

Minutes

Board of Trustees' Meeting

May 10, 2007, 3:30 p.m., Civic Room

Troy University, Montgomery Campus

The Troy University Board of Trustees met at 3:30 p.m. on May 10, 2007, in the Civic Room on the Troy University Campus in Montgomery, Alabama.

I. Call to Order

Dr. Doug Hawkins, President Pro Tem of the Board, called the meeting to order.

II. Roll Call

Upon roll call, the following members, comprising a quorum, answered present: Dr. R. Douglas Hawkins, Senator Gerald O. Dial, Dr. James R. Andrews, Mr. Roy H. Drinkard, Mr. John Harrison, Mr. Lamar P. Higgins, Mr. Forrest Latta (via teleconference), Mr. Milton McGregor, Mr. C. Charles Nailen, and SGA President Ms. Andrea Roberts (non-voting member). Absent: Governor Bob Riley, Dr. Joe Morton, State Superintendent of Education, and Mr. Allen E. Owen, III.

Dr. Doug Hawkins welcomed Ms. Andrea Roberts to the Board. Chancellor Hawkins added that Ms. Roberts is from Iowa where she was the state's Junior Miss.

III. Approval of Minutes (March 2, 2007)

A draft copy of the minutes was mailed to Board members prior to the meeting. There being no changes, Dr. D. Hawkins called for a motion to approve the minutes as presented.

ACTION: Mr. Lamar Higgins made a motion to approve the Minutes as presented for the March 2, 2007, meeting. A second to the motion was made by Mr. Charles Nailen. Having received a motion and second, the Minutes (copies of which were mailed to Board members prior to the meeting) were approved as presented.

IV. Chancellor's Report

A summary of the Chancellor's report follows:

Chancellor Hawkins introduced Mr. T. C. Yoong and his wife Samatha to the Board. Mr. and Mrs. Yoong are from Malaysia and were our guests two years ago for the "One Great University" celebration. Mr. Michael Bridell, representing Montgomery Mayor Bobby Bright, presented a Key to the City of Montgomery to Mr. Yoong.

Chancellor Hawkins highlighted some of the marketing efforts for the University and thanked Dr. Cam Martindale, Mrs. Sandi Gouge and the Advancement and Public Affairs staff for their good work in the marketing campaign. It was noted that the University learned recently that the television quiz show Jeopardy had a question about what two universities have the mascot Trojan. The correct response was "Who is USC and Troy University?"

A number of agenda items will be discussed at today's meeting which include Safety and Security, Bond Funding for the College of Education, Sodexho Agreement, Tuition and Fees, Increasing Undergraduate Admission Standards, Role and Scope of Campuses, Commendations of SGA President and Retirees, and naming of a park on campus.

Chancellor Hawkins updated on the following key campus activities.

Safety and Security

Chancellor Hawkins said that Dr. John Schmidt will provide a report today on measures being taken at the University to position the university to be prepared in responding to crisis situations.

Academics

SACS: The overarching challenge for Troy University over the next two years is the SACS Reaffirmation 2009 visit. Chancellor Hawkins said it will drive us to put forth our best efforts to be

recognized by the Commission on Colleges and SACS as not just a viable institution but also an exemplary university. This SACS Reaffirmation Visit will complete the journey to become “One Great University.” A SACS timeline was shared leading the University up to December 2009

College of Science and Technology: Chancellor Hawkins said that science and technology have long driven economic growth and improved the quality of life for successive generations. He added that Troy University is committed to planning, academic excellence and addressing science and technology needs through the creation of a College of Science and Technology. The Chancellor shared a timetable in regard to the College of Science and Technology for presentation to the Board in the Fall of 2007 with a projected date for establishing the college by 2010. He further stated that the University has a long and proud tradition of providing academic excellence by providing quality programs in science and technology to undergraduate and graduate students. The University recognizes the rapidly expanding roles that science and technology are playing in every facet of the global economy, as well as the research and resolution of world problems. Chancellor Hawkins concluded by saying that the appropriate human and financial resources will be committed accordingly in support of this goal by 2010.

Deaf/Hard of Hearing/Interpreter Training Program: Chancellor Hawkins said there is a critical need for Interpreters for the Deaf. There are no training programs in Alabama and it is anticipated that \$250,000 will be earmarked in the education budget for this initiative. The proposed program would be a formal partnership with the Alabama Department of Rehabilitation Services to provide a training program for ADRS staff in the area of Deaf/Hard of Hearing/Interpreter Training. Troy University is looking into the opportunity to develop such a program in the future.

Fall Enrollment: TROY’s enrollment applications are running about 13% above last year. The Chancellor commended Dean Buddy Starling and his staff for the good job they are doing in recruiting new students. Attendance at the IMPACT sessions shows 551 currently registered to participate and this represents an increase of 18% over this time last year. It was noted that another IMPACT session has been added to this year’s schedule to accommodate the increase in attendees.

Admission Standards: The Board will consider a resolution today that recommends that the University raise unconditional admission from 18 to 19 on the ACT with 2.0 GPA and conditional from 15 to 16.

Hispanic Initiative: This is another important initiative launched by the University. It was noted that there are approximately 43M Hispanics in the United States and this initiative would allow the University to build a Spanish language program, teach conversational Spanish to first responders and others, and teach Spanish as a second language. TROY’s strategy in the Hispanic initiative includes recruiting from the SE United States, expanding its language program, building relationships in Latin American, and exploring economic development through the Center for International Business and Economic Development.

Financial Aid: This year the University has awarded \$184M. It was noted that for the first time in four years, Congress has increased the Pell Grant by \$260 to \$4,310 per year.

Trojan Village: A dedication ceremony is set for the afternoon of July 27th following Commencement luncheon.

Center for Student Success: The Center for Student Success is housed in the newly renovated Eldridge Hall. This facility provides vital resources and support for first-year student in their transformative year.

Barnes & Noble Bookstore: Dedication is set for July 27th and the ribbon cutting will follow the ribbon cutting for Trojan Village.

State Funding: Chancellor Hawkins said that at last report the University budget recommendation was at \$52M and ACHE’s recommendation would carry us to \$58M. The Governor has recommended \$70M. Chancellor Hawkins further added that there have been discussions about an additional \$4M in equity funding for the University which would carry us to \$62M. The next year we would get the ACHE recommendation plus another \$4M and then the following year we would again get the ACHE recommendation plus another \$4M dollars, which would, in effect, carry us to the \$70M the Governor recommended. At this time, the University is waiting see what the numbers show.

Heritage Scholarship: Chancellor Hawkins announced the establishment of a Heritage Scholarship. This scholarship will be available to dependents of all graduates who have paid their alumni dues. The scholarship will be a one-time scholarship for one academic year in the amount of \$500. This scholarship program will be funded by the car tag program.

Athletics: Chancellor Hawkins shared highlights in the athletics program. The baseball team beat Auburn recently in a 16 inning victory before a record-breaking crowd at Riddle-Pace Field. This is the second year in a row that the baseball team beat both Auburn and Alabama. The upcoming football season schedule has been finalized and Oklahoma State University and Middle Tennessee State University will be nationally televised. The women's rodeo team won the Ozark Region and the team will participate at the Collegiate Finals in Casper, Wyoming in June. The Graduation Success Rate shows that TROY has the highest GSR (81%) of all public universities in Alabama for the past two years, as well as in the Sunbelt for the past two years. There were 131 student athletes who had a 3.0 or better GPA Fall Semester, and there were 54 who graduated in the fall and spring. Chancellor Hawkins talked about the softball team and the tragedy the team experienced two years ago when Tara Blackwell suffered an injury when she did a flip while playing after practice in Nashville. It was noted that Tara's jersey was retired in a ceremony during Senior Day last Sunday.

In conclusion, Chancellor Hawkins talked about international initiatives for the University. TROY has developed a partnership with the Alabama Development Office in setting up an office in Heidelberg, Germany. Tomorrow there are two students from Heidelberg who will be on campus to receive their degrees during the commencement ceremony. TROY is also looking into opening an office with the Alabama Development Office in China as well as in India.

V. Safety and Security Presentation, Dr. John Schmidt

Dr. Schmidt shared segments of the cell phone photographs from the Virginia Tech tragedy, and he discussed initiatives at Troy University to streamline and strengthen our Campus Crisis Response system. He addressed the following areas: Crisis Action Steps, Crisis Action Team Process, Crisis Action Playbook, News Media Plan, Follow on actions, and Campus Safety and Security Week. He added that a Crisis Response is a process with a six action step plan. Those steps include: Conduct situational analysis, review course of action responses, decide course of action, implement response, continue post-response actions, and conduct post-response review. Dr. Schmidt elaborated on each of the above six steps. He also talked about communication tools to be put into place that would include a university-wide central email system for crisis notification as well as other notification systems that would be put into place throughout the campuses. Dr. Schmidt advised that on August 29th Richard Brundage will be on campus to conduct a crisis training seminar. In addition, the week of September 24-28 will be declared Campus Safety and Security Week, and during this week the University will execute emergency action plans on all campuses with an announced fire drill.

VI. Board Committees

A. Finance Committee, Mr. John Harrison

Mr. Harrison said the Finance Committee met and reviewed the resolutions to be presented to the Board. He said Resolution No. 1 is a supplemental resolution no. 18 to the General Bond Resolution and authorizes Series 2007 Bond Resolution in the issuance, sale, and delivery by the university subject to the Chancellor and the Treasurer based on the prevailing market value at the time and it will be the General Student Fee revenue Bonds, Series 2007 in a principal amount currently estimated not to exceed \$13,000,000, the proceeds of which will be applied to the construction and equipping at the Troy Campus of new classroom and related facilities for the College of Education. Mr. Harrison advised that the Bond Counsel is available to respond to any questions.

- **Resolution No. 1 —Bond Funding for the College of Education Building**

ACTION: A motion was made by Mr. John Harrison and a second was received by Mr. Milton McGregor. There being no further discussion, Resolution No. 1 was adopted.

Resolution No. 1

SUPPLEMENTAL RESOLUTION NO. 18 TO RESOLUTION ADOPTED AUGUST 15, 1969, ENTITLED "A RESOLUTION PROVIDING FOR THE CONSTRUCTION OF IMPROVEMENTS TO THE STADIUM AT THE CAMPUS OF TROY STATE UNIVERSITY, AT TROY, ALABAMA, FOR THE FINANCING THEREOF BY THE ISSUANCE OF REVENUE BONDS IN THE PRINCIPAL AMOUNT OF \$70,000, PAYABLE FROM STUDENT FEES FOR THE SECURING OF THE PAYMENT OF THE PRINCIPAL OF AND THE INTEREST ON SUCH BONDS; RESERVING THE RIGHT TO ISSUE ADDITIONAL BONDS PAYABLE FROM SUCH FEES ON A PARITY OF LIEN WITH SUCH BONDS, AND MAKING PROVISIONS INCIDENT THERETO"

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF TROY UNIVERSITY, as follows:

ARTICLE I

DEFINITIONS

Section 1.1 In addition to the words and terms defined in the Bond Resolution, which are hereby incorporated herein by reference, unless the context or use clearly indicates another or different meaning or intent:

"Alternate Credit Enhancement" means an irrevocable letter of credit, a surety bond or other credit enhancement facility covering the payment of debt service on all or any part or series of Bonds.

