

AGENDA

**UNIVERSITY OF SOUTHERN INDIANA
BOARD OF TRUSTEES**

January 13, 2011

SECTION I – GENERAL AND ACADEMIC MATTERS

- A. APPROVAL OF MINUTES OF NOVEMBER 4, 2010, 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**
- F. REPORT ON STUDENT PROFILE**
- G. REPORT ON THE PROCESS OF ADMISSION**

SECTION II – FINANCIAL MATTERS

- A. REPORT OF CONSTRUCTION CHANGE ORDERS ISSUED BY THE VICE PRESIDENT FOR FINANCE AND ADMINISTRATION**
- B. REPORT ON CURRENT CONSTRUCTION PROJECTS**

**AGENDA
SUPPLEMENTAL INFORMATION**

**UNIVERSITY OF SOUTHERN INDIANA
BOARD OF TRUSTEES**

January 13, 2011

SECTION I – GENERAL AND ACADEMIC MATTERS

- A. APPROVAL OF MINUTES OF NOVEMBER 4, 2010, MEETING**
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- C. PRESIDENT’S REPORT**
- D. REPORT ON THE INDIANA GENERAL ASSEMBLY**

A report will be presented on the 2011 session of the Indiana General Assembly, including the initial budget recommendation from the Commission for Higher Education compared to USI's approved budget request (Exhibits I-A and I-B).

E. APPROVAL OF CONFLICT OF INTEREST STATEMENTS

Indiana Code 35-41-1-3 describes conflict of interest on the part of a public servant and provides for the filing of a disclosure statement regarding possible conflicts of interest. The statement must be approved by the Board of Trustees and forwarded to the State Board of Accounts.

In November 2010, for calendar year 2011, the University requested statements of trustees and senior staff, including those with no potential conflicts of interest to disclose. A list of individuals who have submitted a *Possible Conflict of Interest Disclosure Statement* for calendar year 2011 is in Exhibit I-C.

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

- F. REPORT ON STUDENT PROFILE**
- G. REPORT ON THE PROCESS OF ADMISSION**

SECTION II – FINANCIAL MATTERS

A. REPORT OF CONSTRUCTION CHANGE ORDERS ISSUED BY THE VICE PRESIDENT FOR FINANCE AND ADMINISTRATION

A summary of construction change orders approved by the Vice President for Business Affairs (Exhibit II-A) will be reviewed.

B. REPORT ON CURRENT CONSTRUCTION PROJECTS

A report on the status of current construction projects will be presented. Exhibit II-B is a summary of the cost and funding sources for each project.

**UNIVERSITY OF SOUTHERN INDIANA
BIENNIAL BUDGET 2011-2013
OPERATING BUDGET REQUEST SUMMARY/COMPARISON**

	2011-12		2012-13	
	Request	Commission for Higher Education Recommendation	Request	Commission for Higher Education Recommendation
<u>EXPENDITURES</u>				
Expenditure Base	86,170,595	86,170,595	89,866,685	86,847,549
Base Adjustments				
A. Successfully Completed Credit Hours (SCCH)	2,459,050	324,825	0	0
B. Dual Credit SCCH	336,600	65,250	0	0
C. Change in Degree Completion	645,000	1,180,775	0	0
D. On-Time Degree Completion	35,440	750,589	0	0
E. Low Income Degree Completion	220,000	751,456	0	0
F. Across the Board Appropriation Reduction	0	(2,395,941) a	0	0
Subtotal Base Adjustments	3,696,090	676,954	0	0
Debt Service	1,027,093	1,012,647	1,299,172	1,950
Reallocation of Student Fees	(1,027,093)	(1,012,647)	(1,299,172)	(1,950)
Subtotal Debt Service	0	0	0	0
Total Expenditure Base	89,866,685	86,847,549	89,866,685	86,847,549
Percent Change	4.3%	0.8%	0.0%	0.0%
Maintenance for Current Programs				
A. Personal Services	0	0	0	0
B. Supplies & Expense	0	0	0	0
C. Student Aid	0	0	0	0
Subtotal Maintenance for Current Programs	0 b	0	0 b	0
Quality Improvement	0	0	0	0
Total Budget Increases	3,696,090	676,954	0	0
Total Expenditure Request	89,866,685	86,847,549	89,866,685	86,847,549
Percent Change	4.3%	0.8%	0.0%	0.0%
<u>REVENUE</u>				
Student Fee Base	35,878,711	35,878,711	34,851,618	34,866,064
Fee Increase	0 c	0	0 c	0
Transfer to Debt Service	(1,027,093)	(1,012,647)	(1,299,172)	(1,950)
Total Student Fees	34,851,618	34,866,064	33,552,446	34,864,114
Operating Appropriation Base	39,172,365	39,172,365	42,868,455	39,849,319
Appropriation Increase	3,696,090	676,954	0	0
Total Operating Appropriation	42,868,455	39,849,319	42,868,455	39,849,319
Percent Change	9.4%	1.7%	0.0%	0.0%
Fee Replacement Appropriation Base	11,119,519	11,119,519	12,146,612	12,132,166
Fee Replacement Change	1,027,093	1,012,647	1,299,172	1,950
Total Fee Replacement Appropriation	12,146,612	12,132,166	13,445,784	12,134,116
Total State Appropriation	55,015,067	51,981,485	56,314,239	51,983,435
Percent Change	9.4%	3.4%	2.4%	0.0%
Total Revenue Request	89,866,685	86,847,549	89,866,685	86,847,549

