

STATE OF ALABAMA)
MONTGOMERY COUNTY)

EXECUTION COPY

**EMPLOYMENT CONTRACT BETWEEN ALABAMA STATE UNIVERSITY, A
PUBLIC UNIVERSITY, AND DR. QUINTON T. ROSS, JR., ITS PRESIDENT**

This Employment Contract ("Contract") is made and entered into in the City of Montgomery, Alabama on the 3rd day of October, 2017, by and between the Board of Trustees for Alabama State University, (hereafter referred to as the "Board") and Dr. Quinton T. Ross, Jr., (hereinafter referred to as the "President"), and is subject to the terms and conditions set forth below.

WHEREAS, Code of Alabama, (1975), as amended, § 16-50-23 authorizes the Board, *inter alia*, "to organize the [U]niversity by appointing a president...; whose salary shall be fixed by the Board and who shall serve as chief executive officer of the [U]niversity"; and

WHEREAS, the Board, at its September 8, 2017, specially called meeting, appointed Dr. Quinton T. Ross, Jr., the next President and Chief Executive Officer of Alabama State University to enter into his contract of employment.

NOW THEREFORE, in consideration of the mutual conditions and covenants contained herein, it is agreed by and between the parties as follows:

A. GENERAL CONDITIONS OF EMPLOYMENT

1. APPOINTMENT AND POSITION RESPONSIBILITIES

1.1 The Board hereby appoints Dr. Quinton T. Ross, Jr., as its President of Alabama State University (hereinafter sometimes referred to as "ASU" or "the University"), and Dr. Quinton T. Ross, Jr., hereby accepts such appointment.

1.2 As President, Dr. Quinton T. Ross, Jr., shall be the chief executive officer of Alabama State University and shall supervise and direct the day-to-day operations in accordance with the policies of the Board and in conformance with all applicable laws. The President shall be responsible for providing executive and academic leadership and shall use his best efforts to oversee and direct the operations of the University and to execute the policies articulated by the Board. The President further agrees that he will faithfully, diligently, and with the University's best interests in mind, perform all the duties required under his Contract and Board approved policies that are needed to continue the University's progress, including but not limited to the following presidential job-related responsibilities:

1.3 Provide institutional and educational leadership and fiscal management;

- 1.4 Lead the University's capital campaigns and fund raising initiatives;
- 1.5 Foster the University's public image and brand, government and alumni relations, and overall standing on the national and international higher educational scene;
- 1.6 Implement the Board's long-range strategic plans and institutional development initiatives in a prudent and practicable manner;
- 1.7 Oversee ASU's budget formation process, as well as the internal and external budget presentations, and administer the Board's approved budget with the highest degree of fiscal integrity and accountability;
- 1.8 Administer the educational, fiscal, operational, student, alumni, community, corporate, and external affairs of the University in a manner that promotes the University's corporate interests and that is consistent with Board policies;
- 1.9 Work in tandem with the Board to improve ASU's existing "BA1" Moody's/"B" Standard & Poor's credit ratings;
- 1.10 Maintain institutional controls over all athletic programs, consistent with NCAA rules;
- 1.11 Immediately notify the Board of any findings, actions, or inconsistencies with University policies that have the potential to bring harm to or jeopardize the integrity of the University;
- 1.12 Maintain effective communication with the Board;
- 1.13 Exercise fiscal management and administrative supervision in a manner that ensures ASU's continued receipt of "unqualified" financial audit opinions from independent accounting firms selected by the University to audit ASU's financial books and records on an annual basis;
- 1.14 Expand and improve student recruitment, retention, and services;
- 1.15 Foster faculty recruitment, retention, development, sponsored research activities, publications, and related services with the objective to elevate the quality of the University's academic standing and maintain the accreditation standards of the Southern Association of Colleges and Schools for a Level-Six institution of higher education;
- 1.16 Appoint, hire, supervise, promote, and dismiss employees in accordance with applicable laws and Board policies;
- 1.17 Recommend administrative regulations, rules, and procedures that promote the general welfare of the University;

1.18 Enforce all State and Federal laws applicable to the University, and advance and protect the University's corporate interests, up to and including the initiation and/or defense of any litigation necessary to achieve these ends; and

1.19 Perform such other presidential duties that the Board may assign.

1.20 The President shall not, without prior written permission from the Board, render services of any professional nature to or for any person or firm for remuneration other than to the Board, and shall absolutely not engage in any activity that may reasonably be deemed competitive with or adverse to the University or interfere with the presidential responsibilities required by this Contract. The President shall not engage in any activity or conduct in violation of Alabama ethics laws applicable to public officers and public employees. The President shall not engage in any private or public conduct of any nature that reflects negatively on the University, nor shall he take any action that effectively undermines the University's established policies or corporate interests. Notwithstanding the above, the President's passive and personal financial investment activities and private business affairs shall not be prohibited hereunder.

