

AGENDA

**UNIVERSITY OF SOUTHERN INDIANA
BOARD OF TRUSTEES**

January 11, 2007

SECTION I - GENERAL AND ACADEMIC MATTERS

- A. APPROVAL OF MINUTES OF NOVEMBER 2, 2006, MEETING**
- B. ESTABLISHMENT OF NEXT MEETING DATE, TIME, LOCATION**
- C. PRESIDENT'S REPORT**
- D. REPORT ON THE INDIANA GENERAL ASSEMBLY**
- E. APPROVAL OF CONFLICT OF INTEREST STATEMENTS**

SECTION II – FINANCIAL MATTERS

- A. APPROVAL OF PROPOSAL AND FINANCING PLAN FOR THE DESIGN OF THE COLLEGE OF BUSINESS/GENERAL CLASSROOM BUILDING, COMPLETION OF THE LOWER LEVEL OF THE EDUCATION CENTER, AND CONSTRUCTION OF A PHYSICAL PLANT/SUPPORT SERVICES FACILITY**
- B. PRESENTATION OF SCHEMATIC DESIGN OF THE COLLEGE OF BUSINESS/GENERAL CLASSROOM BUILDING PROJECT**

SUPPLEMENTAL INFORMATION

UNIVERSITY OF SOUTHERN INDIANA BOARD OF TRUSTEES

January 11, 2007

SECTION I - GENERAL AND ACADEMIC MATTERS

A. APPROVAL OF MINUTES OF NOVEMBER 2, 2006, MEETING

B. ESTABLISHMENT OF NEXT MEETING DATE, TIME, LOCATION

C. PRESIDENT'S REPORT

D. REPORT ON THE INDIANA GENERAL ASSEMBLY

A report will be presented on the 2007 session of the Indiana General Assembly, including the initial budget recommendation from the Commission for Higher Education compared to USI's approved budget request (Exhibit I-A).

E. APPROVAL OF CONFLICT OF INTEREST STATEMENTS

In 1983, the Indiana General Assembly enacted amendments to the Indiana "conflicts of interest" law, which provides that "The public servant who knowingly or intentionally: (1) has a pecuniary interest in; or (2) derives a profit from a contract or purchase connected with an action by the government entity that he serves, commits a conflict of interest, a Class D felony."

I.C. 35-41-1-2 defines "public servant" as a person who (1) is authorized to perform any official function on behalf of, and is paid by, a governmental agency; or (2) is elected or appointed to office to discharge a public duty for a governmental entity.

The 1983 amendment provides a method by which public servants can avoid the criminal aspects of the conflicts of interest law by filing a disclosure statement with the Board of Trustees. The Board of Trustees must approve such disclosures, after which they will be forwarded to the State Board of Accounts.

In December 2006, for calendar year 2007, the University requested statements of all trustees and senior staff, including those with no potential conflicts of interest to disclose, and reminded all University employees of their obligation to submit a statement if required. A list of individuals who have submitted a *Possible Conflict of Interest Disclosure Statement* for calendar year 2007 is in Exhibit I-B.

Approval of the *Possible Conflict of Interest Disclosure Statements* in Exhibit I-B is recommended.

SECTION II – FINANCIAL MATTERS

A. APPROVAL OF PROPOSAL AND FINANCING PLAN FOR THE DESIGN OF THE COLLEGE OF BUSINESS/GENERAL CLASSROOM BUILDING, COMPLETION OF THE LOWER LEVEL OF THE EDUCATION CENTER, AND CONSTRUCTION OF A PHYSICAL PLANT/SUPPORT SERVICES FACILITY

At its meeting on November 2, 2006, the Board of Trustees was advised that a Request for Proposal had been distributed to investment banking firms interested in financing \$6.6 million for the design of the College of Business/General Classroom Building, completion of the lower level of the Education Center, and construction of a Physical Plant/Support Services facility. Also on November 2, the Board authorized the Finance/Audit Committee to evaluate the results of the proposals, accept or reject all proposals, and approve a financing plan on behalf of the Board of Trustees. The Finance/Audit Committee will not meet on January 11, 2007, and the Board of Trustees will act as a committee of the whole. A review of the proposals and a recommendation to select a financial institution to develop a financing plan and provide the University with investment banking services will be presented to the full Board of Trustees.

