

OFFICIAL MINUTES
UNIVERSITY OF SOUTHERN INDIANA
BOARD OF TRUSTEES
JULY 8, 1985



MINUTES

UNIVERSITY OF SOUTHERN INDIANA

July 8, 1985

The University of Southern Indiana Board of Trustees met in the University Conference Center. Present were Trustees Robert Boyer, William Brooks, Jr., Percy Clark, Jr., Robert Fair, Joseph O'Daniel, John Pruis, Carole Rust, and George Weathersby; and Honorary Trustee Al Woll. Also attending were President David Rice; Vice Presidents Donald Bennett, Robert Reid, and Byron Wright; and Assistant to the President Sherrienne Standley.

There being a quorum present, Dr. Pruis called the meeting to order at 1:00 p.m.

SECTION I

A. ANNUAL MEETING OF THE BOARD, 1985-86

In compliance with the By-laws of the Board of Trustees for the annual meeting the following roll call was taken by Dr. Clark:

Mr. Boyer present
Mr. Brooks present
Dr. Clark present
Mr. Fair present
Mr. O'Daniel present
Dr. Pruis present
Ms. Rust present
Dr. Weathersby present
Mr. Woll present

Dr. Clark, Acting Secretary of the Board, read the notice of the annual meeting of the USI Board of Trustees:

"Notice of Annual and Regular Meetings of the University of Southern Indiana Trustees - The University of Southern Indiana Board of Trustees will meet in annual and regular sessions at 1:00 p.m. (CDT) Monday, July 8, 1985, in the University Center Rooms 350-351."

There being no reports of officers or reports from special committees, Dr. Pruis called on Dr. Clark who nominated the following slate of officers for the 1985-86 year. The nominations were seconded by Dr. Weathersby.

Robert Fair Chairman
Joseph O'Daniel Vice Chairman
Carole Rust Secretary

Dr. Pruis called for additional nominations from the Board. There being none, on a motion by Mr. Brooks, seconded by Dr. Weathersby, nominations were closed and the slate of officers was elected unanimously.

On a motion by Mr. O'Daniel, seconded by Dr. Weathersby, Byron Wright was appointed Treasurer and Sherrienne Standley was appointed Assistant Secretary.

B. MINUTES OF JUNE 20, 1985 MEETING

The minutes of the June 20, 1985 meeting were approved as corrected by consensus of the Board.

C. ESTABLISHMENT OF NEXT MEETING DATE AND DISCUSSION OF COMMITTEE MEETINGS

President Rice reported that September 5 will be the next regular meeting date for the Board and that the meeting will be held in New Harmony, Indiana.

Committee meetings will be held during the intervening period with dates and places established by the committee chairmen. The staff person who will meet with the Long Range Planning Committee will be Dr. Reid, and President Rice and Mr. Wright will meet with the Finance Committee.

On a motion by Mr. O'Daniel, seconded by Dr. Pruis, it was decided that the Chairman appoint the committees with regard to requests of the Board members.

D. PRESIDENT'S REPORT

President Rice reported that the master implementing agreement transferring assets and liabilities from ISU to USI was signed July 1 by Board of Trustees Acting Vice Chairman Joseph O'Daniel.

On June 21, 1985, the North Central Association of Colleges and Schools approved the institution's request to change its affiliation status from Indiana State University Evansville to the University of Southern Indiana. Initial accreditation for the institution was in 1974.

The State Board of Vocational and Technical Education visiting team report has been received prior to being forwarded to the State Board. They reviewed the mission statement of the Board of Incorporators final report and were impressed that USI is in a strong position to succeed with the forward-looking mission statement. They also noted that the Baccalaureate of Occupational Studies should be supported.

President Rice advised the Board the program planning discussion on the agenda included the mission statement contents. Plans were to discuss the mission statement and program planning at the July 8 meeting and prepare the basic documents for Board consideration at its September meeting.

The proposed mission statement could then be put on the Commission for Higher Education agenda for October.

The November Board meeting may be held in Indianapolis. The Board may also want to consider changing the January meeting to the 9th or 10th in Indianapolis to correspond with Governor's Conference being held in concert with the Commission for Higher Education meeting there.

James Martin has been appointed to the position of internal auditor as of July 1.

In response to the question from Mr. Boyer about total enrollment, President Rice reported the enrollment is expected to be approximately 4,000.

E. PROGRAM DEVELOPMENT DISCUSSION

Each public university has the responsibility of developing, keeping current, and implementing long-range plans for post-high school education in the state. At the University of Southern Indiana, this activity is done primarily under the auspices of the Academic Planning Council, subject to the authority of the Board of Trustees.

