of MEC, and Immediate Past Chair of MEC in collaboration with the Hospital Administrator shall appoint At-Large Members from the Organized Medical Staff.

- G. Chair of the Combined Credentials Committee
- H. Ex-Officio Members:
 - 1) Hospital Administrator/designee
 - 2) ~~Assistant Administrator~~
 - 3) Chief Nursing Officer/designee
 - 4) Quality Management Representatives
 - 5) College of Medicine Dean/Vice President of Medical Affairs
 - 6) Residents (primary services)

Proposed Changes to University of South Alabama Hospitals Medical Staff Rules and Regulations Approved at the USA Hospitals General Medical Staff Meeting on April 11, 2017

Bold and Underlined are additions - Strikethroughs are deletions

RULES AND REGULATIONS

General Conduct of Care

2.2.4 Consultation report

A ~~written or dictated~~ consultation report must be provided by the consultant for inclusion in the medical record.

2.3.3 Admission Notes

The primary attending physician will enter an admitting note and co-sign the resident's note in the patient's ~~chart~~ **medical record** stating the reason for admission and describing the initial management plans. The admitting note must meet Medicare documentation requirements and be incorporated into the medical record within 24 hours following the patient's admission.

2.3.4 Primary attending physician involvement

The primary attending physician's involvement in the patient's care must be ~~documented~~ at least daily as evidenced by the attending's ~~signature of resident's/fellow's note and a brief~~ **written medical record entry note**.

2.3.8 Medical Students

Medical students cannot independently provide any aspect of patient care. All medical student notes must be ~~co-signed~~ **authenticated** by a resident or attending physician on the day they are written and corrected if necessary. A medical student note **entry** does not take the place of a resident's daily note. A signature provides verification that the information contained in the medical student's note is accurate. An order ~~written~~ **entered into the medical record** by a medical student will be disregarded unless it is ~~co-signed~~ **authenticated via a signature** by a resident or attending physician.

2.4.1 Preoperative documentation requirements

Except in emergencies, a history and physical examination, the pre-operative diagnosis, consent, laboratory reports and radiology reports must be ~~completed~~ **recorded** in the patient's medical record prior to any surgical procedure. Preparation for surgery including pre-medication shall not be performed until proper entries are ~~recorded~~ **completed** in the patient's medical record. The operating room circulating nurse will notify the operating staff surgeon if these criteria are not met. If this causes a delay in surgery, which results in a change in the surgery schedule, the operation shall be rescheduled to the next available time. In the case of an emergency, where any or all of the above entries have not been made in the medical record, the operating attending surgeon shall ~~document~~ **make an entry** in the medical record **regarding** the patient's condition prior to induction of anesthesia and that a delay would be detrimental to the patient.

2.4.6 Anesthesia assessment

Every patient's **medical** record must contain documentation that a pre-anesthesia assessment was performed and anesthesia consent obtained. The record must also document that the patient was re-evaluated in the operating area immediately before anesthesia induction. Documentation must include the choice of anesthesia and the anticipated surgical procedure.

2.4.7 Anesthesia consent

Anesthesia options and risks must be discussed with the patient or surrogate prior to anesthesia administration. That the patient understands the anesthetic risks and agrees to the anesthetic plan including any invasive monitoring, must be ~~documented~~ **entered into** the medical record.

2.5.1 Admissions-**Scope of Services**

MC-Subject to services offered, patients will be **accepted, admitted, treated, transferred or discharged without regard to** ~~regardless of~~ age, **race**, ethnicity, religion, culture, language, physical or mental disability, socioeconomic status, sex, sexual orientation, gender identity or expression, **veteran status** or source of payment.

CW - **Subject to services offered, patients will be accepted, admitted, treated, transferred or discharged without regard to age, race, ethnicity, religion, culture, language, physical or mental disability, socioeconomic status, sex, sexual orientation, gender identity or expression, veteran status or source of payment. As a specialty hospital dedicated to children and women, age and gender are reasonable factors to apply in consideration of acceptance, admission, treatment and transfer in accordance with our scope of services.**

Generally, patients from neonate through the age of 18 that require pediatric services, patients of any age who require obstetrics and gynecology services, and patients with illnesses/conditions/disabilities related to ~~unique to~~ the mission of the hospital **or when the medical team determines that the continuum of care for the patient is best served at this hospital such as young**

Proposed Changes to University of South Alabama Hospitals Medical Staff Rules and Regulations Approved at the USA Hospitals General Medical Staff Meeting on April 11, 2017

adults with significant life-limiting conditions. Additionally, limited same day surgical services will be available on an outpatient basis.

The Administrator or administrator's designee, at either hospital reserves the right to refuse admission to any patient or to limit the admission of patients whenever, in the opinion of the administrator or administrator's designee, that such refusal or limitation is related to lack of capacity, or beyond the scope of ~~necessary (to) support~~ the mission /service of the hospital or capability of hospital. The decision of the administrator/administrator's designee in such cases shall be final.

2.5.6 Admit orders

When required by federal or state law, guideline, or regulations, or when required by regulatory agencies, orders to "admit" the patient are ~~written~~ entered into the medical record by the attending physician. If the initial orders are ~~written~~ entered into the patient's medical record by a resident, the orders are reviewed and co-signed by the attending physician.

2.7.1 Patient discharge

Patients shall be discharged from the hospital only after ~~on~~ the written discharge order is entered into the medical record of by the patient's attending physician or designee, provided as early as possible on the day of discharge. If a patient leaves the hospital against the advice of the attending physician, or without proper discharge, a notation shall be made in the patient's medical record and an AMA form completed.

2.8.2 Release of body

The body shall not be released until an entry has been made ~~and signed~~ in the medical record of the deceased by the attending physician or designee, or an entry made in the progress notes by the nursing supervisor indicating assessment and time of death.

Medical Records

3.1 Responsibility for Completing Medical Records

The primary attending physician is responsible for ~~the preparation of~~ a complete, accurate, timely ~~and legible~~ medical record for every patient assessed or treated. The medical record should contain sufficient information to identify the patient, support the diagnosis, justify the treatment, document the course and results, and promote continuity of care among health care attending.

3.2.2 Progress notes

1. Progress notes must be ~~dated, timed, signed, and recorded~~ entered into the electronic medical record daily by attending physician or licensed independent practitioner with counter signature. Patients designated as being long term stay patients will be assessed as per hospital policy. Medical student progress notes must be reviewed and signed by a physician, but cannot take the place of an attending or resident note. These notes should reflect current problems, treatments and plans and patient/family wishes.

3.2.3 Discharge summary

A discharge summary must be completed ~~and placed in the record of for~~ every hospitalized patient. ~~All discharge summaries are required to be dictated with one exception at Children's and Women's. Patients at Children's and Women's staying less than 48 hours may have a hand written discharge summary. The Medical Center requires all discharge summaries to be dictated no matter the length of stay of the patient.~~ The discharge summary summarizes the patient's condition on discharge, final diagnosis, follow-up plans, medications and special instructions. The medical record must be sufficiently detailed to justify the diagnoses, treatments and outcomes. Every patient's final diagnoses should be ~~recorded, dated, timed, and signed~~ entered into the medical record by the attending physician at the time of discharge.

A physician may delegate ~~to an RN the duty of dictating~~ the completion of the discharge summary to a nurse practitioner or physician assistant. ~~from information already documented in the record.~~ The discharge summary will include all pertinent information which would be required by physicians providing subsequent care as outlined above. ~~The dictated discharge summary shall be reviewed and signed by the physician who shall accept full responsibility for the summary.~~ Delegated discharge summaries will be co-authenticated by the MD/DO responsible for the patient during his/her hospital stay to verify its content.

3.2.5 Documentation requirements

All clinical entries must be completed in the patient's medical record system shall be dated, and timed, ~~and signed~~. ~~The primary attending physician shall complete the medical record at the time of the patient's discharge, including progress notes, final diagnoses and discharge summary. Where this is not possible because final laboratory or other essential reports have not been received at the time of discharge, the attending physician shall note in the space provided for final diagnosis that the diagnosis is incomplete pending certain reports, and those missing reports shall be listed. When the report(s) specified have been entered in the chart, the attending physician shall be notified. The final diagnosis shall then be recorded in full and signed. The medical record shall be completed per hospital policy at the time of the patient's discharge, including progress notes, final diagnoses and discharge summary, when possible.~~

3.3.2 Procedure

Proposed Changes to University of South Alabama Hospitals Medical Staff Rules and Regulations Approved at the USA Hospitals General Medical Staff Meeting on April 11, 2017

All records not completed at the time of discharge shall be **flagged by the Health Information Management Department** placed ~~in the primary attending physician's incomplete file in the Medical Records Department.~~ The Medical Records **Health Information Management** Department will forward weekly lists of incomplete/delinquent records to the primary attending physician and department chairpersons **as warranted**. The department chairpersons will ~~contact the primary attending physician to ensure that work with the primary care physician to facilitate records are completed completion.~~

3.3.8 Permanently filing incomplete records

A medical record shall not be permanently ~~filed~~ **closed** until it is completed by the attending physician or is ordered ~~filed~~ **closed** by the Medical Executive Committee. The Medical Executive Committee may order a medical record ~~filed as closed~~ in cases where the attending physician has died, become disabled, has moved, or otherwise is unable to complete the record. In such cases, the department chairperson will ensure that appropriate notations are placed in the record explaining the circumstances. In cases where the physician is able, but refuses to complete the record within one year of discharge of the patient, that physician will be permanently removed from the Medical Staff and the **medical** record(s) in question will be closed by the Medical Executive Committee.

3.4.2 Removal from hospital

Records may be ~~removed~~ **released** from the hospital's jurisdiction and safekeeping only in accordance with a court order, subpoena, or statute. All records are the property of the hospital and shall not otherwise be taken away without permission of the Administrator or designate. If a patient is readmitted, previous records shall be available for the use of the patient's current primary attending physician personnel directly involved in the patient's care. Unauthorized ~~removal~~ **release** of charts from the hospital is grounds for suspension for a period to be determined by the Medical Executive Committee.

3.4.4 Required signatures

Entries may be confirmed by ~~written signatures, initials, and computer electronic signatures~~ or by signing off against a list of open records indicating that they have reviewed and approved. ~~Any attending physician using an electronic signature must have a statement on file agreeing to comply with the criteria for electronic signatures and accepting full responsibility for the accuracy of reports signed in this manner.~~

3.4.5 Abbreviations and symbols

There is a list of abbreviations and symbols approved for use at the USA Hospitals, as well as a list of "Do Not Use" abbreviations. **During down time procedure** All notations in a medical record shall be kept on forms approved for such use by the USA Hospitals.

3.5 Outpatient Medical Records

3.5.1 Requirements

An outpatient medical record must be created for all patients having invasive procedures or sedation of any type. The services listed below are examples of areas/situations which may require outpatient documentation:

Certain GI lab procedures

Bronchoscopy; Cardiac catheterization; Blood transfusions; Chemotherapy; Outpatient surgery; Arteriography and Observation

The outpatient department will enter all clinical documentation into the medical record utilizing the established clinical pathway to include: ~~The approved medical record or departmental outpatient record short form, may be used if it includes the following:~~ pertinent medical history, physical examination of body system involved (as well as heart and lungs), allergies, plan of care, physician's orders, evidence of monitoring, nurses notes, medication administration record and condition on discharge. ~~This information should accompany the patient at the time of the procedure or test.~~ A clinic history and documented physical examination can be substituted for the brief history and physical if done within 30 days of the test/procedure and there have not been any significant changes in the patient's condition, but must be updated immediately prior to test or procedure.

4.0 Physicians Orders:

4.1 All orders for treatment must be Computerized Physician Order Entry (CPOE) ~~or documented in writing.~~

4.1.1 Residents ~~may~~ **must** enter (CPOE) ~~or write patient care orders unless otherwise specified in hospital policy.~~

4.2 Routine orders

The USA ~~electronic~~ medical record system is ~~the~~ **an acceptable** source of physician orders. Physician routine orders, ~~when applicable to a given patient,~~ shall be computer entered by physician or ~~transcribed~~ by appropriate hospital personnel (Pharmacists, Nurses, Ward Clerks) to the ~~electronic~~ medical record. **During down time** a physician's ~~routine~~ written orders, when applicable to a given patient, shall be reproduced in detail on the order sheet of the patient's record, dated, timed, and signed by the physician. Pre-printed orders and/or instruction sheets must be authenticated in the same way.

Proposed Changes to University of South Alabama Hospitals Medical Staff Rules and Regulations Approved at the USA Hospitals General Medical Staff Meeting on April 11, 2017

4.3 Legibility

~~During electronic medical record system down time~~ written physician's orders, including signature, must be legible. Orders that are illegible or otherwise improperly written will not be carried out until clarified with the physician.

4.4 Electronic Physician Order sets and Pre-printed orders

~~CW Electronic Physician Order sets and Pre-printed orders must be reviewed and approved by the Medical Executive Committee.
MC Electronic Physician Order sets and Pre-printed order and/or instruction sheets shall be instituted only after approval of the Information Management Committee and the Medical Executive Committee.~~

4.5 Verbal or telephone orders

Physicians should enter CPOE ~~or write patient care orders~~ into the Medical Record. Verbal orders **should be rare** and are to be accepted only in emergent/urgent situations or when physicians are performing procedures. Telephone orders should be communicated by CPOE physicians only when the physician is unable to access the ~~electronic~~ medical record. **Both verbal and telephone orders shall be authenticated by the physician as soon as possible but not to exceed 96 hours.**

In appropriate situations, Verbal or telephone orders may be accepted by licensed, certified registered staff members, within the limits established by the Medical Staff, consistent with the State Practice Acts, from an attending physician or designee. A verbal order shall be considered to be ~~in writing if~~ **complete once** given to a registered nurse functioning within his/her sphere of competence and subsequently ~~signed~~ **authenticated** by the responsible practitioner.

Other personnel authorized to accept or carry out orders within the confines of their respective departments are as follows: Registered Physical Therapist, Registered Respiratory Therapist, Registered Pharmacist, Registered Radiology Technologist, Registered Dietician, Licensed Social Worker, qualified Occupational and Speech Therapists, Ultrasonographer, Registered Medical Technologist, Medical Laboratory Technician, Physician Assistant and Advance Practice Nurse Practitioner. All orders dictated shall be identified by the date and time of the order, the appropriate notation (TOV or VOV for either telephone or verbal order verified), the name of the practitioner, and the name and title of the individual to whom the order was dictated. Verbal orders are to be accepted only in emergent/urgent situations. Based upon the Code of Federal Regulations all entries must be legible, complete, and must be authenticated by the person identified by name and discipline **or another person covering** who is responsible for ordering, providing, or evaluating the service furnished. The responsible physician or another authorized physician who is responsible for the care of the patient shall authenticate, ~~date and time~~ any order promptly but in no case longer than 96 hours. The exceptions are: Orders for restraints which have specified time frames for authentication or change in Life Sustaining Medical Treatment status that must be signed within 24 hours. The physician shall take full responsibility for any order given to include written, telephone (TOV) or verbal (VOV).

4.7 Laboratory testing orders by Pharmacists

Registered pharmacists may ~~write~~ **enter** orders for specific laboratory tests according to established protocols.

4.10 Cancellation of orders following operating room procedures

All previous orders are canceled for patients who have procedures performed in the operating room. Therefore, following the completion of the procedure, all orders, including medications must be ~~rewritten~~ **reordered**. Writing **An order** to continue or resume previous orders is not acceptable.

6.0 Emergency Department / Evaluation Center

6.4 Admissions

~~A copy of the medical record will accompany any patient being admitted to the hospital from the Emergency Department/Evaluation Center.~~

University of South Alabama

Tuition & Fees, 2017-2018

3.5% Increase

| Student Classification | Current* | Proposed * | Change |
|------------------------|------------------|------------------|-------------|
| | <u>2016-2017</u> | <u>2017-2018</u> | |
| Undergraduate In-State | \$302 | \$313 | \$11 |
| Graduate In-State | \$407 | \$421 | \$14 |

Non-resident rate is twice the resident rate

| Student Classification | Current full academic year tuition plus fees | Proposed full academic year tuition & fees | Change in full academic year tuition |
|------------------------|---|--|--|
| | <u>2016-2017</u> | <u>2017-2018</u> | |
| Undergraduate In-State | \$9,060 | \$9,390 | \$330 |
| Graduate In-State | \$9,768 | \$10,104 | \$336 |

Non-resident rate is twice the resident rate

Note: Based on 30 undergraduate and 24 graduate hours over two semesters per academic year

Web Course per-Hour Tuition**

3.5% Increase

| | | | |
|---------------|-------|-------|-------------|
| Undergraduate | \$398 | \$412 | \$14 |
| Graduate | \$483 | \$500 | \$17 |

College of Medicine

3.5% Increase

| | | | |
|---------------|----------|----------|----------------|
| Undergraduate | \$29,083 | \$30,101 | \$1,018 |
|---------------|----------|----------|----------------|

*The rate reflects the required student fees combined with the hourly tuition charge for a general Arts & Sciences major.

**The rate for web tuition reflects the required student fees combined with the hourly tuition charge.

**UNIVERSITY OF SOUTH ALABAMA
2017-2018 Proposal**

| In-State Tuition Rate* | Undergraduate | | Graduate | |
|---|------------------------|----------------------|------------------------|----------------------|
| Tuition Rate by College | Current Tuition | 3.5% Increase | Current Tuition | 3.5% Increase |
| College of Arts and Sciences College of Education and Professional Studies | \$302 | \$313 | \$407 | \$421 |
| Pat Capps Covey College of Allied Health Professions Mitchell College of Business School of Computing | \$317 | \$328 | \$428 | \$443 |
| College of Engineering | \$321 | \$332 | \$433 | \$448 |
| College of Nursing | \$348 | \$360 | \$469 | \$485 |

| Out-of-State Tuition Rate | Undergraduate | | Graduate | |
|---|------------------------|----------------------------------|------------------------|----------------------------------|
| Tuition Rate by College | Current Tuition | 2 times the in-state rate | Current Tuition | 2 times the in-state rate |
| College of Arts and Sciences College of Education and Professional Studies | \$604 | \$626 | \$814 | \$842 |
| Pat Capps Covey College of Allied Health Professions Mitchell College of Business School of Computing | \$634 | \$656 | \$856 | \$886 |
| College of Engineering | \$642 | \$664 | \$866 | \$896 |
| College of Nursing | \$696 | \$720 | \$938 | \$970 |

| Web Course Tuition Rate | Undergraduate | | Graduate | |
|---|------------------------|----------------------|------------------------|----------------------|
| Tuition Rate by College | Current Tuition | 3.5% Increase | Current Tuition | 3.5% Increase |
| College of Arts and Sciences College of Education and Professional Studies | \$398 | \$412 | \$483 | \$500 |
| Pat Capps Covey College of Allied Health Professions Mitchell College of Business School of Computing | \$412 | \$426 | \$506 | \$524 |
| College of Engineering | \$417 | \$432 | \$510 | \$528 |
| College of Nursing | \$443 | \$459 | \$547 | \$566 |

*Includes Study Abroad/Study Away (Outside the State of Alabama)

UNIVERSITY OF SOUTH ALABAMA

USA SIMULATION PROGRAM

Proposed Resource Fee Increase

Supporting Simulation Program, Standardized Patient Program, Interprofessional Education, and Biomedical Library for the Colleges of Allied Health Professions, Medicine, and Nursing

Proposed Schedule

| 2017-2018 (Year 1) | Allied Health/Nursing | Medicine |
|----------------------------|------------------------------|----------------------|
| | 3 Semesters | 2 Semesters |
| Current Fee: | \$133/sem (\$399/yr) | \$200/sem (\$400/yr) |
| Proposed Increase: | \$12/sem (\$36/yr) | \$18/sem (\$36/yr) |
| Proposed Fee Total: | \$145/sem (\$435/yr) | \$218/sem (\$436/yr) |

| 2019-2020 (Year 3) | Allied Health/Nursing | Medicine |
|----------------------------|------------------------------|----------------------|
| | 3 Semesters | 2 Semesters |
| Current Fee: | \$145/sem (\$435/yr) | \$218/sem (\$436/yr) |
| Proposed Increase: | \$12/sem (\$36/yr) | \$18/sem (\$36/yr) |
| Proposed Fee Total: | \$157/sem (\$471/yr) | \$236/sem (\$472/yr) |

| 2021-2022 (Year 5) | Allied Health/Nursing | Medicine |
|----------------------------|------------------------------|----------------------|
| | 3 Semesters | 2 Semesters |
| Current Fee: | \$157/sem (\$471/yr) | \$236/sem (\$472/yr) |
| Proposed Increase: | \$12/sem (\$36/yr) | \$18/sem (\$36/yr) |
| Proposed Fee Total: | \$169/sem (\$507/yr) | \$254/sem (\$508/yr) |

2017 - 2018 Proposed Semester Room Rates

| Residence Hall | | 2016-2017 Current Rate | 2017-2018 Proposed Rate | Difference |
|----------------|-------------------------------------|------------------------------|-------------------------------|------------|
| BETA / GAMMA | Apartment for 4 | \$1,925 | \$1,990 | \$65 |
| | Apartment for 2 / Private Apartment | \$2,825 | \$2,920 | \$95 |
| | Studio Apartment for 2 | \$2,320 | \$2,470 | \$150 |
| | Suite for 1 / Large Private Room | \$2,600 | \$2,675 | \$75 |
| | Suite for 2 | \$1,925 | \$1,990 | \$65 |
| DELTA | Room for 2 | \$1,925 | \$1,990 | \$65 |
| | Large Private Room | - | \$2,675 | |
| | Private Room | \$2,485 | \$2,570 | \$85 |
| | Room for 2 w/ kitchenette | \$2,285 | \$2,350 | \$65 |
| | Private Room w/ kitchenette | \$2,485 | \$2,570 | \$85 |
| STOKES | Suite for 1 | \$2,825 | \$2,920 | \$95 |
| EPSILON | Room for 2 | \$2,485 | \$2,570 | \$85 |
| NEW HALL | Room for 2 | \$2,485 | \$2,570 | \$85 |

2017 - 2018 Proposed Semester Meal Plan Rates

| <u>Meal Plan Type</u> | | <u>2016-2017 Current Rate</u> | <u>2017-2018 Proposed Rate</u> | <u>Difference</u> |
|-----------------------|---|---------------------------------------|--|-------------------|
| Freshmen and above | All Access Pass with \$175 Bonus Bucks | \$1,745 | \$1,755 | \$10 |
| | All Access Pass with \$300 Bonus Bucks | \$1,860 | \$1,880 | \$20 |
| | All Access Pass with \$450 Bonus Bucks | \$1,985 | \$2,030 | \$45 |
| Sophomore and above | 10 Meals Per Week with \$500 Bonus Bucks* | NA | \$1,755 | |
| Junior and above | Block 50 with \$1300 Bonus Bucks | \$1,300 | \$1,300 | \$0 |
| | 7 Meals Per Week with \$100 Bonus Bucks | \$860 | \$950 | \$90 |

**New option in 2017-2018 - Sophomore and above*

EXHIBIT I
FORM OF FOURTEENTH SUPPLEMENTAL INDENTURE

**FOURTEENTH SUPPLEMENTAL UNIVERSITY FACILITIES
REVENUE TRUST INDENTURE**

between

UNIVERSITY OF SOUTH ALABAMA

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

Dated June 15, 2017

TABLE OF CONTENTS

| | Page |
|--|-------------|
| ARTICLE I SERIES 2017 BONDS..... | 3 |
| Section 1.1 Authorization and Description of the Series 2017 Bonds..... | 3 |
| Section 1.2 Redemption Provisions | 4 |
| Section 1.3 Payments into Bond Fund; Method of Payment | 4 |
| Section 1.4 Form of Series 2017 Bonds..... | 5 |
| Section 1.5 Execution and Delivery of the Series 2017 Bonds | 10 |
| Section 1.6 Application of Proceeds from Sale of Series 2017 Bonds | 10 |
| ARTICLE II BOOK-ENTRY ONLY SYSTEM | 11 |
| ARTICLE III CAPITALIZED INTEREST ACCOUNT..... | 14 |
| Section 3.1 Capitalized Interest Account..... | 14 |
| ARTICLE IV CERTAIN PROVISIONS REGARDING THE INSURER | 14 |
| Section 4.1 Applicability of this Article | 14 |
| Section 4.2 Requirements of the Insurer | 14 |
| ARTICLE V MISCELLANEOUS..... | 21 |
| Section 5.1 Concerning the Code..... | 21 |
| Section 5.2 Confirmation of Indenture | 22 |
| Section 5.3 Confirmation of Pledges | 22 |
| Section 5.4 Construction of Fourteenth Supplemental University Facilities Revenue Trust Indenture | 22 |
| Section 5.5 Severability | 22 |
| Section 5.6 No Broker Confirmations..... | 22 |
| Section 5.7 Electronic Communications..... | 22 |

EXHIBIT A - Specimen Municipal Bond Insurance Policy

FOURTEENTH SUPPLEMENTAL UNIVERSITY FACILITIES REVENUE TRUST INDENTURE between the **UNIVERSITY OF SOUTH ALABAMA**, public body corporate under the laws of Alabama (herein called the “University”), and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.** (as successor Trustee to AmSouth Bank of Alabama and being herein called the “Trustee”), a national banking association in its capacity as Trustee under the University Facilities Revenue Trust Indenture dated as of February 15, 1996, as heretofore supplemented and amended (herein called the “Indenture”).

RECITALS

The University makes the following findings as a basis for the undertakings herein contained:

(a) Pursuant to the provisions of the Indenture, the University has issued and sold its (i) \$31,680,000 original principal amount of University Tuition Revenue Refunding and Capital Improvement Bonds, Series 1996, dated February 15, 1996, which are no longer outstanding, (ii) \$7,055,000 original principal amount University Tuition Revenue Refunding Bonds, Series 1996B, dated October 15, 1996, which are no longer outstanding, (iii) \$40,130,000.70 original principal amount University Tuition Revenue Bonds, Series 1999, dated March 1, 1999 (the “Series 1999 Bonds”), (iv) \$51,080,000 original principal amount Tuition Revenue Refunding and Capital Improvement Bonds, Series 2004, dated March 15, 2004, which are no longer outstanding, (v) \$100,000,000 original principal amount University Tuition Refunding and Capital Improvement Bonds, Series 2006, dated December 1, 2006 (the “Series 2006 Bonds”), which are no longer outstanding, (vi) \$112,885,000 original principal amount University Facilities Revenue Capital Improvement Bonds, Series 2008, dated September 1, 2008 (the “Series 2008 Bonds”), (vii) \$29,750,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2010, dated June 16, 2010 (the “Series 2010 Bond”), (viii) \$25,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2012-A, dated January 4, 2012 (the “Series 2012-A Bond”), (ix) \$7,740,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2012-B, dated January 4, 2012 (the “Series 2012-B Bond”), (x) \$32,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-A, dated June 28, 2013 (the “Series 2013-A Bond”), (xi) \$8,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-B, dated June 28, 2013 (the “Series 2013-B Bond”), (xii) \$10,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-C, dated June 28, 2013 (the “Series 2013-C Bond”), (xiii) \$41,245,000 original principal amount University Facilities Revenue Refunding Bond, Series 2014-A, dated March 14, 2014 (the “Series 2014-A Bond”), (xiv) \$6,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2015, dated June 15, 2015 (the “Series 2015 Bond”), (xv) \$85,605,000 original principal amount University Facilities Revenue Refunding Bonds, Series 2016, dated September 14, 2016 (the “Series 2016 Bonds”), (xvi) \$20,000,000 original principal amount University Facilities Revenue Refunding Bond, Series 2016-B, dated December 7, 2016 (the “Series 2016-B Bond”), (xvii) \$35,000,000 original principal amount University Facilities Revenue Refunding Bond, Series 2016-C, dated December 7, 2016 (the “Series 2016-C Bond”), and (xviii) \$45,000,000 original principal amount University Facilities Revenue Refunding Bond, Series 2016-D, dated December 7, 2016 (the “Series 2016-D Bond”).

(b) In Article VIII of the Indenture, the University has reserved the right to issue Additional Bonds, secured by a pledge of the Pledged Revenues on a parity with all Additional Bonds outstanding under the Indenture, including the Series 1999 Bonds, the Series 2008 Bonds, the Series 2010 Bond, the Series 2012-A Bond, the Series 2012-B Bond, the Series 2013-A Bond, the Series 2013-B Bond, the Series 2013-C Bond, the Series 2014-A Bond, the Series 2015 Bond, the Series 2016 Bonds, the Series 2016-B Bond, the Series 2016-C Bond and the Series 2016-D Bond (collectively, the “Outstanding Bonds”), and with such Additional Bonds as shall hereafter be issued upon compliance with the applicable provisions of said Article VIII.

(c) The University has determined it is necessary, wise and in the best interest of the University and the public to (i) pay the costs of various capital improvements at the University hereinafter defined as the 2017 Improvements, and (ii) cover a deposit into the Capitalized Interest Account hereinafter described, with the issuance of Additional Bonds in the aggregate principal amount of \$38,105,000. The University has duly adopted a resolution authorizing the issuance of such Additional Bonds and this Fourteenth Supplemental University Facilities Revenue Trust Indenture is executed in order to specify the details with respect to such Additional Bonds.

(d) This Fourteenth Supplemental University Facilities Revenue Trust Indenture is being executed to provide for the issuance of the Series 2017 Bonds (hereinafter referred to) as Additional Bonds under the Indenture.

Additional Definitions

The following definitions are in addition to those contained in the Indenture:

“**Authorized University Officer**” means the President of the University, the Vice President for Finance and Administration, or such other officer of the University as either of the foregoing officers shall have designated in writing to serve as an Authorized University Officer hereunder.

“**Capitalized Interest Period**” shall mean the period of time from the issuance of the Series 2017 Bonds through and including April 1, 2018.

“**Insurance Policy**” means the municipal bond insurance policy issued by the Insurer guaranteeing the scheduled payment of principal of and interest on the Insured Series 2017 Bonds as provided therein.

“**Insured Series 2017 Bonds**” means those of the Series 2017 Bonds maturing on October 1 of the years 2020 through 2037, inclusive.

“**Insurer**” means Build America Mutual Assurance Company, a New York-domiciled mutual insurance company, or any successor thereto or assignee thereof.

“**Interest Payment Date**” means, with respect to the Series 2017 Bonds, each October 1 and April 1, commencing October 1, 2017.

“**Record Date**” as used in the Indenture shall be, with respect to the Series 2017 Bonds, the September 15 and March 15 preceding each Interest Payment Date.

“**Series 2017 Bonds**” means those Bonds bearing the designation Series 2017, authorized to be issued in the aggregate principal amount of \$38,105,000 and dated June 15, 2017.

“**2017 Improvements**” means various capital improvements and assets on the campus of the University including, without limitation, utility and infrastructure improvements and construction costs for a new residence hall, and other capital improvements.

NOW, THEREFORE, THIS FOURTEENTH SUPPLEMENTAL UNIVERSITY FACILITIES REVENUE TRUST INDENTURE

WITNESSETH:

It is hereby agreed among the University, the Trustee and its successors in trust under the Indenture and the holders at any time of the Series 2017 Bonds hereinafter referred to and the Outstanding Bonds each with each of the others, as follows:

**ARTICLE I
SERIES 2017 BONDS**

Section 1.1 Authorization and Description of the Series 2017 Bonds. There is hereby authorized to be issued by the University under the Indenture a series of Bonds entitled “University Facilities Revenue Bonds, Series 2017”, dated June 15, 2017, which shall be issued in the aggregate principal amount of \$38,105,000. The Series 2017 Bonds shall mature and become payable on October 1 in the years and amounts shown below. Interest shall be payable on October 1, 2017, and on each Interest Payment Date thereafter, and the Series 2017 Bonds shall bear interest at the per annum rates set forth below, computed on the basis of a 360-day year of twelve consecutive 30-day months:

| Maturity (October 1) | Principal Amount | Interest Rate |
|---------------------------------|-----------------------------|--------------------------|
| Uninsured: | | |
| 2017 | \$ 695,000 | 2.000% |
| 2018 | 1,180,000 | 4.000 |
| 2019 | 1,240,000 | 5.000 |
| Insured: | | |
| 2020 | 1,300,000 | 5.000 |
| 2021 | 1,370,000 | 5.000 |
| 2022 | 1,440,000 | 5.000 |
| 2023 | 1,515,000 | 5.000 |
| 2024 | 1,590,000 | 5.000 |
| 2025 | 1,655,000 | 2.500 |
| 2026 | 1,710,000 | 5.000 |
| 2027 | 1,805,000 | 5.000 |
| 2028 | 1,895,000 | 5.000 |
| 2029 | 1,990,000 | 5.000 |

| | | |
|------|-----------|-------|
| 2030 | 2,095,000 | 5.000 |
| 2031 | 2,205,000 | 5.000 |
| 2032 | 2,315,000 | 5.000 |
| 2033 | 2,435,000 | 5.000 |
| 2034 | 2,555,000 | 5.000 |
| 2035 | 2,690,000 | 5.000 |
| 2036 | 2,825,000 | 5.000 |
| 2037 | 1,600,000 | 5.000 |

The Series 2017 Bonds shall be issued in denominations of \$5,000 or any multiple thereof. The Series 2017 Bonds shall be initially issued in the Authorized Denominations and registered in the names of the Holders as shall be designated by the underwriter for the Series 2017 Bonds.

Section 1.2 Redemption Provisions.

Those of the Series 2017 Bonds having stated maturities in 2028 and thereafter shall be subject to redemption prior to their respective maturities, at the option of the University, in whole or in part (but, if in part, in multiples of \$5,000 with those of the maturities to be redeemed to be selected by the University at its discretion, and if less than all the Series 2017 Bonds having the same maturity are to be redeemed, those to be redeemed to be selected by the Trustee by lot), on) October 1, 2027, and on any date thereafter, at and for a redemption price for each Series 2017 Bond redeemed equal to the par or face amount thereof plus accrued interest thereon to the date fixed for redemption.

Section 1.3 Payments into Bond Fund; Method of Payment.

(a) The University will pay into the Bond Fund created in the Indenture, in addition to all other payments required to be paid therein, an amount sufficient to pay the principal of and interest on the Series 2017 Bonds when due. The principal of the Series 2017 Bonds shall be payable at maturity at the designated office of the Trustee in the City of Birmingham, Alabama. Interest on the Series 2017 Bonds shall be payable by check or draft mailed or otherwise delivered by the Trustee to the respective Holders thereof at their addresses as they appear on the registry books of the Trustee pertaining to the registration of the Series 2017 Bonds; provided, that the final payment of such interest shall be made only upon surrender of the appropriate Series 2017 Bond to the Trustee. The principal and the interest on the Series 2017 Bonds shall be payable only upon maturity and only upon surrender of such Series 2017 Bonds to the Trustee. All installments of principal of and interest on each Series 2017 Bond shall bear interest after the respective maturities of such principal and interest until paid or until moneys sufficient for payment thereof shall have been deposited for that purpose with the Trustee, whichever first occurs, at the rate of interest borne by such Series 2017 Bond.

(b) **Issued in Book-Entry Form.** The Series 2017 Bonds shall be initially issued in book-entry only form, registered in the name of Cede & Co., the nominee of The Depository Trust Company, New York, NY (“DTC”) as further described in Article II hereof. So long as the said book-entry only system remains in effect, the provisions of this Fourteenth Supplemental Indenture, including the provisions governing the registration and exchange of Series 2017 Bonds,

places and manner of payment of Series 2017 Bonds, and requirements for presentment of Series 2017 Bonds shall be subject to the standard procedures of DTC.

Section 1.4 Form of Series 2017 Bonds. The Series 2017 Bonds and the Trustee's Authentication Certificate applicable thereto shall be in substantially the following form, respectively, with such insertions, omissions and other variations as may be necessary to conform to the provisions hereof:

Unless this certificate is presented by an authorized representative of The Depository Trust Company ("DTC"), to the University or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of DTC or the DTC Nominee (as defined in the Indenture referenced in this certificate), as the case maybe, or in such other name as is requested by an authorized representative of DTC (and any payment is made to DTC or the DTC Nominee or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, DTC or the DTC Nominee, as the case may be, has an interest herein No.

**UNITED STATES OF AMERICA
STATE OF ALABAMA
UNIVERSITY OF SOUTH ALABAMA
University Facilities Revenue Bonds
Series 2017**

| Interest Rate | Maturity Date | CUSIP Number |
|----------------------|----------------------|---------------------|
|----------------------|----------------------|---------------------|

Subject to the provisions as herein stated

For value received, **UNIVERSITY OF SOUTH ALABAMA**, a public body corporate under the laws of the State of Alabama (herein called the "University"), will pay, solely from the sources hereinafter referred to, to **CEDE & CO.**, or registered assigns, the principal sum of

_____ **DOLLARS**

on the date specified above, with interest thereon from the date hereof until the maturity hereof at the per annum rate of interest specified above, payable on October 1, 2017, and semiannually thereafter on each April 1 and October 1 until and at the maturity hereof. Interest shall be computed on the basis of a 360-day year with 12 months of 30 days each. The principal of this bond is payable only upon presentation and surrender of this bond at the designated corporate trust office of The Bank of New York Mellon Trust Company, N.A., in the City of Birmingham, Alabama, or its successor as trustee under the Indenture hereinafter referred to. Interest on this bond is payable by check or draft mailed by the Trustee on the interest payment date to the registered holder hereof and at the address shown on the registry books of the Trustee pertaining to the Series 2017 Bonds

as of the close of business on the March 15 or September 15, as the case may be, next preceding the date of payment of such interest.

Interest payments that are due with respect to this bond and that are made by check or draft shall be deemed timely made if such check or draft is mailed by the Trustee on or before the due date of such interest. Both the principal of and the interest on this bond shall bear interest after their respective maturities until paid or until moneys sufficient for payment thereof have been deposited with the Trustee at the per annum rate stated above. The Indenture provides that all payments by the University or the Trustee to the person in whose name a Bond is registered shall to the extent thereof fully discharge and satisfy all liability for the same. Any transferee of this bond takes it subject to all payments of principal and interest in fact made with respect hereto.

This bond is one of a duly authorized issue of bonds (herein called the "Series 2017 Bonds") issuable in series without express limit as to principal amount under a Trust Indenture dated as of February 15, 1996, as heretofore supplemented and amended and as further supplemented and amended by a Fourteenth Supplemental University Facilities Revenue Trust Indenture dated June 15, 2017 (the said Trust Indenture, as so supplemented and amended, being herein called the "Indenture"), between the University and The Bank of New York Mellon Trust Company, N.A., as trustee (herein called the "Trustee"). The principal of and the interest on the Series 2017 Bonds are payable solely out of and are secured by a lien upon and pledge of (a) certain fees from students levied by the University, (b) the gross revenues derived from certain auxiliary enterprises services furnished by the University, including food services, housing, college stores, dining, concessions and other similar services, as such revenues are shown as a separate item on the audited financial statements of the University, (c) additional fees and revenues, if any, that may be subjected to the lien of the Indenture pursuant to a Supplemental Indenture, and (d) an amount not exceeding \$10,000,000 in any fiscal year of the University of the gross revenues derived from that certain hospital facility owned and operated by the University and known as USA Children's and Women's Hospital (herein called the "Pledged Revenues"), and shall not be payable from any other funds or revenues, on a parity of lien with (I) the University's (a) \$40,130,000.70 original principal amount University Tuition Revenue Bonds, Series 1999, dated March 1, 1999, (b) \$112,885,000 original principal amount University Facilities Revenue Capital Improvement Bonds, Series 2008, dated September 1, 2008, (c) \$29,750,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2010, dated June 16, 2010, (d) \$25,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2012-A, dated January 4, 2012, (e) \$7,740,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2012-B, dated January 4, 2012, (f) \$32,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-A, dated June 28, 2013, (g) \$8,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-B, dated June 28, 2013, (h) \$10,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-C, dated June 28, 2013, (i) \$41,245,000 original principal amount University Facilities Revenue Refunding Bond, Series 2014-A, dated March 14, 2014, (j) \$6,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2015, dated June 15, 2015, (k) \$85,605,000 original principal amount University Facilities Revenue Refunding Bonds, Series 2016, dated September 14, 2016, (l) \$20,000,000 original principal amount University Facilities Revenue Refunding Bond, Series 2016-B, dated December 7, 2016, (m) \$35,000,000 original principal amount University Facilities Revenue Refunding Bond, Series 2016-C, dated December 7, 2016,

and (n) \$45,000,000 original principal amount University Facilities Revenue Refunding Bond, Series 2016-D, dated December 7, 2016, and (II) any Additional Bonds hereafter issued pursuant to Article VIII of the Indenture.

Reference is hereby made to the Indenture for a description of the nature and extent of the security afforded thereby, the rights and duties of the University and the Trustee with respect thereto, the rights of the holders of the Series 2017 Bonds and the terms and conditions on which additional series of Bonds may be issued. The Indenture provides, inter alia, (a) that in the event of default by the University in the manner and for the time therein provided, the Trustee may declare the principal of and the interest accrued on this bond immediately due and payable, whereupon the same shall become immediately due and payable, and the Trustee shall be entitled to pursue the remedies provided in the Indenture, (b) that the holder of this bond shall have no right to enforce the provisions of the Indenture except as provided therein and then only for the equal and pro rata benefit of the holders of all the Bonds, and (c) that if this bond shall not be presented for payment when due (whether by maturity or otherwise) and if funds sufficient for such payment shall have been made available to the Trustee therefore, all liability of the University to the holder of such bond and all rights of such holder against the University under such bond or under the Indenture shall cease and terminate and that the sole right of such holder shall thereafter be against the said funds so made available, which the Trustee is required to set aside and hold, subject to any applicable escheat or other similar law, for the benefit of such holder. The Indenture also provides that the University and the Trustee, with the written consent of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding under the Indenture, may at any time and from time to time amend the Indenture or any indenture supplemental thereto, provided that no such amendment shall (1) without the consent of the holder of each Bond affected, reduce the principal of or the rate of interest on any Bond, or (2) without the consent of the holders of all the Bonds then outstanding under the Indenture, extend the maturity of any installment of principal or interest on any of the Bonds, make any change in the schedule of required sinking fund or other similar payments with respect to any series of the Bonds, create a lien or charge on the Pledged Revenues ranking prior to or (except in connection with the issuance of additional parity bonds under the Indenture) on a parity with the lien or charge thereon contained in the Indenture, effect a preference or priority of any Bond over any other Bond or reduce the aggregate principal amount of Bonds the holders of which are required to consent to any such amendment.

The series of Bonds of which this is one is designated Series 2017 and is authorized to be issued in the aggregate principal amount of \$38,105,000.

Those of the Series 2017 Bonds having a stated maturity on October 1, 2028, and thereafter shall be subject to redemption and payment by the University, at the option of the University, as a whole or in part on October 1, 2027, and on any date thereafter (but if redeemed in part, (i) of such maturity or maturities as the University shall designate, and if less than all the Series 2017 Bonds of a single maturity are to be redeemed, those to be redeemed to be selected by the Trustee by lot, and (ii) only in installments of \$5,000 or any integral multiple thereof), at and for a redemption price equal to the par or face amount thereof plus accrued interest to the date fixed for redemption.

The Series 2017 Bonds are not general obligations of the University, and the covenants and representations herein contained or contained in the Indenture do not and shall never constitute a

personal or pecuniary liability or charge against the general credit of the University. The Series 2017 Bonds are not obligations or debts of the State of Alabama nor are the faith and credit of said state pledged for payment thereof, and neither the principal of nor interest on said bonds is payable out of any moneys provided for or appropriated to the University by the State of Alabama.

It is hereby certified that all conditions, actions and things required by the Constitution and laws of Alabama to exist, be performed and happen precedent to or in the issuance of this bond do exist, have been performed and have happened in due and legal form.

The Series 2017 Bonds are issuable only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof. Provision is made in the Indenture for the exchange of Bonds for a like aggregate principal amount of Bonds of the same maturity and interest rate and in an authorized denomination, all as may be requested by the holder surrendering the Bond or Bonds to be so exchanged and upon the terms and conditions specified in the Indenture.

This bond is transferable by the registered holder hereof in person, or by duly authorized attorney, only on the registry books of the Trustee pertaining to the Bonds and only upon surrender of this bond to the Trustee for cancellation, and upon any such transfer a new Bond of like tenor herewith will be issued to the transferee in exchange therefore, all as more particularly provided in the Indenture. Each holder, by receiving and accepting this bond, shall consent and agree and shall be estopped to deny that, insofar as the University and the Trustee are concerned, this bond may be transferred only in accordance with the provisions of the Indenture. The Trustee shall not be required so to transfer or exchange this bond during the period of fifteen days next preceding any interest payment date with respect thereto.

Execution by the Trustee of its authentication certificate hereon is essential to the validity hereof and is conclusive of the due issue hereof under the Indenture.

IN WITNESS WHEREOF, the University has caused this bond to be executed in its name and behalf with the signature of its President, has caused a facsimile of its corporate seal to be hereunto imprinted, has caused this bond to be attested by the signature of the Chair Pro Tempore of its Board of Trustees, and has caused this bond to be dated June 15, 2017.

UNIVERSITY OF SOUTH ALABAMA

By: _____
President

[SEAL]

Attest:

Chair Pro Tempore
of the Board of Trustees

Form of Trustee's Authentication Certificate

Date of Authentication and Registration:

The within bond is one of those described in the within-mentioned Trust Indenture.

