

**MINUTES**  
**JOINT MEETING**  
**FINANCE AND CONSTRUCTION COMMITTEES**

**UNIVERSITY OF SOUTHERN INDIANA**  
**BOARD OF TRUSTEES**

**March 12, 2001**

The Finance and Construction Committees of the University of Southern Indiana Board of Trustees met in a joint session on March 12, 2001, in the University Conference Center. In attendance were Trustees Tina Kern, Ryan Helzerman, Pat Hoehn, David Huber, and Jim Will, Vice President for Business Affairs Richard Schmidt, Vice President for Student Affairs John Byrd, Associate Vice President for Business Administration Cindy Brinker, Director of Facilities Operations and Planning Steve Helfrich, Director of Internal Audit Diana Biggs, Internal Audit Manager J. Robert Howell, and President of the Student Government Association Rick Hudson.

There being a quorum present, Chair Tina Kern called the meeting to order at 1:40 p.m.

(FINANCE COMMITTEE)

**1. UPDATE ON THE SALE OF REVENUE BONDS TO FINANCE THE STUDENT  
RESIDENTIAL BUILDING NO. 3 PROJECT**

Associate Vice President for Fiscal and Physical Affairs Robert Ruble presented an update on the sale of revenue bonds to finance the Student Residential Building No. 3 Project.

**2. UPDATE ON VEBA TRUST INVESTMENTS**

Associate Vice President for Business Administration Cindy Brinker reviewed recent developments in the VEBA Trust accounts (Attachment A). She noted that the portfolio continues to develop toward the model described in the VEBA Trust Investment Policy approved by the Board of Trustees.

**3. REVIEW OF PROPOSED STUDENT ACTIVITY FEE**

Vice President for Student Affairs John Byrd reviewed a proposed non-mandatory student activity fee to support recreation and fitness activities. He called on Rick Hudson, who explained that the proposed fee came from a recommendation of the Student Government Association. Mr. Hudson discussed the types of programs that could be funded by the Student Activity Fee, including the expansion and improvement of current programs and the development and enhancement of activities, services, and programs in response to identified needs of the student body.

Dr. Byrd noted that the fee of \$15 per semester/\$5 per summer session will be included in the fees to be approved by the Board of Trustees at its meeting in May.

**4. PRESENTATION OF THE ANNUAL AUDIT PLAN AND REVIEW OF COMPLETED AUDITS**

Diana Biggs, Director of Internal Audit, and Bob Howell, Internal Audit Manager, presented a report on the University's Annual Audit Plan for fiscal year 2000-01. The audit report of the Annual Salary Allocation Process and the preliminary audit report of the HRS (Human Resource System) Security Access Audit were shared with the committee.

**5. APPROVAL OF BUDGET APPROPRIATIONS, ADJUSTMENTS, AND TRANSFERS  
(Attachment B)**

The budget appropriations, adjustments, and transfers in Attachment B were reviewed and recommended for approval by the Board of Trustees.

(CONSTRUCTION COMMITTEE)

**6. REVIEW OF CHANGE ORDERS FOR THE STUDENT RESIDENTIAL BUILDING NO. 3  
PROJECT AND THE RECREATION AND FITNESS CENTER PROJECT (Attachments C  
and D)**

Following a review of the change orders in Attachments C and D, the committee agreed to recommend Board approval of the change orders.