The planning process helps to establish future needs and opportunities for the institution. Planning is set in the context of short-term (three-year) and long-term (ten-year) considerations. A fundamental concern for institutional planning is the mission, role, and scope of the university. Among the issues which shape the institutional plan are

1. enrollment, demographic, and economic trends
2. shifts in demand for instruction, research, community service, and technical assistance
3. shifts in demand for undergraduate and graduate instruction
4. information needs of prospective students
5. shifts in sources of external funds
6. opportunities created by new and emerging technologies
7. opportunities created by new possibilities for cooperative activities with other organizations.

Planning proceeds from a careful review of the university's present set of programs. It is placed in the context of statewide planning and related closely to institutional accreditation reviews. In addition, the university's biennial budget requests are developed from the planning process.

President Rice explained the procedure for program development from the initial action at the university level to the final action by the Indiana Commission for Higher Education. He called on Dr. Reid to review the planning process for the development of programs. Dr. Reid explained the Higher Education Services Plan called for by the Commission for Higher Education which contains the university mission statement, the assumptions that go into

that plan (enrollment projections, economic trends of the region, demographic data, shifts in demands for services of the institution, community outreach efforts, business and economic development support, the balance of graduate and undergraduate instruction, how to best inform prospective students, funding, changing technologies, and cooperation with other institutions), and a 3-year and 10-year plan. Dr. Reid asked for thought and input from the Board in formulating the University's Higher Education Services Plan.

Dr. Rice said the Board should keep in mind that the Commission for Higher Education has expressed expectations that funding through the legislature must come by identifying needs, identifying programs to meet those needs, and then seeking the approval of the Commission prior to the funding. Distinctiveness of programs is primary, and programs in which institutions cooperate are encouraged.

Dr. Pruis suggested that the Long Range Planning Committee plan for an in-depth study of the Higher Education Services Plan at its August meeting.

There was considerable discussion about the responsibilities and opportunities which lie ahead for the Board in the area of program planning.

F. NEW DEGREE PROGRAMS

Dr. Reid introduced two new degree programs, a major in Physical Education and a master's degree program in Health Related Psychology.

Dr. Pruis and Dr. Weathersby suggested the Board delay action until the new degree programs have been studied and recommended for Board Action by the Long Range Planning Committee.

By consensus, it was agreed to delay action on the two programs until after review by committee.

G. BANK DEPOSITORY

Arrangements have been made with Indiana National Bank in Indianapolis, Indiana, to have a courier pick up the University's monthly appropriation warrant from the State Auditor and wire that amount to the University's account at an Evansville bank. Indiana National Bank must be named as a depository in order to establish an account with them for this purpose.

Approval of the following resolution as corrected was recommended.

BE IT RESOLVED, that the Indiana National Bank of Indianapolis, Indiana is hereby designated as a depository of funds of this Corporation and that a checking account be opened and maintained in the name of the Corporation with said Bank.

BE IT FURTHER RESOLVED, that the Treasurer of this Corporation is authorized to sign (including use of 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 the said Bank, and/or against any account of this Corporation with the 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 the proceeds thereof, that endorsements for deposit may be written or stamped without designation of the person making the endorsement.

BE IT FURTHER RESOLVED, that the Treasurer of this Corporation or his designee is authorized on behalf of the Corporation, and in its name, to give instructions by telephone to said Bank to transfer funds between accounts of this Corporation with said Bank, that the Bank is authorized to act on telephone instructions received by it from any person who represents himself/herself to be the Treasurer or his designee.

On a motion by Dr. Pruis, seconded by Mr. Brooks, the resolution was approved.

H. RESOLUTION FOR CHIEF EXECUTIVE RESIDENCE

The Indiana State University Board of Trustees passed on April 15, 1983, a similar resolution to establish this policy. This resolution was presented to record a reaffirmation of the previously established policy.

Approval of the following resolution was recommended.

WHEREAS, the University of Southern Indiana Board of Trustees recognizes that having the chief executive officer of the University of Southern Indiana maintain his residence on campus promotes the most efficient operation of the University of Southern Indiana; and

WHEREAS, the University of Southern Indiana Foundation constructed, completed, and donated a university home to this University to enhance the attractiveness and function of the University for use as a campus residence for the chief executive officer of the University;

NOW, THEREFORE, BE IT RESOLVED, that it is in the best interest of the University of Southern Indiana to provide a full-time residence for the chief executive officer of the University to assist said chief executive officer in the proper performance of his duties on behalf of the University.

BE IT FURTHER RESOLVED, that the chief executive officer of the University shall reside in said residence and shall maintain the same as a permanent on-campus residence and that the chief executive officer's maintenance of said residence on campus shall be for the convenience of the University and shall be considered to be a condition of employment.

