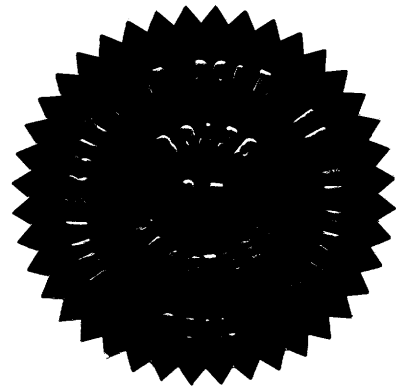


**MINUTES**

**UNIVERSITY OF SOUTHERN INDIANA  
BOARD OF TRUSTEES**

**NOVEMBER 2, 2000**



## MINUTES

### UNIVERSITY OF SOUTHERN INDIANA BOARD OF TRUSTEES

November 2, 2000

The University of Southern Indiana Board of Trustees met in regular session on Thursday, November 2, 2000, in Carter Hall of the University Center. Present were Trustees Bruce Baker, Ryan Helzerman, Patrick Hoehn, Harolyn Torain, and James Will Sr. Also attending were President H. Ray Hoops, Vice Presidents John Byrd, Robert Reid, Richard Schmidt, and Sherrienne Standley; Faculty Senate Chair Mark Krahling; and Student Government Association President Rick Hudson.

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

#### SECTION I - GENERAL AND ACADEMIC MATTERS

##### A. APPROVAL OF MINUTES SEPTEMBER 7, 2000, MEETING

On a motion by Mr. Baker, seconded by Mrs. Torain, the minutes of the September 7, 2000, meeting were approved.

##### B. ESTABLISHMENT OF NEXT MEETING DATE, TIME, LOCATION

The next regular meeting of the Board of Trustees was set for Thursday, January 11, 2001 in Indianapolis. It will be combined with the Annual Legislative Breakfast.

##### C. PRESIDENT'S REPORT

Dr. Hoops began the meeting by commenting on the Founders Day Celebration on September 14, continuing the USI tradition of recognizing employees with 25 years of service to the institution. Six people were honored - - Tim Buecher, director of Career Counseling; Len Cook, associate professor of mechanical engineering technology; Larry Goss, professor of engineering technology; Susie Kempf, senior computer operator; John McPherson, custodial worker; and Robert Reid, vice president for Academic Affairs.

Dr. Hoops noted that the Scripps Howard Foundation has made another major gift to assist the communications department. Its gift of \$250,000 will help equip the television studio and supporting areas - the last remaining unfinished area in the Liberal Arts Center. The Scripps Howard Video Production Complex completes an overall system of media instruction as part of the Scripps Howard Center for Media Studies. Other components are the William R. Burleigh Resource Center, named in honor of the Evansville native who retired last month as CEO of the E. W. Scripps Company, and the Scripps Howard Digital Arts Laboratory. A *Campaign USI* gift of \$200,000 created and equipped these two areas in the Liberal Arts Center. In addition, the Scripps Howard Foundation has made a \$50,000 gift to endow the Scripps Howard Scholarships for media studies students at USI, bringing its total commitment to a half-million dollars. USI is enormously grateful for its partnership with Scripps Howard and The Evansville Courier & Press. The University expects to have the production complex partially equipped in the spring semester and will plan to take the trustees on a tour when it is operational.

Dr. Hoops called on Vice President Reid to introduce the academic presentation on USI's partnership with the elementary and secondary school system.

Dr. Reid introduced Thomas Pickering, dean of the Bower-Suhrheinrich School of Education and Human Services and Charles Price, chair of the Teacher Education Department.

Dean Pickering commented that in 1998, Congress passed the higher education reauthorization act. There is a revised requirement beginning this year that every teacher education program must report to the state agency, which in turn reports to the federal government concerning how graduates perform on required tests that teachers take to be licensed. Teacher education is under a microscope, but USI has a strong teacher education program, which operates in regional elementary, middle, and secondary schools. This semester,

USI has placed roughly 500 students in classrooms in this region. USI follows those students, we evaluate, and get feedback, all part of an assessment process. Dean Pickering called on Charles Price to explain the details.

Dr. Price said USI had received a \$122,000 grant from the Indiana Professional Standards Board to fund a project for teachers and teacher education to study academic standards for K-12 students and ways teachers can improve their students' achievements on the standards in English, math, and science. USI qualified for the grant because of previous collaborative planning with other schools and institutions.