"Ambac" means Ambac Assurance Corporation, a Wisconsin domiciled stock insurance company.

"Bond Counsel" means Roy S. Goldfinger, P.C., Montgomery, Alabama, or any other attorney or firm of attorneys nationally recognized on the subject of municipal bonds whose opinions are generally accepted by purchasers of municipal bonds.

"Bond Resolution" means that certain resolution duly adopted by the Board at a meeting thereof duly called, held and conducted on August 15, 1969, and entitled "A RESOLUTION PROVIDING FOR THE CONSTRUCTION OF IMPROVEMENTS TO THE STADIUM AT THE CAMPUS OF TROY STATE UNIVERSITY, AT TROY, ALABAMA, FOR THE FINANCING THEREOF BY THE ISSUANCE OF REVENUE BONDS IN THE PRINCIPAL AMOUNT OF \$70,000, PAYABLE FROM STUDENT FEES FOR THE SECURING OF THE PAYMENT OF THE PRINCIPAL OF AND THE INTEREST ON SUCH BONDS; RESERVING THE RIGHT TO ISSUE ADDITIONAL BONDS PAYABLE FROM SUCH FEES ON A PARITY OF LIEN WITH SUCH BONDS, AND MAKING PROVISIONS INCIDENT THERETO," as modified, amended and supplemented by Supplemental Resolution No. 1 duly adopted by the Board at a meeting thereof duly called, held and conducted on August 14, 1970, by the 1997 Supplemental Resolution, and by Supplemental Resolution No. 17 duly adopted by the Board at a meeting thereof duly called, held and conducted on September 10, 2005.

"Business Day" means any day other than a day on which banking institutions are required or authorized to remain closed in either of the following locations: (i) the city in which the principal corporate trust office of the Depository is located, or (ii) the City of New York, New York.

"Chancellor" means the Chancellor of the University.

"Code" means the Internal Revenue Code of 1986, as amended.

"Determination Document" means a closing certificate of the University executed by the Chancellor and Treasurer and delivered on or prior to the Issue Date of the Series 2007 Bonds, in which the various determinations as to the terms and provisions, pricing, sale, and other matters relative to the Series 2007 Bonds herein entrusted to be made, shall be made or confirmed.

"Improvements" means certain capital improvements acquired, constructed, furnished and equipped or to be acquired, constructed, furnished and equipped by and for the University, as more fully described in Section 2.1(a) hereof, all or part of the cost of which is to be paid from a portion of the proceeds of the Series 2007 Bonds.

"Issue Date" means the date of the initial authentication and delivery of Series 2007 Bonds.

"MBIA" means MBIA Insurance Corporation, Armonk, New York, a stock insurance company incorporated under the laws of the state of New York.

"MSRB" means the Municipal Securities Rulemaking Board.

"1997 Supplemental Resolution" means Supplemental Resolution No. 9 duly adopted by the Board at a meeting thereof duly called, held and conducted on May 30, 1997.

"Policy" means a municipal bond insurance policy covering the payment of debt service on all or any part or series of Bonds.

"Purchase Agreement" means a bond purchase agreement or similar document relating to the Series 2007 Bonds to be entered into between the University and the Purchaser.

"Purchaser" means the original purchaser or purchasers of the Series 2007 Bonds, if issued.

"SEC" means the Securities and Exchange Commission.

"Series 2007 Bonds" means any of the Bonds authorized to be issued hereunder.

"Series 2007 Construction Account" means the account or accounts required to be established by Section 6.1 hereof.

"Series 2003 Bonds" means the University's \$7,880,000 General Student Fee Revenue Bonds, Series 2003, dated December 1, 2003, now outstanding in the principal amount of \$6,990,000.

"Series 2002 Bonds" means the University's \$12,890,000 General Student Fee Revenue Bonds, Series 2002, dated September 25, 2002, now outstanding in the principal amount of \$12,100,000.

"Sphere of Knowledge" means, as to any party (including, if such party is a public body, corporation, partnership or other such entity, its trustees, officers, directors, employees and agents, as applicable), any event, condition, circumstance or item of information, whether factual, supposed or alleged, (a) which is known to such party, (b) of which such party has notice or (c) which in the ordinary course of events such party may reasonably be expected to know or have known.

"Tax-Exempt" means, when used in reference to the Series 2007 Bonds, that interest thereon is excluded from gross income for federal income tax purposes under Section 103(a) of the Code.

"Treasurer" means the Treasurer of the University.

"2001 Guaranty" means the Financial Guaranty Agreement dated August 29, 2001 between the University and MBIA.

"2001 Surety Bond" means the Debt Service Reserve Surety Bond No. 35980(2) in the amount of \$3,571,445 issued by MBIA on August 29, 2001 in favor of the Depository.

"2003 Guaranty" means the Guaranty Agreement dated December 16, 2003 between the University and Ambac.

"2003 Surety Bond" means the Surety Bond No. SB1780BE in the amount of the lesser of (i) \$1,518,194 or (ii) the Maximum Annual Debt Service Requirement attributable to the Series 2002 Bonds and the Series 2003 Bonds, issued by Ambac on December 16, 2003 in favor of the Depository.

"University College" means and encompasses all sites of the University located outside the State.

Section 1.2 Unless the context indicates otherwise, words importing the singular number include the plural number, and vice versa; the terms "hereof", "hereby", "herein", "hereto", "hereunder" and similar terms refer to this Resolution; and the term "hereafter" means after, and the term "heretofore" means before, the date of adoption of this Resolution. Words of any gender include the correlative words of the other genders, unless the sense indicates otherwise.

The captions and headings in this Resolution are solely for convenience of reference and in no way define, limit or describe the scope or intent of any Articles, Sections, subsections, paragraphs, subparagraphs or clauses hereof.

ARTICLE II

FINDINGS, DETERMINATIONS AND REPRESENTATIONS

Section 2.1 The Board, upon evidence duly submitted to and considered by it, has ascertained and found and does hereby declare, represent and state that:

(a) It is necessary that the University pay the cost of acquiring, constructing, furnishing and equipping, as applicable, the Improvements, including the repayment of any interim or temporary loans or advances made to or by the University for such purposes, at a total cost currently estimated at \$13,000,000. The Improvements consist of and include (i) the construction and equipping of new classroom and related facilities for the College of Education at the Troy campus of the University; and (ii) such other Improvements, if any, as the Chancellor and Treasurer are hereby entrusted to determine and approve in the Determination Document. The Improvements described in clause (i) of the preceding sentence and, in general terms, the issuance of revenue bonds of the University to finance the same were heretofore authorized by Resolution No. 4 adopted by this Board on August 4, 2006, as amended on March 2, 2007.

(b) All of the Improvements are and shall be improvements to pay the cost of which, in whole or in part, the University is authorized to issue Parity Bonds under Section 7.2 of the Bond Resolution.

(c) In order for the University to acquire, construct, furnish and equip, as applicable, the Improvements (including the repayment of any interim or temporary loans or advances made to or by the University for the Improvements), it will be necessary for the University to authorize and (subject to the provisions hereof) to issue, sell and deliver its Series 2007 Bonds as Parity Bonds under the Bond Resolution, in an aggregate principal amount currently estimated at and not to exceed (except as permitted pursuant to Section 3.1 hereof) \$13,000,000.

(d) Pursuant to resolution heretofore adopted by this Board, the General Student Fees have been levied and collected for the fall semester, 2006 as follows: (i) for a normal load of 12 to 16 hours at all in-State campuses, at the rates of \$2,002 and \$4,004 per semester for in-State and out-of-State students, respectively; (ii) for all credit hours less than 12 or more than 16 at all in-State campuses, at the rates of \$167 and \$334 per credit hour for in-State and out-of-State students, respectively; (iii) for each graduate credit hour at all in-State campuses, at the rates of \$182 and \$364 for in-State and out-of-State students, respectively; (iv) for all students, a Student Activity/Instructional Services Fee of \$9 per credit hour up to a maximum of \$108; (v) for all students, a Registration Fee of \$50; and (vi) for all students enrolled in University College, at those rates established in relation to the local higher education market and, where applicable, through consultation with military contractors.

(e) The University is not at this time in default in the payment of the principal of or interest on any Bonds or Parity Bonds now outstanding or in the performance of any covenant or provision set forth in the Bond Resolution or any Supplemental Resolution.

(f) The only Parity Bonds that have been previously issued by the University under the provisions of Article VII of the Bond Resolution and that are at this time outstanding are the University's General Student Fee Revenue Bonds, Series 1998, dated September 1, 1998, now outstanding in the principal amount of \$6,515,000, its General Student Fee Revenue Bonds, Series 2001, dated August 1, 2001, now outstanding in the principal amount of \$9,450,000, the Series 2002 Bonds, the Series 2003 Bonds, its General Student Fee Revenue Bonds, Series 2004, dated January 1, 2004, now outstanding in the principal amount of \$4,355,000, and its General Student Fee Revenue Bonds, Series 2005, dated May 1, 2005, now outstanding in the principal amount of \$7,420,000.

ARTICLE III

AUTHORIZATION OF SERIES 2007 BONDS

Section 3.1 (a) Pursuant to the authorization so to do contained in the Bond Resolution and in Section 16-3-28 of the Code of Alabama of 1975, as amended, and for the purpose of providing for the payment of all or a part of the cost of acquiring, constructing, furnishing and equipping the Improvements, including the repayment of any interim or temporary loans or advances made to or by the University for such purpose, there are hereby authorized to be issued, as Parity Bonds under the Bond Resolution, Series 2007 Bonds in principal amount not to exceed \$13,000,000. Notwithstanding the foregoing, the Finance Committee of this Board is hereby authorized, on request of the Chancellor and Treasurer, to approve the issuance of a greater principal amount of Series 2007 Bonds.

(b) The Series 2007 Bonds shall be issued, if at all, subject to the discretion of the Chancellor and Treasurer, in consultation with the Purchaser, based on prevailing market conditions at the time of the proposed sale thereof, and then only in the manner, to the extent, and upon the terms and conditions set forth in Article V hereof. The issuance of the Series 2007 Bonds shall in itself conclusively evidence the determination by the Chancellor and the Treasurer that market conditions at the time warranted their

issuance. Whether or not expressly so stated, all provisions of this Resolution relating to the Series 2007 Bonds and to the representations, covenants and undertakings of the University with respect thereto, shall be deemed qualified by the phrase "if the Series 2007 Bonds are issued".