On a motion by Mr. Boyer, seconded by Ms. Rust, the resolution was approved.

I. RESOLUTION FOR ADVANCE REFUNDING OF BUILDING FACILITIES FEE BONDS

WHEREAS, the Indiana General Assembly by Public Law 218 of the Acts of 1985 (the "Act"), has created a body corporate and politic with the name University of Southern Indiana Board of Trustees (the "Trustees") to operate an institution for higher education by that name in Vanderburgh County, Indiana, on the site of and using the facilities of Indiana State University Regional Campus - Evansville, a regional campus managed by the Indiana State University Board of Trustees ("ISU") existing prior to July 1, 1985 (the "Evansville Campus"); and

WHEREAS, the Act has directed USI to assume all liabilities of ISU incurred in connection with the operation of the Evansville Campus by July 1, 1985; and

WHEREAS, pursuant to a Master Implementing Agreement dated as of June 1, 1985 between ISU and USI (the "Agreement"), USI has assumed the liability for the building facilities fee bonds issued by ISU listed on EXHIBIT I-A attached hereto (the "Prior Bonds") and the liability for interim financings incurred for the purposes and in the amounts described in EXHIBIT I-B attached hereto ("Interim Financing"); and

WHEREAS, the Act authorizes the Trustees to issue refunding bonds or advance refunding bonds under I.C. 20-12-6 and I.C. 20-12-9 for the Prior Bonds, which were issued to finance facilities on the Evansville Campus; and

WHEREAS, the Act, together with I.C. 20-12-6 and I.C. 20-12-9, has authorized and provided procedures for the issuance of bonds by the Trustees to refinance the Interim Financing;

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

1. The Trustees hereby authorize the Treasurer of the Board of Trustees to investigate in detail and solicit and evaluate a proposal or proposals for submission to the Trustees for the advanced refunding of all or a portion of the Prior Bonds and the refinancing of all or a portion of the Interim Financing by the issuance of bonds by the Trustees ("Bonds").
2. The Treasurer of the Board of Trustees is hereby authorized and directed to request the State Budget Committee, the State Budget Agency, and the Governor to approve the issuance by the Trustees of the Bonds in accordance with the proposal or proposals determined by the Treasurer to be in the best interests of USI.
3. The Treasurer and all other officers of USI and the Trustees are hereby authorized and empowered, for and on behalf of and in the name of USI and the Trustees, to implement the transactions herein authorized and to do and perform all other acts and things necessary or appropriate to accomplish the purposes of this resolution.

On a motion by Ms. Rust, seconded by Dr. Weathersby, the resolution was approved.

J. GROUP LIFE INSURANCE PROGRAM

Manufacturers Life Insurance Company revised the life insurance rates based only upon the census of the employees of the University of Southern Indiana. The committee of Ms. Rust, Mr. O'Daniel and President Rice approved the recommendation to continue this program with the present carrier, Manufacturers Life Insurance Company.

Present and proposed monthly premium rates per \$1000 are:

	<u>1984-85</u>	<u>1985-86</u>
Life Insurance	\$.35	\$.28
Accidental Death & Dismemberment	<u>.03</u>	<u>.03</u>
Total	\$.38	\$.31

The University has been paying the full cost of the first \$18,000 of coverage and the excess of \$.33 per \$1000 and the staff member has been paying \$.33 per \$1000 for coverage over \$18,000 with the University paying the balance. The proposal is for the University to continue to pay the full cost of the first \$18,000 of coverage plus the amount exceeding \$.28 per \$1000 for coverage in excess of \$18,000 with the University paying the balance. Approval of the above division of cost was recommended.

On a motion by Dr. Weathersby, seconded by Mr. Boyer, the group life insurance program cost was approved.

K. GROUP LONG-TERM DISABILITY INSURANCE

The University disability insurance program with Teachers Insurance and Annuity Association of America (TIAA) was renewed as of July 1, 1985, after review and approval by the committee of Ms. Rust, Mr. O'Daniel and President Rice. This coverage provides income benefits and retirement contributions in the event of a long-term disability. The University pays the total premium cost of eligible employees.

Comparison of monthly premium rates per person are:

	<u>1984-85</u>	<u>1985-86</u>
Income Benefit Premium	\$ 9.68	\$ 7.05
Annuity Benefit Premium	<u>3.74</u>	<u>2.54</u>
Total Monthly Premium	\$13.42	\$ 9.59

L. COMMITTEE APPOINTMENTS

Mr. Fair appointed the following committees:

Long Range Planning Committee - William Brooks, Jr., Carole Rust,
George Weathersby, and Eric Williams.

