

MINUTES

UNIVERSITY OF SOUTHERN INDIANA BOARD OF TRUSTEES

July 12, 2018

The University of Southern Indiana Board of Trustees met in regular session on Thursday, July 12, 2018, in the Griffin Center on the University campus. Present were Chair W. Harold Calloway and Trustees John M. Dunn; Jeffrey L. Knight; Anjali Patel '19; Ellis S. Redd; Kenneth L. Sendelweck '76 and Ted C. Ziemer, Jr. Trustee Ronald D. Romain '73 was absent. Also in attendance were President Ronald S. Rochon; Interim Provost Mohammed Khayum; Vice President for Finance and Administration Steven J. Bridges '89 M'95; Vice President for Enrollment Management Andrew W. Wright; Vice President for Development David A. Bower; Vice President for Marketing and Communications Kindra L. Strupp; Faculty Senate Chair Charles A. Conaway; and Student Government Association President Bradley T. Flittner '19.

Chair Calloway called the meeting to order at 11:06 a.m.

SECTION I – GENERAL AND ACADEMIC MATTERS

A. APPROVAL OF MINUTES OF APRIL 19, 2018, AND APRIL 27, 2018, MEETINGS

On a motion by Mr. Ziemer, seconded by Mr. Dunn, the minutes of the April 19, 2018, and April 27, 2018, meetings of the Board of Trustees were approved.

B. ESTABLISHMENT OF NEXT MEETING DATE, TIME, LOCATION

Mr. Calloway called on Vice President Strupp, who reported the next meeting of the Board of Trustees is scheduled for Thursday, September 6, 2018, on campus.

C. REPORT OF THE ACADEMIC AFFAIRS AND ENROLLMENT MANAGEMENT COMMITTEE

The Academic Affairs and Enrollment Management Committee met prior to the Board of Trustees meeting on July 12, 2018. Committee Chair Ken Sendelweck reported that the Committee heard an update on Academic Affairs from Interim Provost Dr. Mohammed Khayum and an enrollment update from Vice President of Enrollment Management, Andrew Wright. Director of Undergraduate Admissions, Rashad Smith, presented a report on the utilization of Facebook Live to include parents of incoming students in the admissions process.

D. PRESIDENT'S REPORT

President Rochon began by expressing his appreciation to the Board of Trustees and others in the University community for their support and shared his excitement and anticipation regarding the future of the University of Southern Indiana.

Dr. Rochon announced the business meeting of the State Budget Committee to be held on USI's campus on Wednesday, August 15, 2018. This will be the first time Senator Ryan Mishler, chair of the Committee, will visit USI's campus. He announced a reception and dinner for the Committee and legislative staff on August 14, in the McCutchan Art Center/Pace Galleries in the lower level of the Liberal Arts Center.

President Rochon directed the Trustees to an invitation in their handout packet, for the annual Cultural Diversity Welcome Reception to be held in August, and discussed the details of the event.

Dr. Rochon informed the Trustees that the new President of the Indiana Senate, Rod Bray, will be visiting Evansville on Wednesday, September 5, 2018. His visit will include a tour of USI's campus and the opportunity to meet USI representatives.

President Rochon announced that USI recently received a \$2 million grant funded by the Health Resources and Services Administrations (HRSA) division of Nurse Education, Practice, Quality and Retention (NEPQR). He explained the purpose of the grant is to expand primary care access to rural areas outside of Evansville. The grant monies will be used to recruit and educate current registered nurses to practice the full scope of their

licensure. Partnering with USI for all four years of the grant project will be Memorial Hospital and Health Center in Jasper and Gibson General Hospital in Princeton. The Dubois County Health Department, Gibson County Health Department and the Southwest Indiana Area Health Education Center also will work closely with USI across all four grant years to engage rural communities in expanding and strengthening the primary care nursing workforce.

Dr. Rochon called on Interim Provost Mohammed Khayum for the Academic Report. Dr. Khayum introduced Mr. Steven Stump and Mr. Joshua McWilliams to report on the initiatives in which USI is applying University expertise to foster innovation. Mr. Stump gave a brief overview of the Center for Applied Research and its role in the community. He introduced Mr. Mike Sandefur, who discussed the new thermal wall technology product he developed through USI. Mr. McWilliams introduced Ms. Dana Tang, co-founder of Jimbot Gym Technologies, who discussed the impact USI had on the evolution and success of her product by participating in the programs offered through Outreach and Engagement.

President Rochon invited Vice President for Enrollment Management Andrew Wright to give the Enrollment Management report. Mr. Wright provided the Board with credit hour production update for summer sessions 2018, noting an increase of 9.1 percent overall. He concluded his report stating overall fall 2018 enrollment remains steady.

