

AGENDA

**UNIVERSITY OF SOUTHERN INDIANA
BOARD OF TRUSTEES**

November 6, 1997

SECTION 1 - GENERAL AND ACADEMIC MATTERS

- A. Approval of Minutes of September 4, 1997, Meeting
- B. Establishment of Next Meeting Date, Time, Location
- C. President's Report

SECTION II - FINANCIAL MATTERS

- A. Report on Student Financial Assistance
- B. Approval of Authorizing Resolution for the Health Professions Center Renovation Project
- C. Approval of Recommendation for the University Center Parking Lot Project
- D. Report on Current Construction Projects
- E. Approval of Blue Cross/Blue Shield Group Health Insurance and Health Resources, Inc. Dental Insurance Premium Rates
- F. Approval of Welborn HMO Group Health Insurance and Health Resources, Inc. Dental Insurance Premium Rates
- G. Approval of the Flexible Benefit Plan Administrative Fee
- H. Approval of Budget Appropriations, Adjustments, and Transfers

SUPPLEMENTAL INFORMATION
UNIVERSITY OF SOUTHERN INDIANA
BOARD OF TRUSTEES

November 6, 1997

SECTION I - GENERAL AND ACADEMIC MATTERS

- A. APPROVAL OF MINUTES OF SEPTEMBER 4, 1997, MEETING**
- B. ESTABLISHMENT OF NEXT MEETING DATE, TIME, LOCATION**
- C. PRESIDENT'S REPORT**

SECTION II - FINANCIAL MATTERS

A. REPORT ON STUDENT FINANCIAL ASSISTANCE

A summary will be presented on Student Financial Assistance administered by the University during the 1996-97 academic year.

B. APPROVAL OF AUTHORIZING RESOLUTION FOR THE HEALTH PROFESSIONS CENTER RENOVATION PROJECT

Approval of the following resolution is recommended.

WHEREAS, the 1997 General Assembly approved an appropriation of \$8 million to finance the Science Center renovation and the renovation of unfinished space in the Health Professions Center; and

WHEREAS, the National Science Foundation awarded a grant of \$1,193,947 in support of the renovation of the science laboratories; and

WHEREAS, the Board of Trustees, in its meeting on May 9, 1997, authorized the Construction Committee to approve architectural plans and award construction contracts for both the Science Center renovation project and Health Professions Center renovation project; and

WHEREAS, the schematic plans for the Science Center project have been completed, a Program Statement for the Health Professions Center has been completed, and the University is prepared to move forward with these projects; and

WHEREAS, the final cost estimates are currently being completed and will not be available for review until after the November meeting of the Board of Trustees;

NOW, THEREFORE, BE IT RESOLVED that the Finance Committee is authorized to approve cost estimates for each project, the combined total not to exceed the project budget of \$9,193,947;

AND FURTHER RESOLVED that following the approval of cost estimates by the Finance Committee, President Hoops be authorized to request the Indiana Commission for Higher Education, the Indiana State Budget Committee, and the Governor of the State of Indiana to approve the renovation of the Science Center and the Health Professions Center.

C. APPROVAL OF RECOMMENDATION FOR THE UNIVERSITY CENTER PARKING LOT PROJECT

A report will be presented on the construction of the University Center parking lot (Exhibit II-A).

Approval to proceed with the University Center Parking Lot project, to be funded from Special Projects Fund reserves at an estimated cost of \$190,000, is recommended.

D. REPORT ON CURRENT CONSTRUCTION PROJECTS

A report will be presented on the status of current construction projects.

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

The following Blue Cross/Blue Shield health insurance monthly premium rates have been quoted for a twelve-month period beginning January 1, 1998.

The medical premium rates from Blue Cross/Blue Shield for 1998 reflect a rate hold. The rate hold is the result of good claims experience for the 1996-1997 year, when claims totaled 64.3 percent of paid premiums. There are no plan design changes.

The twelve-month renewal rates effective January 1, 1998, for Health Resources, Inc. dental insurance reflect a rate hold for 1998. The renewal rate is the result of good claims experience by USI employees and dependents even though there was a 5 percent increase in dentists' fees in 1997 due to OSHA's infectious control mandates which went into effect in 1995.

The 1998 insurance rates include a contribution for funding the liability for post-retirement benefits.

Blue Cross/Blue Shield and Health Resources, Inc. provide the primary health/dental insurance for 362 employees, dependents, 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.

Approval to renew the master policies with Blue Cross/Blue Shield and Health Resources, Inc. with the following rate schedule is recommended.

