

MINUTES OF RECONVENED MEETING OF THE
BOARD OF TRUSTEES
OF
AUBURN UNIVERSITY

APRIL 20, 2012

AGENDA
AUBURN UNIVERSITY BOARD
APRIL 20, 2012

1. Approval of the February 3, 2011 Meeting Minutes
2. Awarding of Degrees
AU: May 6 and May 7, 2012
AUM: May 12, 2012
3. President's Report
4. Action Items and Committee Reports
 - A. Academic Affairs Committee/Chairperson Newton
 1. Proposed Concentration in Photography in the Bachelor of Fine Arts in Studio Art
 2. Proposed BSBA in Business Analytics
 3. Proposed Graduate Certificate in Information Systems
 4. Proposed Renaming of the Department of Consumer Affairs as the Department of Consumer and Design Sciences
 5. Proposed Renaming of the MS in Apparel and Textiles as the MS in Consumer and Design Sciences
 6. Proposed Renaming of the PhD in Integrated Textile and Apparel Science as the PhD in Consumer and Design Sciences
 7. Proposed Accelerated Program Leading to the BS in Interior Design and the MS in Consumer and Design Sciences
 - B. Finance Committee/Chairperson McCrary
 1. Proposed Tuition Increase, Auburn University at Montgomery
 2. Proposed Tuition and Fees Changes, Auburn University
 3. Approval for Change in Auburn University Endowment Statement Policy

C. Property and Facilities Committee/Chairperson Blackwell

1. Approval of Campus Planning Elements for the Auburn University Comprehensive Campus Master Plan 2012 Update
2. Wire Road Bicycle Path, Approval of Budget Increase
3. Central Classroom Facility, Approval of Project Architect and Construction Manager Selection
4. Renovation of Plainsman Park, Team Locker Room and Clubhouse, Approval of Project Initiation and Authorization to Commence the Project Architect Selection Process
5. Student and Faculty Lounge, Approval of Project Initiation and Authorization to Commence the Project Architect Selection Process

D. Executive Committee/Chairperson Rane

1. Policy on Erecting Statues, Monuments, or Other Types of Recognition on Campus
2. Revision of Board Policy on Naming of Departments, Schools, and Colleges to Include Naming of Academic Programs
3. Proposed 2012-2013 Meeting Dates
4. Proposed Awards and Namings

5. Recess Meeting

MINUTES OF A RECONVENED MEETING OF THE
AUBURN UNIVERSITY BOARD OF TRUSTEES OF AUBURN UNIVERSITY
HELD FRIDAY, APRIL 20, 2012
BALLROOM B OF THE AU HOTEL
AUBURN UNIVERSITY

The Board of Trustees of Auburn University reconvened for a meeting on Friday, April 30, 2012, in Ballroom B of the Auburn University Hotel on the Auburn University campus. President Pro Tempore Raymond Harbert convened the meeting at 10:44 a.m. Upon roll call by Board Secretary Grant Davis, the following named members of the Board of Trustees were deemed to be in attendance:

John G. Blackwell, Bob Dumas, Elizabeth Huntley, Samuel L. Ginn (via telephone), Raymond J. Harbert, D. Gaines Lanier, Charles McCrary, Sarah B. Newton, Jim Pratt, James W. Rane, Clark Sahlie, and Jimmy Sanford

The following named Trustees were absent:

Governor Robert Bentley

The individuals listed above represent all persons recognized as members of the Board of Trustees of Auburn University at the time of the meeting. Also sitting with the Board were faculty advisors, Claire Crutchley (AU) and Neleigh McKenzie (AUM); Auburn University SGA President Owen Parrish; and Auburn University Montgomery SGA President, Darius Pettway. Dr. McKenzie was given the opportunity to address the Board as this was her final meeting as Faculty Advisor to the Board of Trustees. The Board was also informed that Mr. Pettway was elected to serve another term as AUM SGA President.

Other persons in attendance at the meeting included the following:

Jay Gogue, President; Timothy Boosinger, Interim Provost; Don Large, Executive Vice President; John Veres, Chancellor for AUM; Grant Davis, Secretary to the Board of Trustees; Lee Armstrong, General Counsel; Jon Waggoner, University Counsel; Debbie Shaw, Vice President for Alumni; Jane Parker, Vice President for Development; Brian Keeter, Director of Public Affairs; Sherri Fulford, Executive Director of Governmental Affairs; Dan King, Assistant Vice President for Facilities; Wayne Alderman, Dean of Enrollment Services; Royrickers Cook, Assistant Vice President for Outreach; John Mason, Vice President for Research; Larry Fillmer, Executive Director for Program Development; Camille Barkley, Executive Director, Communications and Marketing; Nakeisha Janigan, Chair, AU Staff Council; Seth Humphrey, Chair, AU Administrative and Professional Assembly; Ralph Ioimo, AUM Faculty President; Ann Beth Presley, AU Faculty Senate Chair; members of the media; and others.

Mr. Harbert asked Mr. Armstrong if there were matters to be discussed in Executive Session. Mr. Armstrong indicated that there were pending or potential litigation matters to discuss. A motion was received from Mr. Harbert to move into Executive Session, seconded by Ms. Newton, and the Board of Trustees unanimously approved. Mr. Harbert announced that the meeting would reconvene within thirty minutes.

Mr. Harbert reconvened the meeting at 11:10 a.m., and a motion was received from Mr. Rane to approve the minutes from the February 3, 2012, meeting. Mr. McCrary seconded the motion, and the minutes were unanimously approved.

RESOLUTION

APPROVAL OF MINUTES

WHEREAS, copies of the minutes of the Reconvened Meeting on Friday, February 3, 2012, have been distributed to all members of this Board for review.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees that the minutes of its February 3, 2012, meeting are hereby approved as distributed.

Mr. Harbert then introduced the next item, Awarding of Degrees, and a motion to adopt was received from Mr. Rane, seconded by Mr. Blackwell, and the following resolution was unanimously adopted:

AWARDING OF DEGREES

WHEREAS, Auburn University confers appropriate degrees upon those individuals who have completed requirements previously approved by this Board of Trustees and stated in University Catalogs.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That all degrees to be awarded by the faculties of Auburn University on May 6, 2012, and May 7, 2012, and Auburn University Montgomery on May 12, 2012, complying with requirements heretofore established by the Board of Trustees, be and the same are hereby approved.
 2. That a list of the degrees awarded on the above listed dates be filed in the Book of Exhibits and made a part of this resolution and of these minutes.
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Mr. Harbert then called upon Dr. Gogue for the President's Report. Dr. John Veres presented a report from the AUM Campus, and Dr. Gogue called upon Interim Provost Boosinger who introduced Dr. Chris Roberts for an academic presentation on the engineering of contact lenses. Upon conclusion, President Gogue welcomed the new Board members and Dr. Jane Parker, the new Vice President for Development.

Mr. Harbert then moved into Committee Reports as follows:

Academic Affairs Committee -- Chairperson Newton. Ms. Newton advised that earlier the Committee had reviewed several items and moved for adoption of a unanimous consent agenda. A second was received from Mr. Rane, and the Board unanimously adopted the following resolutions:

RESOLUTION

PROPOSED CONCENTRATION IN PHOTOGRAPHY IN THE BACHELOR OF FINE ARTS IN STUDIO ART

WHEREAS, the College of Liberal Arts proposes to establish a new concentration in Photography within the existing Bachelor of Fine Arts curriculum in Studio Art; and

WHEREAS, offering a concentration in Photography would enhance the existing concentrations in Ceramics, Painting, Printmaking, and Sculpture, and would address an area of increased student interest and demand; and

WHEREAS, the proposed concentration would provide for a comprehensive visual arts program and would not require any new resources or space; and

WHEREAS, the request to create this concentration has been endorsed by the Dean of the College of Liberal Arts, the University Curriculum Committee, the Interim Provost, and the President.