Dr. Rochon called on Vice President for Development David A. Bower for the Development report. Mr. Bower reported gift commitments totaled \$9.4 million for fiscal year 2017-2018. He stated that gifts and gift commitments for the Dr. Bennett endowments currently total \$265,730 or 53 percent of goal, noting that gifts will be accepted until both the Student-Care and Presidential Scholarship endowments are fully funded. Vice President Bower informed the Trustees that the ribbon cutting ceremony for the Stone Family Center for Medical Sciences will take place on Thursday, August 9, 2018. In closing, Mr. Bower announced a leadership gift established by former Trustee, Amy MacDonell and her husband Randy Shepard, to establish an endowment exclusively to help USI students study abroad.

Dr. Rochon called on Vice President for Marketing and Communications Kindra L. Strupp for a report. Ms. Strupp introduced Brandi Hess, manager of Web Services and Jason Provence, senior web programmer to give a preview of USI's updated website. Vice President Strupp noted the improved website will launch in early August 2018, and is designed to bring USI's program offerings and academic excellence to the forefront. Ms. Hess began by reviewing our current responsive website that was launched in 2013. She explained one of the goals of the redesign is to bring the academic programs closer to the front, targeting the needs of prospective students and their parents. Information regarding program offerings will be accessed directly from the homepage. Ms. Hess concluded her presentation explaining the adaptability of the updated site, noting this technology tool will aid in recruitment efforts.

President Rochon welcomed Dr. Charles Conaway, Faculty Senate chair for 2018-2019, and asked him for a report. Mr. Conaway is Associate Professor of English and Director of Master of Arts in English Program. He received his Ph.D. from University of Illinois Urbana-Champaign in English Literature. Dr. Conaway began his report noting the Senate's ad hoc committee to review the Student Evaluation of Teaching (SET) process submitted its final report in May, and it was approved and accepted by the Senate on June 1. Official implementation will begin in fall 2019. He reported the Senate elections for 2018-2019 were completed in May, noting additional representation is needed for some subcommittee seats. Special elections to fill those positions will be conducted in August 2018. Dr. Conaway concluded his report noting a change in the by-laws of the Faculty Constitution to reflect the fact that the Core 39 Committee now reports to the Faculty Senate.

President Rochon introduced Bradley T. Flittner '19, President of the Student Government Association (SGA). Mr. Flittner is a senior Business Management major from Evansville, Indiana. Mr. Flittner gave a brief overview of SGA's upcoming fall 2018 events including the New Student Welcome Dinner, SGA Executive Board Retreat, and the National Collegiate Alcohol Awareness Week. Mr. Flittner concluded his report sharing that SGA priority initiatives for 2018-2019 will include: exploring Active Shooter Response Training implementation; working with Disability Resource Center to add at least one set of automatic doors on every building on campus; and the possibility of offering American Sign Language courses.

This concluded President Rochon's report.

SECTION II – FINANCIAL MATTERS

A. REPORT OF FINANCE/AUDIT COMMITTEE

The Finance/Audit Committee met prior to the Board meeting on July 12, 2018. Mr. Calloway called on Trustee Dunn, serving as chair in Committee Chair Romain's absence, for a report. Mr. Dunn reported the Committee approved a recommendation of miscellaneous fees for 2018-2019; approved a resolution for authorizing the selection of underwriters for issuance of Bond Series M financing plan; approved a change order pertaining to the PAC Phase IIA Renovation; and reviewed change orders previously approved by the Vice President for Finance and Administration pertaining to the Fuquay Welcome Center.

B. APPROVAL OF MISCELLANEOUS FEES FOR 2018-2019

Mr. Calloway called on Vice President Bridges to review the proposed miscellaneous fees for 2018-2019 listed in Exhibit II-A. Mr. Bridges reported that miscellaneous, non-mandatory fees are paid by some, but not all, students based on the program, course, or activity they undertake. Vice President Bridges reported three fee changes for 2018-2019 including: an increase to the International Student Fee; an increase of \$25 to the payment plan late fee; and increases to the Transportation Fee. In closing, he noted the changes would increase fee revenue from approximately \$8.6 million to \$8.7 million.

Upon the recommendation of the Finance/Audit Committee, the Miscellaneous Fees for 2018-2019 in Exhibit II-A were approved.

C. REVIEW OF SCHEDULE OF STUDENT FEES AND OTHER MANDATORY FEES FOR 2018-2019

Mr. Calloway called on Vice President Bridges to review the schedule of student fees and other mandatory fees for 2018-2019. Mr. Bridges explained that Exhibit II-B is a reminder of the student fees and other mandatory fees approved by the Board of Trustees at the June 7, 2017, special meeting. The 2018-2019 total hourly rate was approved, but the specific allocations to the mandatory fee categories such as contingent, academic facilities, student services, and technology fees were developed as part of the basis for this year's budgeting process.

