

MINUTES

UNIVERSITY OF SOUTHERN INDIANA BOARD OF TRUSTEES

November 7, 1996

The University of Southern Indiana Board of Trustees met on Thursday, November 7, 1996, in the McDonald Student Housing Recreation Center. Present were Trustees Bruce Baker, Louise Bruce, Nicole Cable, Charles Combs, Tina Kern, Thomas McKenna, Harolyn Torain, and James Will, Sr. Also attending were Vice Presidents John Byrd, Robert Reid, Richard Schmidt, and Sherrienne Standley.

There being a quorum present, the meeting was called to order at 1:45 p.m.

SECTION I - GENERAL AND ACADEMIC MATTERS

A. APPROVAL OF MINUTES OF SEPTEMBER 5, 1996, MEETING

On a motion by Mrs. Kern, seconded by Mrs. Bruce, the Minutes of the September 5, 1996 meeting were approved.

B. ESTABLISHMENT OF NEXT MEETING DATE, TIME, LOCATION

The next regular meeting was set for Thursday, January 9, 1997, at 9:00 a.m., at the Embassy Suites in Indianapolis.

C. PRESIDENT'S REPORT

In President Hoops' absence, Chairman Baker reported USI is completing the fourth Eisenhower grant-funded project to improve teaching and learning in high school math and science classes. This final project involves 20 teachers from 13 area high schools. Since beginning in 1993, the projects have involved 197 teachers from 12 southwest Indiana school corporations, and 15 pre-service USI teacher education students. Faculty from science and engineering technology have developed and taught the training programs. Total grant funding awarded to conduct the projects was \$445,000.00. Also, approximately 90 teachers and supervisors from the Evansville-Vanderburgh School Corporation attended two-day training sessions conducted by USI Education Professor Dr. Annette Lamb on educational uses of the Internet. By year's end, this dissemination project should train nearly all EVSC teachers in uses of the Internet for instruction.

Ms. Cable informed the Board of her recent trip to the University of California at Berkeley to attend the first National Student Trustee Leadership Conference. One speaker was Dr. Jerry Martin, President of the National Alumni Forum. He discussed ways of keeping costs down for students, assessing programs, and to assure that students are getting the education that they need. She stated that there are similar issues at other campuses. Also discussed were ways of improving relationships with some students and their Board. Ms. Cable feels fortunate about the good relationship students have with the Administration and which she has with USI Board of Trustees.

Ms. Cable reported on the Student Government Association on behalf of President Chris Williams. She stated that Student Government is in the process of revising its constitution. SGA also is looking at how the constitution serves USI and comparing it with other schools' constitutions.

Mr. Schmidt reported on developments with master planning and the Foundation's acquisition of an apartment complex for student housing (Golden Tower Apartments). Mr. Schmidt discussed legislative issues from the handouts comparing requests for budget increases from the Indiana Commission for Higher Education and 1997-99 Postsecondary Education Budget Recommendation to the State Budget Committee.

Dr. Reid introduced Ruth Miller, new Director of Library and Media Services. Ms. Miller previously was a library administrator at Hong Kong University of Science and Technology.

Dr. Reid introduced Matthew Graham, Associate Professor of English, and also an active scholar and poet. Professor Graham read his poetry and presented photographs created by Eric Braysmith, Lecturer Liberal Arts, which was a project in the Extended University Program in conjunction with a grant from the Lilly Endowment.

Dr. Byrd presented the VISION magazine to the Board.

D. REPORT OF THE LONG-RANGE PLANNING COMMITTEE

Mrs. Torain reported on the Academic Affairs updates and the Capital Campaign.

E. REAFFIRMATION OF AFFILIATION WITH NORTH CENTRAL ASSOCIATION OF COLLEGES AND SCHOOLS

The University of Southern Indiana has been affiliated with the North Central Association of Colleges and Schools since its founding, first through Indiana State University and then as a separate state institution. With the recent completion of an institution-wide self study and a site visit by a NCA team, the University desires to reaffirm formally its affiliation with North Central through action by the Board of Trustees.

On a motion by Mr. McKenna, seconded by Mr. Will, Affiliation with North Central Association of Colleges and Schools was approved.