NOW, THEREFORE, BE IT RESOLVED by Auburn University's Board of Trustees that the proposed concentration in Photography within the existing Bachelor of Fine Arts curriculum in Studio Art in the College of Liberal Arts be approved and submitted to the Alabama Commission on Higher Education (ACHE) for review and approval.

RESOLUTION

PROPOSED BSBA IN BUSINESS ANALYTICS

WHEREAS, the College of Business currently offers twelve professional programs leading to the Bachelor of Science in Business Administration; and

WHEREAS, the proposed degree in Business Analytics would provide opportunities for students to refine their analytical skills and develop competencies in business-oriented data management, predictive modeling, and statistical analysis; and

WHEREAS, offering a degree in Business Analytics would address an increasing need for graduates in a high-demand field and would not require any new resources or space; and

WHEREAS, the College of Business would be among a limited number of institutions nationally that offer such a degree program; and

WHEREAS, the request to create this degree has been endorsed by the Dean of the College of Business, the University Curriculum Committee, the Interim Provost, and the President.

NOW, THEREFORE, BE IT RESOLVED by Auburn University's Board of Trustees that the proposed BSBA in Business Analytics in the College of Business be approved and submitted to the Alabama Commission on Higher Education (ACHE) for review and approval.

RESOLUTION

PROPOSED GRADUATE CERTIFICATE IN INFORMATION SYSTEMS MANAGEMENT

WHEREAS, the College of Business wishes to provide individuals with the opportunity to acquire additional knowledge and skills to excel in the field of Information Systems Management; and

WHEREAS, such a graduate certificate program would provide students with a professional development program that combines management and technical preparation in specific areas related to information systems; and

WHEREAS, the establishment of a graduate certificate program in Information Systems Management would enable students and professionals from other relevant disciplines to enhance their professional credentials; and

WHEREAS, such a certificate program would utilize existing courses within the MS in Information Systems Management program, and would not require any additional resources or faculty; and

WHEREAS, the request to create this graduate certificate has been endorsed by the Dean of the College of Business, the Graduate Council, the Interim Provost, and the President.

NOW, THEREFORE, BE IT RESOLVED by Auburn University's Board of Trustees that the proposed Graduate Certificate in Information Systems Management from the College of Business be approved and forwarded to the Alabama Commission on Higher Education as an item of information.

PROPOSED RENAMING OF THE DEPARTMENT OF CONSUMER AFFAIRS AS THE DEPARTMENT OF CONSUMER AND DESIGN SCIENCES

WHEREAS, the Department of Consumer Affairs in the College of Human Sciences currently offers programs that emphasize consumer behavior and design sciences; and

WHEREAS, the current department title is not reflective of the unit's transdisciplinary focus on consumer needs, science, and creative design; and

WHEREAS, renaming the department from "Consumer Affairs" to "Consumer and Design Sciences" would enable its programs to become more recognizable to prospective students and faculty; and

WHEREAS, the request to rename the department has received the endorsement of the Dean of the College of Human Sciences the University Curriculum Committee, the Graduate Council, the Interim Provost, and the President.

NOW, THEREFORE, BE IT RESOLVED by Auburn University's Board of Trustees that the Department of Consumer Affairs be renamed the Department of Consumer and Design Sciences, with the change to be reported to the Alabama Commission on Higher Education.

RESOLUTION

PROPOSED RENAMING OF THE MS IN APPAREL AND TEXTILES AS THE MS IN CONSUMER AND DESIGN SCIENCES

WHEREAS, the College of Human Sciences currently offers a Master of Science degree in Apparel and Textiles that includes three areas of concentration related to various design and consumer merchandising fields; and

WHEREAS, a renaming from "Apparel and Textiles" to "Consumer and Design Sciences" will bring the degree nomenclature into better alignment with the curricular programs offered and the proposed concurrent renaming of the department and the PhD program; and

WHEREAS, the request to rename *MS in Apparel and Textiles* as the *MS in Consumer and Design Sciences* has received the approval of the Dean of the College of Human Sciences, Auburn University's Graduate Council, the Interim Provost, and the President.

NOW, THEREFORE, BE IT RESOLVED by Auburn University's Board of Trustees that the proposed renaming of the MS in Apparel and Textiles be approved as the MS in Consumer and Design Sciences, and that the renaming be forwarded to the Alabama Commission on Higher Education for review and approval.

RESOLUTION

PROPOSED RENAMING OF THE PHD IN INTEGRATED TEXTILE AND APPAREL SCIENCE AS THE PHD IN CONSUMER AND DESIGN SCIENCES

WHEREAS, the College of Human Sciences currently offers a PhD in Integrated Textile and Apparel Science; and

WHEREAS, in 1996 the Board approved the initiation of the PhD in Integrated Textile and Apparel Science as an interdepartmental program through the Department of Consumer Affairs and the Department of Textile Engineering (since renamed as the Department of Polymer and Fiber Engineering); and

WHEREAS, in 2010 the Board approved the initiation of a separate PhD program in Polymer and Fiber Engineering and the transfer of the PhD program in Integrated Textile and Apparel Science to the sole oversight of the College of Human Sciences; and

WHEREAS, a renaming from “Integrated Textile and Apparel Science” to “Consumer and Design Sciences” will bring the degree nomenclature into better alignment with the curricular programs offered; and

WHEREAS, the request to rename the *PhD in Integrated Textile and Apparel Science* as the *PhD in Consumer and Design Sciences* has received the approval of the Dean of the College of Human Sciences, Auburn University’s Graduate Council, the Interim Provost, and the President.

NOW, THEREFORE, BE IT RESOLVED by Auburn University’s Board of Trustees that the proposed renaming of the PhD in Integrated Textile and Apparel Science program be approved as the PhD in Consumer and Design Sciences, and that the renaming be forwarded to the Alabama Commission on Higher Education for review and approval.

RESOLUTION

PROPOSED ACCELERATED PROGRAM LEADING TO THE BS IN INTERIOR DESIGN AND THE MS IN CONSUMER AND DESIGN SCIENCES

WHEREAS, the College of Human Sciences currently offers exceptional academic programs leading to both the BS in Interior Design and the MS in Consumer and Design Sciences; and

WHEREAS, an accelerated plan of study would allow academically talented, upper-level undergraduates to enroll in courses eligible for graduate credit; and

WHEREAS, such a plan of study would allow successful students to earn both a BS in Interior Design and the MS in Consumer and Design Sciences within a five-year period; and

WHEREAS, this program would enhance the profile of the college by attracting students with excellent academic potential and address a professional need for Interior Designers with graduate degrees; and

WHEREAS, the request to create this Accelerated Bachelor's/Master's Program has been endorsed by the Dean of the College of Human Sciences, the Graduate Council, the University Curriculum Committee, the Interim Provost, and the President.

NOW, THEREFORE, BE IT RESOLVED by Auburn University's Board of Trustees that the proposed Accelerated Bachelor's/Master's Program in Interior Design/Consumer and Design Sciences from the College of Human Sciences be approved and forwarded to the Alabama Commission on Higher Education for review and approval.