D. APPROVAL OF THE SELECTION OF UNDERWRITERS FOR ISSUANCE OF BOND SERIES M FINANCING PLAN

Chair Calloway called on Vice President Bridges to review a resolution authorizing the selection of underwriters for student fee bonds to finance Phase II of the Physical Activities Center Classroom Expansion and Renovation Project outlined in Exhibit II-C. Mr. Bridges explained the resolution authorizes the Treasurer and Assistant Treasurer to solicit information from investment or commercial bankers with respect to financing Phase II of the Physical Activities Center Classroom Expansion and Renovation Project. He noted the project was authorized by the 2017 Indiana General Assembly, approved to proceed by the Board of Trustees at the September 7, 2017, meeting, and approved by the State Budget Committee on April 24, 2018. Mr. Bridges concluded stating a plan for financing will be presented to the Board at the September 6, 2018, meeting.

Upon the recommendation of the Finance/Audit Committee, the selection of underwriters for Bond Series M (Exhibit II-C) was approved.

E. APPROVAL OF ANNUAL OPERATING BUDGET

Mr. Calloway called on Vice President Bridges, who introduced Associate Vice President for Finance and Administration Mary Hupfer, for a report on the proposed operating budget for fiscal year 2018-2019. Ms. Hupfer began by describing the fund accounting structure used by the University, and described the four fund types into which annual operating funds are divided:

- The Current Operating Fund supports the core operations of the University. It is a large fund with many components.
- Designated Funds are those designated by the University for specific purposes. Examples of designated funds are student programs such as the Activities Programming Board and the Student Government Association, as well as academic programs (study abroad program) and outreach and engagement programs.

- Auxiliary Funds are intended to operate as self-sustaining enterprises. Auxiliary Funds include the Campus Store, student housing, food services, and athletics.
- Plant Funds include the physical assets of the institution. USI budgets for the retirement of the debt obligations on those assets and for selected budget reserves.

Within each fund type, items are divided into expense classifications, including personal services (salary and benefits); supplies and expense; repairs and maintenance; capital outlay; and transfers to other funds.

Associate Vice President Hupfer continued her report with focus on the Current Operating Fund. She described the functional classifications of instruction; instruction related; student services; plant operation/maintenance; administration and general; and institutional student aid.

She reviewed the major revenue classifications, including state appropriation (49.3 percent); student fees (44.9 percent); other income (5.8 percent); and resource reallocation. She reported the total 2018-2019 state appropriation is approximately \$59 million. Available funding for new initiatives and expenses totals approximately \$5.7 million. Ms. Hupfer reported the following budget priorities established for 2018-2019:

- compensation increases – non-exempt staff equity, base pay increases, promotions, and equity;
- operating costs of new facilities;
- institutional student aid programs;
- growth in online presence to increase student success;
- on-going IT and data security initiatives; and
- software programs and licenses.

She referred the Trustees to Exhibit II-D, and called attention to the major expense classification of Personal Services noting that Personal Services make up over 70 percent of the current operating budget.

Ms. Hupfer concluded her report by recommending approval of the Current Operating Budget for 2018-2019 of \$119,808,119.

On a motion by Mr. Sendelweck, seconded by Mr. Knight, the annual operating budget for 2018-2019 was approved.

F. APPROVAL OF AUTHORIZATION OF FINANCIAL AID AWARDS

Mr. Calloway called on Vice President Wright to review the authorization of financial aid awards. Mr. Wright reported the University awarded over \$74 million in financial aid in 2017-2018, and 75 percent of USI students received either merit-based or need-based aid.

On a motion by Mr. Ziemer, seconded by Mr. Redd, the following authorization for financial aid awards was approved.

Pursuant to Indiana Code 21-15-2-1, which provides for awarding financial aid to students from existing resources, the University of Southern Indiana Board of Trustees delegates to the President of the University of Southern Indiana the responsibility to approve financial aid recommendations for students within the 2018-2019 budgetary capabilities.

G. APPROVAL OF RESOLUTION REGARDING BANK DEPOSITORIES AND WIRE TRANSFER AUTHORIZATIONS

Mr. Calloway called on Vice President Bridges to review a Resolution Regarding Bank Depositories and Wire Transfer Authorizations. Mr. Bridges reported at its meeting on July 13, 2017, the Board of Trustees approved a resolution regarding bank depositories and wire transfer authorizations. Mr. Bridges noted three bank name changes including: Commerce Bank, German American Bank, and Old National Bank. The following resolution provides the necessary Board authorization for the Finance and Administration staff to execute transactions for the University throughout the upcoming year.