(c) The Series 2007 Bonds shall be issued in a single series, on a Tax-Exempt basis, designated "Troy University, General Student Fee Revenue Bonds, Series 2007"; and shall be in the denominations of \$5,000 and any integral multiple thereof, fully registered as to both principal and interest, and numbered consecutively from R-1 upwards. The Chancellor and the Treasurer are hereby authorized and entrusted to make the following determinations, among others hereinafter authorized, relating to the Series 2007 Bonds, all of which shall be set forth in the Determination Document: (1) the precise principal amount thereof, (2) the dated date thereof, (3) the interest rate or rates to be borne thereby, which shall be payable semiannually on May 1 and November 1 in each year, (4) the first interest payment date thereof, (5) the years and principal amounts in which they shall mature, in each case on November 1 of such years, and (6) the redemption provisions thereof. The Chancellor and Treasurer are authorized, in the Determination Document, to alter the series designation of the Series 2007 Bonds, in the event they are issued after December 31, 2007; in such event, all references herein to the Series 2007 Bonds shall be deemed to refer to the revised series designation thereof. The Determination Document is hereby declared to be and shall be construed as an integral part of this Resolution.

Section 3.2 (a) In the event that less than all of the outstanding principal of any Series 2007 Bond is to be redeemed, the registered owner thereof shall surrender the Series 2007 Bond that is to be prepaid in part to the Depository in exchange, without expense to the owner, for a new Series 2007 Bond of like tenor except in a principal amount equal to the unredeemed portion of the Series 2007 Bond. In the event that less than all of the principal of the Series 2007 Bonds of a maturity is to be redeemed, the Depository shall assign numbers to each \$5,000 principal portion of all the Series 2007 Bonds of such maturity and shall, by process of random selection based upon such numbers, select the principal portion of the Series 2007 Bonds of such maturity to be redeemed.

(b) Notice of any intended redemption shall be sent by United States registered or certified mail not fewer than 30 days prior to the proposed redemption date to the owner of each Series 2007 Bond, all or a portion of the principal of which is to be redeemed. Notice having been so given and payment of the redemption price having been duly made or provided, interest on the Series 2007 Bonds (or principal portions thereof) so called for redemption shall cease to accrue from and after the date fixed for redemption unless default shall be made in the payment of the redemption price thereof.

Section 3.3 The principal of and redemption premium, if any, on the Series 2007 Bonds shall be payable at the principal corporate trust office in the City of Birmingham, Alabama, of the Depository, Regions Bank (formerly known as First Alabama Bank, which was the successor by merger to First Farmers and Merchants National Bank of Troy), in any coin or currency which on the respective dates of payment is legal tender for the payment of debts due to the United States of America. Interest on the Series 2007 Bonds will be paid by check or draft of the Depository, mailed to the registered owner of each Series 2007 Bond at the address thereof shown on the bond registration records of the University kept by the Depository as Registrar for the Bonds. The Series 2007 Bonds will be on a parity of lien with each other and with the Bonds.

Section 3.4 The Series 2007 Bonds shall be executed for and on behalf of the University with a facsimile of the signature of the Chancellor and attested by a facsimile of the signature of the Treasurer, and the corporate seal of the University shall be affixed to each Series 2007 Bond by imprinting a facsimile of said seal thereon. In the event that any officer a facsimile of whose signature appears on any of the Series 2007 Bonds shall cease to be such officer before the authentication, registration, and delivery of such Series 2007 Bonds, or in the event that the seal imprinted in facsimile on any of the Series 2007 Bonds shall cease to be an accurate representation of the seal of the University, such Bonds may, upon the request of the University, be authenticated, registered, and delivered, as herein provided, as though the person who signed such Bonds had not ceased to be such officer of the University or as though the University had not altered its corporate seal prior to the delivery of such Bonds.

None of the Series 2007 Bonds shall be valid or obligatory for any purpose or shall be entitled to any right or benefit hereunder and under the Bond Resolution unless there shall have been endorsed thereon a certificate of authentication and registration in substantially the form set forth as part of the form of the Series 2007 Bonds attached as Exhibit A hereto, duly executed by the Depository, and such certificate of the Depository upon any Series 2007 Bond executed on behalf of the University shall be conclusive evidence and the only evidence that the Series 2007 Bond so authenticated has been duly issued, registered in the name of the owner thereof, and that said owner is entitled to the benefit hereof and of the Bond Resolution. The Depository's certificate of authentication and registration on any Series 2007 Bond shall be deemed to have been executed by it if manually signed by an authorized officer of the Depository, but it shall not be necessary that the same officer sign the certificate of authentication and registration on all of the Series 2007 Bonds.

Section 3.5 In case any of the Series 2007 Bonds shall be or become mutilated, destroyed, stolen or lost, then upon the surrender of such mutilated Bonds to the Depository, or the presentation to the University and to the Depository of evidence satisfactory to them, respectively, of the destruction, theft or loss of such Bond and that the claimant was the owner thereof at the time of such event and, in any event, upon being furnished with indemnity satisfactory to them, respectively, and upon the payment of all

necessary expenses incurred by the University and the Depository in investigating said claim and in issuing a new Bond, the University shall issue and the Depository shall thereafter authenticate, register and deliver to or upon the order of such claimant a Series 2007 Bond of like tenor, date, principal amount and maturity as the Series 2007 Bond so mutilated, destroyed, stolen or lost, with such notations thereon as the University and the Depository shall determine.

Section 3.6 Each of the Series 2007 Bonds shall be fully registered as to both principal and interest in the name of the owner on registration books to be maintained for the purpose by the University at the principal corporate trust office of the Depository, which is designated as Registrar. The person in whose name each Series 2007 Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of or on account of the principal of, premium, if any, and interest on any such Bond shall be made only to or upon the order of the owner thereof, or his legal representative, and neither the University, the Depository nor any agent of the University shall be affected by any notice to the contrary, but such registration may be changed as herein provided. All such payments shall be valid and effectual to satisfy and discharge the liability of the University upon such Bond to the extent of the sum or sums so paid and each transferee of any of the Series 2007 Bonds takes it subject to all principal and interest payments in fact made.

The Series 2007 Bonds are issuable only in fully registered form. Each of the Series 2007 Bonds may be transferred by the owner in person or by authorized attorney, only on the books of the Depository and only upon presentation and surrender of the Bond to the Depository for cancellation with a written instrument of transfer acceptable to the Depository executed by the owner or his duly authorized attorney, and upon any such transfer, one or more new Series 2007 Bonds of authorized denominations and of like tenor shall be issued to the transferee in exchange therefor.

The owner of any Series 2007 Bond in a face amount greater than the smallest authorized denomination thereof may surrender the same in exchange for multiple Series 2007 Bonds of authorized denominations aggregating the same principal amount as the Bond so surrendered, with each such Bond having the same year of maturity and bearing interest at the same rate (which may be a variable rate) as the Bond so surrendered. The owner of two or more Series 2007 Bonds having the same maturity date and interest rate may surrender the same in exchange for a single Series 2007 Bond in the aggregate principal amount of the Bonds so surrendered and having the same year of maturity and bearing interest at the same rate as the Bonds so surrendered.

The Depository shall not be required to transfer or exchange any Series 2007 Bond during the period of 15 days next preceding any date on which either principal or interest or both is to be paid with respect to such Bond; and in the event that any Series 2007 Bond (or any part thereof) is duly called for redemption, the Depository shall not be required to exchange or transfer any such Bond during the period of 45 days next preceding the date fixed for such redemption. No charge shall be made for the privilege of transfer or exchange, but the owner of any Series 2007 Bond requesting any such transfer or exchange shall pay any tax or other governmental charge required to be paid with respect thereto.

Section 3.7 The Chancellor and Treasurer are authorized, in the Determination Document, to determine, in consultation with the Purchaser, that the Series 2007 Bonds be initially issued in book-entry only form, if circumstances and other considerations at the time of issuance so warrant. In such event, the foregoing provisions of this Article III shall be deemed modified to the extent necessary to comport with any applicable requirements of The Depository Trust Company ("DTC") or other book-entry depository, as generally described in that certain Blanket Issuer Letter of Representations dated August 12, 2002 between the University and DTC.

ARTICLE IV

FORM OF SERIES 2007 BONDS

Section 4.1 The Series 2007 Bonds shall be in substantially the form of Exhibit A attached hereto and made a part hereof, containing the appropriate insertions and variations therein to conform to the provisions hereof and of the Determination Document.

Section 4.2 The officers of the University are hereby authorized and directed to execute and register the Series 2007 Bonds in the manner and with the effect provided herein, and the Depository shall authenticate and deliver them as provided herein.

ARTICLE V
SALE AND DELIVERY OF SERIES 2007 BONDS;
DISPOSITION OF PROCEEDS OF SALE

Section 5.1 (a) This Board hereby authorizes and approves the preparation by appropriate officials of the University, in consultation with Bond Counsel, the Purchaser and other professional advisers to the University, of a Preliminary Official Statement of the University (the "POS"), and the conversion by said officials and advisers of the POS into a final Official Statement of the University (the "Official Statement"), relative to the issuance and sale of the Series 2007 Bonds. This Board hereby further authorizes the distribution and use of the POS and the Official Statement by the Purchaser in the offering and sale of the Series 2007 Bonds. This Board further authorizes the Chancellor, in the Determination Document, to "deem final", for purposes and within the meaning of Rule 15c2-12(b)(1) of the SEC, the POS as of its date and to make such other and further representations with respect to the POS and Official Statement as may be customary and desirable.

(b) The execution and delivery by the Chancellor of select copies of the POS and of the Official Statement, if so requested by the Purchaser, are hereby authorized.

(c) The University will, by the date on which the Purchaser shall have advised the University in writing that it intends to mail confirmations to prospective purchasers of Series 2007 Bonds, furnish to the Purchaser copies of the Official Statement in sufficient quantity to enable the Purchaser to comply with SEC Rule 15c2-12(b)(4) and the rules of the MSRB.

(d) If at any time prior to the Issue Date or within 90 days thereafter any event occurs which is within the Sphere of Knowledge of the University or the Purchaser and which causes the Official Statement as then in effect to contain any untrue statement of a material fact or omit to state any fact necessary to make the statements therein not misleading in any material respect, the University or the Purchaser, as the case may be, shall promptly notify each other and cooperate with each other in the preparation of an amendment of or supplement to the Official Statement which will correct such statement or omission. The University will advise the Purchaser promptly of any proposal to amend or supplement the Official Statement and will not effect any such amendment or supplement without the consent of the Purchaser. The University will advise the Purchaser promptly of the institution of any action, suit, proceeding, inquiry or investigation of which it has any knowledge seeking to prohibit, restrain or otherwise affect the use of the Official Statement in connection with the offering, sale or distribution of the Series 2007 Bonds.

(e) From the date of the Official Statement until 90 days after the Issue Date, if any event relating to or affecting the University shall occur which is known or becomes known to the Purchaser or Bond Counsel and as a result of which it is necessary, in the opinion of the Purchaser or Bond Counsel, to amend or supplement the Official Statement in order to make the Official Statement not misleading in the light of the circumstances existing at the time such event shall occur, the University will cause to be forthwith prepared and furnished to the Purchaser (at the expense of the University for 90 days after the Issue Date, thereafter at the expense of the Purchaser) a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the Purchaser and Bond Counsel) which will amend or supplement the Official Statement so that it 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, in the light of the circumstances existing at that time, not misleading.

