

MINUTES OF THE FINANCE COMMITTEE - September 4, 1985

The Finance Committee of the University of Southern Indiana Board of Trustees met Wednesday, September 4, 1985 in New Harmony, Indiana. Present were Trustees Robert Fair, Percy Clark, John Pruis, and Joseph O'Daniel, President David Rice, Vice President and Treasurer Byron Wright, and Assistant to the President Sherrienne Standley.

The committee discussed policy regarding the advance refunding of bonds, and approved a motion to recommend to the Board of Trustees the approval of a resolution authorizing the Treasurer to investigate in detail and prepare and present a proposal to the Board of Trustees for the advance refunding of all or a portion of the Prior Bonds and the refinancing of all or a portion of the Interim Financing of bonds by the Trustees.

The University's current investment policy also was discussed and Mr. Wright asked members for their ideas about changes in the current method. By consent, the committee authorized Mr. Wright to continue the current investment policy until such time as it can be revised.

The committee suggested that Mr. Wright keep the Board informed of the status of the University budget by sending them quarterly reports. They also said a semi-annual report of temporary investments would help them understand current interest rates and trends.

Insurance rates for health, casualty, and liability plans were discussed. Mr. Wright said that current casualty and liability contracts will expire October 16 and bids are due October 10. Given the volatile insurance market, Mr. Wright said it would be difficult to predict what changes will occur, but that he expects the casualty and liability rates to increase dramatically. When the bids are in and have been analyzed after October 10, Mr. Wright will arrange a conference call to committee members to discuss recommendations. He also will send a summary with recommendations as soon as possible.

Even though current health care insurance rates are more favorable than last year, Dr. Clark encouraged the University to work with insurance consultants to investigate alternative plans for the future.