F. APPROVAL OF EASEMENT FOR PUBLIC UTILITIES

Mr. Schmidt and Steve Helfrich, Director of the Physical Plant, reported that Southern Indiana Gas and Electric Company had requested an easement for right-of-way to install and maintain public utility lines to serve the student housing buildings under construction.

On a motion by Mr. Will, seconded by Ms. Cable, the Public Utility Easement in Exhibit I-A was approved.

SECTION II - FINANCIAL MATTERS

A. REPORT OF THE FINANCE COMMITTEE

The Finance Committee met prior to the Board meeting. Mr. Combs and Mr. Schmidt reported that three Refunding Bond resolutions for Student Housing were approved. The first resolution removed the M.A.S.H. bonds from the current refunding transaction and authorized the Treasurer, Chairman, and Vice Chairman to sign the final documents authorizing the refunding of the remaining housing bonds. The second resolution authorized refunding the M.A.S.H. bonds during the 1997 calendar year. The third resolution authorized approval of a new bond issue for the construction of additional student housing in the amount of \$4,300,000.

Updates were given on the Financing Plan for the Student Housing Construction Project and also on the Financing Plan for Performance Contracting Plan with Energy Systems Group, Inc. and Johnson Controls, Inc.

B. REPORT OF THE STUDENT HOUSING CONSTRUCTION COMMITTEE

The Student Housing Construction Committee met prior to the Board meeting. Mr. Combs and Mr. Schmidt reported that the Committee approved Maken Corporation for the construction of the Student Housing and Housing Services Building Construction project.

C. REPORT ON PLAN TO ADD CLASSROOM AND MEETING SPACE IN THE PHYSICAL ACTIVITIES CENTER

A report and drawings from Edmund L. Hafer & Associates Architects, PC were presented on a plan to construct a steel-framed structure with glass and spandrel curtain walls to enclose the area between the swimming pool and the gymnastics area in the Physical Activities Center. The 3,700 square feet resulting from this construction will allow for the addition of two rooms, wet service area, and small rest rooms. The space will be used for credit and non credit classes, meetings, and special activities.

The project will require demolition of the exterior concrete patio in the area and some removal of the masonry exterior for door openings. New finishes will be installed for floors, walls, and ceilings. Movable partitions are being considered to divide the spaces. New mechanical, electrical, and plumbing equipment will be included in the project.

The design of the space will take into consideration the possibility of future expansion needs in the Physical Activities Center. The tentative schedule is to finalize the design in November 1996, obtain construction bids in Spring 1997, and substantially complete the work by Mid-November 1997. The estimated cost is \$500,000. Mr. Schmidt commented that more information will be provided at January's board meeting.

D. APPROVAL OF THE UNIVERSITY CENTER ADDITION PROJECT CHANGE ORDERS

Mr. Schmidt reported on the progress of the University Center Addition Project, requested approval of the change orders, and said that approximately \$35,000.00 is left in the contingency fund.

On a motion by Mr. McKenna, seconded by Mrs. Torain, the University Center Project change orders in Exhibit II-B were approved.

E. APPOINTMENT OF TRUSTEE TO CONSTRUCTION COMMITTEES

Chairman Baker appointed James Will Sr. to be appointed to the Student Housing Construction Committee and the General Purpose Classroom Building Construction Committee. Mr. Will replaces former trustee Joseph E. O'Daniel, whose term ended June 30, 1996.

On a motion by Mrs. Bruce, seconded by Mrs. Kern, the appointment of trustee James Will Sr. to these two committees was approved.

F. APPROVAL OF BLUE CROSS/BLUE SHIELD GROUP HEALTH INSURANCE AND HEALTH RESOURCES, INC. DENTAL INSURANCE PREMIUM RATES

Mr. Schmidt introduced Nancy Byrd, Director of Human Resources, for a presentation on the following Blue Cross/Blue Shield health insurance monthly premium rates that were quoted for a 12 month period beginning January 1, 1997.

The medical premium rates from Blue Cross/Blue Shield for 1997 reflect a 7.6 percent increase. The rate increase is the result of projected utilization of benefits and a 13 percent medical trend factor. The only plan design change includes an increase in the pooling level from \$70,000 to \$100,000.