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., Trustee**

By: _____
Its Authorized Officer

Form of Assignment

For value received, the undersigned hereby sell(s), assign(s) and transfer(s) unto _____ the within bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney, with full power of substitution in the premises, to transfer this bond on the books of the within-mentioned Trustee.

DATED this ____ day of _____, _____.

NOTE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within bond in every particular, without alteration, enlargement or change whatsoever.

Signature guaranteed:

(Bank, Broker or Firm)*

By _____
(Authorized Officer)

Its Medallion Number: _____

* Signature(s) must be guaranteed by an eligible guarantor institution which is a member of a recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP), or New York Stock Exchange Medallion Signature Program (MSP).

[Form of Statement of Insurance]

Build America Mutual Assurance Company (herein called "BAM"), New York, New York, has delivered its municipal bond insurance policy (herein called the "Policy") with respect to the scheduled payments due of principal of and interest on Series 2017 Bonds maturing on October 1 of the years 2020 through 2037, inclusive (the "Insured Bonds") to The Bank of New York Mellon Trust Company, N.A., Birmingham, Alabama, or its successor, as trustee and paying agent for the Bonds (herein called the "Trustee"). Said Policy is on file and available for inspection at the principal office of the Trustee and a copy thereof may be obtained from BAM or the Trustee. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. By its purchase of these Insured Bonds, the owner acknowledges and consents to the subrogation and all other rights of BAM as more fully set forth in the Policy.

Section 1.5 Execution and Delivery of the Series 2017 Bonds. The Series 2017 Bonds shall be forthwith executed and delivered to the Trustee and shall be authenticated and delivered by the Trustee from time to time upon receipt by the Trustee of an order signed on behalf of the University by its President, requesting such authentication and delivery and designating the person or persons to receive the same or any part thereof.

Section 1.6 Application of Proceeds from Sale of Series 2017 Bonds. The entire proceeds derived by the University from the sale of the Series 2017 Bonds (less the underwriting discount to be retained by the underwriter for the Series 2017 Bonds and less the sum of \$75,290.42 to be paid directly by the Underwriter for the Series 2017 Bonds to the Insurer for the premium for the Insurance Policy) shall be paid to the Trustee and promptly thereafter applied by the Trustee for the following purposes and in the following order:

- (a) the sum of \$805,685.83 shall be deposited into the Capitalized Interest Account;
- (b) the sum of \$43,500,000 shall be deposited into a special fund or account of the University and used to pay the costs of the 2017 Improvements (the "2017 Construction Fund"); and
- (c) the balance \$388,626.27 shall be deposited by the Trustee into a special clearing account herein authorized for the Trustee to create and establish,

and applied by the Trustee for payment of those costs of issuing the Series 2017 Bonds identified in a written directive from an Authorized University Officer to the Trustee on the date of issuance of the Series 2017 Bonds, with any funds remaining in said clearing account following the date of issuance of the Series 2017 Bonds to be remitted by the Trustee to the 2017 Construction Fund.

ARTICLE II BOOK-ENTRY ONLY SYSTEM

The Series 2017 Bonds will be issued as fully-registered bonds in the name of Cede & Co., as nominee of DTC, as registered owner of the Series 2017 Bonds. Purchasers of such Series 2017 Bonds will not receive physical delivery of Series 2017 Bond certificates. For purposes of this Fourteenth Supplemental Indenture, so long as all of the Series 2017 Bonds are in the custody of DTC, references to Series 2017 Bondholders or Owners shall mean DTC or its nominee.

DTC will act as securities depository for the Series 2017 Bonds. The Series 2017 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2017 Bond will be issued for each maturity of each series of the Series 2017 Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 7A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2017 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2017 Bonds on DTC's records. The

ownership interest of each actual purchaser of each Series 2017 Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2017 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2017 Bonds, except in the event that use of the book-entry system for the Series 2017 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2017 Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2017 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2017 Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Series 2017 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2017 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2017 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2017 Bond documents. For example, Beneficial Owners of Series 2017 Bonds may wish to ascertain that the nominee holding the Series 2017 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2017 Bonds within an issue are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2017 Bonds unless authorized by a Direct Participant in accordance with DTC’s MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts Series 2017 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2017 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and

corresponding detail information from the University or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with Series 2017 Bonds held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the University, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the University or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

NEITHER THE UNIVERSITY NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO SUCH PARTICIPANTS, OR TO THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE SERIES 2017 BONDS, OR TO ANY BENEFICIAL OWNER IN RESPECT OF THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT, THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT IN RESPECT OF THE PRINCIPAL OR REDEMPTION PRICE OF OR INTEREST ON THE SERIES 2017 BONDS, ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO SERIES 2017 BONDHOLDERS UNDER THE FOURTEENTH SUPPLEMENTAL INDENTURE, THE SELECTION BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF PARTIAL REDEMPTION OF THE SERIES 2017 BONDS WITH RESPECT TO LESS THAN ALL OF THE SERIES 2017 BONDS, OR ANY OTHER ACTION TAKEN BY DTC AS REGISTERED SERIES 2017 BONDHOLDER.

For every transfer and exchange of the Series 2017 Bonds, the Beneficial Owner may be charged a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto, and any reasonable fees and expenses of the Trustee and the costs incurred in preparing Series 2017 Bond certificates.

DTC may discontinue providing its services as securities depository with respect to the Series 2017 Bonds at any time by giving reasonable notice to the University. In the event of the discontinuance of the book-entry system for the Series 2017 Bonds, Series 2017 Bond certificates will be printed and delivered and the following provisions of the Indenture will apply: (i) principal of the Series 2017 Bonds will be payable upon surrender of the Series 2017 Bonds at the designated office of the Trustee; (ii) Series 2017 Bonds may be transferred or exchanged for other Series 2017 Bonds of authorized denominations as set forth in the next succeeding two paragraphs; and (iii) Series 2017 Bonds will be issued in denominations as described in the front portion of the Official Statement under "THE SERIES 2017 BONDS".

In the event of the discontinuance of the use of the system of book-entry-only transfers through DTC (or a successor depository), Series 2017 Bond certificates will be printed and delivered to DTC.

The information in this article concerning DTC and DTC's book-entry system has been obtained from sources that the University believes to be reliable, but the University takes no responsibility for the accuracy thereof.

ARTICLE III CAPITALIZED INTEREST ACCOUNT

Section 3.1 Capitalized Interest Account. There is hereby created a special account, the full name of which shall be the "2017 Capitalized Interest Account". The Trustee shall be and remain the depository, custodian and disbursing agent for the 2017 Capitalized Interest Account. Contemporaneously with the issuance of the Series 2017 Bonds, there shall be deposited into the Capitalized Interest Account the amount required pursuant to Section 1.6(a) hereof. During the Capitalized Interest Period, the Trustee shall apply amounts in the Capitalized Interest Account to the payment of interest on the Series 2017 Bonds, as and when the same becomes due and payable by withdrawing from said account funds to cover such interest (or, if less than the amount of interest then due is on deposit in said account, all funds then in such account) and depositing the same into the Bond Fund created in the Indenture on at least the day immediately prior to the Interest Payment Date when due. Amounts in the Capitalized Interest Account may be invested by the Trustee in the same manner as funds in the Bond Fund of the Indenture. Any amounts in the Capitalized Interest Account remaining after the Capitalized Interest Period shall be deposited into the Bond Fund of the Indenture and used to cover interest on the Series 2017 Bonds.

ARTICLE IV CERTAIN PROVISIONS REGARDING THE INSURER

Section 4.1 Applicability of this Article. Notwithstanding anything to the contrary contained in the Indenture, so long as the Insurance Policy remains in full force and effect and the insurer is not then in payment default under the Insurance Policy, the provisions of this Article 4 shall apply for the benefit of the Insurer; provided that to the extent that the Insurer has made any payment of principal of or interest on the Insured Series 2017 Bonds, it shall retain its rights of subrogation hereunder and under the insurance Policy.

Section 4.2 Requirements of the Insurer.

(a) Notice and Other Information to be given to BAM. The Issuer will provide BAM with all notices and other information it is obligated to provide (i) under its Continuing Disclosure Agreement and (ii) to the holders of Insured Obligations or the Trustee under the Security Documents. The notice address of BAM is: Build America Mutual Assurance Company, 200 Liberty Street, 27th Floor, New York, NY 10281, Attention: Surveillance, Re: Policy No. _____, Telephone: (212) 235-2500, Telecopier: (212) 235-1542, Email: notices@buildamerica.com. In each case in which notice or other communication refers to an event of default or a claim on the Policy, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel at the same address and at claims@buildamerica.com or at Telecopier: (212) 235-5214 and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

(b) Defeasance. The investments in the defeasance escrow relating to Insured Obligation shall be limited to non-callable, direct obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, or as otherwise maybe authorized under State law and approved by BAM.

At least (three) 3 Business Days prior to any defeasance with respect to the Insured Obligations, the Issuer shall deliver to BAM draft copies of an escrow agreement, an opinion of bond counsel regarding the validity and enforceability of the escrow agreement and the defeasance of the Insured Obligations, a verification report (a "Verification Report") prepared by a nationally recognized independent financial analyst or firm of certified public accountants regarding the sufficiency of the escrow fund. Such opinion and Verification Report shall be addressed to BAM and shall be in form and substance satisfactory to BAM. In addition, the escrow agreement shall provide that:

(i) Any substitution of securities following the execution and delivery of the escrow agreement shall require the delivery of a Verification Report, an opinion of bond counsel that such substitution will not adversely affect the exclusion (if interest on the Insured Obligations is excludable) from gross income of the holders of the Insured Obligations of the interest on the Insured Obligations for federal income tax purposes and the prior written consent of BAM, which consent will not be unreasonably withheld.

(ii) The Issuer will not exercise any prior optional redemption of Insured Obligations secured by the escrow agreement or any other redemption other than mandatory sinking fund redemptions unless (i) the right to make any such redemption has been expressly reserved in the escrow agreement and such reservation has been disclosed in detail in the official statement for the refunding bonds, and (ii) as a condition to any such redemption there shall be provided to BAM a Verification Report as to the sufficiency of escrow receipts without reinvestment to meet the escrow requirements remaining following any such redemption.

(iii) The Issuer shall not amend the escrow agreement or enter into a forward purchase agreement or other agreement with respect to rights in the escrow without the prior written consent of BAM.

(c) Trustee and Paying Agent.

(i) BAM shall receive prior written notice of any name change of the trustee (the "Trustee") or, if applicable, the paying agent (the "Paying Agent") for the Insured Obligations or the resignation or removal of the Trustee or, if applicable, the Paying Agent. Any Trustee must be (A) a national banking association that is supervised by the Office of the Comptroller of the Currency and has at least \$250 million of assets, (B) a state-chartered commercial bank that is a member of the Federal Reserve System and has at least \$1 billion of assets, or (C) otherwise approved by BAM in writing.

(ii) No removal, resignation or termination of the Trustee or, if applicable, the Paying Agent shall take effect until a successor, acceptable to BAM, shall be qualified and appointed.

(d) Amendments, Supplements and Consents. BAM's prior written consent is required for all amendments and supplements to the Security Documents, with the exceptions noted below. The Issuer shall send copies of any such amendments or supplements to BAM and the rating agencies which have assigned a rating to the Insured Obligations.

(i) *Consent of BAM.* Any amendments or supplements to the Security Documents shall require the prior written consent of BAM with the exception of amendments or supplements:

- (1) To cure any ambiguity or formal defect or omissions or to correct any inconsistent provisions in the transaction documents or in any supplement thereto, or
- (2) To grant or confer upon the holders of the Insured Obligations any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the holders of the Insured Obligations, or
- (3) To add to the conditions, limitations and restrictions on the issuance of bonds or other obligations under the provisions of the Security Documents other conditions, limitations and restrictions thereafter to be observed, or
- (4) To add to the covenants and agreements of the Issuer in the Security Documents other covenants and agreements thereafter to be observed by the Issuer or to surrender any right or power therein reserved to or conferred upon the Issuer.
- (5) To issue additional parity debt in accordance with the requirements set forth in the Security Documents.

(ii) *Consent of BAM in Addition to Bondholder Consent.* Any amendment, supplement, modification to, or waiver of, any of the Security Documents that requires the consent of holders of the Insured Obligations or adversely affects the rights or interests of BAM shall be subject to the prior written consent of BAM.

(iii) *Insolvency.* Any reorganization or liquidation plan with respect to the Issuer must be acceptable to BAM. The Trustee and each owner of the Insured Obligations hereby appoint BAM as their agent and attorney-in-fact with respect to the Insured Obligations and agree that BAM may at any time during the continuation of any proceeding by or against the Issuer or Obligor under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, the Trustee and each owner of the Insured Obligations

delegate and assign to BAM, to the fullest extent permitted by law, the rights of the Trustee and each owner of the Insured Obligations with respect to the Insured Obligations in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding.

(iv) *Control by BAM Upon Default.* Anything in the Security Documents to the contrary notwithstanding, upon the occurrence and continuance of a default or an event of default, BAM shall be entitled to control and direct the enforcement of all rights and remedies granted to the holders of the Insured Obligations or the Trustee or Paying Agent for the benefit of the holders of the Insured Obligations under any Security Document. No default or event of default may be waived without BAM's written consent.

(v) *BAM as Owner.* Upon the occurrence and continuance of a default or an event of default, BAM shall be deemed to be the sole owner of the Insured Obligations for all purposes under the Security Documents, including, without limitations, for purposes of exercising remedies and approving amendments.

(vi) *Consent of BAM for acceleration.* BAM's prior written consent is required as a condition precedent to and in all instances of acceleration of the Insured Obligations.

(vii) *Grace Period for Payment Defaults.* No grace period shall be permitted for payment defaults on the Insured Obligations. No grace period for a covenant default shall exceed 30 days without the prior written consent of BAM.

(viii) *Special Provisions for Insurer Default.* If an Insurer Default shall occur and be continuing, then, notwithstanding anything in paragraphs (d)(i)-(v) above to the contrary, (1) if at any time prior to or following an Insurer Default, BAM has made payment under the Policy, to the extent of such payment BAM shall be treated like any other holder of the Insured Obligations for all purposes, including giving of consents, and (2) if BAM has not made any payment under the Policy, BAM shall have no further consent rights until the particular Insurer Default is no longer continuing or BAM makes a payment under the Policy, in which event, the foregoing clause (1) shall control. For purposes of this paragraph, "Insurer Default" means: (A) BAM has failed to make any payment under the Policy when due and owing in accordance with its terms; or (B) BAM shall (i) voluntarily commence any proceeding or file any petition seeking relief under the United States Bankruptcy Code or any other Federal, state or foreign bankruptcy, insolvency or similar law, (ii) consent to the institution of or fail to controvert in a timely and appropriate manner, any such proceeding or the filing of any such petition, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator or similar official for such party or for a substantial part of its property, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors, or (vi) take action for the purpose of effecting any of the foregoing; or (C) any state or federal agency or instrumentality shall order the suspension of payments on the Policy or shall obtain an order or grant approval for the rehabilitation, liquidation, conservation or dissolution of BAM (including without limitation under the New York Insurance Law).

(e) BAM As Third Party Beneficiary. BAM is recognized as and shall be deemed to be a third party beneficiary of the Security Documents and may enforce the provisions of the Security Documents as if it were a party thereto.

(f) Payment Procedure Under the Policy.

In the event that principal and/or interest due on the Insured Obligations shall be paid by BAM pursuant to the Policy, the Insured Obligations shall remain outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Issuer, the assignment and pledge of the trust estate and all covenants, agreements and other obligations of the Issuer to the registered owners shall continue to exist and shall run to the benefit of BAM, and BAM shall be subrogated to the rights of such registered owners.

In the event that on the second (2nd) business day prior to any payment date on the Insured Obligations, the Paying Agent or Trustee has not received sufficient moneys to pay all principal of and interest on the Insured Obligations due on such payment date, the Paying Agent or Trustee shall immediately notify BAM or its designee on the same business day by telephone or electronic mail, of the amount of the deficiency. If any deficiency is made up in whole or in part prior to or on the payment date, the Paying Agent or Trustee shall so notify BAM or its designee.

In addition, if the Paying Agent or Trustee has notice that any holder of the Insured Obligations has been required to disgorge payments of principal of or interest on the Insured Obligations pursuant to a final, non-appealable order by a court of competent jurisdiction that such payment constitutes an avoidable preference to such holder within the meaning of any applicable bankruptcy law, then the Paying Agent or Trustee shall notify BAM or its designee of such fact by telephone or electronic mail, or by overnight or other delivery service as to which a delivery receipt is signed by a person authorized to accept delivery on behalf of BAM.

The Paying Agent or Trustee shall irrevocably be designated, appointed, directed and authorized to act as attorney-in-fact for holders of the Insured Obligations as follows:

(i) If there is a deficiency in amounts required to pay interest and/or principal on the Insured Obligations, the Paying Agent or Trustee shall (1) execute and deliver to BAM, in form satisfactory to BAM, an instrument appointing BAM as agent and attorney-in-fact for such holders of the Insured Obligations in any legal proceeding related to the payment and assignment to BAM of the claims for interest on the Insured Obligations, (2) receive as designee of the respective holders (and not as Paying Agent) in accordance with the tenor of the Policy payment from BAM with respect to the claims for interest so assigned, (3) segregate all such payments in a separate account (the "BAM Policy Payment Account") to only be used to make scheduled payments of principal of and interest on the Insured Obligation, and (4) disburse the same to such respective holders; and

(ii) If there is a deficiency in amounts required to pay principal of the Insured Obligations, the Paying Agent or Trustee shall (i) execute and deliver to BAM, in form satisfactory to BAM, an instrument appointing BAM as agent and attorney-in-fact for such holder of the Insured Obligations in any legal proceeding related to the payment of such principal and an assignment to BAM of the Insured Obligations surrendered to BAM, (ii)

receive as designee of the respective holders (and not as Paying Agent) in accordance with the tenor of the Policy payment therefore from BAM, (iii) segregate all such payments in the BAM Policy Payment Account to only be used to make scheduled payments of principal of and interest on the Insured Obligation, and (iv) disburse the same to such holders.

The Trustee shall designate any portion of payment of principal on Insured Obligations paid by BAM, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Insured Obligations registered to the then current holder, whether DTC or its nominee or otherwise, and shall issue a replacement Insured Obligation to BAM, registered in the name directed by BAM, in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee's failure to so designate any payment or issue any replacement Insured Obligation shall have no effect on the amount of principal or interest payable by the Issuer on any Insured Obligation or the subrogation or assignment rights of BAM.

Payments with respect to claims for interest on and principal of Insured Obligations disbursed by the Paying Agent or Trustee from proceeds of the Policy shall not be considered to discharge the obligation of the Issuer with respect to such Insured Obligations, and BAM shall become the owner of such unpaid Insured Obligations and claims for the interest in accordance with the tenor of the assignment made to it under the provisions of the preceding paragraphs or otherwise. The Security Documents shall not be discharged or terminated unless all amounts due or to become due to BAM have been paid in full or duly provided for. Irrespective of whether any such assignment is executed and delivered, the Issuer, and the Paying Agent and Trustee agree for the benefit of BAM that:

- (i) they recognize that to the extent BAM makes payments directly or indirectly (*e.g.*, by paying through the Paying Agent or Trustee), on account of principal of or interest on the Insured Obligations, BAM will be subrogated to the rights of such holders to receive the amount of such principal and interest from the Issuer/Obligor, with interest thereon, as provided and solely from the sources stated in the Security Documents and the Insured Obligations; and
- (ii) they will accordingly pay to BAM the amount of such principal and interest, with interest thereon as provided in the transaction documents and the Insured Obligations, but only from the sources and in the manner provided therein for the payment of principal of and interest on the Insured Obligations to holders, and will otherwise treat BAM as the owner of such rights to the amount of such principal and interest.

(g) Additional Payments. The Issuer agrees unconditionally that it will pay or reimburse BAM on demand any and all reasonable charges, fees, costs, losses, liabilities and expenses that BAM may pay or incur, including, but not limited to, fees and expenses of BAM's agents, attorneys, accountants, consultants, appraisers and auditors and reasonable costs of investigations, in connection with the administration (including waivers and consents, if any), enforcement, defense, exercise or preservation of any rights and remedies in respect of the Security

Documents (“Administrative Costs”). For purposes of the foregoing, costs and expenses shall include a reasonable allocation of compensation and overhead attributable to the time of employees of BAM spent in connection with the actions described in the preceding sentence. The Issuer agrees that failure to pay any Administrative Costs on a timely basis will result in the accrual of interest on the unpaid amount at the Late Payment Rate, compounded semi-annually, from the date that payment is first due to BAM until the date BAM is paid in full.

Notwithstanding anything herein to the contrary, the Issuer agrees to pay to BAM (i) a sum equal to the total of all amounts paid by BAM under the Policy (“BAM Policy Payment”); and (ii) interest on such BAM Policy Payments from the date paid by BAM until payment thereof in full by the Issuer, payable to BAM at the Late Payment Rate per annum (collectively, “BAM Reimbursement Amounts”) compounded semi-annually. The Issuer hereby covenants and agrees that the BAM Reimbursement Amounts are payable from and secured by a lien on and pledge of the same revenues and other collateral pledged to the Insured Obligations on a parity with debt service due on the Insured Obligations.

(h) Exercise of Rights by BAM. The rights granted to BAM under the Security Documents to request, consent to or direct any action are rights granted to BAM in consideration of its issuance of the Policy. Any exercise by BAM of such rights is merely an exercise of the BAM’s contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the holders of the Insured Obligations and such action does not evidence any position of BAM, affirmative or negative, as to whether the consent of the holders of the Insured Obligations or any other person is required in addition to the consent of BAM.

(i) Entitlement to Pay Debt Service. BAM shall be entitled to pay principal or interest on the Insured Obligations that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer (as such terms are defined in the Policy) and any amounts due on the Insured Obligations as a result of acceleration of the maturity thereof in accordance with the Security Documents, whether or not BAM has received a claim upon the Policy.

(j) No Contract. No contract shall be entered into or any action taken by which the rights of BAM or security for or source of payment of the Insured Obligations may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of BAM; provided, this provision shall not be interpreted to require consent from BAM to the execution of a supplemental indenture for the issuance of Additional Bonds under the Indenture.

(k) Definitions. For purposes of this Article IV, the following terms have the following meanings:

“BAM” shall mean Build America Mutual Assurance Company, or any successor thereto.

“Insured Obligations” shall mean those of the Series 2017 Bonds maturing on October 1 in the years 2020 through 2037.

“Issuer” shall mean the University.

“Late Payment Rate” means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank, N.A., at its principal

office in The City of New York, New York, as its prime or base lending rate (“Prime Rate”) (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank, N.A.) plus 3%, and (ii) the then applicable highest rate of interest on the Insured Obligations and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. In the event JPMorgan Chase Bank, N.A., ceases to announce its Prime Rate, the Prime Rate shall be the prime or base lending rate of such other bank, banking association or trust company as BAM, in its sole and absolute discretion, shall designate. Interest at the Late Payment Rate on any amount owing to BAM shall be computed on the basis of the actual number of days elapsed in a year of 360 days.

“Policy” shall mean the Municipal Bond Insurance Policy issued by BAM that guarantees the scheduled payment of principal of and interest on the Insured Obligations when due.

“Security Documents” shall mean the resolution, trust agreement, indenture, ordinance, loan agreement, lease agreement, bond, note, certificate and/or any additional or supplemental document executed in connection with the Insured Obligations.

ARTICLE V MISCELLANEOUS

Section 5.1 Concerning the Code. (a) General. The University recognizes that the Code imposes certain conditions to the exemption from federal income taxation of interest income on the Series 2017 Bonds. The University agrees that it will continually comply with all requirements imposed by the Code as a condition to the exemption from federal income taxation of the interest income on the Series 2017 Bonds. With respect to any question arising under this Section 5.1, the University may rely upon an opinion of nationally recognized bond counsel acceptable to it.

(b) **Series 2017 Bonds not to be "Private Activity Bonds".** The University will not apply the proceeds of the Series 2017 Bonds in any manner that would cause the Series 2017 Bonds to be "private activity bonds" within the meaning of Section 141(a) of the Code.

(c) **Concerning the Arbitrage Provisions of the Code.** The University agrees that it will comply with all provisions of the Code necessary to preclude the Series 2017 Bonds from being considered "arbitrage bonds" within the meaning of Section 148 of the Code.

(d) **Provisions Respecting Registration of Series 2017 Bonds to Comply with Provisions of Code.** The University and the Trustee recognize that the provisions of the Code require that the Series 2017 Bonds be in "registered form" and that, in general, the Series 2017 Bonds must be registered as to both principal and interest and any transfer of the Series 2017 Bonds must be effected only by the surrender of the old bond and either by the reissuance of the old bond to a new Holder or the issuance of a new bond to a new Holder. The Trustee may conclusively rely upon an opinion of nationally recognized bond counsel with respect to any question which may arise pertaining to the transfer, exchange or reissuance of the Series 2017 Bonds.

Section 5.2 Confirmation of Indenture. All the terms, covenants and conditions of the Indenture, as supplemented hereby, are hereby in all respects ratified and confirmed, and the Indenture as so supplemented shall continue in full force and effect. In addition, each of the Trustee and the University confirms that the Trustee shall have no duties, express or implied, respecting the Capitalized Interest Account during any time when the Trustee is not the depository thereof or respecting any other construction funds established under the Indenture for which the Trustee is not the depository.

Section 5.3 Confirmation of Pledges. The provisions of the Indenture, wherein the Pledged Revenues are pledged for payment of all Bonds issued under the Indenture, are hereby ratified and confirmed.

Section 5.4 Construction of Fourteenth Supplemental University Facilities Revenue Trust Indenture. No provisions of this Fourteenth Supplemental University Facilities Revenue Trust Indenture shall be construed to limit or restrict, either expressly or impliedly, the obligations of the University contained in the Indenture or the powers of the Trustee thereunder, nor shall the provisions of this Fourteenth Supplemental University Facilities Revenue Trust Indenture be construed in any manner inconsistent with the provisions of the Indenture or in any manner that would adversely affect the interest of the Holders of any Series 2017 Bonds.

Section 5.5 Severability. In the event that any provision hereof shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 5.6 No Broker Confirmations. The University agrees that broker confirmations of investments in connection with the Series 2017 Bonds are not required to be issued by the Trustee for each month in which a monthly statement is rendered by the Trustee.

Section 5.7 Electronic Communications. The Trustee shall have the right to accept and act upon directions or instructions given by the University and delivered using Electronic Means (defined below); provided, however, that the University shall provide to the Trustee an incumbency certificate listing Authorized Officers with the authority to provide such directions or instructions (each an "Authorized Officer") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the University elects to give the Trustee directions or instructions using Electronic Means and the Trustee in its discretion elects to act upon such directions or instructions, the Trustees' understanding of such directions or instructions shall be deemed controlling. The University understands and agrees that the Trustee cannot determine the identity of the actual sender of such directions or instructions and that the Trustee shall conclusively presume that directions or instructions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The University shall be responsible for ensuring that only Authorized Officers transmit such directions or instructions to the Trustee and that all Authorized Officers treat applicable user and authorization codes, passwords and/or authentication keys as confidential and with extreme care. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such directions or instructions notwithstanding such directions or instructions conflict or are inconsistent with a

subsequent written direction or written instruction. The University agrees: (i) to assume all risks arising out of the use of Electronic Means to submit directions or instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized directions or instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting directions or instructions to the Trustee and that there may be more secure methods of transmitting directions or instructions; (iii) that the security procedures (if any) to be followed in connection with its transmission of directions or instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures. "Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys, or another method or system specified by the Trustee as available for use in connection with its services hereunder.

[Signature page follows]

IN WITNESS WHEREOF, the University has caused this Fourteenth Supplemental University Facilities Revenue Trust Indenture to be executed in its name and behalf by the President of the University, has caused its corporate seal to be hereunto affixed, and has caused this Fourteenth Supplemental University Facilities Revenue Trust Indenture to be attested by the Chair Pro Tempore of its Board of Trustees, and the Trustee has caused this Fourteenth Supplemental University Facilities Revenue Trust Indenture to be executed in its name and behalf, has caused its corporate seal to be hereunto affixed and has caused this Fourteenth Supplemental University Facilities Revenue Trust Indenture to be attested, all by its duly authorized officers, and the University and the Trustee have caused this Fourteenth Supplemental University Facilities Revenue Trust Indenture to be so executed in several counterparts, each of which shall be deemed an original, and have caused this Fourteenth Supplemental University Facilities Revenue Trust Indenture to be dated June 15, 2017.

UNIVERSITY OF SOUTH ALABAMA

By: _____
President

[SEAL]

Attest:

Chair Pro Tempore
Secretary of the Board of Trustees

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.**

By: _____

Its: _____

[SEAL]

Attest:

By: _____

Its: _____

STATE OF ALABAMA)

COUNTY OF MOBILE)

I, _____ a Notary Public in and for said county in said state, hereby certify that G. Scott Weldon, whose name as the President of the **UNIVERSITY OF SOUTH ALABAMA**, a public body corporate under the laws of Alabama, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the within instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said public corporation.

GIVEN under my hand and official seal of office, this ____ day of June, 2017.

[NOTARIAL SEAL]

Notary Public

STATE OF ALABAMA)

COUNTY OF JEFFERSON)

I, _____, a Notary Public in and for said county in said state, hereby certify that [Stuart Statham], whose name as Vice President of **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, in its capacity as Trustee under that certain Trust Indenture dated as of February 15, 1996, between it and the University of South Alabama, as supplemented, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the within instrument, as such officer and with full authority, executed the same voluntarily for and as the act of said bank, in its capacity as trustee as aforesaid.

GIVEN under my hand and official seal of office, this _____ day of June, 2017.

[NOTARIAL SEAL]

Notary Public

EXHIBIT A

Specimen Municipal Bond Insurance Policy

EXHIBIT II
BOND PURCHASE AGREEMENT

UNIVERSITY OF SOUTH ALABAMA
UNIVERSITY FACILITIES REVENUE BONDS,
SERIES 2017

BOND PURCHASE AGREEMENT

June 2, 2017

University of South Alabama
Mobile, Alabama

Ladies and Gentlemen:

Raymond James & Associates, Inc. (the “Representative”), for itself and on behalf of the firms listed on Exhibit A attached hereto (collectively, the “Underwriters”), offers to enter into the following agreement (this “Bond Purchase Agreement”) with University of South Alabama (the “University”), which upon the University’s acceptance of this offer, will be binding upon the Underwriters and upon the University. This offer is made subject to the University’s acceptance on or before 2:00 p.m., Mobile, Alabama time, on June 2, 2017, and if not so accepted, will be subject to withdrawal by the Representative upon notice to the University at any time prior to the acceptance hereof by the University.

1. **Purchase and Sale.** Upon the terms and conditions and upon the basis of the representations and agreements set forth herein, the Underwriters hereby agree to purchase from the University for offering to the public and the University hereby agrees to sell and deliver to the Underwriters for such purpose, all of the University’s \$38,105,000 University Facilities Revenue Bonds, Series 2017 (the “Series 2017 Bonds”). The Series 2017 Bonds shall be dated their date of initial delivery and shall be issued in such principal amounts, mature on such dates, bear such rates of interest and be subject to redemption as set forth in Exhibit B attached hereto. Interest on the Series 2017 Bonds shall be payable on April 1 and October 1 in each year to maturity or earlier redemption, commencing October 1, 2017. The Series 2017 Bonds shall be paid for by the Underwriters by wire transfer on the Closing Date (as hereinafter defined) at the purchase price of \$44,588,608.57 (which takes into account original issue premium of \$6,589,312 and an Underwriters’ discount of \$105,703.43). The Series 2017 Bonds shall be issued pursuant to the Constitution and the laws of the State of Alabama, and pursuant to the provisions of a University Facilities Revenue Trust Indenture, dated as of February 15, 1996, between the University and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”), as previously supplemented and as further supplemented by a Fourteenth Supplemental University Facilities Revenue Trust Indenture to be dated the date of the Series 2017 Bonds (as so supplemented, the “Indenture”). The Series 2017 Bonds are being issued for the purposes of (i) paying the costs of certain capital improvements on the campus of the University; (ii) paying for capitalized interest

for the Series 2017 Bonds; (iii) paying the costs and expenses of issuing the Series 2017 Bonds; and (iv) paying the premium for a financial guaranty insurance policy with respect to certain of the Series 2017 Bonds. The Series 2017 Bonds are limited obligations of the University, payable solely from, and secured by a pledge of, the “Pledged Revenues,” as more fully described in the Preliminary Official Statement described below.

2. **Offering.** Subject to the terms and conditions set forth herein, the Underwriters agree to make a public offering of the Series 2017 Bonds at the initial offering prices or yields and subject to the redemption terms set forth in Exhibit B attached hereto prior to 1:00 p.m. on the Closing Date; provided, however, the Underwriters reserve the right to change such initial offering prices or yields as the Underwriters shall deem necessary in connection with the marketing of the Series 2017 Bonds and to offer and sell the Series 2017 Bonds to certain dealers (including dealers depositing the Series 2017 Bonds into investment trusts) and others at prices lower than the initial offering prices or higher yields than set forth on the inside cover page of the Official Statement (as hereinafter defined).

It shall be a condition of the University’s obligation to sell and deliver the Series 2017 Bonds to the Underwriters, and the obligation of the Underwriters to purchase and accept delivery of the Series 2017 Bonds, that the entire aggregate initial principal amount of the Series 2017 Bonds shall be sold and delivered by the University and accepted and paid for by the Underwriters on the Closing Date on the terms herein provided unless otherwise agreed to by the University by formal official action and by the Representative in writing.

3. **Official Statement and Other Documents.** The University hereby ratifies the use and distribution of the Preliminary Official Statement with respect to the Series 2017 Bonds, dated May 17, 2017 (the “Preliminary Official Statement”), and certifies that the Preliminary Official Statement, as of its date, was deemed final by the University for purposes of Rule 15c2-12 (“Rule 15c2-12”) of the Securities and Exchange Commission (the “SEC”), except for the omission of certain information permitted by Rule 15c2-12.

The final Official Statement with respect to the Series 2017 Bonds (the “Official Statement”) shall be provided for distribution, at the expense of the University, in such quantity as may be requested by the Underwriters no later than the earlier of (i) seven (7) business days after the date of this Bond Purchase Agreement or (ii) one (1) business day prior to the Closing Date, in order to permit the Underwriters to comply with Rule 15c2-12, and the applicable rules of the Municipal Securities Rulemaking Board (the “MSRB”), with respect to distribution of the Official Statement. The University shall prepare the Official Statement, including any amendments thereto, in word-searchable PDF format as described in the MSRB’s Rule G-32 and shall provide the electronic copy of the word-searchable PDF format of the Official Statement to the Underwriters no later than one (1) business day prior to the Closing Date to enable the Underwriters to comply with MSRB Rule G-32.

The Underwriters agree to file the Official Statement with the MSRB as required by the applicable SEC or MSRB Rule. The filing with the MSRB shall be in accordance with the procedures of the Electronic Municipal Market Access System (“EMMA”).

The Underwriters agree that they will not confirm the sale of any Series 2017 Bonds unless a final written confirmation of the sale is accompanied or preceded by the delivery of a copy of the Official Statement, either directly or by notice that it is available through EMMA.

In order to assist the Underwriter in complying with Rule 15c2-12, the University has covenanted for the benefit of the owners of the Series 2017 Bonds to provide certain financial and operating information on an annual basis and to provide notices of the occurrence of certain events within ten (10) business days of their occurrence, all pursuant to a Continuing Disclosure Agreement, dated the date of the Series 2017 Bonds (the "Continuing Disclosure Agreement").

4. **Representations and Agreements.** The University hereby represents and agrees as follows:

(a) The University is duly created and existing under the constitution and laws of the State of Alabama.

(b) Except for the statements and information contained under the captions "BOND INSURANCE," "RATINGS," "FINANCIAL ADVISOR" and "UNDERWRITING" and in Appendix D – DTC PROCEDURES (collectively, the "Excluded Sections"), the statements and information contained in the Preliminary Official Statement, as of its date and as of the Closing Date, and in the Official Statement, as of the date hereof and as of the Closing Date, were and will be true and correct in all material respects and did not and will not contain any misstatement of any material fact and did not and will not omit any statement and information that is necessary to make the statements and information contained therein not misleading in any material respect.

(c) The University has full legal right, power and authority to: (i) enter into this Bond Purchase Agreement, (ii) execute and deliver the Fourteenth Supplemental University Facilities Revenue Trust Indenture, the Continuing Disclosure Agreement, the Tax Certificate and Agreement (as hereinafter defined) and such other documents as shall be contemplated hereby and thereby for execution by the University (collectively, the "University Documents"), (iii) sell, issue and deliver the Series 2017 Bonds to the Underwriters as provided herein, and (iv) carry out and consummate the obligations and transactions contemplated by this Bond Purchase Agreement, the University Documents and the Official Statement, and on the Closing Date will be in compliance with the obligations on its part in connection with the issuance of the Series 2017 Bonds contained in the Indenture, the University Documents, the Series 2017 Bonds and this Bond Purchase Agreement.

(d) The resolution of the Board of Trustees of the University authorizing the issuance and sale of the Series 2017 Bonds (the "Authorizing Resolution"), a copy of which has been furnished to the Representative, was duly adopted on June 2, 2017, has not been amended or rescinded and remains in full force and effect on the date hereof.

(e) The University is not now, and will not on the Closing Date be, in breach of or in default under any law, judgement, decree, order, regulation, agreement, indenture, mortgage, lease, sublease or other instrument to which it is a party or by which it is bound, and no event has occurred or is continuing that, with the passage of time or the giving of notice, or both, would constitute a default or an event of default thereunder, except in either case for such breaches, defaults, or potential defaults or events of default, if any, which individually or in the aggregate would have no material adverse effect on the performance by the University under this Bond Purchase Agreement, the Indenture, the University Documents or the Series 2017 Bonds.

(f) The financial statements included as Appendix A to the Preliminary Official Statement and the Official Statement present fairly, in all material respects, the financial position and results of operations of the University.

(g) When delivered to and paid for by the Underwriters on the Closing Date in accordance with the provisions of this Bond Purchase Agreement, the Series 2017 Bonds will have been duly authorized, executed, issued and delivered and will constitute valid and limited obligations of the University, payable from Pledged Revenues.

(h) The University has neither encumbered nor made a prior pledge of the Pledged Revenues other than to the holders of the Bonds heretofore issued under the terms of the Indenture.

(i) The adoption of the Authorizing Resolution and the authorization, execution and delivery of this Bond Purchase Agreement, the University Documents and compliance with the provisions hereof and thereof, and issuance of the Series 2017 Bonds, will not conflict with, or constitute a breach of or default under, any law, administrative regulation, consent decree or resolution.

(j) On the Closing Date, the University will be in compliance in all respects with the covenants and agreements contained in the Indenture.

(k) All approvals, consents, authorizations and orders of any governmental authority or agency having jurisdiction in any matter which would constitute a condition precedent to the issuance of the Series 2017 Bonds, the performance by the University of its obligations hereunder and under the Indenture and the distribution of the Preliminary Official Statement and the execution, delivery and distribution of the Official Statement have been obtained and are in full force and effect, except for such approvals, consents and orders as may be required under the Blue Sky or securities law of any state in connection with the offering and sale of the Series 2017 Bonds or in connection with the registration of the Series 2017 Bonds under the federal securities laws.

(l) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body pending with respect to which service or notice on the University has been perfected or given or, to the best knowledge of the University, threatened against or affecting the University, which would (i) restrain or enjoin the issuance or delivery of the Series 2017 Bonds or the collection of Pledged Revenues, (ii) in any way contest or affect any authority for the issuance of the Series 2017 Bonds or the validity, due authorization and execution of the Series 2017 Bonds, the University Documents or this Bond Purchase Agreement, (iii) limit, enjoin or prevent the University from paying the debt service on the Series 2017 Bonds as and when due, or (iv) in any way contest the corporate existence or powers of the University;

(m) During the period from the date hereof to and including a date which is 25 days following “the end of the underwriting period” (as hereinafter defined) for the Series 2017 Bonds:

(1) the University will not adopt any amendment of or supplement to the Official Statement to which, after having been furnished with a copy, the Underwriter shall reasonably object in writing, unless the University has obtained an opinion of counsel stating that such amendment or supplement is necessary in order to make the Official Statement as then supplemented or amended, not contain any untrue statement of a material fact or not omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading at the time that they are delivered to a purchaser of a Series 2017 Bond;

(2) if any event relating to or affecting the University or the Series 2017 Bonds shall occur which would or might cause the information contained in the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the University shall so notify the Representative, and, if as a result of which it is necessary in the opinion of the University or counsel to the Underwriters to amend or supplement the Official Statement in order to make the Official Statement not misleading, the University shall forthwith prepare and furnish to the Underwriters (at the expense of the University) a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the Underwriters and the University) which will amend or supplement the Official Statement so that such Official Statement, as amended or supplemented, will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein not misleading in any material respect;

(3) for the purpose of this section, the University will furnish to the Underwriters through the end of the underwriting period such information to confirm

the truth, accuracy and completeness of the statements and information contained in the Official Statement as the Underwriters may from time to time reasonably request. The “end of the underwriting period” for purposes of Rule 15c2-12 shall mean the Closing Date unless the Representative notifies the University in writing, on or prior to the Closing Date, that the Closing Date will not be the “end of the underwriting period.” In the event such notice is given in writing by the Representative to the University, the “end of the underwriting period” for the Series 2017 Bonds as used in this Bond Purchase Agreement shall mean the earlier to occur of (i) 65 days after the Closing Date or (ii) the date on which the Underwriters no longer have any of the Series 2017 Bonds for sale to the public.

(n) The University shall cooperate with the Underwriters and their counsel in any endeavor to qualify the Series 2017 Bonds for offering and sale under the securities laws of such jurisdictions of the United States of America as the Underwriters may request and to continue such qualifications in effect as long as may be required for the distribution of the Series 2017 Bonds; provided, however, the University shall not be required to consent to service of process in any such jurisdiction.

5. **Closing.** At 9:00 a.m., local time, on June 15, 2017, or at such time on such earlier or later date as shall be agreed upon by the University and the Representative (the “Closing Date”), the activities relating to the execution and delivery of certain documents and the delivery of the certificates, opinions and other instruments as described in Section 6(e) hereof shall occur at the offices of the University, 307 University Boulevard, Administrative Building, Mobile, Alabama, or such other location as shall be mutually agreed upon by the University and the Representative. Such simultaneous execution and delivery of such documents, certificates, opinions and other instruments are herein referred to as the “Closing.” On the Closing Date:

(a) The University shall deliver to the Underwriters (i) the Series 2017 Bonds, duly authorized, executed and authenticated, and (ii) the other instruments and documents required to be delivered to the Underwriters pursuant to Section 6 hereof.

(b) The purchase price for the Series 2017 Bonds shall be paid to the University by wire transfer or by such other method as may be agreeable to the University and the Underwriters.

6. **Underwriters’ Closing Conditions.** The Underwriters have entered into this Bond Purchase Agreement in reliance upon the representations of the University herein contained and the performance by the University of its obligations hereunder, both as of the date hereof and as of the Closing Date. The obligations of the Underwriters under this Bond Purchase Agreement are and shall be subject to the following conditions:

(a) The representations and agreements of the University contained herein shall be true and correct and complied with as of the date hereof and as of the Closing Date.

(b) At the time of the Closing, the Indenture shall be in full force and effect in accordance with its terms and shall not have been amended, modified or supplemented, and the Official Statement shall not have been supplemented or amended, except to the extent that such amendments have been agreed to by the Underwriters.

(c) At the time of the Closing, all official action of the University relating to this Bond Purchase Agreement, the Indenture and the Series 2017 Bonds, and all other documents contemplated hereby and thereby, shall be in full force and effect in accordance with their respective terms and shall not have been amended, modified or supplemented in any material respect, except in each case as may have been agreed to by the Representative.

