SECTION I - GENERAL AND ACADEMIC MATTERS

A. Approval of Minutes of September 5, 1991, Meeting

B. Establishment of Next Meeting Date, Time, Location

C. Report on Unified Program of Historic New Harmony

D. President’s Report

SECTION II - FINANCIAL MATTERS

A. Approval of Premium Rates for Concern: Employee Assistance Program

B. Approval of Premium Rates for Blue Cross/Blue Shield Group Health Insurance and Health Resources, Inc., Dental Insurance Premium Rates

C. Approval of Premium Rates for Welborn HMO Group Health Insurance and Health Resources, Inc., Dental Insurance Premium Rates

D. Approval of Resolution for Flexible Benefit Plan for Eligible Employees

E. Approval of Budget Appropriations, Adjustments, and Transfers

SECTION III - PERSONNEL MATTERS

A. Approval of Personnel Action
SECTION I - GENERAL AND ACADEMIC MATTERS

A. APPROVAL OF MINUTES OF SEPTEMBER 5, 1991, MEETING

B. ESTABLISHMENT OF NEXT MEETING DATE, TIME, LOCATION

C. REPORT ON THE UNIFIED PROGRAM OF HISTORIC NEW HARMONY

D. PRESIDENT'S REPORT
SECTION II - FINANCIAL MATTERS

A. APPROVAL OF PREMIUM RATES FOR CONCERN: EMPLOYEE ASSISTANCE PROGRAM

CONCERN: EAP is a comprehensive employee assistance program which provides assessment, short-term counseling, referral and follow-up services for 431 employees and members of their immediate families. Since the program was adopted in February 1987, the utilization rate has been approximately 6.13 percent per year.

A renewal rate of $24.40 per employee per year has been quoted for the twelve-month period beginning February 1, 1992. The University pays the annual cost for the program. The current renewal includes a capitation rate of 10 percent ($2.30) for the total amount of increase for the period of February 1, 1991, through January 31, 1994, with rate changes negotiated on an annual basis. This agreement with Deaconess Service Corporation may be terminated at any time by either party upon sixty (60) days advance written notice to the other party.

ANNUAL PREMIUM RATES PER EMPLOYEE

<table>
<thead>
<tr>
<th></th>
<th>Present</th>
<th>Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>1991-92</td>
<td>$23.65</td>
<td>$24.40</td>
</tr>
</tbody>
</table>

Approval of the renewal of the master policy with the Deaconess Service Corporation beginning February 1, 1992, is recommended.

B. APPROVAL OF PREMIUM RATES FOR BLUE CROSS/BLUE SHIELD GROUP HEALTH INSURANCE AND HEALTH RESOURCES, INC. DENTAL INSURANCE

The following Blue Cross/Blue Shield health insurance monthly premium rates have been quoted for a twelve-month period beginning January 1, 1992. The renewal rates include an increase in the Major Medical maximum from a contract maximum of $250,000 per insured to $1,000,000 per insured; an increase in the Major Medical deductibles from $100 per person with a $200 family deductible to $150 per person with a $300 family deductible; and the addition of a $200 Wellness Benefit. Services covered under the Wellness Benefit are not subject to the contract deductible and are payable at 50 percent.

The premium rates effective January 1, 1992, for Blue Cross/Blue Shield have increased 12 percent for single, family, and retiree coverage. The renewal calculations reflect the income required to cover the claims and administrative costs based on the University’s projected claims experience and current medical trends.

The monthly premium rates for Health Resources, Inc. dental insurance will remain the same for the 1992 contract year as they were for the 1990-91 contract year. The fifteen-month renewal effective October 1, 1991, includes an increase in the non-orthodontic benefit from $800 to $1000 per contract year and an increase in the lifetime orthodontic benefit from $800 to $1000. Health Resources is administered locally and provides services for 12,000 members in the local area.

Blue Cross/Blue Shield/Health Resources, Inc. provides the primary health/dental insurance for 303 employees, dependents, and retirees. The University contribution for single, family, and retiree coverage is 75 percent of the total premium.
Approval to renew the master policies with Blue Cross/Blue Shield with changes in the Major Medical Maximum, the deductibles, and the addition of the Wellness Benefit and with Health Resources, Inc. including the benefit changes with the following rate schedule for 1992 is recommended.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Medical Premium</td>
<td>Dental Premium</td>
</tr>
<tr>
<td>Single</td>
<td>127.91</td>
<td>12.76</td>
</tr>
<tr>
<td>Family</td>
<td>326.97</td>
<td>33.56</td>
</tr>
<tr>
<td>Over 65 (Retired)</td>
<td>115.97</td>
<td>12.76</td>
</tr>
</tbody>
</table>

C. APPROVAL OF PREMIUM RATES FOR WELBORN HMO GROUP HEALTH INSURANCE AND HEALTH RESOURCES, INC., DENTAL INSURANCE

Since October 1988, the University of Southern Indiana has offered Welborn HMO/Health Resources, Inc. as an alternative health/dental benefit program. Welborn HMO is administered locally and currently provides services for over 32,000 members in the local area.

