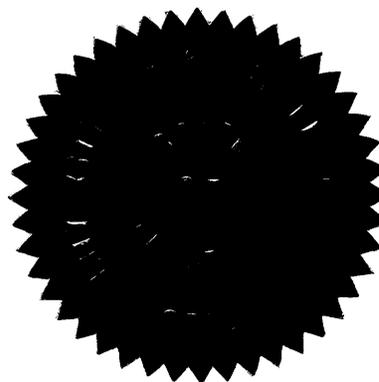


MINUTES

**UNIVERSITY OF SOUTHERN INDIANA
BOARD OF TRUSTEES**

November 6, 1997



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The University of Southern Indiana Board of Trustees met on Thursday, November 6, 1997, in Carter Hall of the University Center. Present were Trustees Bruce Baker, Louise Bruce, Charles Combs, Tina Kern, Thomas McKenna, Brian Pauley, Harolyn Torain, and James Will Sr. Also attending were President H. Ray Hoops; Vice Presidents John Byrd, Robert Reid, Richard Schmidt, and Sherrienne Standley; and Faculty Senate Chair Connie Cooper.

There being a quorum present, the meeting was called to order at 9:40 a.m.

SECTION I - GENERAL AND ACADEMIC MATTERS

A. APPROVAL OF MINUTES OF SEPTEMBER 4, 1997, MEETING

On a motion by Mr. McKenna, seconded by Mr. Pauley, the minutes of the September 4, 1997, 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 8, 1998, in Indianapolis, in conjunction with the Legislative breakfast and Commission for Higher Education meeting.

C. PRESIDENT'S REPORT

Dr. Hoops reported new success for both the New Harmony Theatre and the Lincoln Amphitheatre. Total attendance for Young Abe Lincoln and Oklahoma was 17,886, a gain of 4,000 over last year. Oklahoma drew 9,915 in its premiere season. New Harmony Theatre finished in the black for the first time in the ten years USI has produced summer theatre there, with total attendance reaching 7,323.

Dr. Hoops expressed excitement with the interest shown by students in a variety of programs during the month of October. Renowned author and evolutionary paleontologist Stephen Jay Gould drew a standing room only crowd to Carter hall in October, and spilled over to a capacity crowd for closed circuit in the UC Dining Room. An estimated 1,000 students, faculty and community visitors attended. During this same week, a public forum on AIDS drew about 700 students to Carter Hall and the Eagles' first scrimmage drew 1,500 students for Midnight Madness.

As part of the ongoing series of "Lessons in Leadership" programs sponsored by Extended Services and the School of Business, in late October, more than 400 regional business leaders attended a day-long presentation by Ken Blanchard, nationally known author and management consultant.

Dr. Hoops reported continued growth in enrollment in the College Achievement Program, or CAP, in which high school juniors and seniors can earn dual credit for enrolling in USI courses taught in the high schools. This fall, 130 students are enrolled in introductory English and history courses taught at nine area high schools. This number compares to 87 students from seven schools a year ago.

Another area experiencing a growth in enrollment is distance education courses. USI's 19 courses, using Indiana Higher Education Telecommunications System, video disk, computer cassette, internet, cable or public television, attracted 283 students this fall. Remote locations include Vincennes, Jasper, Indianapolis, and Ivy Tech State College campuses in northern Indiana.

Dr. Hoops explained a request to students in campus housing to use campus parking lots only in off-peak hours was necessitated by the university's continued growth. Officials felt a need to provide a shuttle service for the most distant housing units, which was begun this week. Dr. Byrd reported the service has been well received since its inception three days ago, with 106 students using the shuttle on Monday, 229 on Tuesday, and 249 on Wednesday. The service is presently free to students and is run by METS through a contract with USI.

The annual Employee Health Fair sponsored by the Human Resources Office drew 232 employees who received free health screenings and health-related information from community agencies and businesses.

At the annual Founders Day ceremony, employees recognized the achievements of colleagues with 25 years of service to the University. Also on this special day, bronze plaques for the Wright Administration Building and the Rice Library were unveiled.

