

AGENDA

**UNIVERSITY OF SOUTHERN INDIANA
BOARD OF TRUSTEES**

May 4, 2007

SECTION I - GENERAL AND ACADEMIC MATTERS

- A. APPROVAL OF MINUTES OF MARCH 1, 2007, MEETING**
- B. ESTABLISHMENT OF NEXT MEETING DATE, TIME, LOCATION**
- C. REPORT OF THE LONG-RANGE PLANNING COMMITTEE**
- D. PRESIDENT'S REPORT**
- E. REPORT ON THE INDIANA GENERAL ASSEMBLY**
- F. APPOINTMENT OF THE NOMINATING COMMITTEE**
- G. APPROVAL OF RESOLUTION OF APPRECIATION TO LAUREN C. FULTZ**

SECTION II - FINANCIAL MATTERS

- A. REPORT OF THE FINANCE/AUDIT COMMITTEE**
- B. APPROVAL OF RESOLUTION FOR THE FINANCING OF 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**
- C. REPORT OF THE CONSTRUCTION COMMITTEE**
- D. APPROVAL OF RECOMMENDATION OF ARCHITECTURAL FIRM TO DESIGN THE UNIVERSITY CENTER EXPANSION/RENOVATION PROJECT**
- E. UPDATE ON CURRENT CONSTRUCTION PROJECTS**
- F. APPROVAL OF GROUP TERM LIFE INSURANCE RATES FOR 2007-2008**
- G. APPROVAL OF SUPPLEMENTAL LIFE INSURANCE CARRIER FOR 2007-2008**
- H. APPROVAL OF LONG-TERM DISABILITY INSURANCE RATES FOR 2007-2008**
- I. APPROVAL OF EMPLOYEE ASSISTANCE PROGRAM PREMIUM RATES FOR 2007-2008**
- J. AUTHORIZATION TO ENTER INTO LEASE OF SURPLUS EDUCATIONAL BROADBAND SERVICE CAPACITY**

SECTION III - PERSONNEL MATTERS

- A. APPROVAL OF REVISION TO EFFECTIVE DATE OF TENURE**
- B. APPROVAL OF REQUESTS FOR RETIREMENT**
- C. APPROVAL OF EMERITUS STATUS**

SUPPLEMENTAL INFORMATION
UNIVERSITY OF SOUTHERN INDIANA
BOARD OF TRUSTEES

May 4, 2007

SECTION I - GENERAL AND ACADEMIC MATTERS

- A. APPROVAL OF MINUTES OF MARCH 1, 2007, MEETING**
- B. ESTABLISHMENT OF NEXT MEETING DATE, TIME, LOCATION**
- C. REPORT OF THE LONG-RANGE PLANNING COMMITTEE**

The Long-Range Planning Committee will meet prior to the Board of Trustees meeting on May 4, 2007. A report will be presented.

- D. PRESIDENT'S REPORT**
- E. REPORT ON THE INDIANA GENERAL ASSEMBLY**

A report will be presented on the 2007 session of the Indiana General Assembly and the biennial budget for 2007-2009.

- F. APPOINTMENT OF THE NOMINATING COMMITTEE**
- G. APPROVAL OF RESOLUTION OF APPRECIATION TO LAUREN C. FULTZ**

SECTION II – FINANCIAL MATTERS

A. REPORT OF THE FINANCE/AUDIT COMMITTEE

The Finance/Audit Committee will meet prior to the Board of Trustees meeting on May 4, 2007. A report will be presented.

B. APPROVAL OF RESOLUTION FOR THE FINANCING OF 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 January 11, 2007, the Board of Trustees selected Old National Bank to provide interim financing of \$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. The term is five years at a variable rate set every six months over the term, according to the formula in the loan agreement. The interim financing was authorized by the Indiana General Assembly in 2005 and subsequently by the Commission for Higher Education and the State Budget Committee. The specific business terms of this borrowing have been approved by the Indiana Finance Authority and the State Budget Director. The recommended resolution is necessary to close the borrowing.

Approval of the Resolutions of the University of Southern Indiana Board of Trustees in Exhibit II-A is recommended.

C. REPORT OF THE CONSTRUCTION COMMITTEE

The Construction Committee met on April 4, 2007, and May 1, 2007. A report will be presented.

D. APPROVAL OF RECOMMENDATION OF ARCHITECTURAL FIRM TO DESIGN THE UNIVERSITY CENTER EXPANSION/RENOVATION PROJECT

At its meeting on March 1, 2007, the Board of Trustees authorized the Construction Committee to select and interview firms interested in designing the University Center Expansion/Renovation Project and to present a recommendation to the Board of Trustees. The Construction Committee, following interviews of architectural firms at its meeting on May 1, 2007, will present its recommendation.

E. UPDATE ON CURRENT CONSTRUCTION PROJECTS

A report will be presented on current construction projects.

F. APPROVAL OF GROUP TERM LIFE INSURANCE RATES FOR 2007-2008

The University offers two group term life insurance programs through Prudential Insurance Company of America. There are 51 employees and 73 retirees enrolled in the original program and 831 employees and 49 retirees enrolled in the revised program. Employees hired after February 1, 1988, are enrolled in the revised program.