B. PRESENTATION OF SCHEMATIC DESIGN OF THE COLLEGE OF BUSINESS/GENERAL CLASSROOM BUILDING PROJECT

The schematic design of the College of Business/General Classroom Building will be presented for discussion. The architects, Helmuth, Obata + Kassabaum (HOK) of St. Louis, Missouri, partnered with Hafer Associates of Evansville, Indiana, were selected by the Board at its meeting in May 2006. In addition to facilities for the College of Business, the building will contain laboratory and office space for the Department of Engineering of the Pott College of Science and Engineering. The project is estimated to cost \$31.9 million, of which \$2 million in design funding (a portion of the financing plan described in Section II, Item A.) has been released to the University. The \$29.9 million balance of the project cost, for construction of the building, will be sought from the 2007 General Assembly.

**UNIVERSITY OF SOUTHERN INDIANA
BIENNIAL BUDGET 2007-2009
OPERATING BUDGET REQUEST SUMMARY/COMPARISON**

	2007-08		2008-09	
	Request	Commission for Higher Education Recommendation	Request	Commission for Higher Education Recommendation
<u>EXPENDITURES</u>				
Expenditure Base	70,953,039	70,953,039	78,700,394	71,908,064
Base Adjustments				
A. Enrollment Change	910,000	455,000	0	455,000
B. Plant Expansion	1,258,763	0	0	0
C. Appropriation/Equity Adjustment	2,000,000	0	1,000,000	500,000
D. On-Time Completion	0	0	0	85,672
Subtotal Base Adjustments	4,168,763	455,000	1,000,000	1,040,672
Debt Service	3,586,621	3,856,621	3,358	2,218,518 e
Reallocation of Student Fees	(3,586,621)	(3,856,621)	(3,358)	(2,218,518)
Subtotal Debt Service	0	0	0	0
Total Expenditure Base	75,121,802	71,408,039	79,700,394	72,948,736
Percent Change	5.88%	0.64%	1.27%	1.45%
Maintenance for Current Programs				
A. Personal Services	1,606,636 a		1,654,835 a	0
B. Supplies & Expense	452,656 a		466,235 a	0
C. Student Aid	69,300 a		71,379 a	0
Subtotal Maintenance for Current Programs	2,128,592	500,025 b	2,192,449	714,261 c
Quality Improvement				
A. Econ Development Outreach in SW Indiana	950,000	0	850,000	0
B. SW Indiana STEM Education Center	500,000	0	750,000	0
Subtotal Quality Improvement	1,450,000	0	1,600,000	0
Total Budget Increases	7,747,355	955,025	4,792,449	1,754,933
Total Expenditure Request	78,700,394	71,908,064	83,492,843	73,662,997
Percent Change	10.92%	1.35%	6.09%	2.44%
<u>REVENUE</u>				
Student Fee Base	29,838,415	29,838,415	27,478,833	25,981,794
Fee Increase	1,227,039 d	0	1,263,851 d	0
Transfer to Debt Service	(3,586,621)	(3,856,621)	(3,358)	(2,218,518)
Total Student Fees	27,478,833	25,981,794	28,739,326	23,763,276
Operating Appropriation Base	35,213,023	35,213,023	41,733,339	36,168,048
Appropriation Increase	6,520,316	955,025	3,528,598	1,754,933
Total Operating Appropriation	41,733,339	36,168,048	45,261,937	37,922,981
Fee Replacement Appropriation Base	5,901,601	5,901,601	9,488,222	9,758,222
Fee Replacement Change	3,586,621	3,856,621	3,358	2,218,518 e
Total Fee Replacement Appropriation	9,488,222	9,758,222	9,491,580	11,976,740
Total State Appropriation	51,221,561	45,926,270	54,753,517	49,899,721
Percent Change	24.58%	11.70%	6.90%	8.65%
Total Revenue Request	78,700,394	71,908,064	83,492,843	73,662,997