Finance Committee - - Chairperson McCrary. Mr. McCrary indicated that the Committee had met earlier to discuss three items and moved for adoption of a unanimous consent agenda. The motion was seconded by Mr. Blackwell, and the unanimous consent agenda was adopted:

RESOLUTION

PROPOSED TUITION INCREASE AUBURN UNIVERSITY AT MONTGOMERY

WHEREAS, adequate sources of revenue are fundamental in meeting the goals of the University's strategic plan and mission; and

WHEREAS, the administration regularly assesses the financial resources to ensure they are sufficient to respond to student needs; and

WHEREAS, the assistance provided by the State through reduced appropriations is not sufficient to maintain our standard of excellence in the classroom needed to prepare our students to compete in today's volatile job market; and

WHEREAS, the senior administration at Auburn Montgomery has proposed the increase in tuition in response to another year of decreased state appropriations and increased costs, and the recommendation is endorsed by the President.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Auburn University that Jay Gogue, President, or such other person as may be acting as President, is hereby authorized to effect an 8% tuition increase at the undergraduate level and a 9% tuition increase at the graduate level as shown in Exhibit 1 and Exhibit 2 for Auburn University at Montgomery with the new rates taking effect with the 2012 Fall Semester.

AUBURN UNIVERSITY AT MONTGOMERY (AUM)
UNDERGRADUATE TUITION AND FEE INCREASE
EFFECTIVE FALL 2012
8.00%

Exhibit 1

	<u>Current Resident</u>	<u>Current Non-Resident</u>	<u>Proposed Resident</u>	<u>Proposed Non-Resident</u>
1. Undergraduate				
Full-time Tuition - 15 Hour Course Load	3,465.00	10,395.00	3,750.00	11,250.00
2. Required Student Fees				
Technology Fee (per hour on all classes)	8.00	8.00	8.00	8.00
Administrative Services Fee	35.00	35.00	35.00	35.00
Student Activity Fee	170.00	170.00	170.00	170.00
3. TOTAL TUITION AND FEES:	3,790.00	10,720.00	4,075.00	11,575.00
4. Credit Hour Tuition:				
Undergraduate	231.00	693.00	250.00	750.00
5. Other Fees				
University Affiliation Fee <i>(Includes Clearing for Graduation & Comp Exams when not enrolled)</i>	133.00	133.00	144.00	144.00
Audit Fee (Undergraduate per course)	231.00	693.00	250.00	749.00
Undergraduate Graduation Fee	55.00	55.00	55.00	55.00
Non-refundable Late Registration Fee	30.00	30.00	30.00	30.00

AUBURN UNIVERSITY AT MONTGOMERY (AUM)
GRADUATE TUITION AND FEE INCREASE
EFFECTIVE FALL 2012
9.00%

Exhibit 2

	<u>Current Resident</u>	<u>Current Non-Resident</u>	<u>Proposed Resident</u>	<u>Proposed Non-Resident</u>
1. Graduate				
Full-time Tuition - 12 Hour Course Load	3,384.00	7,614.00	3,696.00	11,088.00
2. Required Student Fees				
Technology Fee (per hour on all classes)	8.00	8.00	8.00	8.00
Administrative Services Fee	35.00	35.00	35.00	35.00
Student Activity Fee	170.00	170.00	170.00	170.00
3. TOTAL TUITION AND FEES:	3,685.00	7,891.00	3,997.00	11,389.00
4. Credit Hour Tuition:				
Graduate	282.00	846.00	308.00	924.00
5. Other Fees				
University Affiliation Fee <i>(Includes Clearing for Graduation & Comm Exams when not enrolled)</i>	133.00	133.00	145.00	145.00
Audit Fee (Graduate per course)	282.00	846.00	308.00	924.00
Graduate Graduation Fee	73.00	73.00	73.00	73.00
Non-refundable Late Registration Fee	30.00	30.00	30.00	30.00

RESOLUTION

PROPOSED TUITION AND FEES CHANGES AUBURN UNIVERSITY

WHEREAS, student tuition and fees are the primary sources of unrestricted revenue for support of University programs and operations; and

WHEREAS, projected state appropriations per student and other income sources are inadequate to maintain the standards of quality in instruction and other activities long associated with Auburn University and to cope with the erosive impact of inflation; and

WHEREAS, one of the University's institutional goals is to maintain tuition rates consistent with regional averages for peer institutions; and

WHEREAS, the University has experienced record reductions in State appropriations since Fiscal 08; and

WHEREAS, these conditions have led the administration to recommend a tuition increase.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Auburn University that Jay Gogue, President, or such other person as may be serving as President, be and the same is hereby authorized, effective with the 2012 Fall Semester, to establish tuition and fees rates for Auburn University as shown in Exhibit 1.

RESOLUTION

APPROVAL FOR CHANGE IN AUBURN UNIVERSITY ENDOWMENT STATEMENT POLICY

WHEREAS, the Board of Trustees of Auburn University has delegated authority for Auburn University's endowment investments to the Auburn University Foundation Investment Committee as outlined in the Auburn University Endowment Fund Investment Policy Statement; and

WHEREAS, the Auburn University Foundation Investment Committee shall from time-to-time recommend and implement investment policy with regard to asset allocation, manager selection, and portfolio supervision; and

WHEREAS, the Board of Trustees of Auburn University shall approve such written investment policy changes and be informed of tactical allocation changes among asset classes as indicated in the IPS responsibility table, appendix 3; and

**AUBURN UNIVERSITY TUITION STRUCTURE
PROPOSED FALL 2012**

	Current		PROPOSED RESIDENT	PROPOSED NON-RESIDENT
	RESIDENT	NON-RESIDENT		
<u>Tuition and Registration</u>				
Credit Hour Tuition - Undergraduate to 12 hours	304.00	912.00	0.00	0.00
Credit Hour Tuition - Graduate/Professional to 9 hours	405.00	1,215.00	0.00	0.00
Registration Fee	501.00	501.00	458.00	458.00
Proration Fee	200.00	200.00	200.00	200.00
<u>Non-Credit/Specialty Fees</u>				
Auburn Abroad Fee*	501.00	501.00	458.00	458.00
Auditing Fee - Undergraduate per course	304.00	912.00	0.00	0.00
Auditing Fee - Graduate/Professional per course	405.00	1,215.00	0.00	0.00
Clearing for Graduation*	501.00	501.00	458.00	458.00
College of Veterinary Medicine Clinical Rotation Fee*	540.00	540.00	458.00	458.00
Continuous Enrollment Fee - Graduate	450.00	450.00	450.00	450.00
GRA/GTA Enrollment Fee	307.00	307.00	0.00	0.00
Horticulture	307.00	307.00	0.00	0.00
International Student Fee	130.00	130.00	130.00	130.00
Music Fee (full hour lessons)	246.00	246.00	246.00	246.00
Music Fee (half-hour lessons)	163.00	163.00	163.00	163.00
<u>Professional Fees, Program Fees, Differential Tuition*</u>				
College of Architecture, Design, & Construction (per semester)	2,160.00	2,160.00	2,160.00	2,160.00
College of Business FR/SO (per semester)	260.00	260.00	260.00	260.00
College of Business FR/SO Summer (per semester)	75.00	75.00	75.00	75.00
College of Business JR/SR (per semester)	560.00	560.00	560.00	560.00
College of Business JR/SR Summer (per semester)	150.00	150.00	150.00	150.00
College of Business Graduate - per credit hour	200.00	200.00	200.00	200.00
College of Veterinary Medicine (per semester)	4,000.00	8,000.00	4,000.00	8,000.00
Honors College FR (per semester)	250.00	250.00	250.00	250.00
Honors College SO (per semester)	n/a	n/a	225.00	225.00
School of Nursing - per credit hour	200.00	200.00	200.00	200.00
School of Pharmacy (per semester)	4,783.00	4,783.00	4,783.00	4,783.00