1.21 The Board agrees that certain outside activities by the President advance and enhance the public image and brand of the University. Among these are: (a) memberships on corporate boards, and (b) memberships on boards and committees of national bodies or community organizations. Furthermore, the President may accept invitations for speaking engagements and accept honoraria for such engagements so long as such engagements are consistent with Alabama ethics laws and they do not unreasonably interfere with the performance of his presidential duties. It is expressly understood and acknowledged that all board and committee as described in sub-section (b) above requires consultation with the Chairperson of the Board and must be conducted in accordance with University policies and procedures governing individual and institutional conflicts of interest. Moreover, before accepting any appointment to a corporate board, the President shall first inform and obtain the approval of the Chairperson of the Board, which approval shall not be reasonably withheld. Notwithstanding anything herein to the contrary, the President shall not, during the term of this contract, seek election or appointment to public office other than as President of the University.

2. DURATION OF CONTRACT AND EVALUATION OF PERFORMANCE

2.1 Subject to the provisions herein, it is understood that the President of the University serves at the pleasure of the Board. The appointment as President of ASU shall be for the term commencing October 3, 2017, and shall automatically terminate October 2, 2020.

2.2 In the event the Board desires to continue the services of the President beyond October 2, 2020, the parties agree that not less than six (6) months prior to October 2, 2020, they will begin negotiations for a new contract, which negotiations should be concluded not less than three (3) months prior to October 2, 2020.

2.3 The President shall recommend, and the Board shall approve, performance goals and objectives and the performance will be evaluated by the Board annually on the basis of

those goals and other objectives relevant to the performance of the President. Following each evaluation, the Board shall identify areas of deficiency, if any, and upon consultation with the President, develop a plan for corrective action and improvement.

3. COMPENSATION

3.1 The base compensation for the President will be paid in the form of an Annual salary in the amount of \$300,000 beginning October 3, 2017, and continuing through October 2, 2020. In addition to the aforementioned base salary, the President shall, in the sole discretion of the Board, be entitled to any cost of living increases that all other University faculty and administrative staff receive.

3.2 The President is eligible to participate in a salary enhancement or incentive program, as provided for herein. However, the enhancement or incentive program shall, at a maximum, consist of incentive compensation up to 10 percent of Dr. Ross's annual salary based upon his accomplishment or achievement of specific goals to be mutually established on an annual basis relating to the following categories: (a) increases in University graduation rates; (b) increases in student retention rates; (c) increases in first-year student enrollment; (d) raising individual and corporate donations above specified levels; and (e) any other metrics or achievements as established by the Board with appropriate participation by the President in connection with the annual review process. Such incentive compensation may be earned at the following rates:

(1)	graduation rates	-	up to 2.5 percent
(2)	enrollment/retention rates	-	up to 2.5 percent
(3)	advancement/fundraising	-	up to 2.5 percent
(4)	other metrics	-	up to 2.5 percent

Specific goals and metrics to be met within each of the referenced categories shall be established by the Executive Committee, with appropriate participation by the President, within sixty (60) days of the date of execution of this Employment Contract, and thereafter within sixty (60) days following the end of each subsequent fiscal year during the term of the Contract.

3.3 The President shall be responsible for any federal, state or local income tax liability incurred as a result of payments made to him as base or incentive compensation, or as benefits provided to the President pursuant to his Contract.

4. DESIGNATED OTHER BENEFITS

4.1 In addition to his salary, and including any increases, if any, except as otherwise provided in his Contract, the President will be entitled to all normal and customary fringe benefits extended to ASU's faculty and administrative staff, including but not limited to, sick leave, participation in the retirement program through the Retirement System of Alabama, medical and life insurance, workers compensation insurance, the right to participate in all

optional insurance programs and payment of memberships and other related expenses for professional organizations designed to enhance his knowledge, skills and professionalism.

4.2 The President shall earn annual leave in accordance with University policy.

4.3 The President shall have use of an ASU corporate credit card for expenses related to his employment. He shall also be provided with a cellular telephone, iPad, and laptop at ASU's expense.

5. RESIDENCE

5.1 For the duration of his employment as President, Dr. Ross may elect to live in the President's home, which is located on the campus of ASU; or may live in Montgomery and use the President's home to receive guests of the University or for University-related functions and events. The residence and its grounds shall be maintained in a good state of repair by ASU. All areas of the residence shall be furnished by ASU and such furnishings shall remain the property of ASU. The Board shall provide and pay for all utilities at the President's residence, including the provision of reasonable housekeeping services. The Board shall provide appropriate insurance, including liability insurance for the protection of the President's property in the home, including all furnishings and household goods located therein.