**USI VEBA TRUST**  
 Fiscal Year 2000-01

EIN 35-6629662

| Transaction Detail                   | Old Nat'l Bank<br>31-1921-0 | Bank One<br>31-1921-1 | Fifth Third<br>31-1921-2 | Interest<br>Income | Accrued Int.<br>Expense | (Gains) and<br>Losses | Management<br>Fees |
|--------------------------------------|-----------------------------|-----------------------|--------------------------|--------------------|-------------------------|-----------------------|--------------------|
| <b>Beginning Balances, 07/01/00:</b> | \$1,427,011.75              | \$631,271.74          | \$559,838.50             | \$0.00             | \$0.00                  | \$0.00                | \$0.00             |
| Interest Income (June)               | 2,112.66                    | 310.08                | 430.49                   | (2,853.23)         | ...                     | ...                   | ...                |
| Interest Income (July)               | 7,284.81                    | 1,348.06              | 5,703.95                 | (14,336.82)        | ...                     | ...                   | ...                |
| Interest Income (August)             | 9,122.69                    | 1,417.50              | 3,752.01                 | (14,292.20)        | ...                     | ...                   | ...                |
| Interest Income (September)          | 7,889.64                    | ...                   | 143.20                   | (8,032.84)         | ...                     | ...                   | ...                |
| USI addition to fund, 9/13/00        | 32,819.50                   | ...                   | 125,000.00               | ...                | ...                     | ...                   | ...                |
| Net Gain/(Loss) on Sale of Assets    | 7.37                        | ...                   | (8.41)                   | ...                | ...                     | ...                   | ...                |
| Accrued Interest on Purchase         | (3,018.29)                  | (1,402.74)            | (346.67)                 | ...                | 0.00                    | 1.04                  | ...                |
| Qtrly Management Fee                 | ...                         | ...                   | ...                      | ...                | ...                     | ...                   | 4,767.70           |
| <b>Balances at 09/30/00:</b>         | \$1,483,230.13              | \$632,944.64          | \$694,513.07             | (\$39,515.09)      | \$0.00                  | \$1.04                | \$4,767.70         |
| Total value of Trust:                | \$2,810,687.84              |                       |                          |                    |                         |                       |                    |
| Interest Income (September)          | 4,756.06                    | 319.90                | 875.98                   | (5,951.94)         | ...                     | ...                   | ...                |
| Interest Income (October)            | 3,543.84                    | 1,037.75              | 1,351.52                 | (5,933.11)         | ...                     | ...                   | ...                |
| Interest Income (November)           | 7,151.29                    | 13,362.89             | 5,073.83                 | (25,588.01)        | ...                     | ...                   | ...                |
| Interest Income (December)           | 2,187.47                    | ...                   | 1,550.22                 | (3,737.69)         | ...                     | ...                   | ...                |
| USI addition to fund                 | 33,533.50                   | ...                   | ...                      | ...                | ...                     | ...                   | ...                |
| Net Gain/(Loss) on Sale of Assets    | (81.61)                     | (71.09)               | (8.56)                   | ...                | ...                     | 161.26                | ...                |
| Accrued Interest on Purchase         | ...                         | ...                   | ...                      | ...                | 0.00                    | ...                   | ...                |
| Qtrly Management Fee                 | (3,109.83)                  | (1,416.60)            | (384.03)                 | ...                | ...                     | ...                   | 4,910.46           |
| <b>Balances at 12/31/00:</b>         | \$1,531,210.85              | \$646,177.49          | \$702,972.03             | (\$80,725.84)      | \$0.00                  | \$162.30              | \$9,678.16         |
| Total value of Trust:                | \$2,880,360.37              |                       |                          |                    |                         |                       |                    |

USI VEBA TRUST

FISCAL YEAR FUNDING

| Source of Funds                   | 1994/95             | 1995/96             | 1996/97             | 1997/98             | 1998/99             | 1999/00             | 2000/01             | Total                 |
|-----------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------------|
| University Reserves               | \$697,252.00        | \$385,347.45        | \$200,000.00        |                     | \$200,000.00        |                     |                     | \$1,607,599.45        |
| Employee/Employer Contributions * | 47,681.00           | 157,293.27          | 94,752.00           | 101,711.50          | 107,555.00          | 114,873.50          | \$125,000.00        | 683,551.27            |
| Retiree/Employer Contributions *  | 5,067.00            | 17,177.50           | 11,352.00           | 11,535.50           | 11,810.50           | 12,865.00           | 6,668.00            | 76,475.50             |
| Reinvested Net Earnings           | 244.16              | 49,017.54           | 84,681.66           | 105,575.83          | 125,961.65          | 145,603.06          | 80,725.84           | 591,809.74            |
| Gains/(Losses) on Sales           | 0.00                | 0.00                | (2,124.76)          | (1,214.45)          | 2,689.52            | 594.68              | (162.30)            | (217.31)              |
| Less: Management Fees             | 0.00                | (6,826.41)          | (11,154.44)         | (7,249.27)          | (26,032.19)         | (17,917.81)         | (9,678.16)          | (78,858.28)           |
| <b>Total:</b>                     | <b>\$750,244.16</b> | <b>\$602,009.35</b> | <b>\$377,506.46</b> | <b>\$210,359.11</b> | <b>\$421,984.48</b> | <b>\$256,018.43</b> | <b>\$262,238.38</b> | <b>\$2,880,360.37</b> |