(d) At any time on or prior to the Closing Date, the Representative shall have the right to cancel the agreement contained herein to purchase the Series 2017 Bonds by notifying the University in writing of their intention to do so if between the date hereof and the Closing Date:

(i) legislation shall have been enacted by the Congress of the United States, or recommended to the Congress for passage by the President of the United States, or favorably reported for passage to either House of Congress by any Committee of such House, or passed by either House of Congress, or a decision shall have been rendered by a court of the United States or the United States Tax Court, or a ruling shall have been made or a regulation shall have been proposed or made by the Treasury Department of the United States or the Internal Revenue Service, with respect to the federal taxation of interest received on obligations of the general character of the Series 2017 Bonds, which, in the opinion of Counsel for the Underwriters or Bond Counsel, has or will have the effect of making such interest subject to inclusion in gross income for purposes of federal income taxation, except to the extent such interest shall be includable in gross income on the date hereof; or

(ii) legislation shall be enacted or any action shall be taken by the United States Securities and Exchange Commission which, in the opinion of Counsel for the Underwriters, has the effect of requiring the contemplated issuance or distribution of the Series 2017 Bonds to be registered under the Securities Act of 1933, as amended; or

(iii) in the opinion of the Representative, payment for and delivery of the Series 2017 Bonds is rendered impracticable or inadvisable because (A) trading in securities generally shall have been suspended on the New York Stock Exchange, Inc., or (B) a general banking moratorium shall have been established by federal, New York or Alabama authorities, or (C) there shall have occurred any outbreak of hostilities or other local, national or international calamity or crisis on the financial markets of the United States which, in the Representative's reasonable judgment, renders it impracticable for the Underwriters to market the Series 2017 Bonds or to enforce contracts for the sale of the Series 2017 Bonds; or

(iv) any order, decree or injunction of any court of competent jurisdiction, or any order, ruling, regulation or administrative proceeding by any governmental body or board, shall have been issued or commenced, or any legislation enacted, with the purpose or effect of prohibiting the issuance, offering or sale of the Series 2017 Bonds as contemplated hereby or by the Official Statement or prohibiting the entering or performance of the Indenture; or

(v) the President of the United States, the Office of Management and Budget, the Department of Treasury, the Internal Revenue Service or any other governmental body, department, agency or commission of the United States or the State of Alabama shall take or propose to take any action or implement or propose regulations, rules or legislation which, in the reasonable judgment of the Representative, materially adversely affects the market price of the Series 2017 Bonds or causes any material information in the Official Statement, in light of the circumstances under which it appears, to be misleading in any material respect; or

(vi) any executive order shall be announced, or any legislation, ordinance, rule or regulation shall be proposed by or introduced in, or be enacted by any governmental body, department, agency or commission of the United States or the State of Alabama, having jurisdiction over the subject matter, or a decision by any court of competent jurisdiction within the United States or within the State of Alabama, shall be rendered which, in the reasonable judgment of the Representative, materially adversely affects the market price of the Series 2017 Bonds or causes any information in the Official Statement to be misleading in any material respect; or

(vii) any litigation shall be instituted, pending or threatened to restrain or enjoin the issuance, sale or delivery of the Series 2017 Bonds or in any way contesting or affecting any authority for or the validity of the Series 2017 Bonds, the Indenture or this Bond Purchase Agreement, or any of the proceedings of the University taken with respect to the issuance or sale of the Series 2017 Bonds or the execution of and performance of this Bond Purchase Agreement, the Indenture or the University Documents; or

(viii) there shall have occurred or any notice shall have been given of any intended downgrading, suspension, withdrawal or negative change in credit watch status by any national rating service to any of the University's obligations; or

(ix) the marketability of the Series 2017 Bonds or the market price thereof, in the opinion of the Representative, has been materially and adversely affected by disruptive events, occurrences or conditions in the securities or debt markets; or

(x) any event shall have occurred or shall exist which, in the reasonable opinion of the Representative, would cause the information contained in the Official

Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading as of such time and which would materially adversely affect the marketability of the Series 2017 Bonds; or

(xi) there shall have been any materially adverse change in the financial condition of the University that is not contemplated in the Official Statement, as then amended and supplemented, which in the reasonable opinion of the Representative, materially and adversely affects the market price or marketability of the Series 2017 Bonds;

(e) On or prior to the Closing Date, the Underwriters shall receive the following documents:

(i) the Official Statement, and any supplements, amendments or modifications, if any, thereto, executed on behalf of the University by the President or the Vice President for Finance and Administration of the University;

(ii) the Fourteenth Supplemental University Facilities Revenue Trust Indenture, certified by the Secretary of the University under seal as having been duly executed by the President or the Vice President for Finance and Administration of the University and such modifications or amendments as may have been agreed to by the Underwriters;

(iii) a certified copy of the Authorizing Resolution;

(iv) an opinion of Bradley Arant Boult Cummings LLP, Birmingham, Alabama, Bond Counsel to the University (“Bond Counsel”), in substantially the form included in the Official Statement as Appendix B;

(v) a supplemental opinion of Bond Counsel in form and substance satisfactory to the Representative and Underwriter’s Counsel;

(vi) an opinion of Jean W. Tucker, Senior University Counsel, addressed to Bond Counsel and the Underwriters, and dated the date of the Closing, in form and substance satisfactory to the Representative and Underwriter’s Counsel;

(vii) an opinion of Hand Arendall LLC, as Counsel to the Underwriters, in form and substance satisfactory to the Underwriters;

(viii) A Tax Certificate and Agreement of the University (the “Tax Certificate and Agreement”), prepared by Bond Counsel and executed by an authorized officer of the University, dated as of the Closing Date, setting forth facts,

estimates and circumstances concerning the use or application of the Series 2017 Bond proceeds, in form and substance satisfactory to Bond Counsel;

(ix) evidence of an underlying rating of (i) "A1" issued by Moody's Investors Service, Inc. with respect to the Series 2017 Bonds and (ii) "A+" by Standard & Poor's Rating Services with respect to the Series 2017 Bonds;

(x) the Continuing Disclosure Agreement executed by an authorized officer of the University;

(xi) A certificate of the University, dated the date of the Closing, signed by the President or the Vice President for Finance and Administration of the University and in form and substance satisfactory to the Representative and Underwriters' Counsel, to the effect that:

(1) since the date hereof no material and adverse change has occurred in the financial condition of the University or results of operations of the University, except as set forth in the Official Statement;

(2) the University has not, since September 30, 2016, incurred any material liabilities other than in the ordinary course of business or as set forth in the Official Statement;

(3) no litigation or proceeding is pending with respect to which service or notice on the University has been perfected or given or, to their knowledge, threatened which would (i) restrain or enjoin the issuance or delivery of the Series 2017 Bonds or the collection of Pledged Revenues, (ii) in any way contest or affect any authority for the issuance of the Series 2017 Bonds or the validity, due authorization and execution of the Series 2017 Bonds, the University Documents or this Bond Purchase Agreement, (iii) limit, enjoin or prevent the University from paying the debt service on the Series 2017 Bonds as and when due, or (iv) in any way contest the corporate existence or powers of the University;

(4) the Preliminary Official Statement (except for omissions permitted by Rule 15c2-12) did not as of its date and as of the date hereof does not, and the Official Statement, as of its date and at all times through the date of the Closing, will not, contain any misstatement of a material fact or omit to state any material fact required to be stated therein in order for the statements made therein, in the light of the circumstances under which they were made, not to be misleading;

(5) the representations of the University contained herein are true and correct in all material respects as of the date of the Closing, as if made on the date of the Closing; and

(6) none of the proceedings or authority for the execution and delivery of the Series 2017 Bonds and the transactions related thereto have been modified, amended or repealed;

(xii) an insurance policy issued by Build America Mutual Assurance Corporation (the "Bond Insurer") guaranteeing the scheduled payment when due of the principal of and interest on those of the Series 2017 Bonds maturing in the years 2020 and thereafter (the "Insured Bonds");

(xiii) an opinion of counsel to the Bond Insurer, dated the date of Closing, in form and substance satisfactory to the Representative;

(xiv) evidence of a rating of (i) "Aa" issued by Moody's Investors Service, Inc. with respect to the Insured Bonds and (ii) "AA" by Standard & Poor's Rating Services with respect to the Insured Bonds; and

(xv) such additional legal opinions, consents, certificates, proceedings, instruments and other documents as the Underwriters, or counsel therefor or Bond Counsel may reasonably request to evidence compliance by the University with legal requirements, the truth and accuracy, as of the Closing Date, of the representations of the University herein and the due performance or satisfaction by the University at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the University.

If the University shall be unable to satisfy the conditions to the obligations of the Underwriters to purchase, accept delivery of and pay for the Series 2017 Bonds contained in this Bond Purchase Agreement and the Representative does not waive such inability in writing, or if the obligations of the Underwriters to purchase, accept delivery of and pay for the Series 2017 Bonds shall be terminated for any reason permitted by this Bond Purchase Agreement, including the exercise of the Representative's right to cancel this Bond Purchase Agreement as provided in Section 6(d) hereof, this Bond Purchase Agreement shall terminate and neither the Underwriters nor the University shall be under any further obligation hereunder, except that the respective obligations of the University and the Underwriters set forth in Section 8 hereof shall continue in full force and effect.

7. **Expenses.** The Underwriters shall be under no obligation to pay, and the University shall pay, any expense incident to the performance of the University's obligations hereunder including, but not limited to: (a) the cost of preparation, printing and delivery of the Series 2017 Bonds, the Fourteenth Supplement University Facilities Revenue Trust Indenture, this Bond Purchase Agreement and all other instruments, agreements and other documents contemplated thereby and hereby; (b) the costs of preparation and the fees and disbursements of Bond Counsel and other legal counsel to the University; (c) fees for bond ratings; (d) the fees and expenses of the Trustee; (e) the costs of preparing, printing and delivering the Official Statement and any supplements or amendments thereto; and (f) such other expenses as may be agreed to in writing at a

later date.

The University shall reimburse the Underwriters for actual expenses incurred or paid for by the Underwriters on behalf of the University for the University's employees and representatives, including, but not limited to, transportation, lodging, and meals in connection with the marketing, issuance, and delivery of the Series 2017 Bonds; provided, however, that (i) reimbursement for such expenses shall not exceed an ordinary and reasonable amount for such expenses and (ii) such expenses are not related to the entertainment of any person and not prohibited from being reimbursed from the proceeds of an offering of municipal securities under MSRB Rule G-20. Such reimbursement may be in the form of inclusion in the expense component of the Underwriter's discount, or direct reimbursement as a cost of issuance.

The Underwriters shall pay: (a) all advertising expenses in connection with a public offering of the Series 2017 Bonds, (b) fees of the CUSIP Service Bureau, (c) all fees and disbursements of any counsel retained by the Underwriters, and (d) any fees of the MSRB or the Securities Industry and Financial Markets Association.

In the event that either party shall have paid obligations of the other as set forth in this Section 7, adjustment shall be made at the time of the Closing.

8. **Notices.** Any notice or other communications to be given to the University under this Bond Purchase Agreement may be given by mailing the same to University of South Alabama, Attention: Vice President for Finance and Administration, 307 University Boulevard, Administrative Building, Suite 170, Mobile, Alabama 36688, with a copy to Phil Dotts, Public Financial Management, Inc. 116 Jefferson Street South, Suite 301, Huntsville, Alabama 35801 and any such notice or other communication to be given to the Underwriters may be mailed to Raymond James & Associates, Inc., Attention: Chuck Ellingsworth, 50 N. Front Street, 16th Floor, Memphis, Tennessee 38103.

9. **Parties in Interest.** This Bond Purchase Agreement is made solely for the benefit of the University and the Underwriters and no other party or person shall acquire or have any right hereunder or by virtue hereof. All representations and agreements in this Bond Purchase Agreement shall remain operative and in full force and effect and shall survive the delivery of the Series 2017 Bonds.

10. **Waiver.** Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the University hereunder and the performance of any and all conditions contained herein for the benefit of the Underwriters may be waived by the Underwriters, in their sole discretion, and the approval of the Underwriters when required hereunder or the determination of their satisfaction as to any document referred to herein shall be in writing, signed by an appropriate officer or officers of the Underwriters and delivered to the University.

11. **Limitations of Liability.** The obligations of the University hereunder shall be limited obligations, and shall be payable only from Pledged Revenues or other funds legally

available therefor. No officer, agent or employee of the University shall be charged personally by the Underwriters with any liability, or held liable to the Underwriters under any term or provision of this Bond Purchase Agreement because of its execution or attempted execution, or because of any breach or attempted breach thereof.

12. **Counterparts.** This Bond Purchase Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

13. **Governing Law.** This Bond Purchase Agreement, and the terms and conditions herein, shall constitute the full and complete agreement between the University and the Underwriters with respect to the purchase and sale of the Series 2017 Bonds. This Bond Purchase Agreement shall be governed by and construed in accordance with the laws of the State of Alabama.

14. **No Advisory or Fiduciary Role.** The University acknowledges and agrees that: (i) the transactions contemplated by this Bond Purchase Agreement are arm's length, commercial transactions between the University and the Underwriters; (ii) in connection with such transaction, including the process leading thereto, the Underwriters are acting solely as principals and not as agents or a fiduciaries of the University; (iii) the Underwriters have neither assumed an advisory or fiduciary responsibility in favor of the University with respect to the offering of the Series 2017 Bonds or the process leading thereto (whether or not the Underwriters or any affiliate of any Underwriter has advised or is currently advising the University on other matters) nor has it assumed any other obligation to the University except the obligations expressly set forth in this Bond Purchase Agreement, (iv) the Underwriters have financial and other interests that differ from those of the University; and (v) the University has consulted with its own legal and financial advisors to the extent it deemed appropriate in connection with the offering of the Series 2017 Bonds.

[Signature page follows.]

Very truly yours,

Raymond James & Associates, Inc.,
on behalf of itself and the other underwriters
named herein

By: _____
As Its: _____

Accepted this 2nd day of June, 2017.

UNIVERSITY OF SOUTH ALABAMA

By: _____

As its _____

EXHIBIT A

**UNIVERSITY OF SOUTH ALABAMA
University Facilities Revenue Bonds, Series 2017**

Underwriters

Raymond James & Associates, Inc.
Protective Securities
Wells Fargo Securities
PNC Capital Markets LLC

EXHIBIT B

UNIVERSITY OF SOUTH ALABAMA University Facilities Revenue Bonds, Series 2017

PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS AND REDEMPTION PROVISIONS

Maturity Schedule:

| | Maturity Date | Amount | Rate | Yield | Price |
|------------------|---------------|-----------|--------|--------|-----------|
| Uninsured Bonds: | | | | | |
| | 10/1/2017 | 695,000 | 2.000% | 0.750% | 100.366 |
| | 10/1/2018 | 1,180,000 | 4.000% | 0.980% | 103.873 |
| | 10/1/2019 | 1,240,000 | 5.000% | 1.100% | 108.810 |
| Insured Bonds: | | | | | |
| | 10/1/2020 | 1,300,000 | 5.000% | 1.200% | 112.236 |
| | 10/1/2021 | 1,370,000 | 5.000% | 1.360% | 115.132 |
| | 10/1/2022 | 1,440,000 | 5.000% | 1.510% | 117.691 |
| | 10/1/2023 | 1,515,000 | 5.000% | 1.700% | 119.617 |
| | 10/1/2024 | 1,590,000 | 5.000% | 1.850% | 121.399 |
| | 10/1/2025 | 1,655,000 | 2.500% | 2.050% | 103.414 |
| | 10/1/2026 | 1,710,000 | 5.000% | 2.240% | 123.039 |
| | 10/1/2027 | 1,805,000 | 5.000% | 2.400% | 123.587 |
| | 10/1/2028 | 1,895,000 | 5.000% | 2.500% | 122.563 C |
| | 10/1/2029 | 1,990,000 | 5.000% | 2.640% | 121.148 C |
| | 10/1/2030 | 2,095,000 | 5.000% | 2.680% | 120.747 C |
| | 10/1/2031 | 2,205,000 | 5.000% | 2.750% | 120.049 C |
| | 10/1/2032 | 2,315,000 | 5.000% | 2.830% | 119.257 C |
| | 10/1/2033 | 2,435,000 | 5.000% | 2.910% | 118.472 C |
| | 10/1/2034 | 2,555,000 | 5.000% | 2.980% | 117.790 C |
| | 10/1/2035 | 2,690,000 | 5.000% | 3.010% | 117.499 C |
| | 10/1/2036 | 2,825,000 | 5.000% | 3.050% | 117.112 C |
| | 10/1/2037 | 1,600,000 | 5.000% | 3.090% | 116.727 C |

C=Priced to Call

Redemption Provisions:

Optional Redemption. Those of the Series 2017 Bonds having a stated maturity on October 1, 2028, and thereafter will be subject to redemption prior to their respective maturities, at the option of the University, as a whole or in part, on October 1, 2027, and on any date thereafter (and if in part, in such maturities as the University shall select, and if less than all of a single maturity is to be redeemed those to be redeemed to be selected by the Trustee by lot) at and for a redemption price with respect to each Series 2017 Bond (or principal portion thereof redeemed) equal to the par or face amount of each Series 2017 Bond redeemed plus accrued interest to the date fixed for redemption.

EXHIBIT III
PRELIMINARY OFFICIAL STATEMENT

NEW ISSUE - BOOK-ENTRY ONLY

See "RATINGS" herein

In the opinion of Bond Counsel, under existing law and assuming the accuracy of certain representations and certifications and compliance by the University with certain tax covenants, interest on the Series 2016 Bonds will be excluded from gross income for federal income tax purposes. Bond counsel is of the further opinion that, under existing law, interest on the Series 2016 Bonds will not be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, such interest is includable in adjusted current earnings in determining the federal alternative minimum tax imposed on certain corporations. See "TAX EXEMPTION" herein for further information and certain other federal tax consequences arising with respect to the Series 2016 Bonds. Bond Counsel is also of the opinion that under existing law, interest on the Series 2016 Bonds is exempt from Alabama income taxation.



\$85,605,000
UNIVERSITY OF SOUTH ALABAMA
University Facilities Revenue Refunding Bonds,
Series 2016

Dated: Date of Delivery

Due: November 1, as shown on inside cover

The Series 2016 Bonds will be issued as fully registered bonds without coupons in denominations of \$5,000 and any integral multiple thereof pursuant to a book-entry only system to be administered by The Depository Trust Company ("DTC"), New York, New York, and, when issued, will be registered in the name of and held by Cede & Co., as nominee. Purchases of beneficial interests in the Series 2016 Bonds will be made in book-entry form only and purchasers of a beneficial interest in the Series 2016 Bonds ("Beneficial Owners") will not receive physical delivery of the certificates representing their interests in the Series 2016 Bonds. The principal of and interest on the Series 2016 Bonds will be paid directly to DTC, so long as DTC or its nominee is the registered owner of the Series 2016 Bonds. The final disbursements of such payments to the Beneficial Owners of the Series 2016 Bonds will be the responsibility of the DTC Participants and the Indirect Participants, all as defined and more fully described in this Official Statement under the caption "THE SERIES 2016 BONDS - General Description" and in Appendix D hereto.

The Series 2016 Bonds are being issued by the University of South Alabama (the "University") pursuant to the University Facilities Revenue Trust Indenture dated as of February 15, 1996 (the said Indenture, as heretofore supplemented and amended and as further supplemented and amended by a Twelfth Supplemental University Facilities Revenue Trust Indenture dated as of September 1, 2016 (the "Indenture"), to pay (i) the costs of refunding tax-exempt debt previously issued for the benefit of the University; (ii) the costs and expenses of issuing the Series 2016 Bonds; and (iii) the premium for a financial guaranty insurance policy respecting certain of the Series 2016 Bonds. The principal of and interest on the Series 2016 Bonds are limited obligations of the University payable solely from the Pledged Revenues, as defined and further described herein.

The scheduled payment of principal of and interest on the Bonds maturing on November 1 of the years 2023 through 2037, inclusive (the "Insured Bonds"), when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Insured Bonds by Assured Guaranty Municipal Corp.



Certain maturities of the Series 2016 Bonds are subject to optional redemption prior to maturity as more fully described herein.

The Series 2016 Bonds will not be obligations or debts of the State of Alabama nor will any principal of or interest on the Series 2016 Bonds be paid out of any moneys provided for or appropriated to the University by the State of Alabama. The Series 2016 Bonds are special and limited obligations of the University, secured by a pledge of and payable solely from certain fees and revenues of the University as described herein and in the Indenture. Neither the Series 2016 Bonds nor the pledge of the said fees and revenues and other agreements provided in the Indenture shall be or constitute a general obligation of the University or an obligation of any nature whatsoever of the State of Alabama, or be payable out of any moneys appropriated by the State to the University.

The Series 2016 Bonds are offered when, as and if issued by the University and received by the Underwriters, subject to prior sale, to withdrawal or modifications of the offer without notice, and to the approval of legality of the Series 2016 Bonds by Balch & Bingham, LLP, Birmingham, Alabama, Bond Counsel to the University. Certain legal matters will be passed upon for the Underwriter by Underwriters' counsel, Hand Arendall LLC, Mobile, Alabama. It is expected that the Series 2016 Bonds in definitive form will be available for delivery in Birmingham, Alabama, on or about September 14, 2016.

FOR MATURITIES, AMOUNTS, RATES, YIELDS, AND CUSIPS, SEE INSIDE COVER.

WELLS FARGO SECURITIES

PNC CAPITAL MARKETS LLC
PROTECTIVE SECURITIES,
a Division of ProEquities, Inc.

THE FRAZER LANIER COMPANY
INCORPORATED

RAYMOND JAMES
SECURITIES CAPITAL
CORPORATION

The date of this Official Statement is September 1, 2016.

MATURITIES, AMOUNTS, RATES, YIELDS & CUSIPS**\$85,605,000****UNIVERSITY OF SOUTH ALABAMA****University Facilities Revenue Refunding Bonds, Series 2016**

| <u>Maturity</u> <u>(November 1)</u> | <u>Principal</u> <u>Amount</u> | <u>Interest</u> <u>Rate</u> | <u>Yield</u> | <u>CUSIP**</u> |
|--|-----------------------------------|--------------------------------|--------------|----------------|
| Uninsured Bonds: | | | | |
| 2018 | \$2,585,000 | 5.000% | 0.890% | 914845PU0 |
| 2019 | 2,710,000 | 5.000% | 1.020% | 914845PV8 |
| 2020 | 2,855,000 | 5.000% | 1.130% | 914845PW6 |
| 2021 | 3,000,000 | 5.000% | 1.320% | 914845PX4 |
| 2022 | 3,155,000 | 5.000% | 1.540% | 914845PY2 |
| Insured Bonds: | | | | |
| 2023 | 3,315,000 | 5.000% | 1.610% | 914845PZ9 |
| 2024 | 3,485,000 | 5.000% | 1.770% | 914845QA3 |
| 2025 | 3,670,000 | 5.000% | 1.880% | 914845QB1 |
| 2026 | 3,830,000 | 4.000% | 1.950% | 914845QC9 |
| 2027 | 4,010,000 | 5.000% | 2.080%* | 914845QD7 |
| 2028 | 4,215,000 | 5.000% | 2.160%* | 914845QE5 |
| 2029 | 4,435,000 | 5.000% | 2.220%* | 914845QF2 |
| 2030 | 4,655,000 | 5.000% | 2.240%* | 914845QG0 |
| 2031 | 4,895,000 | 5.000% | 2.290%* | 914845QH8 |
| 2032 | 5,145,000 | 5.000% | 2.340%* | 914845QJ4 |
| 2033 | 5,410,000 | 5.000% | 2.390%* | 914845QK1 |
| 2034 | 5,685,000 | 5.000% | 2.440%* | 914845QL9 |
| 2035 | 5,950,000 | 4.000% | 2.750%* | 914845QM7 |
| 2036 | 6,195,000 | 4.000% | 2.790%* | 914845QN5 |
| 2037 | 6,405,000 | 3.000% | 3.050% | 914845QP0 |

* Priced at the stated yield to the November 1, 2026 optional redemption date.

** CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by the CUSIP Service Bureau, operated by Standard & Poor's, a division of The McGraw-Hill Companies, Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services Bureau. CUSIP numbers have been assigned by an independent company not affiliated with the University and are included solely for the convenience of the registered owners of the Series 2016 Bonds. The University and the Underwriters are not responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness by the University on the Series 2016 Bonds and by the Underwriters on the Series 2016 Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2016 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2016 Bonds.

UNIVERSITY OF SOUTH ALABAMA

MEMBERS OF THE BOARD OF TRUSTEES

Robert Bentley, Ex Officio
Scott A. Charlton
E. Thomas Corcoran
Steven P. Furr
Robert D. Jenkins, III
Bettye R. Maye
Arlene Mitchell
Bryant Mixon
John M. Peek
James H. Shumock
Kenneth O. Simon
Chandra Brown Stewart
William S. Stimpson
Steven H. Stokes
Michael P. Windom
James A. Yance

PRESIDENT

Dr. Tony G. Waldrop

BOND COUNSEL TO THE UNIVERSITY

Balch & Bingham LLP
Birmingham, Alabama

FINANCIAL ADVISOR

Public Financial Management, Inc.
Huntsville, Alabama

UNDERWRITERS

Wells Fargo Securities
PNC Capital Markets LLC
Protective Securities
Raymond James & Associates, Inc.
Securities Capital Corporation
The Frazer Lanier Company, Incorporated

UNDERWRITERS' COUNSEL

Hand Arendall LLC
Mobile, Alabama

Certain information contained in or incorporated by reference in this Official Statement has been obtained by the University from DTC and other sources that are deemed reliable. No representation or warranty is made, however, as to the accuracy or completeness of such information by the Underwriters or the University.

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with and as part of their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information and nothing contained in this Official Statement is or shall be relied upon as a promise or representation by the Underwriters. This Official Statement is being used in connection with the sale of securities as referred to herein and may not be used, in whole or in part, for any other purpose. The delivery of this Official Statement at any time does not imply that information herein is correct as of any time subsequent to its date.

No dealer, broker, salesperson or any other person has been authorized by the University or the Underwriters to give any information or to make any representation other than as contained in this Official Statement in connection with the offering described herein and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy any securities other than those described on the inside cover page, nor shall there be any offer to sell, solicitation of an offer to buy or sale of such securities in any jurisdiction in which it is unlawful to make such offer, solicitation or sale. Neither this Official Statement nor any statement that may have been made verbally or in writing is to be construed as a contract with the registered or beneficial owners of the Series 2016 Bonds.

Any statements made in this Official Statement, including the Appendices, involving matters of opinion or estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of such estimates will be realized. This Official Statement contains certain forward-looking statements and information based on the University's beliefs as well as assumptions made by and information currently available to the University.

IN CONNECTION WITH THE OFFERING OF THE SERIES 2016 BONDS, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF SUCH SERIES 2016 BONDS AT A LEVEL ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this final official statement for purposes of, and as that term is defined in, SEC rule 15c2-12.

Assured Guaranty Municipal Corp. ("AGM") makes no representation regarding the Series 2016 Bonds or the advisability of investing in the Series 2016 Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the heading "Bond Insurance" and "Appendix E - Specimen Municipal Bond Insurance Policy".

TABLE OF CONTENTS

| | |
|--|----|
| INTRODUCTORY STATEMENT | 1 |
| THE SERIES 2016 BONDS | 2 |
| SECURITY AND SOURCE OF PAYMENT | 3 |
| BOND INSURANCE | 8 |
| THE PLAN OF FINANCING | 9 |
| ESTIMATED SOURCES AND USES OF PROCEEDS | 10 |
| CERTAIN GENERAL INFORMATION RESPECTING THE UNIVERSITY OF SOUTH ALABAMA | 10 |
| GOVERNING BODY | 18 |
| HEALTH CARE SYSTEM | 18 |
| ACADEMIC MEDICAL CENTERS | 20 |
| USA TECHNOLOGY & RESEARCH PARK | 20 |
| FACILITIES | 21 |
| SUMMARY INFORMATION RESPECTING STATE AND PRIVATE FUNDING | 22 |
| SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE | 23 |
| RATINGS | 28 |
| LITIGATION | 28 |
| LEGAL MATTERS | 29 |
| TAX EXEMPTION | 29 |
| CONTINUING DISCLOSURE | 30 |
| STATE NOT LIABLE ON SERIES 2016 BONDS | 31 |
| FINANCIAL INFORMATION | 31 |
| SPECIAL CONSIDERATIONS RESPECTING THE SERIES 2016 BONDS | 31 |
| FINANCIAL ADVISOR | 36 |
| UNDERWRITING | 36 |
| MISCELLANEOUS | 37 |

Appendix A - Audited Financial Statements for the Fiscal Year Ended September 30, 2015

Appendix B - Proposed Form of Opinion of Bond Counsel

Appendix C - Form of Continuing Disclosure Agreement

Appendix D - DTC Procedures

Appendix E - Specimen Municipal Bond Insurance Policy

OFFICIAL STATEMENT

pertaining to

UNIVERSITY OF SOUTH ALABAMA

\$85,605,000 University Facilities Revenue Refunding Bonds,
Series 2016

INTRODUCTORY STATEMENT

The purpose of this Official Statement, which includes the cover page and the Appendices hereto, is to provide information in connection with the sale by the University of South Alabama of its University Facilities Revenue Refunding Bonds, Series 2016 in the aggregate principal amount of \$85,605,000 (the "Series 2016 Bonds"), dated the date of delivery, issued as additional parity bonds under a University Facilities Revenue Trust Indenture dated as of February 15, 1996, between the University of South Alabama and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), as previously supplemented and as further supplemented by a Twelfth Supplemental University Facilities Revenue Trust Indenture to be dated as of September 1, 2016 (as so supplemented, the "Indenture").

Definitions of certain words and terms having initial capital letters used herein are defined in the Indenture or in the instrument or document in the description of which such word or term is used. Reference is hereby made to the full text of the documents and instruments briefly described herein which may be obtained from the Underwriters or from the University during the period of the offering.

The Governor, the State Superintendent of Education and the appointed trustees together constitute a public body corporate under the name University of South Alabama (the "University"). The University is located in the City of Mobile, Alabama, and its address is Mobile, Alabama 36688.

Purpose of the Issue

Proceeds of the Series 2016 Bonds will be applied to pay: (i) the costs of advance refunding those of the University's outstanding University Facilities Revenue Capital Improvement Bonds, Series 2008 maturing on or after August 1, 2019 (the "Refunded Bonds"); (ii) the costs and expenses of issuing the Series 2016 Bonds; and (iii) the premium for a financial guaranty insurance policy respecting certain of the Series 2016 Bonds.

Security

The Series 2016 Bonds are limited obligations of the University, payable solely from, and secured by a pledge of, the Pledged Revenues, as more fully described below under "SECURITY AND SOURCE OF PAYMENT - Sources of Payment and Pledged Revenues." The Pledged Revenues include a pledge of the General Fees levied against students enrolled at the University, a pledge of the gross revenues derived from certain auxiliary enterprises services furnished by the University, additional fees and revenues, if any, that may be subjected to the lien of the Indenture pursuant to a Supplemental Indenture, and an amount not exceeding \$10,000,000 in any fiscal year of the University of the gross revenues derived from that certain hospital facility owned and operated by the University and known as USA Children's and Women's Hospital, each as described herein. See "SECURITY AND SOURCE OF PAYMENT - Sources of Payment and Pledged Revenues."

The Series 2016 Bonds will not constitute a charge against the general credit of the University, and will not be payable from moneys appropriated to the University by the State of Alabama. The University has no taxing power. The State of Alabama will not be liable in any manner for the payment of the principal and interest on the Series 2016 Bonds. Holders of the Series 2016 Bonds shall never have the right to demand payment of the Series 2016 Bonds from the University from any source other than the special funds established under the Indenture and the Pledged Revenues and shall be entitled to payment from such sources only on a parity basis with all other bonds outstanding under the Indenture.

Existing and Additional Parity Bonds

The Indenture permits the University to issue additional parity bonds that will be secured on parity with the Series 2016 Bonds and any other bonds issued thereunder. For a description of bonds already outstanding under the Indenture that are secured on parity with the Series 2016 Bonds, see “SECURITY AND SOURCE OF PAYMENT - General”. For a description of the terms of the Indenture for the issuance of additional parity bonds in the future, see “SECURITY AND SOURCE OF PAYMENT – Additional Bonds.” See also “SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Additional Bonds.”

Changes to the Official Statement

This Official Statement includes certain information that was dependent on final pricing of the Series 2016 Bonds and was either omitted or estimated in the Preliminary Official Statement dated August 24, 2016, such as aggregate principal amount, principal amount per maturity, yields, interest rates, selling compensation, delivery dates, and other similar information. Prior to final pricing, the University determined that a municipal bond insurance policy would enhance the marketability of certain maturities of the Series 2016 Bonds. The University purchased such policy and this Official Statement has been revised accordingly.

THE SERIES 2016 BONDS

General Description

The Series 2016 Bonds will be dated the date of delivery, and will bear interest (payable on November 1, 2016, and on each May 1 and November 1 thereafter until maturity) at the rates and will mature on November 1 in the years and in the amounts set forth on the inside cover page of this Official Statement. The Series 2016 Bonds will be issuable only as fully registered bonds without coupons in the denomination of \$5,000 or any integral multiple thereof.

The Series 2016 Bonds will be initially issued as fully-registered bonds in the name of Cede & Co., as nominee of DTC, as registered owner of the Series 2016 Bonds. Purchasers of such Series 2016 Bonds will not receive physical delivery of bond certificates. For purposes of this Official Statement, so long as all of the Series 2016 Bonds are in the custody of DTC, references to Bondholders or Owners shall mean DTC or its nominee. DTC will act as securities depository for the Series 2016 Bonds. The Series 2016 Bonds will be issued as fully-registered securities in the name of Cede & Co., DTC’s partnership nominee Cede or such other nominee as may be requested by an authorized representative of DTC. One fully-registered Series 2016 Bond certificate will be issued for each maturity of the Series 2016 Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC. See Appendix D hereto for DTC payment and other related provisions.

During any period in which the Series 2016 Bonds are not held in the Book-Entry System, principal of the Series 2016 Bonds will be payable at the designated corporate trust office of the Trustee upon presentation and surrender of the Series 2016 Bonds as they mature. Interest on Series 2016 Bonds will be paid by the Trustee by check or draft mailed to the persons who are the registered owners of record as of the close of business on the October 15 or April 15 immediately preceding each interest payment date by check or draft mailed to such owners at their addresses shown on the registry books of the Trustee pertaining to the Series 2016 Bonds.

No charge will be made for any exchange or transfer of the Series 2016 Bonds, but the registered owners thereof shall be responsible for paying all taxes and other governmental charges relating to such transfer or exchange. In the event a Series 2016 Bond is lost, stolen, destroyed or mutilated, the University and the Trustee may require satisfactory indemnification for the replacement thereof and may charge the holder or owner of such bond with their fees and expenses in connection with the replacement thereof.

Optional Redemption of the Series 2016 Bonds

Optional Redemption. Those of the Series 2016 Bonds having a stated maturity on November 1, 2027, and thereafter will be subject to redemption prior to their respective maturities, at the option of the University, as a whole or in part, on November 1, 2026, and on any date thereafter (and if in part, in such maturities as the University shall select, and if less than all of a single maturity is to be redeemed those to be redeemed to be

selected by the Trustee by lot) at and for a redemption price with respect to each Series 2016 Bond (or principal portion thereof redeemed) equal to the par or face amount of each Series 2016 Bond redeemed plus accrued interest to the date fixed for redemption.

Notice of Redemption

Notice of redemption is required to be mailed by United States registered or certified mail to the registered owner of each Series 2016 Bond not more than sixty (60) nor less than thirty (30) days prior to the date fixed for redemption at the address shown on the registry books of the Trustee. No further interest will accrue after the date fixed for redemption on the principal of any Series 2016 Bond called for redemption upon notice duly given as provided in the Indenture and if payment therefor has been duly provided and in such event, any Series 2016 Bond (or portion thereof) called for redemption will no longer be protected by the provisions of the Indenture.

In the event that less than all of the outstanding principal of any Series 2016 Bond is to be redeemed, the registered owner thereof shall surrender the Series 2016 Bond that is to be prepaid in part to the Trustee in exchange, without expense to the owner, for a new Series 2016 Bond of like tenor except in a principal amount equal to the unredeemed portion of the Series 2016 Bond.

SECURITY AND SOURCE OF PAYMENT

General

The University of South Alabama has previously issued fourteen series of Bonds under the Indenture, of which eleven series of Bonds are currently outstanding before giving effect to the issuance of the Series 2016 Bonds and the defeasance of the Refunded Bonds. Those eleven series of Bonds consist of the following:

- (a) \$40,130,000.70 original principal amount University Tuition Revenue Bonds, Series 1999, dated March 1, 1999 (the "Series 1999 Capital Appreciation Bonds");
- (b) \$100,000,000 original principal amount University Tuition Revenue Refunding and Capital Improvement Bonds, Series 2006, dated December 1, 2006 (the "Series 2006 Bonds");
- (c) \$112,885,000 original principal amount University Facilities Revenue Capital Improvement Bonds, Series 2008, dated September 1, 2008;
- (d) \$29,750,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2010, dated June 16, 2010 (the "Series 2010 Bond");
- (e) \$25,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2012-A, dated January 4, 2012 (the "Series 2012-A Bond");
- (f) \$7,740,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2012-B, dated January 4, 2012 (the "Series 2012-B Bond");
- (g) \$32,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-A, dated June 28, 2013 (the "Series 2013-A Bond");
- (h) \$8,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-B, dated June 28, 2013 (the "Series 2013-B Bond");
- (i) \$10,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-C, dated June 28, 2013 (the "Series 2013-C Bond");
- (j) \$41,245,000 original principal amount University Facilities Revenue Refunding Bond, Series 2014-A, dated March 14, 2014 (the "Series 2014-A Bond"); and

- (k) \$6,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2015, dated June 15, 2015 (the “Series 2015 Bond” and, together with the Series 1999 Capital Appreciation Bonds, the Series 2006 Bonds, the Series 2010 Bond, Series 2012-A Bond, Series 2012-B Bond, the Series 2013-A Bond, the Series 2013-B Bond, the Series 2013-C Bond, the Series 2014-A Bond and the Series 2015 Bond, the “Outstanding Bonds”).

The Outstanding Bonds, the Series 2016 Bonds and any Additional Bonds issued hereafter are hereinafter referred to collectively as the “Bonds”.

Sources of Payment and Pledged Revenues

The Series 2016 Bonds will be issued under the Indenture, as amended and as supplemented by a Twelfth Supplemental University Facilities Revenue Trust Indenture dated as of September 1, 2016 (the “Twelfth Supplemental Indenture”) between the University and the Trustee, and will constitute limited obligations of the University payable solely from and secured by a lien on and a pledge of the Pledged Revenues (hereinafter defined) levied and collected by the University. The Series 2016 Bonds are secured pro rata and on an equal lien basis one with the other, with the Outstanding Bonds and with any Additional Bonds that may be hereafter issued under and subject to the terms and conditions of the Indenture, by a pledge of the Pledged Revenues.

The Series 2016 Bonds shall never be payable from any funds at any time provided for or appropriated by the State of Alabama, and shall not be a charge on the general credit or tax revenues of the State of Alabama. Neither the State of Alabama nor the University shall be obligated, directly or indirectly, to contribute any funds, property or resources to the payment of the Series 2016 Bonds except the Pledged Revenues.

The Series 2016 Bonds are payable solely out of the Pledged Revenues as defined in the Indenture, as amended, on a parity of lien with the Outstanding Bonds and any Additional Bonds at any time issued under the Indenture. Pledged Revenues is defined in the Indenture as follows:

“*Pledged Revenues*” means the Auxiliary Enterprises Revenues, the Children’s and Women’s Hospital Revenues, the General Fees, and additional fees and revenues, if any, that may be subjected to the lien of the Indenture pursuant to a Supplemental Indenture.

“*Auxiliary Enterprises Revenues*” means the gross revenues derived from auxiliary enterprises services furnished by the University, including, without limitation, food services, housing, college stores, dining, concessions and other similar services, as such revenues are shown as a separate item on the audited financial statements of the University.

“*Children’s and Women’s Hospital Revenues*” means an amount not exceeding \$10,000,000 in any fiscal year of the University of the gross revenues derived from that certain hospital facility owned and operated by the University and known as USA Children’s and Women’s Hospital.

“*General Fees*” means all fees now or hereafter levied as a general tuition fee against students enrolled at the University.

Additional Bonds

In the Indenture, the University has reserved the right to issue and deliver from time to time and at any time Bonds (“Additional Bonds”) secured by a pledge of the Pledged Revenues on a parity with the Outstanding Bonds, the Series 2016 Bonds, and any other Additional Bonds then outstanding for any purpose permitted by law and upon compliance with certain requirements set forth under the Indenture. See “SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE” below.

Debt Service Requirements - Series 2016 Bonds

The following sets forth the amount of principal and interest payable on the Series 2016 Bonds for each fiscal year of the University ending September 30, 2017, through and including September 30, 2038:

Series 2016 Bonds

| Fiscal Year Ending Sept. 30 | <u>Principal</u> | <u>Interest</u> | <u>Total Debt Service</u> |
|--|-------------------------|------------------------|--------------------------------------|
| 2017 | \$ - | \$ 2,517,430 | \$ 2,517,430 |
| 2018 | - | 3,992,400 | 3,992,400 |
| 2019 | 2,585,000 | 3,927,775 | 6,512,775 |
| 2020 | 2,710,000 | 3,795,400 | 6,505,400 |
| 2021 | 2,855,000 | 3,656,275 | 6,511,275 |
| 2022 | 3,000,000 | 3,509,900 | 6,509,900 |
| 2023 | 3,155,000 | 3,356,025 | 6,511,025 |
| 2024 | 3,315,000 | 3,194,275 | 6,509,275 |
| 2025 | 3,485,000 | 3,024,275 | 6,509,275 |
| 2026 | 3,670,000 | 2,845,400 | 6,515,400 |
| 2027 | 3,830,000 | 2,677,050 | 6,507,050 |
| 2028 | 4,010,000 | 2,500,200 | 6,510,200 |
| 2029 | 4,215,000 | 2,294,575 | 6,509,575 |
| 2030 | 4,435,000 | 2,078,325 | 6,513,325 |
| 2031 | 4,655,000 | 1,851,075 | 6,506,075 |
| 2032 | 4,895,000 | 1,612,325 | 6,507,325 |
| 2033 | 5,145,000 | 1,361,325 | 6,506,325 |
| 2034 | 5,410,000 | 1,097,450 | 6,507,450 |
| 2035 | 5,685,000 | 820,075 | 6,505,075 |
| 2036 | 5,950,000 | 558,950 | 6,508,950 |
| 2037 | 6,195,000 | 316,050 | 6,511,050 |
| 2038 | <u>6,405,000</u> | <u>96,075</u> | <u>6,501,075</u> |
| Total | \$85,605,000 | \$51,082,630 | \$136,687,630 |

[Remainder of this page intentionally blank.]

Debt Service Requirements - Outstanding Bonds and Series 2016 Bonds

The following table sets forth the projected debt service requirements on the Series 2016 Bonds and the Outstanding Bonds after giving effect to the issuance of the Series 2016 Bonds and the defeasance of the Refunded Bonds, all as of the fiscal years of the University ending September 30, 2017, through and including September 30, 2038:

| Fiscal Year Ending Sept. 30 | Series 1999 ¹ | Series 2006 | Series 2008 | Series 2010 | Series 2012-A | Series 2012-B | Series 2013-A | Series 2013-B | Series 2013-C | Series 2014-A ² | Series 2015 | Series 2016 Bonds | | | Total Debt Service |
|-----------------------------|--------------------------|----------------------|--------------------|---------------------|---------------------|--------------------|---------------------|--------------------|--------------------|----------------------------|--------------------|---------------------|---------------------|----------------------|----------------------|
| | | | | | | | | | | | | Principal | Interest | Total | |
| 2017 | \$ 7,550,000 | \$ 5,000,000 | \$ 2,964,750 | \$ 2,162,186 | \$ 1,697,457 | \$ 1,369,109 | \$ 2,117,239 | \$ 529,310 | \$ 824,393 | \$ 2,795,724 | \$ 506,476 | \$ - | \$ 2,517,430 | \$ 2,517,430 | \$ 30,034,073 |
| 2018 | 7,545,000 | 5,000,000 | 2,964,000 | 2,169,342 | 1,698,964 | 1,379,930 | 2,117,239 | 529,310 | 824,393 | 2,787,674 | 497,085 | - | 3,992,400 | 3,992,400 | 31,505,337 |
| 2019 | 7,545,000 | 5,000,000 | - | 2,176,364 | 1,699,485 | - | 2,117,239 | 529,310 | 824,393 | 2,775,530 | 487,694 | 2,585,000 | 3,927,775 | 3,927,775 | 29,667,788 |
| 2020 | - | 5,000,000 | - | 2,183,177 | 1,702,121 | - | 2,117,239 | 529,310 | 824,393 | 8,828,680 | 478,586 | 2,710,000 | 3,795,400 | 3,795,400 | 28,168,904 |
| 2021 | - | 5,000,000 | - | 2,189,703 | 1,702,516 | - | 2,117,239 | 529,310 | 824,393 | 8,796,308 | 468,911 | 2,855,000 | 3,656,275 | 3,656,275 | 28,139,654 |
| 2022 | - | 5,000,000 | - | 2,197,867 | 1,704,928 | - | 2,117,239 | 529,310 | 824,393 | 8,764,048 | 459,520 | 3,000,000 | 3,509,900 | 3,509,900 | 28,107,204 |
| 2023 | - | 5,000,000 | - | 2,207,517 | 1,707,871 | - | 2,117,239 | 529,310 | 824,393 | 8,730,663 | 450,129 | 3,155,000 | 3,356,025 | 3,356,025 | 28,078,146 |
| 2024 | - | 5,000,000 | - | 2,214,499 | 1,709,000 | - | 2,117,238 | 529,310 | 824,393 | 8,685,545 | 440,918 | 3,315,000 | 3,194,275 | 3,194,275 | 28,030,178 |
| 2025 | - | 10,460,000 | - | 2,224,815 | 1,708,589 | - | 2,117,238 | 529,310 | 824,393 | - | 431,347 | 3,485,000 | 3,024,275 | 3,024,275 | 24,804,967 |
| 2026 | - | 10,457,875 | - | 2,234,235 | 1,711,363 | - | 2,117,239 | 529,310 | 824,393 | - | 421,956 | 3,670,000 | 2,845,400 | 2,845,400 | 24,811,769 |
| 2027 | - | 10,461,000 | - | 2,242,683 | 1,714,520 | - | 2,117,239 | 529,310 | 824,393 | - | 412,565 | 3,830,000 | 2,677,050 | 2,677,050 | 24,808,759 |
| 2028 | - | 10,458,625 | - | 2,254,083 | 1,716,929 | - | 2,117,239 | 529,310 | 824,393 | - | 403,251 | 4,010,000 | 2,500,200 | 2,500,200 | 24,814,029 |
| 2029 | - | 10,460,000 | - | 2,264,207 | 1,718,505 | - | 2,117,239 | 529,310 | - | - | 393,782 | 4,215,000 | 2,294,575 | 2,294,575 | 23,992,617 |
| 2030 | - | 10,459,250 | - | 1,388,978 | 1,717,616 | - | 2,117,239 | 529,310 | - | - | 384,391 | 4,435,000 | 2,078,325 | 2,078,325 | 23,110,108 |
| 2031 | - | 10,460,500 | - | - | 1,723,729 | - | 2,117,238 | 529,310 | - | - | - | 4,655,000 | 1,851,075 | 1,851,075 | 21,336,852 |
| 2032 | - | 10,457,875 | - | - | 925,002 | - | 2,117,238 | 529,310 | - | - | - | 4,895,000 | 1,612,325 | 1,612,325 | 20,536,750 |
| 2033 | - | 10,460,375 | - | - | - | - | 2,117,239 | 529,310 | - | - | - | 5,145,000 | 1,361,325 | 1,361,325 | 19,613,248 |
| 2034 | - | 10,461,875 | - | - | - | - | - | - | - | - | - | 5,410,000 | 1,097,450 | 1,097,450 | 16,969,325 |
| 2035 | - | 10,461,375 | - | - | - | - | - | - | - | - | - | 5,685,000 | 820,075 | 820,075 | 16,966,450 |
| 2036 | - | 10,457,875 | - | - | - | - | - | - | - | - | - | 5,950,000 | 558,950 | 558,950 | 16,966,825 |
| 2037 | - | 10,460,125 | - | - | - | - | - | - | - | - | - | 6,195,000 | 316,050 | 316,050 | 16,971,175 |
| 2038 | - | - | - | - | - | - | - | - | - | - | - | 6,405,000 | 96,075 | 96,075 | 6,501,075 |
| Total | \$22,640,000 | \$175,976,750 | \$5,928,750 | \$30,109,657 | \$26,558,593 | \$2,749,039 | \$35,993,055 | \$8,998,264 | \$9,892,715 | \$52,164,172 | \$6,236,611 | \$85,605,000 | \$51,082,630 | \$136,687,630 | \$513,935,235 |

¹ The accrued interest on the Series 1999 Capital Appreciation Bonds is not recognized or payable until each prospective maturity date.

