

OFFICIAL MINUTES
UNIVERSITY OF SOUTHERN INDIANA
BOARD OF TRUSTEES

January 10, 1991

MINUTES

UNIVERSITY OF SOUTHERN INDIANA BOARD OF TRUSTEES

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The University of Southern Indiana Board of Trustees met in the Westin Hotel Council Room in Indianapolis, Indiana, on Thursday, January 10, 1991. Present were Trustees Bruce Baker, Percy Clark, Jr., Charles Combs, Thomas McKenna, Joseph O'Daniel, Carole Rust, Harolyn Torain, and George Weathersby. Also attending were President David Rice; Vice Presidents Robert Reid, Sherrienne Standley, and Byron Wright.

There being a quorum present, Mr. O'Daniel called the meeting to order at 9:35 a.m.

SECTION I - GENERAL AND ACADEMIC MATTERS

A. APPROVAL OF MINUTES OF NOVEMBER 1, 1990, MEETING

On a motion by Dr. Weathersby, seconded by Mrs. Rust, the minutes of the November 1, 1990, meeting were approved.

B. ESTABLISHMENT OF NEXT MEETING DATE, TIME, LOCATION

The next regular meeting was set for Friday, March 1, 1991, at the University of Southern Indiana.

C. PRESIDENT'S REPORT

Dr. Rice reported that holiday celebrations began with the Student Alumni Association's lighting of a 21-foot Christmas tree in the lobby of the Robert D. Orr Center -- a new tradition on campus.

Dr. Rice said that the Mid America Singers Madrigal Feastes were well attended, as were the candlelight tours in New Harmony.

Dr. Rice reported that the USI employee contributions to United Way increased 8 percent over last year, with 63 percent of all employees participating.

Dr. Rice said that the men's basketball team played well against Georgetown University and the University of Wisconsin-Madison. They also recently hosted the Division II National Shootout Tournament at Roberts Stadium.

Dr. Rice said that Dr. John Hinni, Dean of University Studies at Southeast Missouri State University, spoke to USI faculty at the spring semester University meetings on January 7. His presentation focused on implementing general education goals.

Dr. Rice reported that over 200 Indiana history teachers will participate in a statewide workshop relating to state and local history on January 26 in Indianapolis. This workshop, conducted by USI and Historic Southern Indiana, will be one of the first programs commemorating Indiana's 175th anniversary.

D. DISCUSSION OF USI PATENT AND COPYRIGHT POLICY

Dr. Reid told the Board that a task force had worked since last spring to develop a statement of University policy on copyrights and patents. The Committee included members of the faculty, library, and administrative staff. They conducted a careful review of the literature and of policies at other universities and have recommended a policy statement. A discussion of the proposed statement followed.

SECTION II - FINANCIAL MATTERS

A. DISCUSSION OF HEALTH INSURANCE CONSULTANT REPORT

William M. Mercer, Inc. of Louisville, Kentucky, reviewed the employee health insurance program and submitted a report, which was distributed to the Board. Mrs. Cynthia Newhouse, USI Director of Human Resources, presented details from the Mercer report, including the feasibility of self insurance, plan design, claim utilization information, and recommendations on how to control costs. Discussion followed on advantages and disadvantages of the information presented.

B. DISCUSSION OF INVESTMENT POLICY

A draft of a proposed investment policy was presented to the Board for review. Discussion followed on the objective, authority, and procedures for the policy. The final policy statement will be presented for approval at the March meeting.

C. DISCUSSION OF LEGISLATIVE BUDGET REQUEST REPORT

Mr. Wright presented a progress report on budget recommendations. Discussion followed on the comparison of budget requests for 1991-92 and recommendations from the Commission for Higher Education.

D. DISCUSSION OF FUNDRAISING GOALS

Mrs. Standley presented an overview of the University's fundraising program, including annual solicitations and goals, growth of student scholarships, and increase in the number of donors to the University.

E. APPROVAL OF BUDGET APPROPRIATIONS, ADJUSTMENTS, AND TRANSFERS

On a motion by Mr. Baker, seconded by Mr. Combs, the following Budget Appropriations, Adjustments, and Transfers were approved.