Dr. Hoops turned the floor over to SGA President Rick Hudson for his report.

Mr. Hudson reported that following its fall retreat in September, the Student Government Association discussed a number of issues, including the University Core Curriculum requirements and housing concerns, as well as assisting with plans for a new recreation room in the lower level of the University Center. The Student Government Association also met with Business Affairs administrators to discuss USI's legislative objectives for next year.

Mr. Hudson commented that in September and October, SGA sponsored a number of events where student members could meet informally with the deans of their respective schools.

Mr. Hudson reported that the Student Government's Eagle Athletic Support Committee has sponsored "Student Nights" to support the soccer and volleyball teams with student participation and school spirit.

Mr. Hudson commented that last week the Student Government Association observed National Collegiate Alcohol Awareness Week. Daily events took place warning students of the dangers of alcohol abuse.

Mr. Hudson reported that Jason Michl, Justine Baxter, two student government members, Ryan Helzerman, and he will be attending the Annual Meeting of Student Leaders, which is presented by the Commission for Higher Education. The meeting will be hosted by the student commissioner, USI student Christian Blome.

Dr. Hoops called on Dr. Mark Krahlung, chair of Faculty Senate and assistant professor of chemistry, for his report of Mole Day.

Dr. Krahlung explained that a mole is a measurement of the number of particles,  $6.02 \times 10$  to the 23<sup>rd</sup> power, in chemistry. Every year on October 23, at 6:02 the chemistry department celebrates Mole Day. This year 100 chemistry students from surrounding high schools came to USI to participate in a Mole Day contest, "Who wants to be a chemist?" Castle High School was this year's winner.

Dr. Hoops reported that the annual Volunteer Recognition dinner honored 927 volunteers who gave 81,702 hours of service to the University. Since 1996, 2,200 volunteers have donated 288,643 hours to various USI programs.

Dr. Hoops announced that the Arts Council awards, the highest awards given in the Evansville arts community, included two USI family members. Dr. Thomas Wilhelmus, associate dean of the School of Liberal Arts, was the recipient of the Mayor's Arts Award, and Megan Russell, member of the Class of 2000 and creator of the melting tennis racquet, an award winner in the Olympic Art competition, was named "Young Artist of the Year".

Dr. Hoops commented on Historic New Harmony engaging in two cultural festivals which raise money for the community as well as USI's operations there. The German Kunstfest attracted large crowds on a beautiful September weekend. In October, the popular Scots in Harmony festival offered Scottish crafts and food as well as athletic events and children's activities.

Dr. Hoops commented that Scots in Harmony was just one of the campus and local activities offered to USI families in the USI Family Weekend. The event sponsors - - the Student Activities Programming Board and the Office of Student Development - - partnered with many other campus and community organizations to make it a success. The purpose of the event was to encourage students and their families to spend time together while attending programs that showcased USI talent and traditions as well as programs in the community.

Included in the Family Weekend activities were the fall preview of USI Theatre's "You're a Good Man Charlie Brown", Midnight Madness (the first practice of the year for USI basketball teams), movies, and a golf tournament. Two USI trustees participated in the tournament - - Pat Hoehn and David Huber. Over 450 family members and students registered and enjoyed the events and activities.

Dr. Hoops observed that the Student Wellness Office sponsored the "Wonderful World of Wellness" fair in late September. A number of groups and organizations provided information and guidance concerning wellness. The Wellness Office brought Dr. Brian Luke Seaward, a teacher at the University of Colorado, to campus. He presented six inspirational talks to approximately 450 students, staff, and community members over three days.

Dr. Hoops reported that the Human Resources Office presented its annual Employee Health Fair, encouraging employees to monitor their health through free or reduced-cost screenings and information on healthy life styles. We appreciate the School of Nursing and Health Professions' active involvement in this event.

Dr. Hoops reported that the School of Nursing and Health Professions and the Career Services and Placement Office offered a Health Professions Career Expo last month in which 33 employers participated. More than 220 students attended to learn more about employment opportunities after graduation. Another career fair, Career Search, offered by USI and the University of Evansville, will be held later this month. Marilyn Schmidt, director of Career Services and Placement, reports that to date, 75 employers and graduate schools have registered, up from 67 last year. The last year the event was held at USI, more than 360 students attended. This year for the first time, Alpha Chi student honorary is co-sponsoring a workshop about the graduate school application process prior to the career fair.