(f) The University shall cooperate with the Purchaser in taking all actions necessary for the qualification of the Series 2007 Bonds for offer and sale (and the continuation of the effectiveness of such qualification so long as required for the distribution of the Series 2007 Bonds) and the determination of eligibility for investment in the Series 2007 Bonds under the laws of such jurisdictions as the Purchaser may reasonably request; provided, however, that the University will not be required to qualify as a foreign corporation or to do business or to file a general consent to service of process in connection with any such qualification in any jurisdiction other than the State of Alabama.

Section 5.2 The Chancellor and Treasurer are hereby entrusted to select and approve the Purchaser of the Series 2007 Bonds, and to confirm such selection in the Determination Document. The Series 2007 Bonds are hereby awarded and sold to the Purchaser at a purchase price equal to (a) such percentage of the aggregate principal amount thereof as is herein entrusted to be determined and approved by the Chancellor and Treasurer and confirmed in the Determination Document, plus (b) interest accrued on said aggregate principal amount from their dated date to but not including the Issue Date, (c) less such amount of original issue discount, if any, plus such amount of premium, if any, as are herein entrusted to be determined and approved by the Chancellor and Treasurer and confirmed in the Determination Document. The Board authorizes the preparation or review by Bond Counsel, and the execution and delivery on behalf of the University by the Chancellor or the Treasurer, of a Purchase Agreement for the Series 2007 Bonds.

The Treasurer of the University is authorized and directed to make the necessary arrangements with the Purchaser to establish the date, location, procedure and conditions for the delivery of the Series 2007 Bonds to the Purchaser or its order, and to take all steps necessary to effect due execution and delivery of the Series 2007 Bonds under the terms of this Resolution.

Section 5.3 The University may at any time or from time to time execute the Series 2007 Bonds, but before such Bonds shall be delivered to the Purchaser, there shall be filed, with the Secretary of the Board and the Depository, the instruments required by Article VII of the Bond Resolution.

The receipt of the Treasurer of the University shall be full acquittal to the Purchaser for the purchase price of the Series 2007 Bonds, and the Purchaser shall be under no obligation to see to the application thereof. The University, however, shall hold the proceeds from the sale of such Bonds in trust, and shall dispose of the same only as provided in this Resolution. When received: (a) the part of the purchase price of the Series 2007 Bonds representing accrued interest thereon to the date of payment of such purchase price shall be transferred by the University to the Depository for deposit in the Bond Fund; and (b) the balance of said purchase price shall be deposited by the University in the Series 2007 Construction Account.

If necessary, the Chancellor of the University is hereby authorized and empowered, on behalf of the Board, to determine and direct alternative allocations of the proceeds of the Series 2007 Bonds and of amounts on deposit in the Bond Fund and Reserve Fund, such determination and direction to be made, if necessary, in the Determination Document.

ARTICLE VI

SERIES 2007 CONSTRUCTION ACCOUNT

Section 6.1 (a) The University shall open and maintain one or more separate accounts to be known collectively as the "Series 2007 Construction Account" (with such additional designation as may be appropriate to distinguish the accounts, if more than one, from one another), in each case in a bank which is a member of the Federal Deposit Insurance Corporation or any agency which shall hereafter succeed to its functions and duties.

(b) The moneys in the Series 2007 Construction Account shall be applied only to pay or reimburse (a) costs of acquiring, constructing, furnishing and equipping the Improvements, including the repayment of any interim or temporary loans or advances made to or by the University for such purpose, and (b) expenses incurred in connection with the issuance of the Series 2007 Bonds. Withdrawals may be made by the University from the Series 2007 Construction Account by check or order accompanied by a certificate or certificates signed by an authorized officer of the University, stating the name of the payee and the amount and purpose of the payment. The bank serving as depository of any Series 2007 Construction Account (which may also be the Depository) shall not be responsible for the application of any moneys so withdrawn from said Account by the University.

(c) Any moneys on deposit in a Series 2007 Construction Account not required for current disbursements shall be invested in Permitted Investments, as hereinafter defined. Any such investments shall be payable in such amounts and at such times as may be necessary to meet required payments from that Series 2007 Construction Account. The earnings from any such investments shall be deposited in that Series 2007 Construction Account. No investment shall be made which would cause any of the Series 2007 Bonds to be "arbitrage bonds" or "hedge bonds" as those terms are used in Section 148 and Section 149(g), respectively, of the Code. The depository for any Series 2007 Construction Account, by acceptance of its duties hereunder, agrees to keep such records and supply such information to the University as will enable the University to make any necessary rebate payments in full and timely manner, in accordance with Section 9.1(h) hereof.

(d) As used herein, "Permitted Investments" shall mean and include any of the following (unless proscribed by the issuer of any Policy, Alternate Credit Enhancement or Reserve Credit Facility securing the Series 2007 Bonds):

(1) Cash (insured at all times by the Federal Deposit Insurance Corporation);

(2) Obligations of, or obligations guaranteed as to principal and interest by, the United States of America ("U.S.A.") or any agency or instrumentality thereof, when such obligations are backed by the full faith and credit of the U.S.A., including (i) U.S.A. treasury obligations, (ii) all direct or fully guaranteed obligations, (iii) Farmers Home Administration, (iv) General Services Administration, (v) Guaranteed Title XI financing, (vi) Government National Mortgage Association (GNMA), and (vii) State and Local Government Series;

(3) Obligations of any of the following federal agencies which obligations represent the full faith and credit of the U.S.A., including: (i) Export-Import Bank, (ii) Rural Economic Community Development Administration, (iii) U.S.A. Maritime Administration, (iv) Small Business Administration, (v) U.S.A. Department of Housing & Urban Development (PHAs), (vi) Federal Housing Administration, and (vii) Federal Financing Bank;

(4) Direct obligations of any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the U.S.A.: (i) senior debt obligations issued by the Federal National Mortgage Association (FNMA) or Federal Home Loan Mortgage Corporation (FHLMC), (ii) obligations of the Resolution Funding Corporation (REFCORP), (iii) senior debt

obligations of the Federal Home Loan Bank System, and (iv) senior debt obligations of other Government Sponsored Agencies approved by Ambac;

(5) U.S.A. dollar denominated deposit accounts, federal funds and bankers' acceptances with domestic commercial banks which have a rating on their short-term certificates of deposit on the date of purchase of "P-1" by Moody's Investors Service, Inc. ("Moody's") and "A-1" or "A-1+" by Standard & Poor's Ratings Services ("S&P") and maturing not more than 360 calendar days after the date of purchase (note that ratings on holding companies are not considered as the rating of the bank in question);

(6) Commercial paper which is rated at the time of purchase in the single highest classification, "P-1" by Moody's and "A-1+" by S&P and which matures not more than 270 calendar days after the date of purchase;

(7) Investments in a money market fund rated "AAAm" or "AAAm-G" or better by S&P;

(8) Pre-refunded "Municipal Obligations" (herein defined as any bonds or other obligations of any state of the U.S.A. or of any agency, instrumentality or local government unit of any such state) which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and (i) which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of Moody's or S&P or any successor thereto; or (ii) (A) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or obligations described in clause (2) above, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such Municipal Obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (B) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on such Municipal Obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate;

(9) Municipal Obligations rated "Aaa/AAA" by both Moody's and S&P or general obligations of states of the U.S.A. rated "A2/A" or higher by both Moody's and S&P; and

(10) other forms of investments (including investment agreements and repurchase agreements) which may be approved in writing by the issuer of any Policy, Alternate Credit Enhancement or Reserve Credit Facility securing the Series 2007 Bonds.

ARTICLE VII

CONTINUING DISCLOSURE AGREEMENT

Section 7.1 The University makes the covenants set forth in this Article VII as an agreement (this "Continuing Disclosure Agreement") for the benefit of the holders and beneficial owners from time to time of the Series 2007 Bonds, in accordance with the requirements of SEC Rule 15c2-12 (the "Rule"), with terms used in this Article having the meanings given to them or incorporated by reference in the Rule. This Continuing Disclosure Agreement constitutes a part of the contract between the University and such holders and beneficial owners, pursuant to Section 13.2 of the Bond Resolution; provided, however, that as to matters of default, remedy and amendment with respect to this Continuing Disclosure Agreement, the provisions of this Article VII shall govern.

Section 7.2 The University undertakes to provide, either directly or indirectly through such agent as the University may designate from time to time:

(a) To each "nationally recognized municipal securities information repository" ("NRMSIR") and to the information depository (if any) from time to time designated by the State ("SID"), within 180 days following the end of each Fiscal Year, unaudited annual financial information concerning the University, which shall be internally prepared by appropriate officials of the University in conformity with accounting principles generally accepted in the United States of America;

(b) To each NRMSIR and to the SID, when and if available, audited financial statements of the University;

(c) To each NRMSIR or to MSRB, at 1900 Duke Street, Suite 600, Alexandria, VA 22314-3412 (or at such different address as MSRB may have from time to time), and to the SID, notice in a timely manner of any of the following events, within the meaning of Rule 15c2-12, with respect to the Series 2007 Bonds, if material: (1) principal and interest payment delinquencies; (2) non-payment related defaults; (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 or events affecting the Tax-Exempt status of any Series 2007 Bonds issued on a Tax-Exempt basis; (7) modifications to rights of holders of Series 2007 Bonds; (8) bond calls;

(9) defeasances; (10) release, substitution or sale of property securing repayment of the Series 2007 Bonds; and (11) rating changes; and

(d) To each NRMSIR and to the SID, notice in a timely manner of a failure of the University to provide the annual financial information referenced in subsection (a) above within the period of time therein specified.

Section 7.3 The exclusive remedy for any breach of this Continuing Disclosure Agreement by the University shall be limited, to the extent permitted by law and as hereinafter provided, to a right of holders and beneficial owners, or the Depository, to cause proceedings in equity to be instituted and maintained to obtain the specific performance by the University of its obligations hereunder. Any individual holder or beneficial owner may institute and maintain, or cause to be instituted and maintained, such proceedings to require the University to provide or cause to be provided a pertinent filing if such filing is due and has not been made. Any such proceedings to require the University to perform any other obligation under this Continuing Disclosure Agreement (including any proceedings that contest the sufficiency of any pertinent filing) shall be instituted and maintained only by the Depository, which may institute and maintain any such proceedings in its discretion and shall do so, subject to the same conditions, limitations and procedures that would apply under the Bond Resolution if the breach were a default under the Bond Resolution, at the direction of the holders of at least 60% in aggregate principal amount of the Series 2007 Bonds then outstanding, excluding any Series 2007 Bonds held by or for the account of the University. Any failure of the University to comply with the provisions of this Continuing Disclosure Agreement shall not be a default under the Bond Resolution.

