

AGENDA
FINANCE/AUDIT COMMITTEE
UNIVERSITY OF SOUTHERN INDIANA
BOARD OF TRUSTEES

September 6, 2012

1. APPROVAL OF SERIES K BOND AUTHORIZATION RESOLUTION

At its meeting on July 12, 2012, the Finance/Audit committee approved the proposal of City Securities Corporation of Indianapolis, Indiana, for the refunding of Bond Series H and Series I and the issuance of Bond Series K.

Attachment A is a resolution authorizing the issuance of Series K Bonds and the refunding of Series H and Series I. Series K will be used to finance construction of the Teaching Theatre Project.

Approval of the Series K Bond Authorization Resolution in Attachment A is recommended.

2. APPROVAL OF RECOMMENDATION FOR 2013-2014 HOUSING RATES

Approval of a recommendation to the Board of Trustees for approval of the following 2013-2014 housing rates is recommended.

<u>FALL OR SPRING SEMESTER</u>	<u>CURRENT RATE</u>	<u>PROPOSED RATE</u>	<u>EFFECTIVE DATE</u>
<u>McDONALD or O'DANIEL APARTMENT</u>			
Two Bedroom: Two students per bedroom	\$1,964	\$2,015	7-01-13
One student per bedroom	3,512	3,600	7-01-13
One Bedroom: Two students	2,371	2,430	7-01-13
One student	4,405	4,515	7-01-13
<u>GOVERNORS, NEWMAN, O'BANNON, or RUSTON HALL</u>			
One and Two Bedroom: Two students per bedroom	\$1,964	\$2,015	7-01-13

SUMMER SESSIONS

Summer session rates are pro-rated to fall and spring semester rates.

3. APPROVAL OF RECOMMENDATION FOR 2013-2014 MEAL PLAN RATES

Students who live in the residence halls (Governors, Newman, O'Bannon, and Ruston) are required to purchase a resident meal plan. Three plans (Red, White, and Blue Eagle) offer different combinations of meals in The Loft and discretionary spending at other dining venues on campus. The proposed rate allows for normal increases in food and labor costs.

FALL OR SPRING SEMESTER

	<u>CURRENT RATE</u>	<u>PROPOSED RATE</u>	<u>EFFECTIVE DATE</u>
Red, White, or Blue Eagle Meal Plan	\$1,785	\$1,825	7-01-13

Students who live in apartments (McDonald or O'Daniel) are required to purchase \$50 in Munch Money for use in any dining venue on campus.

Approval of a recommendation to the Board of Trustees for approval of proposed meal plan rates for 2013-2014 is recommended.

**SERIES K BOND AUTHORIZATION
RESOLUTION OF THE FINANCE COMMITTEE
UNIVERSITY OF SOUTHERN INDIANA BOARD OF TRUSTEES**

WHEREAS, the University of Southern Indiana, a body corporate and politic organized and existing under the laws of the State of Indiana (the "University") is authorized under various statutes to issue bonds and otherwise incur indebtedness or obligations for the purpose of financing, acquiring, constructing, expanding, renovating, rehabilitating, equipping and furnishing various facilities of the University; and

WHEREAS, the University is authorized to issue student fee bonds under Indiana Code 21-34-6 through 10 (the "Student Fee Bonds"); and

WHEREAS, the University has previously entered into a Trust Indenture, dated as of November 1, 1985, as subsequently amended and supplemented pursuant to which it has issued the various series of its Student Fee Bonds described in Exhibit A attached hereto and made a part hereof; and

WHEREAS, the Board of Trustees of the University (the "Board") has, by resolution duly adopted on November 3, 2011 (the "Delegation Resolution"), authorized the Finance Committee of the Board of Trustees of the University ("Committee") to authorize the issuance of Student Fee Bonds, inter alia, to finance the project described in Exhibit B attached hereto and made a part hereof (the "Project") and to refund the Refunded Bonds (as hereunder defined); and

WHEREAS, the Treasurer ("Treasurer") of the Board has been previously authorized by the Board to investigate and develop a plan or plans of financing, and to present the same to this Committee or to the Board from time to time; and