5.2 The President's residence shall be equipped with a toll-free telephone line, a facsimile transmission system, cable television, computer equipment, information technology and security systems.

5.3 Should Dr. Ross cease to be the President either by the expiration of his Contract or by operation of any of the termination provisions contained herein, Dr. Ross shall vacate the residence not later than 30 days thereafter unless otherwise agreed by the Chairperson of the Board.

5.4 Nothing in this Section shall prohibit the President from allowing members of his immediate family to live in the residence.

6. ENTERTAINMENT, TRAVEL, AND RELOCATION EXPENSES

6.1 The reasonable cost of all official entertainment and travel by the President shall be reimbursed or paid for by ASU all in accordance with the University's expense reimbursement policies. The Board recognizes that the President's spouse, should he be married during the term of his contract, may be helpful to him in performing his duties as President, and to the extent permitted by Alabama law, any travel expense of such spouse shall be reimbursed by ASU when accompanying the President in his duties. In addition, the President may attend educational conferences, conventions, seminars, other professional activities, and other meetings, whether domestic or international, to the extent that such attendance advances the corporate interests of ASU. The reasonable expenses connected therewith shall be reimbursed. Reimbursement shall also be provided for membership in appropriate professional, services and civic organizations that will enhance the goodwill and image of the University. The Board's

Audit Committee shall review the expenses of the President (and his spouse, if he is married during the term of this Contract, including renewal periods), every three (3) months.

6.2 Should Dr. Ross elect to reside in the ASU President's home upon the execution of this Contract, the University shall reimburse Dr. Ross for all reasonable and necessary moving expenses as defined in Section 217 of the Internal Revenue Code. These expenses shall include, but not be limited to, all reasonable and necessary expenses incurred in connection with the incoming and outgoing relocation of Dr. Ross up to a maximum limit of \$10,000. This benefit shall be prorated as follows during subsequent contract years:

2 nd year	-	\$6,666
3 rd year	-	\$3,333

7. TERMINATION

This Employment Contract may be terminated as follows:

- 7.1 Mutual written agreement of the parties.
- 7.2 Resignation from the presidency, provided that the President gives the Board at least three (3) months prior written notice of the proposed resignation.
- 7.3 Termination for "cause." In the event the Board determines that cause exists, it may terminate his Contract, provided that prior to voting on a proposal to terminate his Contract for cause, upon the President's request, the Board shall give the President a reasonable opportunity to meet with the Board to discuss the proposed termination.
- 7.4 "Cause" shall be determined by the majority vote of the Board following a due process hearing conducted by the Board, and shall include the following categories of conduct or misconduct by the President, any one of which shall be sufficient for termination for "cause."
 - (a) gross negligence or willful malfeasance in the performance of his duties;
 - (b) acts or omissions that cause material harm to the University (which shall include, without limitations, acts or omissions that would reasonably tend to bring public disregard, contempt or ridicule onto the University) and that are undertaken or omitted knowingly or are criminal or fraudulent or involve material dishonesty or moral turpitude.
 - (c) conviction of the President for any felony, or for a crime involving misuse or misappropriation of University funds;
 - (d) breach of any fiduciary duty to the University;

- (e) loss of confidence by the Board;
- (f) breach of any material term of his Contract;
- (g) material and repeated failure to comply with the rules, procedures of the University; or
- (h) dependence on illicit drugs or alcohol,

7.5 Upon a termination for cause, the University shall have no further obligation to the President pursuant to his Contract other than the payment of base salary earned through the date of termination and expenses which have been incurred but not yet reimbursed up to and including the date of the termination.

7.6 Termination for cause requires a majority vote of the Board present and voting to dismiss the President. The President shall be entitled to a hearing before the Board.

8. TERMINATION FOR OTHER REASONS

8.1 Termination for Disability

The University may terminate this Contract and Dr. Ross's employment as President upon his Disability. Upon termination for Disability, Dr. Ross shall receive all benefits to which he is entitled pursuant to the University's disability insurance plans. For purposes of this Contract, "Disability" shall mean the inability of Dr. Ross to perform the essential functions of his job for a period of six continuous months with a reasonable accommodation (as such term is defined in 42 U.S.C. § 12111(9), as amended, and in the common law interpreting same).

8.2 Termination due to Death

In the event of the death of the President during the Term of his Contract, his employment and his Contract shall terminate immediately. The President's estate shall receive all benefits to which he is entitled under the University's various insurance and benefit plans as well as reimbursement of any expenses not reimbursed to the President to the time of death.

8.3 Public Statements Regarding Termination

Should the President be terminated for cause, the Board and the University shall refrain from saying or otherwise communicating any statement, opinion, or other communication regarding the termination or cause thereof, other than the Board exercised its contractual right to terminate the President's employment.