CALENDAR YEAR FUNDING

| Source of Funds                   | 1995                | 1996                | 1997                | 1998                | 1999                | 2000                | 2001          | Total                 |
|-----------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------|-----------------------|
| University Reserves               | \$750,000.00        | \$485,347.45        | \$100,000.00        | \$200,000.00        |                     |                     |               | \$1,660,347.45        |
| Employee/Employer Contributions * | 30,348.72           | 173,141.55          | 101,441.50          | 101,760.00          | 110,610.00          | 125,000.00          |               | 635,870.27            |
| Retiree/Employer Contributions *  | 3,537.00            | 19,249.50           | 11,512.00           | 11,678.00           | 12,254.00           | 13,178.00           |               | 71,408.50             |
| Reinvested Net Earnings           | 19,133.02           | 67,218.24           | 96,542.12           | 117,221.47          | 135,583.79          | 156,111.10          |               | 591,809.74            |
| Gains/(Losses) on Sales           | 0.00                | (2,128.31)          | (1,630.08)          | 3,197.73            | 97.64               | 245.71              |               | (217.31)              |
| Less: Management Fees             | (1,955.21)          | (12,260.41)         | (6,812.75)          | (24,462.53)         | (14,572.55)         | (18,794.83)         |               | (78,858.28)           |
| <b>Total:</b>                     | <b>\$801,063.53</b> | <b>\$730,568.02</b> | <b>\$301,052.79</b> | <b>\$409,394.67</b> | <b>\$243,972.88</b> | <b>\$394,308.48</b> | <b>\$0.00</b> | <b>\$2,880,360.37</b> |

\* The post retirement benefit is included in the overall health insurance plans of the University and is funded 75% by USI and 25% by employee payroll deductions.

**BUDGET APPROPRIATIONS, ADJUSTMENTS, AND TRANSFERS**

**1. Additional Appropriation of Income**

**From: Unappropriated Current Operating Funds**

|     |         |   |                  |
|-----|---------|---|------------------|
| To: | 1-10170 | USI Theatre<br>Personal Services<br>Supplies and Expense  | 288<br>10,287    |
| To: | 1-10200 | School of Liberal Arts<br>Personal Services<br>Supplies and Expense                                   | 35,400<br>12,871 |
| To: | 1-10300 | School of Science and Engineering Technology<br>Personal Services<br>Supplies and Expense             | 32,400<br>2,172  |
| To: | 1-10320 | Engineering Technology Department<br>Supplies and Expense   | 107              |
| To: | 1-10400 | School of Nursing and Health Professions<br>Personal Services<br>Supplies and Expense                 | 16,550<br>924    |
| To: | 1-10700 | School of Business<br>Personal Services<br>Supplies and Expense                                       | 29,275<br>3,429  |
| To: | 1-10800 | Bower-Surheinrich School of Education and Human Services<br>Personal Services<br>Supplies and Expense | 47,700<br>1,074  |
| To: | 1-10840 | Teacher Education<br>Supplies and Expense   | 6,400            |
| To: | 1-13200 | Library<br>Capital Outlay   | 1,065            |
| To: | 1-14101 | Intramurals and Recreational Sports<br>Supplies and Expense   | 2,100            |

**From: Unappropriated Designated Funds**

|     |         |   |        |
|-----|---------|---|--------|
| To: | 2-20120 | Multicultural Center<br>Supplies and Expense                                | 105    |
| To: | 2-22350 | Organizational/Professional Development Revolving Fund<br>Personal Services | 2,340  |
| To: | 2-23100 | Faculty Development Travel<br>Supplies and Expense                          | 18,625 |
| To: | 2-23180 | School of Education Faculty Enhancement<br>Supplies and Expense             | 398    |

|     |         |  |              |
|-----|---------|--|--------------|
| To: | 2-23230 | Dental Professional Practice Unit<br>Capital Outlay                                | 120          |
| To: | 2-23300 | School of Business Revolving Fund<br>Supplies and Expense                          | 1,835        |
| To: | 2-25131 | Faculty Research – Professor Meliska<br>Personal Services<br>Services and Expenses | 2,049<br>318 |
| To: | 2-27525 | Student Faculty Research – Professor Dowhie<br>Personal Services                   | 1,000        |
| To: | 2-27526 | Student Faculty Research – Professor Aakhus<br>Services and Expense                | 2,630        |