Section 7.4 This Continuing Disclosure Agreement may be amended, and noncompliance by the University with any provision of it may be waived, as may be necessary or appropriate to achieve its compliance with any applicable federal securities law or rule, to cure any ambiguity, inconsistency or formal defect or omission, and to address any change in circumstances arising from a change in legal requirements, change in law or change in the identity, nature or status of the University or the type of business conducted by the University. Any such amendment or waiver shall not be effective unless this Continuing Disclosure Agreement (as amended or taking into account such waiver) would have complied with the requirements of the Rule at the time of the primary offering of the Series 2007 Bonds, after taking into account any applicable amendments to or official interpretations of the Rule, as well as any change in circumstances, and until either (a) the University and the Depository shall have received a written opinion of Bond Counsel or other qualified independent special counsel selected by the Depository, or the Depository shall have determined, that the amendment would not materially impair the interests of holders or beneficial owners of the Series 2007 Bonds, or (b) the Depository shall have received the written consent to the amendment or waiver of the holders of at least a majority in aggregate principal amount of the Series 2007 Bonds then outstanding, excluding any Series 2007 Bonds held by or for the account of the University.

Section 7.5 The obligations of the University under this Continuing Disclosure Agreement shall remain in effect only for such period that (a) the Series 2007 Bonds are outstanding in accordance with their terms and (b) the University remains an obligated person with respect to the Series 2007 Bonds within the meaning of the Rule. The obligation of the University to provide notices of material events shall terminate, if and when the University no longer remains an obligated person with respect to the Series 2007 Bonds, provided that the University shall provide notice of such termination to MSRB and the SID.

ARTICLE VIII

SOURCES OF PAYMENT OF BONDS: PLEDGES, FUNDS AND THE APPLICATION THEREOF

Section 8.1 The Series 2007 Bonds are issued as Parity Bonds under the Bond Resolution and all applicable provisions of the Bond Resolution referring to the Bonds shall be construed to refer to the Series 2007 Bonds as well as all other Bonds issued thereunder, and the moneys in the Bond Fund and the moneys in or other securities held to the credit of the Reserve Fund shall be applied for the payment and benefit of all such Bonds to the extent and in the manner therein provided, even though all or a portion of such moneys may have been paid into the Funds prior to the issuance of the Series 2007 Bonds -- all to the end that the Series 2007 Bonds shall be secured in all respects on a parity with all other Bonds. Neither the principal of nor the interest on any of the Bonds, including the Series 2007 Bonds, shall constitute an obligation or debt of the State within the meaning of any constitutional or statutory provision whatsoever. The Bonds shall not be a charge on the general credit or the tax revenues of the State, and shall not in any event be payable out of any moneys at any time provided for or appropriated by the State. Neither the State nor the University shall be obligated, directly or indirectly, to contribute any funds, property or resources to the payment of the Bonds, except the fees and moneys pledged and the moneys in the Bond Fund and the moneys in or other securities held to the credit of the Reserve Fund, as provided in the Bond Resolution and this Resolution. Reference is made to Article X of this Resolution regarding the authorization to commence negotiations for the issuance and delivery of a Policy or Alternate Credit Enhancement, as additional security for the Series 2007 Bonds.

Section 8.2 The semiannual payments into the Bond Fund as provided for in Section 8.4 of the Bond Resolution shall be adjusted to provide for such additional amounts as may be necessary to pay the principal of and interest on the Series 2007 Bonds, as well as all other outstanding Bonds. In determining

the amounts to be transferred by the Depository to the Bond Fund on or before April 25 and October 25 in each year as provided in Section 8.4 of the Bond Resolution, the Bonds shall be deemed to include the Series 2007 Bonds as well as all other outstanding Bonds. In making any such transfers to the Bond Fund, the Depository shall take account of and give credit for any moneys paid therein from the proceeds of the Series 2007 Bonds, and any amounts paid therein pursuant to the covenant contained in Section 8.1 of this Resolution.

Section 8.3 In accordance with Section 7.4 of the Bond Resolution, as amended by the 1997 Supplemental Resolution, on or before the Issue Date, and as a further condition precedent to the issuance of the Series 2007 Bonds, the University shall deposit or cause to be deposited with the Depository an amount equal to the Maximum Annual Debt Service Requirement in respect of the Series 2007 Bonds, provided that such condition may be satisfied by delivery to the Depository of a Reserve Credit Facility (such as the 2001 Surety Bond or the 2003 Surety Bond) in face amount equal to such Maximum Annual Debt Service Requirement. Reference is made to Article X of this Resolution regarding the authorization to commence negotiations for the issuance and delivery of a Reserve Credit Facility satisfying such Maximum Annual Debt Service Requirement.

Section 8.4 All additional payments into the Bond Fund and any payments into or securities added to the credit of the Reserve Fund as hereinabove provided shall be made in the same order, with the same priority and from the same sources as the payments provided to be made into the Funds by the Bond Resolution.

ARTICLE IX

TAX-RELATED REPRESENTATIONS AND COVENANTS

Section 9.1 The University makes the following representations, warranties and covenants as the basis for its issuance of the Series 2007 Bonds, which representations, warranties and covenants are intended to be relied upon:

(a) The University warrants that the interest on the Series 2007 Bonds is and will continue to be excludable from the gross income of the owners thereof for federal income tax purposes. The University will continually comply with all requirements imposed by the Code as conditions to the exclusion from gross income for federal income tax purposes of the interest on the Series 2007 Bonds.

(b) The University will not apply or permit the proceeds of the Series 2007 Bonds to be applied in a manner that would cause any of them to be deemed "private activity bonds" within the meaning of Section 141 of the Code. There are and will be no leases from the University to any person or any other arrangement, express or implied, that would result, in the aggregate, in (i) the use, directly or indirectly, of more than five percent (5%) of the improvements financed or refinanced with the proceeds of the Series 2007 Bonds for any "private business use", within the meaning of Section 141(b) of the Code; or (ii) the payment of debt service on more than 5% of the proceeds of the Series 2007 Bonds being directly or indirectly (A) secured by any interest in property used or to be used for any such "private business use" or in payments in respect of such property or (B) derived, directly or indirectly, from payments (whether or not to the University) in respect of property or borrowed money used or to be used for any such "private business use"; provided, however, that the 5% limit set forth in clause (i) and/or (ii) may be exceeded if Bond Counsel opines that that will not cause interest on the Series 2007 Bonds to cease to be Tax-Exempt.

(c) The University will not use (directly or indirectly) any of the proceeds of the Series 2007 Bonds to make or finance loans to any persons.

(d) Except to the extent permitted under Section 149(b)(3) of the Code, (i) payment of principal of or interest on the Series 2007 Bonds is not directly, indirectly or otherwise guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof), and (ii) none of the proceeds of the Series 2007 Bonds will be used to make loans the payment of principal or interest with respect to which is to be guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof).

(e) The University covenants that it will restrict the use and investment of the proceeds of the Series 2007 Bonds in such manner and to such extent, if any, and take or refrain from taking such other actions, all as may be necessary, after taking into account reasonable expectations at the time of the delivery of and payment for the Series 2007 Bonds, so that the Series 2007 Bonds will not constitute "arbitrage bonds" within the meaning of Section 148 of the Code or "hedge bonds" within the meaning of Section 149(g) of the Code.

(f) The Chancellor and the Treasurer of the University are hereby authorized to execute and deliver an appropriate certificate of the University (the "Tax Compliance Certificate") for inclusion in the transcript of proceedings for the Series 2007 Bonds, to be made as of the Issue Date. The Tax Compliance Certificate shall, among other things, reaffirm as of its date the continuing accuracy, completeness and correctness of the tax-related representations herein contained, set forth the reasonable expectations of the University regarding the amount and use of all the proceeds of the Series 2007 Bonds and the facts and estimates on which those expectations are based, and contain such other and further representations and covenants on the part of the University as Bond Counsel or the Purchaser shall request to evidence the Tax-

Exempt status of the Series 2007 Bonds and the commitment of the University to maintain the same. The University hereby agrees to perform any such covenants contained in the Tax Compliance Certificate.

(g) The University will make such informational reports as may be required under the Code, and in particular Section 149(e) thereof, with respect to the issuance of the Series 2007 Bonds.

(h) The University covenants that it will (i) apply the proceeds of the Series 2007 Bonds to the governmental purposes of the borrowing, (ii) make timely rebate payments to the United States, if any are required, and (iii) maintain books and records and make calculations and reports necessary to make and to evidence sufficient rebate payments.

ARTICLE X

EFFORTS TO OBTAIN CREDIT ENHANCEMENT

Section 10.1 The Chancellor and the Treasurer are hereby authorized and directed to enter into negotiations as promptly as is practicable with MBIA, Ambac and/or such other municipal bond insurers or providers of Alternate Credit Enhancement as the Purchaser may recommend for the purpose of obtaining (i) a Policy and/or Alternate Credit Enhancement covering all or any part of the Series 2007 Bonds and (ii) a Reserve Credit Facility, analogous to the 2001 Surety Bond or the 2003 Surety Bond, satisfying the Maximum Annual Debt Service Requirement for the Series 2007 Bonds. Such officers are authorized and directed to provide to the insurers and providers of Alternate Credit Enhancement such financial and other information regarding the University, including without limitation such information as appears or will appear in the POS, as they may reasonably require to reach a credit and pricing decision. If successful in obtaining satisfactory commitments for such Policy and/or Alternate Credit Enhancement and Reserve Credit Facility, the Chancellor and the Treasurer are hereby authorized to execute and deliver, subject to the review of Bond Counsel, any and all documents (including without limitation one or more commitment letters or reimbursement agreements and a guaranty agreement with the provider of such Reserve Credit Facility similar to the 2001 Guaranty or the 2003 Guaranty), and to take any and all other actions (including without limitation the payment of the agreed-upon premiums therefor), necessary to consummate the issuance of such Policy and/or Alternate Credit Enhancement and Reserve Credit Facility. The Chancellor and Treasurer are further authorized, subject to the review of Bond Counsel, to approve and adopt, in the Determination Document, such provisions and amendments supplementing this Resolution as are customarily requested and approved in connection with the issuance of such Policy and/or Alternate Credit Enhancement, which provisions and amendments shall appear as an appendix to the Determination Document and are hereby authorized to be designated and to constitute "Article XII" of this Resolution.

ARTICLE XI

MISCELLANEOUS

Section 11.1 This Resolution is adopted as a Supplemental Resolution in order to provide for the issuance of the Series 2007 Bonds as Parity Bonds pursuant to Article VII of the Bond Resolution, and the provisions of this Resolution shall be so construed. All provisions, covenants, terms, conditions, rights and remedies set forth in the Bond Resolution, as hereby supplemented, are hereby ratified and reaffirmed and are hereby adopted as being applicable to and shall for any and all purposes apply to the Series 2007 Bonds, as if such Bonds had been originally issued under the Bond Resolution.

Section 11.2 This Board hereby authorizes Bond Counsel to prepare such other and further documents, certifications, assignments and instruments as Bond Counsel, the Depository or the Purchaser may require or as may be necessary or appropriate to consummate the transactions contemplated in this Resolution, including without limitation any certificates or reports referred to in Articles IX or X hereof. The Chancellor, Treasurer or any other appropriate officer or agent of the University is hereby authorized and directed to execute and deliver any and all such additional documents or certificates.