Dr. Hoops observed that Indiana's Supreme Court Chief Justice Randall Shepard gave an excellent presentation to students from all disciplines. USI is pleased that so many citizens are willing to share their expertise so freely with students.

Dr. Hoops noted that election activities have brought many county, congressional, and state candidates to campus, giving the students the opportunity to listen to all points of view as well as encouraging them to vote. Several trustees helped host local Democrat and Republican candidates and elected officials at the University Home.

Dr. Hoops commented on having the opportunity of presenting the 2001-2003 biennial budget request to the State Budget Committee in mid-October. There were some excellent questions raised by the Committee members, which gave us the opportunity to respond regarding the University's needs.

Dr. Hoops concluded his report by showing the Trustees the new "At a Glance" brochure, which presents demographic information current with this year's figures, and the *Southern Indiana Review*, now being published twice a year by the English Department.

Mrs. Standley called attention to the newest *Honor Roll of Donors*, the USI Foundation's annual report of charitable giving.

**D. REPORT OF THE LONG-RANGE PLANNING COMMITTEE**

Mr. Baker reported that the Long-Range Planning Committee recommends approval of the proposal for the Bachelor of Science in Applied Computer Science and the Resolution Authorizing the Long-Range Planning Committee to Act on Behalf of the Board of Trustees.

**E. APPROVAL OF NEW DEGREE PROGRAM: BACHELOR OF SCIENCE IN APPLIED COMPUTER SCIENCE**

Computer Science is a popular major for prospective students. Information from recent PSAT and SAT tests shows that an average of 4.8 percent of high school students taking these exams indicate a preference for computer and information science majors. If that percentage were applied to USI's enrollment, it would yield 433 students. There are currently 265 majors in the existing computer information systems program, which stresses business applications of existing software rather than creation of software. Thus, one could conclude that there would be significant demand for this new program.

The program will be offered with two options: a business option, designed to meet the needs expressed by a panel of information technology managers from the area's major employers; and a technical option, designed to meet the need for scientific programmers and civil service requirements for computer scientists.

On a motion by Mr. Hoehn, seconded by Mr. Baker, the new degree program in Exhibit 1-A, was approved.

**F. RESOLUTION AUTHORIZING THE LONG-RANGE PLANNING COMMITTEE TO ACT ON BEHALF OF THE BOARD OF TRUSTEES**

On a motion by Mr. Baker, seconded by Mrs. Torain, the following resolution was approved.

WHEREAS, the University desires to advance its proposal for new engineering-related degree programs; and

WHEREAS, internal approvals were not possible prior to the November meeting of the Board of Trustees; and

WHEREAS, timely approval by the Board of Trustees to meet Commission for Higher Education timelines will be needed before the next regular meeting of the Board of Trustees in January;

NOW, THEREFORE BE IT RESOLVED by the Board of Trustees that the Board authorizes the Long-Range Planning Committee to act on its behalf to approve new programs in the engineering field, pending prior approvals by the Curriculum Committee, the Academic Planning Council, the Faculty Senate, and the President.

## **SECTION II - FINANCIAL MATTERS**

### **A. ANNUAL REPORT ON STUDENT FINANCIAL ASSISTANCE**

Jim Patton, Director of Student Financial Assistance, gave the annual report on student financial aid programs administered during the 1999-2000 fiscal year.

Mr. Patton reported that trends show growth in student financial assistance, which is caused by an increase in enrollment. The Student Financial Assistance Office served 11,298 students and prospective students, an increase of 997 students (10 percent) over the previous year. Applications for need-based assistance were submitted by 8,620 individuals, an increase of 1,011 applications (1 percent) over the previous year. Student Financial Assistance provided aid to 6,018 enrolled students, up 380 students (7 percent) over the previous year. The total amount spent was up 8 percent from the last year, bringing total funds administered to \$26,378,423. The most interesting discovery this year was the change in trends in borrowing among the graduates. Each year USI examines graduates' career borrowing and discovered that it has gone down, bringing USI closer to the national average. For a four-year student, the national average is \$13,000. USI students average \$12,785. USI's loan repayment default rate has declined.

### **B. REPORT OF THE FINANCE COMMITTEE**

Mr. Schmidt reported that the Committee approved a resolution approving an authorizing an interim financing for the Science/Education building. USI Internal Auditor Diana Biggs reviewed the 2000 audited financial statements. The Committee also approved the budget appropriations, adjustments, and transfers.