a 6.116% of FY11 Operating Appropriation Base (includes 5% of FY11 Operating Appropriation Base to fund Performance Funding Formula plus 1.116% of FY11 Operating Appropriation Base to restore 2011 \$13.7 million operating reduction)
b 0% increase on Expenditure Base per instructions
c 0% increase on Gross Student Fee Base per instructions

**UNIVERSITY OF SOUTHERN INDIANA
BIENNIAL BUDGET 2011-2013
COMPARISON OF REQUEST FOR BUDGET INCREASES
WITH INDIANA COMMISSION FOR HIGHER EDUCATION**

OPERATING BUDGET	<u>2011-12</u>		<u>2012-13</u>	
	<u>Request</u>	<u>Commission for Higher Education Recommendation</u>	<u>Request</u>	<u>Commission for Higher Education Recommendation</u>
Base Adjustments				
Successfully Completed Credit Hours (SCCH)	2,459,050	324,825	0	0
Dual Credit SCCH	336,600	65,250	0	0
Change in Degree Completion	645,000	1,180,775	0	0
On-Time Degree Completion	35,440	750,589	0	0
Low Income Degree Completion	220,000	751,456	0	0
Across the Board Appropriation Reduction	0	(2,395,941)	0	0
Maintenance for Current Programs				
Personal Services	0 b	0	0 b	0
Supplies & Expense	0 b	0	0 b	0
Student Aid	0 b	0	0 b	0
Quality Improvement	0	0	0	0
Total	3,696,090	676,954	0	0

CAPITAL BUDGET R&R AND TECHNOLOGY	<u>Request</u>	<u>Commission for Higher Education Recommendation</u>		
	<u>2011-13</u>	<u>2011-12</u>	<u>2012-13</u>	<u>Total</u>
General R&R	1,535,000	293,052	380,289	673,341
Infrastructure	890,000	217,492	282,235	499,727
Total	2,425,000	510,544	662,524	1,173,068

CAPITAL BUDGET FACILITIES	<u>Request</u>	<u>Commission for Higher Education Recommendation</u>	
	<u>2011-13</u>	<u>2011-13</u>	<u>Comments</u>
Special R&R Classroom Renovation/Expansion State Funding Bonding Authorization	15,000,000	0	

LINE ITEM INITIATIVES	<u>Line Item Appropriation</u>	<u>Request</u>	<u>Commission for Higher Education Recommendation</u>		
	<u>2010-11</u>	<u>2011-13</u>	<u>2011-12</u>	<u>2012-13</u>	<u>Total</u>
	Historic New Harmony	553,428	0	(83,014) *	0

* 15% reduction of FY11 appropriation

a 6.116% of FY11 Operating Appropriation Base (includes 5% of FY11 Operating Appropriation Base to fund Performance Funding Formula plus 1.116% of FY11 Operating Appropriation Base to restore 2011 \$13.7 million operating reduction)
b 0% increase on Expenditure Base per instructions

**Possible Conflict of Interest Disclosure Statements
Filed for 2011**

DATE	NAME/ TITLE	VENDOR/ CONTRACTOR	DESCRIPTION OF FINANCIAL INTEREST
11-03-10	Michael Aakhus Interim Dean – College of Liberal Arts	None	N/A
11-02-10	Janel S. Allen Assistant to the President	Safety Management Corporation	Spouse is owner
11-15-10	Linda L. M. Bennett President	None	N/A
11- 04-10	Ira G. Boots Trustee	Berry Plastics Deaconess Hospital	Board of Directors Board of Directors
11-21-10	David A. Bower Director of Development	None	N/A
11-05-10	Steven J. Bridges Assistant Vice President for Business Affairs/Assistant Treasurer	None	N/A
11-02-10	Cynthia S. Brinker Vice President for Government and University Relations	None	N/A
11-03-10	W. Harold Calloway Trustee	None	N/A
11-02-10	Linda Cleek Interim Dean – Extended Services	None	N/A
11-17-10	Nadine A. Coudret Dean – College of Nursing and Health Professions	None	N/A
11-17-10	John Deem Associate Vice President for Student Affairs	Cabinets and Counters Keller Schroeder	Son is owner Son is employee
11-11-10	Katherine Draughon Executive Director of Planning, Research, and Assessment	None	N/A
11-02-10	John M. Dunn Trustee	Dunn Hospitality Group Evansville Commerce Bank St. Mary's Health System Welborn Foundation WNIN	Majority Stockholder Spouse is Director Director Director Director
11-17-10	Julie H. Edmister Dean – College of Education and Human Services	None	N/A