The 12 month renewal rates effective January 1, 1997, for Health Resources, Inc. dental insurance reflect a 3.5 percent rate increase for 1997. The renewal rate is the result of increased utilization by USI employees and dependents and a 6 percent increase in dentists' fees, due to OSHA's infectious control mandates which went into effect in 1995.

The 1997 insurance rates include a contribution for funding the liability for post-retirement benefits.

Blue Cross/Blue Shield and Health Resources, Inc. provide the primary health/dental insurance for 350 employees, dependents, and retirees. The University contribution for medical and dental coverage and for funding the liability for post-retirement benefits for single, family, and retiree coverage is 75 percent of the total premium.

On a motion by Mr. Will, seconded by Mrs. Kern, renewal of the master policies with Blue Cross/Blue Shield and Health Resources, Inc. with the following rate schedule was approved.

1997 MONTHLY PREMIUM RATES

	<u>BC/BS MEDICAL PREMIUM</u>	<u>HRI DENTAL PREMIUM</u>	<u>POST- RETIREMENT CONTRIBUTION</u>	1997 TOTAL MONTHLY PREMIUM	1996 TOTAL MONTHLY <u>PREMIUM</u>
Single	\$183.01	\$16.44	\$ 8.50	\$207.95	\$194.46
Family	467.82	41.76	22.00	531.58	497.34
Over 65 (Retired)	165.91	16.44	8.50	190.85	178.57

G. APPROVAL OF WELBORN HMO GROUP HEALTH INSURANCE AND HEALTH RESOURCES, INC. DENTAL INSURANCE PREMIUM RATES

The University of Southern Indiana has offered Welborn HMO/Health Resources, Inc. as an alternative health/dental benefit program since October 1988. Welborn HMO is administered locally and currently provides services to approximately 40,000 members in the local area.

The quoted premium rates effective for a 12 month period beginning January 1, 1997, reflect a rate hold.

There are no changes recommended to the existing benefit plan. Renewal rates for Welborn HMO are based on plan utilization experience and age, gender, plan design, and industry trend factors.

The 12 month renewal rates effective January 1, 1997, for Health Resources, Inc. dental insurance reflect a 3.5 percent rate increase for 1997. The renewal rate is the result of increased utilization by USI employees and dependents and a 6 percent increase in dentists' fees, due to OSHA's infectious control mandates which went into effect in 1995.

The 1997 insurance rates include a contribution for funding the liability for post-retirement benefits.

Welborn HMO and Health Resources, Inc. provide the primary health/dental insurance coverage for 202 employees, dependents, and retirees. The University contribution for medical and dental coverage and for funding the liability for post-retirement benefits for single, family, and retiree coverage is 75 percent of the total premium.

On a motion by Mr. Will, seconded by Mrs. Torain, renewal of the master policies with Welborn HMO and Health Resources, Inc. with the following rate schedule was approved.

1997 MONTHLY PREMIUM RATES

	<u>WELBORN MEDICAL PREMIUM</u>	<u>HRI DENTAL PREMIUM</u>	<u>POST- RETIREMENT CONTRIBUTION</u>	1997 TOTAL MONTHLY PREMIUM	1996 TOTAL MONTHLY PREMIUM
Single	\$155.00	\$16.44	\$ 8.50	\$179.94	\$179.38
Family	402.00	41.76	22.00	464.76	464.56
Over 65 (Retired)	147.35	16.44	8.50	172.29	171.73

H. APPROVAL OF THE FLEXIBLE BENEFIT PLAN ADMINISTRATIVE FEE

Mr. Schmidt called on Nancy Byrd to review the Section 125 Flexible Benefit Plan, which was implemented in 1990 and expanded in 1992, and allows enrolled employees to use pre-tax dollars to pay medical insurance premiums, dependent care expenses, and uninsured medical expenses. Participation in the program has been steady since its introduction. Approximately 25 percent of the eligible employees participate in the uninsured medical expense reimbursement plan, and 99 percent of employees with medical insurance are enrolled in the premium-only portion of the plan.

During the 1995 plan year, the University's net savings were \$38,195 due to the University's reduced FICA tax (Social Security and MQFE).