* approved by Board March 2010

* Same as Registration Fee

** Professional fees, program fees, differential tuition in addition to regular credit hour tuition

Registration Fee	11-12	12-13
Special Building Fund	15.00	15.00
Student Activity	19.00	45.00
Student Swim Complex	12.00	12.00
Student Center Bond	75.00	75.00
Campus Recreation	7.50	7.50
Student Center Operation	7.50	7.50
Transit Fee	119.00	0.00
Athletics Fee	96.00	96.00
Wellness Center	150.00	200.00
	<u>501.00</u>	<u>458.00</u>

**AUBURN UNIVERSITY TUITION STRUCTURE
PROPOSED FALL 2012**

Exhibit 1

Tuition and Registration

	Current		PROPOSED	
	RESIDENT	NON-RESIDENT	RESIDENT	NON-RESIDENT
Credit Hour Tuition - Undergraduate to 12 hours	304 00	912 00	0 00	0 00
Credit Hour Tuition - Graduate/Professional to 9 hours	405 00	1,215 00	0 00	0 00
Registration Fee	501 00	501 00	458 00	458 00
Proration Fee	200 00	200 00	200 00	200 00

Non-Credit/Specialty Fees

Auburn Abroad Fee*	501 00	501 00	458 00	458 00
Auditing Fee - Undergraduate per course	304 00	912 00	0 00	0 00
Auditing Fee - Graduate/Professional per course	405 00	1,215 00	0 00	0 00
Clearing for Graduation*	501 00	501 00	458 00	458 00
College of Veterinary Medicine Clinical Rotation Fee*	540 00	540 00	458 00	458 00
Continuous Enrollment Fee - Graduate	450 00	450 00	450 00	450 00
GRA/GTA Enrollment Fee	307 00	307 00	0 00	0 00
Horticulture	307 00	307 00	0 00	0 00
International Student Fee	130 00	130 00	130 00	130 00
Music Fee (full hour lessons)	246 00	246 00	246 00	246 00
Music Fee (half-hour lessons)	163 00	163 00	163 00	163 00

Professional Fees, Program Fees, Differential Tuition*

College of Architecture, Design, & Construction (per semester)	2,160 00	2,160 00	2,160 00	2,160 00
College of Business FR/SO (per semester)	260 00	260 00	260 00	260 00
College of Business FR/SO Summer (per semester)	75 00	75 00	75 00	75 00
College of Business JR/SR (per semester)	560 00	560 00	560 00	560 00
College of Business JR/SR Summer (per semester)	150 00	150 00	150 00	150 00
College of Business Graduate - per credit hour	200 00	200 00	200 00	200 00
College of Veterinary Medicine (per semester)	4,000 00	8,000 00	4,000 00	8,000 00
Honors College FR (per semester)	250 00	250 00	250 00	250 00
Honors College SO (per semester)	n/a	n/a	225 00	225 00
School of Nursing - per credit hour	200 00	200 00	200 00	200 00
School of Pharmacy (per semester)	4,783 00	4,783 00	4,783 00	4,783 00

* approved by Board March 2010

* Same as Registration Fee

** Professional fees, program fees, differential tuition in addition to regular credit hour tuition

Registration Fee	11-12	12-13
Special Building Fund	15 00	15 00
Student Activity	19 00	45 00
Student Swim Complex	12 00	12 00
Student Center Bond	75 00	75 00
Campus Recreation	7.50	7.50
Student Center Operation	7.50	7.50
Transit Fee	119 00	0 00
Athletics Fee	96 00	96 00
Wellness Center	150 00	200 00
	501 00	458 00

WHEREAS, the Auburn University Foundation Investment Committee has approved certain changes in the Strategic Asset Allocation model of the IPS.

NOW, THEREFORE, BE IT RESOLVED that the Auburn University Board of Trustees has reviewed and concurs with these recommendations of the Auburn University Foundation Investment Committee and adopts and approves the Auburn University Endowment Fund Investment Policy Statement attached at Attachment A.

(Attachment A attached to the minutes)

Property and Facilities Committee - - Chairperson Blackwell. Mr. Blackwell indicated the Property and Facilities Committee had met earlier to discuss several items and moved for adoption of a unanimous consent agenda. A second was received from Mr. Rane, and the following resolutions were approved:

RESOLUTION

APPROVAL OF PLANNING ELEMENTS FOR THE AUBURN UNIVERSITY COMPREHENSIVE CAMPUS MASTER PLAN 2012 UPDATE

WHEREAS, the 2011-2012 Auburn Strategic Plan Goals require that the Board of Trustees be presented with a draft policy that establishes priorities for master plan implementation at the outset of the planning process; and

WHEREAS, a set of planning elements for the master plan has been developed, in collaboration with the University Master Plan Committee, based on known issues, opportunities, and challenges facing the Auburn University campus; and

WHEREAS, members of the Auburn Family (students, faculty, staff, and alumni) were invited to provide input on these issues; and

WHEREAS, these planning elements are broadly supported by the University community.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Auburn University that Jay Gogue, President, or such other person as may be acting as President, be and the same is hereby authorized and empowered to incorporate the following planning elements into the Comprehensive Campus Master Plan 2012 Update:

- Academic Buildings in the Core of Campus
- Campus Landscape
- Campus Quality of Life
- Campus Security
- Campus Transportation

- Health Science Sector at Auburn University Main Campus
- Long Range Land Use Plan
- Research Capability
- Space Needs of Colleges and Schools
- Sports and Athletics Facilities
- Student Housing on Campus
- Sustainable Practices

RESOLUTION

WIRE ROAD BICYCLE PATH APPROVAL OF BUDGET INCREASE

WHEREAS, the Board of Trustees on January 30, 2008, adopted *Comprehensive Master Plan 2007* which promotes a pedestrian and bicycle-friendly campus environment; and

WHEREAS, a bike lane project was planned to be executed as a collaboration between Auburn University, City of Auburn, and the Alabama Department of Transportation (ALDOT) to begin at the intersection of Wire Road and West Samford Avenue and extend southwestwardly along Wire Road for approximately 1.57 miles to termination at the intersection of Wire Road and Webster Road; and

WHEREAS, at the Board of Trustees meeting on June 26-27, 2008, the Board of Trustees approved the program requirements, schematic design, budget and funding plan for this project, and the project budget was established at \$1,447,868, with ALDOT providing \$919,200 of the project funds and Auburn University contributing unrestricted general funds in the amount of \$528,668; and

WHEREAS, the project is almost complete, and the construction inspection costs for the ALDOT certified inspector required on the project have exceeded the previously budgeted amount due to the contract duration being significantly extended due to inclement weather delays and other contractual issues, and the amount required to complete the project is \$107,139, to be funded from general unrestricted funds available from savings resulting from previously budgeted projects.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Auburn University that a budget increase in the amount of \$107,139 for the Wire Road Bicycle Path project is approved; and Jay Gogue, President, or such other person as may be acting as President, be and the same is hereby authorized and empowered to establish a total project budget in the amount of \$1,555,007.