WHEREAS, the University wishes to update the list of banks designated as depositories in which funds may be deposited and to update the authorizations required for transactions with the depositories; and

THEREFORE BE IT RESOLVED that Banterra Bank, Boonville Federal Savings Bank, Commerce Bank, Fifth Third Bank, First Federal Savings Bank, First Financial Bank, First Security Bank, German American Bank, JP Morgan Chase Bank, Legence Bank, Lynnville National Bank, Old National Bank, PNC Bank, Regions Bank, United Fidelity Bank and U.S. Bank be and hereby are designated as depositories in which funds of this Corporation may be deposited by its officers, agents and employees; and

FURTHER RESOLVED that the Treasurer or Assistant Treasurer is authorized to sign (including using electronic and facsimile signatures) any and all checks, drafts, and orders, including orders or directions in informal or letter form, against any funds at any time standing to the credit of this Corporation with said Bank, and that the said Bank hereby is authorized to honor any and all checks, drafts and orders so signed, including those drawn to the individual order of such officer without further inquiry or regard to the authority of said officer or the use of said checks, drafts, and orders, or proceeds thereof; and

FURTHER RESOLVED that the Treasurer or Assistant Treasurer of the University of Southern Indiana is authorized to enter into a Funds Transfer Agreement with the aforementioned Banks; and

FURTHER RESOLVED that the Treasurer, the Assistant Treasurer, the Controller, the Assistant Controller, and the Manager of Accounting Operations be designated as the officers of the University authorized to make wire transfers; and

FURTHER RESOLVED that each of the foregoing resolutions shall continue in force until express written notice of its rescission or modification has been received by the said Bank, but if the authority contained in them should be revoked or terminated by operation of law without such notice, it is resolved and hereby agreed for the purpose of inducing the said Bank to act thereunder, that the said Bank shall be saved harmless from any loss suffered or liability incurred without such notice.

On a motion by Mr. Redd, seconded by Mr. Ziemer, and abstention by Mr. Knight and Mr. Dunn, the Resolution Regarding Bank Depositories and Wire Transfer Authorizations was approved.

H. UPDATE ON CURRENT CONSTRUCTION PROJECTS

Mr. Calloway called on Vice President Bridges, who introduced Director of Facility Operations and Planning Jim Wolfe for a report on the status of current construction projects. He referred the Trustees to Exhibit II-E for a list of projects and a summary of the cost and funding sources for each project.

I. REVIEW OF THE TEN-YEAR 2019-2029 CAPITAL IMPROVEMENT PLAN AND THE 2019-2021 BIENNIAL OPERATING BUDGET REQUEST

Chair Calloway called on Vice President Bridges to review the ten-year 2019-2029 Capital Improvement Plan and the 2019-2021 Biennial Operating Budget Request.

Mr. Bridges reported the Capital Improvement Budget Request, of which the ten-year capital plan is a part of, will be submitted to the Indiana Commission for Higher Education and the State Budget Agency in September 2018.

He reviewed a draft of the University's Ten-Year Capital Improvement Plan for 2019-2029 in Exhibit II-F and the University's request in the 2019-2021 Capital Budget. Mr. Bridges noted that any projects over \$2.5 million are to be included in the plan, including projects that require funding from the State as well as other sources.

Mr. Bridges reported the 2019-2021 Capital Improvement Budget Request will include a request for the renovation and expansion of the Health Professions Center and several smaller projects. Projects that would be funded through other sources include renovation of student residence buildings funded from rental income, and two new construction projects of a parking facility and a student residence building with dining facilities.

Mr. Bridges explained the General Repair and Rehabilitation (R&R) and Infrastructure Funding included in the 2019-2021 Capital Improvement Budget. He noted historically, the R&R formula has been funded at varying levels without consistency, and in 2018-2019 was funded at 50 percent of the investment target for University Facilities, approximately \$1.8 million for the biennium.

Vice President Bridges discussed the Operating Budget Request for 2019-2021. He shared the following regarding the budget request:

- This will be the sixth biennium that university budgets are completely funded using outcome based performance incentive formulas.
- For several years, the universities have requested consistency in the funding formulas and the Indiana Commission for Higher Education (ICHE) agreed that consistency is necessary to accurately measure progress.
- The ICHE also was responsive to ways to improve the formulas and made changes that better reflect improved institutional performance.

Mr. Bridges reviewed the performance-based funding formulas developed by the Indiana Commission for Higher Education and reported USI is now eligible to participate in five of the six formulas: 1) Overall Degree Completion metric; 2) At-Risk Degree Completion metric; 3) On-Time Degree Completion metric; 4) Student Persistence Incentive; and 5) STEM Degree Completion metric. The sixth metric only applies to two-year institutions. He noted in past years, only research institutions have been able to participate in the high-impact or the STEM Degree Completion metric. However, members of the ICHE felt that if STEM degrees are important to the state, then all institutions should be able to participate in this metric. It was recommended that there be a differential in the funding level between research institutions and four-year institutions that participate in this metric. Mr. Bridges stated that the budget schedules submitted by the University show improved performance in all five metrics, with the largest increase in the On-Time Degree Completion metric.

Mr. Bridges concluded his review reporting the 2019-2021 Operating and Capital Budget will be presented for approval by the Board of Trustees at its meeting on September 6, 2018, and President Rochon will present USI's biennial budget request to the ICHE in Bloomington, Indiana on September 13, 2018.

