

## MINUTES

### JOINT

### FINANCE/AUDIT COMMITTEE & ACADEMIC AFFAIRS AND ENROLLMENT MANAGEMENT COMMITTEE

### UNIVERSITY OF SOUTHERN INDIANA BOARD OF TRUSTEES

July 9, 2020

The Finance/Audit Committee and the Academic Affairs and Enrollment Management Committee of the University of Southern Indiana Board of Trustees met in joint session on Thursday, July 9, 2020, in the University Center on campus. Present were Finance/Audit Committee Chair Ronald D. Romain '73; Academic Affairs and Enrollment Management Committee Chair Jeffrey L. Knight; and Trustees Josi M. Barscz '22; W. Harold Calloway; John M. Dunn; Christine H. Keck; and Kenneth L. Sendelweck '76. Trustee Christina M. Ryan attended via electronic means. Trustee Daniel M. Fuquay was absent. Also, in attendance were President Ronald S. Rochon; Provost Mohammed Khayum; Vice President for Finance and Administration Steven J. Bridges '89 M'95; Vice President for Marketing and Communications Kindra L. Strupp; Vice President for Development David A. Bower; Vice President for Student Affairs Khalilah T. Doss; and Chief Government and Legal Affairs Officer Aaron C. Trump.

Finance/Audit Committee Chair Ron Romain called the joint meeting to order at 9:39 a.m.

#### 1. APPROVAL OF RECOMMENDATION OF MISCELLANEOUS FEES FOR 2020-2021

Chair Romain called on Mr. Bridges for a recommendation. Mr. Bridges referred the Trustees to Attachment A which listed the miscellaneous fees recommended for approval for the 2020-2021 academic year. He explained these fees are non-mandatory meaning they are paid by some, but not all students based on the program, course, or activity they undertake. A total of three fee changes were reviewed. An increase to the Counseling Service Fee from \$40 to \$45 to fund the growing needs of counseling and Title IX support for USI students and two new fees related to prior learning assessment. The two new fees included a Departmental Challenge Exam fee of \$50 and a Prior Learning Assessment Fee of \$250. Mr. Bridges explained these fees will be used in the process to determine the college-level knowledge gained through expertise developed outside of the classroom. Credit will be provided with demonstrated acquired knowledge and best practices will be utilized in determining those credits. This new procedure will be administered through the Provost's Office in collaboration with Faculty Senate and the Registrar's Office. The best practices to be used were established by the Higher Learning Commission and the Council for Adult and Experiential Learning. All other fees were recommended to remain at the prior year rates given the financial challenges that many students are facing this year.

On a motion by Mr. Dunn, seconded by Ms. Keck, a recommendation to the Board of Trustees to approve the Miscellaneous Fees for 2020-2021 in Attachment A was approved.

#### 2. APPROVAL TO RECOMMENDED ISSUANCE OF BOND SERIES N

Mr. Romain called on Vice President Bridges who directed the Trustees to a resolution authorizing the issuance of Bond Series N in Attachment B. Mr. Bridges explained series N fee replacement bonds will be used for the construction and equipping of the Health Professions Center Classroom Renovation and Expansion. In addition, he reminded Trustees that this project is for the planning, financing, renovation, and award of the contract for major repair, renovation, and the expansion of three floors of the Health Professions Building, and to relocate the University Health Center, the cooling tower, and Creative and Print Services along with the renovation of existing space in the University Home to be repurposed for broader University use. This project, approved for funding by the 2019 Indiana General Assembly, was expected to be cash funded prior to COVID-19, and subsequently changed to a debt issuance. It was reviewed by the Indiana Commission for Higher Education at their October 10, 2019, meeting and finally by the State Budget Committee at their December 20, 2019, meeting. USI waited for the market to become more favorable for a transaction such as this. It was determined the week of July 20 will be best suited for pricing and the transaction will close the week of August 12, 2020. USI will continue to monitor the market for any changes that might require adjustment to the timing. Mr. Bridges concluded his report noting USI has completed the required due diligence for this issuance and

both Moody's and Standard & Poor's have reviewed the transaction with rating results expected in the next coming days. Approval by the State Budget Director along with approval from the Board of Trustees are the final steps needed for issuance.

On a motion by Mr. Dunn, seconded by Ms. Ryan, a recommendation to the Board of Trustees to approve the issuance of Bond Series N in Attachment B was approved.

### **3. CHANGE ORDERS APPROVED BY VICE PRESIDENT FOR FINANCE AND ADMINISTRATION**

Mr. Romain called on Vice President Bridges to review the approved change orders. Mr. Bridges referred the Trustees to Attachment C which listed the change orders that were below the \$25,000 threshold for Board approval.