Dr. Hoops recognized the presence of several students, including Trustee Brian Pauley, who are involved in a unique research project under the direction of chemistry professor Dr. Howard Dunn. Vice President Robert Reid noted this group has received regional and national recognition for their work. Dr. Jerry Cain, Dean of the School of Science and Engineering Technology, introduced Dr. Dunn and his students, Dianne Smith, Brian Pauley, Eileen Weber, Brian Mullen, Christopher Hogue, and Cassandra Harris. Dr. Dunn noted that the students have worked on two projects funded by the USI Foundation Student Faculty Research and Creative Work Awards, and that eleven papers were presented by undergraduate students in 1997. Presentations followed by the students on Project I: New Organic Compounds that have Potential as Plant Growth Stimulants; and Project II: Potential U.V. Stabilizers for Outdoor Carpets and Olefin Dimerization Catalysts.

The University gladly welcomed Commission for Higher Education member Gwendolyn Lee-Thomas to campus in October. Ms. Lee-Thomas met with faculty and staff in the Multicultural Center, Graduate Studies, University Division, and Teacher Education, and also toured the campus and lunched with student leaders.

Dr. Hoops reported the second annual Scots in Harmony Festival on the farm of Tish Mumford, one of Historic New Harmony's most faithful friends, proved to be even more popular than last year, attracting about 2,000 people. The event is expected to provide nearly \$10,000 for Historic New Harmony programs. Community response to this and other USI activities offers continued encouragement to the University.

In the same vein, the Varsity Club Steak Fry and Auction, which helps give a positive start to intercollegiate athletics each fall, was attended by the largest crowd ever and raised over \$20,000 for athletic programs.

The University recently hosted a dinner at the University Home for elected city, county, and State officeholders. This annual event allows the University to share its planning with officeholders and to listen to ideas they have about future directions of the University.

Dr. Hoops noted that the University's Honor Roll of Donors book, which details the past fiscal year's charitable giving, was recently mailed. This is an excellent record of progress being made in providing for the University's needs through friends, alumni, and businesses with which we have common goals. Thanks in part to our capital campaign, there has been a tremendous increase in the number of donors and last year's gifts reached \$5.8 million, an increase of 87 percent over last year. As of the end of the last fiscal year, the Foundation assets had reached \$16.8 million, double last year's figure. Dr. Hoops related that the State of Indiana provides 40 percent of the cost of educating a student at USI. He also expressed his hope that everyone will read the report and convey their appreciation to those who have contributed so generously to the many University programs which rely on private contributions.

Dr. Hoops referred to the site preparation which is underway for the much needed Liberal Arts Center, and stated a report on several construction projects will be given at today's meeting. Following the meeting, the Board of Trustees will tour the remodeled Children's Center.

D. OTHER BUSINESS

It was reported that the annual Association for Governing Boards conference will be held in Nashville, Tennessee, on April 18 - 21, 1998.

Chair Harolyn Torain appointed Mr. Will and Mr. Baker to the Presidential Assessment Committee.

SECTION II - FINANCIAL MATTERS

A. REPORT ON STUDENT FINANCIAL ASSISTANCE

Dr. John Byrd presented a report on Student Financial Assistance administered by the University during the 1996-97 academic year. He reported that 11,148 awards totaling \$18,005,748 were administered by the University and that total funding was up \$3,548,126, or 25 percent, over the previous year.

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

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

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

On a motion by Mr. Will, seconded by Mr. McKenna, construction of the University Center Parking Lot as presented in Exhibit II-A, to be funded from Special Projects Fund reserves at an estimated cost of \$190,000, was approved.

D. REPORT ON CURRENT CONSTRUCTION PROJECTS

Director of the Physical Plant, Mr. Steve Helfrich, presented a report on the status of current construction projects including the Varsity Club and classrooms, and the Liberal Arts Center. He noted that the Housing Services Building should be completed by the end of November and that apartment buildings 18, 19, and 20 should be completed by next summer.

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.

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.

1998 MONTHLY PREMIUM RATES

	<u>WELBORN HMO 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	\$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.

On a motion by Mr. Will, seconded by Mr. Combs, the preceding items E, F, and G were approved.

H. APPROVAL OF BUDGET APPROPRIATIONS, ADJUSTMENTS, AND TRANSFERS

On a motion by Mr. Will, seconded by Mr. Combs, the following budget appropriations, adjustments, and transfers were approved.