SECTION III – PERSONNEL MATTERS

A. REPORT ON FACULTY AND ADMINISTRATIVE RETIREMENTS

Mr. Calloway called on Vice President Bridges, who reviewed the following faculty and administrative retirements.

Assistant Math Specialist Cyd Fithian, in accordance with the Revised Retirement Policy, will retire effective June 7, 2019, after 14 years of service.

Senior Programmer/Analyst Edward Shelby, in accordance with the Regular Retirement Policy, retired on May 19, 2018, after 13.75 years of service.

Assistant Director of IT Enterprise Solutions Jayne Tang, in accordance with the Rule of 85 Retirement Policy, will retire effective May 1, 2019, after 33.75 years of service.

B. APPROVAL OF EMERITUS STATUS

Mr. Calloway called on Vice President Bridges, who recommended approval of emeritus titles. On a motion by Mr. Ziemer, seconded by Mr. Knight, the following titles were approved.

Assistant Math Specialist Emerita Cyd Fithian

Senior Programmer/Analyst Emeritus Edward Shelby

Assistant Director Emerita of IT Enterprise Solutions Jayne Tang

There being no further business, the meeting was adjourned at 12:37 p.m.

Respectfully submitted,



Anjali Patel
Secretary

MISCELLANEOUS FEES FOR 2018-2019

1. Laboratory and Miscellaneous Fees

<u>Fee Name</u>	<u>2017-2018 Fee</u>	<u>2018-2019 Fee</u>	<u>Effective Date</u>	<u>Last Changed</u>
Application Fee	40.00	40.00	08/20/18	08/20/12
Assessment Fee	125.00	125.00	08/20/18	08/24/15
Audit Fee (plus applicable lab fee)	50.00	50.00	08/20/18	08/22/16
Computer Science Program Fee*	75.00	75.00	08/20/18	08/21/17
Counseling Service Fee	25.00	25.00	08/20/18	08/25/14
Departmental Exams Fee	25.00	25.00	08/20/18	08/22/16
Distance Education Non-Resident Delivery Fee*	30.00	30.00	08/20/18	08/24/15
Distance Education Online Learning Fee	50.00	50.00	08/20/18	08/30/99
Engineering Undergraduate Program Fee*	75.00	75.00	08/20/18	08/24/15
Enrollment Fee	150.00	150.00	08/20/18	08/22/16
Health Informatics Program Fee*	50.00	50.00	08/20/18	08/21/17
Health Professions Insurance	20.00	20.00	08/20/18	08/20/12
Housing Living Learning Community Fee	15.00	15.00	08/20/18	08/20/12
Housing Student Activity Fee	25.00	25.00	08/20/18	08/20/12
International Student Fee	150.00	200.00	08/20/18	08/25/14
Laboratory Fee (College of Science and Engineering)	75.00	75.00	08/20/18	08/24/15
Laboratory Fee (all other colleges)	50.00	50.00	08/20/18	08/20/12
Late Registration Fee Week 1	50.00	50.00	08/20/18	08/22/16
Late Registration Fee Beginning Week 2	150.00	150.00	08/20/18	08/22/16
Matriculation Fee (all new and transfer students)	175.00	175.00	08/20/18	08/22/16
Nursing DNP Program Fee*	150.00	150.00	08/20/18	07/01/14
Nursing Program Fee (BSN)* Change in assessment method	40.00	40.00	08/20/18	07/01/14
Nursing Program Fee (MSN)*	100.00	100.00	08/20/18	07/01/14
Occupational Therapy Clinical Fee	75.00	75.00	08/20/18	08/20/12
Occupational Therapy Program Fee (MSOT)*	100.00	100.00	08/20/18	07/01/14
Payment Plan Fee	35.00	35.00	08/20/18	08/22/16
Payment Plan Late Fee	25.00	50.00	08/20/18	08/30/99
Respiratory Therapy Advanced Life Support Fee	100.00	100.00	08/20/18	09/02/97
Social Work Program Fee*	50.00	50.00	08/20/18	08/21/17
Special Course Fee (varies by course; maximum amount)	350.00	350.00	08/20/18	08/21/17
Student Activity Fee	100.00	100.00	08/20/18	08/22/16
Study Abroad Fee	300.00	300.00	08/20/18	08/22/16
Transcript Fee	50.00	50.00	08/20/18	08/22/16
Transportation Fee:				
8 or more credit hours per semester	130.00	135.00	08/20/18	08/21/17
>3 and <8 credit hours per semester	104.00	110.00	08/20/18	08/21/17
3 or fewer credit hours	78.00	80.00	08/20/18	08/21/17

*per credit hour

SCHEDULE OF STUDENT FEES AND OTHER MANDATORY FEES
2018-2019

STUDENT FEES 2018-2019
(per semester credit hour)