### **C. UPDATE ON CONSTRUCTION PROJECTS**

Steve Helfrich, Director of Facilities, Operations, and Planning, reported on current construction projects. The two major construction projects are the Recreation and Fitness Center, which is currently ahead of schedule, and the Student Residential Building 3, which is 3 1/2 months behind.

### **D. APPROVAL OF ANTHEM BLUE CROSS/BLUE SHIELD GROUP HEALTH INSURANCE AND HEALTH RESOURCES, INC. DENTAL INSURANCE PREMIUM RATES**

The University of Southern Indiana offers two health insurance programs through Anthem Blue Cross/Blue Shield - the Blue Traditional Plan (Indemnity) and the Blue Access Plan (PPN).

In 2000 the University implemented the deposit premium financial arrangement to minimize the impact of the 2000 renewal rates. The University proposes to continue the deposit premium financial arrangement, a cash flow model in which the University retains a reserve account and remits a portion of the monthly premium to Anthem. If expenses exceed the remitted amount, the University agrees to remit up to the full premium amount. The advantage of this arrangement is that the favorable cash flow associated with future underwriting gains is advanced to the University prior to the annual settlement. If underwriting gains do not occur, or are less than the amount of premium not paid, the University is not responsible for paying expenses above the full premium fee. The 2001 premium rates for the Anthem Blue Cross/Blue Shield Blue Traditional and Blue Access health insurance plans were established using the deposit premium financial arrangement.

A comprehensive review of claims from both Anthem health plans indicates medical and drug claims totaled 61.2 percent of paid premiums under the deposit premium arrangement, for an underwriting gain of 16.4 percent. Anthem projects an increase of approximately 6 percent in claims in 2001 based on trend factors of 16 percent for medical and 26 percent for drugs.

**BLUE TRADITIONAL PLAN – (INDEMNITY)**

The following Anthem Blue Cross/Blue Shield health insurance monthly premium rates for the Blue Traditional Plan have been quoted for a twelve-month period beginning January 1, 2001.

The medical premium rates from Anthem Blue Cross/Blue Shield for 2001 reflect a 2.5 percent rate increase for single, family, and retiree (over 65) memberships.

There are several plan design changes proposed by Anthem and the University:

- Lifetime Maximum - increase from \$1 million to \$5 million;
- Qualified Student Dependents - coverage effective through age 24, if student can be claimed on employee's federal income taxes;
- Deductible - increase from \$150/\$300 to \$200/\$400;
- Outpatient Therapy - subject to limits: Occupational Therapy - 90 visits; Spinal - 12 visits; Speech - 40 visits;
- Preventative Care - \$200 child/\$500 adult limit;
- Ambulance, Home Health Care, and Medical Aids Coverage - no limits.

The twelve-month renewal rates effective January 1, 2001, for Health Resources, Inc. dental insurance reflect a 6.5 percent rate increase for 2001. The renewal rate is the result of an increased number of claims for USI employees and dependents and an increase in dentists' fees and procedures in 2000.

The 2001 insurance rates include a contribution for funding the liability for post-retirement benefits.

Anthem Blue Cross/Blue Shield - Blue Traditional Plan and Health Resources, Inc. provide the primary health/dental insurance for 307 employees and retirees. The University contribution for medical and dental coverage and for funding the liability for post-retirement benefits for single, family, and retiree coverage is 75 percent of the total premium.

On a motion by Mr. Baker, seconded by Mr. Hoehn, the Anthem Blue Cross/Blue Shield - Blue Traditional Plan including plan design changes and Health Resources, Inc. with the following rate schedule were approved.

**2001 MONTHLY PREMIUM RATES  
ANTHEM BLUE CROSS/BLUE SHIELD – BLUE TRADITIONAL PLAN**

	<u>BC/BS MEDICAL PREMIUM*</u>	<u>HRI DENTAL PREMIUM</u>	<u>POST- RETIREMENT CONTRIBUTION</u>	<b><u>2001 TOTAL MONTHLY PREMIUM</u></b>	<b><u>2000 TOTAL MONTHLY PREMIUM</u></b>
Single	\$262.71	\$18.88	\$ 8.50	<b>\$290.09</b>	\$269.71
Family	\$678.24	\$47.88	\$22.00	<b>\$748.12</b>	\$695.58
Over 65 (Retired)	\$222.53	\$18.88	\$ 8.50	<b>\$249.91</b>	\$232.47