DATE	NAME/ TITLE	VENDOR/ CONTRACTOR	DESCRIPTION OF FINANCIAL INTEREST
11-02-10	Scott Gordon Dean – College of Science and Engineering	None	N/A
11-03-10	Jon Mark Hall Director of Athletics	None	N/A
11-18-10	H. Ray Hoops Chancellor	Integra Bank Corporation Deaconess Hospital, Inc. Deaconess Health System, Inc. Eastern Illinois University Foundation	Director (compensated) Director (compensated) Director Member
11-02-10	Mary A. Hupfer Assistant Vice President for Business Affairs/Foundation Fiscal Officer	None	N/A
11-02-10	Marshall Edward Jones Senior Advisor to the President on Outreach and Engagement	None	N/A
11-02-10	Mohammed Khayum Dean – College of Business	None	N/A
11-17-10	Jeffrey Knight Trustee	Old National Bank	Shareholder and employee
11-03-10	Amy MacDonell Trustee	None	N/A
11-05-10	Brian Posler Assistant Provost for Undergraduate Studies	None	N/A
11-04-10	Lauren K. Raikes Student Trustee	None	N/A
11-04-10	Ronald S. Rochon Provost	None	N/A
11-02-10	Ronald D. Romain Trustee	Bank of Evansville Romain Buick, Inc.	Shareholder Shareholder
11-04-10	Mark Rozewski Vice President for Finance and Administration	Veasey Parrott Durkin & Shoulders	Wife is employee
11-04-10	Steven J. Schenck Trustee	Merrill Lynch/Bank of America	Financial Advisor
11-03-10	Todd Wilson Assistant Vice President for Marketing and Communications	None	N/A
11-18-10	Ted C. Ziemer, Jr. Trustee	None	N/A

Summary of Construction Change Orders Authorized by the Vice President for Finance and Administration

1. UNIVERSITY CENTER EXPANSION PROJECT

Deig Brothers Lumber and Construction Co. - Mechanical Contractor

MC-017	Perform work and provide materials and equipment to facilitate the relocation of the elevator equipment room to the penthouse. Work includes demolition of existing heating equipment, installation of new heating equipment, installation of sprinkler system in room, and other miscellaneous work	\$9,559.00
MC-018	Change the manhole cover to area drain type in Alternate 6	\$511.62

Capital Electric, Inc. - Electrical Contractor

EC-021	Perform work and provide materials and equipment for the electrical items to facilitate the relocation of the elevator equipment room to the penthouse	\$19,100.00
EC-022	Add exit lights in each of the four large conference rooms	\$1,875.00

**Summary
Current Construction Projects
January 13, 2011**

Projects Recently Completed

Bicycle and Walk Path Construction

Project Cost **\$ 335,750**

Funding Source: Transportation System Reserve

Projects Under Construction

Business and Engineering Center

Project Cost **\$ 31,946,069**

Funding Source: Bond Issue (Repaid with Fee Replacement Appropriation)

University Center Expansion

Project Cost **\$ 18,400,000**

Funding Sources:

Bond Issue (Repaid with Student Fees)	\$ 13,750,000
Academic Funding Series I	\$ 800,000
Academic Funding Reserve	\$ 650,000
Bookstore Reserve	\$ 1,000,000
University Center Reserve	\$ 2,200,000

Innovation Pointe Renovation

Project Cost **\$ 345,000**

Funding Source: Extended Services Reserve

Orr Center Renovation - Third Level East Wing

Project Cost **\$ 400,000**

Funding Source: Special Projects Reserve

Projects in Design

Teaching Theatre Construction

Project Cost **\$ 16,500,000**

Funding Sources:

Bond Issue (Repaid with Student Fees)	\$ 13,000,000
Special Projects Reserve	\$ 1,500,000
USI Foundation	\$ 2,000,000

Advanced Manufacturing Teaching Facility

Project Cost **\$ 1,850,000**

Funding Source: Special Projects Reserve

Science Center Renovation - Lower Level

Project Cost **\$ 950,000**

Funding Source: General Repair and Rehabilitation Appropriation