	<u>UNDERGRADUATE</u>		<u>GRADUATE</u>	
	<u>Resident</u>	<u>Non-Resident</u>	<u>Resident</u>	<u>Non-Resident</u>
Contingent	\$187.56	\$187.56	\$313.60	\$313.60
Academic Facilities	42.15	42.15	42.15	42.15
Student Services	24.60	24.60	24.60	24.60
Technology	10.00	10.00	10.00	10.00
Non-Resident		369.59		369.32
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Total	\$264.31	\$633.90	\$390.35	\$759.67

Prior Year Student Fees for Comparison

STUDENT FEES 2017-2018
(per semester credit hour)

	<u>UNDERGRADUATE</u>		<u>GRADUATE</u>	
	<u>Resident</u>	<u>Non-Resident</u>	<u>Resident</u>	<u>Non-Resident</u>
Contingent	\$177.76	\$177.76	\$298.78	\$298.78
Academic Facilities	36.80	36.80	36.80	36.80
Student Services	24.60	24.60	24.60	24.60
Technology	7.50	7.50	7.50	7.50
Non-Resident		355.21		355.10
	<hr/>	<hr/>	<hr/>	<hr/>
Total	\$246.66	\$601.87	\$367.68	\$722.78

OTHER MANDATORY FEES

University Services Fee

8 or more credit hours per semester	\$30.00
More than 3 and fewer than 8 credit hours per semester	\$22.75
3 or fewer hours per semester	\$10.00

The University Services Fee amounts shown above are for 2018-2019

**RESOLUTIONS OF THE BOARD OF TRUSTEES
OF THE UNIVERSITY OF SOUTHERN INDIANA
AUTHORIZING SELECTION OF UNDERWRITERS FOR STUDENT FEE BONDS
TO FINANCE PART OF THE PHYSICAL ACTIVITIES CENTER
CLASSROOM EXPANSION AND RENOVATION (“PROJECT”)
AND DECLARING OFFICIAL INTENT FOR THE PROJECT**

WHEREAS, the University of Southern Indiana (the “University”) Board of Trustees (the “Board”) wishes to provide certain preliminary authorizations and delegations to the Treasurer (and any Assistant Treasurers) of the Board (the “Treasurer”) in connection with the proposed construction and financing of the Physical Activities Center Classroom Expansion and Renovation Project in two phases (the “Project”); and

WHEREAS, the Project will be financed from a combination of equity contributions of the University, state appropriations and the proceeds from the issuance of debt obligations; and

WHEREAS, Phase II of the Project was previously authorized by, and bonding authority under IC 21-34 was provided by, the Indiana General Assembly in its 2017 session; and

WHEREAS, this Board intends to acquire, construct, equip, renovate and/or rehabilitate the Project, and reasonably expects to make advances for such purposes, and to reimburse advances made for certain costs of the Project with proceeds of debt to be incurred by the University; and

WHEREAS, this Board has given certain prior approvals with respect to this project and the State of Indiana has given certain required administrative approvals for the Project; and

WHEREAS, this Board now desires to authorize the Treasurer to solicit information from investment or commercial bankers with respect to financing of Phase II of the Project, to develop a Plan of Financing for the Project, and to recommend said Plan of Financing to this Board.

NOW, THEREFORE, BE IT RESOLVED, by this Board of Trustees as follows:

1. The Board declares its official intent, and hereby ratifies and affirms any prior declarations of official intent, to acquire, construct, equip and/or rehabilitate the Project described in Exhibit A; to advance, on an interim basis, certain costs of the Project, to reimburse such advances for costs of acquiring, constructing, equipping and/or rehabilitating the Project with proceeds of obligations to be incurred by the University; and to issue debt not exceeding amounts authorized by the Indiana General Assembly for purposes of financing, refinancing or reimbursing costs of the Project.

2. The Treasurer is authorized to develop a Plan of Financing for the Project and to present said Plan of Financing to this Board or to its Finance and Audit Committee for approval. Such Plan of Financing may also include refunding components for prior student fee bonds to the extent the Treasurer determines such refunding(s) are in the best interests of the University.

3. The Treasurer is authorized to solicit information, qualifications or proposals from investment and commercial banking firms with respect to the financing of the Project and to present a recommendation to this Board or its Finance and Audit Committee for approval.

4. The Treasurer is authorized to retain a municipal or financial advisor and legal counsel to assist in structuring and implementing the financing described above in these Resolutions.

Approved this ____ day of July, 2018.

UNIVERSITY OF SOUTHERN INDIANA
BOARD OF TRUSTEES

By: _____
Secretary

EXHIBIT A

PROJECT

Expansion and Renovations

Expansion and renovations of and improvements to existing facilities, including the Physical Activities Center, Phase I and Phase II.

Phase I: This 147,022 (gross square footage) 115,038 (assignable square footage) project will include renovation of two classrooms, a large exercise classroom, a weight training room, a sports medicine training room, the natatorium, locker rooms, main lobbies and corridor and faculty offices, as well as an expansion of the building to support the Kinesiology and Sport Department.