RESOLUTION

CENTRAL CLASSROOM FACILITY APPROVAL OF PROJECT ARCHITECT AND CONSTRUCTION MANAGER SELECTION

WHEREAS, the Board of Trustees, at the meeting held on June 17, 2011, approved the initiation of a project to construct a Central Classroom Facility and authorized the selection of a project architect and construction manager for the project; and

WHEREAS, the Central Classroom Facility Program Requirements Committee, which served as the selection committee for the project architect, after interviewing six candidate architectural groups, determined the architectural team of William Blackstock Associates of Birmingham, Alabama, and tvsdesign of Atlanta, Georgia, was best qualified to provide architectural services on this project; and

WHEREAS, the Construction Manager selection committee interviewed four candidate construction management firms, and the selection committee determined that Robins and Morton of Birmingham, Alabama, was best qualified to provide construction management services on this project.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Auburn University that Jay Gogue, President, or such other person as may be acting as President, be and the same is hereby authorized and empowered to:

1. Engage the architectural team comprised of the firms William Blackstock Associates of Birmingham, Alabama, and tvsdesign of Atlanta, Georgia, to consult in the development of the facility program; to participate in space analysis and site planning; to compare alternative design concepts for consideration; to quantify and qualify project scope and cost alternatives.
 2. Engage the firm of Robins and Morton of Birmingham, Alabama, to perform construction management services and assistance in the development of the facility program.
 3. Limit the project plan and plan development to the schematic design phase until such time as the program requirements, budget, funding plan, and site are approved by the Board.
-

RESOLUTION

RENOVATION OF PLAINSMAN PARK TEAM LOCKER ROOM AND CLUBHOUSE APPROVAL OF PROJECT INITIATION AND AUTHORIZATION TO COMMENCE THE PROJECT ARCHITECT SELECTION PROCESS

WHEREAS, the Auburn University Athletics Department has proposed to renovate the baseball team locker rooms and clubhouse in Plainsman Park to better support team activities and to address the need for study areas, training/rehabilitation facilities, and equipment spaces; and

WHEREAS, the Athletics Department has recently received donations to fund this project; and

WHEREAS, the proposed project is expected to cost in excess of \$750,000 and Board of Trustees policy stipulates that all construction and renovation/adaptation, infrastructure or outdoor facility projects with budgets of \$750,000 or more, must be submitted to the Board through the Property and Facilities Committee for action.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Auburn University that the Renovation of the Plainsman Park Team Locker Room and Clubhouse is approved; and Jay Gogue, President, or such other person as may be acting as President, be and the same is hereby authorized and empowered to initiate the process for the selection of an architect.

RESOLUTION

STUDENT AND FACULTY LOUNGE APPROVAL OF PROJECT INITIATION AND AUTHORIZATION TO COMMENCE THE PROJECT ARCHITECT SELECTION PROCESS

WHEREAS, Auburn University Auxiliary Services has determined that a significant demand exists for a student and faculty lounge in the vicinity of Lowder Hall since a large number of students take classes in Lowder Hall and the Shelby Center complex, and there is no convenient food service, snack, or coffee outlets in that area of campus; and

WHEREAS, the proposed project would construct a new student and faculty lounge, on a site yet to be determined, in the vicinity of Lowder Hall; and

WHEREAS, the Student and Faculty lounge project would be funded by Auxiliary Services funds; and

WHEREAS, the proposed project is expected to cost in excess of \$750,000 and Board of Trustees policy stipulates that all construction and renovation/adaptation, infrastructure or outdoor facility projects with budgets of \$750,000 or more, must be submitted to the Board through the Property and Facilities Committee for action.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Auburn University that the Student and Faculty Lounge project is approved; and Jay Gogue, President, or such other person as may be acting as President, be and the same is hereby authorized and empowered to commence the selection process of a project architect.

Executive Committee - - Chairperson Rane. Mr. Rane indicated that several items require the attention of the Board of Trustees and called upon Mr. Armstrong for discussion of the first two, Policy on Erecting Statues, Monuments, or other types of recognition on campus and a Revision of Board Policy on Policy Namings. Mr. Armstrong reported that both are housekeeping changes that will allow for naming of new programs and recognitions honoring individuals. Mr. Rane moved for adoption of the first resolution, Policy on Erecting Statues, seconded by Mr. McCrary, and the following resolution was unanimously adopted:

RESOLUTION

POLICY ON ERECTING STATUES, MONUMENTS, OR OTHER TYPES OF RECOGNITION ON CAMPUS

WHEREAS, current Board policies recognize those who have provided meritorious service to the university, state or country, other significant personal or professional contributions including substantial financial commitments or have attained the high levels of distinction in their fields of endeavor by naming departments, schools, colleges, buildings, facilities, and road structures or edifices in honor of those individuals or organizations or awarding them honorary degrees; and

WHEREAS, other significant events of lasting importance to Auburn University should be appropriately recognized; and

WHEREAS, erecting statues, monuments, or other types of recognition are additional methods of honoring individuals, organizations, or events that meet similar criteria.

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees adopts the "Policy On Erecting Statues, Monuments, or Other Types of Recognition On Campus" as set forth in Exhibit A.

Exhibit A

Auburn University

POLICY ON ERECTING STATUES, MONUMENTS, OR OTHER TYPES OF RECOGNITION ON CAMPUS

POLICY STATEMENT

Statues or monuments will be erected only for persons and entities that have made outstanding or meritorious contributions to Auburn University, or have attained the highest level of distinction in their fields of endeavor. Other types of recognitions, including but not limited to plaques or historical markers, will be erected only in recognition of significant events of lasting importance to Auburn University.

POLICY PROCEDURES

- Requests or recommendations for erecting statues, monuments, or other types of recognition on campus must be advanced to the University President through the affected unit's administrative head, Dean, Director, Vice President or Provost.
- When the erecting of statues, monuments, or other types of recognition on campus is a part of a private fundraising effort or campaign, all aspects of the project will be considered in the fundraising effort including, but not limited to commissioning and building the statue, monument, or other recognition, preparing the erection site, and erecting the piece. The Vice-President for Development is responsible for submitting such requests to the University President for approval.
- The President will forward supporting documentation for erecting statues, monuments, or other types of recognitions on campus to the President Pro Tem of the Board of Trustees. Upon the concurrence of the President Pro Tem, the proposal will be placed on the Agenda for consideration by the Board of Trustees. Issues, if any, concerning the general reputation and character of candidates shall be discussed in Executive Session. Only through a positive vote of three-fourths of the members present of the Board of Trustees, by written ballot in Open Session, shall a statue, monument, or other type of recognition be erected on campus.
- Approval must be given by the Board of Trustees before any promise or offer concerning the erecting of statues, monuments, or other types of recognition on campus may be made.

ADOPTED: _____

Mr. Rane then moved for adoption of the second resolution, Policy on Naming of Departments, Schools and Colleges to include naming of academic programs. A second was received from Mr. McCrary, and the following resolution was unanimously adopted:

RESOLUTION

REVISION OF BOARD POLICY ON NAMING OF DEPARTMENTS, SCHOOLS, AND COLLEGES TO INCLUDE NAMING OF ACADEMIC PROGRAMS

WHEREAS, current Board Policy recognizes those who provided meritorious service to the University, other significant personal or professional contributions, as well as substantial financial commitments by naming departments, schools, and colleges in honor of those individuals or organizations; and

WHEREAS, naming of academic programs is another method of honoring individuals and organizations that meet the same criteria.