Renewal rates from Prudential Insurance Company of America reflect a rate hold for the 12-month guarantee period beginning July 1, 2007. Life insurance rates will remain at \$.21/\$1,000 with an Accidental Death and Dismemberment (AD&D) rate of \$.02/\$1,000.

Approval of the group term life insurance programs with Prudential Insurance Company of America with the proposed rates effective July 1, 2007, is recommended.

G. APPROVAL OF SUPPLEMENTAL LIFE INSURANCE CARRIER FOR 2007-2008

The University offers supplemental life insurance through Prudential Insurance Company of America to eligible employees. There are 277 employees enrolled in the program.

Renewal rates from Prudential Insurance Company of America reflect a rate hold for the twelve-month guarantee period beginning July 1, 2007.

Approval of the supplemental life insurance program with Prudential Insurance Company of America effective July 1, 2007, is recommended.

H. APPROVAL OF LONG-TERM DISABILITY INSURANCE RATES FOR 2007-2008

The contract for the University's Long-Term Disability Insurance Program with The Standard Insurance Company is to be renewed as of July 1, 2007. The disability coverage provides income benefits and retirement contributions in the event of a long-term disability. The University pays the total premium cost for 677 eligible employees.

Renewal rates from The Standard Insurance Company reflect no increase for the 12-month period beginning July 1, 2007. The current monthly premium is based on a percentage of Covered Monthly Salary (CMS) for the University:

	<u>2006-2007</u> <u>Rates</u>	<u>2007-2008</u> <u>Rates</u>
Income Premium	0.385% CMS	0.385% CMS
Annuity Premium	0.146% CMS	0.146% CMS

Approval of The Standard's Long-Term Disability Insurance rates effective July 1, 2007, is recommended.

I. APPROVAL OF EMPLOYEE ASSISTANCE PROGRAM PREMIUM RATES FOR 2007-2008

The contract for the University's Employee Assistance Program (CONCERN: EAP) with Deaconess Service Corporation is to be renewed as of July 1, 2007. CONCERN: EAP is a comprehensive employee assistance program which provides assessment, short-term counseling, referral, and follow-up services for 894 employees and members of their immediate families. The utilization rate for calendar year 2006 was 5.7 percent.

Renewal rates from Deaconess Service Corporation reflect no increase for the 12-month period beginning July 1, 2007. The University pays the annual cost for the program which is \$20 per employee per year. This agreement with Deaconess Service Corporation may be terminated at any time by either party upon 60 days advance written notice to the other party.

Approval of the renewal of the master policy with the Deaconess Service Corporation beginning July 1, 2007, is recommended.

J. AUTHORIZATION TO ENTER INTO LEASE OF SURPLUS EDUCATIONAL BROADBAND SERVICE CAPACITY

The University is an FCC licensee of Educational Broadband Service (EBS) Stations WXL881 - Channels A1 and A2; WLX880 - Channels A3 and A4; and WLX878 - Channels C1 through C4, serving the area in and around Evansville. The University's licenses for these stations have been renewed by the FCC through May, 2013. The stations have been surplus to the University for many years, and are currently leased until May 17, 2007.

The University has engaged in an extensive process to determine how best to secure the maximum feasible benefit to the University of this asset, and recommends that, upon the expiration of the current lease on May 17, 2007, the stations be leased to Sprint/Nextel. Sprint /Nextel has agreed to the following terms for a 30-year agreement with a 15-year initial term and subsequent renewal options:

- \$750,000 upon execution of the agreement
- \$ 18,000 per month (\$216,000 per year) escalated three percent a year
- \$ 4,500 per month Sprint/Nextel account credit

Sprint/Nextel will use the bandwidth of the stations to offer a wide-area wireless network in Evansville commencing in 2009.

Authorization for the University to enter into the above-described lease with Sprint/Nextel is recommended.

SECTION III – PERSONNEL MATTERS

A. APPROVAL OF REVISION TO EFFECTIVE DATE OF TENURE

The USI Board of Trustees, at its meeting on March 1, 2007, approved promotion effective August 20, 2007, and tenure effective August 18, 2008, for ten faculty members. In order to synchronize the effective date of tenure with the effective date of promotion, approval to change the effective date of tenure to August 20, 2007, for the following faculty members, is recommended.

Dr. Omowale Akintunde, Associate Professor of Education
Bower-Suhrheinrich College of Education and Human Services

Dr. Maurice Hamington, Assistant Professor of Philosophy
College of Liberal Arts

Dr. Elizabeth Johnson, Associate Professor of Nursing
College of Nursing and Health Professions

Dr. Folke-Christine Moeller-Sahling, Assistant Professor of German
College of Liberal Arts

Dr. Sudesh Mujumdar, Assistant Professor of Economics
College of Business

Dr. Iris Phillips, Assistant Professor of Social Work
Bower-Suhrheinrich College of Education and Human Services

Dr. Martha Brown Sparks, Professor of Nursing
College of Nursing and Health Professions

Dr. Chad Tew, Assistant Professor of Online Journalism
College of Liberal Arts

Dr. Kevin Valadares, Assistant Professor of Health Services/Administration
College of Nursing and Health Professions

Dr. Steven Williams, Assistant Professor of Sociology
College of Liberal Arts

B. APPROVAL OF REQUESTS FOR RETIREMENT

Approval of the following requests related to retirements is recommended.