² Interest on the Series 2014-A Bond is calculated at the net swap rate of 5.4553%.

The Maximum Annual Debt Service Requirement respecting the Series 2016 Bonds and the Outstanding Bonds, after giving effect to the issuance of the Series 2016 Bonds and the defeasance of the Refunded Bonds, occurring in the fiscal year of the University ending September 30, 2018 (\$31,505,337), is covered approximately 5.97 times by Pledged Revenues referable to the fiscal year of the University ended September 30, 2015 (\$188,032,000). See “Pledged Revenues” below.

Pledged Revenues

The following is a summary of the amount of General Fees, Auxiliary Enterprises Revenues, and Children’s and Women’s Hospital Revenues collected by the University for the fiscal years ended September 30, 2010 through September 30, 2015:

| | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| General Fees ¹ | \$ 110,582,000 | \$ 118,069,000 | \$ 128,166,000 | \$ 139,089,000 | \$ 155,175,000 |
| Auxiliary Enterprises Revenues ¹ | 16,738,000 | 18,751,000 | 19,328,000 | 21,055,000 | 22,857,000 |
| Children’s & Women’s Hospital Revenues ² | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 |
| Total | <u>\$ 137,320,000</u> | <u>\$ 146,820,000</u> | <u>\$ 157,494,000</u> | <u>\$ 170,144,000</u> | <u>\$ 188,032,000</u> |

¹General Fees and Auxiliary Enterprises Revenues include amounts allocated to scholarship allowances for accounting purposes. General Fees and Auxiliary Enterprises Revenues net of scholarship allowances for fiscal year 2015 were approximately \$120,265,000 and \$21,777,000, respectively.

²As to revenues from the USA Children’s and Women’s Hospital, only \$10,000,000 of the gross revenues in any fiscal year of the University are pledged to payment of all the Bonds (including the Series 2016 Bonds). See “HEALTH CARE SYSTEM” below for total gross revenues from USA Children’s and Women’s Hospital for the years shown.

Tuition increases were placed into effect for each of the years shown above. Auxiliary fee increases were also placed into effect for all of the years shown above. Reference is hereby made to the audited financial statements of the University for the fiscal year ended September 30, 2015, appearing as Appendix A hereto, and the audited financial statements of the University for the other periods which are available on EMMA (as defined herein). See “CONTINUING DISCLOSURE” below for a description of EMMA.

Subsequent to the issuance of the Series 2016 Bonds and the defeasance of the Refunded Bonds, the total principal amount (including the current compounded amount of Series 1999 Capital Appreciation Bonds) of indebtedness of the University payable from Pledged Revenues is expected to be approximately \$348,457,160.

Derivatives

The University has entered into an interest rate swap (the “2014 Swap”) with Wells Fargo Bank, N.A. (as successor to Wachovia Bank, N.A., the “Counterparty”) in connection with the University’s Series 2014-A Bond. The notional amount of the 2014 Swap will at all times match the outstanding principal of the Series 2014-A Bond and the 2014 Swap will mature on March 15, 2024. Under the 2014 Swap agreement, the University pays a fixed rate of 4.9753% and receives 68% of one-month London Interbank Offered Rate (“LIBOR”) plus 0.25%.

The University previously entered into an interest rate swaption agreement (the “2006 Swaption”) with the Counterparty in order to effect a synthetic advance refunding of the Series 2006 Bonds. The University sold the 2006 Swaption (the option to enter into an interest rate swap with respect to the Series 2006 Bonds in 2016) to the Counterparty in exchange for an up-front payment. The University currently expects the Counterparty to exercise the 2006 Swaption before its expiration date of September 1, 2016. If the Counterparty exercises its option related to the 2006 Swaption, the University would be compelled to enter into an underlying interest rate swap with an effective date of December 1, 2016 and a final maturity of December 1, 2036. If the option is exercised, the University would begin to make payments on the current notional amount of \$100,000,000 and would simultaneously call the outstanding Series 2006 Bonds and issue variable rate obligations in their place. The University would pay a fixed rate of 5.0% to the counterparty and would receive payments based on 68% of one-month LIBOR plus 0.25%.

For additional information regarding the 2014 Swap and the 2006 Swaption, see Appendix A.

Future Debt

The University is currently evaluating the potential issuance of additional debt within the next 12 months totaling approximately \$53,000,000 to fund various capital improvements for the USA Medical Center, the USA Children & Women's Hospital and the University's main campus.

BOND INSURANCE

Bond Insurance Policy

Concurrently with the issuance of the Bonds, Assured Guaranty Municipal Corp. ("AGM") will issue its Municipal Bond Insurance Policy (the "Policy") for the Bonds maturing on November 1 of the years 2023 through 2037, inclusive (the "Insured Bonds"). The Policy guarantees the scheduled payment of principal of and interest on the Insured Bonds when due as set forth in the form of the Policy included as Appendix E to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

Assured Guaranty Municipal Corp.

AGM is a New York domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. ("AGL"), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol "AGO". AGL, through its operating subsidiaries, provides credit enhancement products to the U.S. and global public finance, infrastructure and structured finance markets. Neither AGL nor any of its shareholders or affiliates, other than AGM, is obligated to pay any debts of AGM or any claims under any insurance policy issued by AGM.

AGM's financial strength is rated "AA" (stable outlook) by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"), "AA+" (stable outlook) by Kroll Bond Rating Agency, Inc. ("KBRA") and "A2" (stable outlook) by Moody's Investors Service, Inc. ("Moody's"). Each rating of AGM should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AGM in its sole discretion. In addition, the rating agencies may at any time change AGM's long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AGM. AGM only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AGM on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

Current Financial Strength Ratings.

On July 27, 2016, S&P issued a credit rating report in which it affirmed AGM's financial strength rating of "AA" (stable outlook). AGM can give no assurance as to any further ratings action that S&P may take.

On August 8, 2016, Moody's published a credit opinion affirming its existing insurance financial strength rating of "A2" (stable outlook) on AGM. AGM can give no assurance as to any further ratings action that Moody's may take.

On December 10, 2015, KBRA issued a financial guaranty surveillance report in which it affirmed AGM's insurance financial strength rating of "AA+" (stable outlook). AGM can give no assurance as to any further ratings action that KBRA may take.

For more information regarding AGM's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2015.

Capitalization of AGM.

At June 30, 2016, AGM's policyholders' surplus and contingency reserve were approximately \$3,841 million and its net unearned premium reserve was approximately \$1,459 million. Such amounts represent the combined surplus, contingency reserve and net unearned premium reserve of AGM, AGM's wholly owned subsidiary Assured Guaranty (Europe) Ltd. and 60.7% of AGM's indirect subsidiary Municipal Assurance Corp.; each amount of surplus, contingency reserve and net unearned premium reserve for each company was determined in accordance with statutory accounting principles.

Incorporation of Certain Documents by Reference.

Portions of the following documents filed by AGL with the Securities and Exchange Commission (the "SEC") that relate to AGM are incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

- (i) the Annual Report on Form 10-K for the fiscal year ended December 31, 2015 (filed by AGL with the SEC on February 26, 2016);
- (ii) the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2016 (filed by AGL with the SEC on May 5, 2016); and
- (iii) the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2016 (filed by AGL with the SEC on August 4, 2016).

All consolidated financial statements of AGM and all other information relating to AGM included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof "furnished" under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC's website at <http://www.sec.gov>, at AGL's website at <http://www.assuredguaranty.com>, or will be provided upon request to Assured Guaranty Municipal Corp.: 1633 Broadway, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL's website shall be deemed to be part of or incorporated in this Official Statement.

Any information regarding AGM included herein under the caption "BOND INSURANCE – Assured Guaranty Municipal Corp." or included in a document incorporated by reference herein (collectively, the "AGM Information") shall be modified or superseded to the extent that any subsequently included AGM Information (either directly or through incorporation by reference) modifies or supersedes such previously included AGM Information. Any AGM Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

Miscellaneous Matters.

AGM makes no representation regarding the Series 2016 Bonds or the advisability of investing in the Series 2016 Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the heading "BOND INSURANCE".

THE PLAN OF FINANCING

The Series 2016 Bonds are being issued for the purpose of (i) advance refunding the Refunded Bonds; (ii) paying the costs and expenses of issuing the Series 2016 Bonds; and (iii) paying the premium for a financial guaranty insurance policy respecting certain of the Series 2016 Bonds.

The Plan of Refunding

Upon the delivery of the Series 2016 Bonds, a portion of the proceeds of the Series 2016 Bonds will be deposited into an escrow fund (the “Escrow Fund”) established pursuant to an Escrow Trust Agreement dated as of September 1, 2016 (the “Escrow Trust Agreement”) between the University and the Trustee, as escrow agent (the “Escrow Agent”). See “SOURCES AND USES OF FUNDS” herein.

Concurrently with the deposit into the Escrow Fund, the University will irrevocably authorize and direct the Escrow Agent to call the Refunded Bonds for redemption on August 1, 2018, which will constitute an advance refunding of all such bonds for federal tax purposes.

The Escrow Agent will invest the proceeds deposited in the Escrow Fund in cash and escrow securities sufficient to pay all principal, interest and premium, if any, due and payable on the Refunded Bonds to and including their respective redemption dates.

After giving effect to the deposit into the Escrow Fund, all of the Refunded Bonds will be defeased and no longer outstanding under the Indenture, except for provisions relating to registration, exchange and the method of payment. For a discussion of the bonds that will remain outstanding and secured on a parity basis under the General Fee Revenue Indenture after giving effect to the defeasance of the Refunded Bonds, see “SECURITY AND SOURCE OF PAYMENT - General.”

ESTIMATED SOURCES AND USES OF PROCEEDS

The estimated sources and uses of funds for the plan of financing with respect to the issuance of the Series 2016 Bonds are as follows (rounded to the nearest whole dollar):

| | |
|---|-------------------------|
| Sources of Funds | |
| Principal amount of Series 2016 Bonds | \$85,605,000.00 |
| Net original issue premium | 16,124,288.00 |
| Total Sources | \$101,729,288.00 |
| Uses of Funds | |
| Deposit to Escrow Fund for Refunded Bonds | \$100,954,116.03 |
| Expenses of issuance ¹ | 775,171.97 |
| Total Uses | \$101,729,288.00 |

¹ Includes Underwriters’ discount, legal and accounting fees, printing costs, rating agency fees, bond insurance premium, financial advisory fees and other expenses of issuance.

**CERTAIN GENERAL INFORMATION RESPECTING
THE UNIVERSITY OF SOUTH ALABAMA**

General

The University of South Alabama is a public corporation and an instrumentality of the State of Alabama existing under provisions of Act No. 157, Acts of Alabama, Second Special Session 1963, and Chapter 55 of Title 16 of the CODE OF ALABAMA 1975. The University is a comprehensive, coeducational, state-assisted

institution, which serves as a major center of undergraduate, graduate, and professional education for Alabama, the Gulf Coast region, and the southeastern United States.

The University's mission encompasses the three traditional academic functions of teaching, research, and public service through which it pursues the discovery, preservation, and communication of knowledge. The University was admitted to membership in the Southern Association of Colleges and Schools on December 4, 1968. Total enrollment for Fall 2015 was 16,211. Of those students, 11,456 were classified as undergraduate students, 4,687 were enrolled in graduate or professional programs, and 68 were unclassified. For the 2015-2016 academic year, the University awarded 3,214 degrees and certificates, of which 1,815 were Baccalaureate Degrees, 987 were Masters Degrees, 74 were M.D. Degrees, 15 were Ph.D. Degrees, 10 were Au.D. Degrees, 33 were D.P.T. Degrees, 90 were D.N.P. Degrees, and 190 were Para-Professional Certificates. Thirteen degree programs and over two hundred and fifty courses are offered by the University online.

The University of South Alabama main campus, located in a section of Mobile called Springhill, consists of 1,200 wooded acres. The primary instructional buildings are contained on this campus, as well as the medical college and dormitory facilities. A 750-acre municipal park is adjacent to the main campus.

The University of South Alabama Baldwin County Campus was established as a branch campus in 1984 to better meet the needs of students located in Baldwin County, Alabama, and offers graduate courses, upper-level undergraduate courses, and non-credit courses/public service programs. The University of South Alabama Springhill Avenue Campus is a multi-purpose facility of approximately 454,000 square feet located in Midtown Mobile, and houses various academic and health-related programs of the University. The U.S. Department of Veterans Affairs also leases about 48,000 square feet in the Springhill Avenue Campus that it uses as an outpatient clinic.

The University of South Alabama health system, known as USA Health, is composed of the USA Medical Center, the USA Children & Women's Hospital, the USA Mitchell Cancer Institute, and Ambulatory Services. USA Health provides primary and tertiary care for a multi-county service area. The USA Medical Center ("USAMC") is a 406-bed hospital which includes a level one trauma center, a burn unit, and state-of-the-art facilities for internal medicine, surgery and cardiovascular diagnostic and treatment techniques. The USA Children's & Women's Hospital ("USACW") is a 152-bed facility specializing in pediatric, obstetric and gynecological services. The USACW includes neonatal and pediatric intensive care nurseries, progressive care nurseries, and other facilities for dealing with high risk deliveries. In 2015, the 195,000 square foot expansion of USACW was placed into service. The USA Mitchell Cancer Institute ("MCI") is an academic cancer treatment and research enterprise housed in a state-of-the-art 125,000 square foot integrated clinical and research building. Ambulatory Services ("Ambulatory Services") is a 160-physician multi-specialty faculty practice dedicated to delivering leading-edge care to patients and supporting the mission of the USA College of Medicine in the education and training of students and resident physicians and in the advancement of medical care through medical research. The Strada Patient Care Center, a 133,000 square foot building located near USACW, is expected to be placed in service in 2016 and will provide 153 patient exam rooms, 16 nurses stations, and 7 educational conference rooms for use by the physician faculty practice.

For the 2015-2016 academic year, the University employed 807 full-time faculty persons. Approximately 33.5% of faculty members are tenured. The University employs 5,723 persons in all categories.

The main campus in Mobile, Alabama, consists of 144 major buildings, including hospital and medical related facilities. Those facilities include buildings providing 2,285 spaces available for student residency on campus.

For its fiscal year ended September 30, 2015, the University reported grants and contracts revenue from Federal, State and private sources of approximately \$85,756,000, and an additional \$103,974,000 from direct State of Alabama legislative appropriations. Tuition and fees revenues reported during the fiscal year ended September 30, 2015 (net of scholarship allowances) were approximately \$120,265,000, and net patient service revenues from USA Health during such period were approximately \$271,655,000. See Appendix A.

*Summary Enrollment Profile - Fall 2015
(excluding Medical Residents)*

| | Number | Percent |
|---|----------------------|----------------------|
| College of Arts and Sciences | 3,520 | 21.7% |
| College of Education | 1,670 | 10.3% |
| College of Engineering | 1,770 | 10.9% |
| College of Medicine | 347 | 2.1% |
| College of Nursing | 4,209 | 26.0% |
| Covey College of Allied Health Professions | 2,145 | 13.2% |
| Graduate School | 42 | 0.3% |
| Mitchell College of Business | 1,495 | 9.2% |
| School of Computing | 713 | 4.4% |
| School of Continuing Education and Special Programs | <u>300</u> | <u>1.9%</u> |
| Total¹ | <u>16,211</u> | <u>100.0%</u> |

¹ Excludes 251 medical residents.

Through its ten colleges and schools, the University awards the bachelor's degree in fifty-four majors or areas, the master's degree in thirty-four majors or areas and the doctorate degree in twelve majors or areas. In addition, post-secondary certificates are offered in eleven areas. In addition to the traditional on-campus course offerings, the University offers over two hundred and fifty online courses to fit the needs of a diverse student body. Thirteen degree programs are also offered online, with four of those being offered only online.

[Remainder of this page intentionally blank.]

Financial

The following section contains certain financial information for the University, including a comparison of the revenues, expenses and changes in net position for the fiscal years 2011 through 2015.

| Condensed Schedules of Revenues, Expenses, and Changes in Net Position (in thousands) | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> |
| Operating revenues: | | | | | |
| Tuition and fees | \$ 81,557 | \$ 88,299 | \$ 95,709 | \$ 104,448 | \$ 120,265 |
| Net patient service revenue | 227,039 | 247,802 | 258,207 | 268,449 | 271,655 |
| Federal, state and private grants and contracts | 79,780 | 76,448 | 77,302 | 76,719 | 85,756 |
| Other | <u>47,790</u> | <u>56,579</u> | <u>52,388</u> | <u>54,010</u> | <u>78,845</u> |
| Total | 436,166 | 469,128 | 483,606 | 503,626 | 556,521 |
| Operating expenses: | | | | | |
| Salaries and benefits | 390,002 | 396,170 | 401,872 | 419,966 | 433,679 |
| Supplies and other services | 136,749 | 134,841 | 148,597 | 158,615 | 169,873 |
| Other | <u>53,224</u> | <u>51,222</u> | <u>51,651</u> | <u>55,397</u> | <u>57,476</u> |
| Total | 579,975 | 582,233 | 602,120 | 633,978 | 661,028 |
| Operating loss | <u>(143,809)</u> | <u>(113,105)</u> | <u>(118,514)</u> | <u>(130,352)</u> | <u>(104,507)</u> |
| Nonoperating revenues (expenses): | | | | | |
| State appropriations | 96,948 | 105,639 | 102,585 | 103,695 | 103,974 |
| State appropriated - ARRA Funds | 10,769 | - | - | - | - |
| Investment income (loss) | (6,335) | 14,561 | 28,159 | 8,206 | (10,718) |
| Other, net | <u>13,375</u> | <u>12,197</u> | <u>11,986</u> | <u>14,475</u> | <u>13,259</u> |
| Net nonoperating revenues | <u>114,757</u> | <u>132,397</u> | <u>142,730</u> | <u>126,376</u> | <u>106,515</u> |
| Income (loss) before capital appropriations, capital contributions, grants, and additions to endowment | (29,052) | 19,292 | 24,216 | (3,976) | 2,008 |
| Capital appropriations, capital contributions, grants, and additions to endowment | <u>26,677</u> | <u>19,097</u> | <u>15,263</u> | <u>10,536</u> | <u>7,231</u> |
| Change in net position | <u>(2,375)</u> | <u>38,389</u> | <u>39,479</u> | <u>6,560</u> | <u>9,239</u> |
| Beginning net position, before cumulative effect of change in accounting principle | 419,271 | 416,896 | 453,511 | 492,990 | 499,550 |
| Cumulative effect of change in accounting principle | <u>-</u> | <u>(1,774)</u> | <u>-</u> | <u>-</u> | <u>(313,737)</u> |
| Beginning net position- as adjusted | <u>419,271</u> | <u>415,122</u> | <u>453,511</u> | <u>492,990</u> | <u>185,813</u> |
| Ending net position | <u>\$ 416,896</u> | <u>\$ 453,511</u> | <u>\$ 492,990</u> | <u>\$ 499,550</u> | <u>\$ 195,052</u> |

The University's audited financial statements for the year ended September 30, 2015 are attached as Appendix A.

[Remainder of this page intentionally blank.]

Faculty and Staff

Faculty and staff employees for the University were as follows at September 30 for the years shown:

| | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|--|-------------|-------------|-------------|-------------|-------------|
| Full-time faculty by rank: | | | | | |
| Professor | 182 | 200 | 200 | 209 | 198 |
| Associate Professor | 191 | 186 | 174 | 181 | 186 |
| Assistant Professor | 302 | 267 | 271 | 240 | 228 |
| Instructor | 132 | 121 | 127 | 128 | 145 |
| Lecturer | - | 2 | 2 | 2 | 2 |
| TOTAL | <u>807</u> | <u>776</u> | <u>774</u> | <u>760</u> | <u>759</u> |
| Full-time faculty by length of service: | | | | | |
| Up to 2 years | 193 | 152 | 142 | 125 | 94 |
| 3-4 years | 88 | 80 | 54 | 68 | 118 |
| 5-9 years | 162 | 186 | 207 | 207 | 207 |
| 10-14 years | 158 | 135 | 135 | 138 | 117 |
| 15+ years | 206 | 223 | 236 | 222 | 223 |
| TOTAL | <u>807</u> | <u>776</u> | <u>774</u> | <u>760</u> | <u>759</u> |
| Percent of faculty tenured | 33.5% | 36.3% | 37.9% | 40.8% | 40.7% |
| Part-time faculty | 381 | 364 | 345 | 349 | 326 |
| Non-faculty | 4,535 | 4,365 | 4,187 | 4,165 | 4,256 |
| Total University employees | 5,723 | 5,505 | 5,306 | 5,274 | 5,341 |

Student Enrollment and Trends

Total student enrollment by head count was as follows for the semesters shown. The University expects total Fall 2016 headcount to increase by approximately 160 students:

| | <u>Fall 2015</u> | <u>Fall 2014</u> | <u>Fall 2013</u> | <u>Fall 2012</u> | <u>Fall 2011</u> |
|-----------------------|------------------|------------------|------------------|------------------|------------------|
| Undergraduate | 11,456 | 11,404 | 11,224 | 11,144 | 11,403 |
| Graduate/Professional | 4,687 | 4,326 | 3,758 | 3,321 | 3,191 |
| Unclassified | 68 | 75 | 83 | 171 | 175 |
| Total | <u>16,211</u> | <u>15,805</u> | <u>15,065</u> | <u>14,636</u> | <u>14,769</u> |

Applications, acceptances and matriculations for freshmen students:

| | <u>Fall 2015</u> | <u>Fall 2014</u> | <u>Fall 2013</u> | <u>Fall 2012</u> | <u>Fall 2011</u> |
|--------------------------------|------------------|------------------|------------------|------------------|------------------|
| Applications | 6,558 | 5,541 | 4,740 | 4,689 | 4,473 |
| Acceptances | 5,111 | 4,615 | 4,068 | 4,078 | 3,903 |
| Matriculations | 2,038 | 2,000 | 1,804 | 1,863 | 1,851 |
| Percent of applicants accepted | 77.9% | 83.3% | 85.8% | 87.0% | 87.3% |
| Percent of applicants enrolled | 31.1% | 36.1% | 38.1% | 39.7% | 41.4% |

Total enrollment by full-time equivalent:

| | <u>Fall 2015</u> | <u>Fall 2014</u> | <u>Fall 2013</u> | <u>Fall 2012</u> | <u>Fall 2011</u> |
|-----------------------|------------------|------------------|------------------|------------------|------------------|
| Undergraduate | 10,064 | 9,838 | 9,577 | 9,604 | 9,728 |
| Graduate/Professional | 3,751 | 3,507 | 3,063 | 2,715 | 2,561 |
| Total | <u>13,815</u> | <u>13,345</u> | <u>12,640</u> | <u>12,319</u> | <u>12,289</u> |

Retention rate for full-time freshmen entering in:

| | <u>Fall 2014</u> | <u>Fall 2013</u> | <u>Fall 2012</u> | <u>Fall 2011</u> | <u>Fall 2010</u> |
|---------------------|------------------|------------------|------------------|------------------|------------------|
| Number matriculated | 2,030 | 1,825 | 1,886 | 1,826 | 1,654 |
| Number returned | 1,481 | 1,297 | 1,280 | 1,202 | 1,082 |
| Retention rate | 73.0% | 71.1% | 67.9% | 65.8% | 65.4% |

Graduation Rates

Cumulative Graduation Rate:

| <u>Fall Class</u> | <u>Number Matriculated</u> | <u>Four Years</u> | | <u>Five Years</u> | | <u>Six Years</u> | |
|-------------------|----------------------------|-------------------|----------------|-------------------|----------------|------------------|----------------|
| | | <u>Number</u> | <u>Percent</u> | <u>Number</u> | <u>Percent</u> | <u>Number</u> | <u>Percent</u> |
| 2009 | 1,711 | 244 | 14.3% | 494 | 28.9% | 607 | 35.5% |
| 2008 | 1,495 | 230 | 15.4% | 430 | 28.8% | 551 | 36.9% |
| 2007 | 1,418 | 200 | 14.1% | 381 | 26.9% | 471 | 33.2% |
| 2006 | 1,317 | 190 | 14.4% | 392 | 29.8% | 486 | 36.9% |
| 2005 | 1,152 | 199 | 17.3% | 358 | 31.1% | 443 | 38.5% |

Test Scores

Average ACT scores of matriculated students for years shown:

| <u>Fall 2015</u> | <u>Fall 2014</u> | <u>Fall 2013</u> | <u>Fall 2012</u> | <u>Fall 2011</u> |
|------------------|------------------|------------------|------------------|------------------|
| 22.1 | 22.3 | 22.4 | 22.3 | 21.7 |

Geographic Concentrations of Students

| | <u>Fall 2015</u> | <u>Fall 2014</u> | <u>Fall 2013</u> | <u>Fall 2012</u> | <u>Fall 2011</u> |
|----------------------------|------------------|------------------|------------------|------------------|------------------|
| Mobile County | 6,364 | 6,718 | 6,283 | 6,455 | 6,828 |
| Baldwin County | 1,366 | 1,364 | 1,390 | 1,449 | 1,494 |
| Other Alabama counties | 3,005 | 2,704 | 2,822 | 2,582 | 2,336 |
| Florida | 1,109 | 1,024 | 920 | 836 | 805 |
| Mississippi | 1,241 | 1,297 | 1,424 | 1,331 | 1,371 |
| Other states in the U.S.A. | 2,243 | 2,030 | 1,770 | 1,457 | 1,280 |
| International | 883 | 668 | 456 | 526 | 655 |
| Total | <u>16,211</u> | <u>15,805</u> | <u>15,065</u> | <u>14,636</u> | <u>14,769</u> |

Main Schools in Competitive Group and Listed Tuition – 2015-2016 Academic Year:

| | Undergraduate ¹ | | Graduate ² | |
|--|----------------------------|--------------|-----------------------|--------------|
| | Resident | Non-Resident | Resident | Non-Resident |
| University of South Alabama | 8,790 | 17,850 | 9,480 | 18,960 |
| In-state reference group³: | | | | |
| Alabama A & M University | 9,366 | 17,136 | 11,028 | 20,460 |
| Alabama State University | 8,720 | 15,656 | 10,016 | 18,248 |
| Athens State University | 6,270 | 11,790 | N/A | N/A |
| Auburn University | 10,424 | 28,040 | 10,418 | 28,022 |
| Troy University | 9,880 | 18,490 | 10,564 | 20,092 |
| University of Alabama | 10,170 | 25,950 | 10,170 | 25,950 |
| University of Alabama at Birmingham | 9,596 | 21,956 | 9,638 | 20,022 |
| University of Alabama in Huntsville | 9,128 | 20,622 | 9,548 | 21,402 |
| Mean of in-state reference group | 9,194 | 19,955 | 10,197 | 22,314 |
| Regional reference group⁴: | | | | |
| University of Southern Mississippi | 7,334 | 16,204 | 7,334 | 16,204 |
| University of New Orleans | 8,244 | 22,060 | 8,880 | 22,319 |
| University of West Florida | 6,360 | 19,241 | 6,712 | 19,180 |
| Mean of regional reference group | 7,313 | 19,168 | 7,642 | 19,234 |

¹ Based on 30 undergraduate credit hours per academic year.

² Based on 24 graduate credit hours per academic year.

³ Source: Alabama Commission on Higher Education Annual Tuition and Fee Schedule.

⁴ Source: Fee schedules available on official individual regional university websites.

Certain Fees and Charges

The following shows the fee schedule for Undergraduate and Graduate Arts and Sciences majors for the periods shown. The course fees for other majors are slightly higher. Except as otherwise indicated, course fees are per semester hour. Graduate School does not include the College of Medicine.

| | <u>2016-2017</u> | <u>2015-2016</u> | <u>2014-2015</u> | <u>2013-2014</u> | <u>2012-2013</u> |
|--|------------------|------------------|------------------|------------------|------------------|
| Application fee | \$ 35 | \$ 35 | \$ 35 | \$ 35 | \$ 35 |
| Registration fee (charged only if enrolled in less than 15 semester hours) | 150 | 150 | 150 | 150 | 150 |
| Late registration fee | 100 | 50 | 50 | 50 | 50 |
| <i>In-state course fee, per semester hour</i> | | | | | |
| Undergraduate | 302 | 293 | 287 | 277 | 265 |
| Graduate | 407 | 395 | 387 | 374 | 358 |
| <i>Out-of-state course fee, per semester hour</i> | | | | | |
| Undergraduate | 604 | 586 | 574 | 554 | 530 |
| Graduate | 814 | 790 | 774 | 748 | 716 |

College of Medicine

Fees and certain charges for the College of Medicine were as follows for the periods indicated:

| | <u>2016-2017</u> | <u>2015-2016</u> | <u>2014-2015</u> | <u>2013-2014</u> | <u>2012-2013</u> |
|---------------------------|------------------|------------------|------------------|------------------|------------------|
| Application fee | \$ 75 | \$ 75 | \$ 75 | \$ 75 | \$ 75 |
| Resource fee | 400 | 400 | 400 | 400 | 400 |
| Course fee, academic year | | | | | |
| In-state | 29,083 | 28,236 | 27,682 | 26,617 | 25,472 |
| Out-of-state | 58,166 | 56,472 | 55,361 | 53,234 | 50,944 |

Degrees Awarded

The University awarded the following degrees for the academic years ending May 31 for the years shown below:

| | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> |
|--------------------------------|--------------|--------------|--------------|--------------|--------------|
| Baccalaureate | 1,996 | 1,815 | 1,848 | 1,801 | 1,669 |
| Masters | 1,080 | 987 | 748 | 724 | 739 |
| Para-professional certificates | 169 | 190 | 204 | 221 | 227 |
| Professional: | | | | | |
| M.D. | 73 | 74 | 63 | 73 | 78 |
| Ph.D. | 28 | 15 | 22 | 13 | 21 |
| Au.D. | 10 | 10 | 8 | 5 | 6 |
| D.P.T. | 37 | 33 | 37 | 33 | 31 |
| D.N.P. | 135 | 90 | 63 | 44 | 22 |
| D.B.A | 3 | 0 | 0 | 0 | 0 |
| D.Sc. | 1 | 0 | 0 | 0 | 0 |
| Ed.D. | <u>1</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Total | <u>3,533</u> | <u>3,214</u> | <u>2,993</u> | <u>2,914</u> | <u>2,793</u> |

Student Financial Aid

The University awarded and paid financial aid at the following levels for the following academic years, as follows:

| | <u>2015-2016</u> | <u>2014-2015</u> | <u>2013-2014</u> | <u>2012-2013</u> | <u>2011-2012</u> |
|---------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Federal government: | | | | | |
| Student Loans | \$118,370,532 | \$109,104,484 | \$101,295,448 | \$ 94,907,789 | \$ 86,260,853 |
| Grants | 20,258,516 | 19,247,942 | 18,592,534 | 18,395,849 | 19,700,427 |
| Student employment | 329,675 | 382,537 | 197,316 | 212,319 | 288,788 |
| University: | | | | | |
| Loans | 137,311 | 199,056 | 184,938 | 147,515 | 82,565 |
| Scholarships | <u>18,924,943</u> | <u>17,498,850</u> | <u>15,737,193</u> | <u>13,837,310</u> | <u>13,206,456</u> |
| Total | <u>\$158,020,977</u> | <u>\$146,432,869</u> | <u>\$136,007,429</u> | <u>\$127,500,782</u> | <u>\$119,539,089</u> |

GOVERNING BODY

State law provides for a Board of Trustees as the governing body of the University with all of the 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, Alabama. The Board of Trustees consists of sixteen members. The Governor is the ex officio President of the Board of Trustees. Three members of the Board of Trustees are appointed from Mobile County. Five members are appointed from the State at large. Two members are appointed from the United States at large. One member is appointed from each of the following state senatorial districts, or combinations thereof, as those districts were designated at the time the University was organized: (1) Sixteenth and Seventeenth Districts; (2) Nineteenth and Twentieth Districts; (3) Twenty-first District; (4) Twenty-third, Twenty-fifth, and Thirtieth Districts; and (5) Thirty-fifth District. All Trustees except ex officio members are appointed by the Governor by and with the advice and consent of the State Senate, and hold office for a term of six years and until their successors shall be appointed and qualified. The present members of the Board of Trustees are as follows:

| <u>Name of Trustee</u> | <u>Occupation</u> | <u>Term of Office Expires</u> |
|-----------------------------------|------------------------------------|-------------------------------|
| Dr. Scott A. Charlton | Physician | September 30, 2021 |
| Mr. E. Thomas Corcoran | Businessman | September 30, 2021 |
| Dr. Steven P. Furr | Physician | September 30, 2017 |
| Mr. Robert D. Jenkins, III | Businessman | September 30, 2019 |
| Ms. Betty R. Maye | Educator, Retired | September 30, 2017 |
| Mrs. Arlene Mitchell | Philanthropist and Civic Volunteer | September 30, 2021 |
| Mr. Bryant Mixon | Sherriff, Dale County, Retired | September 30, 2017 |
| Mr. John M. Peek | Attorney | September 30, 2017 |
| Mr. James H. Shumock | Businessman | September 30, 2021 |
| Mr. Kenneth O Simon | Attorney | September 30, 2019 |
| Mrs. Chandra Brown Stewart | Business Administration | September 30, 2019 |
| The Honorable William S. Stimpson | Mayor, City of Mobile | September 30, 2019 |
| Dr. Steven H. Stokes | Physician | September 30, 2017 |
| Mr. Michael P. Windom | Attorney | September 30, 2019 |
| Mr. James A. Yance | Attorney, Retired | September 30, 2021 |
| The Honorable Robert Bentley | Governor, State of Alabama | Ex Officio |

The Board of Trustees appoints the President of the University. Dr. Tony G. Waldrop has served as President of the University since April 1, 2014. Dr. Waldrop received his Ph.D. from University of North Carolina.

The organization below the Board of Trustees is composed of the President and seven Vice Presidents: Executive Vice President; Provost and Senior Vice President for Academic Affairs; Vice President for Development and Alumni Relations; Vice President for Student Affairs; Vice President for Medical Affairs and Dean of the College of Medicine; Vice President for Research and Economic Development; and Vice President for Finance and Administration.

HEALTH CARE SYSTEM

USA Health, a division of the University, is an academic medical center which consists of two academic tertiary medical centers, a cancer institute and a physician faculty practice. USAMC is a 406-bed tertiary care center with the region's only Level 1 trauma center and burn center. Recognized as a top performer on key quality measures, USAMC offers advanced treatment of stroke, cardiovascular disease and sickle cell disease. Patients treated at USAMC tend to require medically complex and extensive care and treatment. USAMC has seen a 64% increase in gastroenterology cases from 2011-2015. This growth is a result of USAMC's focus on research and services unique to the region, as well as high patient satisfaction ratings. During this same period,

surgery cases at USAMC increased by 17% and admissions overall increased by 9% while the total number of patients seen in the USAMC Emergency Department decreased by 19%.

Gross Revenues of USAMC for the last five fiscal years were as follows:

| <u>Year</u> | <u>Gross Revenues</u> |
|-------------|-----------------------|
| 2015 | \$360,250,280 |
| 2014 | 348,119,160 |
| 2013 | 328,142,373 |
| 2012 | 308,341,443 |
| 2011 | 257,199,880 |

USACW is a 152-bed hospital dedicated to providing services to children and women. Over the past four years, USACW has experienced a 2% increase in average daily census, a 16% decrease in surgeries, and a 4% increase in deliveries. In 2015, USACW delivered 2,767 babies, nearly a third more than any other Mobile hospital. The services provided by USACW are among those provided by fewer than five hospitals nationwide that are dedicated solely to the provision of care for both children and women. USACW has the region’s only Neonatal ICU unit, Pediatric ICU unit, 24-hour Pediatric Evaluation Unit, High-risk Obstetrics program and Pediatric Surgery Anesthesia Services. USACW also supports the teaching and research missions of the University of South Alabama. In 2015, the 195,000 square foot expansion of USACW was placed into service.

Gross Revenues of USACW for the last five fiscal years were as follows:

| <u>Year</u> | <u>Gross Revenues</u> |
|-------------|-----------------------|
| 2015 | \$241,114,324 |
| 2014 | 219,808,672 |
| 2013 | 203,746,723 |
| 2012 | 211,758,092 |
| 2011 | 181,385,054 |

MCI is the only academic cancer research and treatment center in the upper Gulf Coast corridor. Providing cancer care to a catchment area of over 4.1 million persons in a 150-mile radius, MCI brings state-of-the-art, research-based cancer treatment to the region, serving over 6,200 individual patients in the last year. Its capabilities span the entire continuum of cancer care, from prevention and early detection to treatment and survivorship. With over 300 employees and a highly skilled and trained team of oncologists, MCI is improving cancer outcomes for patients, particularly the most vulnerable residents of the county, state and beyond. MCI provides cancer treatment in Mobile, Fairhope and, through Monroe County Hospital, Monroeville. For patients who are not candidates for traditional cancer therapy, MCI offers a host of clinical trials with over 200 patients enrolled in therapeutic clinical trials, 35% of whom are minority patients. MCI has 15 Principal Investigators conducting research funded through the National Institutes of Health, the Department of Defense, the American Cancer Society and other foundations. As an integrated cancer treatment and research center, MCI provides innovative cancer care in a caring environment, while accelerating the research to enhance care delivery for future patients.

Gross Revenues of MCI for the last five fiscal years were as follows:

| <u>Year</u> | <u>Gross Revenues</u> |
|-------------|-----------------------|
| 2015 | \$18,048,802 |
| 2014 | 25,158,623 |

| | |
|------|------------|
| 2013 | 22,038,595 |
| 2012 | 22,087,983 |
| 2011 | 22,889,540 |

Comprised of more than 160 academic physicians on faculty at the USA College of Medicine, the Ambulatory Services physician faculty practice is the region's largest multi-specialty practice and the only academic physicians group along the central Gulf Coast. Ambulatory Services physicians practice throughout Mobile County, including at the University's hospital and clinic campuses and on the University's main campus. The Strada Patient Care Center, a 133,000 square foot building which is expected to be placed in service in 2016 and is located near USACW, will provide 153 patient exam rooms, 16 nurses stations, and 7 educational conference rooms. The collective mission of the Ambulatory Services health care providers is to deliver leading-edge care to patients and to support the larger mission of the USA College of Medicine in the education and training of students and resident physicians and in the advancement of medical care through medical research. Prior to July 1, 2016, Ambulatory Services was operated by the University of South Alabama Health Services Foundation (the "HSF"), a 501(c)(3) organization that has been included in the University's financial statements as a discretely presented component unit. As of July 1, 2016, Ambulatory Services activities were transferred by HSF to the University and the revenues and expenses of the faculty practice will thereafter be included in the University's Statement of Revenues, Expenses and Changes in Net Position.

ACADEMIC MEDICAL CENTERS

Academic Medical Centers ("AMCs") throughout the United States face a changing dynamic healthcare environment. These changes include potential funding reductions from governmental entities and insurance companies, as well as a transition from productivity to value-based reimbursements.

As a result, AMCs are evaluating their business model and restructuring themselves in order to respond to the current and future healthcare environment. Nationwide, AMCs are evaluating partnerships with other AMCs or even non-AMC healthcare providers. Consistent with this national trend, the University, although in the very early stage, is proactively addressing its structure and governance with respect to these issues.

USA TECHNOLOGY & RESEARCH PARK

The USA Research and Technology Corporation (the "Corporation") was incorporated in 2002 as a not-for-profit corporation under the laws of the State of Alabama. The mission of the Corporation is to facilitate new and enhanced types of interaction between the University and the wider public and private sectors and to serve as a catalyst for regional development by furthering innovation and enterprise in a collaborative and principled fashion that respects and elevates the social and economic well-being of the community. The facilities of the Corporation are located on approximately 160 acres adjacent to the main campus of the University, an area known as the USA Technology & Research Park (the "Park"). The Corporation owns three buildings in the Park which together comprise approximately 222,300 square feet of space available for lease, with approximately 203,000 square feet currently under lease. Several of the achievements of the Corporation since its inception include:

- Total tenant employment (non-University) has grown to approximately 400, including approximately 50 University graduates. In addition, there were 5 student interns employed at the Park over the course of the past year.
- During the fiscal year ended September 30, 2015, there were approximately \$300,000 in active research grant collaborations and contracts between the University and corporate Park tenants, with an additional \$100,000 funded and pending.

FACILITIES

Current Facilities

The University's campus has almost 5,089,000 gross square feet of building space presently in use. Existing main campus structures include the Administration Building; Instructional Laboratory Building; Library; Biomedical Library; Chemistry Building; Life Science Building; Health, Physical Education and Recreation Building; Student Center; Humanities Building; Medical Sciences Building; Multi-Purpose Arena; Performing Arts Building; Business Building; two hospitals (USA Medical Center and USA Children's & Women's Hospital); Student Services Building; Archaeology Building; Intramural Fieldhouse; Transportation Services Building; three Technology and Research buildings; Shelby Hall; Health Science; Dining Facility; Faculty Club; Academic Services; Mitchell Cancer Institute; Business Resource Center; Innovation in Learning Center; Education Services Building; Education and Outreach Building, and a variety of residence halls. The Bethel Theater, Mobile Townhouse, and Alumni Hall, all located on the campus, are renovated buildings of great historic value.

Historical details of construction, acquisition and renovations at the University campus are as follows:

| Years of construction or acquisition | Gross Square Feet Constructed or <u>Acquired</u> | Gross Square Feet <u>Renovated</u> |
|--|--|--|
| Prior to 1960 | 1,091,119 | 207,676 |
| 1960-1969 | 813,280 | 302,671 |
| 1970-1979 | 1,046,420 | 192,963 |
| 1980-1989 | 595,710 | 81,712 |
| 1990-1999 | 277,443 | - |
| 2000-2009 | 550,333 | 153,575 |
| 2010-2015 | <u>714,605</u> | <u>502,204</u> |
| | <u>5,088,910</u> | <u>1,440,801</u> |

The campus is served by water, gas and electric utilities supplied by public utilities serving the greater Mobile metropolitan area.

Insurance

Claims for damages to the University's campus property are covered by the State Insurance Fund of the State of Alabama's Division of Risk Management. All buildings and contents are covered by the State Insurance Fund policy. The University uses two self-insured trust funds to pay general liability and professional liability claims. Injuries from work-related incidents to those employees covered by the University's self-insured health plan are covered by that plan. Work-related injuries to employees not covered by the health plan are reviewed by the State Board of Adjustment for final resolution.

Student Housing

With respect to on-campus student housing, 2,285 spaces are available for occupancy in campus student residences. Over the last five years, occupancy rates have averaged 95%, with the Fall 2015 semester at 98%. Approximately 14% of total headcount enrollment occupied student housing for the Fall 2015 semester.

In addition to the 2,285 University-owned spaces, there are three other non-University-owned, apartment-style housing complexes that focus on University students – one is located on campus, and the other two are located across major roads from campus. The on-campus complex was built on land leased by the

University to the housing developer under a long-term lease, and the University is under no obligation to guarantee the financing or occupancy or any other revenue source with respect to the apartments. The off-campus complexes were built on land that is not owned by the University. The three complexes have a total of approximately 2,000 additional spaces available for occupancy.