Geo. S. Olive & Co., Inc. administers the plan for the University. The per participant administrative fee of \$5.25 per month has been in effect since January 1, 1996. Renewal rates from Geo. S. Olive & Co., Inc. reflect no rate increase for a twelve-month guarantee period effective January 1, 1997.

On a motion by Mrs. Kern, seconded by Mr. Will renewal of the administrative arrangement with Geo. S. Olive & Co. for the flexible benefit plan with the quoted per-participant rate was approved.

I. APPROVAL OF BUDGET APPROPRIATIONS, ADJUSTMENTS, AND TRANSFERS

On a motion by Mrs. Kem, seconded by Mrs. Bruce, the following budget appropriations, adjustments, and transfers were approved.

1. Additional Appropriations

From:	Unappropriated Current Operating Funds		
To:	1-10170	USI Theatre Supplies & Expense	90
To:	1-10700	School of Business Supplies & Expense	1,251
To:	Current Operating Funds with Student Wage Budgets Personal Services		48,281
To:	1-10400	School of Nursing & Health Professions Personal Services	8,775
To:	1-10700	School of Business Personal Services	3,825
To:	1-10800	School of Education & Human Services Personal Services	8,550
To:	1-10200	School of Liberal Arts Personal Services Supplies & Expense	68,800 10,548
To:	1-10300	School of Science & Engineering Technology Personal Services Supplies & Expense	21,600 3,000
To:	1-10800	School of Education & Human Services Personal Services Supplies & Expense	9,500 1,155
To:	1-10920	University Division Personal Services Supplies & Expense	3,000 411
To:	1-13100	Media Services Capital Outlay	10,000
To:	1-15700	Security Supplies and Expense	32
From:	Unappropriated Auxiliary Funds		
To:	3-30606	Basketball - Men Supplies and Expense	2,000

From:	Unappropriated Restricted Funds		
To:	4-45087	1996-97 Evansville Center for Economic Education Supplies and Expense	13,000
To:	4-46333	Student/Faculty Research - Professor Shaw Personal Services Supplies and Expense	1,200 1,800

2. Transfer and Appropriation

From:	2-23210	Nursing & Health Professions Professional Practice Unit	
To:	1-10440	Dental Hygiene Personal Services	1,500

3. Appropriation Transfers

From:	1-10100	General Instruction Supplies & Expense	
To:	1-10100	General Instruction Personal Services	1,150
To:	1-10200	School of Liberal Arts Personal Services	1,100
From:	1-10102	College Achievement Program Supplies & Expense	
To:	1-10102	College Achievement Program Personal Services	1,103
From:	1-10200	School of Liberal Arts Supplies and Expense	
To:	1-10200	School of Liberal Arts Capital Outlay	1,000
From:	1-10310	Biology Supplies & Expense	
To:	1-10300	School of Science & Engineering Technology Capital Outlay	948
From:	1-10410	Nursing Personal Services	
To:	1-10410	Nursing Supplies & Expense	2,871
From:	1-10700	School of Business Personal Services	
To:	1-10700	School of Business Supplies & Expense	1,060
From:	1-10820	Social Work Personal Services	
To:	1-10820	Social Work Supplies & Expense	2,454

From:	1-14001	Admissions Supplies & Expense	
To:	1-14001	Admissions Repairs & Maintenance	1,516
From:	1-16120	Business Office Personal Services	
To:	1-16120	Business Office Capital Outlay	3,000