The premium rates for Welborn HMO effective January 1, 1992, have increased 14.5 percent for single coverage, 14.6 percent for family coverage, and 68.2 percent for retiree coverage. The renewal coverage for retirees includes the addition of a prescription drug benefit.

The monthly premium rates for Health Resources, Inc. dental insurance will remain the same for the 1992 contract year as they were for the 1990-91 contract year. The fifteen-month renewal effective October 1, 1991, includes an increase in the non-orthodontic benefit from $800 to $1000 per contract year and an increase in the lifetime orthodontic benefit from $800 to $1000.

Welborn HMO/Health Resources, Inc. provides the primary health and dental insurance coverage for 114 employees, dependents, and retirees. The University contribution for single, family, and retiree coverage is 75 percent of the total premium.

Approval to renew the master policies with Welborn HMO and Health Resources, Inc. including the benefit changes with the following rate schedule for 1992 is recommended.
1990-91 MONTHLY PREMIUM RATES

<table>
<thead>
<tr>
<th></th>
<th>Medical Premium</th>
<th>Dental Premium</th>
<th>Total Premium</th>
<th>University Contribution</th>
<th>Employee Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>$112.50</td>
<td>$12.76</td>
<td>$125.26</td>
<td>$93.94</td>
<td>$31.32</td>
</tr>
<tr>
<td>Family</td>
<td>302.25</td>
<td>33.56</td>
<td>335.81</td>
<td>251.85</td>
<td>83.96</td>
</tr>
<tr>
<td>Over 65 (Retired)</td>
<td>69.00</td>
<td>12.76</td>
<td>81.76</td>
<td>61.32</td>
<td>20.44</td>
</tr>
</tbody>
</table>

1992 MONTHLY PREMIUM RATES

<table>
<thead>
<tr>
<th></th>
<th>Medical Premium</th>
<th>Dental Premium</th>
<th>Total Premium</th>
<th>University Contribution</th>
<th>Employee Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>$128.76</td>
<td>$12.76</td>
<td>$141.52</td>
<td>$106.14</td>
<td>$35.38</td>
</tr>
<tr>
<td>Family</td>
<td>346.36</td>
<td>33.56</td>
<td>379.92</td>
<td>284.94</td>
<td>94.98</td>
</tr>
<tr>
<td>Over 65 (Retired)</td>
<td>116.08</td>
<td>12.76</td>
<td>128.84</td>
<td>96.63</td>
<td>32.21</td>
</tr>
</tbody>
</table>

D. APPROVAL OF RESOLUTION FOR FLEXIBLE BENEFIT PLAN FOR ELIGIBLE EMPLOYEES

On April 1, 1990, the University implemented a Section 125 Flexible Benefit Plan for employees participating in health insurance programs. The Plan allows active employees to pay their share of premiums for health care prior to the application of federal, state and local income taxes, and FICA (Social Security and Medicare) taxes. Currently 91 percent of the eligible employees are participating in the Flexible Benefit Plan.

Effective January 1, 1992, the University plans to expand the Section 125 Flexible Benefit Plan to include Flexible Spending Accounts for unreimbursed health care, dependent care, and alternative insurance expenses using George S. Olive and Company as the Plan Administrator. The Spending Accounts will allow participants to set aside money to pay for eligible expenses from gross pay before taxes have been withheld. Participation by employees is optional. The benefit to individual employees is the opportunity to pay eligible expenses with before-tax dollars thus lowering their taxable income and tax liability for federal, state and local income taxes, and FICA (Social Security and Medicare) taxes. The University saves its matching share of FICA taxes. Because a participant’s contributions are subject to FICA tax, an individual’s ultimate Social Security benefits could be decreased in those instances where the participant’s earnings subject to FICA tax are less than the annual earnings base subject to tax.

Administration of the Flexible Benefit Plan is subject to the guidelines of Section 125 of the Internal Revenue Code. The monthly cost for administration of the Flexible Spending Accounts is $4.50 per participant paid to the Plan Administrator. There is no charge for administration of the premium conversion section of the expanded Plan.