1998 MONTHLY PREMIUM RATES

	<u>BC/BS MEDICAL PREMIUM</u>	<u>HRI DENTAL PREMIUM</u>	<u>POST- RETIREMENT CONTRIBUTION</u>	<u>1998 TOTAL MONTHLY PREMIUM</u>	<u>1997 TOTAL MONTHLY PREMIUM</u>
Single	\$183.01	\$ 16.44	\$ 8.50	\$207.95	<i>\$207.95</i>
Family	\$467.82	\$ 41.76	\$22.00	\$531.58	<i>\$531.58</i>
Over 65 (Retired)	\$165.91	\$ 16.44	\$ 8.50	\$190.85	<i>\$190.85</i>

F. 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.

The quoted premium rates effective for a twelve-month period beginning January 1, 1998, for single and family coverage, reflect a 5.7 percent increase. The rate increase is the result of increased claims experience, medical trend, and a 30 percent increase in subscribers over the age of 50. The retired (over 65) rate increased 21.2 percent due to a rate increase that was not included in the 1997 renewal. The rate reflects a two-year increase. There are no changes recommended to the existing benefit plan. Renewal rates for Welborn HMO are based on plan utilization, experience, age, gender, plan design, and industry trend factors.

The twelve-month renewal rates effective January 1, 1998, for Health Resources, Inc. dental insurance reflect a rate hold for 1998. The renewal rate is the result of good claims experience by USI employees and dependents, even though there was a 5 percent increase in dentists' fees in 1997 due to OSHA's infectious control mandates which went into effect in 1995.

The 1998 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 240 employees, dependents, 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.

Approval to renew the master policies with Welborn HMO and Health Resources, Inc. with the following rate schedule is recommended.

1998 MONTHLY PREMIUM RATES

	<u>WELBORN HMO MEDICAL PREMIUM</u>	<u>HRI DENTAL PREMIUM</u>	<u>POST- RETIREMENT CONTRIBUTION</u>	1998 TOTAL MONTHLY PREMIUM	<i>1997 TOTAL MONTHLY PREMIUM</i>
Single	\$163.92	\$ 16.44	\$ 8.50	\$188.86	<i>\$179.94</i>
Family	\$424.34	\$ 41.76	\$22.00	\$488.10	<i>\$464.76</i>
Over 65 (Retired)	\$178.51	\$ 16.44	\$ 8.50	\$203.45	<i>\$172.29</i>

G. 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 1996 plan year, the University's net savings were \$38,977 due to the University's reduced FICA tax (Social Security and MQFE).

Geo. S. Olive & Co., Inc., administers the plan for the University. The per-participant administrative fee of \$5.25 per month has been in effect since January 1, 1996. Renewal rates from Geo. S. Olive & Co., Inc. reflect a rate increase of 4.76 percent or \$5.50 per participant for a twelve-month guarantee period effective January 1, 1998.

Approval to renew the administrative arrangement with Geo. S. Olive & Co. for the flexible benefit plan with the quoted per-participant rate is recommended.

H. APPROVAL OF BUDGET APPROPRIATIONS, ADJUSTMENTS, AND TRANSFERS

Approval of the following budget appropriations, adjustments, and transfers is recommended.

1. Additional Appropriations

From: Unappropriated Current Operating Funds

To: 1-10340 Chemistry
Supplies and Expense

700

From:	Unappropriated Designated Funds		
To:	2-23300	School of Business Revolving Fund Supplies and Expense	157
From:	Unappropriated Auxiliary Funds		
To:	3-30607	Softball Supplies and Expense	70
To:	3-30620	Soccer - Women Supplies and Expense	1,700
From:	Unappropriated Restricted Funds		
To:	4-46337	Student/Faculty Research-Professor Barnett Supplies and Expense	900
To:	4-46343	Student/Faculty Research-Professor Gordon Supplies and Expense	925
To:	4-46010	Student Technology Fee Plan Supplies and Expense	2,400
To:	4-46015	Cancer Research-Professor Aldrich Personal Services Supplies and Expense	3,000 12,000
To:	4-47800	Lilly Retention Initiative/Grant Supervision Personal Services	35,000
To:	4-47805	Lilly Retention Initiative/In-service Staff Development Personal Services Supplies and Expenses	1,000 600
To:	4-47810	Lilly Retention Initiative/Telephone-Assisted Registration/ Automated Access to Student Records Supplies and Expense	7,000
To:	4-47815	Lilly Retention Initiative/Degree Audit Reporting System Personal Services Supplies and Expense Capital Outlay	30,000 725 5,000
To:	4-47820	Lilly Retention Initiative/Improving Advising Effectiveness Personal Services Supplies and Expense Capital Outlay	4,736 5,240 4,500
To:	4-47825	Lilly Retention Initiative/Academic Support in Housing Personal Services Supplies and Expense Capital Outlay	48,765 4,500 18,000
To:	4-47830	Lilly Retention Initiative/Fostering Community Development Supplies and Expense	19,300

