

**BOARD OF TRUSTEES FOR ALABAMA STATE UNIVERSITY  
MINUTES OF THE REGULAR MEETING  
NOVEMBER 29, 2004**

**Agenda Item I—Call to Order**

The reconvened regular meeting was called to order at 9:45 a.m. in the Board Room of the Joe L. Reed Acadome by Chairlady Toreatha M. Johnson.

**Agenda Item II—Invocation**

Invocation was led by Vice President Leon Frazier.

**Agenda Item III—Establishment of Quorum**

Chairlady Johnson declared a quorum present. In attendance were Trustees James C. Cox, Elton Dean, Thomas H. Figures, Toreatha M. Johnson, Robert A. Jones, Jr., Joe L. Reed, and Catherine W. Wright. Absent were Trustees Buford Crutcher, Bobby Junkins, Lawrence J. Lemak, Patsy B. Parker and Lister H. Proctor.

**Agenda Item IV—Adoption of Agenda**

Chairlady Johnson called for adoption of the agenda and recognized Trustee Reed who requested that a change be made to Agenda Item IX-B, to reflect Finance Committee Report only; that the report will put before the Board some action items from the Finance and Property Committee for Board approval. Chairlady Johnson proposed moving the Executive Session to become Agenda Item VI after adoption of the Minutes of October 14, 2004, and that the President's Report become Agenda Item VII. On call for approval of the amendments to the agenda, it was moved by Trustee Jones and seconded by Trustee Dean, that the agenda be amended. The motion was carried by unanimous vote.

**Agenda Item V—Adoption of Minutes of October 14, 2004.**

On call for adoption of the minutes, Chairlady Johnson proposed that the minutes be received. On motion from Trustee Wright, second from Trustee Dean the minutes were received by majority vote. Voting aye were Trustees Cox, Dean, Johnson, Jones, Reed and Wright. Trustee Figures abstained.

**Agenda Item VI—Executive Session.**

Trustee Johnson called for the Board to go into Executive Session to discuss a legal matter.

**Agenda Item VII—President's Report**

The Board reconvened in open meeting. Chairlady Johnson asked President Lee to give his report. President Joe A. Lee reported on a grant received by Dr. Huey-Ling Lin, on the campus sponsored program by the Pentagon to take place during Black History Month, on the Southwestern Athletic Conference (SWAC) Championship football game procedures/guidelines and the recommended proposed holiday schedule. On motion by Trustee Wright, second by Trustee Jones and carried by unanimous vote the Board accept the recommendation for the holiday period to be from December 21, 2004-January 2, 2005.

**Agenda Item VIII—Report from Executive Session**

Chairlady Johnson asked President Lee to give the report. Following President Lee's report on the recommendation made by Attorney David Long-Daniels, it was moved by Trustee Dean, seconded by Trustee Jones, that the amended second consent decree in the Allen Case be accepted. The motion was unanimously carried.

Chairlady Johnson reported that the contract of the President would end in August of 2005 and that it requires that he be given nine months prior notice if his contract was not to be renewed. She called for a motion on the matter. It was moved by Trustee Wright, seconded by Trustees Cox and Jones to continue the President's contract. The motion was carried by majority vote. Voting aye were Trustees Cox, Dean, Johnson, Jones, Wright. Trustees Figures and Reed abstained. Chairlady Johnson will appoint a committee to begin negotiations with President Lee in establishing provisions of the contract.

**Agenda Item IX—Unfinished Business**

Trustee Dean moved that the amendments to the Board *Bylaws* be tabled indefinitely, the motion was seconded by Trustee Cox and carried by majority vote. Voting aye were Trustees Cox, Dean, Johnson, Jones, and Wright. Trustee Figures voted nay. Trustee Reed abstained.