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees adopts the "Policy on the Naming of Departments, Schools, Colleges, and Academic Programs" as set forth on Exhibit A.

Mr. Rane then introduced the next item, the 2012-2013 proposed meeting dates and made a motion to approve. A second was received from Ms. Huntley, and the following dates were unanimously approved:

2012-2013

Proposed Board of Trustees Meeting Dates

Friday, September 21, 2012 - AU Student Center

Friday, November 16, 2012 - AU Hotel

Friday, February 1, 2013 - AUM

Friday, April 12, 2013 - AU Hotel

Friday, June 21, 2013 - AU Hotel

Exhibit A

D- 4. POLICY ON THE NAMING OF DEPARTMENTS, SCHOOLS, COLLEGES AND ACADEMIC PROGRAMS.

In addition to the naming of buildings and other physical facilities, the Board of Trustees considers the naming of major academic units and programs to be one of the most significant honors that can be bestowed by Auburn University. In order to preserve the integrity of this considerable award, it is the policy of the Board of Trustees that in recognition of meritorious service to the University, other significant personal and professional contributions, as well as substantial financial commitment, a University Department, School, or College may be named in honor of individuals or organizations. Such gifts may be used to provide support for the academic programs, instruction, research, and outreach initiatives for the respective academic unit, including related physical facilities, equipment, and staff.

Policy Procedures

Requests for the naming of Departments, Schools, Colleges, Academic Programs shall be submitted to the President, through the unit involved, the unit's administrative head, the unit's dean, director, Vice President, Provost, and the Vice President for Development, who will forward supporting documentation to the President for approval and submission to the Board of Trustees for consideration. A positive vote of three-fourths of the members present of the Board of Trustees, by written ballot, in Open Session, is required to name a Department, School, College, or Academic Program. In all cases, only the Board of Trustees has the authority to name Departments, Schools, Colleges, and Academic Programs.

ADOPTED: June 7, 1999
REVISED: September 16, 2005
REVISED: June 19, 2009
REVISED: _____

Mr. Rane then indicated that the Executive Committee had met and discussed approval of four namings and made a motion to adopt a unanimous consent agenda for those namings. A second was received from Mr. McCrary and the unanimous consent agenda was adopted by the Board. The following resolutions were adopted in that unanimous consent agenda:

RESOLUTION

REQUEST TO NAME THE AUDITORIUM OF THE JULE COLLINS SMITH MUSEUM OF FINE ART AT AUBURN UNIVERSITY AS THE MARTIN-PERRICONE AUDITORIUM IN HONOR OF DR. DAVID L. MARTIN AND DR. CATHERINE R. PERRICONE

WHEREAS Drs. Martin and Perricone are members of the Founder's Circle at the Jule Collins Smith Museum of Fine Art-Auburn University; and

WHEREAS Drs. Martin and Perricone are members of the 1072 Society at the Jule Collins Smith Museum of Fine Art-Auburn University; and

WHEREAS Drs. Martin and Perricone have provided continued financial support for Auburn University for over 30 years, including the Jule Collins Smith Museum of Fine Art-Auburn University, the Auburn University Libraries, the College of Liberal Arts, and numerous special programs throughout the University and community; and

WHEREAS Drs. Martin and Perricone have recently established a significant endowed fund for education and outreach programs at the Jule Collins Smith Museum of Fine Art-Auburn University; and

WHEREAS Drs. Martin and Perricone have served as distinguished faculty members at Auburn University and are now professors emeriti; and

WHEREAS Drs. Martin and Perricone continue to serve as ambassadors for Auburn University in their community.

NOW, THEREFORE, BE IT RESOLVED that Auburn University recognize the generosity of Dr. David L. Martin and Dr. Catherine R. Perricone by naming the auditorium of the Jule Collins Smith Museum of Fine Art-Auburn University as the Martin-Perricone Auditorium

RESOLUTION

REQUEST TO NAME
A PHYSIOLOGY LABORATORY IN THE
SCIENCES CENTER LABORATORY BUILDING
THE DR. LAWRENCE WIT PHYSIOLOGY LABORATORY

WHEREAS, Dr. Lawrence Wit has been a dedicated and loyal faculty member of Auburn University for more than thirty-six years; and

WHEREAS, Dr. Lawrence Wit is a perennial favorite among students, described by many as “the best teacher ever” and chosen by the 2009 Senior Class to deliver the *Final Lecture*; and

WHEREAS, Dr. Lawrence Wit has played an integral role in the personal and professional lives of countless Auburn students by sharing not only his knowledge of physiology, but imparting life lessons to generations; and

WHEREAS, Dr. Lawrence Wit’s former students, their parents, and his colleagues have made gifts totaling \$150,000 as an expression of their love and appreciation for him and established the Dr. Lawrence Wit Professorship in order to ensure that Dr. Wit’s legacy will endure and have an impact on future Auburn students as well.

NOW, THEREFORE, BE IT RESOLVED by the Auburn University Board of Trustees that the research laboratory in the Auburn University Sciences Center Laboratory building be named the Dr. Lawrence Wit Physiology Laboratory and that a commemorative plaque be mounted in a suitable location therein.

RESOLUTION

REQUEST TO NAME THE PLAYERS’ LOUNGE AT
THE AUBURN UNIVERSITY ATHLETICS COMPLEX AS
THE BENNIE M. AND STEPHANIE BRAY PLAYERS’ LOUNGE

WHEREAS, Bennie Bray has been a dedicated volunteer to Auburn University throughout his career; and

WHEREAS, Bray has served on the Auburn University Foundation Board, the Investment Committee and is also a past Treasurer of the Board. He is a past member of the Auburn University College of Business Advisory Council and was recently named as one of the top 40 graduates in the 40 year history of Auburn University’s College of Business; and

WHEREAS, it is our desire to have this request considered and approved at the April 22, 2012 meeting of the Auburn University Board of Trustees; and

WHEREAS, Bray's support of Auburn University has a long standing history. He is a member of the Talon Society, Athletics society for those who have contributed over \$500,000 to Athletics. Bray has made a generous gift of \$1,000,000 designated for the completion of the Athletics Complex. In addition to making this significant contribution to the players' area in the Athletics Complex, Bray has also supported many other Athletics and campus related projects.

NOW, THEREFORE, BE IT RESOLVED that Auburn University recognize Bennie Bray's generosity and over ten years of dedication and service to Auburn Athletics by naming the players' area in the Athletics Complex as the Bennie M. and Stephanie Bray Players' Lounge.

RESOLUTION

REQUEST TO NAME AUBURN UNIVERSITY AT MONTGOMERY LIBRARY TOWER AS THE IDA BELLE YOUNG LIBRARY TOWER

WHEREAS Ida Belle Young was a longtime business woman, cattlegwoman and philanthropist in Montgomery who died tragically in the aftermath of Hurricane Ivan in 2004; and

WHEREAS Miss Young was a graduate of Sidney Lanier High School and attended the University of Alabama and Auburn University before returning to Montgomery to assist her father in managing the family cattle ranch; and


WHEREAS Miss Young was a charter member of Young Meadows Presbyterian Church, the 1994 recipient of the Montgomery Area Council on Aging's Katherine Blount Special Friend Award and was posthumously named the 2004 Outstanding Philanthropist by the Central Alabama Chapter of the Association of Fundraising Professionals; and

WHEREAS Miss Young served for a period of time on the Auburn University at Montgomery Chancellor's Advisory Board and recognized that investing in higher education reaps invaluable returns in the enrichment of our society; and

WHEREAS Miss Young demonstrated her belief in higher education with a bequest to Auburn University at Montgomery valued at more than \$14,800,000.