SUMMARY INFORMATION RESPECTING STATE AND PRIVATE FUNDING

State Appropriations

The University has received appropriations from the State of Alabama for certain of its operating costs and other non-operating cash requirements, including capital expenditures. State appropriations may not lawfully be used for the payment of debt service on the Bonds, including the Series 2016 Bonds. There can be no assurance that future Legislatures will continue to make such appropriations, or, if made, that they will be timely or sufficient when added to operating revenues and General Fees, Auxiliary Enterprise Revenues, and Children's and Women's Hospital Revenues remaining after the payment of debt service, to cover in full, operating expenses of the University.

The following tabulation compiled by the University staff from University accounting records shows State appropriations to the University for the fiscal years ended September 30, 2012, through September 30, 2016:

| Fiscal year ended <u>September 30</u> | Total Appropriations | |
|--|----------------------|-----------------|
| | <u>Authorized</u> | <u>Received</u> |
| 2016 ¹ | 104,976,761 | 78,732,567 |
| 2015 | 103,973,584 | 103,973,584 |
| 2014 | 103,695,500 | 103,695,500 |
| 2013 | 102,585,044 | 102,585,044 |
| 2012 ² | 105,658,811 | 105,638,811 |

¹ Fiscal year 2016 State appropriations to the University are paid in arrears in equal monthly installments of \$8,748,063. As of August 1, 2016, the University had received monthly appropriation payments through June, 2016. It is anticipated that by September 30, 2016, the entire amount of the authorized fiscal year 2016 State appropriation will have been received by the University.

² In 2012, a \$1,000,000 State appropriation to the University was authorized from the Alabama Innovation Fund which is administered by the Alabama Department of Commerce. The Alabama Department of Commerce is permitted to retain two percent (2%) of such appropriations to pay the expenses of administering the Fund. As a result, the University received \$20,000 less than the authorized appropriation amount.

Endowment Assets

Endowment assets for the University are deposited both in the University and in the Foundation (described below). Net endowment assets in the accounts of the University at September 30, 2015 were \$166,960,000. Of the net endowment assets, \$43,425,000 are classified as restricted, nonexpendable, \$60,106,000 are classified as restricted, expendable, and \$62,429,000 are classified as unrestricted¹. The Board of Trustees has an approved endowment management and investment policy that includes an established spending rate of 5% based on the 3-year moving average of net assets of endowments. In maintaining its endowment, it is the goal of the University to provide revenue while preserving principal to fund those projects which have been endowed for specific purposes.

[Remainder of this page intentionally blank.]

Net assets of endowments are allocated as follows at September 30, 2015:

| | |
|--|--------------------|
| Equities, Pooled direct investments and mutual funds | 71,344,000 |
| Fixed income, pooled direct investments and mutual funds | 44,436,000 |
| Managed income alternative investments | 29,180,000 |
| Other | <u>22,000,000</u> |
| Total | <u>166,960,000</u> |

¹ The University's unrestricted net position as of September 30, 2015 decreased by \$310,827,000 as a result of the University's adoption of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, in 2015, resulting in a negative net position of \$(155,046,000). Offsetting the GASB Statement No. 68 charge were other funds which, in total, had a positive net position of \$155,781,000, which includes the \$62,429,000 in unrestricted endowment fund assets. See note (1)(y) of the University's audited financial statements for fiscal year 2015 attached hereto as Appendix A for additional discussion regarding the University's adoption of GASB Statement No. 68.

The University of South Alabama Foundation

The University of South Alabama Foundation (the "Foundation"), a legally separate entity, exists for the primary purpose of advancing the purpose of the University in furthering, improving, and expanding its properties, services, facilities, and activities. Its total assets at June 30, 2015, its most recent audited fiscal year-end, were \$363,515,000, and its net assets were \$362,492,000 at the same date. Assets are primarily invested in marketable securities (36%), timber and mineral properties (43%), and real estate (18%). Cash and non-cash distributions to the University over the past five fiscal years are, as reported in the audited financial statements of the Foundation for the years ended June 30, 2012, through June 30, 2016, as follows:

| | |
|-------------------|--------------|
| 2016 ¹ | \$10,561,000 |
| 2015 | 4,731,000 |
| 2014 | 4,515,000 |
| 2013 | 4,449,000 |
| 2012 | 4,426,000 |

¹ In fiscal year 2010, the University and the Foundation executed a purchase and sale agreement calling for the University to sell approximately 327 acres on Mobile Bay, known as the Brookley campus, to the Foundation. The terms of the agreement required the Foundation to pay the University \$20,000,000; \$4,000,000 at closing and \$4,000,000 annually thereafter through fiscal year 2015. The distribution for the Foundation's fiscal year ended June 30, 2016 reflects the Foundation's completion of its obligations under the purchase and sale agreement and corresponding increase in annual distributions to the University. For additional information regarding the sale of the Brookley campus, see Appendix A.

SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

The following is a brief summary of certain provisions of the Indenture, as heretofore amended and supplemented and as further amended and supplemented by the Twelfth Supplemental Indenture, to which Indenture and Twelfth Supplemental Indenture in their entirety reference is made for the detailed provisions thereof. Unless the context clearly indicates otherwise, all references herein shall be deemed to include the Series 2016 Bonds, the Outstanding Bonds, and any Additional Bonds hereafter issued under the Indenture.

As used in the following summary, the following definitions shall have the following respective meanings.

"*Annual Debt Service Requirement*" means, as of any date of determination, the amount of principal and interest maturing with respect to the then outstanding Bonds in such Bond Year; provided, (i) that the principal amount of any Bonds subject to a Mandatory Redemption Provision during such Bond Year shall, for purposes of this definition, be considered as maturing in the Bond Year during which such redemption is required and not in the Bond Year in which their stated maturity occurs; (ii) in the case of Bonds (whether outstanding or proposed to be issued) that bear interest at a variable or adjustable rate, the interest payable on such Bonds shall be calculated on the assumption that such Bonds bear interest at a fixed rate of interest estimated by a professional

consulting firm or investment banking firm acceptable to the Trustee by reference to bonds of similar credit rating maturity and tax characteristics on the date such calculation is made; and (iii) for purposes of the foregoing formula, Bonds that are “deemed paid” under the Indenture shall not be deemed outstanding.

“*Bond Year*” means the period beginning November 2 in each calendar year and ending on November 1 of the next succeeding calendar year.

“*Interest Payment Date*” means (a) with respect to the Series 2016 Bonds, each November 1 and May 1, commencing November 1, 2016, and (b) with respect to any series of Additional Bonds, such date or dates as shall be specified in the Supplemental Indenture pertaining to such Additional Bonds as the dates for payment of interest of such Additional Bonds.

“*Mandatory Redemption Provision*” means any provisions that may be set forth in a Supplemental Indenture for mandatory redemption of any Additional Bonds at a redemption price equal to the principal amount thereof.

“*Principal Payment Date*” means (a) with respect to the Series 2016 Bonds, each November 1 commencing November 1, 2018, and (b) with respect to any series of Additional Bonds, a date (which shall in every case be the first day of a Month) specified in the Supplemental Indenture pertaining to such Additional Bonds as a date for payment of principal of such Additional Bonds.

“*Supplemental Indenture*” means an agreement supplemental to the Indenture.

Special Funds

Bond Fund. The Indenture provides for the creation of a special trust fund called the “Bond Principal and Interest Fund.” The University is required to pay into the Bond Fund, in addition to all other amounts required by the Indenture, the following:

(a) Contemporaneously with the issuance and sale of any of the Bonds and out of the proceeds derived from such sale, the University (or the Trustee on behalf of the University) is required to pay into the Bond Fund such part of the proceeds from the sale as is allocable to premium (if any) and accrued interest.

(b) On or before the Business Day next preceding each Interest Payment Date until the principal and the interest on the Bonds is paid in full, the University is required to pay into the Bond Fund, out of the Pledged Revenues, an amount equal to the sum of (i) the semiannual installment of interest that will mature on the Bonds on the then next succeeding semiannual Interest Payment Date with respect thereto, plus (ii) the principal that will become due on the Bonds on the then next succeeding Principal Payment Date, plus (iii) the principal required to be redeemed on the next succeeding Principal Payment Date pursuant to any Mandatory Redemption Provision.

All moneys paid into the Bond Fund are required to be used only for payment of the principal of and the interest on the Bonds upon or after the respective maturities of such principal and interest and to redeem Bonds subject to a Mandatory Redemption Provision. If at the final maturity of the Bonds, however such Bonds may mature, there are in the Bond Fund moneys in excess of what is required to pay in full the principal of and the interest on the Bonds, then any such excess will be returned to the University.

Prior to the issuance of any Additional Bonds, there shall be executed and delivered a Supplemental Indenture containing a provision that the semiannual payments into the Bond Fund be adjusted to provide for such additional amounts as may be necessary to pay the principal of and interest on such Additional Bonds provided, however, that in making such adjustment the principal amount of any such Additional Bonds required by the terms of the Supplemental Indenture to be redeemed during any Bond Year shall be considered as maturing in the Bond Year during which such redemption is required and not in the Bond Year in which their stated maturity occurs.

Additional Bonds

The Indenture authorizes the issuance of Additional Bonds, subject to the provisions of the Indenture. Among the conditions to the issuance of any Additional Bonds are the following:

(a) Supplemental Indenture. Prior to the issuance of any Additional Bonds, there shall be executed and delivered a Supplemental Indenture containing: (i) a description of the Additional Bonds proposed to be issued, including the date, the aggregate principal amount, the series designation, the denomination or denominations, the interest rate or rates (or provisions for determining the same), the maturity or maturities and the form of such Additional Bonds, and any provisions for redemption thereof prior to their respective maturities; (ii) a statement of the purpose or purposes for which the Additional Bonds are proposed to be issued; and (iii) any other provisions that do not conflict with the provisions of the Indenture.

(b) Certificate as to Pledged Revenues. The item or items required by either of the following subparagraphs (i) or (ii):

(i) A certificate by the Vice President for Finance and Administration of the University certifying that the amount of Pledged Revenues received during the Fiscal Year next preceding the date of the issuance of the Additional Bonds then proposed to be issued was not less than 125% of the maximum Annual Debt Service Requirement with respect to the then current or any then succeeding Bond Year immediately following the issuance of the then proposed Additional Bonds, which certificate shall set forth the figures on which it is based and shall recite that the Pledged Revenues for such Fiscal Year specified therein were taken from the annual audit of the University for such Fiscal Year or, if such audit shall not have been completed for the most recent Fiscal year at the date of such certificate, were taken from the official records of the University, or

(ii) A Resolution or Resolutions adopted by the University after the commencement of the Fiscal Year next preceding the issuance of the then proposed Additional Bonds either (i) increasing the General Fees, or (ii) levying new fees and charges of a type or kind different from the General Fees, or (iii) a combination thereof, accompanied by a certificate of the Vice President for Finance and Administration stating that if the increased General Fees or the new fees set forth in the said Resolution or Resolutions had been in effect throughout the Fiscal Year next preceding the date of issuance of the then proposed Additional Bonds, the amount of Pledged Revenues during the Fiscal Year next preceding the date of issuance of the then proposed Additional Bonds would have been not less than 125% of the maximum Annual Debt Service Requirement during the then current or any then succeeding Bond Year with respect to Bonds that will be outstanding immediately following the issuance of the then proposed Additional Bonds; and

(c) Opinion of Independent Counsel. An opinion dated on the date of issuance of such Additional Bonds, signed by Independent Counsel acceptable to the Trustee, approving the forms of all documents required above to be delivered to the Trustee and reciting that they comply with the applicable requirements set out above.

Maintenance of Pledged Revenues

The University has covenanted in the Indenture that, so long as any of the Bonds remain outstanding and unpaid, the University will fix, levy and collect General Fees and Auxiliary Enterprises Revenues from all students attending the University during each Fiscal Year in such amounts and at such times as shall be required to produce revenues sufficient to pay the principal of, unamortized premium, if any, and interest on the Bonds during the same Fiscal Year. No covenant with respect to the Children's and Women's Hospital Revenues has been made.

Supplemental Indentures

Supplemental Indentures Without Bondholder Consent. The University and the Trustee may at any time and from time to time enter into such Supplemental Indentures (in addition to such Supplemental Indentures as are otherwise provided for in the Indenture) as shall not be inconsistent with the terms and provisions of the Indenture, for any one or more of the following purposes:

(a) to add to the covenants and agreements of the University contained in the Indenture other covenants and agreements thereafter to be observed and performed by the University, provided that such other covenants and agreements may not either expressly or impliedly limit or restrict any of the obligations of the University contained in the Indenture;

(b) to cure any ambiguity or to cure, correct or supplement any defect or inconsistent provisions contained in the Indenture or in any Supplemental Indenture or to make any provisions with respect to matters arising under the Indenture or any Supplemental Indenture for any other purpose if such provisions are necessary or desirable and are not inconsistent with the provisions of the Indenture or any Supplemental Indenture and do not adversely affect the interests of the holders of the Bonds;

(c) to subject to the pledge contained in the Indenture additional revenues or to identify more precisely any of the revenues of the University subject to the Indenture;

(d) to cause the Indenture to comply with the provisions of the Trust Indenture Act of 1939 or such other federal securities laws as may hereafter be applicable to the Indenture; or

(e) to provide for the issuance of Additional Bonds in accordance with the Indenture.

Any such Supplemental Indenture will not require the consent of any bondholders.

Supplemental Indentures Requiring Bondholders Consent. In addition to those Supplemental Indentures described above, the Indenture provides that the University and the Trustee may, at any time and from time to time, with the written consent of the holders of not less than a majority in aggregate principal amount of Bonds then outstanding, enter into such Supplemental Indentures as shall be deemed necessary or desirable by the University and the Trustee for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the term or provisions contained in the Indenture or in any Supplemental Indenture; provided that without the written consent of the Holder of each Bond affected, no reduction in the principal amount of, rate of interest on, or the premium payable upon the redemption of, any Bond shall be made; and provided, further, that, without the written consent of the holders of all the Bonds, none of the following shall be permitted:

(a) an extension of the maturity of any installment of principal of or interest on any Bond;

(b) any change in any Mandatory Redemption Provision;

(c) the creation of a lien or charge on the Pledged Revenues ranking prior to or (except in connection with the issuance of Additional Bonds) on a parity with the lien or charge thereon contained in the Indenture;

(d) the establishment of preferences or priorities as between the Bonds (but only with respect to the security provided for all Bonds); or

(e) a reduction in the aggregate principal amount of Bonds the holders of which are required to consent to such Supplemental Indenture.

Upon the execution of any Supplemental Indenture under and pursuant to the provisions described above, the Indenture shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under the Indenture of the University, the Trustee and all holders of the Bonds then outstanding shall thereafter be determined, exercised and enforced under the Indenture, subject in all respects to such modifications and amendments.

Defaults and Remedies

Events of Default under the Indenture include the following:

(a) failure by the University to pay principal of, the interest on or the premium (if any) on any Bond as and when the same shall become due, as provided therein and in the Indenture (whether such shall become due pursuant to any Mandatory Redemption Provisions or otherwise);

(b) failure by the University to perform and observe any of the agreements and covenants on its part contained in the Indenture (other than in the manner described in (a) above) which such failure continues for a period of not less than thirty (30) days after written notice of such failure has been given to the University by the Trustee or by the holders of not less than twenty-five percent (25%) in outstanding amount of Bonds, unless during such period or any extension thereof the University has commenced and is diligently pursuing appropriate corrective action; or

(c) determination by a court having jurisdiction that the University is insolvent or bankrupt, or appointment by a court having jurisdiction of a receiver for the University or for a substantial part thereof, or approval by a court of competent jurisdiction of any petition for reorganization of the University or rearrangement or readjustment of the obligations of the University under any provisions of the bankruptcy laws of the United or the State of Alabama.

Upon the occurrence of an Event of Default the Trustee shall have the following rights and remedies:

(a) **Acceleration.** The Trustee may, by written notice to the University and with the consent of the bond insurer respecting any Bonds then outstanding, declare the principal of all the Bonds forthwith due and payable, and such principal shall thereupon become and be immediately due and payable, anything in the Indenture or in the Bonds to the contrary notwithstanding. If, however, the University makes good that default and every other default under the Indenture (except for those installments of principal declared due and payable that would, absent such declaration, not be due and payable), with interest on all overdue payments of principal and interest, and made reimbursement of all of the reasonable expenses of the Trustee, then the Trustee may (and, if requested in writing by the holders of a majority in principal amount of the then outstanding Bonds, shall), by written notice to the University, waive such default and its consequences, but no such waiver shall affect any subsequent default or right relative thereto.

(b) **Mandamus and Other Remedies.** The Trustee shall have the right of mandamus or other lawful remedy in any court of competent jurisdiction to enforce its rights and the rights of the holders of the Bonds against the University and any officers, agents or employees of the University, including but not limited to the right to require the University and its officers, agents or employees to perform and observe all of its or their duties under Section 16-3-28 of the Code of Alabama 1975, as amended.

Concerning the Trustee

The Trustee shall be under no obligation to institute suit or to take any proceedings under the Indenture or to enter any appearance or in any way defend in any suit in which it may be made defendant or to take steps in the execution of trust created or in the enforcement of any rights or powers under the Indenture, until it shall be indemnified to its satisfaction against any and all costs and expense, outlays and counsel fees and other reasonable disbursements and against all liability.

The Trustee shall not be liable in connection with the performance of its duties under the Indenture except for its gross negligence or willful misconduct.

The University has agreed to pay to the Trustee from time to time reasonable compensation for all services rendered by it under the Indenture, including the services of bond registrar and paying agent and also all of its reasonable expenses, charges, counsel fees and other disbursements and those of its attorneys and

employees incurred in and about the performance of its powers and duties under the Indenture prior to the Bonds. Nothing contained in the Indenture or any supplemental indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties or in the exercise of any of its rights or powers if it believes that the repayment of such funds or the making whole in respect of such liability is not reasonably assured to it.

RATINGS

Moody's Investors Service, Inc. ("Moody's") and Standard & Poor's Rating Service, a division of the McGraw-Hill Companies, Inc., ("S&P" and, together with Moody's, the "Rating Agencies"), have assigned the Series 2016 Bonds underlying ratings without regard to the Policy of 'A1' with a stable outlook and 'A+' with a negative outlook, respectively.

Moody's and S&P are expected to assign ratings of 'A2' with a stable outlook and 'AA' with a stable outlook, respectively, to the Insured Bonds with the understanding that, upon the delivery of the Insured Bonds, the Policy will be issued by AGM. The rating provided by each Rating Agency on the Insured Bonds reflects that Rating Agency's current assessment of the creditworthiness of AGM and its ability to pay claims on its policies of insurance.

The underlying rating provided by each Rating Agency reflects that Rating Agency's rating of the creditworthiness of the University with respect to obligations payable from the Pledged Revenues. Any further explanation of the significance of such rating may be obtained only from the appropriate Rating Agency. The University furnished to the Rating Agencies the information contained in this Official Statement and certain other information respecting the University and the Series 2016 Bonds. Generally, Rating Agencies base their underlying ratings on such materials and information, as well as on their own investigations, studies and assumptions.

The ratings indicated herein are not recommendations to buy, sell or hold the Series 2016 Bonds, and any such ratings may be subject to revision or withdrawal at any time by the Rating Agencies. Any downward revision or withdrawal of any or all of such rating may have an adverse effect on the market price of the affected Series 2016 Bonds. Neither the University nor the Underwriters have undertaken any responsibility either to bring to the attention of the holders of Series 2016 Bonds any proposed revision, suspension or withdrawal of a rating or to oppose any such revision, suspension or withdrawal.

LITIGATION

To the best of the University's knowledge, there is no litigation pending or threatened (i) restraining or enjoining the issuance or delivery of the Series 2016 Bonds, (ii) contesting or affecting the validity of the Series 2016 Bonds or the proceedings or authority under which they are to be issued, (iii) contesting the creation, organization or existence of the University or the title of any of its present officials to their respective offices, or (iv) contesting the right of the University to enter into the financing documents to which it is a party or to secure the Series 2016 Bonds in accordance with the Indenture.

The University and its hospitals are immune from suit in medical malpractice matters; however such claims may still be brought against healthcare providers employed to provide such services on behalf of the University. These providers are insured by the University's Professional Liability Trust Fund. If a final judgment were entered in any professional liability action in an amount in excess of its insurance coverage, the University would not be liable for the excess.

The University has been notified by the Equal Employment Opportunity Office ("EEOC") of charges filed with the EEOC against the University or its employees. The charges arise from alleged employment practices or policies. Should a lawsuit arise out of such charges, they would be covered by the University's General Liability Trust Fund.

Finally, the University has been notified of claims filed against it in the State Board of Adjustment. None of the aforementioned charges or claims involve any significant sums in excess of the sums otherwise provided for and would not have an impact upon the collection of the Pledged Revenues. In the opinion of the University Attorney, the aggregate exposure of the University with respect to all pending claims and suits would not be material to the University's financial position.

LEGAL MATTERS

The Series 2016 Bonds will be issued subject to the approving opinion of Balch & Bingham LLP, Birmingham, Alabama, Bond Counsel to the University. It is anticipated that the opinion of Bond Counsel to the University will be in substantially the form set forth in Appendix B.

Certain legal matters will be passed upon for the Underwriters by Underwriters' counsel, Hand Arendall LLC, Mobile, Alabama. Hand Arendall has been and is also engaged by the University for specific matters unrelated to the Series 2016 Bonds.

The various legal opinions to be delivered concurrently with the delivery of the Series 2016 Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. By rendering a legal opinion, the authoring firm or attorney does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or the future performance of parties to the transaction, and the rendering of an opinion does not guarantee the outcome of any legal dispute that may arise out of the transaction.

TAX EXEMPTION

General

In the opinion of Balch & Bingham LLP, Bond Counsel to the University, under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, interest on the Series 2016 Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Code. Interest on the Series 2016 Bonds is not treated as a preference item in calculating the alternative minimum tax imposed on individuals and corporations under the Code; such interest, however, is included in the adjusted current earnings of certain corporations for purposes of calculating the alternative minimum tax imposed on such corporations. In rendering its opinion, Bond Counsel has relied on certain representations, certifications of fact, and statements of reasonable expectations made by the University and others in connection with the Series 2016 Bonds, and Bond Counsel has assumed compliance by the University with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the Series 2016 Bonds from gross income under Section 103 of the Code.

Bond Counsel expresses no opinion regarding any other federal or state tax consequences with respect to the Series 2016 Bonds. Bond Counsel renders its opinion under existing statutes and court decisions as of the issue date and assumes no obligation to update its opinion after the issue date to reflect any future action, fact or circumstance, or change in law or interpretation, or otherwise. Bond Counsel expresses no opinion on the effect of any action taken in reliance upon an opinion of other counsel on the exclusion from gross income for federal income tax purposes of interest on the Series 2016 Bonds.

Prospective purchasers of the Series 2016 Bonds should be aware that ownership of the Series 2016 Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income", foreign corporations subject to a branch profits tax and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry the Series 2016 Bonds. Bond Counsel will not express any opinion as to such collateral tax consequences. Prospective purchasers of the Series 2016 Bonds should consult their tax advisors as to collateral federal income tax consequences.

Bond counsel is further of the opinion that the interest income on the Series 2016 Bonds is exempt from present Alabama income taxation.

Original Issue Discount

In the opinion of Bond Counsel, under existing law, the original issue discount in the selling price of a Series 2016 Bond, to the extent properly allocable to each owner of such Series 2016 Bond, is excluded from gross income for federal income tax purposes with respect to such owner. The original issue discount is the excess of the stated redemption price at maturity of such Series 2016 Bond over the initial offering price to the public, excluding underwriters and other intermediaries, at which price a substantial amount of the Series 2016 Bonds of such maturity were sold.

Under Section 1288 of the Internal Revenue Code of 1986, as amended, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Series 2016 Bond during any accrual period generally equals (i) the issue price of such Series 2016 Bond plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (ii) the yield to maturity of such Series 2016 Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), less (iii) any interest payable on such Series 2016 Bond during such accrual period. The amount of original issue discount so accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excluded from gross income for federal income tax purposes, and will increase the owner's tax basis in such Series 2016 Bond. Any gain realized by an owner from a sale, exchange, payment or redemption of a Series 2016 Bond will be treated as gain from the sale or exchange of such Series 2016 Bond.

Original Issue Premium

An amount equal to the excess of the purchase price of the Series 2016 Bond over its stated redemption price at maturity constitutes premium on such Series 2016 Bond. A purchaser of a Series 2016 Bond must amortize any premium over such Series 2016 Bond's term using constant yield principles, based on the purchaser's yield to maturity. As premium is amortized, the purchaser's basis in such Series 2016 Bond is reduced by a corresponding amount, resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Series 2016 Bond prior to its maturity. Even though the purchaser's basis is reduced, no federal income tax deduction is allowed. Purchasers of any Series 2016 Bonds at a premium, whether at the time of initial issuance or subsequent thereto, should consult with their own tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to state and local tax consequences of owning such Series 2016 Bonds.

CONTINUING DISCLOSURE

Under a Continuing Disclosure Agreement, dated as of September 1, 2016 (the "Continuing Disclosure Agreement"), the University has agreed to provide or cause to be provided to AGM and the Municipal Securities Rulemaking Board (the "MSRB") using its electronic municipal market access system (referred to as "EMMA"), certain updated financial information and operating data annually, and timely notice of specified events for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (the "Rule").

See Appendix C for a form of the Continuing Disclosure Agreement relating to the Series 2016 Bonds.

A failure by the University to comply with the Continuing Disclosure Agreement will not constitute an event of default under the Indenture. Beneficial owners of the Series 2016 Bonds are limited to the remedies described in the Continuing Disclosure Agreement. A failure by the University to comply with the Continuing Disclosure Agreement must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Series 2016 Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Series 2016 Bonds and their market price.

Compliance with Prior Continuing Disclosure Agreements

In connection with the prior issuance of certain of the Outstanding Bonds, the University has entered into other continuing disclosure agreements under the Rule. During the past five years, the University has failed to file information required to be filed pursuant to those previous agreements. Audited financial statements for fiscal year 2011 were not filed through EMMA and for fiscal year 2012 were filed approximately one year late as part of the fiscal year 2013 financial report. Although the audited financial statements for fiscal year 2014 were filed timely, the filing did not link such financial statements to the University's Series 1999 Capital Appreciation Bonds. Supplemental financial and operating data required by the prior agreements was not filed through EMMA for the past five years. The University has not filed notices of late filings as required by the Rule.

Effective August, 2016, the University adopted new procedures intended to improve timeliness of its required filings under the Rule. In addition, the University made remedial filings with EMMA of (i) the fiscal year 2011 and 2012 audited financial statements, (ii) the fiscal year 2014 audited financial statements to link to the Series 1999 Capital Appreciation Bonds, and (iii) the required supplemental financial and operating data.

THE UNIVERSITY UNDERTAKES NO OBLIGATION TO PUBLICLY UPDATE OR REVISE ANY FORWARD LOOKING STATEMENT AS A RESULT OF NEW INFORMATION, FUTURE EVENTS OR OTHER INFORMATION.

STATE NOT LIABLE ON SERIES 2016 BONDS

The Series 2016 Bonds are limited obligations of the University payable solely out of, and secured by a pledge of, the Pledged Revenues. Neither the principal of nor the interest on the Series 2016 Bonds nor the aforesaid pledge or any other agreement contained in the Indenture shall constitute an obligation of any nature whatsoever of the State of Alabama, and neither the Series 2016 Bonds nor any obligation arising from said pledge or agreements shall be payable out of any moneys appropriated to the University by the State of Alabama.

FINANCIAL INFORMATION

Appendix A contains audited financial statements of the University for the fiscal year ended September 30, 2015.

KPMG LLP, the University's independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein as Appendix A, any procedures on the financial statements addressed in that report. KPMG LLP also has not performed any procedures relating to this Official Statement.

SPECIAL CONSIDERATIONS RESPECTING THE SERIES 2016 BONDS

General

An investment in the Series 2016 Bonds involves certain risks which should be carefully considered by investors. The sufficiency of Pledged Revenues to pay debt service on the Series 2016 Bonds may be affected by events and conditions relating to, among other things, general economic conditions, population in the University's basic service area, the demand for higher education, and legislative and administrative requirements on the University's operations.

Prospective investors should carefully examine this Official Statement and their own financial condition in order to make a judgment as to their ability to bear the economic risk of such an investment and whether or not the Series 2016 Bonds are an appropriate investment for them.

Holders of the Series 2016 Bonds should be aware that their rights and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights and the exercise of judicial discretion in appropriate cases.

Limitations on Source of Payment, Security and Remedies

Limited Source of Payment. The Series 2016 Bonds will be limited obligations of the University, payable solely from, and secured by a pledge of, the Pledged Revenues. See “SECURITY AND SOURCE OF PAYMENT”.

The Series 2016 Bonds will not be debts or obligations of the State of Alabama, and debt service on the Series 2016 Bonds will not be payable out of any money provided or appropriated to the University by the State of Alabama. Holders of the Series 2016 Bonds shall never have the right to demand payment of the Series 2016 Bonds from the University from any source other than the special funds established under the Indenture and the Pledged Revenues and shall be entitled to payment from such sources only on a parity basis with all other bonds outstanding under the Indenture.

Additional Debt. All Bonds are secured on a parity by the lien on Pledged Revenues. If the University incurs additional debt secured by the Indenture, the security interest in Pledged Revenues for the benefit of Bondholders will in effect be diluted.

Hospitals Are Limited Use Facilities. The hospitals and other health care facilities of the University, which are operating assets of the University, are limited use facilities, suitable primarily for hospital or health care purposes. Consequently, the market for sale or other disposition of such facilities is limited. In the event of a sale of such facilities, whether in a bankruptcy proceeding or otherwise, the number of potential purchasers and the sale price may be affected by the limited possible use.

Limitation on Remedies Upon Default. The Indenture does not constitute a mortgage on or security interest in any properties of the University, and no foreclosure or sale proceedings with respect to any property of the University may occur. The University is exempt from all suits under the doctrine of sovereign immunity, but state law provides that agents and employees of the University may, by mandamus, be compelled to apply the Pledged Revenues to the payment of the Series 2016 Bonds in accordance with the terms of the Indenture.

The remedies available to the registered holders of the Series 2016 Bonds upon the occurrence of a default under the Indenture are in many respects dependent upon regulatory and judicial actions, which are often subject to discretion and delay. Under existing law, the remedies provided under the Indenture may not be readily available or may be limited, and no assurance can be given that a mandamus or other legal action to enforce payment under the Indenture would be successful. The various legal opinions to be delivered concurrently with the delivery of the Series 2016 Bonds will be qualified as to enforceability of the various legal instruments, limitations imposed by bankruptcy, reorganization, insolvency or similar laws affecting the rights of creditors generally and by judicial discretion applicable to equitable remedies and proceedings generally.

Health Care Industry Factors

The health care industry is subject to a number of factors that could adversely affect the business prospects of the University. Among those factors are the following:

The Health Care Industry is Highly Regulated. The health care industry is highly regulated by the federal and state governments. These regulations relate to areas such as the required delivery of care whether or not patients have the resources for payment, the quality of care and outcomes of health care services provided, excessive re-admission of patients, accuracy of billing and collecting for services rendered, privacy of patients and their health care information, and the relationship between providers and physicians who refer patients to the provider's health care facilities. For providers organized as charitable organizations under Section 501(c)(3) of the Internal Revenue Code there are additional regulations that must be satisfied to preserve tax-exempt status. The cost of compliance with these regulations is significant.

Payment Systems. The University's Health System derives most of its revenues from Medicare, Medicaid, Blue Cross and other third party payor programs. Such programs may provide payment for services rendered to their beneficiaries in an amount that is less than actual patient charges. These payment systems are complex, subject to periodic change, and require a high degree of accuracy in the billing and collecting process. Failure to submit accurate billing may result in large financial penalties or claims or disqualification from the

program. Penalties or claims may be from governmental authorities, such as the Justice Department and the Office of Inspector General, independent auditing firms under contract with the government, or from private litigants under so-called “qui tam actions”.

Alternate Payment Systems. The payment systems for health care services may be expanded to cover capitation or other coverage programs in which the providers assume the risk of health care services for a defined population. The University currently does not provide coverage on a capitated basis; however, the development of such coverage programs in the University’s market could force the University to assume increased risk for the amount and cost of services it provides.

Health Care Reform. In 2010 Congress adopted extensive health reform legislation commonly referred to as the Affordable Care Act (the “ACA”). This legislation attempts to extend commercial insurance coverage and Medicaid coverage to many patients not previously covered. The State of Alabama declined the ACA option to expand the Medicaid coverage, which reduces the amount of reimbursement that might otherwise be available to the health care facilities operated by the University. This legislation also imposes numerous operating and reporting requirements on health care providers. Implementation of the various ACA initiatives will take several years and will require extensive time and expense. Implementation has been and continues to be uncertain. It is expected that governments will continue to consider various reform proposals in the health care industry. If adopted, such proposals may subject health care providers like the University to increased compliance requirements, reduced reimbursement for services, increased costs, or a combination of such results.

Trend Toward Large-Deductible Insurance Policies. Coverage provided by insurance is trending toward large deductibles or self-insurance retention for patients, which reduces the required premiums, but increases out-of-pocket expense for the insured. These large deductible policies can be expected to increase the challenge of collecting for services rendered and may result in an increase of bad debt expense for health care providers.

Budgetary Pressure for Medicare and Medicaid Funding. Medicare and Medicaid are government-sponsored programs. Funding for those programs is subject to the legislative process of federal and state governments. The spending policies or deficit reduction initiatives of those governments have resulted in significant reductions in reimbursement for health care services in the past and can be expected to apply pressure on reimbursement for the foreseeable future.

Competition from Other Providers. The health care industry is highly competitive. Other health care providers may develop competing facilities or services in the University’s service area. Competing facilities or services may include, among others, new hospitals, specialty hospitals, outpatient facilities, and managed care or insurance products. Other forms of competition could also affect the University’s ability to maintain or improve its market share, including increasing competition (1) between physicians who generally use hospitals and non-physician practitioners such as nurse practitioners, chiropractors, physical and occupational therapists and others who may not generally use hospitals, and (2) from nursing homes, home health agencies, ambulatory care facilities, surgical centers, outpatient radiology centers, rehabilitation and therapy centers, physician group practices, and other non-hospital providers of many services for which patients generally rely on hospitals currently.

Capital Investment and Technology. The technology for diagnosis and treatment of patients changes rapidly and requires large capital investment on an ongoing basis in order for a health system to meet the needs of its patients.

Other Factors Affecting the Health Care Industry. In addition to the factors discussed above, the following additional factors, among others, may adversely affect the operations of health care providers, including the University:

- (a) Increased efforts by insurers, private employers and governmental agencies to limit the cost of hospital services, to reduce the number of hospital beds and to reduce utilization of hospital facilities by such means as preventive medicine, improved occupational health and safety, and outpatient care.

- (b) Termination of existing agreements between a provider and employed physicians who render services to the provider's patients, or alteration of referral patterns by independent physicians and physician groups.
- (c) The availability and cost of insurance or self-insurance to protect against malpractice and general liability claims.
- (d) Environmental and hazardous waste disposal regulations.
- (e) Future legislation and regulations affecting the tax-exempt status of governmental and 501(c)(3) hospitals or imposing additional requirements on qualification.
- (f) The reduced need for hospitalization or other traditional health care services as a result of medical and other scientific advances.
- (g) Imposition of wage and price controls for the health care industry.
- (h) The availability of or cost of retaining nursing, technical or other health care personnel.
- (i) The spread of any bacteria, virus or infectious disease that is resistant to existing drugs or medical treatment.
- (j) Reduction in population, increased unemployment or other adverse economic conditions in the market.

Factors Affecting Academic Medical Centers

Academic medical center hospitals, like those operated by the University, are subject to certain negative credit factors that do not affect other not-for-profit hospitals. Among those factors are the following:

Special Revenue and Expense Challenges. The research and teaching divisions at academic medical centers often operate at break-even or deficit levels. Funding these missions sometimes requires organizational subsidies that can detrimentally affect the hospital's overall operating performance. Fundraising, endowment spending and excess cash generated from patient care can be used to support the non-clinical departments at an academic medical center, but these sources of funding may not be enough to offset the drag on operating funds.

Negative Reimbursement Pressure from Medicare and Medicaid. The federal government has proposed a reduction in graduate medical education funding from CMS as one way to address federal budget challenges. Although funding cuts would impact all teaching hospitals with medical residents, academic medical centers would be disproportionately impacted due to higher numbers of residents and greater indirect cost payments for high acuity services performed. In addition, securing federal funding for research has become increasingly competitive among research institutions, primarily due to federal budget constraints. Changes in federal funding patterns could adversely affect academic medical centers and their ability to make debt service payments.

Inordinately High Exposure to Medicaid Patients. Many academic medical centers provide a disproportionate amount of charity care in their communities, which results in high exposure to Medicaid patients and receipt of Disproportionate Share Funding ("DSH"). Medicaid reimbursement cuts in recent years have disproportionately impacted academic medical centers. Additionally, reductions in DSH payments were mandated by the ACA beginning in 2016.

Increased Financial Support for Sponsoring University. Academic medical centers are increasingly facing requests for financial transfers to their associated universities to support strategic investments, program development and educational activities. These financial transfers are typically negotiated between the university and the hospital on an annual basis, and immediate needs at the university level could lead to a growing financial subsidy. These payments could adversely affect the academic medical center's operating performance.

State Proration

The State of Alabama appropriates money each year to the University for operating costs and non-operating cash requirements, including capital expenditures. Because the State is mandated by its constitution to operate with a balanced budget, the State occasionally has reduced its appropriations, through a process known as “proration”, when its annual revenues are not expected to meet budgeted appropriations. It is expected that proration will be implemented from time to time in the future and, when proration does occur, the University may be required to implement various cost-saving measures in order to balance its own budget. Although proration may impact the University’s budget, the Series 2016 Bonds are not payable from State appropriations.

Certain Factors Affecting Pledged Revenues

No representation can be made and no assurance can be given that receipts from the Pledged Revenues will be sufficient to make the required payment of debt service on the Series 2016 Bonds and to pay necessary operating expenses. The amount of Pledged Revenues collected by the University will be subject to a variety of factors that could adversely affect debt service coverage on the Series 2016 Bonds, including general economic conditions, population in the University’s basic service area, the demand for higher education, and the impact of legislative and administrative requirements on the University’s operations.

Tax-Exempt Status of Series 2016 Bonds

It is expected that the Series 2016 Bonds will qualify as tax-exempt obligations for federal income tax purposes as of the date of issuance. See “TAX EXEMPTION”. It is anticipated that Bond Counsel will render an opinion substantially in the form attached hereto as Appendix D, which should be read in its entirety for a complete understanding of the scope of the opinions and the conclusions expressed therein. A legal opinion expresses the professional judgment of the attorney rendering the opinion as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

The tax status of the Series 2016 Bonds could be affected by post-issuance events. There are various requirements of the Internal Revenue Code that must be observed or satisfied after the issuance of the Series 2016 Bonds in order for the Series 2016 Bonds to qualify for, and retain, tax-exempt status. These requirements include appropriate use of the proceeds of the Series 2016 Bonds, use of the facilities financed or refinanced by the Series 2016 Bonds, investment of bond proceeds, and the rebate of so-called excess arbitrage earnings. Compliance with these requirements is the responsibility of the University.

The Internal Revenue Service conducts an audit program to examine compliance with the requirements regarding tax-exempt status. Under current IRS procedures, in the initial stages of an audit with respect to the Series 2016 Bonds, the University would be treated as the taxpayer, and the owners of the Series 2016 Bonds may have limited rights to participate in the audit process. The initiation of an audit with respect to the Series 2016 Bonds could adversely affect the market value and liquidity of the Series 2016 Bonds, even though no final determination about the tax-exempt status has been made. If an audit results in a final determination that the Series 2016 Bonds do not qualify as tax-exempt obligations, such a determination could be retroactive in effect to the date of issuance of the Series 2016 Bonds.

In addition to post-issuance compliance, a change in law after the date of issuance of the Series 2016 Bonds could affect the tax-exempt status of the Series 2016 Bonds or the effect of investing in the Series 2016 Bonds. For example, the federal government is considering various proposals to reduce federal budget deficits and the amount of federal debt, including proposals that would eliminate or reduce indirect expenditures made through various deductions and exemptions currently allowed by the income tax laws. The exemption for interest on tax-exempt bonds is one of the indirect expenditures that could be affected by a deficit reduction initiative. Some deficit-reduction proposals would eliminate the exemption for interest on tax-exempt bonds. Other

proposals would place an aggregate cap on the total amount of exemptions and deductions that may be claimed by a taxpayer, or a cap on the exemption for interest on tax-exempt bonds. Changes in the rate of the federal income tax, including so-called “flat tax” proposals, could also reduce the value of the exemption. Changes affecting the exemption for interest on tax-exempt bonds, if enacted, could apply to tax-exempt bonds already outstanding, including the Series 2016 Bonds offered pursuant to this Official Statement, as well as bonds issued after the effective date of such legislation. It is not possible to predict whether Congress will adopt legislation affecting the exemption for tax-exempt bonds, what the provisions of such legislation may be, whether any such legislation will be retroactive in effect, or what effect any such legislation may have on investors in the Series 2016 Bonds. Investors should consult their own tax advisers about the prospects and possible effect of future legislation that could affect the exemption for interest on tax-exempt bonds.

The United States Bankruptcy Code

Chapter 9 of the United States Bankruptcy Code permits a political subdivision, public agency or instrumentality of a State to file a petition for relief in federal bankruptcy courts if the subdivision, agency or instrumentality is insolvent within the meaning of Chapter 9 and is authorized under applicable state law to seek such relief. The University, as an instrumentality of the State of Alabama, meets the initial eligibility requirement for a debtor under Chapter 9 of the United States Bankruptcy Code, as set forth at 11 U.S.C. §109(c)(1), because it is a “municipality” as defined at 11 U.S.C. §101(40), but the University is not expressly authorized by Article XIV, Section 266 of the Alabama Constitution of 1901 or by Ala. Code § 16-48-1 et seq. to initiate a Chapter 9 proceeding. Therefore, absent enactment of a new enabling statute by the Alabama legislature that specifically authorizes a filing by the University, or by all instrumentalities of the State of Alabama, the University does not appear to be eligible to be a “debtor” under Chapter 9 of the United States Bankruptcy Code.

Nonetheless, Chapter 9 has been rarely used, and there is little precedent concerning its interpretation or the interpretation of related state laws, so there can be no definitive assurance that the University would be prevented from filing a petition for relief under Chapter 9, and if it did so, what relief would be provided. For example, Chapter 9 of the Bankruptcy Code provides certain protections to creditors whose debts are secured by pledged special revenues; however, because of the limited precedent available with respect to Chapter 9, it is possible that a federal bankruptcy court could reject or circumscribe certain of these provisions under the facts of a specific case.

As a “municipality” within the meaning of the United States Bankruptcy Code, the University’s eligibility to be a debtor is governed solely by 11 U.S.C. §109(c). A “municipality” within the meaning of Chapter 9 of the United States Bankruptcy Code cannot seek relief as a “debtor” under other chapters of the United States Bankruptcy Code, including without limitation Chapters 7 and 11.

FINANCIAL ADVISOR

Public Financial Management, Inc. (“PFM”) is employed by the University to perform professional services in the capacity of financial advisor. In its role as financial advisor to the University, PFM has provided advice on the plan of financing and structure of the 2016 Bonds, and reviewed certain legal and disclosure documents, including this Official Statement, for financial matters. PFM has not independently verified the factual information contained in this Official Statement, but relied on the information supplied by the University and other sources and the University’s certification as to the Official Statement.

UNDERWRITING

The Series 2016 Bonds are being purchased for reoffering by the underwriters shown on the front cover hereof (the “Underwriters”) at an aggregate purchase price of \$101,512,104.17 (representing the par amount of the Series 2016 Bonds less an underwriting discount of \$217,183.83 plus a net original issue premium of \$16,124,288.00). The public offering price of the Series 2016 Bonds as set forth on the inside of the cover page

of this Official Statement may be changed from time to time by the Underwriters and the Underwriters may allow a concession from the public offering price to certain dealers.

Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, NA Municipal Products Group, a separately identifiable department of Wells Fargo Bank, National Association, registered with the Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934. Wells Fargo Bank, National Association, acting through its Municipal Products Group (“WFBNA”), senior underwriter of the Series 2016 Bonds, has entered into an agreement (the “WFA Distribution Agreement”) with its affiliate, Wells Fargo Advisors, LLC (“WFA”), for the distribution of certain municipal securities offerings, including the Series 2016 Bonds. Pursuant to the WFA Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the Series 2016 Bonds with WFA. WFBNA has also entered into an agreement (the “WFSLLC Distribution Agreement”) with its affiliate Wells Fargo Securities, LLC (“WFSLLC”), for the distribution of municipal securities offerings, including the Series 2016 Bonds. Pursuant to the WFSLLC Distribution Agreement, WFBNA pays a portion of WFSLLC’s expenses based on its municipal securities transactions. WFBNA, WFSLLC, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

PNC Bank, National Association currently has, and from time to time in the future may have, banking or other credit relationships with the University. PNC Capital Markets LLC is acting as an Underwriter of the Series 2016 Bonds. PNC Capital Markets LLC and PNC Bank, National Association are both wholly owned subsidiaries of The PNC Financial Services Group, Inc.

MISCELLANEOUS

The references herein to statutory provisions, the Indenture and other documents and instruments are summaries of certain provisions thereof and do not purport to be complete. For full and complete statements of such provisions reference is hereby made to the specific statutory provision, document or instrument to which such summary relates.