### **4. ENROLLMENT UPDATE**

Chair of the Academic Affairs and Enrollment Management Committee, Jeff Knight, called on Provost Khayum for a report. Dr. Khayum introduced Mr. Rashad Smith, executive director for Enrollment, to give an update. Mr. Smith began by reviewing the yields of enrollment activities from May 1, to July 5, 2020. He noted a total increase of 793 new students (freshmen, transfer, and graduate) during this period. He attributes this increase to the adaption of recruitment strategies that were initiated this spring and summer. Mr. Smith concluded reviewing the details of those strategies which included USI's nationally-recognized drive-thru campus tours.

### **5. STRATEGIC PLAN UPDATE**

Mr. Knight called on Dr. Mohammed Khayum and Mr. Steve Bridges, co-chairs of the Strategic Planning Coordinating Committee, to provide an update on the Strategic Plan. Dr. Khayum began by reviewing the Strategic Planning Process Roadmap, noting that USI was well into step 6 of the process, even with the delays caused by the pandemic. He reviewed the strengths, weaknesses, opportunities, threats (SWOT) analysis that came from the environmental scanning process, and discussed the preliminary goals of improved student success, foster impactful engagement, elevate visibility and reputation, and strengthen financial viability. Mr. Bridges concluded the presentation discussing possible objectives of the plan, and how they will be used to develop strategies and action plans. Plan updates will be posted to the Strategic Plan website, and Trustees are encouraged to provide feedback as updates are added.

There being no further business, Chair Knight adjourned the joint committee meeting at 10:30 a.m.

**MISCELLANEOUS FEES FOR 2020-2021**

**1. Laboratory and Miscellaneous Fees**

<u>Fee Name</u>	<u>2020-2021 Fee</u>	<u>2019-2020 Fee</u>	<u>Effective Date</u>	<u>Last Changed</u>
Application Fee	40.00	40.00	08/24/20	08/20/12
Assessment Fee	125.00	125.00	08/24/20	08/24/15
Audit Fee (plus applicable lab fee)	50.00	50.00	08/24/20	08/22/16
Computer Science Program Fee*	75.00	75.00	08/24/20	08/21/17
Counseling Service Fee	45.00	40.00	08/24/20	08/19/19
Departmental Challenge Exam Fee*	50.00	0.00	08/24/20	
Departmental Exams Fee	25.00	25.00	08/24/20	08/22/16
Distance Education Non-Resident Delivery Fee*	30.00	30.00	08/24/20	08/24/15
Distance Education Online Learning Fee	50.00	50.00	08/24/20	08/30/99
Engineering Undergraduate Program Fee*	75.00	75.00	08/24/20	08/24/15
Enrollment Fee	150.00	150.00	08/24/20	08/22/16
Health Informatics Program Fee*	50.00	50.00	08/24/20	08/21/17
Health Professions Insurance	20.00	20.00	08/24/20	08/20/12
Housing Living Learning Community Fee	15.00	15.00	08/24/20	08/20/12
Housing Student Activity Fee	25.00	25.00	08/24/20	08/20/12
International Student Fee	200.00	200.00	08/24/20	08/20/18
Laboratory Fee (College of Science and Engineering)	75.00	75.00	08/24/20	08/24/15
Laboratory Fee (all other colleges)	50.00	50.00	08/24/20	08/20/12
Late Registration Fee Week 1	50.00	50.00	08/24/20	08/22/16
Late Registration Fee Beginning Week 2	150.00	150.00	08/24/20	08/22/16
Matriculation Fee (all new and transfer students)	175.00	175.00	08/24/20	08/22/16
Nursing DNP Program Fee*	150.00	150.00	08/24/20	07/01/14
Nursing Program Fee (BSN)*	40.00	40.00	08/24/20	07/01/14
Nursing Program Fee (MSN)*	100.00	100.00	08/24/20	07/01/14
Occupational Therapy Clinical Fee	75.00	75.00	08/24/20	08/20/12
Occupational Therapy Program Fee (MSOT)*	100.00	100.00	08/24/20	07/01/14
Payment Plan Late Fee	50.00	50.00	08/24/20	08/20/18
Prior Learning Assessment Fee	250.00	0.00	08/24/20	
Respiratory Therapy Advanced Life Support Fee	100.00	100.00	08/24/20	09/02/97
Respiratory Therapy Program Fee*	50.00	50.00	08/24/20	08/19/19
Social Work Program Fee*	50.00	50.00	08/24/20	08/21/17
Special Course Fee (varies by course; maximum amount)	350.00	350.00	08/24/20	08/21/17
Student Activity Fee	100.00	100.00	08/24/20	08/22/16
Study Abroad Fee	300.00	300.00	08/24/20	08/22/16
Transcript Fee	50.00	50.00	08/24/20	08/22/16
Transportation Fee:				
8 or more credit hours per semester	140.00	140.00	08/24/20	08/19/19
>3 and <8 credit hours per semester	115.00	115.00	08/24/20	08/19/19
3 or fewer credit hours	85.00	85.00	08/24/20	08/19/19