Approval of the following resolution to establish the expanded Flexible Benefit Plan effective January 1, 1992, is recommended.
WHEREAS, The University hereby terminates the existing Flexible Benefit Plan, with premium conversion privileges only, effective December 31, 1991, and

WHEREAS, The University may, under Section 125 of the Internal Revenue Code, establish an expanded Flexible Benefit Plan for employees, and

WHEREAS, Under the Plan employees would not be required to pay taxes on their share of health care premiums or amounts placed in Flexible Spending Accounts, and

WHEREAS, The tax savings would result in an increase in take-home pay, and

WHEREAS, The University of Southern Indiana is hereby designated as agent for service of legal process with respect to the Plan,

NOW THEREFORE BE IT RESOLVED that the Board of Trustees approve the expanded Flexible Benefit Plan, as described in agenda item D, effective January 1, 1992.

E. APPROVAL OF BUDGET APPROPRIATIONS, ADJUSTMENTS, AND TRANSFERS

Approval of the following Budget Appropriations, Adjustments, and Transfers is recommended.

1. Transfer and Appropriation of Funds

   From: 2-22000 Extended Services Revolving Funds
   To:   1-10900 Extended Services Capital Outlay $ 915.71
   To:   1-10921 Academic Skills Capital Outlay 1,348.25

   From: 0-85013 USI Race Funds
   To:   3-30700 Athletics Grant-In-Aid Supplies and Expenses 2,800.00

2. Appropriation of Funds

   From: Unappropriated Current Operating Funds
   To:   1-10200 Liberal Arts Supplies & Expense 1,562.33
   To:   1-10250 History Supplies & Expense 300.00
   To:   1-10310 Biology Supplies & Expense 197.26
   To:   1-10340 Chemistry Supplies & Expense 200.00
To: 1-10700 School of Business
    Supplies & Expense 130.00
To: 1-13200 Library
    Capital Outlay 16,500.00
To: 1-14004 Counseling
    Personal Services 68.00
    Supplies & Expense 413.61
To: 1-15000 Physical Plant
    Capital Outlay 3,500.00

From: Student Activities Cash Reserves
To: 2-20000 Student Activities
    Capital Equipment 1,666.34

From: Unappropriated University Center Funds
To: 3-30200 University Center
    Supplies & Expenses 2,400.00

From: Unappropriated Athletics Funds
To: 3-30600 Athletics - General Operations
    Supplies and Expenses 1,808.00
To: 3-30603 Athletics Men's Tennis
    Supplies & Expense 667.00
To: 3-30610 Athletics-Soccer
    Supplies & Expenses 45.00

From: Unappropriated Young Abe Lincoln '91 Funds
To: 3-32000 Young Abe Lincoln '91
    Supplies & Expenses 1,700.00

From: Unappropriated Young Abe Lincoln '92 Funds
To: 3-32020 Young Abe Lincoln Outdoor Drama '92
    Personal Services 234,920.00
    Supplies and Expenses 211,980.00
    Capital Outlay 25,000.00
| From: Unappropriated Restricted Funds | To: | Economic Education 91-92
Supplies & Expense | 13,400.00 |
| To: | 4-45082 | Fellowship for Intentional Communities
Supplies & Expense | 1,500.00 |
| To: | 4-45989 | Technical Assistance Center
Personal Services | 85,900.00 |
| | | Supplies & Expense | 14,100.00 |
| To: | 4-45994 | Teachers Under Cover
Personal Services | 26,633.00 |
| | | Supplies & Expense | 108,187.00 |
| To: | 4-46101 | Technical Assistance Center Fly Ash Project
Supplies & Expense | 1,000.00 |
| To: | 4-46126 | Local Economic Development Organization (LEDO) Grant
Personal Services | 30,000.00 |
| To: | 4-46209 | Berger Commemorative Lecture
Personal Services | 700.00 |
| To: | 4-46303 | Faculty/Student Research - Professor Dunn
Supplies & Expense | 1,250.00 |
SECTION III - PERSONNEL MATTERS

A. APPROVAL OF PERSONNEL ACTION

Approval of the following personnel action is recommended.

1. Approval of Early Retirement

J. Jeff Hays, Director of Purchasing, in accordance with the early retirement policy, has requested early retirement effective January 1, 1993, including leave with pay for the period of July 1, 1992, through December 31, 1992. Severance pay based upon 15 years of service to the University will be paid as of December 31, 1992.