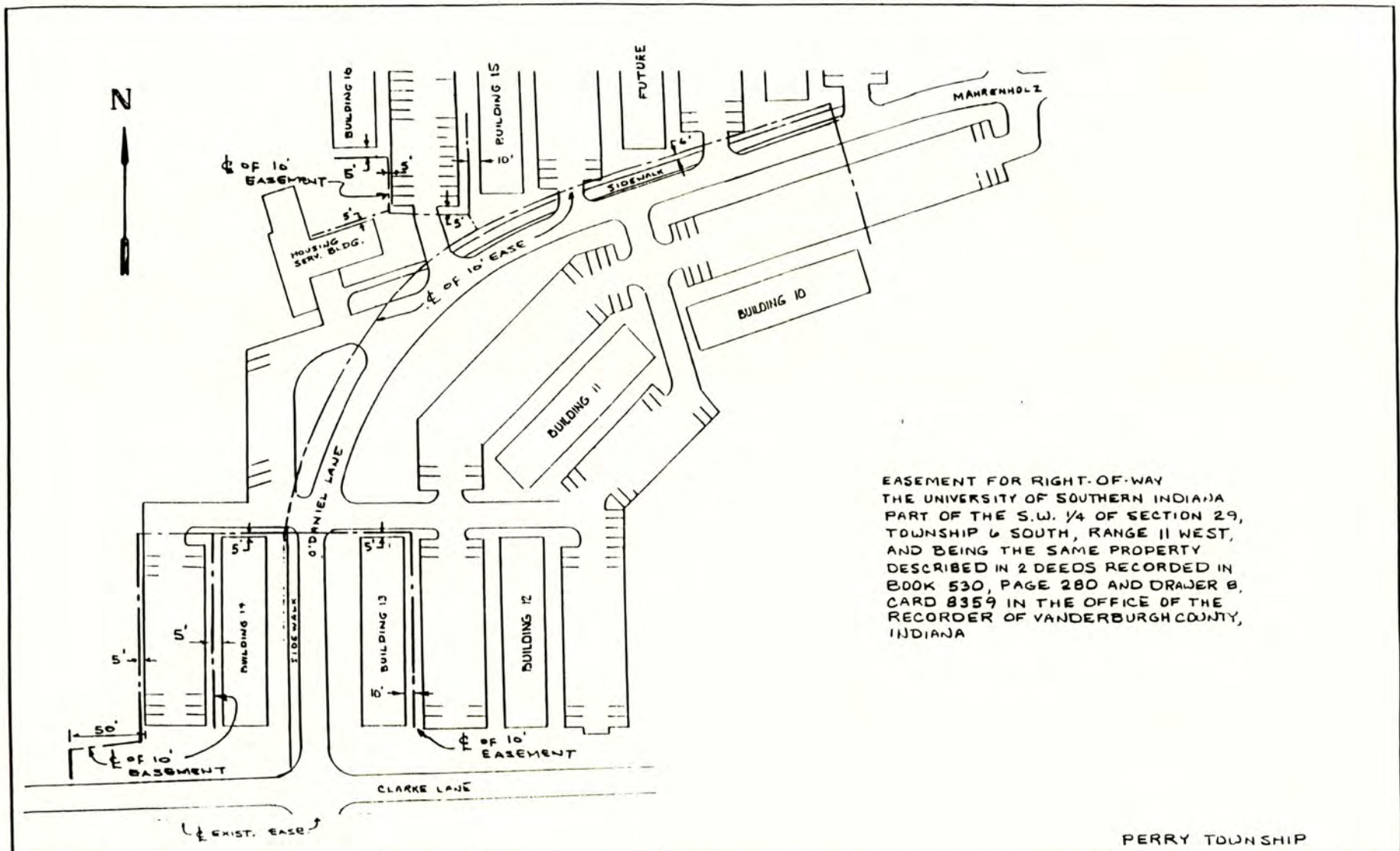
J. REPORT ON STUDENT FINANCIAL ASSISTANCE FOR 1995-1996

Dr. Byrd introduced Jim Patton, Director of Student Financial Assistance, to discuss the highlights of the Student Financial Assistance program for 1995-1996. Copies of the printed report were given to the Board.

K. ARCHITECT'S REPORT ON GENERAL PURPOSE CLASSROOM BUILDING PRELIMINARY DESIGN

Architects from the firm of Hastings and Chivetta, Inc. presented preliminary proposals for the design of the General Purpose Classroom Building.

There being no further business, the meeting was adjourned at 3:50 p.m.