From: Unappropriated Restricted Funds

|     |         |  |                   |
|-----|---------|--|-------------------|
| To: | 4-46100 | USI/EPI-HAB Center for Disabilities Studies<br>Personal Services<br>Services and Expenses  | 42,290<br>19,800  |
| To: | 4-46151 | CAMPAS (Childcare Access Means Parents in<br>School) Program – U.S. Department of Education<br>Personal Services<br>Services and Expenses                | 10,695<br>17,318  |
| To: | 4-46271 | RopeWalk Writers Retreat and Southern Indiana Review –<br>Indiana Arts Commission<br>Services and Expenses   | 4,216             |
| To: | 4-46272 | New Harmony Gallery – Indiana Arts Commission<br>Services and Expenses   | 4,221             |
| To: | 4-46273 | New Harmony Theatre – Indiana Arts Commission<br>Services and Expenses   | 6,590             |
| To: | 4-46410 | Professional Nurse Traineeship – U.S. Department of Health<br>and Human Services<br>Services and Expense   | 32,777            |
| To: | 4-46420 | Acute Care Practitioner Grant – U.S. Department of Health<br>and Human Services<br>Services and Expenses   | 60                |
| To: | 4-46425 | Family Nurse Practitioner Grant – U.S. Department of Health<br>and Human Services<br>Personal Services<br>Services and Expenses                          | 10,000<br>5,402   |
| To: | 4-46428 | Vanderburgh County Correctional Facilities Nursing Grant –<br>U.S. Department of Health and Human Services<br>Personal Services<br>Services and Expenses | 170,869<br>41,825 |

|     |         |   |         |
|-----|---------|---|---------|
| To: | 4-46610 | Title II Improving Student Achievement Through More Effective Teachers Grant – Indiana Professional Standards Board |         |
|     |         | Personal Expenses   | 31,940  |
|     |         | Services and Expenses   | 90,060  |
| To: | 4-46705 | Perkins Options Program – U.S. Department of Education  |         |
|     |         | Services and Expenses   | 41,611  |
| To: | 4-46835 | Historic New Harmony Door of Promise Grant – Indiana Department of Natural Resources                                |         |
|     |         | Services and Expenses   | 100,000 |
| To: | 4-47800 | Data Gathering and Evaluations – Lilly Retention Program  |         |
|     |         | Personal Services   | 22,948  |
|     |         | Services and Expenses   | 15,298  |
| To: | 4-47805 | In-Service Staff Development – Lilly Retention Program  |         |
|     |         | Personal Services   | 1,000   |
|     |         | Services and Expenses   | 600     |
| To: | 4-47810 | Phone-Assisted Registration Software – Lilly Retention Program  |         |
|     |         | Services and Expenses   | 2,000   |
| To: | 4-47815 | Degree Audit Report – Lilly Retention Program   |         |
|     |         | Personal Services   | 32,781  |
|     |         | Services and Expenses   | 725     |
| To: | 4-47820 | Improving Advising Effectiveness – Lilly Retention Program  |         |
|     |         | Personal Services   | 10,352  |
|     |         | Services and Expenses   | 500     |
| To: | 4-47825 | Academic Support in Housing – Lilly Retention Program   |         |
|     |         | Personal Services   | 33,960  |
|     |         | Services and Expenses   | 9,925   |
| To: | 4-47830 | Fostering Community Development – Lilly Retention Program   |         |
|     |         | Personal Services   | 900     |
|     |         | Services and Expenses   | 17,800  |
| To: | 4-47835 | Supplemental Instruction – Lilly Retention Program  |         |
|     |         | Personal Services   | 22,997  |
|     |         | Services and Expenses   | 100     |
| To: | 4-47840 | First Year Initiatives – Lilly Retention Program  |         |
|     |         | Personal Services   | 59,739  |
|     |         | Services and Expenses   | 26,350  |
| To: | 4-47845 | Cycle of Institutional Studies – Lilly Retention Program  |         |
|     |         | Personal Services   | 8,100   |
| To: | 4-47850 | Teaching/Learning Center – Lilly Retention Program  |         |
|     |         | Personal Services   | 18,755  |
|     |         | Services and Expenses   | 30,000  |

**2. Additional Appropriation of Reserve Funds**

|       |   |  |        |
|-------|---|--|--------|
| From: | Unappropriated Current Operating Reserves |  |        |
| To:   | 1-10200                                   | School of Liberal Arts<br>Capital Outlay           | 12,910 |
| From: | Unappropriated Designated Funds           |  |        |
| To:   | 2-20120                                   | Multicultural Center<br>Services and Expenses      | 2,700  |
| To:   | 2-20140                                   | Student Leadership Academy<br>Supplies and Expense | 9,125  |