\*per credit hour

**RESOLUTIONS OF THE  
UNIVERSITY OF SOUTHERN INDIANA BOARD OF TRUSTEES  
AUTHORIZING THE ISSUANCE AND SALE OF  
UNIVERSITY OF SOUTHERN INDIANA STUDENT FEE BONDS, SERIES N  
FOR THE PURPOSE OF FINANCING NEW PROJECTS  
AND CERTAIN RELATED ACTIONS**

WHEREAS, the University of Southern Indiana, a body corporate and politic organized and existing under the laws of the State of Indiana (the “University”) is authorized under various statutes to issue bonds and otherwise incur indebtedness or obligations for the purpose of financing, acquiring, constructing, expanding, renovating, rehabilitating, equipping and furnishing various facilities of the University; and

WHEREAS, the University is authorized to issue student fee bonds under Indiana Code 21-34-6 through 10 and Indiana Code 5-1-5 (collectively, the “Act”), to issue bonds secured by student fees, for the purpose of financing and refinancing educational facilities authorized under the Act; and

WHEREAS, the University has previously entered into a Trust Indenture, dated as of November 1, 1985, as subsequently amended and supplemented (the “Indenture”), which authorizes the University to issue additional student fee bonds to provide funds for any lawful purpose under the Act, including financing of all or a portion of the costs of the acquisition, construction, renovation and equipping of campus facilities; and

WHEREAS, the University intends to finance, acquire, construct, expand, renovate, rehabilitate, equip and furnish the project described in Exhibit A attached hereto and made a part hereof, and to incur indebtedness to finance the same (the “Project”); and

WHEREAS, this Board of Trustees (the “Board”) has previously adopted Resolutions on November 7, 2019 (the “Prior Resolution”) which, inter alia, authorizes the Treasurer to develop a proposed plan of finance (the “Plan of Financing”) for the Project and to present the same to the Board for approval; and

WHEREAS, the Prior Resolution is hereby ratified, conformed, supplemented, amended and updated by this Resolution; and

WHEREAS, the Treasurer has submitted a Plan of Financing to the Board for approval; and

WHEREAS, the Treasurer has obtained all necessary approvals from the Indiana General Assembly, the Commission for Higher Education, the State Budget Agency and the Governor of the State of Indiana along with any other approval necessary to implement the Plan of Financing; and

WHEREAS, the Board now desires to approve the Plan of Financing for the Project; and

WHEREAS, there has now been submitted to the Board a form of Twelfth Supplemental Indenture (the “Supplemental Indenture”), a form of Construction and Rebate Agreement (the

“Construction and Rebate Agreement”), a form of Bond Purchase Agreement (the “Bond Purchase Agreement”), a form of Amended and Restated Continuing Disclosure Undertaking Agreement (the “Amended and Restated Continuing Disclosure Undertaking”), and a form of preliminary Official Statement (the “Preliminary Official Statement”), all in connection with the issuance of the University of Southern Indiana Student Fee Bond or Bonds, Series N (the “Series N Bonds” or “Bonds”);

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

1. The Board hereby approves the recommendation of the Treasurer to retain the underwriters listed in Exhibit B hereto (the “Underwriters”) (in the respective capacities set forth therein) to implement the Plan of Financing.

2. The Board hereby approves the Plan of Financing, authorizes the Plan of Financing, authorizes the execution and delivery of Bonds and approves the documents referred to in Sections 4 through 9 hereinafter, provided that the following conditions are met.

(a) The total issued amount of obligations shall not exceed the sum of \$48,000,000 for the Project, plus amounts to provide funds for costs of a debt service reserve fund or a surety bond, capitalized interest, credit enhancement, and ordinary and necessary amounts to pay costs of issuance and other costs incidental to the issuance of the Bonds, all as permitted by law;

(b) The Bonds shall be sold at (i) a rate or rates fixed to maturity producing a true interest cost of 5% per annum or less and with such serial or term maturities and redemption features as the executing officers shall approve, or (ii) at a variable rate or rates as established pursuant to the applicable supplemental indenture (or similar instrument) for such series as may be approved and determined by the Board; and

(c) The final maturity on the Bonds shall not exceed twenty-two (22) years from, and including, the date of issue of the Bonds.