B. GENERAL PROVISIONS

1. ENTIRE CONTRACT

This Contract contains the parties' understanding of entire terms and conditions regarding the employment arrangements between the parties and shall, as of the effective date thereof, supersede all other Contracts, if any, written or oral, between the parties. The parties stipulate that neither of them has made any representation with respect to the subject matter of this Contract except such representations as are specifically set forth herein. Each of the parties acknowledges that it has relied on its own judgment in entering into this Contract.

2. MODIFICATION OF THE CONTRACT

No waiver or modification of this Contract or of any covenant, conditions, or limitation herein shall be enforceable unless in writing and duly executed by the party to be changed therewith, and the parties further agree that provisions of this section may not be waived as herein.

3. WAIVER OR BREACH

No waiver by either party of any rights under this Contract will be valid unless set forth in writing signed by that party. The failure of either party to insist strict performance of this Contract shall not be construed as a waiver.

4. GOVERNING LAW

This Contract has been entered into by the parties in the State of Alabama. It shall be construed as a contract in accordance with the laws of the State of Alabama and its terms and conditions shall be subject to all applicable State and Federal laws.

5. DISBURSEMENTS SUBJECT TO AUDIT BY THE ALABAMA DEPARTMENT OF PUBLIC ACCOUNTS

It is understood by and between the parties that ASU is a State University and that all expenditures made by an official of the University, including the President, are subject to audit by the Alabama Department of Examiners of Public Accounts. The President agrees that any and all expenditures that he authorizes will be done in accordance with the applicable law and in consultation with the Alabama Department of Examiners of Public Accounts

6. ALABAMA ETHICS LAW

It is understood by the President that he is a public official by virtue of his appointment by the Board and by definition of the Alabama Code § 36-25-1(26) (1975). The President must complete required training on the Alabama Ethics Law within three (3) months after his appointment. The President agrees that he will at all times comply with the provisions

of the Alabama Ethics Law. The President understands that the Board will not indemnify him for any willful, reckless, or grossly negligent violation(s) of the Alabama Ethics Law.

7. NOTICES

All notices required or permitted to be given under this Contract shall be in writing and shall be mailed, postage prepaid, by registered or certified mail or personally delivered with signed receipt of delivery made. Notice given by registered mail shall be deemed made three (3) days after mailing. Notices shall be addressed to the respective parties as follows:

If to Alabama State University Board of Trustees:

Chair, Board of Trustees
Alabama State University
Administration Offices
915 South Jackson Street
Post Office Box 271
Montgomery, Alabama 36104

If to President Quinton T. Ross, Jr.:

Dr. Quinton T. Ross, Jr.
3778 Mosswood Road
Montgomery, Alabama 36116

8. SEVERABILITY

If any provision of this Contract shall be determined to be void, invalid, unenforceable or illegal for any reason, it shall be ineffective to the extent of such prohibition and the validity of the remainder shall not be affected thereby.

9. INDEMNIFICATION

The Board of Trustees agrees to indemnify the President against any judgment entered against him arising out of any action in conducting University business involving his administration. The President agrees to cooperate fully in any litigation involving decisions made during his tenure in exchange for such indemnification. This duty to cooperate is mandatory and it extends to any litigation that encompasses his term as president, whether he is serving as President at the time or he has left the presidency.

10. ATTORNEY'S FEES

In the event of any actions for specific performance or injunctive relief is required to enforce the parties' legal rights under this Contract, the prevailing party shall be reimbursed

by the other party for all reasonable fees and expenses (including attorney's reasonable fees and expenses) incurred in respect of such litigation.

11. MUTUAL COVENANTS

Each party to this Contract recognizes the importance of continuing to develop and maintain healthy and constructive relationships, to consult often and communicate directly with the other, and to minimize conflict and win-lose situations. Each party to this Contract recognizes that the members of the Board and the President, as public officials, are required to exercise their discretion and the related public interest in encouraging the rigorous exercise of their official authority and responsibility. Each party to this Contract recognizes that universities are complex structures that involve multiple constituencies and generate multiple pressures that impinge on decision makers, including both the members of the Board and the President. Each party to this Contract acknowledges that it is the responsibility of both parties to develop and maintain constructive relationships among and between the members of the Board, the Board and the President, and among and between the University's various constituencies. In carrying out their respective responsibilities, each part shall endeavor to support the other to achieve the greatest good for both the University and the taxpayers of the State of Alabama.

3rd day of October, 2017. IN WITNESS WHEREOF, the parties have hereunto set their hands this

BOARD OF TRUSTEES FOR ALABAMA STATE UNIVERSITY

BY: Alfred W. Green, Chairperson
ALFRED W. GREEN

Dr. Quinton T. Ross, Jr., President
DR. QUINTON T. ROSS, JR.