Phase II: Phase II of the Project includes renovation to the existing core section of the facility and an addition of 98,500 gross square feet. This multifaceted project will expand instructional space for high demand academic programs, increase collaborative and group learning space for students, enhance the technological capabilities of the facility, and provide administrative space for faculty and staff. Additionally, the University's Public Safety Department and the pool will be relocated during Phase II.

CURRENT OPERATING BUDGET SUMMARY

	<u>Approved Budget 2017-18</u>	<u>Budget Change</u>	<u>Proposed Budget 2018-19</u>
INCOME			
State Appropriation - Operating	44,859,953	419,055	45,279,008
State Appropriation - Line Items	1,552,550	0	1,552,550
State Appropriation - Fee Replacement	9,011,025	3,221,903	12,232,928
Student Fees	52,194,705	1,565,922	53,760,627
Other Income	6,428,478	554,528	6,983,006
TOTAL	114,046,711	5,761,408	119,808,119

MAJOR EXPENSE CLASSIFICATION

Personal Services	82,155,478	1,986,541	84,142,019
Supplies and Expense	26,641,909	4,922,397	31,564,306
Repairs and Maintenance	3,119,902	(1,124,860)	1,995,042
Capital Outlay	2,129,422	(22,670)	2,106,752
TOTAL	114,046,711	5,761,408	119,808,119

FUNCTIONAL EXPENDITURE CLASSIFICATION

Instruction	58,135,906	1,289,420	59,425,326
Instruction Related	5,902,767	331,349	6,234,116
Student Services	9,375,628	285,761	9,661,389
Operation and Maintenance of Plant	15,783,430	341,892	16,125,322
Administration and General	17,095,476	1,218,177	18,313,653
Institutional Student Aid	7,753,504	2,294,809	10,048,313
TOTAL	114,046,711	5,761,408	119,808,119

	<u>Approved Budget 2017-18</u>	<u>Budget Change</u>	<u>Proposed Budget 2018-19</u>
FUNCTION BY MAJOR EXPENSE CLASSIFICATION			
INSTRUCTION			
Personal Services	51,919,722	1,146,796	53,066,518
Supplies and Expense	5,042,135	157,533	5,199,668
Repairs and Maintenance	514,773	(16,669)	498,104
Capital Outlay	659,276	1,760	661,036
TOTAL INSTRUCTION	58,135,906	1,289,420	59,425,326
INSTRUCTION RELATED			
Personal Services	3,201,043	84,229	3,285,272
Supplies and Expense	1,004,687	620,846	1,625,533
Repairs and Maintenance	777,908	(369,226)	408,682
Capital Outlay	919,129	(4,500)	914,629
TOTAL INSTRUCTION RELATED	5,902,767	331,349	6,234,116
STUDENT SERVICES			
Personal Services	7,943,249	251,192	8,194,441
Supplies and Expense	1,191,375	175,315	1,366,690
Repairs and Maintenance	210,759	(138,746)	72,013
Capital Outlay	30,245	(2,000)	28,245
TOTAL STUDENT SERVICES	9,375,628	285,761	9,661,389
OPERATION AND MAINTENANCE OF PLANT			
Personal Services	6,580,847	(44,218)	6,536,629
Supplies and Expense	7,928,442	417,040	8,345,482
Repairs and Maintenance	866,616	(10,330)	856,286
Capital Outlay	407,525	(20,600)	386,925
TOTAL OPERATION AND MAINTENANCE OF PLANT	15,783,430	341,892	16,125,322
ADMINISTRATION AND GENERAL			
Personal Services	12,510,617	548,542	13,059,159
Supplies and Expense	3,721,766	1,256,854	4,978,620
Repairs and Maintenance	749,846	(589,889)	159,957
Capital Outlay	113,247	2,670	115,917
TOTAL ADMINISTRATION AND GENERAL	17,095,476	1,218,177	18,313,653
INSTITUTIONAL STUDENT AID			
Supplies and Expense	7,753,504	2,294,809	10,048,313
TOTAL INSTITUTIONAL STUDENT AID	7,753,504	2,294,809	10,048,313
TOTAL BUDGET	114,046,711	5,761,408	119,808,119

**Summary
Construction Projects**

July 12, 2018

Recently Completed

Door Hardware with ADA Interior Locks Replacement

Project Cost \$ 450,000

Funding Source: Special Projects

Cooling Tower Replacement

Project Cost \$ 150,000

Funding Source: General Repair and Rehabilitation Appropriation

Projects Under Construction

Physical Activities Center (PAC) Renovation

Project Cost \$ 27,060,000

Funding Sources:

Legislative Appropriation - 2013	\$ 16,000,000
Special Projects	\$ 3,000,000
Campus Store Reserve	\$ 1,992,100
State Rehabilitation and Repair Funding	\$ 1,622,500
Food Service Reserve	\$ 1,500,000
Kinesiology Special Projects	\$ 1,500,000
Debt Service Funds	\$ 1,445,400