So far as any statements made in this Official Statement involve matters of opinion or of estimates, whether or not expressly stated, they are set forth as such and not as representations of fact. No representation is made that any of the statements will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the owners of the Series 2016 Bonds.

The information contained in this Official Statement has been compiled or prepared from information obtained from sources believed to be reliable; however, the University makes no representation as to the accuracy or completeness of such information. The information and the expressions of opinion herein are subject to change without notice. Accordingly, neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that, since the date hereof, there has been no change in the affairs of the University or any other governmental agencies or entities discussed herein.

The distribution of this Official Statement and its use in the offering and sale of the Series 2016 Bonds have been approved by the governing body of the University.

UNIVERSITY OF SOUTH ALABAMA

Vice President for Finance and Administration

Dated: September 14, 2016

APPENDIX A

**AUDITED FINANCIAL STATEMENT FOR THE
FISCAL YEAR ENDED SEPTEMBER 30, 2015**

APPENDIX B

PROPOSED FORM OF OPINION OF BOND COUNSEL

[Proposed Form of Bond Counsel's Opinion]

[Closing Date]

University of South Alabama
Mobile, Alabama

Re: \$85,605,000 University Facilities Revenue Refunding Bonds, Series 2016 issued by the University of South Alabama

Ladies and Gentlemen:

We have acted as bond counsel to the University of South Alabama (the "University") in connection with the issuance by the University of \$85,605,000 aggregate principal amount of its University Facilities Revenue Refunding Bonds, Series 2016 (the "Series 2016 Bonds"), dated the date hereof. In such capacity, we have examined such law and such certified proceedings and other documents as we have deemed necessary to render this opinion.

The Series 2016 Bonds are issued pursuant to the authority of the laws of the State of Alabama and a University Facilities Revenue Trust Indenture dated as of February 15, 1996, between the University and The Bank of New York Mellon Trust Company, N.A. as trustee (the "Trustee"), as previously supplemented and as further supplemented by a Twelfth Supplemental University Facilities Revenue Trust Indenture dated as of September 1, 2016 (as so supplemented, the "Indenture"). Under the Indenture, the University has pledged for payment of the Series 2016 Bonds (a) all fees now or hereafter levied as a general tuition fee against students enrolled at the University, (b) the gross revenues derived by the University from auxiliary enterprises services furnished by the University, including, without limitation, food services, housing, college stores, dining, concessions and other similar services, as such revenues are shown as a separate item on the audited financial statements of the University, (c) an amount not exceeding \$10,000,000 in any fiscal year of the University of the gross revenues derived from that certain hospital facility owned and operated by the University and known as USA Children's and Women's Hospital, and (d) additional fees and revenues, if any, that may be subjected to the lien of the Indenture pursuant to a Supplemental Indenture (the "Pledged Revenues"). The Series 2016 Bonds are not payable from any other funds or revenues of the University.

As to questions of fact material to our opinion, we have relied upon the representations of the University contained in the Indenture and in the certified proceedings and other certifications of officials of the University and others furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The University is validly existing as a public corporation and instrumentality of the State of Alabama with the power to enter into the Indenture, to perform the agreements on its part contained therein and to issue the Series 2016 Bonds.
2. The Indenture has been duly authorized, executed and delivered by the University and constitutes a valid and binding obligation of the University enforceable upon the University in accordance with its terms.
3. The Indenture creates a valid lien on the Pledged Revenues and other funds held by the Trustee under the Indenture as security for the Series 2016 Bonds on a parity with all other bonds heretofore issued under the Indenture and with any additional bonds hereafter issued under the Indenture (as permitted therein).
4. The Series 2016 Bonds have been duly authorized, executed and delivered by the University and are valid and binding limited obligations of the University, payable solely from the Pledged Revenues and other funds provided therefor in the Indenture.

5. Interest on the Series 2016 Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; it should be noted, however, that, for the purpose of computing the alternative minimum tax imposed on certain corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings. The opinion set forth in the preceding sentence is subject to the condition that the University comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Series 2016 Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The University has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Series 2016 Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2016 Bonds.

6. Interest on the Series 2016 Bonds is exempt from Alabama income taxation.

The rights of the owners of the Series 2016 Bonds and the enforceability of the Series 2016 Bonds and the Indenture may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

We are of the further opinion that the University is, under existing provisions of the Constitution of Alabama as construed by the Supreme Court of Alabama, exempt from all suits, but that the agents and employees of the University may, by mandamus, be compelled to apply the Pledged Revenues to the payment of the Series 2016 Bonds in accordance with the provisions of the Indenture.

Neither the principal of nor the interest on the Series 2016 Bonds nor the aforesaid pledge or any other agreements contained in the Indenture constitute an obligation of any nature whatsoever of the State of Alabama and neither the Series 2016 Bonds nor any obligation arising from said pledge or other agreements are payable out of any moneys appropriated to the University by the State of Alabama. The Indenture does not constitute a mortgage on any property of the University and no foreclosure or sale proceedings with respect to any property of the University shall ever be had under authority of the Indenture.

The opinions expressed herein are limited to the application of the laws of the State of Alabama and the federal laws of the United States of America, and do not extend to any laws of any other state or nation.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Series 2016 Bonds. Further, we express no opinion regarding tax consequences arising with respect to the Series 2016 Bonds other than as expressly set forth herein.

This opinion is given as of the date hereof and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Very truly yours,

BALCH & BINGHAM LLP

APPENDIX C

FORM OF CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

The University of South Alabama, a public corporation and instrumentality of the State of Alabama (the "University"), has entered into this Agreement for the benefit of the holders of its University Facilities Revenue Refunding Bonds, Series 2016 in the aggregate principal amount of \$85,605,000 (the "Bonds"). The University is the Obligated Person with respect to the Bonds.

Recitals

A. The Bonds are being issued pursuant to a University Facilities Revenue Trust Indenture dated as of February 15, 1996 (the said Indenture, as heretofore supplemented and amended and as further supplemented and amended by a Twelfth Supplemental University Facilities Revenue Trust Indenture dated as of September 1, 2016 (the "Indenture"), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee").

B. An Official Statement dated September 1, 2016 (the "Official Statement") has been prepared for distribution to prospective purchasers of the Bonds.

C. The Bonds are subject to the provisions of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"), as amended. This Agreement is being entered into pursuant to the continuing disclosure requirements of the Rule.

D. Capitalized terms not otherwise defined in this Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with definitions in the Rule, in the Official Statement.

E. There is no Obligated Person with respect to the Bonds other than the University.

NOW, THEREFORE, for and in consideration of the premises, the University hereby covenants, agrees and binds itself as follows:

1. Financial Statements; Annual Report.

(a) The University will provide to the Municipal Securities Rulemaking Board (the "MSRB") and to Assured Guaranty Municipal Corp. ("AGM") the audited financial statements of the University, prepared in accordance with generally accepted accounting principles as applicable to the University, not later than six (6) months after the close of each fiscal year of the University, beginning with the fiscal year ended September 30, 2016; provided, however, if audited financial statements of the University are not available at such time, the University will provide unaudited financial statements not later than six (6) months after the end of the fiscal year and will provide its audited financial statements for such fiscal year when and if available.

(b) The University will provide, not later than six (6) months after the end of each fiscal year of the University, commencing with the fiscal year ending September 30, 2016, to the MSRB and to AGM the following financial and operating data (the "Annual Report"):

- (1) the revenues from the general tuition fees the proceeds of which are pledged for payment of the Bonds;
- (2) the revenues from the auxiliary enterprises fees the proceeds of which are pledged for payment of the Bonds;
- (3) the schedule of undergraduate and graduate fees and Medical College fees;
- (4) the number of students, by geographic classification, attending the fall term commencing within the fiscal year covered by the University Annual Report;

- (5) the number of degrees awarded, by type of degree, for the academic year ending within the fiscal year covered by the University Annual Report; and
- (6) the total State appropriations authorized and received.

(c) If the University is unable to provide the Annual Report by the date required in subsection (b), the University shall send a notice to the MSRB and to AGM, by the date such information was to be provided, in substantially the form attached as Exhibit A hereto.

(d) If the University's fiscal year is changed subsequent to the execution of this Agreement, the University shall provide timely notice of the change to the MSRB and to AGM stating that its fiscal year has changed and specifying the new period constituting the University's fiscal year.

2. Event Notices. The University agrees to provide or cause to be provided, in a timely manner not in excess of ten (10) business days after the occurrence of the event, as required by the Rule, to the MSRB and to AGM, notice of the occurrence of any of the following events (each a "Listed Event") with respect to the Bonds:

1. principal and interest payment delinquencies;
2. non-payment related defaults, if material;
3. unscheduled draws on debt service reserves reflecting financial difficulties;
4. unscheduled draws on credit enhancements reflecting financial difficulties;
5. substitution of credit or liquidity providers, or their failure to perform;
6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
7. modifications of the rights of holders of the Bonds, if material;
8. bond calls, if material, and tender offers;
9. defeasances;
10. release, substitution or sale of property securing repayment of the Bonds, if material;
11. rating changes;
12. bankruptcy, insolvency, receivership, or similar event of the obligated person;
13. the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
14. appointment of a successor or additional trustee or the change of name of a trustee, if material.

3. Additional Information. Nothing in this Agreement shall be deemed to prevent the University from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Agreement. If the University chooses to disseminate information in addition to that required herein, whether by including such information in any notice of occurrence of a Listed Event in addition to

that which is specifically required by this Agreement or otherwise, the University shall have no obligation under this Agreement to update or continue to provide such information or include it in any future notice of occurrence of a Listed Event.

4. Form and Method of Filing. All filings to be provided hereunder to the MSRB shall be made by posting such information in electronic format on the MSRB's Electronic Municipal Market Access ("EMMA") system at <http://emma.msrb.org> accompanied by identifying information as prescribed by the MSRB. All such filings shall be made in conformity with the procedures and requirements established by the MSRB in effect at the time of such filing.

All filings to be provided hereunder to AGM shall be made in the manner prescribed from time to time by AGM. As of the date of this Agreement, AGM prefers to receive such filings by email at munidisclosure@assuredguaranty.com. If the required information is on the MSRB website or another website where AGM can access the information, then the University may satisfy the information requirements by providing AGM with links to the information.

5. Beneficiaries; Limitation of Remedies Hereunder. This Agreement is for the benefit of the holders of the Bonds and shall be enforceable by such holders, subject to the limitations herein. The University shall never be subject to money damages in any sum or amount, whether compensatory, punitive or otherwise, for its failure to comply with its obligations contained herein. The only remedy available to the holders of the Bonds for breach by the University of its obligations hereunder shall be the remedy of specific performance or mandamus against the appropriate officials of the University to obtain performance of the University's obligations hereunder. No failure by the University to comply with the provisions of this Agreement shall be an event of default with respect to the Bonds under the Indenture.

6. Responsibility for Compliance.

(a) No person other than the University shall have any liability or responsibility for compliance by the University with its obligations under this Agreement. The Trustee has undertaken no responsibility with respect to any reports, notices or disclosures required by this Agreement or the Rule.

(b) The University will pay all costs incurred in connection with the performance of its obligations under this Agreement, including without limitation the fees and expenses of any dissemination agent, consultants, advisers, accountants, legal counsel or other persons that may be retained by the University to assist in the performance of the University's obligations.

7. Amendment; Waiver. Notwithstanding any other provision of this Agreement, the University may amend this Agreement and any provision of this Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws, to the effect that such amendment or waiver would not cause the undertakings herein to violate the Rule taking into account any subsequent change in or official interpretation of the Rule.

8. Termination. The University reserves the right to terminate its obligation to provide an Annual Report, audited financial statements and notices of material events, as set forth above, if and when the University no longer remains an obligated person with respect to the Bonds within the meaning of the Rule.

9. Contract Formed. This Agreement shall constitute a contract between the University and the holders from time to time and at any time of the Bonds, but no other person, firm or corporation shall have any rights hereunder.

[Balance of page intentionally left blank]

IN WITNESS WHEREOF, this Agreement has been duly authorized by the University and has been executed by and on behalf of the University by its duly authorized officer, all as of the 14th day of September, 2016.

UNIVERSITY OF SOUTH ALABAMA

By: _____

Its: _____

EXHIBIT A

NOTICE OF FAILURE TO FILE
ANNUAL REPORT

Name of Issuer: University of South Alabama (the "University")

Name of Obligated

Person: University of South Alabama

Name of Bond Issue: \$85,605,000 Facilities Revenue Refunding Bonds, Series 2016

Date of Issuance: September 14, 2016

NOTICE IS HEREBY GIVEN that the University has not provided the Annual Report as required by the Continuing Disclosure Agreement executed by the University on September 14, 2016, with respect to the above-named Bonds. The University anticipates that such Annual Report will be filed by _____.

Dated: _____

APPENDIX D
DTC PROCEDURES

DTC Book-Entry Only System

1. The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Series 2016 Bonds (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each maturity of each series of the Securities, in the aggregate principal amount of such maturity, and will be deposited with DTC.

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 7A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the University as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from University or Bond Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Bond Trustee, or University, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of University or Bond Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to University or Bond Trustee. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

10. The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Issuer believes to be reliable, but the Issuer takes no responsibility for the accuracy thereof.

THE UNIVERSITY, THE UNDERWRITERS AND THE BOND TRUSTEE CANNOT AND DO NOT GIVE ANY ASSURANCES THAT THE DIRECT PARTICIPANTS OR THE INDIRECT PARTICIPANTS WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE SERIES 2016 BONDS (1) PAYMENTS OF PRINCIPAL OF OR INTEREST AND PREMIUM, IF ANY, ON THE SERIES 2016 BONDS, (2) CERTIFICATES REPRESENTING AN OWNERSHIP INTEREST OR OTHER CONFIRMATION OF BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2016 BONDS, OR (3) REDEMPTION OR OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS NOMINEE, AS THE REGISTERED OWNERS OF THE SERIES 2016 BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS OR THAT DTC OR DIRECT OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT. THE CURRENT "RULES" APPLICABLE TO DTC ARE ON FILE WITH THE SECURITIES AND EXCHANGE COMMISSION AND THE CURRENT "PROCEDURES" OF DTC TO BE FOLLOWED IN DEALING WITH DTC PARTICIPANTS ARE ON FILE WITH DTC.

NEITHER THE UNIVERSITY, THE UNDERWRITERS NOR THE BOND TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO SUCH DTC PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE SERIES 2016 BONDS; (2) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (3) THE PAYMENT BY ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST OR PREMIUM, IF ANY, ON THE SERIES 2016 BONDS; (4) THE DELIVERY BY ANY DTC PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE BOND INDENTURE TO BE GIVEN TO BONDHOLDERS; (5) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE SERIES 2016 BONDS; OR (6) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS BONDHOLDER.

APPENDIX E

SPECIMEN MUNICIPAL BOND INSURANCE POLICY

EXHIBIT IV
FORM OF CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

The University of South Alabama, a public body corporate under the laws of the State of Alabama (the "University"), has entered into this Agreement for the benefit of the holders of its University Facilities Revenue Bonds, Series 2017, in the aggregate principal amount of [\$ _____] (the "Bonds"). The University is the Obligated Person with respect to the Bonds.

Recitals

A. The Bonds are being issued pursuant to a University Facilities Revenue Trust Indenture dated as of February 15, 1996 (the said Indenture, as heretofore supplemented and amended and as further supplemented and amended by a Fourteenth Supplemental University Facilities Revenue Trust Indenture dated the date of the Bonds (the "Indenture"), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee").

B. An Official Statement dated June 2, 2017 (the "Official Statement") has been prepared for distribution to prospective purchasers of the Bonds.

C. The Bonds are subject to the provisions of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"), as amended. This Agreement is being entered into pursuant to the continuing disclosure requirements of the Rule.

D. Capitalized terms not otherwise defined in this Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with definitions in the Rule, in the Official Statement.

E. There is no Obligated Person with respect to the Bonds other than the University.

NOW, THEREFORE, for and in consideration of the premises, the University hereby covenants, agrees and binds itself as follows:

1. **Financial Statements; Annual Report.**

(a) The University will provide to the Municipal Securities Rulemaking Board (the "MSRB") the audited financial statements of the University, prepared in accordance with generally accepted accounting principles as applicable to the University, not later than 210 days after the close of each fiscal year of the University, beginning with the fiscal year ending September 30, 2017.

(b) The University will provide, not later than 210 days after the end of each fiscal year of the University, commencing with the fiscal year ending September 30, 2017, to the MSRB the following financial and operating data (the "Annual Report"):

- (1) the revenues from the general tuition fees the proceeds of which are pledged for payment of the Bonds;

- (2) the revenues from the auxiliary enterprises fees the proceeds of which are pledged for payment of the Bonds;
- (3) the schedule of undergraduate and graduate fees and Medical College fees;
- (4) the number of students, by geographic classification, attending the fall term commencing within the fiscal year covered by the University Annual Report;
- (5) the total State appropriations authorized and received.

(c) If the University's fiscal year is changed subsequent to the execution of this Agreement, the University shall provide timely notice of the change to the MSRB stating that its fiscal year has changed and specifying the new period constituting the University's fiscal year.

2. Event Notices. The University agrees to provide or cause to be provided, in a timely manner not in excess of ten (10) business days after the occurrence of the event, as required by the Rule, to the MSRB, notice of the occurrence of any of the following events (each a "Listed Event") with respect to the Bonds:

1. principal and interest payment delinquencies;
2. non-payment related defaults, if material;
3. unscheduled draws on debt service reserves reflecting financial difficulties;
4. unscheduled draws on credit enhancements reflecting financial difficulties;
5. substitution of credit or liquidity providers, or their failure to perform;
6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
7. modifications of the rights of holders of the Bonds, if material;
8. bond calls, if material, and tender offers;
9. defeasances;
10. release, substitution or sale of property securing repayment of the Bonds, if material;
11. rating changes;

12. bankruptcy, insolvency, receivership, or similar event of the obligated person;
13. the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
14. appointment of a successor or additional trustee or the change of name of a trustee, if material.

3. Additional Information. Nothing in this Agreement shall be deemed to prevent the University from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Agreement. If the University chooses to disseminate information in addition to that required herein, whether by including such information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Agreement or otherwise, the University shall have no obligation under this Agreement to update or continue to provide such information or include it in any future notice of occurrence of a Listed Event.

4. Form and Method of Filing. All filings to be provided hereunder to the MSRB shall be made by posting such information in electronic format on the MSRB's Electronic Municipal Market Access ("EMMA") system at <http://emma.msrb.org> accompanied by identifying information as prescribed by the MSRB. All such filings shall be made in conformity with the procedures and requirements established by the MSRB in effect at the time of such filing.

5. Beneficiaries; Limitation of Remedies Hereunder. This Agreement is for the benefit of the holders of the Bonds and shall be enforceable by such holders, subject to the limitations herein. The University shall never be subject to money damages in any sum or amount, whether compensatory, punitive or otherwise, for its failure to comply with its obligations contained herein. The only remedy available to the holders of the Bonds for breach by the University of its obligations hereunder shall be the remedy of specific performance or mandamus against the appropriate officials of the University to obtain performance of the University's obligations hereunder. No failure by the University to comply with the provisions of this Agreement shall be an event of default with respect to the Bonds under the Indenture.

6. Responsibility for Compliance.

(a) No person other than the University shall have any liability or responsibility for compliance by the University with its obligations under this Agreement. The Trustee has undertaken no responsibility with respect to any reports, notices or disclosures required by this Agreement or the Rule.

(b) The University will pay all costs incurred in connection with the performance of its obligations under this Agreement, including without limitation the fees and expenses of any dissemination agent, consultants, advisers, accountants, legal counsel or other persons that may be retained by the University to assist in the performance of the University's obligations.

7. Amendment; Waiver. Notwithstanding any other provision of this Agreement, the University may amend this Agreement and any provision of this Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws, to the effect that such amendment or waiver would not cause the undertakings herein to violate the Rule taking into account any subsequent change in or official interpretation of the Rule.

8. Termination. The University reserves the right to terminate its obligation to provide an Annual Report, audited financial statements and notices of material events, as set forth above, if and when the University no longer remains an obligated person with respect to the Bonds within the meaning of the Rule.

9. Contract Formed. This Agreement shall constitute a contract between the University and the holders from time to time and at any time of the Bonds, but no other person, firm or corporation shall have any rights hereunder.

[Balance of page intentionally left blank]

IN WITNESS WHEREOF, this Agreement has been duly authorized by the University and has been executed by and on behalf of the University by its duly authorized officer, all as of the 15th day of June, 2017.

UNIVERSITY OF SOUTH ALABAMA

By: _____

Its: _____

EXHIBIT A



UNIVERSITY OF SOUTH ALABAMA



UNIVERSITY OF SOUTH ALABAMA
CAMPUS MASTER PLAN 2017–2027



UNIVERSITY OF SOUTH ALABAMA CAMPUS MASTER PLAN 2017–2027

Dear USA Community,

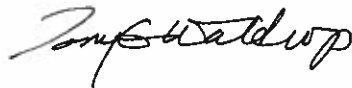
A thorough and comprehensive planning process allows us to reflect on the past and to use our experiences to create an even greater future. The University of South Alabama's Campus Master Plan is the culmination of an extensive, campus-wide planning effort. It illustrates the tremendous growth the University has experienced in the last seven years.

We have added new buildings, which are the projects that we all see, but we also have improved our infrastructure in ways that are not always visible – such as Wi-Fi access and building security – but are critical to our mission. As we look back, we are proud of our accomplishments, and as we look toward the next decade, we are excited to continue the careful stewardship of our physical resources.

The University of South Alabama Campus Master Plan (2017-2027) will guide future decisions about the long-term growth of physical facilities, including new buildings. It also will help us identify needs such as building renovation and restoration projects and other infrastructure that are critical to advancing the mission of the University.

In addition, this plan places focus on maintaining campus green spaces, attending to environmental needs, and designing spaces that meet the needs of students, faculty, and staff. As one of the region's largest employers and economic drivers, our commitment to the City of Mobile, the State of Alabama, and the region includes an obligation to build and maintain world-class facilities.

As the higher education landscape undergoes rapid change and transformation in 2017, I am proud that our plan provides sound guidance for future decisions based on data while remaining responsive and nimble in the face of fluctuating environments. We are working hard to build and maintain a strong, sustainable campus that maximizes the academic, social, research and public service mission of our institution.



Tony G. Waldrop
President

Table of Contents

| | |
|--|-----------|
| 1. Introduction & Purpose | 1 |
| Introduction..... | 2 |
| University Mission, Vision, and Strategic Plan | 2 |
| Campus Facilities Master Plan Committee | 4 |
| University Space and Facilities Committee..... | 5 |
| The Board of Trustees Long Range Planning Committee | 5 |
| Brief Overview of Assessment and Use of Data in the Planning Process | 5 |
| 2. Existing Inventory & Analysis | 7 |
| Inventory and Analysis | 8 |
| Significant Developments since 2010 | 9 |
| Land Use Zones..... | 10 |
| Campus Map | 11 |
| Map 1: Campus Zone Plan..... | 12 |
| 3. Programming Plan | 13 |
| 2017-2027 Program Plan | 14 |
| Table 1: Program Plan - Building Descriptions..... | 16 |
| 4. Additional Plans for Infrastructure, Technology, and Safety and Security | 20 |
| Parking, Transportation and Circulation..... | 21 |
| Map 2: Campus Zone Parking | 22 |
| Map 3: Campus Circulation Plan..... | 23 |
| Map 4: Campus Transit Route | 24 |
| Main Campus Infrastructure | 25 |
| Open Space/Grounds and Landscaping | 26 |
| Map 5: Campus Open Space Plan | 27 |
| Signage/Wayfinding | 28 |
| Technology..... | 28 |
| Security and Safety Recommendations | 29 |
| AED (Automatic External Defibrillator) Locations | 32 |
| Other USA Facilities..... | 33 |
| Acknowledgments | 37 |

Board of Trustees Membership

Kay Ivey

ex officio, Chair
Governor, State of Alabama
Sworn in 2017

Katherine Alexis Atkins

Mobile County
Business Administration
Appointed 2016

Chandra Brown Stewart

Mobile County
Business Administration
Appointed 2014

Scott A. Charlton

25th District
Coffee and Crenshaw Counties
Physician
Appointed 2007

E. Thomas Corcoran

21st District
Baldwin and Escambia Counties
Business Administration
Appointed 2010

Steven P. Furr

19th District
Choctaw, Clarke, and Washington Counties
Physician
Appointed 2006

Robert D. Jenkins III

United States at Large
Business Administration
Appointed 2014

Bettye R. Maye

20th District
Marengo and Sumter Counties
Retired Educator
Appointed 1993

Arlene Mitchell

Secretary
33rd District
Mobile County
Philanthropist and Civic Volunteer
Appointed 2007

Bryant Mixon

State at Large
Retired Sheriff
Appointed 2001

John M. Peek

17th District
Butler, Conecuh, and Covington Counties
Attorney
Appointed 2006

James H. Shumock

Vice Chair
State at Large
Business Administration
Appointed 2010

Kenneth O. Simon

Chair pro tempore
State at Large
Attorney
Appointed 2009

Steven H. Stokes

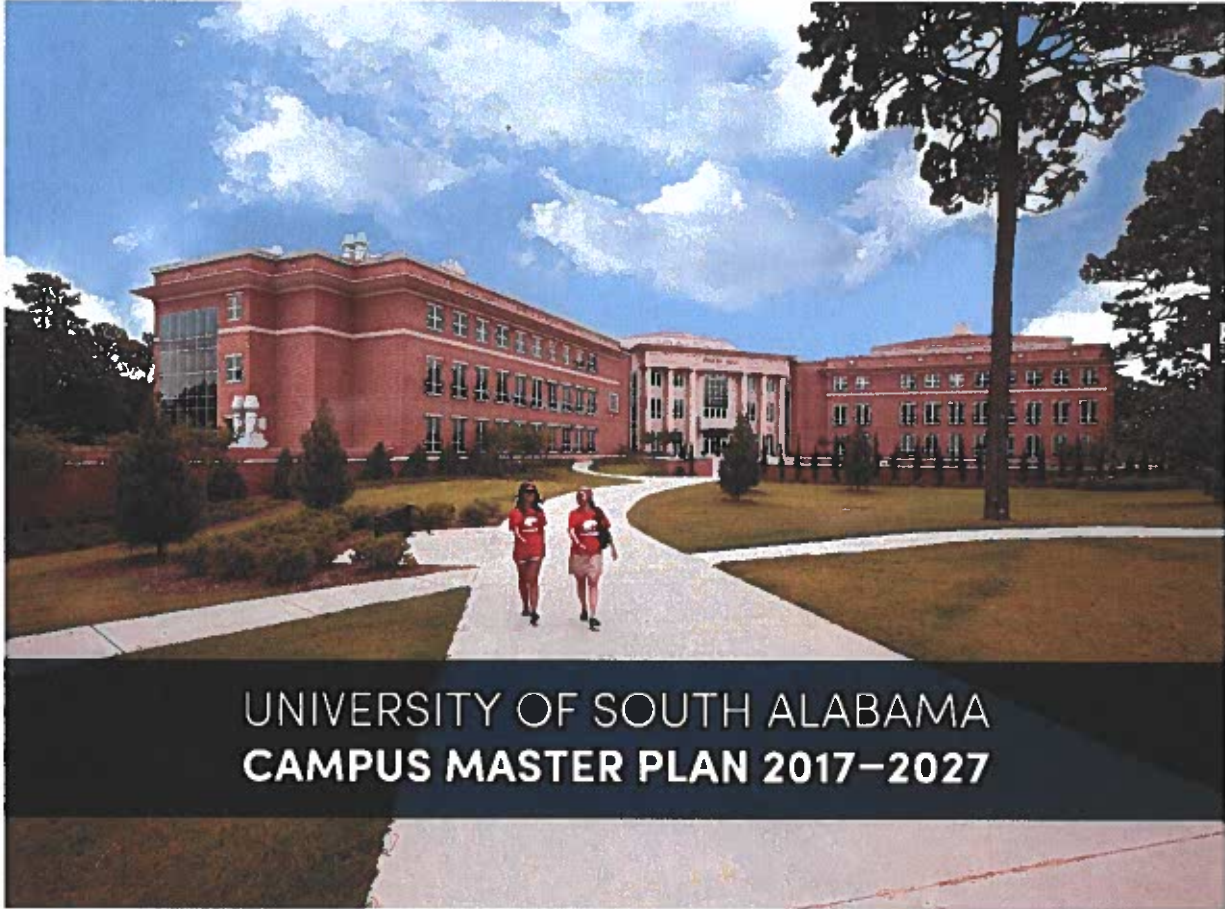
35th District
Henry and Houston Counties
Physician
Appointed 1993

Michael P. Windom

State at Large
Attorney
Appointed 2014

James A. Yance

State at Large
Attorney
Appointed 2006



UNIVERSITY OF SOUTH ALABAMA
CAMPUS MASTER PLAN 2017–2027

1

INTRODUCTION AND PURPOSE

Introduction

The University of South Alabama has a complex array of physical facilities and infrastructure needs. Additionally, the campus' physical facilities must serve the needs of a diverse campus population with a complex mission including academic, research, and business enterprises. Thus, the campus engages in regular assessment of its physical facilities at least every 10 years and develops a visionary and long-term plan for the physical infrastructure of its campus.

The Campus Master Plan Committee is charged to produce the Campus Master Plan. Committee members review and reflect on the previous plan and use multiple sources of data to assess the University's current needs and to update the University's Campus Master Plan. Ultimately, the plan serves to 1) communicate a historical narrative of the University's development of physical facilities, 2) identify the University's needs for future development of physical facilities and infrastructure, and 3) establish a program plan that will guide decision-making in prioritizing future capital projects.

University Mission, Vision, and Strategic Plan

Mission

The University of South Alabama, with a global reach and special focus on the Gulf Coast, strives to make a difference in the lives of those it serves through promoting discovery, health, and learning.

Vision

The University of South Alabama will be a leading comprehensive public university internationally recognized for educational, research, and health care excellence as well as for its positive intellectual, cultural, and economic impact on those it serves.

Strategic Plan

Essential activities: While the Strategic Plan highlights those areas of work upon which the University will place special emphasis, success in any area is dependent also upon effectively engaging in the following activities:

- ✓ Engaging and developing faculty and staff and supporting their efforts in advancing the mission and priorities
- ✓ Being fiscally responsible
- ✓ Meeting development and fund-raising targets
- ✓ Implementing marketing and communications strategies
- ✓ Engaging alumni

The University of South Alabama Strategic Plan is organized around *five* institutional priorities:

1. Student Success and Access
2. Enhancement of Research and Graduate Education
3. Global Engagement
4. Excellence in Health Care
5. University-Community Engagement

Student Success and Access: To develop, implement, and assess initiatives and practices to ensure all students are offered the resources, structure, and relationships necessary for high-quality learning, academic persistence, and degree completion.

- ✓ Objective 1.1: Increase the persistence, progression, and degree completion of undergraduate and graduate students.
- ✓ Objective 1.2: Ensure students are meeting learning outcomes established by the faculty.

- ✓ Objective 1.3: Ensure recruitment and admission of a high-quality, diverse student body that is well prepared for college study and representative of the racial/ethnic, gender, and social class diversity of the region.
- ✓ Objective 1.4: Increase students' access to a diverse faculty and staff among whom students may find exemplars and mentors.
- ✓ Objective 1.5: Increase faculty and student engagement through excellence in instruction, advising, and academic/professional mentorship.
- ✓ Objective 1.6: Offer student programming that increases student engagement with the University and meets co-curricular learning outcomes established by Student and Academic Affairs.
- ✓ Objective 1.7: Provide a safe and civil environment.
- ✓ Objective 1.8: Increase enrollment in a fiscally responsible manner while strengthening academic standards for admission.

Enhancement of Research and Graduate Education: To increase USA's productivity in discovery, research, scholarship, and creative activities and ensure excellence in graduate education.

- ✓ Objective 2.1: Increase resources and infrastructure to support faculty research and scholarly activity.
- ✓ Objective 2.2: Increase the recognition for excellence of graduate programs.
- ✓ Objective 2.3: Increase opportunities for undergraduate and graduate students to participate with faculty in research, discovery, and creative activities.
- ✓ Objective 2.4: Provide support for Health System and University partnerships in inter-disciplinary collaborative research projects, grants, contracts, and translational research projects.
- ✓ Objective 2.5: Increase the number of regional, national, and international collaborations in research, scholarly, and creative activities.
- ✓ Objective 2.6: Advance entrepreneurial activities that support the development of new technologies.
- ✓ Objective 2.7: Increase the dissemination and impact of research and scholarship produced by USA faculty and postdoctoral fellows on Mobile, nationally and internationally.
- ✓ Objective 2.8: Increase faculty participation in making application for and securing external funding.

Global Engagement: To strengthen the connections and collaborations between the University and the larger world by enhancing faculty, staff, and students' international experiences and their understanding of other societies and cultures among faculty, staff, and students.

- ✓ Objective 3.1: Increase the diversity of the international student body.
- ✓ Objective 3.2: Increase the incorporation of global perspectives into the educational environment.
- ✓ Objective 3.3: Increase engagement with international businesses and organizations especially those with a local presence.

Excellence in Health Care: To actively participate in research, to educate healthcare professionals, and to be the region's leader in patients' access to care, outcomes, and satisfaction by providing health care that uses an interprofessional approach, is efficient, and is informed by research and education

- ✓ Objective 4.1: Achieve exceptional patient quality and satisfaction for the USA Hospitals, Clinics and the Mitchell Cancer Institute in comparison to peer groups.
- ✓ Objective 4.2: Adapt to reimbursement changes based on patient outcomes and value to provide financial stability and a quality teaching environment.
- ✓ Objective 4.3: Ensure excellence in the educational outcomes for health professionals.

University-Community Engagement: To define, support, and strategically advance the University of South Alabama's commitment to ongoing, permanent, sustainable, and mutually beneficial partnerships with the communities it serves.

- ✓ Objective 5.1: Increase experiential learning opportunities for USA students in the private and public sectors.
- ✓ Objective 5.2: Increase strategic engagement of faculty, staff, and students with business, government, non-profit and other organizations directly involved in regional economic, civic, and cultural development.
- ✓ Objective 5.3: Increase University outreach to encourage community participation in University-life.

The Campus Facilities Master Plan Committee: Mission and Membership

The mission of the Campus Master Plan Committee is to monitor and periodically update the University's Campus Master Plan.

The committee was appointed in March 2016 and completed its work in June 2017. All of the following people were members of the committee during that time:

| Name | Title and/or Role |
|--------------------|--|
| Tony G. Waldrop | President |
| G. David Johnson | Provost and Senior Vice President, Academic Affairs |
| G. Scott Weldon | Vice President, Finance and Administration |
| Joe Busta | Vice President, Development and Alumni Relations (retired) |
| Chris Cannon | Assistant Vice President, Information Technology |
| Lynne Chronister | Vice President, Research and Economic Development |
| Joshua Cogswell | Director, University Development |
| Angela Coleman | Associate Vice President, Institutional Effectiveness |
| Joshua Crownover | President, Student Government Association (2016-2017) |
| Sam Fisher | President, Faculty Senate (2016-2017) |
| Andi Kent | Dean, College of Education |
| Mike Mitchell | Vice President, Student Affairs and Dean of Students |
| Randy Moon | Associate Vice President, Facilities |
| Ravi Rajendra | President, Student Government Association (2015-2016) |
| Susan Sansing | Assistant Dean, College of Medicine Finance and Administration |
| Jimmy Shumock | Trustee |
| John Smith | Executive Vice President |
| Troy Stevens | Chair, Physiology and Cell Biology |
| Carl Thomas | President, Student Government Association (2017-2018) |
| Kevin West | President, Faculty Senate (2015-2016) |
| Elizabeth Vandewaa | President, Faculty Senate (2017-2018) |

The University Space and Facilities Committee: Charge and Membership

The University Facilities and Space Committee is charged with the allocation and assignment of existing University space assets among divisions and departments subject to availability. The committee makes such allocations based on requests from University administrators along with its assessment of the highest and best use of existing University space.

The Facilities and Space Committee is appointed by the University president and consists of the following individuals:

- ✓ Faculty Senate President
- ✓ Provost and Senior Vice President for Academic Affairs
- ✓ Associate Vice President for Facilities Management
- ✓ Executive Vice President
- ✓ Vice President for Finance and Administration, (Committee Chair)

The Board of Trustees Long-Range Planning Committee: Charge and Membership

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.

2015-2016 Committee Membership:

- ✓ James H. Shumock, Chair
- ✓ Chandra Brown Stewart
- ✓ Bettye R. Maye
- ✓ Bryant Mixon
- ✓ John M. Peek
- ✓ William S. Stimpson
- ✓ Michael P. Windom

2016-2017 Committee Membership:

- ✓ Michael P. Windom, Chair
- ✓ Chandra Brown Stewart, Vice Chair
- ✓ Robert D. Jenkins III
- ✓ Bettye R. Maye
- ✓ James H. Shumock

Brief overview of assessment and use of data in the planning process

During the fall 2016 semester, the office of institutional effectiveness conducted focus groups and surveys to gather perception data from faculty, staff, and students about facilities on the University's campus. Eight focus groups were held with at least one group for each of the following constituencies on campus:

- ✓ Student Government Association Representatives
- ✓ Faculty
- ✓ Staff
- ✓ Faculty Senate Executive Committee
- ✓ Deans' Council
- ✓ President's Council

More than 50 people participated across all the groups and responded to three questions:

1. What elements from the 2010 Campus Master Plan Program Plan that we didn't complete should be carried over to the 2017 Campus Master Plan?
2. What current needs would you identify for inclusion in the 2017 Campus Master Plan?
3. What future needs can you identify that should be included in the 2017 Campus Master Plan?

In addition to identifying current and future needs, participants also prioritized their responses, and information gleaned from the focus groups was used in the University-wide surveys.

After the focus groups, three surveys were administered: one for each group of faculty, staff, and students. Survey participants included **353 faculty (33% response rate)**, **445 staff (45% response rate)**, and **225 students (6% response rate)**. Each survey included items asking participants about their perceptions of campus facilities and infrastructure (e.g., availability of Wi-Fi and/or commitment to sustainable practices). Data from both the surveys and the focus groups helped frame early discussions among members of the 2017 Campus Master Plan Committee.

Information about the buildings most in need of repair and/or renovation, student needs for study space, and faculty/staff needs for office space, are just a few of the findings from the data collection that the Committee used in its deliberation. Combined with the expertise and knowledge of Committee members, the data confirmed hypotheses about what should be included in the 2017 Campus Master Plan and/or provided fodder for meaningful discussion of needs and/or issues that had not been previously identified. The Program Plan that follows represents the culmination of the Committee's use of data to inform the development of the Master Plan and facilities needs for the next 10 years.



UNIVERSITY OF SOUTH ALABAMA
CAMPUS MASTER PLAN 2017–2027

2

EXISTING INVENTORY AND ANALYSIS

Existing Inventory and Analysis

Physical Location

The University of South Alabama is located in Mobile, Alabama, approximately 140 miles east of New Orleans and 240 miles west of Tallahassee, Florida. With a population of almost 400,000 people, Mobile is the second-largest metropolitan area in Alabama. Due to its unique setting on the western shore of Mobile Bay, with direct access to the Gulf of Mexico and Alabama's inland waterways, Mobile has become a major port city. While trade and shipbuilding have always been mainstays of the local economy, aerospace, petrochemical, and steel manufacturing have become major factors in the growth and development of the area. The expansion of the City has traditionally occurred from east to west, and the University of South Alabama was originally sited to take advantage of this pattern of growth. The main campus is located approximately nine miles west of the central business district on a 1,200 acre site, bounded by Old Shell Road on the south and University Boulevard on the east. The main campus is within close proximity to the Mobile Regional Airport, and the City's major interstate highways: I-65, providing access to the Campus from central and northern Alabama, and I-10, providing access from the Florida panhandle, and the Mississippi gulf coast. The main Campus is bordered primarily by single-family residential neighborhoods; however, a mix of multi-family apartments available for student occupancy and light commercial structures characterize the south, Old Shell Road, boundary. The campus itself is relatively wooded with native pine predominating. The terrain slopes gently to a watershed that bisects the north central portion of the campus. While the eastern and southern sections of the campus are more developed, the northern and western sections are still relatively untouched. The heavily wooded area to the north has been dedicated for use by the Technology and Research Park and the westernmost section, extending to Cody Road, has been reserved for future growth.

Institutional Characteristics

The University of South Alabama has experienced significant growth in the last seven years. Since 2010, the array of academic program choices has grown. In addition to its EdS and MD degrees, the University continues to offer baccalaureate, master's and doctoral degrees to meet the changing needs of today's society, businesses, and student interests:

| Degree-level | 2010 | 2017 |
|--------------|------|------|
| Bachelor's | 49 | 54 |
| Master's | 31 | 34 |
| Doctoral | 8 | 12 |

Source: The University of South Alabama Fact Book's 2009-2010 and 2016-2017 Table 4.1

On average, student enrollment also increases each year:

| | Enrollment | | | Student Characteristics | | | |
|-----------|------------|---------------------------------|----------------------------|-------------------------|--------------|----------------|---------------------------------|
| | Total (N) | Undergraduate/ Unclassified (N) | Graduate/ Professional (N) | Average Age (years) | In-State (%) | Ages 18-21 (%) | Students in Residential housing |
| Fall 2009 | 14,522 | 11,408 | 3,114 | 23.5 | 70.7 | 49.9 | 1,719 |
| Fall 2016 | 16,443 | 11,761 | 4,682 | 22.3 | 64.5 | 61.1 | 2,306 |

Source: The University of South Alabama Fact Book's 2009-2010 and 2016-2017 Table 3.1

Further, while many universities have seen declines in enrollment of traditionally-aged students living on campus, South Alabama has seen increases from 1,719 students residing in on-campus housing in 2010 to 2,306 students in 2016: an increase of 34%.

Overall, increases in academic programs, enrollment, and on-campus student residents place added pressure on facilities and infrastructure to meet the growing needs for student life and student activities, faculty, instruction and research labs, and improved technology. The Campus Master Plan Committee is confident the program plan presented here addresses the needs of the campus as currently identified while being flexible enough to allow the University to be nimble enough to change as needed. For more information about the University, please refer to our University Fact Book, which can be found at <http://www.southalabama.edu/departments/institutionalresearch/factbook.html>.

Significant Developments since 2010

General campus developments and improvements since 2010 include main entrance portals, a bell tower and plaza, new buildings, major building renovations, new campus signage, and a new roadway.

Campus entrance portals added to the entrances at USA South Drive, USA North Drive, and Stadium Drive define the entrances to main campus and identify the main roads onto the campus. A new campus identification sign at the corner of University Boulevard and Old Shell Road and the Moulton Bell Tower and Plaza share the same design characteristics as the entrance portals. The Moulton Bell Tower serves as a campus landmark and provides a gathering space for students and the community. A new roadway connecting Health Services Drive to the Technology and Research Park entrance road is open and provides a new entrance to the north end of main campus.

The new buildings (see campus map) added to main campus have provided new classroom and laboratory space to the campus inventory and provided opportunities for renovating and repurposing existing buildings. New buildings added since 2010 are:

1. Student Recreation Center (#108) – provides a state-of-the-art exercise and fitness facility that offers a wide array of activities.
2. Dining Facility (#109) – centrally located in the Housing area of campus to meet the needs of the student population.
3. Faculty Club (#111) – provides a gathering space for faculty, staff and students.
4. Stokes Hall (#110) and New Hall (completed 2014) (#27) – new residence halls that provide on-campus housing.
5. Glass Arts Building (#114) – state-of-the-art glass blowing facility.
6. Shelby Hall (#106) – new building for College of Engineering and School of Computing.
7. Softball Stadium and Softball Hitting Facility – provide new facilities for the softball team.