a 3% increase on Expenditure Base

b 1.42% increase on Operating Appropriation Base

c 2.03% increase on Operating Appropriation Base

d 3% increase on Gross Student Fee Base

e includes Fee Replacement for the College of Business/Classroom Building

December 21, 2006

**Possible Conflict of Interest Disclosure Statements
Filed for 2007**

DATE	NAME/ TITLE	VENDOR/ CONTRACTOR	DESCRIPTION OF FINANCIAL INTEREST
11-21-06	Janel Allen Assistant to the President	Safety Management Corporation	Spouse is owner
11-05-06	Bruce H. Baker Trustee	N/A	N/A
11-03-06	Linda L.M. Bennett Provost and Vice President for Academic Affairs	N/A	N/A
11-14-06	Cynthia S. Brinker Vice President for Governmental Relations	N/A	N/A
11-28-06	Pam Buschkill Coordinator of Children's Center	Safety Management Corporation	Spouse is employee
11-06-06	W. Harold Calloway Trustee	N/A	N/A
11-03-06	Nadine Coudret Dean, College of Nursing and Health Professions	N/A	N/A
11-08-06	Mark A. Day Trustee	N/A	N/A
11-14-06	John L. Deem Associate Vice President for Student Affairs	Cabinets & Counters Keller Schroeder	Son employed at C&C Son employed at Keller
12-22-06	John M. Dunn Trustee	Dunn Hospitality Group Old National Community Bank Evansville Commerce Bank	Majority Share Holder Director Spouse is Director
11-08-06	Lauren Fultz Trustee	N/A	N/A
11-06-06	David M. Glassman Dean, College of Liberal Arts	N/A	N/A
11-03-06	Scott A. Gordon Dean, Pott College of Science and Engineering	N/A	N/A
11-06-06	Jon Mark Hall Director of Athletics	N/A	N/A
11-16-06	H. Ray Hoops President	Integra Bank Deaconess Hospital, Inc. Deaconess Health System, Inc. WNIN Public Television Eastern Illinois University Foundation	Director (compensated) Director Director Director Member

DATE	NAME/ TITLE	VENDOR/ CONTRACTOR	DESCRIPTION OF FINANCIAL INTEREST
11-03-06	Mary A. Hupfer Assistant Vice President for Business Affairs and Foundation Fiscal Officer	N/A	N/A
11-22-06	Nils I. Johansen University Division Advisor, Lecturer, Science and Engineering	Nils I. Johansen, P.E.	Owner
11-06-06	M. Edward Jones Associate Vice President for Academic Affairs and Dean of Extend Services	N/A	N/A
11-14-06	Mohammed F. Khayum Dean, College of Business	N/A	N/A
11-08-06	Jeffrey L. Knight Trustee	Old National Bank	Executive Officer and Shareholder
12-22-06	Amy MacDonell Trustee	N/A	N/A
11-06-06	Frank F. McDonald II Trustee	Integra Bank	Officer and Stockholder
11-29-06	Deborah Murray Senior Program Assistant	Three I Engineering, Inc.	Husband is partner in firm
11-03-06	Robert W. Parrent Vice President for Student Affairs	Fifth Third Bank	Wife employed in trust dept.
11-03-06	C. Thomas Pickering Dean, Bower-Suhrheinrich College of Education and Human Services	N/A	N/A
11-09-06	Brian Posler Assistant Vice President for Academic Affairs	N/A	N/A
11-03-06	Mark Rozewski Vice President for Business Affairs and Treasurer	Veazey Parrott Durkin Shoulders	Wife is employee
11-03-06	Sherrienne Standley Vice President for Advancement	N/A	N/A
11-30-06	Carmen F. Stoen Director Student Development	United Rentals	Spouse is Sales Coordinator for company
11-30-06	Connie Weinzapfel Director, Historic New Harmony	James Parrent Garden Design	Spouse is owner
11-06-06	James L. Will Sr. Trustee	N/A	N/A