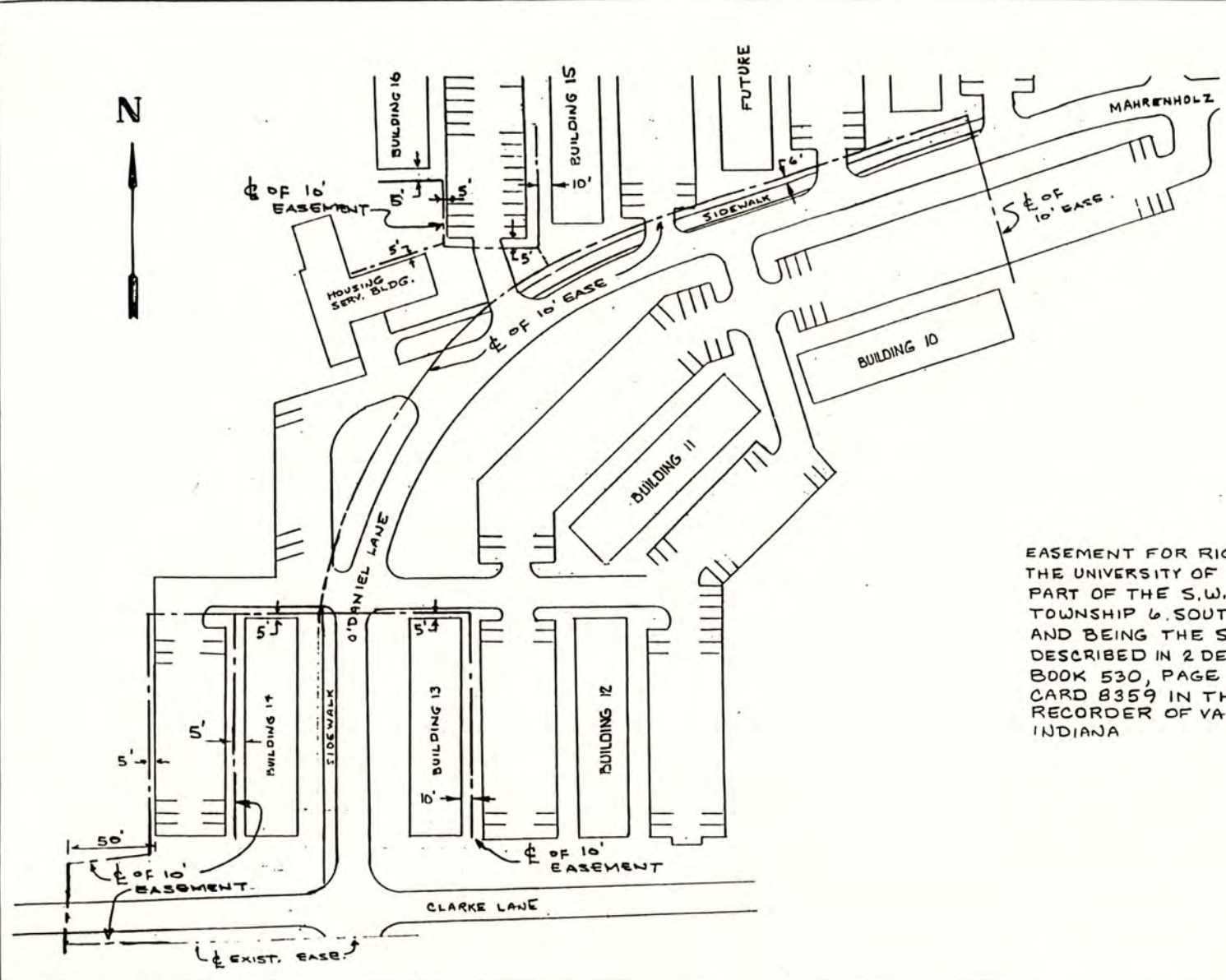
EASEMENT FOR RIGHT-OF-WAY
 THE UNIVERSITY OF SOUTHERN INDIANA
 PART OF THE S.W. 1/4 OF SECTION 29,
 TOWNSHIP 6 SOUTH, RANGE 11 WEST,
 AND BEING THE SAME PROPERTY
 DESCRIBED IN 2 DEEDS RECORDED IN
 BOOK 530, PAGE 280 AND DRAWER B,
 CARD 8359 IN THE OFFICE OF THE
 RECORDER OF VANDERBURGH COUNTY,
 INDIANA