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

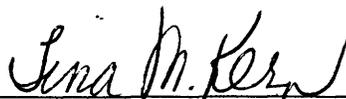
From:	2-20300	Student Government Association	
To:	2-20200	Activities Programming Board Supplies and Expense	887
From:	3-30870	School Age Program-1997	
To:	1-10910	Continuing Education Supplies and Expense Capital Outlay	1,000 2,275
From:	6-60100	Special Projects	
To:	6-60210	University Center Parking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

3. Appropriation Transfers

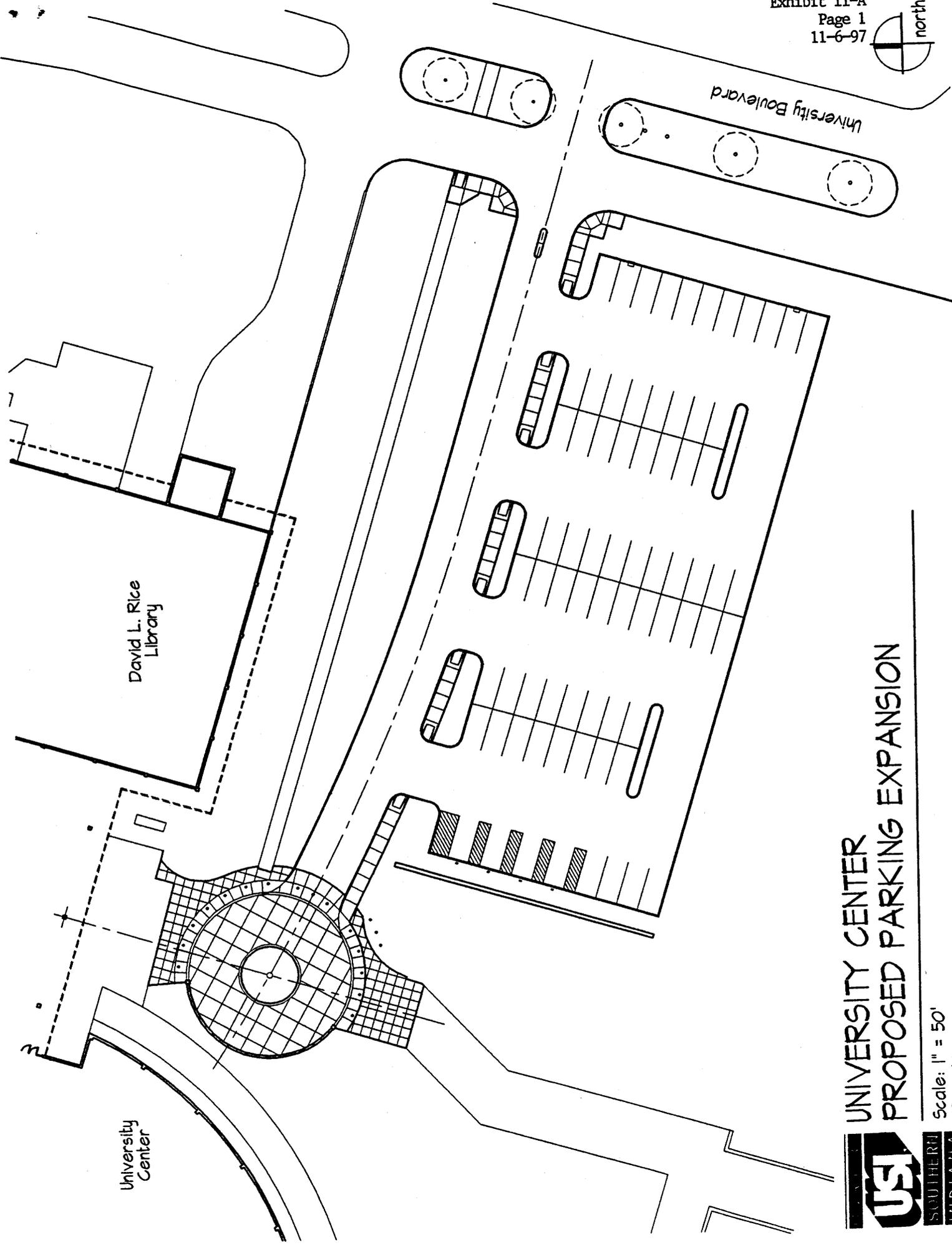
From:	3-36000	Fitness Center Supplies and Expense	
To:	3-36000	Fitness Center Personal Services	5,611

There being no further business, the meeting was adjourned at 11:10 a.m.

Respectfully submitted,



Tina M. Kern, Secretary



UNIVERSITY CENTER PROPOSED PARKING EXPANSION



Scale: 1" = 50'

SOUTHERN ILLINOIS UNIVERSITY

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