Section 11.3 Any or all of the Series 2007 Bonds shall, for all purposes of this Resolution, be deemed fully paid and defeased if the Depository or other paying agent therefor shall be provided with the following:

(a) a trust agreement between the University and the Depository or such other paying agent providing for the retirement of such Series 2007 Bonds by creating for that purpose an irrevocable trust fund sufficient to provide for payment in full of such Series 2007 Bonds (including payment of interest thereon on and until maturity or redemption), either at maturity or upon redemption or a combination of the two, which trust fund shall consist of (1) cash sufficient for such purpose, or (2) noncallable direct obligations of the United States of America which are certified by an independent public accounting firm of national reputation to be of such maturities or redemption dates and interest payment dates, and to bear such interest, as will be sufficient for such purpose, alone or together with any moneys to which reference is made in clause (1) above, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom (which earnings are to be held likewise in trust and so committed);

(b) a certified copy of a resolution of this Board calling for redemption those of the Series 2007 Bonds, if any, that are, according to said trust agreement, to be redeemed prior to their respective maturities;

(c) an opinion of Bond Counsel to the effect that the execution and carrying out of said trust agreement will not cause interest on the Series 2007 Bonds to cease to be Tax-Exempt; and

(d) evidence that any applicable requirements of the 1997 Supplemental Resolution have been satisfied.

Section 11.4 If any one or more of the covenants, agreements or provisions provided in this Resolution shall be contrary to law, then such covenant or covenants, agreement or agreements, provision or provisions shall be null and void, and shall in no way affect the validity of the other provisions of this Resolution or of the Series 2007 Bonds.

Section 11.5 This Resolution shall take effect upon its adoption by the Board, as evidenced by the endorsement hereon by the undersigned officers of the Board.

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EXHIBIT A
(Form of Series 2007 Bond)

(Form of Face of Bond)

**UNITED STATES OF AMERICA
STATE OF ALABAMA**

**TROY UNIVERSITY
GENERAL STUDENT FEE REVENUE BOND, SERIES 2007**

REGISTERED
NO. R-

REGISTERED
\$

Interest Rate: Maturity Date: Dated: CUSIP:

percent (%)
per annum

November 1, _____

On the Maturity Date stated above, **TROY UNIVERSITY**, a public corporation and instrumentality of the State of Alabama (the "University"), for value received, hereby promises to pay to _____, or registered assigns, but solely from the Bond Fund hereinafter referred to, the principal sum of

_____ and NO/100 DOLLARS

and to pay interest thereon at the per annum Interest Rate stated above, computed on the basis of a 360-day year composed of twelve 30-day months, payable semiannually on the first days of May and November in each year beginning 1, 200, from the most recent date to which interest shall have been paid or provided for or, if no interest shall have been paid or provided for, from the Dated date shown above. The principal of and redemption premium, if any, on this Bond are payable at the principal corporate trust office in the City of Birmingham, Alabama, of Regions Bank, formerly known as First Alabama Bank (the "Depository"), in any coin or currency which at the time of payment thereof shall be legal tender for the payment of debts due the United States of America. Interest on this Bond will be paid by check or draft of the Depository, mailed to the registered owner hereof at the address thereof shown on the bond registration records of the University kept by the Depository as registrar.

This Bond is one of a duly authorized issue of Bonds authorized in the aggregate principal amount of \$ _____ (the "Series 2007 Bonds") and issued pursuant to and in full compliance with (a) the Constitution and laws of the State of Alabama, including particularly Section 16-3-28 of the Code of Alabama of 1975, as amended, (b) a resolution duly adopted by the Board of Trustees of the University on August 15, 1969, as amended by subsequent resolutions duly adopted by the Board of Trustees of the University on August 14, 1970, on May 30, 1997, and on September 10, 2005 (collectively, the "Bond Resolution") and (c) a resolution supplemental to the Bond Resolution relative to the Series 2007 Bonds (the "Series 2007 Resolution"). Terms used but not otherwise defined herein shall have the meanings given to them in the Series 2007 Resolution.

The Series 2007 Bonds are issued as Parity Bonds under and as defined in the Bond Resolution. The principal of and interest on the Series 2007 Bonds are payable solely from and are secured pro rata with all other bonds heretofore or hereafter issued as Parity Bonds pursuant to the Bond Resolution (collectively, the "Bonds") by a first lien upon and pledge of (a) moneys in or other securities held to the credit of the special funds designated the Bond and Interest Sinking Fund (the "Bond Fund") and the Debt Service Reserve Fund (the "Reserve Fund"), and (b) general fees levied by the University against students enrolled at the University (the "General Fees"), all as more particularly described in the Bond Resolution (collectively referred to herein as the "Revenues"). Additional bonds may hereafter be issued in successive series from time to time by the University payable from the Revenues equally and ratably and on a parity of lien with the Bonds (including the Series 2007 Bonds) theretofore issued pursuant to the Bond Resolution, subject, however, to the terms and conditions of the Bond Resolution. The Bond Resolution provides that the Revenues shall be segregated and paid into the Bond Fund in an amount sufficient to pay the principal of and interest on the Bonds as and when they mature and become due and (unless other provision be made for funding the reserve requirement) also paid into the Reserve Fund in an amount sufficient to establish and thereafter maintain a debt service reserve. Neither the University nor the State of Alabama (the "State") is obligated to make any payment to the Bond Fund or to the Reserve Fund except from the Revenues. Neither the principal of nor the interest on this Bond shall constitute an obligation or debt of the State within the meaning of any constitutional or statutory provision whatsoever. This Bond shall never be payable from any funds at any time provided for or appropriated by the State, and shall not be a charge on the general credit or tax revenues of the State. Neither the State nor the University shall be obligated, directly or indirectly, to contribute any funds, property or resources to the payment of the Bonds or the interest thereon, except the Revenues.

The University has covenanted and agreed in the Bond Resolution and does hereby covenant and agree that, so long as this Bond is outstanding, it will continue to levy and collect fees from student attending the University in such amounts and at such times as will produce Revenues sufficient at all times to pay the principal of and interest on the Bonds as and when such principal and interest mature and become due, and also to establish and thereafter maintain or otherwise fund a debt service reserve.

REFERENCE IS MADE TO THE FURTHER PROVISIONS OF THIS BOND SET FORTH ON THE REVERSE SIDE. THOSE PROVISIONS SHALL HAVE THE SAME EFFECT FOR ALL PURPOSES AS IF SET FORTH HERE.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Resolution and the Series 2007 Resolution until the certificate of authentication and registration hereon shall have been executed by the Depository by the manual signature of one of its authorized officers.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the Constitution and laws of the State to exist, happen and be performed precedent to and in the issuance of this Bond, and the issue of which it is one, do exist, have happened and have been performed in due time, form and manner.

IN WITNESS WHEREOF, the University has caused this Bond to be executed in its behalf by a facsimile of the signature of its Chancellor, has caused its seal to be hereunto imprinted in facsimile and to be attested by a facsimile of the signature of its Treasurer and has caused this Bond to be dated the first day of _____, _____.

TROY UNIVERSITY

By: _____
Its Chancellor

(S E A L)

Attest:

By: _____
Its Treasurer

AUTHENTICATION AND REGISTRATION DATE:

Authentication and Registration Certificate

The within Bond is one of those described in the resolution adopted by the Board of Trustees of Troy University authorizing its General Student Fee Revenue Bonds, Series 2007, and has been registered by the University on the registration books maintained with the undersigned in the name of the above-named owner on the authentication and registration date specified above.

REGIONS BANK

By: _____
Its Authorized Officer

(Form of Reverse of Bond)

Those of the Series 2007 Bonds having a stated maturity in _____ and thereafter are subject to redemption prior to their respective maturities, at the option of the University, on or after November 1, _____, as a whole or in part on any date (and if in part, the maturities of those to be redeemed to be selected by the University, and if less than all the Series 2007 Bonds of a maturity are to be redeemed, in installments of \$5,000 or any integral multiple thereof, selected from such maturity by the Depository by random selection) at the redemption prices (expressed as percentages of principal amount) set forth in the following table, plus accrued interest to the date fixed for redemption:

<u>Redemption Period</u> <u>(Both Dates Inclusive)</u>	<u>Redemption</u> <u>Price</u>
---	-----------------------------------

[The Series 2007 Bonds maturing on November 1, _____ (the "_____ Bonds") are subject to mandatory sinking fund redemption in part, by operation of mandatory sinking fund requirements, on November 1 of each of the following years, at a redemption price equal to 100% of the following respective principal amounts to be redeemed in such years, plus accrued interest thereon to the redemption date:

<u>Year</u>	<u>Principal Amount</u>
-------------	-------------------------

If retired only by mandatory sinking fund redemption prior to their stated maturity, there would remain \$ _____ in principal amount of the _____ Bonds to be paid at maturity.

The University has the option to deliver _____ Bonds to the Depository as registrar for cancellation, in any aggregate principal amount, and to receive a credit against the then-current mandatory sinking fund requirements and corresponding mandatory redemption obligation for such Bonds. Each such Bond so delivered, or previously redeemed, or purchased and cancelled, shall be credited by the Depository at 100% of the principal amount thereof against the then-current mandatory sinking fund obligation for such Bonds. Any excess of that amount over the then-current mandatory sinking fund requirements shall be credited against subsequent mandatory sinking fund redemption obligations for such Bonds.]

In the event that less than all of the outstanding principal of any Series 2007 Bond is to be redeemed, the registered owner thereof shall surrender the Series 2007 Bond that is to be prepaid in part to the Depository in exchange, without expense to the owner, for a new Series 2007 Bond of like tenor except in a principal amount equal to the unredeemed portion of the Series 2007 Bond. Notice of any intended redemption shall be sent by United States registered or certified mail not fewer than 30 days prior to the proposed redemption date to the owner of each Series 2007 Bond, all or a portion of the principal of which is to be redeemed. Notice having been so given and payment of the redemption price having been duly made or provided for, interest on the Series 2007 Bonds (or principal portions thereof) so called for redemption shall cease to accrue from and after the date fixed for redemption unless default shall be made in the payment of the redemption price thereof.

The Series 2007 Bonds are issuable only as fully registered bonds in the denominations of \$5,000 and any integral multiple thereof. Provision is made in the Series 2007 Resolution for the exchange of Series 2007 Bonds for a like aggregate principal amount of Series 2007 Bonds of the same maturity and series and in authorized denominations, all upon the terms and subject to the conditions set forth in the Series 2007 Resolution with respect thereto.

This Bond is transferable by the owner hereof, in person or by authorized attorney, only on the books of the Depository (as registrar and transfer agent of the University) and only upon surrender of this Bond to the Depository for cancellation, and upon any such transfer one or more new Series 2007 Bonds of authorized denominations and of like tenor hereof will be issued to the transferee in exchange herefor, all as more particularly described in the Series 2007 Resolution. Each owner, by receiving or accepting this Bond, shall consent and agree and shall be estopped to deny that, insofar as the University and the Depository are concerned, this Bond may be transferred only in accordance with the provisions of the Series 2007 Resolution.