Associate Professor of English Eric L. vonFuhmann, in accordance with the revised retirement policy, has requested retirement effective July 1, 2008, including leave with pay for the period January 7, 2008, through May 11, 2008. Severance pay based on 42 years of service to the University will be paid as of June 30, 2008.

Instructor in Mathematics Marjorie O. Labhart, in accordance with the revised retirement policy, has requested retirement effective July 1, 2008, including leave with pay for the period January 7, 2008, through May 11, 2008. Severance pay based on 24 years of service to the University will be paid as of June 30, 2008.

The USI Board of Trustees, at its meeting on September 8, 2005, approved early retirement for Sherry B. Darrell effective May 11, 2008. Dr. Darrell has requested that the effective date be changed to May 10, 2009, including leave with pay for the period of January 5, 2009, through May 10, 2009. Severance pay based on 31 years of service to the University will be paid as of June 30, 2009.

C. APPROVAL OF EMERITUS STATUS

It is recommended that the following emeritus/emerita titles be conferred:

Associate Professor Emeritus of English Eric L. vonFuhmann, 42 years at USI, effective July 1, 2008.

Instructor Emerita in Mathematics Marjorie O. Labhart, 24 years at USI, effective July 1, 2008.

The USI Board of Trustees, at its meeting on September 8, 2005, approved emerita status of Professor Emerita of English for Sherry B. Darrell effective May 11, 2008. Due to a recent change in Dr. Darrell's title and a request to revise the effective date of her retirement (Section II, Item B), it is recommended that Dr. Darrell retire officially with the effective date shown and that the appropriate emerita title, as indicated, be conferred:

Professor Emerita of English and Director Emerita of Humanities Sherry B. Darrell, 31 years at USI, effective May 10, 2009.

**RESOLUTIONS OF THE
UNIVERSITY OF SOUTHERN INDIANA BOARD OF TRUSTEES**

WHEREAS, the Board of Trustees (the "Board") of the University of Southern Indiana (the "University") has heretofore determined that a necessity exists to conduct preliminary planning and design for certain facilities and further to acquire, construct and equip certain facilities in Evansville, Indiana, all as described more fully in Exhibit A attached hereto (the "Projects"); and

WHEREAS, the Indiana General Assembly has authorized the University to proceed with the Projects through borrowings of up to \$6,600,000, plus any amounts required to fund any reserve fund, to pay costs of issuance or other incidental expenses, or to provide for underwriters' discount or original issue discount; and

WHEREAS, the Vice President for Business Affairs and Treasurer of the University (the "Treasurer") has negotiated with and received proposals from financial institutions for the financing of the Projects, such financing to be accomplished from proceeds of a promissory note to be issued by the University; and

WHEREAS, this Board has previously selected Old National Bank as purchaser of said promissory note; and

WHEREAS, the Board now desires to authorize the financing of the costs of designing, acquiring, constructing, and equipping the various components of the Projects;

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

1. The Board hereby ratifies the negotiations of the Treasurer, and hereby approves the terms and conditions for financing the Projects as set forth in the various documents set forth in paragraph 2 below.

2. The Board hereby authorizes the Treasurer (or Assistant Treasurer) to execute and deliver a Loan Agreement, Certificate of the Treasurer, Non-Arbitrage Certificate, Tax Certificate of the University, Information Return for Tax-Exempt Governmental Obligations (Forms 8038-G), and Fully Registered Promissory Note, in substantially the forms presented to and approved by the Board (Exhibit B), with those changes that the Treasurer (or Assistant Treasurer) shall approve, such approval to be conclusively evidenced by the execution and delivery thereof.

3. The Treasurer (or Assistant Treasurer) are, and each of them acting individually 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 notices required to complete the execution and delivery of the Loan Agreement and the Fully Registered Promissory Note and the other matters referred to herein.

4. The Board hereby declares, confirms, and ratifies its official intent to advance the University's funds as needed (in an amount not to exceed \$6.6 million) for the Projects identified in Exhibit A and to reimburse such advances from proceeds of the borrowing, authorized hereby.

5. The Board hereby designates the indebtedness evidenced by the Loan Agreement and the Fully Registered Promissory Note as a qualified tax-exempt obligation under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

EXHIBIT A

THE PROJECT AND THE NOTE

The Project consists of three component parts. Part I is architectural and engineering funding of \$2,046,509 for a new facility which would house the College of Business and general classrooms. Part II would complete the construction of the Education Center by finishing the lower level of the building at a cost of \$1,968,125. Part III would relocate the maintenance department and storeroom facilities out of the central physical plant building into a new facility to be constructed on the east edge of campus at a cost of \$2,585,366. The total cost of all three components parts of the Project is \$6,600,000.

EXHIBIT B

The forms and documents noted in paragraph 2 of the Resolution are on file in the office of the Vice President for Business Affairs and Treasurer.