Stone Family Center for Health Sciences

Project Cost \$ 6,000,000

Funding Source: Legislative Appropriation - 2015

Health Professions Center: Classroom Renovation/Expansion Phase II

Project Cost \$ 4,000,000

Funding Source: Legislative Appropriation - 2015

Fuquay Welcome Center

Project Cost \$ 3,200,000

Funding Sources:

Private Gifts	\$ 2,000,000
Special Projects	\$ 1,200,000

Projects Under Construction (cont'd)

Arc Flash OSHA Code Requirements for Electrical Panels

Project Cost \$ 260,000

Funding Source: Special Projects

Clarke Lane Major Rework

Project Cost \$ 225,000

Funding Source: Parking Reserve

Applied Engineering/Ceramics Center Sidewalks

Project Cost \$ 158,000

Funding Sources:

Parking Reserves \$ 75,000

General Repair and Rehabilitation Appropriation \$ 83,000

Parking Lots A, B, and C High Lighting Replacement

Project Cost \$ 130,000

Funding Source: Parking Reserves

O'Bannon Hall Floor Covering Replacement

Project Cost \$ 128,000

Funding Source: Housing Reserves

Projects In Design

Physical Activities Center (PAC) Phase II

Project Cost \$ 38,500,000

Funding Source: Legislative Appropriation - 2017

University Center (UC) West Partial Roof Replacement

Project Cost \$ 525,000

Funding Source: UC Expansion

Campus Heating - Cooling Water Supply Infrastructure Improvements

Project Cost \$ 410,000

Funding Source: General Repair and Rehabilitation Appropriation

Art Center - Sound Booths

Project Cost \$ 238,106

Funding Source: Private Gifts

CAPITAL REQUEST SCHEDULE IV (CRS IV)
2019 - 2029 TEN-YEAR CAPITAL PROJECT PLAN
INDIANA PUBLIC POSTSECONDARY EDUCATION
SUMMARY OF MAJOR PROJECTS RELATED TO THE TEN-YEAR CAPITAL PLAN
UNIVERSITY OF SOUTHERN INDIANA
June 25, 2018

	Near Term 2019-21			Medium Term 2021-23			Long-Term 2023-29		
	Est. State Funding	Est. Other Funding ⁽¹⁾	Est. GSF Impact	Est. State Funding	Est. Other Funding ⁽¹⁾	Est. GSF Impact	Est. State Funding	Est. Other Funding ⁽¹⁾	Est. GSF Impact
<u>A. SPECIAL R&R PROJECTS</u>									
1. Classroom Renovation and Expansion (July 2020)	\$48,000,000	\$3,000,000 c	56,000						
2. Student Residence Building Renovation/ Replacement and Expansion (July 2020 and July 2022)		\$8,200,000 a	4,000		\$8,000,000 a			\$8,000,000 a	
3. University Center Expansion/Renovation (July 2022)					\$16,500,000 b	60,000			
4. Wright Building Renovation (July 2023)				\$23,200,000		44,300			
5. Rice Library Renovation - Phase I				\$8,000,000					
<u>B. NEW CONSTRUCTION</u>									
6. Parking Facilities ⁽²⁾ (July 2019)		\$26,800,000 b	398,000						
7. Student Residence Building with Dining (July 2020 and July 2025)		\$36,000,000 a	110,000					\$39,000,000 a	105,000
8. Nexus Innovation Center (July 2023)				\$36,000,000		120,000			
9. Recreation, Fitness and Wellness Center Expansion (July 2021)					\$8,000,000 b	35,700			
10. Multidisciplinary Engineering Center (July 2025)							\$50,000,000	\$2,000,000 c	125,000
<u>C. QUALIFIED ENERGY SAVINGS PROJECTS</u>									
<u>D. ACQUISITION (FACILITY, LAND OR LEASE)</u>									
<u>E. OTHER PROJECTS</u>									
TOTAL CAPITAL PROJECT BUDGET REQUEST	\$48,000,000	\$74,000,000	568,000	\$67,200,000	\$32,500,000	260,000	\$50,000,000	\$49,000,000	230,000

Notes:

(1) Source of non-state (i.e. "other") funding: (a) Rental/Board Income, (b) Fees and Contributions, (c) Contributions

(2) Received bonding authorization in 2003-2005 for \$3,000,000 to construct parking facility; near-term request is for increase of \$23,800,000 in bonding authorization for construction of parking facility for total of \$26,800,000 for project.

(3) Construction start date may change if funding is received early.

- All projects that would need approval from the General Assembly or CHE/SBA/SBC should be included in this schedule
- Any project that would not need approval from the General Assembly or CHE/SBA/SBC should not be included in the schedule
- For projects listed in Medium and Long-Term, the estimated cost and GSF impact can be shown as a range
- Projects should include all costs associated with the project (structure, A&E, infrastructure, consulting, FF&E, etc.)