PERRY TOWNSHIP

B A REV	JMC	11/16	REV. TO AVOID	JMC	Date	By J. MCKENDREE Date 8-22-96	Date	EST. NO. 6121202 DWG. NO. 61129-3
	JAC	11/16	SHORT FIBER OPTIC CABLE					
	By	Date	AND SECTION TO THE HOUSING SERV. BLDG.	Dem	Chg.	App.		
			Description					

EXHIBIT "A"
 EASEMENT FOR RIGHT-OF-WAY

Southern Indiana Gas & Electric Co.
 Evansville Indiana



EASEMENT FOR RIGHT-OF-WAY
 THE UNIVERSITY OF SOUTHERN INDIANA
 PART OF THE S.W. 1/4 OF SECTION 29,
 TOWNSHIP 6 SOUTH, RANGE 11 WEST,
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 BOOK 530, PAGE 280 AND DRAWER B,
 CARD 8359 IN THE OFFICE OF THE
 RECORDER OF VANDERBURGH COUNTY,
 INDIANA

PERRY TOWNSHIP

B A Rev.	JMC	11/14	REV. TO AVOID SIGNAL FIBER OPTIC CABLE	JMC	Date	By J. MCKENDREE Date 8-22-96	Dwn J. STOLL Date 8-29-96	App. JMC Date 9/2/96	EXHIBIT "A" EASEMENT FOR RIGHT-OF WAY	Southern Indiana Gas & Electric Co. Evansville Indiana	EST. NO. 6121202 DWG. NO. 61129-3
	JAC	11/14	ADDED SECTION TO THE HOUSING SERV. BLDG.								

Project No. 9437
University of Southern Indiana
University Center Expansion

SUMMARY OF CHANGE ORDERS

I. GENERAL CONTRACTOR: Deig Brothers Lumber and Construction Co., Inc.

NO.	DESCRIPTION	AMOUNT
G6	Item No. 1 Provide 2nd level reception desk	\$ 8,700.00
	Item No. 2 Provide bracing for piping	5,006.00
	Item No. 3 Provide deck pans at Great Hall floor boxes	5,394.00
	Item No. 4 Removal of concrete fill in elevator pit	2,350.77
	Item No. 5 Rework existing paving at entrance	3,251.20
G7	Item No. 1 Add landscaping previously deleted	\$ 10,238.00
		<u>\$ 34,939.97</u>

II. ELECTRICAL CONTRACTOR: Premier Electric, Inc.

NO.	DESCRIPTION	AMOUNT
E3	Item No. 1 Lighting and electrical for first floor restrooms	\$ 4,000.00
E4	Item No. 1 Provide rough-in for security system	4,300.00
E5	Item No. 1 Additional lighting cost for first floor restrooms	1,052.00
	Item No. 2 Install "P" fixtures in Great Hall	9,224.00
	Item No. 3 Extend existing ground grid	3,531.00
	Item No. 4 Add two receptacles for carpet cleaner battery chargers	778.00
	Item No. 5 Provide new receptacle at wall of Room 104	2,125.00
	Item No. 6 Relocate Fire Alarm/Audio Visual unit	778.00
	Item No. 7 Add second floor restrooms	11,816.00
	Item No. 8 Add power box in Great Hall	3,577.00
E6	Item No. 1 Provide electrical work associated with Elevator No. 2	9,959.00
E7	Item No. 1 Provide power for relocated overhead doors	890.00
		<u>\$52,030.00</u>

III. MECHANICAL CONTRACTOR: Arc Mechanical, Inc.

NO.	DESCRIPTION	AMOUNT
M5	Item No. 1 Add sprinklers in 2nd floor restrooms	\$ 414.00
	Item No. 2 Add HVAC work for 2nd floor restrooms and change duct in Room 232	4,005.00
	Item No. 3 Provide sump drains for carpet cleaners	2,987.00
	Item No. 4 Change sprinkler piping to recessed type at loading dock	7,416.00
	Item No. 5 Add plumbing for 2nd floor restrooms	17,715.00
		<u>\$32,537.00</u>

IV. TEST AND BALANCE CONTRACTOR: Flo-Tech

NO.	DESCRIPTION	AMOUNT
TB1	Provide balance work for 2nd floor restrooms	\$ 270.00
		<u>\$ 270.00</u>

The contract sum is increased by these change orders in the amount of \$119,776.97.