Chairlady Johnson called for the report from the Finance and Property Committee. Trustee Reed, Chair of the Committee, read the recommendations made to the Committee from the administration at their meeting on November 17, 2004 and asked that the action items recommended from the Finance be adopted at one time. The Board gave consensus. Trustee Reed asked the Vice President for Fiscal Affairs, Freddie Gallot, Jr., to provide background information on the proposed bond refinancing. Vice

President Gallot informed the Board that a report was made at the Finance and Property Committee meeting by Mr. Bill Blount of Blount and Parrish regarding refinancing the revenue bonds, Series 2002. Vice President Gallot informed the Board that the need to refund the existing bond issue was based on the fact that when the bonds were initially issued in 2002, interest rates were extremely high; that it has now become feasible to refund the bonds at a lower interest rate with a present value savings of more than five percent (5%) which should generate at least \$1/2 million in savings to the University. Following discussion and questions, the Board approved the refinancing by unanimous vote.

Trustee Reed asked that a representative from Volkert & Associates, Inc. be allowed to make a presentation regarding their qualifications to serve as construction managers for the environmental microbiology building. Previously they had made a presentation to the Finance and Property Committee, and has the recommendation of the President. Trustee Reed asked that Volkert & Associates be voted on, along with the full report. Discussion followed the recommendation and questions were raised about the creditability of the company. Mr. Ken Wallis, Legal Assistant to Governor Bob Riley, made comments on behalf of the Governor, regarding getting additional information on the Company. By consensus, the Board agreed to have further review of this matter before giving approval to employ the company.

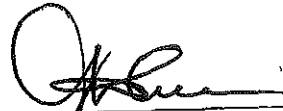
Comments were made by Chairman Reed, President Lee and Vice President Gallot regarding the requested increase of the Allied Health Operating Budget for the purpose of purchasing some equipment. It was noted that the funds are already available, and will be secured from Title VI Program Enhancement Fund. Following discussion and questions, it was moved by Trustee Wright, seconded by Trustee Jones, that the budget be increased. The motion was carried unanimously to increase the budget by \$56,200 for the purchase of some equipment.

Trustee Reed indicated that the administration requested that a police car be purchased to replace the cars that are old and almost beyond repair. President Lee gave additional information regarding the need for police cars. Discussion and questions followed. On motion by Trustee Jones, second by Trustee Wright, the motion was carried by unanimous vote to purchase two police cars.

Trustee Reed made comments about the cost of health insurance. He informed the Trustees that the administration recommends the engagement of a consultant to explore health insurance options for the University and for a report to be made to the Finance and Property Committee within 30 days. It was moved by Trustee Wright to have a consultant explore the insurance options for the University and report back to the Finance and Property Committee within 30 days. The motion was seconded by Trustee Dean carried by unanimous vote.

Trustee Dean amended the motion previously made by Trustee Reed to exclude Item Three, Destin Energy Proposal, from the report. The motion was seconded by Trustee Wright and carried by majority vote. Voting aye Trustees Cox, Dean, Figures, Johnson, Jones, and Wright. Trustee Reed abstained.

There was no other business to come before the Board and the Chairlady adjourned the meeting at 12:20 p.m.



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

**APPROVED**



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Toreatha M. Johnson, Chair of the Board

**BOARD OF TRUSTEES FOR ALABAMA STATE UNIVERSITY  
RECONVENED MEETING  
BOARD ROOM – JOE L. REED ACADOME  
NOVEMBER 29, 2004  
9:30 A. M.**

**A G E N D A**

- I. Call to Order
- II. Invocation
- III. Establishment of Quorum
- IV. Adoption of Agenda
- V. Adoption of Minutes of October 14, 2004
- VI. President's Report
- VII. Executive Session
- VIII. Report from Executive Session
- IX. Unfinished Business
  - A. Executive Committee Report
    - 1. Approval of Amendments to *Bylaws of the Board of Trustees*
  - B. Finance Committee Report
    - 1. Budget Review
- X. Other Business
- XI. Adjournment