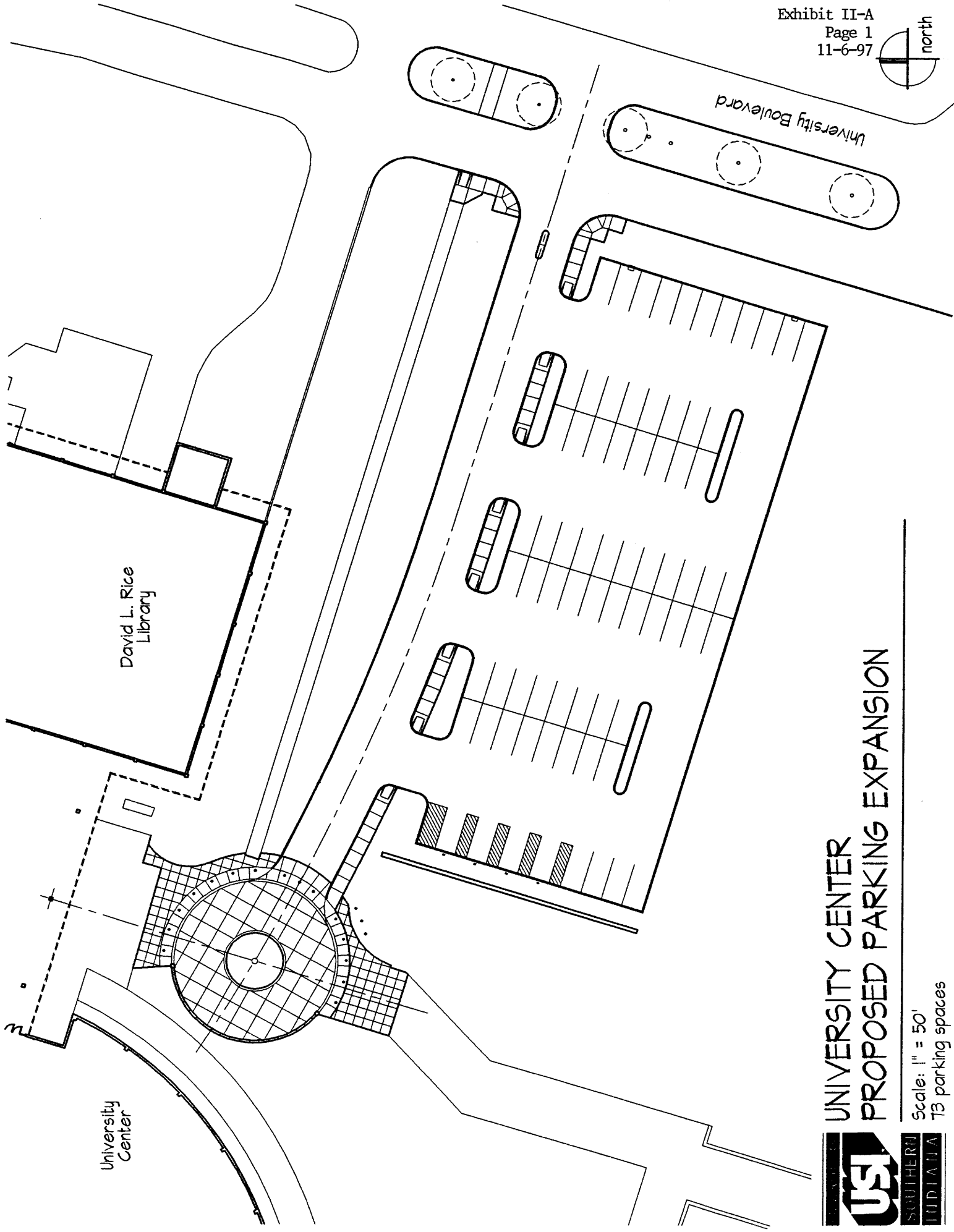
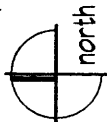
To:	4-47835	Lilly Retention Initiative/Supplemental Instruction Personal Services Supplies and Expense	6,011 1,450
To:	4-47840	Lilly Retention Initiative/Extended Orientation/ Freshman Mentoring Supplies and Expense	4,000
To:	4-47845	Lilly Retention Initiative/Cycle of Institutional Studies Supplies and Expense	8,100
To:	4-47850	Lilly Retention Initiative/Teaching and Learning Center Personal Services Supplies and Expense	17,555 30,000

2. Transfer and Appropriation of Funds

From:	2-20300	Student Government Association	
To:	2-20200	Activities Programming Board Supplies and Expense	887
From:	3-30870	School Age Program-1997	
To:	1-10910	Continuing Education Supplies and Expense Capital Outlay	1,000 2,275
From:	6-60100	Special Projects	
To:	6-60210	University Center Parking Lot Capital Outlay	190,000

3. Appropriation Transfers

From:	3-36000	Fitness Center Supplies and Expense	
To:	3-36000	Fitness Center Personal Services	5,611



David L. Rice
Library

University
Center

University Boulevard

UNIVERSITY CENTER PROPOSED PARKING EXPANSION

Scale: 1" = 50'
73 parking spaces



University of Southern Indiana

Proposed University Center Parking Expansion

Cost Estimate Summary

Base Bid	\$140,000
Construction of asphalt parking area, asphalt drive, and concrete drop-off area and construction of adjacent concrete walks, lighting, fixtures, etc.	
Alternate Bid	50,000
Installation of brick pavers in circular drive area in lieu of concrete	_____
	\$190,000