NOW, THEREFORE, BE IT RESOLVED that Auburn University recognizes the generosity of the late Miss Ida Belle Young by naming the Auburn University at Montgomery Library Tower as the Ida Belle Young Library Tower.

Mr. Rane advised that the Executive Committee report was complete. Mr. Harbert thanked everyone for their attendance and recessed the meeting at 11:52 a.m.

A handwritten signature in blue ink, appearing to read "Grant Davis", with a stylized, cursive script.

Grant Davis

Secretary to the Board of Trustees

AUBURN UNIVERSITY
ENDOWMENT FUND
INVESTMENT POLICY STATEMENT

DRAFT

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Auburn University, (the "University"), investments will be managed by the Auburn University Foundation (the "Foundation") Investment Committee and University staff in accordance with the policies established by the Board of Trustees (the "Board"). Policies currently governing significant areas of investment management are based upon actions of the Board of Trustees and the Investment Committee.

I. Management of University Investments

The Board of Trustees has delegated responsibility for the University's investments to the Foundation Investment Committee, which shall recommend and implement investment policy with regard to asset allocation, manager selection, and portfolio supervision. In order to facilitate communication and reporting between the Board and the Foundation Investment Committee, a member of the Board shall be appointed as a liaison to the Committee and shall serve as a voting non-director on that committee. The liaison reports to the Board the status regarding the University's investment policies and results; and reports any recommended changes in investment policy to the Board.

A. Investment Committee Functions

1. The Investment Committee's principal function is to develop and recommend to the Board such investment and investment related policies, as it deems appropriate.
2. No member of the Investment Committee shall have or appear to have a conflict of interest that impairs or appears to impair the member's ability to exercise independent and unbiased judgment in the good faith discharge of his or her duties.
3. The Investment Committee will review regularly all investments of the University.
4. The liaison to the Investment Committee will make regularly scheduled reports to the Board of Trustees.
5. The Investment Committee recommends to the Board appropriate policies and procedures for custodianship and access to securities held by the funds, as it may deem appropriate.
6. The Assistant Treasurer, or his/her designee, is the Secretary of the Committee and shall keep minutes of the actions of the Committee.
7. The Committee may engage an investment consultant to work with staff, and advise staff and the Committee, on investment management issues including, but not limited to investment strategy, asset allocation, market trends, investment manager and custodian selection, manager and custodian evaluation criteria, investment performance evaluation, and any other appropriate matters.

B. Specific Functions of the Investment Committee

1. Establish investment objectives for the Endowment Pool.

2. Set asset allocation and manager structure policies for the investments.
3. Establish and continue to update the investment policy, and report the recommended changes to the Board.
4. Select, and as appropriate terminate, investment managers, fund custodian, and the investment consultant for the investments.
5. Establish, monitor, and update the investment process.
6. Review investment performance against established objectives.
7. Review, at least annually, investment activity to ensure compliance with investment policy.
8. Establish and propose to the Board, the spending policy for the Endowment Pool.

II. Endowment Investment Policy and Guidelines

The goal for AU's Endowment Pool is to provide a real total return that preserves the purchasing power of the Endowment's assets, while generating an income stream to support the academic activities of the University. The Endowment's real total return will be sought from an investment strategy that provides an opportunity for superior total returns within acceptable levels of risk and volatility.

A. Investment Objective

For the long-term, the primary investment objective for the Endowment Pool is to earn a total return (net of portfolio management fees), within prudent levels of risk, which is sufficient to maintain in real terms the purchasing power of the Endowment's assets and support the defined spending policy.

B. Asset Allocation

To achieve its investment objective, the Fund will allocate among several asset classes with a bias toward equity and equity-like investments due to their higher long-term return expectations. Other asset classes may be added to the Fund to enhance returns, reduce volatility through diversification, and/or offer a broader investment opportunity set.

The domestic equity segments are intended to provide long-term growth and offer high expected real returns and liquidity. The international equity segment is intended to enhance return and control risk by reducing the Funds' reliance on domestic financial markets. Private Equity may provide even higher return potential by focusing on opportunities in less efficient and more illiquid markets. Diversified Hedge Strategies are employed to offer market comparable returns with lower expected volatility. Fixed income provides stability and protection in deflationary environments. Real Assets provide the portfolio with a diversified hedge against inflation as well as a strong yield

component. Lastly, Cash provides short-term liquidity and serves as a funding source for distributions and rebalancing.

The Fund will be diversified both by and within asset classes. The purpose of diversification is to provide reasonable assurance that no single security, or class of securities, will have a disproportionate impact on the performance of the total fund. As a result, the risk level associated with the portfolio investment is reduced.

The strategic asset allocation adopted by Board is:

ASSET CLASSES	Target Allocation	Range
Equity		
Global Equity	36.5	26.5 - 46.5
Global Private Capital	12.5	8.0 - 16.0
Flexible Capital		
Absolute Return	11.0	6.0 - 16.0
Global Long/Short	14.0	9.0 - 19.0
Inflation Hedging/Real Assets		
Natural Resources, Real Estate, Commodities	13.0	8.0 - 18.0
U.S. TIPS	2.0	0.0 - 4.5
Credit		
Core Bonds	6.0	4.0 - 13.0
Uncorrelated (Dollar Hedge)		
Non-U.S. Government	5.0	2.0 - 8.0
Liquidity		
Cash	0.0	0.0 - 5.0
TOTAL	100.0	

Auburn University has modeled the expected return and volatility of the portfolio. The assumptions for the endowment's portfolio are included in Appendix 1.

C. Asset Allocation Review and Balancing Procedure

1. The Investment Committee will review the strategic allocation in the six asset classes, as well as the allocation to various styles of managers within these asset classes, at least annually.
2. Cash flows into and out of the portfolio (i.e., new gifts and spending) shall be allocated in a manner that is consistent with asset allocation policies. Rebalancing the portfolio by means of liquidating assets managed by investment managers will be the exception, and only done, when recommended by the investment consultant. Asset allocation reports will be provided to the Committee on a quarterly basis.

D. Manager Selection, Performance Measurement, Monitoring, and Evaluation

Auburn University seeks managers who demonstrate effective strategies, sustainable advantages, and high-quality organizational structures. The Fund expects its active managers to generate superior, relative risk-adjusted performance, net of all expenses. Passive mandates may be used in more efficient (occasionally in less efficient) segments of the capital markets, for the purpose of gaining market exposure. The committee shall determine the respective maximum allocations to single, active managers.

Attractive firm characteristics include:

- i. strong reputation in the marketplace and a meaningful, high-quality, institutional client base;
- ii. aligned interests (e.g. significant amount of principal/employee dollars invested in the funds);
- iii. stable and experienced professional team and principals/employees own equity in the firm
- iv. controlled growth and a manageable level of assets under management; and
- v. competitive long-term performance among peers.
- vi. annual audits by an independent audit firm.

Performance (net of fees) will be calculated on a quarterly basis by the consultant.

In addition to reporting time-weighted total returns for each manager and the Pool, a comparison is made with relevant market benchmarks as well as the composite returns for other money managers with similar philosophies to those managers investing for the Pool. Managers should add value above these benchmarks. Reports will include historical data in order to evaluate short-term results against longer-term strategies.