- (The 2001 renewal rate for medical premiums reflects an adjusted premium rate utilizing a factor of 1.0)

**BLUE ACCESS PLAN – (PREMIUM PREFERRED NETWORK: PPN)**

The Anthem Blue Cross/Blue Shield - Blue Access Plan provides employees with a second option in their selection of medical insurance plans. The Blue Access Plan is designed with elements of a managed care plan as an incentive to reduce medical costs. The Blue Access Plan was first offered with the 1999 renewal. The following Anthem Blue Cross/Blue Shield health insurance monthly premium rates for the Blue Access Plan have been quoted for a twelve-month period beginning January 1, 2001.

The medical premium rates from Anthem Blue Cross/Blue Shield for 2001 reflect a 2 percent increase for single, family, and retiree (over 65) memberships.

There are several plan design changes proposed by Anthem and the University:

- Lifetime Maximum - increase from \$1 million to \$5 million;
- Qualified Student Dependents - coverage effective through age 24, if student can be claimed on employee's federal income taxes;
- Out-of-Pocket Maximum for In-Network - \$325/\$650;
- Non-Network Deductible - increase from \$150/\$300 to \$200/\$400;
- Outpatient Therapy - subject to limits: Occupational Therapy - 90 visits; Spinal - 12 visits; Speech - 40 visits;
- Preventative Care - \$10 co-pay with no limits;
- Ambulance, Home Health Care, and Medical Aids Coverage - no limits;
- Urgent Care Center Visits - \$25 co-pay;
- Emergency Room Visits - \$50 co-pay unless admitted.

The twelve-month renewal rates effective January 1, 2001, for Health Resources, Inc. dental insurance reflect a 6.5 percent rate increase for 2001. The renewal rate is the result of an increased number of claims for USI employees and dependents and an increase in dentists' fees and procedures in 2000.

The 2001 insurance rates include a contribution for funding the liability for post-retirement benefits.

Anthem Blue Cross/Blue Shield - Blue Access Plan and Health Resources, Inc. provide the primary health/dental insurance for 119 employees and retirees. The University contribution for medical and dental coverage and for funding the liability for post-retirement benefits for single, family, and retiree coverage is 75 percent of the total premium.

On a motion by Mr. Baker, seconded by Mr. Hoehn, the Anthem Blue/Cross Shield - Blue Access Plan including plan changes and Health Resources, Inc. with the following rate schedule were approved.

**2001 MONTHLY PREMIUM RATES  
ANTHEM BLUE CROSS/BLUE SHIELD – BLUE ACCESS PLAN**

	<u>BC/BS MEDICAL PREMIUM</u>	<u>HRI DENTAL PREMIUM</u>	<u>POST- RETIREMENT CONTRIBUTION</u>	<b>2001 TOTAL MONTHLY PREMIUM</b>	2000 TOTAL MONTHLY PREMIUM
Single	\$221.64	\$18.88	\$ 8.50	<b>\$249.02</b>	\$243.51
Family	\$572.34	\$47.88	\$22.00	<b>\$642.22</b>	\$628.08
Over 65 (Retired)	\$186.75	\$18.88	\$ 8.50	<b>\$214.13</b>	\$209.31



**D. APPROVAL OF WELBORN HMO GROUP HEALTH INSURANCE AND HEALTH RESOURCES, INC. DENTAL INSURANCE PREMIUM RATES**

The University of Southern Indiana has offered Welborn HMO/Health Resources, Inc. as an alternative health/dental benefit program since October 1988. Welborn HMO is administered locally and currently provides services to approximately 40,000 members in the local area.

Due to a 22 percent increase in the total cost of claims, the quoted premium rates effective for a twelve-month period beginning January 1, 2001, reflect a 23.4 percent increase for single and family coverage and a 38 percent increase for retirees (over 65). There were no proposed changes to the existing benefits.

The twelve-month renewal rates effective January 1, 2001, for Health Resources, Inc. dental insurance reflect a 6.5 percent rate increase for 2001. The renewal rate is the result of an increased number of claims for USI employees and dependents and an increase in dentists' fees and procedures in 2000.

The 2001 insurance rates include a contribution for funding the liability for post-retirement benefits.