Finance Committee - Robert Boyer, Percy Clark, Jr., Joseph O'Daniel,
and John Pruis.

Mr. Fair will attend either committee meeting or both when possible.

M. RESOLUTION OF APPRECIATION TO JOHN J PRUIS

Dr. Weathersby made a motion that a resolution be added to the minutes thanking John Pruis for serving as Chairman of the Board of Incorporators and as Acting Chairman of the Board of Trustees. Mr. Fair asked Dr. Weathersby to draft such a resolution (See EXHIBIT I-C). The motion was seconded by Dr. Clark and unanimously approved.

SECTION II

A. HISTORIC NEW HARMONY OPERATING BUDGET - 1985-86

After 6 months' experience with the management agreement for Historic New Harmony, the first full-year budget has been prepared. Approval of the budget as displayed in EXHIBIT II-A was recommended.

On a motion by Dr. Weathersby, seconded by Dr. Pruis, the 1985-86 operating budget for Historic New Harmony, Inc. was approved.

SECTION III

A. LEAVE OF ABSENCE WITH PAY, SPRING SEMESTER, 1986

Helen R. Sands, Professor of Communications, leave of absence with pay for spring semester, 1986; effective January 13, 1986.

Approval of this personnel item was recommended.

On a motion by Ms. Rust, seconded by Mr. Boyer, the leave was approved.

Respectfully submitted,



Carole Rust
Secretary

<u>Indiana State University Building Facilities Fee Bonds</u>	<u>Amt. Outstanding September 1, 1985</u>
Series D of 1971	\$1,790,000
Advance Refunding Series F of 1978	\$3,170,000
Series G of 1978	\$3,000,000

INTERIM FINANCING NOTES

<u>Lender</u>	<u>Maturity Date</u>	<u>Amt. Outstanding June 30, 1985</u>
Terre Haute First National Bank	May 1, 1986	\$1,040,000
Merchants National Bank, Terre Haute	August 1, 1986	\$1,050,000

RESOLUTION OF APPRECIATION FOR DR. JOHN J PRUIS

WHEREAS, Twenty years ago the enlightened leadership of the Evansville community recognized the importance of public higher education in Southwestern Indiana and took the first steps of developing a campus; and

WHEREAS, Southern Indiana Higher Education, Inc. has generously provided land and facilities to the benefit of the entire state in general and Southwestern Indiana in particular; and

WHEREAS, The Trustees of Indiana State University directed the development of the Evansville Campus from 1965 until 1985, during which period the Campus experienced significant growth; and

WHEREAS, Governor Robert D. Orr, as instructed by the General Assembly, appointed a Board of Incorporators to consider the development of an independent, public university at the Evansville Campus; and

WHEREAS, This Board of Incorporators benefited greatly from the enlightened, experienced leadership of Dr. John J Pruis, who provided the guidance and direction which resulted in legislation, overwhelmingly adopted, which established the University of Southern Indiana; and

WHEREAS, Governor Robert D. Orr appointed Dr. John J Pruis to the founding Board of Trustees and requested Dr. Pruis to serve as Acting Chairman of the Board until the first Annual Meeting; and

WHEREAS, Dr. John J Pruis once again demonstrated his effective and sensitive leadership in guiding the Board of Trustees through the transition to an independent university;

NOW, THEREFORE, BE IT

RESOLVED THAT, At its first Annual Meeting, the Board of Trustees of the University of Southern Indiana assembled in Evansville, Indiana on July 8, 1985, commends Dr. John J Pruis for the devotion of his time and energy culminating in the chartering of the University of Southern Indiana; and

FURTHER RESOLVED THAT, This resolution shall be adopted and spread upon its minutes for all time as a perpetual recognition of the deep gratitude owed by the University to Dr. John J Pruis for his contribution to its development.

HISTORIC NEW HARMONY BUDGET-1985-86

	OPERATING	GALLERY	TOURS	LAUNDRY	TOTAL
REVENUE					
Gifts & Grants	277000	25000			302000
Sales & Service		30000	58277	18000	106277
Rental Income	55000				55000
Other Income	12000	500			12500
Total Revenue	344000	55500	58277	18000	475777
Transfers From	30000	13000			43000
Total Available	374000	68500	58277	18000	518777
EXPENDITURES					
Personal Services	126971	25497	26500	7000	185968
Supplies & Expenses	201799	42803	1777	9500	255879
Repairs & Maint.	22230	200		1500	23930
Capital Outlay	10000	0			10000
Total Expenditures	361000	68500	28277	18000	475777
Transfers To	13000		30000		43000
Total Appropriation	374000	68500	58277	18000	518777