No charge shall be made for the privilege of transfer or exchange, but the owner hereof requesting any such transfer or exchange shall pay any tax or other governmental charge required to be paid with respect thereto. The Depository shall not be required to transfer or exchange this Bond during the period of 15 days next preceding any interest payment date; and, in the event that this Bond is duly called for redemption, the Depository shall not be required to transfer or exchange this Bond during the period of 45 days next preceding the date fixed for such redemption.

Provision is made in the Series 2007 Resolution for the replacement of any Series 2007 Bond which shall be or become mutilated, lost, stolen or destroyed, by the issuance, authentication and registration of a new Series 2007 Bond of like tenor, subject, however, to the terms, conditions and limitations contained in the Series 2007 Resolution with respect thereto.

The Bond Resolution may be amended and supplemented subject to the terms, conditions and limitations prescribed therein. Reference is hereby made to the Bond Resolution and the Series 2007 Resolution for a description of the respective rights, duties and immunities of the University and the rights and remedies of the holders of the Series 2007 Bonds.

STATEMENT OF INSURANCE

[*IF APPLICABLE*]

LEGAL OPINION

The following is a true copy of the opinion rendered by Roy S. Goldfinger, P.C. in connection with the issuance of, and dated as of and premised on facts and law in effect on the date of the original delivery of, the Series 2007 Bonds.

Treasurer, Troy University

[Opinion Text]

Respectfully submitted,
ROY S. GOLDFINGER, P.C.

The following abbreviations, when used in the inscription on this Bond or in the Assignment below, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - **as tenants in common**
TEN ENT - **as tenants by the entireties**
JT TEN - **as joint tenants with right of survivorship and not as tenants in common and not as community property**
UNIF TRAN MIN ACT - _____ **Custodian** _____
 (Custodian) **(Minor)**
under Uniform Transfers to Minors Act _____
 (State)

Additional abbreviations may also be used although not in the above list.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and irrevocably constitutes and appoints _____ attorney to transfer that Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

(Bank, Broker or Firm*)

By _____

Its _____

MedallionNumber:

*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).

Passed by the Board of Trustees of Troy University this 10th day of May, 2007.

President pro tempore of the Board
of Trustees

(S E A L)

Attest:_____

Secretary of the Board
of Trustees

- **Resolution No. 2—Sodexho Dining Services Agreement**

Mr. Harrison said that the Sodexho contract expires in July. Three Request for Proposals (RFPs) were sent out but only one was received back. Mr. Harrison added that it would be financially advantageous for the University to enter into a long-term agreement, and Resolution No. 2 authorizes the Chancellor to negotiate and enter into an agreement with Sodexho Dining Services for a period of five years, plus two one-year renewals. Mr. Harrison said that based on the unanimous approval of the Finance Committee, he recommends adoption of this resolution.

ACTION: Mr. Harrison made a motion to adopt Resolution No. 2. A second was made by Senator Dial. There being no further discussion, Resolution No. 2 was adopted.

Resolution No. 2

Sodexho Dining Services Agreement

WHEREAS, the existing dining services contract between Troy University and Sodexho Campus Services expires on July 2007; and

WHEREAS, Sodexho was the only vendor to bid on the new Request for Proposals issued by the University; and

WHEREAS, it would be financially advantageous for the University to enter into a new long term agreement with Sodexho;

THEREFORE, BE IT RESOLVED by the Board of Trustees on this 10th day of May 2007, that Dr. Jack Hawkins, Jr., Chancellor, has the authority to negotiate and enter into an agreement with Sodexho Management Services for dining services for Troy University for a period of five (5) years plus two (2) one-year renewals.

- **Resolution No. 3—Tuition and Fees**

Mr. Harrison introduced Resolution No. 3 and reiterated Chancellor Hawkins' comments that the University did not increase tuition for the 2006-2007 academic year. Resolution No. 3 would authorize an increase of 4%.

ACTION: Mr. Harrison made a motion for adoption. A second was made by Mr. McGregor. There being no further discussion, Resolution No. 3 which follows was adopted.

Resolution No. 3

Tuition and Fee Rates for Academic Year 2007 – 2008

WHEREAS, Troy University did not increase tuition for the 2006 – 2007 Academic Year; and

WHEREAS, the University is having significant enrollment growth and wishes for programs and personnel to keep pace with this growth; and

WHEREAS, the University has as its objective the establishment of competitive salaries for faculty and staff; and

WHEREAS, Troy University projects the need for a tuition increase as per the attached document entitled *Projected New Expenditures and New Revenue for 2007 – 2008* (Attachment A); and

WHEREAS, even with a 4 % increase in tuition, Troy University's tuition will still be the lowest in the state as reflected in the attached chart (Attachment B).

THEREFORE, BE IT RESOLVED by the Board of Trustees on this 10th day of May 2007 that the Chancellor is authorized to implement an increase in tuition for the 2007 – 2008 Academic Year consistent with the attached tuition and fee schedule for 2007 – 2008 (Attachment C).

FURTHERMORE, the Board of Trustees approves the attached schedule of proposed fees for room and board for the 2007 – 2008 Academic Year (Attachment D).

ATTACHMENT A

Projected
New Expenditures and New Revenue for 2007 – 2008

New Cost

● 5 % Raise	4,650,000
● Retirement Matching	757,000
● Retirees – PEEHIP	36,000
● FICA Increases	365,000
● Increase Cost of Health Insurance	400,000
● HECPI Index (2.7% inflation factor)	1,605,000
● New Minimum Wage	1,000,000
● Implementation of Strategic Plan	2,000,000
● New Technology	500,000
● New Programs	<u>857,000</u>
TOTAL NEW COST	12,170,000

New Revenue

● Additional State Appropriation	10,000,000
● Tuition Increase 4 %	<u>2,170,000</u>
TOTAL NEW REVENUE	12,170,000

<u>Universities</u>	<u>2006-2007 Tuition</u>
Montevallo	\$5,664
Auburn	\$5,496
University of Alabama	\$5,278
University of Alabama- Birmingham	\$5,242
Jacksonville	\$5,070
University of Alabama- Huntsville	\$4,848
Auburn University-Montgomery	\$4,760
North Alabama	\$4,651
South Alabama	\$4,502
Alabama A&M	\$4,430
West Alabama	\$4,308
Alabama State	\$4,008
Troy	\$4,004
Average	\$4,789

* The column assumes a minimum tuition rate of 4% for all four-year public universities (in all probability it will be more at

ATTACHMENT C

Proposed Tuition Rates for Semester
For In-State Campuses of Troy University¹

	<u>2006-07</u>	<u>2007-08</u>
➤ Undergraduate full-time tuition(12-16 hours) ²	\$2002	\$2082
➤ For all undergraduate credit hours less than 12 or more than 16	\$170	\$177
➤ For each graduate credit hour	\$182	\$182
➤ Registration Fee	\$50	\$50
➤ Student Activity Fee/ Instructional Services Fee	\$9/credit hour \$108 max	\$9/credit hour \$108 max
▪ Out-of-state students must pay two times the regular tuition charge.		
▪ The fee to audit a course is one-half regular tuition.		

1. This excludes University College. Tuition at University College sites (including the e-Campus) are established in relation to the local higher education markets and through negotiations with military, corporate, and civilian contractors.

2. Full-time tuition rates are not available for summer school terms.

ATTACHMENT D

**Room and Board Rate Proposal
2007-2008**

Room

Type of Room	2006-2007	2007-2008	Dollar Difference	Percentage Increase
Traditional Room	1175.00	1200.00	+25.00	2%
Cowart/Clements/Hill Crest/Sorority	1380.00	1405.00	+25.00	2%
Trojan Village				
Two bedroom	N/A	2250.00	0.00	0%
Four bedroom	N/A	2000.00	0.00	0%
Pace Hall				
One bedroom-one resident	1600.00	1625.00	+25.00	1.5%
One bedroom-two residents	1480.00	1500.00	+20.00	1.5%
Two bedroom-two residents	1600.00	1625.00	+25.00	1.5%
Two bedroom-four residents	1400.00	1425.00	+25.00	1.7%
Shackelford				
Single	1570.00	1600.00	+30.00	2%
One bedroom-two residents	1455.00	1480.00	+25.00	1.7%
Two bedroom-four residents	1380.00	1400.00	+20.00	1.5%
University Apartments*				
One bedroom-lower	320.00	330.00	+10.00	3%
One bedroom-upper	330.00	340.00	+10.00	3%
Two bedroom-lower	345.00	355.00	+10.00	2.8%
Two bedroom-upper	355.00	365.00	+10.00	2.8%

*All costs above are for a semester with the exception of the University Apartments which are leased on a monthly basis.

Meal Plans/Board

Type of Plan	2006-2007	2007-2008	Dollar Difference	Percentage Increase
19 meal plan + 50 points/Carte Blanche + 25 points	1256.00	1336.00	+80.00	6%
12 meal plan + 150 points/14 meal plan + 350 points	1256.00	1336.00	+80.00	6%
9 meal plan + 300 points/9 meal plan + 500 points	1256.00	1336.00	+80.00	6%
6 meal plan + 450 points/75 block meals + 600 points	1256.00	1336.00	+80.00	6%

**Please note that meal plan/board prices do not include sales tax.

B. Academic Committee, Senator Gerald Dial

Senator Dial advised that the Academic Committee met today and will present two resolutions for adoption. The first of the two follows and deals with increasing the undergraduate admission requirements. The changes as noted will raise the unconditional admission requirement to 19 on the ACT/910 SAT and the conditional admission requirement will be raised to 16-18 ACT/780-900 SAT. Dr. John Schmidt, Senior Vice Chancellor for Student Services, provided additional comments on the recommended change.

ACTION: On a motion by Senator Dial and seconded by Mr. Higgins, Resolution No. 4 which follows was approved.

- **Resolution No. 4—Increasing Undergraduate Admission Requirements**

Resolution No. 4

Increasing Undergraduate Admission Requirements

WHEREAS Troy University is committed to providing a university environment which promotes the success and welfare of the individual student, and

WHEREAS Troy University seeks to admit students who possess the intellectual curiosity, maturity, discipline, and motivation necessary for success, and

WHEREAS Troy University attempts to improve and enhance the academic quality of its student body and ultimately increase the retention of undergraduate students,

THEREFORE BE IT RESOLVED, that Troy University will increase academic requirements for undergraduate admission to the University. Effective Fall Semester 2008, all campuses and sites of the University will utilize the criteria listed below in granting admission:

Unconditional Admission Requirements

19 ACT or 910 SAT
2.00 Grade Point Average

Conditional Admission Requirements

16-18 ACT or 780-900 SAT
2.50 Grade Point Average

Exemption: Students 21 years of age, or older, are exempt from the ACT/SAT requirement. However, students in this category are required to submit all appropriate transcripts to include high school (or high school equivalency) and/or college transcripts.