3. The Treasurer is hereby authorized to determine the scope of the financing and whether the Plan of Financing will be implemented in one or more series of bonds.

4. Subject to the conditions in Section 2 hereof, the Chair of the Board (the “Chair”), any Vice Chair of the Board (the “Vice Chair”) or the Treasurer, or any of them acting individually, is hereby authorized to execute and deliver a Bond Purchase Agreement in substantially the form approved by the Board, with those changes that the officers so executing shall approve, such approval to be conclusively evidenced by the execution and delivery thereof.

5. Subject to the conditions in Section 2 hereof, the Chair or Vice Chair, or either of them, is hereby authorized to execute and deliver, and the Secretary of the University (the “Secretary”) or the Assistant Secretary of the University (the “Assistant Secretary”), or either of them, is hereby authorized to attest the signature of and to imprint the corporate seal of the University on the Supplemental Indenture as necessary in substantially the form approved by the Board, with those changes that the officers so executing shall approve, such approval to be conclusively evidenced by the execution and delivery thereof.

6. Subject to the conditions in Section 2 hereof, the Treasurer is hereby authorized as part of the Plan of Financing to distribute or to direct the Underwriters to distribute a Preliminary Official Statement or similar instrument for the Plan of Financing, as necessary, in substantially the form approved by the Board, to prospective purchasers of the Bonds. The Treasurer, if necessary, is further authorized to deem the Preliminary Official Statement as final for purposes of applicable Securities and Exchange Commission rules.

7. Subject to the conditions in Section 2 hereof, the Treasurer is hereby authorized to execute and deliver the form of any final Official Statement for each series as approved by the Board, with those changes that the Treasurer shall approve, such approval to be conclusively evidenced by the execution and delivery thereof.

8. Subject to the conditions in Section 2 hereof, the Chair, the Vice Chair or the Treasurer, or any of them, is hereby authorized to execute and deliver the form of the Construction and Rebate Agreement in substantially the form approved by the Board in connection with the Plan of Financing, with those changes that the Treasurer shall approve, such approval to be conclusively evidenced by the execution and delivery thereof.

9. Subject to the conditions in Section 2 hereof, the Chair, the Vice Chair or the Treasurer, or any of them, is hereby authorized to execute and deliver the form of the Amended and Restated Continuing Disclosure Undertaking in substantially the form approved by the Board in connection with the Plan of Financing, with those changes that the Treasurer shall approve, such approval to be conclusively evidenced by the execution and delivery thereof.

10. Subject to the conditions in Section 2 hereof, the Treasurer is hereby authorized to prepare forms of the Bonds as approved by the Committee and to cause the same to be executed by the proper officers of the University, as provided in the Indentures or otherwise. Upon execution of the Bonds, the Treasurer shall deliver the same, as appropriate to the type of transaction to the purchasers thereof upon payment of the purchase price, which price may reflect an underwriters' discount of not more than 0.4% (40 basis points) net of underwriting expenses, and an original issue discount or premium, if any, as permitted by law.

11. Subject to the conditions in Section 2 hereof, the Chair, Vice Chair, Secretary, Assistant Secretary and Treasurer are hereby authorized and directed to perform any and all further acts, to execute any and all further documents or certificates and to publish any notice required to implement the Plan of Financing and to complete the execution and delivery of the Bonds, the Supplemental Indenture, the Bond Purchase Agreement, the Preliminary Official Statement, the Official Statement, the Amended and Restated Continuing Disclosure Undertaking, the Construction and Rebate Agreement, and the other matters referred to herein.

12. The term "Treasurer," as used herein, shall include any Assistant Treasurer appointed by the Board.

Dated this 9<sup>th</sup> day of July, 2020.

**EXHIBIT A**  
**THE PROJECT**

Construction and equipping of the Health Professions Center Classroom Renovation and Expansion, which will be located on the University's campus in Evansville, Indiana.

**EXHIBIT B**  
**THE UNDERWRITERS**

Stifel Nicolaus & Company, Incorporated

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

**PHYSICAL ACTIVITIES CENTER (PAC) RENOVATION AND NATATORIUM PHASE II**

**Empire Contractors, Inc. - General Contractor**

CO N008 Bypass pump change and lockset change. \$ 3,234

**PHYSICAL ACTIVITIES CENTER (PAC) RENOVATION PHASE II**

**Empire Contractors, Inc. - General Contractor**

CO P015 Score board removal in existing gym, electrical, AV changes, add LCD screen. \$13,458

CO P016 Media room ceiling changes. \$17,613