Major Building Renovations and other projects since 2010:

1. Communication Building (#34) – provides classrooms, classroom laboratories, and administrative space for Department of Communication
2. Science Laboratory Building (#35) – provides new freshman Chemistry laboratories, classrooms, and faculty offices
3. Athletics Annex (#33) – provides locker room facilities for the Track Teams and administrative offices for Athletics
4. Development Services Building (#18) and Mobile Townhouse (#72) – provides administrative space for the Office of Development
5. Innovation in Learning Center (#38) – provides classroom and administrative space for the Innovation in Learning Center
6. Educational Services Building (#40) – provide administrative and student service space to Student Disability Services, Upward Bound and Educational Talent Search
7. Student Health Center (#39) – new home for the Student Health Center in the center of main campus
8. Epsilon I (#36) and II (#37) – provides updated housing for on-campus students

9. Gamma Halls 5-9 (#45-49): updated bathrooms
10. Beta, Stokes, and New Halls: Replaced HVAC systems
11. Delta 5: replaced sheetrock
12. University Commons (#93) – provide classroom, laboratory, clinic and administrative space for Department of Psychology and College of Education
13. Life Sciences Building (#65) and Life Sciences Lecture Hall (#66) – provide classroom, laboratory, and administrative space for Departments of Biology, Earth Sciences, and Marine Biology
14. The Doy Leale McCall Rare Book and Manuscript Library (#94) – located within the Marx Library, the McCall Library provides a new home for the relocated USA Archives.
15. Student Center renovation (#86)
16. Academic Services Center renovation (#87)
17. Completed Aubrey Green Drive extension between main campus and the Technology and Research Park

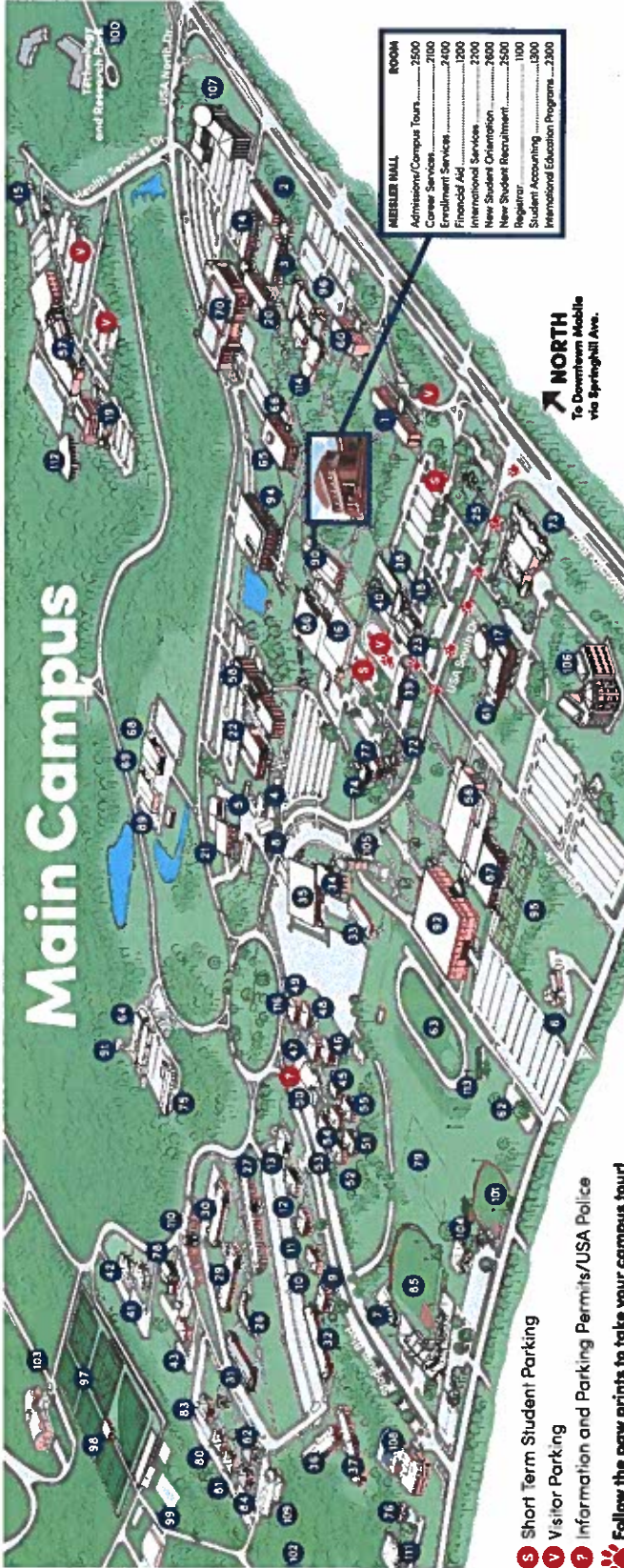
Projects under Construction:

1. Indoor Practice Facility – provides indoor practice and gathering space
2. New Residence Hall (completed fall 2018) – provides on-campus housing
3. New substation – a new electrical sub-station to provide resources to the west side of campus and as a redundant power source.
4. New parking lot on Aubrey Green Drive to include faculty, staff, and student parking

Land Use Zones

The University of South Alabama has identified a number of campus zones (see map 1) based on principal use of the buildings within those designated areas. The zones include Academic, Administration/Student Services, Athletic, Student Housing, Recreation, Facilities Management, and Research Park. Since 2010, the University largely has maintained coherence within its zones even as building use has changed over the years.

Campus Map



| MISLEUR MALL | ROOM |
|----------------------------------|------|
| Admissions/Comps Tours | 2500 |
| Career Services | 2100 |
| Enrollment Services | 2400 |
| Financial Aid | 1200 |
| International Services | 2300 |
| New Student Orientation | 2600 |
| New Student Recruitment | 2500 |
| Registrar | 1100 |
| Student Accounting | 1800 |
| International Education Programs | 2300 |

- S** Short Term Student Parking
 - V** Visitor Parking
 - P** Information and Parking Permits/USA Police
- Follow the paw prints to take your campus tour!**

ALPHABETICAL LISTING OF FACILITIES

| | | | |
|--|----|--|-----|
| Academic Services Center | 87 | Dining Facility | 109 |
| Alpha Gamma Delta Sorority House | 80 | Education and Outreach Building | 19 |
| Alpha Hall East | 7 | Educational Services Building | 40 |
| Alpha Hall South | 3 | Epilon Residence Hall 1 | 36 |
| Alpha Omicron Pi Sorority House | 81 | Epilon Residence Hall 2 | 37 |
| Alumni Hall | 74 | F.P. Whiddon Administration Building | 1 |
| Archaeology Building | 6 | Faculty Club | 11 |
| Archaeology Lab 1 | 4 | Football Fieldhouse | 103 |
| Archaeology Lab 2 | 5 | Gamma Residence Hall 5 | 45 |
| Athletics Annex | 33 | Gamma Residence Hall 6 | 46 |
| Baptist Student Center | 13 | Gamma Residence Hall 7 | 47 |
| Band Practice Field Pavilion | 12 | Gamma Residence Hall 8 | 48 |
| Baseball Field House | 9 | Gamma Residence Hall 9 | 49 |
| Beta Apartment Residence Hall 1 | 11 | Gamma Residence Hall 10 | 51 |
| Beta Apartment Residence Hall 2 | 10 | Gamma Residence Hall 11 | 52 |
| Beta Apartment Residence Hall 3 | 11 | Gamma Residence Hall 12 | 53 |
| Beta Apartment Residence Hall 4 | 12 | Gamma Residence Hall 13 | 54 |
| Beta Apartment Residence Hall 5 | 13 | Gamma Residence Hall 14 | 55 |
| Bookstore | 16 | Glass Arts Building | 114 |
| Central Services Admin Building | 20 | Grounds | 75 |
| Control Utilities Plant | 21 | Health, Kinesiology and Sport Building | 56 |
| Chemistry Building | 22 | Health Sciences Building | 107 |
| Chi Omega Sorority House | 82 | Humanities Building | 58 |
| Communication Building | 34 | Innovation in Learning Center | 36 |
| Computer Services Center | 23 | Intramural Field House | 96 |
| Construction Svcs & Facilities Stockroom | 63 | Intramural Fields | 97 |
| Delta Commons | 26 | Jaguar Track | 83 |
| Delta Residence Hall 1 | 29 | Kappa Alpha Fraternity House | 42 |
| Delta Residence Hall 2 | 28 | Kappa Delta Sorority House | 43 |
| Delta Residence Hall 3 | 30 | Kappa Sigma Chapter Room | 116 |
| Delta Residence Hall 4 | 31 | Laboratory of Infectious Diseases | 112 |
| Delta Residence Hall 5 | 32 | Lodging-Performing Arts Center | 73 |
| Delta Residence Hall 6 | 32 | Life Sciences Building | 65 |
| Development and Services Building | 16 | | |

COLLEGES AND SCHOOLS

| | |
|--|-----|
| Pat Cappa Conroy College of Allied Health Professions | 107 |
| (251) 445-9260 3028 Health Sciences Building | |
| College of Arts and Sciences | 58 |
| (251) 460-6282 110 Humanities Building | |
| Mitchell College of Business | 17 |
| (251) 460-6419 103 Mitchell College of Business | |
| College of Education and Professional Studies | 83 |
| (251) 300-2738 3600 University Commons | |
| College of Engineering | 106 |
| (251) 460-6410 2114 Shelby Hall | |
| College of Medicine | 20 |
| (251) 341-3030 5795 USA Drive North | |
| College of Nursing | 107 |
| (251) 445-9400 3082 Health Sciences Building | |
| Graduate School | 1 |
| (251) 460-6310 301 F. Whiddon Administration Building | |
| Honors College | 77 |
| (251) 461-1637 Seaman's Bethel Theatre | |
| School of Computing | 106 |
| (251) 460-6390 2101 Shelby Hall | |

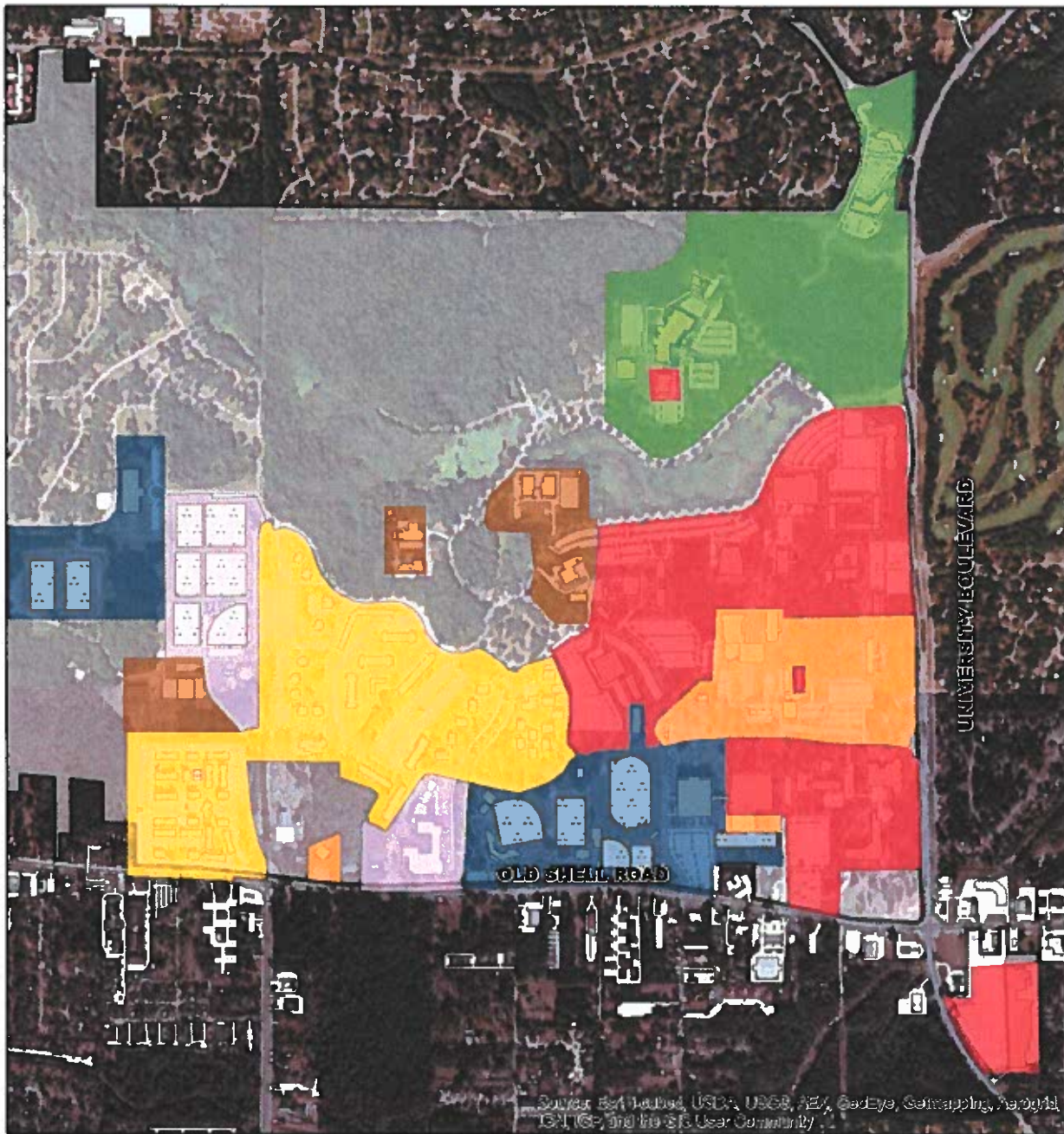
Life Sciences Lectures Hall

| | |
|--|-----|
| Life Sciences Lectures Hall | 65 |
| Monterea Garage | 68 |
| Marching Band Drill Field | 62 |
| Merrill Library | 94 |
| Natural Science and Physical Science Building | 60 |
| Medical Sciences Building | 70 |
| Meister Hall | 50 |
| Mitchell Center | 32 |
| Mitchell College of Business | 17 |
| Michael Learning Resources Center | 61 |
| Mobile Townhouse | 72 |
| Moulton Tower and Alumni Plaza | 105 |
| New Hall | 108 |
| Outdoor Recreation | 76 |
| Pi Kappa Alpha Fraternity House | 41 |
| Pi Kappa Phi Fraternity House | 43 |
| Property Inventory Warehouse | 64 |
| Science Laboratory Building | 35 |
| Seaman's Bethel Theatre/Treatment Storage & Disposal | 91 |
| Seaman's Commons | 77 |
| Shelby Hall | 106 |
| USA Delta Sorority House | 78 |
| USA Phi Kappa Chapter Room | 50 |
| Soccer Fields | 79 |
| Softball Field | 101 |
| Softball/Soccer Fieldhouse | 104 |

NUMERICAL LISTING OF FACILITIES

| | |
|----------|--|
| 1..... | F.P. Whiddon Administration Building |
| 2..... | Alpha Hall East |
| 3..... | Alpha Hall South |
| 4..... | Archaeology Lab 1 |
| 5..... | Archaeology Lab 2 |
| 6..... | Baptist Student Center |
| 7..... | Baseball Field House |
| 8..... | Archaeology Building |
| 9..... | Beta Apartment Residence Hall 1 |
| 10..... | Beta Apartment Residence Hall 2 |
| 11..... | Beta Apartment Residence Hall 3 |
| 12..... | Beta Apartment Residence Hall 4 |
| 13..... | Beta Apartment Residence Hall 5 |
| 14..... | Charles M. Baugh Biomedical Library |
| 15..... | USA/BMA Dialysis Center |
| 16..... | Bookstore |
| 17..... | Mitchell College of Business |
| 18..... | Development and Services Building |
| 19..... | Education and Outreach Building |
| 20..... | Central Services Admin Building |
| 21..... | Central Utilities Plant |
| 22..... | Chemistry Building |
| 23..... | Computer Services Center |
| 25..... | Tholos of Delphi Replica |
| 26..... | Delta Commons |
| 27..... | New Hall |
| 29..... | Delta Residence Hall 3 |
| 30..... | Delta Residence Hall 4 |
| 31..... | Delta Residence Hall 5 |
| 32..... | Delta Residence Hall 6 |
| 33..... | Athletics Annex |
| 34..... | Communication Building |
| 35..... | Science Laboratory Building |
| 36..... | Epsilon Residence Hall 1 |
| 37..... | Epsilon Residence Hall 2 |
| 38..... | Innovation in Learning Center |
| 39..... | Student Health Center |
| 40..... | Educational Services Building |
| 41..... | Pi Kappa Alpha Fraternity House |
| 42..... | Kappa Alpha Fraternity House |
| 43..... | Pi Kappa Phi Fraternity House |
| 45..... | Gamma Residence Hall 5 |
| 46..... | Gamma Residence Hall 6 |
| 47..... | Gamma Residence Hall 7 |
| 48..... | Gamma Residence Hall 8 |
| 49..... | Gamma Residence Hall 9 |
| 50..... | USA Police/Beta-Gamma Commons |
| 51..... | Gamma Residence Hall 0 |
| 52..... | Gamma Residence Hall 1 |
| 53..... | Gamma Residence Hall 2 |
| 54..... | Gamma Residence Hall 3 |
| 55..... | Gamma Residence Hall 4 |
| 56..... | Health, Kinesiology and Sport Building |
| 57..... | Technology and Research Park, Building III |
| 58..... | Humanities Building |
| 60..... | Mathematical Sciences and Physics Bldg. |
| 61..... | Mitchell Learning Resource Center |
| 62..... | Marching Band Drill Field |
| 63..... | Jaguar Track |
| 64..... | Property Inventory Warehouse |
| 65..... | Life Sciences Building |
| 66..... | Life Sciences Lecture Hall |
| 68..... | Maintenance Garage |
| 69..... | Construction Svcs & Facilities Stockroom |
| 70..... | Medical Sciences Building |
| 72..... | Mobile Townhouse |
| 73..... | Laidlaw Performing Arts Center |
| 74..... | Alumni Hall |
| 75..... | Grounds |
| 76..... | Outdoor Recreation |
| 77..... | Seaman's Bethel Theatre/Honors College |
| 78..... | Sigma Chi Fraternity House |
| 79..... | Soccer Fields |
| 80..... | Alpha Gamma Delta Sorority House |
| 81..... | Alpha Omicron Pi Sorority House |
| 82..... | Chi Omega Sorority House |
| 83..... | Kappa Delta Sorority House |
| 84..... | Phi Mu Sorority House |
| 85..... | Stanky Field |
| 86..... | Student Center |
| 87..... | Academic Services Center |
| 89..... | Telecommunications Building |
| 90..... | Meister Hall |
| 91..... | Treatment Storage & Disposal |
| 92..... | Mitchell Center |
| 93..... | University Commons |
| 94..... | Marx Library |
| 95..... | Varsity Tennis Courts |
| 96..... | Visual Arts Complex |
| 97..... | Intramural Fields |
| 98..... | Intramural Field House |
| 99..... | Transportation Services |
| 100..... | Technology and Research Park |
| 101..... | Softball Field |
| 102..... | The Grove |
| 103..... | Football Fieldhouse |
| 104..... | Softball/Soccer Fieldhouse |
| 105..... | Moulton Tower and Alumni Plaza |
| 106..... | Shelby Hall |
| 107..... | Health Sciences Building |
| 108..... | Student Recreation Center |
| 109..... | Dining Facility |
| 110..... | Stokes Hall |
| 111..... | Faculty Club |
| 112..... | Laboratory of Infectious Diseases |
| 113..... | Band Practice Field Pavilion |
| 114..... | Glass Arts Building |
| 115..... | USA Mail Hub |
| 116..... | Kappa Sigma Chapter Room |

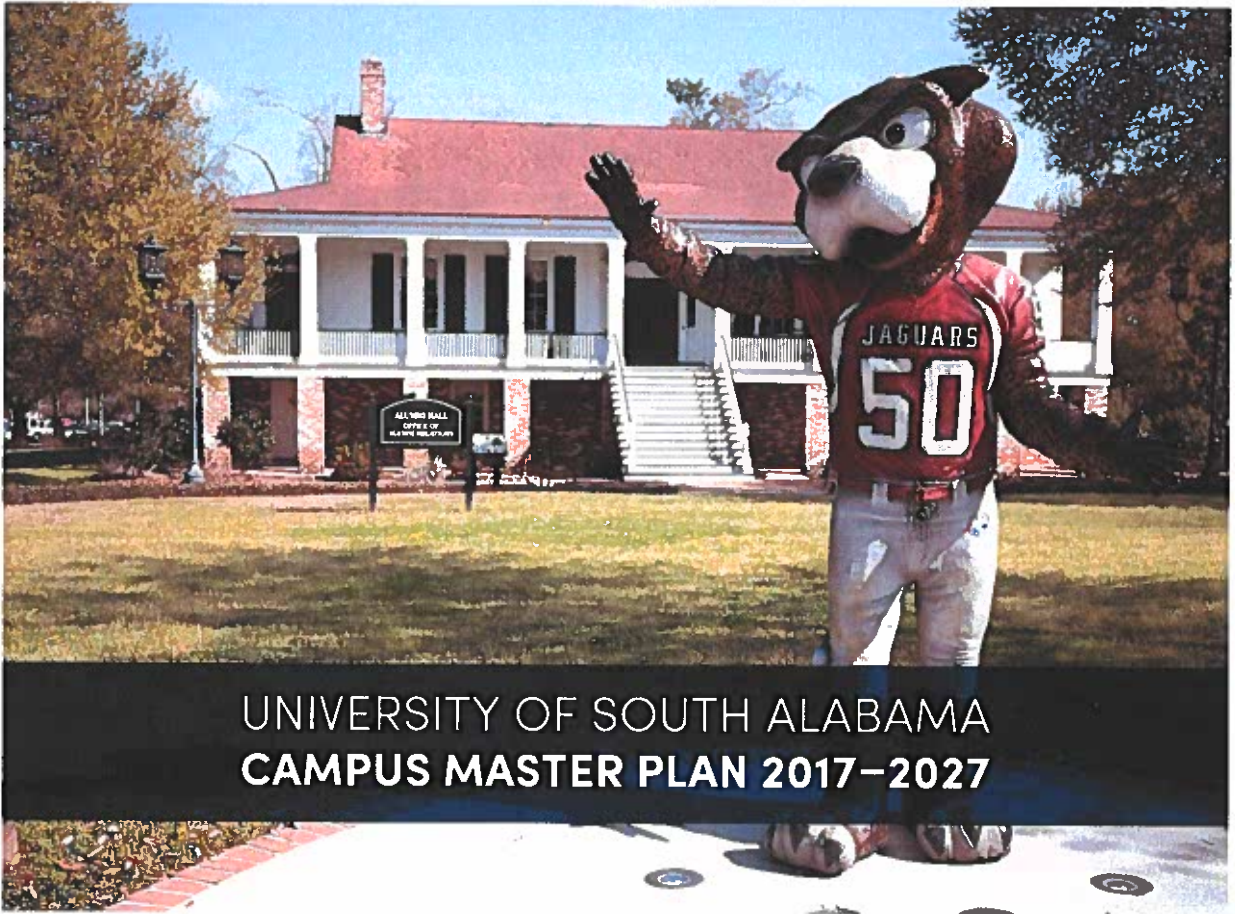
Map 1: Land Use Zones and Building locations



Existing Campus Building/Zone Plan



| Legend | | | |
|---|---|--|--|
| ■ Academic | ■ Athletic | ■ Recreation | ■ Research Park |
| ■ Administration/Student Services | ■ Student Housing | ■ Facilities Management | |



UNIVERSITY OF SOUTH ALABAMA
CAMPUS MASTER PLAN 2017–2027

3

PROGRAM PLAN

2017–2027 Program Plan

Several guiding principles were identified by the campus community and Campus Master Plan Committee. They are foundational to the future development of our physical facilities and infrastructure and will be used to guide and inform future capital projects.

- ✓ **Automated External Defibrillators (AED):** The number and placement of AEDs should be considered when new buildings are built or renovated.
- ✓ **Disability Access:** In addition to being ADA compliant, the needs of persons with disabilities should be assessed and considered in general campus planning such as where to place buildings (e.g., inclines) and access to services (e.g., as much as possible group together buildings that house similar services).
- ✓ **Instructional Space:** Learning/classroom spaces designed and furnished for active learning; Current best practices and campus-based needs for active learning should be assessed and recommendations provided in the development of learning and classroom spaces.
- ✓ **Lab Space:** Consideration of improvements to lab space as part of building renovation and replacement, should be made where applicable (e.g., LSCB and MSB). Current best practices and campus-based needs for research labs in the various disciplines should be assessed and recommendations provided to ensure the development of lab space in buildings that is appropriate in both size and equipment.
- ✓ **Office space:** The growth of faculty and staff along with student enrollment should be considered in the size of the facility and the amount of space dedicated to offices and administrative functions.
- ✓ **Parking:** The growth of facilities, including the addition of new buildings, requires careful evaluation of parking needs for students, staff and faculty and must be a primary consideration in planning.
- ✓ **Research Space:** Growth in the number of graduate and professional programs combined with recent advances with technology in nearly all disciplines are significant considerations in determining the amount and quality of research space and must be a factor in the development of new space.
- ✓ **Storage space:** Some administrative and student support units currently lease off-campus storage space. With respect to reducing costs and providing ease of access, the need for storage should be assessed explicitly and recommendations made for the consideration of storage space in the planning process.
- ✓ **Study Space:** As the student body and catalog of academic programs grow, the need for student study space must be assessed and considered in determining the amount of study space available to students.
- ✓ **Sustainability:** While LEED's certification may not be obtained, physical facilities should be renovated and/or built to LEED's standards with a specific focus on single-use bathrooms with showers.
- ✓ **Work/Life Balance:** University growth and advancement also require consideration of quality of life for employees and students. Space needs for activities such as lactation, worship, and fitness should be considered.

Program Plan

The 2017–2027 Program Plan provides the University's leadership guidance, direction, and prioritization for capital projects. The following list includes potential future building and/or renovation projects identified as high need by the campus community.

Buildings/Projects (alphabetical order) (see Table 1 for detailed descriptions)

1. Alumni Center*
2. Alpha Complex Renovation or Replacement
3. Central Services Administration Building (College of Medicine)
4. Conference Center and Hotel
5. Covered Practice Facility*
6. Delta Hall Complex Completion
7. Downtown Expansion

- 8. Football Stadium**
- 9. Humanities Renovation or Replacement**
- 10. Interdisciplinary Science Building:**
- 11. Library Renovation/Commons**
- 12. Life Sciences Building Renovation or Replacement**
- 13. Lung Biology Building**
- 14. Math Emporium**
- 15. Medical Sciences Building Renovation or Replacement**
- 16. Multipurpose Classroom Building**
- 17. New Residence Hall (to open fall 2018)***
- 18. Performing Arts Building**
- 19. Simulation Lab**
- 20. Student Center expansion**
- 21. Testing Center**
- 22. University Auditorium**
- 23. University Commons Relocation**

**denotes buildings already approved*

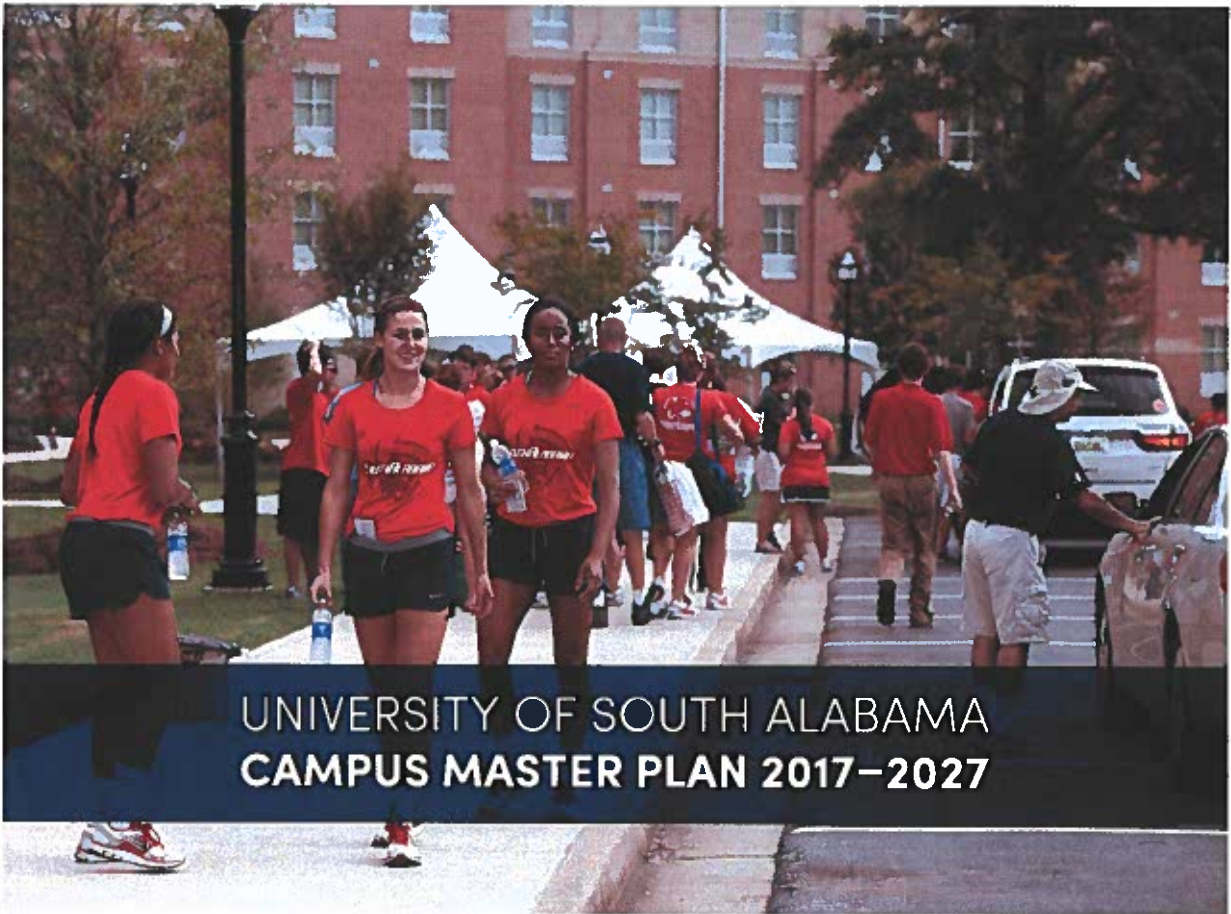
Table 1: Program Plan—Building Descriptions

| Building/Project | Function/Use | Audience | Secondary Use and Audience |
|---|--|---|--|
| Alumni Center | The main administrative office for the Office of Alumni Relations and center of activity for University alumni and donors. This includes administrative offices, large and small meeting spaces, and equipment storage in support of all alumni and university events. | University alumni, students and families, faculty and staff | Student and community organizations for social and/or educational events |
| Alpha Complex Renovation/Replacement | As a group, the buildings in the Alpha Complex are among the top five buildings most in need of renovation with regard to infrastructure and aesthetic improvements. The Alpha Complex is inclusive of Alpha Hall South, Alpha Hall East, the Biomedical Library and the College of Medicine Administrative Offices. | Current units housed in the Alpha Complex include: ROTC, Biomedical Library, College of Medicine Administration offices, English Language Center, USA Global administrative offices, and some academic programs | |
| Central Services Administration Building / College of Medicine | Included above in Alpha Complex. | College of Medicine Administration, Research Compliance, Safety and Environmental Compliance, and Risk Management | |
| Conference Center and Hotel | Whether University-sponsored or a public-private partnership, the conference center and hotel will support the general growth of University facilities and the ability to host large numbers of out-of-town guests that many USA units bring to campus. Also, the conference center and hotel would provide collaborative spaces and meeting rooms that support internal events and enhance the University's ability to host larger conferences. Last, the conference center and hotel could provide applied experiences for students in related majors (e.g., HTM). | Out-of-town guests and Hospitality and Tourism students | |
| Covered Practice Facility | Alternate practice location for athletics teams during inclement weather | Jaguar athletics teams, coaches and staff | University and community organizations for special events |

| Building/Project | Function/Use | Audience | Secondary Use and Audience |
|--|--|---|---|
| Delta Residence Hall Complex Completion | Ultimately, complete the demolition of the old Delta Halls and replace with modern residence halls that meet students' needs for housing, as well as dining, studying, and collaboration | Residential students | Housing and student affairs units that may provide programming in these dormitories |
| Downtown Expansion | To provide studio, instructional, meeting and commercial space for the Masters of Fine Arts Program, MBA program, and continuing education courses in Hospitality Tourism Management | Students, faculty, and staff engaged in instruction and study of the fine arts | Art patrons and others interested in purchasing student-produced artwork |
| Football Stadium | To support growth and advancement of the University's football program | USA football, students, faculty, staff, and community at-large | |
| Humanities Renovation or Replacement | The Humanities Building was identified among the top five buildings most in need of renovation with regard to infrastructure and aesthetic improvements. Further, it was consistently identified as a building needing renovation for disability access. Significant need for additional faculty and administrative office space could also be addressed in conjunction with the construction of an additional building. | Arts and Sciences administration, academic department faculty and staff in the humanities and social sciences, and related research centers | |
| Interdisciplinary Science Building | Support the advancement of research, extramural funding, and student instruction in the physical and life sciences and related majors. In addition to providing for quality research and lab space, the building should focus on enabling opportunities for interdisciplinary collaboration and providing students with modern technology in the classroom and additional study spaces. | Students, faculty, and staff engaged in instruction, study, and/or research in the physical and life sciences | |
| Library Renovation/ Library Commons | To expand opportunities for student engagement in the library including study space | Students, library administration | |

| Building/Project | Function/Use | Audience | Secondary Use and Audience |
|--|--|---|----------------------------|
| Life Sciences Building Renovation or Replacement | The Life Sciences Building was identified among the top five buildings most in need of renovation with regard to infrastructure and aesthetic improvements. | Faculty, staff, and students engaged in instruction and study in the Life Sciences Building | |
| Lung Biology Building | The Center for Lung Biology (CLB) research and patient care facility will: (1) consolidate faculty from the basic and clinical sciences into contiguous office and laboratory and educational space; (2) provide continuity among our basic, pre-clinical and clinical research programs; and, (3) optimize inter-disciplinary graduate and medical education in the pulmonary sciences. | Faculty, staff, and students, and patients | |
| Math Emporium | To provide instructional and testing space for Department of Mathematical Sciences students and faculty. | Students, faculty and staff engaged in instruction and study in the Department of Mathematical Sciences | |
| Medical Sciences Building Renovation or Replacement | The Medical Sciences Building was identified among the top five buildings most in need of renovation with regard to infrastructure and aesthetic improvements. Further, it was consistently identified as a building needing renovation for disability access. | Faculty, staff, and students engaged in instruction and study in the Medical Sciences Building | |
| Multipurpose Classroom Building | To support growth and expansion for instructional space that serves active learning, use of technology in the classroom, and other advancements in instructional pedagogy. | All academic units | |
| Performing Arts Building | Support the growth of the University's departments of Music and Theatre and Dance. Music programs have expanded since establishing a marching band; practice space is sparse, and seating in Laidlaw's auditoriums often does not meet the demand for ticket sales. This building also could meet the need to provide dedicated performing arts space for student use. | Performing arts disciplines including the departments of Music and Theatre and Dance; community members and patrons of musical and theatrical performances. | |

| Building/Project | Function/Use | Audience | Secondary Use and Audience |
|---------------------------------------|---|---|--|
| Simulation Laboratory Building | To provide instructional, laboratory, and meeting space for the health sciences students and faculty. | Students, faculty and staff engaged in instruction and study in health sciences degree programs | Community organizations and businesses |
| Student Center expansion | To support the expansion of campus life and the space needs of student organizations, student study space, and office and storage space for student affairs | Student organizations, students, student affairs administration | |
| Testing Center | To provide capacity for testing accommodations, proctored tests, and meeting other campus testing and instructional needs. The testing center could be large and modern enough to allow for USA to host other types of admissions and/or licensure testing for the region. | Campus students as well as other students/ individuals interested and /or required to partake in a standardized test in a testing environment | |
| University Auditorium | Provide a general space on campus that would serve 1,500 people or more and provide a space larger than the ballroom but smaller than the Mitchell Center. It could be attached to or easily accessible from/to the student center and could be used as academic/classroom space, and/or to stage performances and host large events. It should be modular and have the capacity to meet multiple needs at the same time. | University community and general community | |
| University Commons Relocation | Relocate the College of Education and Professional Studies to Main Campus | Faculty, staff, and students in the College of Education and Professional Studies. | |



UNIVERSITY OF SOUTH ALABAMA
CAMPUS MASTER PLAN 2017–2027

4

ADDITIONAL PLANS FOR
INFRASTRUCTURE, TECHNOLOGY,
AND SAFETY AND SECURITY

Parking, Transportation, and Circulation

[Transportation and Parking \(see map 2\)](#)

The zoned parking system currently in place on main campus is working well. Since 2010, the University added additional parking spaces to the parking space inventory. These additional spaces, in conjunction with the JagTran system, maintain an acceptable level of parking availability for students, faculty, and staff.

In addition to new parking lots planned as part of future projects (see below), the University will employ the use of a consultant to evaluate parking conditions on campus and make recommendations for future development in this area. Considerations regarding future parking development will include needs for reducing and/or improving traffic flow on campus, ensure safety for pedestrian traffic, and encourage environmental friendly transportation options such as using JagTran, bicycling, carpooling, etc.

Enhancements since 2010:

1. By evaluating the JagTran system on an annual basis, management can use feedback to make route adjustments and improve service. Implementation of the new JagTran Tracker app is an improvement that shows waiting passengers the location of the next bus and approximate wait time.
2. Facilities Management, in conjunction with the SGA and the Vanguard, presented proposed route changes for evaluation and approval. These newly implemented route changes improved traffic flow and reduced wait time.
3. By expanding the parking lot behind the fraternity houses, the University gained 128 additional parking spaces.
4. A new parking lot located on Health Services Drive and the Aubrey Green Drive extension will add an additional 250 parking spaces and new sidewalks facilitate pedestrian traffic between the Aubrey Green Road parking lot and the main campus.

Future Projects:

1. New parking lots planned for the west side of main campus will support additional parking requirements.
2. Consider installation of traffic circle at the intersection of North Drive and Health Services Drive.

[Campus Circulation \(see maps 3 and 4\)](#)

The University conducts an annual circulation evaluation to assure the students can move around campus freely and safely. Annual sidewalk inspections identify trip hazards and areas where additional sidewalks would improve circulation. The maintenance and grounds departments make repairs to correct any deficiencies. This includes evaluation for ADA compliance.

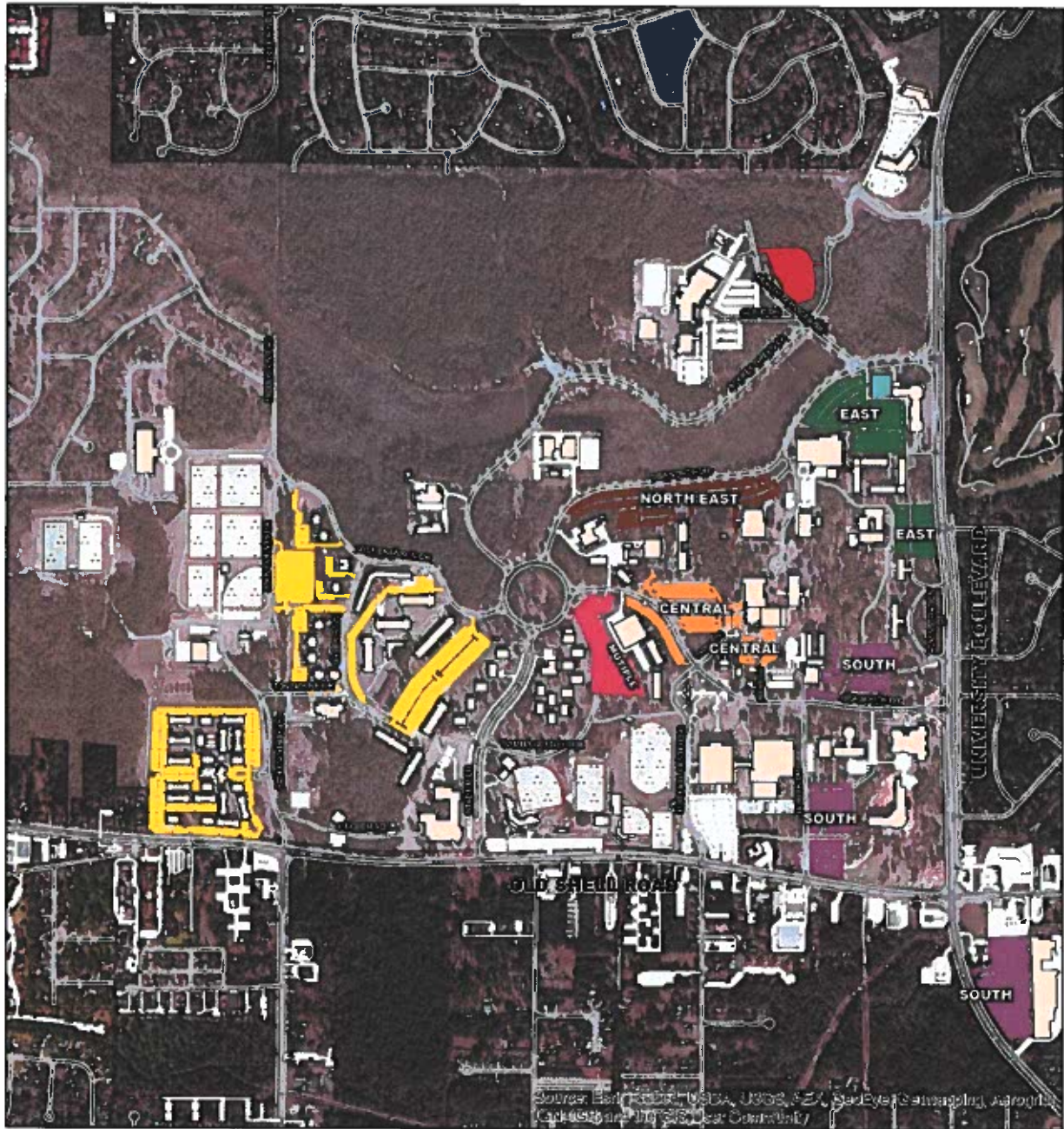
Enhancements since 2010:

1. The Stadium Drive controlled access crosswalk allows students walking from the housing area to cross safely.
2. Several crosswalk evaluations resulted in upgraded crosswalks that meet ADA regulations.
3. Crosswalks on South Drive and other locations on campus have a new design that promotes the Jaguar mascot.

Future Project:

1. By fall semester 2017, installation of a new controlled access crosswalk on South Drive at the Humanities parking lot will be complete.

Map 2: Campus Zone Parking Plan



Existing Campus Zone Parking Plan



| Legend | |
|--|--------------------------------|
| ■ | Parking Lot Under Construction |
| ■ | Future Building |
| ■ | Central |
| ■ | East |
| ■ | North/East |
| ■ | South |
| ■ | Central Gamma, South |
| ■ | Residential |
| ■ | Other Parking |




Map 3: Campus Circulation Plan



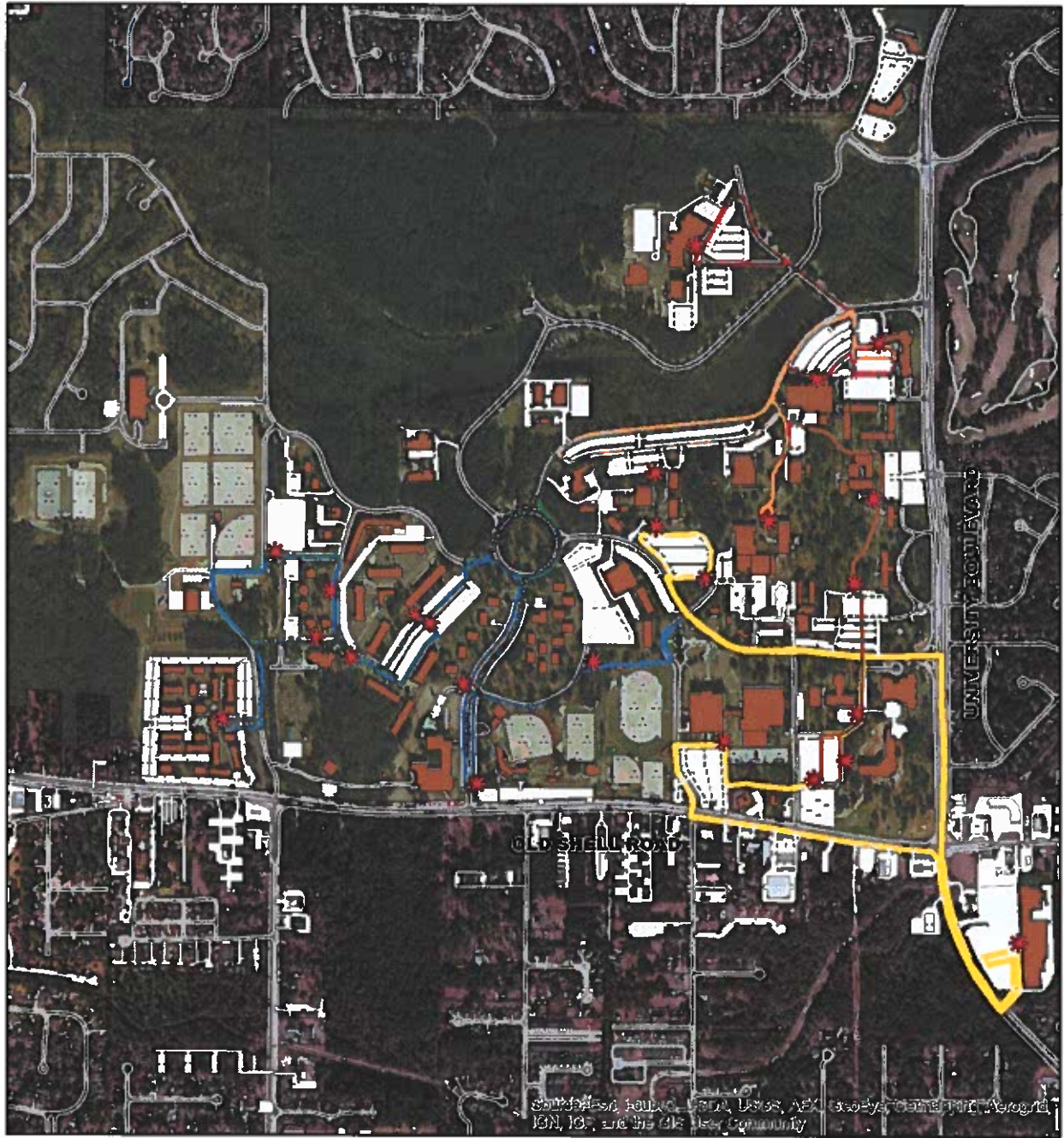
Existing Campus Circulation Plan



Legend

-  Road
-  Portal Entry
-  Entry Point

Map 4: Campus Transit Route Plan



Existing Campus Transit Route Plan



| Legend | |
|--------|--------------|
| | Jog in Stop |
| ROUTE | |
| | Blue |
| | Blue Return |
| | Green |
| | Green Return |
| | ORANGE |
| | RED |
| | Tan |
| | Yellow |

Main Campus Infrastructure

Utility Systems

Since 2010, enhancements and improvements to the Main Campus utility systems include:

1. Replacement of the Central Plant cooling towers
2. Addition of a 2,500 ton chiller at Central Plant
3. Chiller 3 rebuild
4. Control upgrades at satellite plant
5. Completion of variable speed pumping project
6. Mitchell Center storm water piping replacement
7. Replacement of five major air handlers
8. Upgrades at the main campus substation

2015 Utility Infrastructure Upgrade and Improvement Plan

During 2014–2015, the University of South Alabama (USA) Facilities Management staff led a master plan process to provide guidance for improvements to the utility systems on the USA main campus. The improvements identified are necessary to appropriately serve both the existing USA facilities and support anticipated expansion of programs on campus. The utility systems included in this planning effort are:

- ✓ Electric power distribution system
- ✓ Communication system
- ✓ Chilled & hot water systems
- ✓ Sanitary sewer system
- ✓ Storm drainage system
- ✓ Potable water system
- ✓ Natural gas system

As part of the June 4, 2014, Board of Trustees meeting, the Board toured the Central Utilities Plant and viewed a presentation outlining the state of the main campus utility systems. During this Board of Trustees meeting, the Board granted approval for a comprehensive study of the campus utility systems and for a plan of action to be developed (link 1). After the completion of this study, the Facilities Management team developed the plan of action. Presentation of the plan to the Board of Trustees was made on September 4, 2015. At this meeting, the Board of Trustees approved the Implementation of the Infrastructure Upgrade and Improvement Plan (links 2 & 3). This is a comprehensive plan that will provide a main campus infrastructure system to meet the future needs of the University. The plan was funded "...through a combination of approximately \$5 million in budgeted funds over the four-year period plus up to \$20 million in bonded indebtedness, which would be offered for the Board's consideration..." (from the minutes of the September 2015 Budget and Finance Committee meeting). A Plan Summary is available to view at (link 4).