- **Resolution No. 5—Role and Scope of Campuses**

Senator Dial said that Resolution No. 5 addressed the role and scope of the campuses. Dr. Ed Roach, Provost and Executive Vice Chancellor, was called upon to provide additional comments on Resolution No. 5. Dr. Roach provided some background information which has brought us to this step. This resolution will provide clarity in the Troy Campus' role in regard to other campuses.

ACTION: Mr. Higgins made a motion to adopt Resolution No. 5. A second was brought forth by Senator Dial. Senator Dial expressed the Board's appreciation to Dr. Roach for great job he has done. There being no further discussion, Resolution No. 5, which follows, was adopted.

Resolution No. 5

Ratification of Specific Role and Scope of Troy University's Four Alabama Campuses

WHEREAS, Troy University has a long and proud tradition of academic excellence across the State of Alabama, stretching from its origins as the Troy Normal School in 1887 to its four statewide campuses and national and international sites today; and

WHEREAS, Troy University has a long and proud tradition of meeting the academic needs of students through a diversity of quality undergraduate and graduate degrees and courses, offered through a variety of traditional and electronic methods throughout the state of Alabama; and

WHEREAS, Troy University has a long and proud tradition of recognizing and responding to the aspirations of both its traditional and nontraditional student learners; and

WHEREAS, Troy University recognizes the importance of being a good steward of its human and financial resources as well as an honorable steward of the trust of its stakeholders especially as the University has moved forward with continued excellence since the merger of its system campuses into a single unified University in August 2005; and

WHEREAS, Troy University desires to continue its mission of serving students through the Troy, Dothan, Montgomery, and Phenix City campuses; and

WHEREAS, the Troy campus of Troy University has a long standing history, since its founding in 1887, of **providing quality academic experiences to traditional students through a residential campus recognized as the University's historic campus of origin**, intercollegiate athletes, strong student organizations and co-curricular activities, is home to the University's Center for International Programs, serves as the home campus for the University's international students, is home to the University's eCampus and University College; and

WHEREAS, the Dothan campus of Troy University has a long-standing history, since its origins at Fort Rucker in 1965, of **providing quality and convenient education access to non-residential adult learners allowing them to advance their careers without interrupting those careers** through a variety of teaching and learning options principally, though not exclusively, in the evening hours that take into account students' commitment to work, family, and other conditions relevant to their needs and that the Dothan campus provides quality continuing education and life-long learning opportunities and community partnerships enhancing the Wiregrass region's quality of life and economic development, and is the center for local historical research in the Wiregrass region; and

WHEREAS, the Montgomery campus of Troy University has a long-standing history, since its origins at Maxwell Air Force Base in 1965, of **providing quality and convenient education access to non-residential adult learners allowing them to advance their careers without interrupting those careers** through a variety of teaching and learning options principally in the evening hours and on weekends that take into account students' commitment to work, family, and other conditions relevant to their needs, and that the Montgomery campus serves to enhance the civic and tourism opportunities of Alabama's Capital City, particularly through its outreach activities with the Rosa Parks Library and Museum, the Davis Theatre for the Performing Arts, and the W.A. Gayle Planetarium; and

WHEREAS, the Phenix City campus of Troy University has a long-standing history, since its origins as a branch campus in 1975, of **providing quality and convenient education access to non-residential adult learners allowing them to advance their careers with out interrupting those careers** through a variety of teaching and learning options principally in the evening hours and on weekends that take into account students' commitment to work, family, and other conditions relevant to their needs and that the Phenix City campus represents Troy University in the Chattahoochee Metro and surrounding area with a community-oriented campus-based learning experience and expanding partnership opportunities in the Chattahoochee Valley Region,

BE IT THEREFORE RESOLVED, by this resolution of the Board of Trustees adopted on the 10th Day of May, 2007, that Troy University reaffirms its commitment to academic excellence as an institution of higher learning; and

BE IT FURTHER RESOLVED that Troy University reaffirms the specific role and scope of each of its Alabama campuses in accordance with the descriptions offered for each in the preceding sections:

- That the Troy campus will provide quality academic and co-curricular experiences to traditional students through a residential campus recognized as the University's historic campus of origin ; and
- That the Dothan, Montgomery, and Phenix City campuses will provide quality and convenient education access to non-residential adult learners allowing them to advance their careers without interruption of those careers; and

BE IT FURTHER RESOLVED that Troy University direct its human and financial resources accordingly in support of the specific role and scope of each of the University's Alabama campuses.

C. Executive Committee, Dr. Doug Hawkins

Dr. D. Hawkins called for a motion on Resolution No. 6.

Resolution No. 6

Commending Student Government Association President

ACTION: Mr. McGregor made a motion to adopt Resolution No. 6. Seconded by Mr. Higgins, Resolution No. 6 was adopted.

Resolution No. 6

Commending Joe Hutto

WHEREAS, Joe Hutto served as Troy University Student Government Association President for the 2006-2007 academic year; and

WHEREAS, Mr. Hutto has shown outstanding leadership ability and played an integral role in the growth and progress of Troy University; and

WHEREAS, Mr. Hutto was the driving force behind the "Trojan Thursdays" initiative and worked with several local organizations, including the Pike County Chamber of Commerce, to implement this effort which promotes good relations between the Troy Campus and the surrounding community; and

WHEREAS, Mr. Hutto has done an outstanding job of representing the student body on the Board of Trustees, among the faculty and staff and in the greater community; and

WHEREAS, Mr. Hutto's term as SGA President came to an end during spring semester 2007;

THEREFORE BE IT RESOLVED, that the Board of Trustees hereby recognizes Joe Hutto for hard work and exemplary leadership of the Student Government Association and wishes him the best for future success.

- **Resolution No. 7—Commending Retirees**

Dr. D. Hawkins called for a motion to approve Resolution No. 7 commending retirees.

Resolution No. 7

ACTION: On a motion by Senator Dial, seconded by Mr. Drinkard, Resolution No. 7 was adopted.

Commending Retiring Faculty and Staff Members

WHEREAS, the following Troy University faculty and staff members retired or will retire on the specified date:

FACULTY: Dr. David O. Dye, Professor, Department of Speech and Theatre, Troy Campus, June 30, 2007; Dr. Judith F. Dye, Associate Professor, Department of Curriculum and Teaching, Troy Campus, July 31, 2007; Dr. Peter O. Hefron, Associate Professor, University College, Pacific Region, December 31, 2007; Dr. Walter L. Hollon, Assistant Professor of Accounting, Montgomery Campus, March 31, 2007; Dr. Sarah E. Johnson, Associate Professor, University College, July 31, 2007; Dr. Edward G. Kamnikar, Associate Professor of Accounting, Sorrell College of Business, Montgomery Campus, July 1, 2007; Dr. Lawrence W. Lovik, Chair, Sorrell College of Business, August 1, 2007; Dr. Victor C. Ortloff, Associate Professor, Department of Criminal Justice and Social Sciences, Troy Campus, July 31, 2007; Dr. Forrest H. Petry, Associate Professor, Department of Curriculum and Teaching, Troy Campus, May 31, 2007; and Ms. Joyce F. Sorrell, Assistant Professor of Kinesiology and Health Promotions, Troy Campus, June 1, 2007.

STAFF: Mrs. Janis D. Allen, Account Clerk, Department of Accounting Services, Troy Campus, August 1, 2007; Mrs. Susan J. Anderson, Department Secretary, College of Arts and Sciences, Troy Campus, January 1, 2007; Mrs. Nora Bane, Account Clerk, Purchasing, Montgomery Campus, March 31, 2007; Ms. Gayle Cardwell, Field Representative, University College, Florida Region, May 1, 2007; Mr. Edward Dunbar, Photography Technician, Department of Creative Services, Troy Campus, January 31, 2007; Mr. Jerry Gaskin, Clerk, Physical Plant, Montgomery Campus, February 28, 2007; Mrs. Linda H. Grice, Administrative Secretary, Graduate School, Troy Campus, January 1, 2007; Mr. Joe Johnson, Director of Creative Services, Troy Campus, June 1, 2007; Mr. Andrew Rivers, Jr., Interim Director of Fort Rucker, Dothan Campus, January 1, 2007; Ms. Linda F. Salisbury, Director of Academic Records, Dothan Campus, May 31, 2007; Mr. Michael A. Staples, Director of Physical Plant, Montgomery Campus, January 31, 2007; and Mr. William Averyt Walker, Printer, Department of Creative Services, Troy Campus, January 31, 2007.

THERFORE, BE IT RESOLVED that this Board express to these faculty and staff members sincere appreciation for loyal and conscientious service to the university and wish them health and happiness in their retirement.

BE IT FURTHER RESOLVED that an appropriate certificate be sent to the aforementioned as evidence of this recognition of his/her service to the university.

- **Resolution No. 8– Naming of Park**

Dr. D. Hawkins said that the park will be located at the corner of University Avenue and McKinley Drive. He commented on the beauty of the campus and the involvement of Mrs. Janice Hawkins in this effort. Dr. D. Hawkins called upon Representative Alan Boothe to introduce Resolution No. 8. Rep. Boothe commented on the beauty of campus and he said it all relates to Mrs. Hawkins' interest in campus beautification projects. Rep. Boothe recommended that the new park be named in honor of Troy University's First Lady, Mrs. Janice Hawkins.

ACTION: A motion was made by Mr. McGregor to adopt Resolution No. 8. A second was provided by Senator Dial. There being no further discussion, Resolution No. 8, which follows, was adopted.

Resolution No. 8

Naming the New Park Associated with the New On-Campus Housing Development

WHEREAS, Troy University's First Lady, Mrs. Janice Hawkins, has had a significant impact on the beautification of the Troy Campus and has assisted in the design of numerous campus beautification projects; and

WHEREAS, it is the intention of Troy University to develop a new park to provide for transition and pedestrian space associated with the new on-campus housing development; and

WHEREAS, many of the ideas for this park have originated from Mrs. Hawkins; and

WHEREAS, Mrs. Hawkins is very conscious of the aesthetics associated with all new construction projects;

THEREFORE, BE IT RESOLVED by the Board of Trustees on this 10th day of May 2007 that the proposed park to be established at the corner of University Avenue and McKinley Drive be named in honor of Mrs. Janice Hawkins.

VII. Adjournment

Prior to adjournment, Mr. Harrison said that he would like to challenge the Board that Sartain Hall, although it is in the long-range plans, be put on the front burner to address the need for an arena for the sake of the University.

In closing, Mr. Harrison said that since we are all so blessed not only in our personal lives but also the life of this University and the great State and United States that we live in and all that is going on in this world, that this Board when it adjourns, that it adjourn with a prayer. Mr. Higgins was asked to lead the Board in prayer.

R. Douglas Hawkins, D.V.M.
President Pro Tempore of the Board of Trustees
Troy University

Jack Hawkins, Jr., Ph.D.
Secretary, Board of Trustees
and Chancellor, Troy University