**Possible Conflict of Interest Disclosure Statements
Filed for 2007**

DATE	NAME/ TITLE	VENDOR/ CONTRACTOR	DESCRIPTION OF FINANCIAL INTEREST
11-21-06	Janel Allen Assistant to the President	Safety Management Corporation	Spouse is owner
11-05-06	Bruce H. Baker Trustee	N/A	N/A
11-03-06	Linda L.M. Bennett Provost and Vice President for Academic Affairs	N/A	N/A
11-14-06	Cynthia S. Brinker Vice President for Governmental Relations	N/A	N/A
11-28-06	Pam Buschkill Coordinator of Children's Center	Safety Management Corporation	Spouse is employee
11-06-06	W. Harold Calloway Trustee	N/A	N/A
11-03-06	Nadine Coudret Dean, College of Nursing and Health Professions	N/A	N/A
11-08-06	Mark A. Day Trustee	N/A	N/A
11-14-06	John L. Deem Associate Vice President for Student Affairs	Cabinets & Counters Keller Schroeder	Son employed at C&C Son employed at Keller
12-22-06	John M. Dunn Trustee	Dunn Hospitality Group Old National Community Bank Evansville Commerce Bank St. Mary's Health System Welborn Foundation WNIN	Majority Share Holder Director Spouse is Director Director Director Director
11-08-06	Lauren Fultz Trustee	N/A	N/A
11-06-06	David M. Glassman Dean, College of Liberal Arts	N/A	N/A
11-03-06	Scott A. Gordon Dean, Pott College of Science and Engineering	N/A	N/A
11-06-06	Jon Mark Hall Director of Athletics	N/A	N/A
11-16-06	H. Ray Hoops President	Integra Bank Deaconess Hospital, Inc. Deaconess Health System, Inc. WNIN Public Television Eastern Illinois University Foundation	Director (compensated) Director Director Director Member

DATE	NAME/ TITLE	VENDOR/ CONTRACTOR	DESCRIPTION OF FINANCIAL INTEREST
11-03-06	Mary A. Hupfer Assistant Vice President for Business Affairs and Foundation Fiscal Officer	N/A	N/A
11-22-06	Nils I. Johansen University Division Advisor, Lecturer, Science and Engineering	Nils I. Johansen, P.E.	Owner
11-06-06	M. Edward Jones Associate Vice President for Academic Affairs and Dean of Extend Services	N/A	N/A
11-14-06	Mohammed F. Khayum Dean, College of Business	N/A	N/A
11-08-06	Jeffrey L. Knight Trustee	Old National Bank	Executive Officer and Shareholder
12-22-06	Amy MacDonell Trustee	N/A	N/A
11-06-06	Frank F. McDonald II Trustee	Integra Bank	Officer and Stockholder
11-29-06	Deborah Murray Senior Program Assistant	Three I Engineering, Inc.	Husband is partner in firm
11-03-06	Robert W. Parrent Vice President for Student Affairs	Fifth Third Bank	Wife employed in trust dept.
11-03-06	C. Thomas Pickering Dean, Bower-Suhrheinrich College of Education and Human Services	N/A	N/A
11-09-06	Brian Posler Assistant Vice President for Academic Affairs	N/A	N/A
11-03-06	Mark Rozewski Vice President for Business Affairs and Treasurer	Veazey Parrott Durkin Shoulders	Wife is employee
11-03-06	Sherrienne Standley Vice President for Advancement	N/A	N/A
11-30-06	Carmen F. Stoen Director Student Development	United Rentals	Spouse is Sales Coordinator for company
11-30-06	Connie Weinzapfel Director, Historic New Harmony	James Parrent Garden Design	Spouse is owner
11-06-06	James L. Will, Sr. Trustee	N/A	N/A