E. Guidelines for Corrective Action

Corrective action should be taken as a result of an ongoing investment managers review process. The following are instances where corrective action or termination may be in order:

1. Major organizational changes in a firm, including any changes in portfolio managers, may require a new contract and interview process. Failure on the part of the Investment Manager to notify the Committee of such changes is grounds for termination. At all times, communication with the managers should be open and informative. Investment managers should be willing and able to meet at least annually with the Committee.
2. Violation of terms of contract constitutes grounds for termination.
3. As part of its overall asset allocation strategy, the Committee will choose managers with certain styles and approaches to provide portfolio diversification. Therefore, it is critical that managers adhere to the original intent of the Committee at the time they are engaged. Any significant changes in investment approach may be grounds for termination.
4. The Committee will not, as a rule, terminate a manager on the basis of short-term performance. If the organization is sound and the firm is adhering to its style and approach, the Committee will allow a sufficient interval of time over which to evaluate performance. The Committee's consultant will provide insight regarding the appropriate length of time. The manager's performance will be viewed in light of the firm's particular style and approach, keeping in mind at all times the Pool's diversification strategy and, as well as, other organizational and relationship issues.
5. Investment managers may be replaced at any time as part of the overall restructuring of the Endowment Pool
6. Other events or circumstances that are deemed to be in the best interest of the University.

F. Endowment Spending Policy

The long-term objective of the endowment spending policy is to maintain the purchasing power of each endowment with the goal of providing a predictable and sustainable level of income to support current operations. Under this policy, spending for a given year equals 80% of spending in the previous year, adjusted for inflation (CPI within a range of 0% and 6%), plus 20% of the long-term spending rate (4.0%) applied to the twelve month rolling average of market values. This spending policy has two implications. First, by incorporating the previous year's spending, the policy eliminates large fluctuations and so enables the University to plan for operating budget needs. Second, by adjusting spending toward a long-term

rate of 4.0%, the policy ensures that spending levels will be sensitive to fluctuating market value levels thereby providing stability in long-term purchasing power.

The annual administrative fee is calculated each year using the spending model described above using a rate authorized by the Board, currently 1.0%.

An example of the spending calculation can be found in Appendix 2.

G. Gift Policy

It is anticipated that from time to time the University will receive gifts in the form of marketable securities. In such event, the Endowment Investment Office will liquidate the securities as soon as possible. In the event that the securities are restricted from sale for a designated period of time due to regulatory reasons, the University will hold said securities until the restricted period has elapsed and then liquidate the securities as soon as possible thereafter. The University will make no attempt to add value to the Pool by holding gifted securities.

H. Custodian and Depository Activities

The custodian and depository activities of the endowment pool, including agreements with any banks for the temporary, short-term investment of cash and equivalents will be subject to annual review by the Committee to assure that the University is receiving competitive rates and services.

Appendix 1

Asset Allocation Input Assumptions Expected Returns, Risks, and Correlations

	Expected Nominal Return	Expected Standard Deviation	Domestic Public Equity	Non-U.S. Developed Equity	Emerging Markets	Global Private Equity	Flexible Capital	Natural Resources (Private)	Natural Resources (Public)	Commodities	Real Estate (Private)	Real Estate (Public)	U.S. TIPS	Core Bonds	Long Gov/Corp	High Yield	Municipal Bonds	U.S. Treasuries (long-term)	Non-U.S. Government Bonds	Cash
Domestic Public Equity	8.8	20.0	1.00																	
Non-U.S. Developed Equity	8.8	20.0	0.82	1.00																
Emerging Markets	10.8	28.0	0.70	0.68	1.00															
Global Private Equity	12.5	30.0	0.69	0.58	0.49	1.00														
Flexible Capital	8.0	12.0	0.82	0.73	0.81	0.74	1.00													
Natural Resources (Private)	8.5	22.0	0.03	0.03	0.04	0.11	0.14	1.00												
Natural Resources (Public)	8.5	22.0	0.70	0.72	0.71	0.50	0.72	0.00	1.00											
Commodities	8.0	22.0	0.07	0.15	0.13	0.16	0.16	-0.03	0.70	1.00										
Real Estate (Private)	8.5	22.0	0.09	0.12	-0.04	0.26	-0.01	-0.04	0.20	0.23	1.00									
Real Estate (Public)	8.5	22.0	0.62	0.56	0.41	0.37	0.49	-0.11	0.54	0.18	0.16	1.00								
U.S. TIPS	3.5	5.0	-0.30	-0.24	-0.12	-0.16	-0.15	-0.05	-0.14	0.22	0.06	0.03	1.00							
Core Bonds	4.3	6.5	-0.13	-0.13	-0.31	-0.22	-0.14	0.12	-0.41	-0.20	-0.13	0.06	0.59	1.00						
Long Gov/Corp	4.5	11.0	-0.14	-0.12	-0.31	-0.16	-0.17	0.11	-0.39	-0.25	-0.09	0.04	0.45	0.91	1.00					
High Yield	7.0	11.0	0.63	0.56	0.54	0.36	0.66	-0.08	0.62	0.11	-0.12	0.63	0.08	0.08	0.02	1.00				
Municipal Bonds	3.8	7.5	-0.01	0.00	-0.15	-0.12	0.03	0.12	-0.13	-0.10	-0.15	0.13	0.66	0.82	0.76	0.26	1.00			
U.S. Treasuries (long-term)	4.3	10.0	-0.32	-0.30	-0.45	-0.24	-0.35	0.12	-0.59	-0.33	-0.04	-0.15	0.40	0.84	0.94	-0.23	0.65	1.00		
Non-U.S. Government Bonds	4.5	10.5	-0.13	0.18	-0.25	-0.17	-0.16	0.00	-0.14	-0.03	-0.08	-0.01	0.27	0.51	0.47	-0.04	0.39	0.41	1.00	
Cash	3.0	2.0	0.08	-0.01	-0.01	0.08	0.15	0.35	0.02	0.13	0.21	-0.08	-0.06	0.18	0.02	-0.13	0.10	0.03	-0.02	1.00

* Expected returns are for the next 10-15 years; correlations are based on nominal returns from January 1, 1987-December 31, 2011

Appendix 2

Sample Spending Calculation

In accordance with the Auburn University Endowment Fund Investment Policy, the endowment spending is calculated using the following formula:

$$[(80\%)(\text{prior year's distribution})(1+\text{CPI})] + [(20\%)(\text{twelve-month rolling average market values})(4.0\%)]$$

Spending Calculation Example:

A hypothetical endowment with a \$1,000,000 gift value has a prior year distribution of \$40,000. CPI was 3.4%. The twelve-month rolling average of market values is \$1,080,000.

$$[(.80) (\$40,000)(1+.034)] + [(.20)(\$1,080,000)(.04)] = \$41,728.$$

Appendix 3

Responsibility Table

FIDUCIARY LEVEL	WRITTEN INVESTMENT POLICY	WRITTEN INVESTMENT STRATEGY	TACTICAL ALLOCATION AMONG ASSET CLASSES	STRATEGY WITHIN AN ASSET CLASS	MANAGER & FUND SELECTIONS	SECURITY SELECTION
BOARD OF TRUSTEES	APPROVES	INFORMED	INFORMED			
INVESTMENT COMMITTEE	RECOMMENDS	APPROVES	APPROVES	APPROVES	APPROVES	INFORMED
INVESTMENT CONSULTANT & STAFF	RECOMMENDS	RECOMMENDS	RECOMMENDS	RECOMMENDS	RECOMMENDS AND MONITORS	MONITORS
INDIVIDUAL MANAGERS						APPROVES