Welborn HMO and Health Resources, Inc. provide the primary health/dental insurance coverage for 313 employees and retirees. The University contribution for medical and dental coverage and for funding the liability for post-retirement benefits for single, family, and retiree coverage is 75 percent of the total premium.

On a motion by Mr. Helzerman, seconded by Mr. Hoehn, the master policies with Welborn HMO and Health Resources, Inc. with the following rate schedule were approved.

**2001 MONTHLY PREMIUM RATES  
WELBORN HMO**

	<u>WELBORN MEDICAL PREMIUM</u>	<u>HRI DENTAL PREMIUM</u>	<u>POST- RETIREMENT CONTRIBUTION</u>	<u>2001 TOTAL MONTHLY PREMIUM</u>	<u>2000 TOTAL MONTHLY PREMIUM</u>
Single	\$210.81	\$18.88	\$ 8.50	<b>\$238.19</b>	\$197.00
Family	\$545.79	\$47.88	\$22.00	<b>\$615.67</b>	\$509.11
Over 65 (Retired)	\$247.72	\$18.88	\$ 8.50	<b>\$275.10</b>	\$205.61

**E. APPROVAL OF THE FLEXIBLE BENEFIT PLAN ADMINISTRATIVE FEE**

The Section 125 Flexible Benefit Plan, which was implemented in 1990 and expanded in 1992, allows enrolled employees to pay medical insurance premiums, dependent care expenses, and uninsured medical expenses with pre-tax dollars. Participation in the program has been steady since its introduction. Approximately 25 percent of the eligible employees participate in the uninsured medical expense and dependent care reimbursement plans, and 99 percent of employees with medical insurance are enrolled in the premium-only portion of the plan.

During the 1999 plan year, University savings were \$61,772 due to reduced FICA tax (Social Security and MQFE).

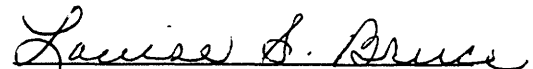
Olive LLP administers the plan for the University. The per-participant administrative fee of \$5.50 per month has been in effect since January 1, 1998. Renewal rates from Olive LLP reflect no rate increase for a twelve-

month guarantee period effective January 1, 2001.

On a motion by Mr. Helzerman, seconded by Mr. Hoehn, the renewal of the administrative arrangement with Olive LLP for the Section 125 Flexible Benefit Plan with the quoted per-participant fee was approved.

There being no further business the meeting was adjourned at 2:30 p.m.

Respectfully submitted,

  
Louise S. Bruce, Secretary

**Abstract**  
**Bachelor of Science in Applied Computer Science**  
**University of Southern Indiana**

**Objectives:**

This program is designed to prepare graduates for positions in software engineering and program and system development in businesses and scientific organizations.

**Clientele to be Served:**

Computer Science is a popular major for prospective students. Information from recent PSAT and SAT tests show that an average of 4.8 percent of high school students taking these exams indicated a preference for computer and information science majors. If that percentage were applied to USI's enrollment, it would yield 433 students. There are currently 265 majors in the existing computer information systems program, which stresses business applications of existing software rather than creation of software. Thus, one could conclude that there would be significant demand for this new program.

**Curriculum:**

The program will be offered with two options: a business option, designed to meet the needs expressed by a panel of information technology managers from the area's major employers; and a technical option, designed to meet the need for scientific programmers and civil service requirements for computer scientists.

Both programs require completion of 124 semester credit hours with 50-51 credit hours from the University Core. The business option requires an additional 9 hours of applied mathematics, 10 hours of business courses, 45 hours within the major, and 9-10 hours of electives. The technical option requires an additional 12 hours of mathematics, 7 hours of business courses, 45 hours within the major, and 9-10 hours of electives.

**Employment Possibilities:**

There is a demand for graduates of this program in southwestern Indiana. Information collected by the University's Economic and Workforce Development Task Force indicated that the Indiana Department of Workforce Development estimated 300 openings for computer scientists in the 11 counties of the region between 1996 and 2006. A recent Hudson Institute study of workforce needs in six southwestern Indiana counties and Henderson County in Kentucky estimated 120 current openings for computer programmers and 122 new openings to be created in the next three years.

There also is a large demand nationwide. The U.S. Department of Labor estimated openings for 554,000 systems analysts, 268,000 data base managers, and 250,000 computer engineers nationwide between 1996 and 2006.