1. Approved University Infrastructure Study
 - ✓ <http://www.southalabama.edu/departments/trustees/agendas/2014/060614binder.pdf#page=179>
2. Approval of the Implementation of the Infrastructure Upgrade and Improvement Project
 - ✓ <http://www.southalabama.edu/departments/trustees/agendas/2015/090415binder.pdf#page=86>
3. Minutes stating approval of the Implementation of the Infrastructure Upgrade and Improvement Project
 - ✓ <http://southalabama.edu/departments/trustees/agendas/2015/120415binder.pdf#page=301>
4. Infrastructure Summary Plan
 - ✓ <http://www.southalabama.edu/departments/presidentsoffice/masterplan/resources/utilities-summary-report-2016-12-15.pdf>

Open Space/Grounds and Landscaping

[Open Space \(see map 5\)](#)

Open spaces on the main campus consist primarily of informal open spaces that developed as the buildings and parking lots were added. Formal open spaces developed as gathering spaces for students and as event spaces for the University and the surrounding community. These include the Student Center courtyard and the plaza surrounding the Moulton Bell Tower. The Sebastian Nature Trail adds another aspect to the open spaces of the campus. This is a fully developed nature trail on the north end of campus.

Enhancements since 2010:

1. Formalized and enhanced the Sebastian Nature Trail

Future Projects:

1. Ongoing efforts to maximize open space development

[Grounds and Landscaping](#)

Campus landscaping enhances the overall beauty of the campus and creates a pleasing environment for students and the community at large to enjoy. The University has devoted funding and personnel to maintain a high level of groomed landscaping and to maintain the natural areas of the campus.

Enhancements since 2010:

1. Through an agreement with the City of Mobile, the University now maintains the islands adjacent to the University on University Boulevard and Old Shell Road
2. Landscaping of the portal entrances at USA South Drive, USA North Drive, Stadium Drive, and Technology and Research Park
3. Major landscape improvements on USA South Drive, USA North Drive, and Stadium Drive
4. Major landscape improvements in the Technology and Research Park.
5. Major landscape improvements at the following buildings:
 - ✓ Administration Building
 - ✓ Humanities Building
 - ✓ Chemistry Building
 - ✓ Housing Complex
 - ✓ Student Center and Courtyard
 - ✓ University Commons

Future Projects:

1. Island landscaping on Greek Row
2. Alpha Hall Complex
3. East side of Administration Building
4. Mathematical Sciences and Physics Building

Map 5: Campus Open Space Plan



Existing Campus Open Space Place



| Legend | |
|---|---------------------|
|  | Current Development |
|  | Green Space |
|  | Wetlands/Reserved |

Signage/Wayfinding

In 2014, the University adopted a new signage policy. This policy defines all sign types and stipulates where signs should be located and which signs are appropriate for a particular location.

Enhancements since 2010:

1. Entrance portals were installed at USA South Drive, USA North Drive, and Stadium Drive.
2. Map kiosk locations are now in place at USA South Drive, USA North Drive, and Stadium Drive.
3. Non-compliant signs were removed and new signs erected where needed.
4. Newly installed walk-up building signs identify occupants of the building.
5. New street directional signs were installed. These new signs identify buildings and campus areas such as housing and athletic venues.

Future Project:

1. Following the new signage policy, signs will be updated and new signs installed as needed.

Technology

Updates on significant developments since 2010

Planning for technology needs were not addressed in the 2010 Campus Master Plan. However, since 2010, the technology infrastructure of the University has been improved with completion of the following projects since 2010:

- ✓ Substantially completed a modernization effort of the Computer Services Center's aging infrastructure to include: network, internet, security, storage, processing, UPS, HVAC, and power distribution
- ✓ Created an alternate data center where all University servers and data are replicated at the processing and storage facility at the Dining Hall on Tonsmeire Drive
- ✓ Replaced the decentralized computer support model on campus with a centrally staffed model and provided access to centralized data storage and backup service at the Computer Services Center to facilitate moving away from decentralized departmental servers
- ✓ Replaced the legacy faculty/staff and student email messaging systems with Gmail and Google apps for education
- ✓ Implemented a content management system platform for the University web site
- ✓ Consolidated the Computer Services Center, Telecommunications, and Web Services into a single organization
- ✓ Established an Office of Information Security to guide University IT security policy, procedure, training, and compliance efforts
- ✓ Renovated and replaced the legacy communications cabling system in the residence halls
- ✓ Replaced the aging roofs at the Computer Services Center and Telecommunications building with metal roofs
- ✓ Implemented an enterprise video surveillance system
- ✓ Implemented an enterprise electronic card access system
- ✓ Converted our payment card processing system to a hosted solution
- ✓ Developed and implemented Jag Tran Tracker (a School of Computing student project sponsored by the Student Government Association)

Significant planned future enhancements

In the coming years, technology infrastructure will need continued attention to keep pace with the University's growth in both population and academic/research needs. The following needs will be addressed:

1. A comprehensive survey of the University's approximately 700 Wireless Access Points (WAPs) needs to be conducted in each building. The average lifespan of a WAP is 4 to 5 years. While the majority of educational buildings need updated wireless deployments, wireless connectivity is funded at the department-level.
2. Outdoor wireless exists mostly from building bleed over. Outdoor wireless systems need to be installed to cover areas beneficial to the campus the community (e.g., between the Student Center and the Library).
3. Centralize design and support of classroom technology to address standards and ensure consistency of functionality, capability, and support across the institution. Currently, classroom multimedia facilities are provided by the respective colleges, resulting in varied system designs, differing functional capabilities and user interfaces, and uneven levels of maintenance and support. Upgrade building connections to 10 gigabit to provide adequate bandwidth. Most campus buildings are connected only at one gigabit.
4. In 2015, the University established a Utilities Infrastructure Upgrade and Implementation Plan, which can be found at: <http://www.southalabama.edu/departments/presidentsoffice/masterplan/resources/utilities-summary-report-2016-12-15.pdf>

The Plan contains a Communications Systems portion that details technology infrastructure upgrades and maintenance for 10 years. Technology infrastructure improvements include on-going maintenance and system upgrade

- ✓ Replace multimode fiber with single mode fiber.
 - ✓ Replace copper with single mode fiber.
 - ✓ Replace and/or providing adequate protection for existing in-ground boxes.
 - ✓ Install a diverse path fiber ring on campus.
 - ✓ Install a high-count fiber between CSC and HAHN (Eastern Leg)
 - ✓ Install a high-count fiber between HAHN and NODE 2 (Central Leg)
 - ✓ Install a high-count fiber between NODE 3 and NODE 2 (Western Leg)
 - ✓ Install a high-count fiber between CSC and NODE 3 (Southern Leg)
5. Add a secondary power feed from the new substation and consider adding an additional natural gas generator as the primary data center power is serviced by a single feed from Alabama Power. The backup power is serviced by a single diesel generator.
 6. Mitchell Center technology upgrades to include enhanced guest Wi-Fi connectivity.

Security and Safety Recommendations

Campus Emergency Notification System

Emergency notification systems are managed and operated by the University's Police and Safety and Environmental Compliance departments. A comprehensive emergency notifications system requires IT support, software and hardware resources, and implementation of a coordinated plan among the principle departments. The University maintains several emergency notification systems including an outdoor public address system. The following updates have occurred since 2010:

1. A sixth unit was added to the outdoor public address system and strategically placed on campus. The system is primarily for emergency notification purposes on the campus grounds when individuals cannot be reached through other systems.
2. Implementation of Everbridge as a replacement to the W.A.R.N system—mass notification system, which is a web-based system that enables the University to quickly contact cell phone, traditional phones, pagers, texts via SMS, and email accounts when mass notifications are necessary.
3. Expedited internal email notification system primarily through University Police dispatch and the Marketing and Communication departments. Created by the University IT specialist to provide another campus emergency notification option internally.

Recommendation for future projects:

1. Develop an interoperable communications and instant alert notification program that allows University officials the ability to initiate communications with all devices regardless of existing infrastructure, hardware, and locations.

Building Fire Alarm Systems

Some fire alarm systems are analog requiring at least one dedicated analog telephone line, in some cases two, for fire alarm monitoring and alarm transmission. The central receiving station equipment cannot receive new technology connections as a result. Newer systems communicate through IP networks with redundancy configurations providing secondary receiver IP address backup. In addition, modernized systems allow monitoring sites to remotely detect and identify panel conditions. All new buildings and many of the recently renovated buildings on campus utilize the newer, IP addressable alarms; however, many campus buildings do not currently have an IP addressable system. Since 2010, the University has upgraded some buildings to the new IP addressable fire alarm systems.

Recommendations for future projects

1. Upgrade existing fire protection systems in existing campus and student housing buildings as required, to IP addressable systems for fire alarm monitoring and communications
2. Upgrade fire alarm systems in Gamma, Beta, and in all fraternity and sorority houses.

Building Access Systems

Since 2010, the University has upgraded a number of buildings to have electronic access: Shelby Hall, Nursing/ Allied Health, Chemistry, ILB, Medical Sciences Building and Central Services Administration Building, Laboratory of Infectious Disease, Campus Recreation, and the Football Fieldhouse. Further, the Department of Safety and Environmental Compliance, in cooperation with other University departments, has facilitated the development of policies and identification of actions that move us toward a more comprehensive approach to building access such as a universal id card.

Recommendations for future projects:

1. Approval and implementation of new policies and procedures regarding building access to include keys, electronic access, picture ID's, etc.
2. Installation of hardware to enable electronic access to all campus buildings.

Annual Lighting Survey

The annual lighting tour is coordinated by the Dean of Students Office and is a joint effort between Student Affairs, Campus Police, the SGA, Housing and Dining, and University Facilities. Representatives from each area tour the campus via golf cart and on foot, looking for lighting outages, lighting that has become overgrown by trees, and areas of the campus that are in need of additional lighting. The group prioritizes the list of areas that are in need of additional lighting and submits that list to the administration for possible funding in the coming year.

License Plate Recognition System

The University is exploring the purchase of a License Plate Recognition System and installation of cameras on campus to enhance security. The system also will improve parking enforcement, as once a vehicle is registered by a student or employee, no hang tag will be needed to identify a car that is registered to park on campus.

Hazardous Materials Survey

Many older campus buildings still contain some type of asbestos or other hazardous materials. The existing building surveys are currently being updated. In the last three years, a licensed asbestos management planner was retained to conduct testing and develop an organized program to either abate or encapsulate all such materials as buildings are renovated or as materials become unstable.

The Department of Safety and Environmental Compliance coordinates associated testing, assists with program updates, and recommends the following future project:

1. Commission a new survey of all buildings known or suspected to have asbestos containing materials (ACM) present

Campus Police

In 2014, USA Campus Police implemented the LiveSafe app. It is a mobile application that helps to prevent crime and enhance campus safety.

Safety and Environmental Compliance

Since 2010, the University has established the Laboratory Safety Committee, reporting to the Vice President for Research and Economic Development, to ensure the highest level of safety and compliance in campus labs and facilities. Further, the University has a Radiation Safety department whose function is to facilitate the safe use of radiation and radioactive materials at the University of South Alabama. The goal of University of South Alabama's Radiation Safety Department is to promote the safe and efficient use of radiation throughout the University system through education, quality control, and compliance.

AED Expansion

The University has significantly expanded its procurement and placement of AEDs around campus to enhance the health and safety of the University community. (See map showing the location and availability of AEDs around campus.)

AED (Automatic External Defibrillator) Locations

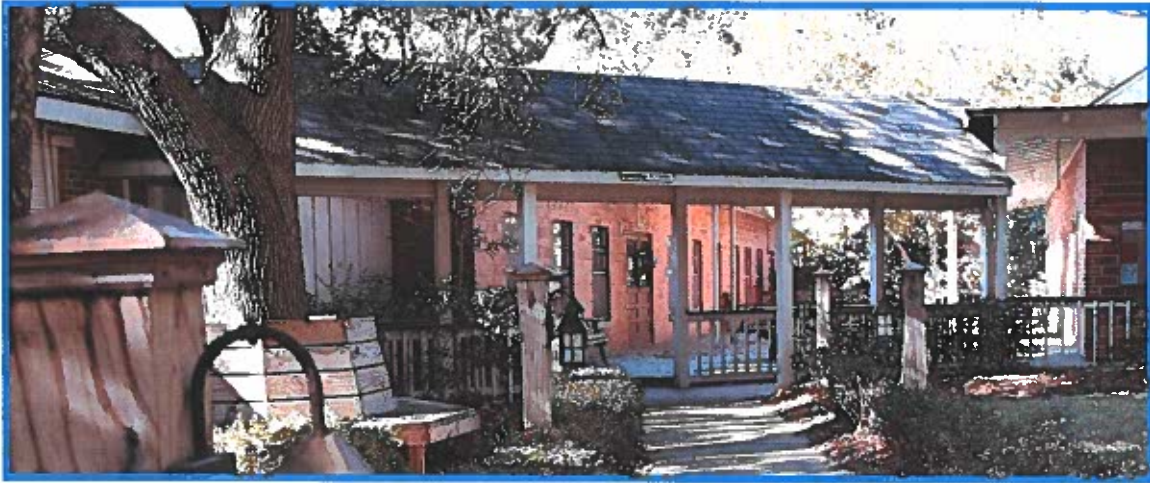
- Academic Success Building
- Administration Building
- Alpha Hall East
- Alpha Hall South
- Alumni Hall
- AMSTI
- Archaeology Museum/Archaeology Complex
- Athletics Administration Building
- Baldwin County Classroom Complex
- Baldwin County Administration Building
- Baldwin County Nursing Complex
- Biomedical Library
- Central Utilities
- Chemistry
- College of Education
- Computer Services Center
- CSAB
- Delta Commons (Housing)
- Communications
- Development and Services Building
- Dining Hall
- Education and Outreach Building
- Educational Services Building
- Epsilon I
- Epsilon II
- Faculty Club
- Gamma Commons
- Grounds Complex
- Health, Kinesiology and Sport Building
- Health Sciences Building (HAHN)
- Humanities Building North
- Humanities Building South
- Innovation in Learning Center
- Intramural Field House
- Laboratory of Infectious Diseases
- Laidlaw Performing Arts Center
- Life Sciences Building
- Main Library
- Maintenance Complex
- Mathematical Sciences and Physics Building
- Medical Science Building
- Meisler Hall
- Mitchell Center
- Mitchell College of Business
- Mobile Townhouse
- New Hall
- Psychology Building
- Publications
- Renovations
- Science Laboratory Building
- Seamen's Bethel
- Shelby Hall
- Springhill Campus (SHAC)
- Stanky Field
- Stokes Hall
- Student Center/Bookstore
- Student Recreation Center
- Transportation
- USA Police Department
- Visual Arts Complex

Other USA Facilities

USA Baldwin County (USABC)

*Administration Building
10 North Summit Street
Fairhope, AL 36532*

Situated in Fairhope, Alabama, the Baldwin County Campus serves primarily an instructional function and offers college-level courses, educational outreach, continuing and professional educational opportunities, and degree-completion programs in the state's fastest growing county. USABC serves more than 1500 students through its course offerings which include bachelor's degrees in Interdisciplinary Studies, Communication/Public Relations, Criminal Justice, Elementary Education, and an accelerated Nursing degree program. In addition to these degree programs, students may take other coursework that can be used towards other degrees available at South Alabama's Main Campus as well as other types non-credit and personal enrichment courses.



USA Gulf Coast Campus

*19470 Oak Road West
Building D
Gulf Shores, AL 36542*

The USA Gulf Coast (USA GC) campus site is adjacent to the Gulf Shores Cultural Center and provided to USA at no charge by the City of Gulf Shores. Currently the campus is used primarily for administrative and public outreach functions. The City also provides utilities and maintenance. This site includes a lobby, two classrooms seating 20-25, a computer lab, conference room, two bathrooms, and faculty office. USA also has access to the auditorium (seating 400) and gym. Frequently, activities at this campus include continuing education activities, conferences, internship coordination, meetings, and community education. Academic courses may be offered in the future. Administered through Global USA, the facility is open to all USA offices and departments.



University of South Alabama

Technology and Research Park
775 N. University Blvd., Ste. 150
Mobile, AL 36608

The USA Technology & Research Park is a major economic initiative of the University of South Alabama. It marries University resources with innovative enterprises in a single location that broadens educational experiences for students, generates new research opportunities for faculty and offers growth prospects for industry. These facilities function largely to support research and public/economic outreach activities.

The Park, located on 160 acres just north of the main University campus, is a focal point of economic growth for Mobile and the upper Gulf Coast made up of over 220,000 square feet of office and laboratory space available for lease to the business sector.



The Park also serves to encourage the spirit of entrepreneurship and innovation through its on-site business incubator, the [Coastal Innovation Hub](#). The Hub is a joint project between the University of South Alabama's Melton Center for Entrepreneurship and Innovation and USA's Office of Research and Economic Development specializing in low cost office and laboratory space for fledgling businesses.

USA Health Systems Campuses

Children's & Women's Hospital
1700 Center Street
Mobile, AL 36604

Mitchell Cancer Institute
1600 Springhill Avenue
Mobile, AL 36604

USA Medical Center
2451 Fillingim Street
Mobile, AL 36617

Strada Patient Care Center
1601 Center Street
Mobile, AL 36604





The mission of the USA Health System is simple, yet profound. "We help people lead longer, better lives." USA Health accomplishes this mission through a combination of patient-centered care, education, and innovative research.

The USA Health System consists of USA Medical Center, USA Physicians Group, USA Children's & Women's Hospital, and the Mitchell Cancer Institute. The region's only academic medical system, USA Health System employs more than 3,800 people and has an annual economic impact of \$559 million.

USA Medical Center, the region's only Level I trauma center, is a 370,000-square-foot acute care facility with 406 licensed beds, offering specialized care via its centers for burn care, stroke, cardiovascular disease, and sickle cell disease. It also is a teaching and research facility for the USA College of Medicine. The Medical Center received has received state and national recognition for its innovative approaches, exceptional patient care, and professional services. It also offers outpatient services and surgeries to patients across the region.

USA Children's & Women's Hospital, with 2,800 deliveries annually, is Mobile's leader in births. The hospital also offers many unique medical services, including the area's only neonatal and pediatric intensive care units, specially equipped and staffed to provide the most advanced care for premature, critically ill, and critically injured children. It also offers a comprehensive services for women, including special medical care for high-risk pregnancies.

In 2014, Children's & Women's Hospital opened a 200,000-square-foot, \$72 million expansion that doubled the hospital's size and has enable more services. The expansion includes new operating rooms and a four-story tower dedicated to pediatric care. The newly renovated lobby includes a Steinway Grand piano, and a new courtyard offers an area for patients and employees to enjoy sunshine and special events.

USA Mitchell Cancer Institute opened in 2000 to increase Gulf Coast cancer survival rates through advanced treatment and research. The first academic cancer research institute in the upper Gulf Coast region, Mitchell is the largest single research endeavor in the history of the University. It offers local and regional patients a powerful combination of research, treatment and access to clinical trials. In 2008, Mitchell Cancer Institute opened a 125,000-square-foot integrated clinical and research facility. It also has offices in Monroeville and Fairhope. Later in 2017, the 14,000 square-foot Kilborn Clinic will open in Fairhope, a new location designed to expand clinical offerings and support services to Baldwin County and the region.

President's House

The University of South Alabama acquired the President's House in June of 2014. The home, constructed in 1917, is located in the Spring Hill area of Mobile, Alabama. It is home to the University President and used as a venue for special events.



Acknowledgments

The Campus Master Plan Committee would like to thank all who participated in and provided input to the 2017 University of South Alabama Master Plan process. Trustees, students, faculty, and staff were actively involved in this process through participation in focus groups and surveys to give the committee the data it needed to fully and accurately develop the plan. Over 1,100 individuals took part in the focus groups, surveys, and the feedback process. The University Board of Trustees provided the guidance and resources to the Committee to allow the plan to be developed. USA students provided their unique and passionate insight into the needs on campus from the perspective of primary users of campus services. USA faculty and staff provided critical information to the committee about issues related to their perspective of campus needs. Last but not least, the University's offices of Institutional Effectiveness and Facilities Management provided invaluable time and service to the Committee in all aspects of the development of the plan. Without their efforts, the development of this plan would not have been possible.

COMMITTEE MINUTES

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES**

HEALTH AFFAIRS COMMITTEE

**June 1, 2017
1:30 p.m.**

A meeting of the Health Affairs Committee of the University of South Alabama Board of Trustees was duly convened by Dr. Steve Furr, Chair, on Thursday, June 1, 2017, at 1:30 p.m. in the Board Room of the Frederick P. Whiddon Administration Building.

Members Present: Alexis Atkins, Chandra Brown Stewart, Scott Charlton, Steve Furr and Bettye Maye.

Members Absent: Arlene Mitchell and Steve Stokes.

Other Trustees: Tom Corcoran, Ron Jenkins, Jimmy Shumock, Ken Simon, Mike Windom and Jim Yance.

Administration and Others: Owen Bailey, Lynne Chronister, Joel Erdmann, Monica Ezell, Mike Finan, Happy Fulford, Warren Greene, Mike Haskins, David Johnson, Liz Kirby, John Marymont, John Smith, Margaret Sullivan, Carl Thomas (SGA), Jean Tucker, Elizabeth VandeWaa (Faculty Senate), Tony Waldrop and Scott Weldon.

The meeting came to order and attendance roll was called. Dr. Furr called for consideration of the minutes of the meeting held on March 2, 2017. On motion by Ms. Maye, seconded by Dr. Furr, the Committee voted unanimously to adopt the minutes.

Dr. Furr addressed **ITEM 6**, a resolution authorizing the USA Hospitals medical staff appointments and reappointments for February, March and April 2017 (for copies of resolutions, policies and other authorized documents, refer to the minutes of the Board of Trustees meeting held on June 2, 2017). On motion by Dr. Charlton, seconded by Ms. Atkins, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Dr. Furr presented **ITEM 7**, a resolution authorizing revisions to the USA Hospitals Medical Staff Bylaws and Rules and Regulations. On motion by Dr. Furr, seconded by Dr. Charlton, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Dr. Furr called on Dr. Marymont for presentation of **ITEM 8**, a report on the activities of the Division of USA Health and the College of Medicine. Dr. Marymont gave an overview on Match Day. He advised that all USA Health graduates matched, calling 2017 the best match year since 2013 and a


favorable outcome considering more medical students graduate than there are residency positions available nationwide.

Mr. Bailey introduced new Health System Assistant Administrators Ms. Liz Kirby, who oversees operations involving family and internal medicine and Obstetrics and Gynecology, and Mr. Warren Greene, whose responsibilities include management of patient transport, food and nutrition services, environmental services, volunteer services, communications, security and grounds, patient relations, safety and graduate medical education for the entire Health System.

Mr. Bailey gave an update on the recently-established USA Health Care Authority (HCA), the administrative mechanism under which new physicians will be hired by the University, and shared that physicians from the Mobile Diagnostics Center had joined the HCA. Chairman Simon acknowledged the impressive momentum of and the local and statewide recognition being received by USA Health.

There being no further business, the meeting was adjourned at 1:44 p.m.

Respectfully submitted:



Steven P. Furr, M.D., Chair

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES**

ACADEMIC AND STUDENT AFFAIRS COMMITTEE

**June 1, 2017
1:44 p.m.**

A meeting of the Academic and Student Affairs Committee of the University of South Alabama Board of Trustees was duly convened by Ms. Bettye Maye, Chair, on Thursday, June 1, 2017, at 1:44 p.m. in the Board Room of the Frederick P. Whiddon Administration Building.

Members Present: Alexis Atkins, Scott Charlton, Steve Furr, Bettye Maye and Mike Windom.

Members Absent: Bryant Mixon and John Peek.

Other Trustees: Chandra Brown Stewart, Tom Corcoran, Ron Jenkins, Jimmy Shumock, Ken Simon and Jim Yance.

Administration and Others: Brian Allred, Owen Bailey, Bob Charlebois, Lynne Chronister, Joel Erdmann, Monica Ezell, Mike Finan, Lorene Flanders, Happy Fulford, Krista Harrell, Mike Haskins, David Johnson, Christopher Lynch, John Marymont, Carlos Montalvo, Susan Santoli, John Smith, Margaret Sullivan, Carl Thomas (SGA), Jean Tucker, Elizabeth VandeWaa (Faculty Senate), Chris Vinet, Tony Waldrop and Scott Weldon.

The meeting came to order and the attendance roll was called. Ms. Maye called for adoption of the revised agenda. On motion by Mr. Windom, seconded by Ms. Atkins, the Committee voted unanimously to adopt the revised agenda.

Ms. Maye called for consideration of the minutes of the meeting held on March 2, 2017. On motion by Mr. Windom, seconded by Ms. Atkins, the Committee voted unanimously to adopt the minutes.

Ms. Maye called for presentation of **ITEM 9**, a resolution naming the residence hall completed in 2013 as Azalea Hall and the residence hall currently under construction as Camellia Hall (for copies of resolutions, policies and other authorized documents, refer to the minutes of the Board of Trustees meeting held on June 2, 2017). Dr. Smith stated the names proposed were recommended by staff members and would be prescribed until such time as these facilities could be renamed for a donor. On motion by Ms. Atkins, seconded by Mr. Windom, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Ms. Maye called upon Provost Johnson to address **ITEM 10**, a resolution authorizing the awarding of tenure and/or promotion to faculty as set forth. Provost Johnson noted that the candidates represented the Division of Academic Affairs, as well as the College of Medicine, and he shared insight on the thorough vetting processes and the criteria that must be demonstrated by faculty in order to be recommended. On motion by Ms. Atkins, seconded by Mr. Windom, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Ms. Maye asked Provost Johnson to discuss **ITEM 11**, a resolution authorizing a 3.5 percent increase in tuition and fees for the general University and the College of Medicine for the 2017-2018 academic year, as well as housing and meal plan rates, as set forth. Provost Johnson noted the recommendation included a \$36 increase in resource fees for students in the College of Nursing, the Pat Capps Covey College of Allied Health Professions and the College of Medicine for 2017-2018, 2019-2020 and 2021-2022, advising that the fee, which supports simulation, standardized patient and inter-professional education programming, as well as the Baugh Biomedical Library, would enable the University to keep up with the increasing costs associated with simulation instruction and equipment needs. Dr. Smith addressed the recommended housing and dining rates, reminding the Committee that housing and dining auxiliaries are paid for solely with room rent and meal plan revenue. He observed that the recommendation included an average 3.7 percent increase in housing rates and an average 2.8 percent increase in dining rates and referred to comparative information showing that, in many cases, the new rates would remain lower than those offered by South's competitors. He reported an uptick in housing applications compared to those at the same juncture in 2016 and Dr. Chris Vinet, Assistant Vice President for Auxiliary Services, verified 156 beds had been leased from The Grove in anticipation of meeting all occupancy demands. Chairman Simon asked Mr. Carl Thomas, SGA President, if he would like to comment. Mr. Thomas acknowledged the challenge of explaining the increases to fellow students, but agreed the increases were necessary in order for USA -- the second fastest-growing institution in the state -- to continue to maintain programs and meet the expectations of students. On motion by Mr. Windom, seconded by Ms. Atkins, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Ms. Maye called for a report on the activities of the Division of Academic Affairs, **ITEM 12**. Provost Johnson introduced Ms. Lorene Flanders, South's new Executive Director of University Libraries, and Dr. Susan Santoli, new Chair of the Department of Leadership and Teacher Education in the College of Education and Professional Studies.

Provost Johnson advised that the College of Education had been renamed the College of Education and Professional Studies, a decision based upon a request from the College's faculty and administration.

Provost Johnson introduced Mr. Christopher Lynch to give an update on the Pathway USA program, founded out of partnerships with Bishop State Community College, Coastal Alabama Community College and Mississippi Gulf Coast Community College. Mr. Lynch noted that interest in the program had exceeded expectations with 400 students registered. He introduced Mr. Bob Charlebois, Pathway USA Transfer Coordinator, who talked about the tremendous success of the program, his role in advising transfer students and campus activities designed to attract and engage participants, such as a transfer boot camp held in April.

Ms. Maye called for a report on the activities of the Division of Student Affairs, **ITEM 13**. Dr. Krista Harrell, Associate Dean of Students and Title IX Coordinator, asserted the Division's commitment to strengthening engagement opportunities for the South Alabama community and area partners and introduced Mr. Brian Allred, Director of Campus Recreation, to discuss a new initiative to enhance outdoor activities on campus. Mr. Allred shared plans for implementation of a 1.5-mile fitness path around the Three Mile Creek lake on the north side of campus adjacent to the Glenn Sebastian Nature Trail. He thanked President Waldrop, Dr. Smith and Dr. Mitchell for their support of the project and answered questions about security and a possible collaboration with the city on extending South's Lake Fitness Trail as part of the Mobile Greenway endeavor.

Ms. Maye called for a report on the activities of the Division of Research and Economic Development, **ITEM 14**. Ms. Chronister introduced Dr. Carlos Montalvo, Assistant Professor in the Department of Mechanical Engineering and Director of South's Facility for Aerial Systems and Technology (FAST). Dr. Montalvo gave an overview of the simulation analysis and design and experimental testing conducted at the FAST Lab and shared examples of how drone research might be adapted for mainstream application, such as in the case of a mobile weather station.

There being no further business, the meeting was adjourned at 2:29 p.m.

Respectfully submitted:



Bettye R. Maye, Chair

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES**

BUDGET AND FINANCE COMMITTEE

**June 1, 2017
2:29 p.m.**

A meeting of the Budget and Finance Committee of the University of South Alabama Board of Trustees was duly convened by Mr. Tom Corcoran, Chair, on Thursday, June 1, 2017, at 2:29 p.m. in the Board Room of the Frederick P. Whiddon Administration Building.

Members Present: Tom Corcoran and Jim Yance.

Members Absent: Arlene Mitchell, Bryant Mixon and Steve Stokes.

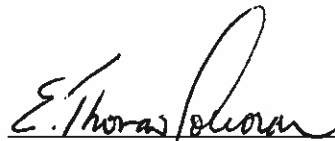
Other Trustees: Alexis Atkins, Chandra Brown Stewart, Scott Charlton, Steve Furr, Ron Jenkins, Bettye Maye, Jimmy Shumock, Ken Simon and Mike Windom.

Administration and Others: Owen Bailey, Lynne Chronister, Phil Dotts (PFM), Joel Erdmann, Monica Ezell, Mike Finan, Happy Fulford, Mike Haskins, David Johnson, Rod Kanter (Bradley Arant), John Marymont, Josh McCoy (PFM), John Smith, Margaret Sullivan, Carl Thomas (SGA), Jean Tucker, Elizabeth VandeWaa (Faculty Senate), Tony Waldrop and Scott Weldon.

The meeting came to order and the attendance roll was called. Without a quorum of the Committee members present, Chairman Simon suggested that the minutes of the Budget and Finance Committee meeting held on March 2, 2017, be suspended to the Committee of the Whole for adoption and that the reports on the quarterly financial statements for the six months ended March 31, 2017, **ITEM 15**, and the 2017 bond issue, **ITEM 16**, be presented to the general assembly of Trustees represented.

There being no further business, the meeting was adjourned at 2:31 p.m.

Respectfully submitted:



E. Thomas Corcoran, Chair

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES**

AUDIT COMMITTEE

**June 1, 2017
2:35 p.m.**

A meeting of the Audit Committee of the University of South Alabama Board of Trustees was duly convened by Mr. Jimmy Shumock, Vice Chair, on behalf of Mr. John Peek, Chair, on Thursday, June 1, 2017, at 2:35 p.m. in the Board Room of the Frederick P. Whiddon Administration Building.

Members Present: Scott Charlton, Ron Jenkins and Jimmy Shumock.

Members Absent: Bryant Mixon and John Peek.

Other Trustees: Alexis Atkins, Chandra Brown Stewart, Tom Corcoran, Steve Furr, Bettye Maye, Ken Simon, Mike Windom and Jim Yance.

Administration and Others: Owen Bailey, Lynne Chronister, Joel Erdmann, Monica Ezell, Mike Finan, Happy Fulford, Mike Haskins, David Johnson, John Marymont, John Smith, Margaret Sullivan, Carl Thomas (SGA), Jean Tucker, Elizabeth VandeWaa (Faculty Senate), Tony Waldrop and Scott Weldon.

The meeting came to order and the attendance roll was called. Mr. Shumock called for consideration of the minutes of the meeting held on March 2, 2017. On motion by Captain Jenkins, seconded by Dr. Charlton, the minutes were adopted unanimously.

Mr. Shumock asked for an update on the E-Verify matter reported at the March meeting. Mr. Weldon said the Administration was waiting on the Alabama Attorney General (AG) to respond to the University's request for a ruling on the proper application of E-Verify regulations. He further advised of pending litigation that may require institutions of higher education to submit fully to E-Verify rules regardless of the AG's opinion.

Mr. Shumock asked for a report on the efforts of the University's task force on compliance. President Waldrop advised that the task force recommended the hiring of a chief compliance officer for the University. He said the position had been advertised and the search was underway, adding that the individual hired for this role would exercise oversight campus-wide.

There being no further business, the meeting was adjourned at 2:37 p.m.

Respectfully submitted:

On behalf of:



James H. Shumock, Vice Chair



John M. Peek, Chair

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES**

DEVELOPMENT, ENDOWMENT AND INVESTMENTS COMMITTEE

**June 1, 2017
2:37 p.m.**

A meeting of the Development, Endowment and Investments Committee of the University of South Alabama Board of Trustees was duly convened by Mr. Jim Yance, Committee Chair, on Thursday, June 1, 2017, at 2:37 p.m. in the Board Room of the Frederick P. Whiddon Administration Building.

Members Present: Chandra Brown Stewart, Tom Corcoran, Ron Jenkins, Mike Windom and Jim Yance.

Member Absent: Steve Stokes.

Other Trustees: Alexis Atkins, Scott Charlton, Steve Furr, Bettye Maye, Jimmy Shumock and Ken Simon.

Administration and Others: Terry Albano, Owen Bailey, Lynne Chronister, Joel Erdmann, Monica Ezell, Mike Finan, Happy Fulford, Mike Haskins, David Johnson, John Marymont, John Smith, Margaret Sullivan, Carl Thomas (SGA), Jean Tucker, Elizabeth VandeWaa (Faculty Senate), Tony Waldrop and Scott Weldon.

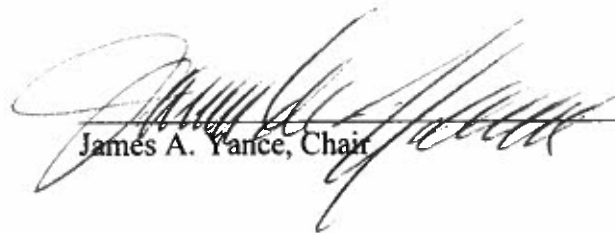
The meeting came to order and the attendance roll was called. Mr. Yance called for consideration of the minutes of the meeting held on March 2, 2017. On motion by Mr. Corcoran, seconded by Capt. Jenkins, the minutes were adopted unanimously.

Mr. Yance asked Mr. Albano to address **ITEM 17**, a report on endowment and investment performance. Mr. Albano said performance since the previous report in March was outstanding, indicating a return of 7.1 percent for the period October 1, 2016, through April 30, 2017, vs. that of the relative index of 5.52 percent, or an outperformance of 1.58 percent. He said the portfolio balance at the end of this period was approximately \$146.5 million. He noted all of the managers had outperformed their indices. He stated the annualized performance since inception was 5.17 percent vs. the relative index of 4.19 percent, an outperformance by almost one percent. He reminded the group that the University began the endowment with an initial investment of \$5.7 million and advised that over 17 years, with net additions and subtractions of approximately \$77 million, the University had accumulated investment earnings of about \$64 million. He reported on asset allocation, noting compliance with investment policy guidelines.

Mr. Yance called for a report on the activities of the Division of Development and Alumni Relations, **ITEM 18**. On behalf of Dr. Stokes, Upward & Onward Campaign Co-Chair, Ms. Sullivan announced, as of the end of March 2017, the campaign had crossed the \$100 million milestone. She talked about the publicity marking this achievement, which was prominent on the University's Web site the week of April 24 and included a celebration video, and credited Mr. Haskins and the Marketing and Communications team for their creative assistance. She reported, as of May 18, close to 25,000 campaign donors had contributed or pledged close to 37,000 gifts for a campaign total nearing \$102 million. She presented charts showing a breakdown of the funds raised by strategic priority and detailing the \$13.9 million fundraising impact of gifts and pledges eligible for matching through the Mitchell-Moulton Scholarship Initiative. She advised of Marketing and Communications' receipt of a CASE (Council for the Advancement and Support of Education) award for the promotional materials produced for the Upward & Onward campaign and introduced the milestone video. Additionally, she recognized that the Annual Fund, led by Dr. Finan, Dr. Kent and retired Mitchell College of Business Dean Dr. Carl Moore, raised \$720,000 with 61 percent of South employees participating.

There being no further business, the meeting was adjourned at 2:46 p.m.

Respectfully submitted:



James A. Yance, Chair

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES**

LONG-RANGE PLANNING COMMITTEE

**June 1, 2017
2:46 p.m.**

A meeting of the Long-Range Planning Committee of the University of South Alabama Board of Trustees was duly convened by Mr. Mike Windom, Chair, on Thursday, June 1, 2017, at 2:46 p.m. in the Board Room of the Frederick P. Whiddon Administration Building.

Members Present: Chandra Brown Stewart, Ron Jenkins, Bettye Maye, Jimmy Shumock and Mike Windom.

Other Trustees: Alexis Atkins, Scott Charlton, Tom Corcoran, Bettye Maye, Ken Simon, and Jim Yance.

Administration and Others: Owen Bailey, Lynne Chronister, Angela Coleman, Joel Erdmann, Monica Ezell, Mike Finan, Happy Fulford, Mike Haskins, David Johnson, John Marymont, John Smith, Margaret Sullivan, Carl Thomas (SGA), Jean Tucker, Elizabeth VandeWaa (Faculty Senate), Tony Waldrop and Scott Weldon.

The meeting came to order and the attendance roll was called. Mr. Windom called for consideration of the minutes of the meeting held on May 1, 2017. On motion by Mr. Shumock, seconded by Ms. Maye, the minutes were adopted unanimously.

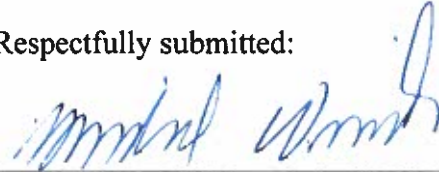
As to **ITEM 19**, a resolution to approve the 2017 Campus Master Plan (Plan), covering the period 2017 to 2027, and authorizing the President to use the Plan as a general guide for the maintenance and future growth of the campus, Mr. Windom called for remarks from Mr. Weldon and Dr. Angela Coleman, Associate Vice President for Institutional Effectiveness (for copies of resolutions, policies and other authorized documents, refer to the minutes of the Board of Trustees meeting held on June 2, 2017). Mr. Weldon said, at the meeting on May 1, the Committee took time for a thorough review of a draft of the Plan and was given the opportunity to provide input. He noted the draft had since been finalized and he directed attention to a copy in the meeting materials. Dr. Coleman shared insight on the year-long process to develop the Plan, which involved the work of many individuals campus-wide. She advised that a master plan document, together with proactive management of the University's physical facilities, is necessary to demonstrate standards fulfilled as part of the fifth-year accreditation review South would submit to the SACSCoC (Southern Association of Colleges and Schools Commission on Colleges) in March 2019. She added that work to finalize the 2017 Scorecard was continuing and presentation would be at a future meeting. On

Long-Range Planning Committee
June 1, 2017
Page 2

motion by Mr. Shumock, seconded by Ms. Maye, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

There being no further business, the meeting was adjourned at 2:57 p.m.

Respectfully submitted:

A handwritten signature in blue ink, appearing to read "Michael P. Windom", written over a horizontal line.

Michael P. Windom, Chair

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES**

COMMITTEE OF THE WHOLE

**June 1, 2017
2:57 p.m.**

A meeting of the Committee of the Whole of the University of South Alabama Board of Trustees was duly convened by Judge Kenneth O. Simon, Chair *pro tempore*, on Thursday, June 1, 2017, at 2:57 p.m. in the Board Room of the Frederick P. Whiddon Administration Building.

Members Present: Alexis Atkins, Chandra Brown Stewart, Scott Charlton, Tom Corcoran, Steve Furr, Ron Jenkins, Bettye Maye, Jimmy Shumock, Ken Simon, Mike Windom and Jim Yance.

Members Absent: Kay Ivey, Arlene Mitchell, Bryant Mixon, John Peek and Steve Stokes.

Administration and Others: Owen Bailey, Lynne Chronister, Joel Erdmann, Monica Ezell, Mike Finan, Happy Fulford, Mike Haskins, David Johnson, John Marymont, John Smith, Margaret Sullivan, Carl Thomas (SGA), Jean Tucker, Elizabeth VandeWaa (Faculty Senate), Tony Waldrop and Scott Weldon.

The meeting came to order and the attendance roll was called. Chairman Simon called for consideration of **ITEM 20**, a resolution expressing the Board's gratitude to Mobile Mayor Sandy Stimpson for advancing the interests of the University and its constituencies as a member of the Board of Trustees (for copies of resolutions, policies and other authorized documents, refer to the minutes of the Board of Trustees meeting held on June 2, 2017). On motion by Mr. Corcoran, seconded by Ms. Maye, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Chairman Simon called for consideration of the minutes of the Budget and Finance Committee meeting held on March 2, 2017. (Due to the lack of a quorum of the members of the Budget and Finance Committee on June 1, budget and finance items requiring action were suspended to the Committee of the Whole for approval). On motion by Mr. Corcoran, seconded by Mr. Shumock, the minutes were adopted unanimously.

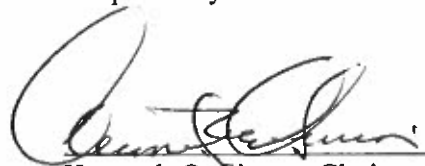
Chairman Simon stated an executive session of the Committee of the Whole was needed for an approximate duration of 15 minutes for the purpose of discussing preliminary negotiations in trade competition, **ITEM 21**. He added, as per the provisions of the Alabama Open Meetings Act, Ms. Tucker, Senior University Attorney, had submitted the required written declaration for the minutes. On motion by Mr. Yance, seconded by Mr. Shumock, the Committee voted unanimously at 3:01 p.m. to convene an executive session, as recorded below:

AYES:

Ms. Atkins
Ms. Brown Stewart
Dr. Charlton
Mr. Corcoran
Dr. Furr
Capt. Jenkins
Ms. Maye
Mr. Shumock
Judge Simon
Mr. Windom
Mr. Yance

Following the executive session and there being no further business, the meeting was adjourned at 3:55 p.m.

Respectfully submitted:



Kenneth O. Simon, Chair *pro tempore*

APPENDIX A

Executive Session

University of South Alabama Board of Trustees Committee of the Whole meeting June 1, 2017.

The purpose of the executive session for the above-referenced meeting is to discuss preliminary negotiations in trade competition.

This written declaration is submitted pursuant to the requirements of the Alabama Open Meetings Act by Jean Walker Tucker, ASB number 9400K72J.

A handwritten signature in blue ink that reads "Jean Walker Tucker". The signature is written in a cursive style with a large initial "J" and a long, sweeping underline.