WHEREAS, the Treasurer has presented a plan of financing for the Series K Bonds, as defined below, to the Committee;

NOW THEREFORE, BE IT RESOLVED by this Committee as follows:

1. This Committee hereby approves the issuance of the University of Southern Indiana Student Fee Bonds, Series K in multiple sub-designations (collectively, the "Series K Bonds") for the purpose of providing funds to finance the Project and to refund its prior Student Fee Bonds designated Series H and Series I in whole or in part (the "Refunded Bonds"). Certain terms of the Series K Bonds shall be as set forth in Exhibit C attached hereto and made a part hereof. This Committee hereby approves the execution and delivery of the various agreements and documents in connection with the issuance of the Series K Bonds by the various officers of the Board, all as set forth in Exhibit D attached hereto and made a part hereof, in substantially the form submitted to this Committee in connection with this approval, with such changes as the executing officers shall approve, such approval to be conclusively evidenced by the execution and delivery of such documents.

2. This Committee hereby finds that the issuance of the refunding portion of the Series K Bonds and the refunding of the Refunded Bonds will benefit the University because (i) a net savings in debt service will be effected thereby and (ii) the net present value of principal and interest payments on the refunding portion of the Series K Bonds is less than the net present value of the principal and interest payments on the Refunded Bonds.

3. The Chairman of the Board (the "Chairman"), any Vice Chairman of the Board (the "Vice Chairman") or the Treasurer or the Assistant Treasurer of the Board ("Assistant Treasurer"), or any of them acting individually, is hereby authorized to execute and deliver a Bond Purchase Agreement in substantially the form approved by the Committee, with those changes that the officers so executing shall approve, such approval to be conclusively evidenced by the execution and delivery thereof.

4. The Chairman or Vice Chairman, or either of them, is hereby authorized to execute and deliver, and the Secretary of the University (the "Secretary") or the Assistant Secretary of the University (the "Assistant Secretary"), or either of them, is hereby authorized to attest the signature of and to imprint the corporate seal of the University on the Ninth Supplemental Indenture as necessary in substantially the form approved by the Committee, with those changes that the officers so executing shall approve, such approval to be conclusively evidenced by the execution and delivery thereof.

5. The Treasurer or Assistant Treasurer, or either of them, is hereby authorized to distribute or to direct underwriters of the Series K Bonds (the "Underwriters") to distribute a Preliminary Official Statement in substantially the form approved by this Committee, to prospective purchasers of the Series K Bonds. The Treasurer and Assistant Treasurer are (and each of them is) is further authorized to deem the Preliminary Official Statement as final for purposes of applicable Securities and Exchange Commission rules.

6. The Treasurer or Assistant Treasurer, or either of them, is hereby authorized to execute and deliver the form of any final Official Statement for the Series K Bonds as approved by the Committee or this Board, with those changes that such officer shall approve, such approval to be conclusively evidenced by the execution and delivery thereof.

7. The Chairman, the Vice Chairman, the Treasurer, or the Assistant Treasurer, or any of them, is hereby authorized to execute and deliver the form of (i) the Construction and Rebate Agreement, (ii) the Amended and Restated Continuing Disclosure Undertaking Agreement and (iii) the Escrow Agreement, in substantially the form approved by the Committee, with those changes that such officer shall approve, such approval to be conclusively evidenced by the execution and delivery thereof.

8. The Treasurer or Assistant Treasurer, or either of them, is hereby authorized to prepare forms of the Series K Bonds as approved by the Committee and to cause the same to be executed by the proper officers of the University. Upon execution of the Series K Bonds, the Treasurer and Assistant Treasurer are (and each of them is) authorized and directed to deliver the same, as appropriate to the type of transaction to the purchasers thereof upon payment of the purchase price, which price may reflect an underwriters' discount of not more than 0.7% (70 basis points) net of underwriting expenses, and an original issue discount or premium, if any, as permitted by law.