**3. Transfer and Appropriation of Funds**

|       |         |  |     |
|-------|---------|--|-----|
| From: | 1-10104 | Religious Life                                       |     |
| To:   | 2-20120 | Multicultural Center<br>Supplies and Expense         | 500 |
| From: | 2-20130 | Student Wellness                                     |     |
| To:   | 2-20120 | Multicultural Center<br>Supplies and Expense         | 250 |
| From: | 2-20900 | Bodmer Exhibit                                       |     |
| To:   | 3-30900 | New Harmony Operations<br>Supplies and Expense       | 579 |
| From: | 3-33400 | Residence Life Activity Fund                         |     |
| To:   | 2-20200 | Activities Programming Board<br>Supplies and Expense | 800 |

**4. Transfer of Funds**

|       |         |                                  |       |
|-------|---------|----------------------------------|-------|
| From: | 2-24600 | Employee Benefits Revolving Fund |       |
| To:   | 3-36000 | Fitness Center                   | 3,910 |



**UNIVERSITY OF SOUTHERN INDIANA  
 STUDENT RESIDENTIAL BUILDING NO. 3  
 SUMMARY OF CHANGE ORDERS**

**March 12, 2001**

| <b>CHANGE ESTIMATE NUMBER</b> | <b>DESCRIPTION</b>  | <b>CONTRACTOR(S)</b>               | <b>PROPOSAL AMOUNT</b> |
|-------------------------------|---|------------------------------------|------------------------|
| GC-2                          | Raise basement floor elevation in Electrical Room no. B32                               | Lichtenberger Construction Co.     | (\$587.00)             |
| GC-3                          | Install 535 cubic yards of fill at drive to building                                    | Lichtenberger Construction Co.     | \$2,675.00             |
| GC-4                          | Install granular fill around lower level foundation wall in lieu of soil fill           | Lichtenberger Construction Co.     | \$7,592.00             |
| GC-5                          | Provide and install eight lintels in lower level corridor wall for double doors         | Lichtenberger Construction Co.     | \$2,010.00             |
| GC-6                          | Provide and install card access hardware on corridor entry doors on each level          | Lichtenberger Construction Co.     | \$6,170.00             |
| GC-7                          | Revise construction of walls in fan coil unit closet for each suite                     | Lichtenberger Construction Co.     | \$5,331.00             |
| GC-8                          | Labor costs for contractor to work Saturdays to help project meet construction schedule | Lichtenberger Construction Co.     | \$30,000.00            |
|                               | Subtotal to General Contractor  |                                    | \$53,191.00            |
| MC-1                          | Change layout of waste piping in lower level  | Goedde Plumbing & Mechanical, Inc. | (\$848.00)             |
| MC-2                          | Change layout of condensate drain piping in lower level                                 | Goedde Plumbing & Mechanical, Inc. | \$2,288.00             |
| MC-3                          | Change hydronic piping in stairwells  | Goedde Plumbing & Mechanical, Inc. | \$1,320.00             |
|                               | Subtotal to Mechanical Contractor   |                                    | \$2,760.00             |
| EC-1                          | Make changes to voice and data cabling materials and equipment                          | Premier Electric Co.               | \$9,758.00             |
|                               | <b>TOTAL AMOUNT OF CHANGE:</b>  |                                    | <b>\$65,709.00</b>     |

**UNIVERSITY OF SOUTHERN INDIANA  
RECREATION AND FITNESS CENTER  
SUMMARY OF CHANGE ORDERS**

**March 12, 2001**

| <b>CHANGE ESTIMATE NUMBER</b> | <b>DESCRIPTION</b>  | <b>CONTRACTOR(S)</b>       | <b>PROPOSAL AMOUNT</b> |
|-------------------------------|---|----------------------------|------------------------|
| 2                             | Various changes to the general construction scope of work   | Peyronnin Construction Co. | \$1,289.00             |
| 3                             | Install data and telephone cabling to each outlet in building   | Egizii Electric Co.        | \$17,328.00            |
| 4                             | Install data and telephone cabling in utility tunnel from Orr Center to Recreation and Fitness Center | Egizii Electric Co.        | \$17,941.00            |
| 5                             | Install television coaxial cable from the PAC to Recreation and Fitness Center outlets                | Egizii Electric Co.        | \$2,140.00             |
|                               | <b>TOTAL AMOUNT OF CHANGE:</b>  |                            | <b>\$38,698.00</b>     |