9. Subject to the conditions in Section 3 of the Delegation Resolution, the Chairman, Vice Chairman, Secretary, Assistant Secretary, Treasurer or Assistant Treasurer, or any of them, is hereby authorized and directed to perform any and all further acts, to execute any and all further documents or certificates and to publish any notice required to implement the financing plan for the Series K Bonds and to complete the execution and delivery of the Series K Bonds in one or more series, and, the execution and delivery, as applicable, of (a) a Supplemental Indenture; (b) Bond Purchase Agreement; (c) Arbitrage and Federal Tax Certificate; (d) any Escrow Agreement; (e) Construction and Rebate Agreement; (f) Amended and Restated Continuing Disclosure Undertaking Agreement; (g) any documents, certificates or forms that may be required with respect to the issuance of bonds in the form that the officers so executing shall approve, such approval to be conclusively evidenced by the execution and delivery thereof; and (h) any other documents required to issue Series K Bonds related to other matters referred to therein, including amendments or supplements to any previous or existing agreements to such effect.

Dated this 6th day of September, 2012.

EXHIBIT A

OUTSTANDING PARITY STUDENT FEE BONDS

Series D	Health Professions Center
Series F	Liberal Arts Center
Series G	Wellness, Fitness and Recreation Facility
Series H	Science Center, Education Center
Series I	David L. Rice Library
Series J	Business/Engineering Center and University Center Expansion

EXHIBIT B

THE PROJECT

Teaching Theatre

The Teaching Theatre project will have expected costs in the amount of \$16,500,000 of which \$13,000,000 will be bond-financed, and will consist of a new teaching theatre to replace the existing theatre, costume shop, and scene shop. The proposed theatre will have approximately 21,929 of assignable square feet, will seat approximately 350 people, and will be constructed adjacent to the University Center. The new theatre will serve the needs of the theatre program and will provide a venue for additional events, such as guest speakers, small performance groups, and musical recitals and performances. It also will provide a practice lab/classroom to teach key design and production elements, enhancing the education of USI theatre students. The project will contain areas to facilitate the loading in and out of sets and properties, and provide offstage storage space, green room space, dressing rooms, wardrobe, and laundry facilities.

EXHIBIT C

TERMS OF THE SERIES K BOND(S)

Student Fee Bonds, Series K in series sub-designations as set forth below, as more fully described in the Ninth Supplemental Indenture.

Series K-1

Tax Status: Tax-Exempt
Purpose: Financing of New Teaching Theatre Project
Interest Payable: Each April 1 and October 1, commencing April 1, 2013
Final Maturity: Not later than October 1, 2032

Series K-2

Tax Status: Taxable
Purpose: Refunding of Series I Bonds not eligible for tax exempt advance refunding
Interest Payable: Each April 1 and October 1, commencing April 1, 2013
Final Maturity: Not later than October 1, 2015

Series K-3

Tax Status: Tax-Exempt
Purpose: Refunding of Series H Bonds and Series I Bonds eligible for tax exempt advance refunding
Interest Payable: Each April 1 and October 1, commencing April 1, 2013
Final Maturity: Not later than October 1, 2023

EXHIBIT D

DOCUMENTS APPROVED FOR EXECUTION

Bond or Bonds	Chairman/Vice Chairman and Secretary/Assistant Secretary
Ninth Supplemental Indenture	Chairman/Vice Chairman and Secretary/Assistant Secretary
Construction and Rebate Agreement	Chairman/Vice Chairman/ Treasurer/Assistant Treasurer
Arbitrage and Federal Tax Certificate(s)	Treasurer/Assistant Treasurer
Escrow Agreement, if needed	Chairman/Vice Chairman/ Treasurer/Assistant Treasurer
Preliminary and Final Official Statement	Treasurer/Assistant Treasurer
Notices re: redemption, material event, bond sale, etc.	Chairman/Vice Chairman/ Treasurer/Assistant Treasurer/ Secretary/Assistant Secretary
Other closing certificates, agreements and documents, as appropriate	Chairman/Vice Chairman/ Treasurer/Assistant Treasurer/ Secretary/Assistant Secretary
Bond Purchase Agreement	Chairman/Vice Chairman/ Treasurer/Assistant Treasurer