From: Unappropriated Current Operating Funds

To: 1-10200	School of Liberal Arts Supplies & Expense	\$ 1,941.30
To: 1-10200	School of Liberal Arts Capital Outlay	200.00
To: 1-10340	Physical Sciences Supplies & Expense	274.00
To: 1-14004	Counseling Supplies & Expense	220.47
To: 1-16000	General Administration Supplies & Expense	731.13
To: 1-10200	School of Liberal Arts Personal Services Supplies & Expense	40,226.00 1,183.00
To: 1-10300	School of Science & Technology Personal Services Supplies & Expense	15,000.00 707.00

To: 1-10800	School of Education Personal Services Supplies & Expense	40,000.00 1,800.00
To: 1-10920	University Division Personal Services Supplies & Expense	6,000.00 806.00
From: Unappropriated Designated Funds		
To: 2-20100	Student Programs Supplies & Expense	1,000.00
From: Unappropriated Restricted Funds		
To: 4-45081	1990-91 Economic Education Grant Supplies & Expense	14,000.00
To: 4-45983	Faculty/Student Research - Donaldson Supplies & Expense	478.57
To: 4-45989	Fellowship for Intentional Communities Supplies & Expense	1,600.00
To: 4-46007	1990-91 Perkins Disadvantaged Funding Personal Services	10.00
To: 4-46022	Faculty/Student Research - Sinn Supplies & Expense	821.75
To: 4-46023	Family Stories Supplies & Expense	1,500.00
To: 4-46024	Faculty/Student Research - Hall Supplies & Expense	377.00
To: 4-46101	Technical Assistance Center Fly Ash Project Supplies & Expense	1,500.00
From: Unappropriated Athletic Funds		
To: 3-30605	Athletics -- Women's Basketball Supplies and Expenses	6,950.00
To: 3-30607	Athletics -- Softball Supplies and Expenses	300.00
To: 3-30611	Athletics -- Volleyball Supplies and Expenses	600.00
From: Unappropriated Historic New Harmony Funds		
To: 3-30920	New Harmony Tours Personal Services	15.00

From: Unappropriated Young Abe Lincoln Funds

To: 3-32000	Young Abe Lincoln '91	
	Personal Services	215,248.00
	Supplies and Expense	132,612.00
	Capital Outlay	9,000.00

SECTION III - PERSONNEL MATTERS

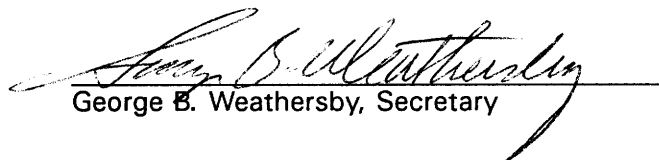
A. APPROVAL OF PERSONNEL ACTIONS

On a motion by Mrs. Rust, seconded by Mr. Baker, the following personnel action was approved.

J. Jeff Hays, Director of Purchasing; leave of absence without pay from January 7, 1991, through the final meeting day of the 1991 Indiana General Assembly.

There being no further business, the meeting was adjourned at 11:40 a.m.

Respectfully submitted,


George B. Weathersby, Secretary

USI PATENT & COPYRIGHT POLICY

POLICY OBJECTIVES

The University of Southern Indiana desires to support scholarly activities which lead to patentable discoveries and other creative works. In order to recognize and provide incentives for individual researchers and inventors; to protect the copyright and patent rights of the University of Southern Indiana and its faculty, staff and student body; and to abide by patent and copyright regulations of agencies providing funds for sponsored programs; the University has developed the following policy.

I. POLICY COVERAGE

The University of Southern Indiana Patent and Copyright Policy applies to all faculty, administrators, staff, students, or other individuals who receive financial support from the University or who make substantial use of University facilities or materials in the process of developing an idea, invention, or discovery.

A. Ownership of Creative Works Undertaken Without University Support

When patentable or copyrightable materials, including all works or products of commercial value, are produced by a member of the USI community on his or her own initiative, with neither substantial use of University resources nor financial support of the University, such materials shall remain the exclusive property of the individual. He or she shall have the sole right of ownership and disposition.

The following resources may be used by members of the USI community on projects of their own initiative and are not considered to involve a substantial use of University resources.

1. Local or "SUVON" telephone calls
2. Typewriters (but not secretarial service)
3. Personal computers
4. Personal office space
5. Library facilities
6. Other faculty or staff members as voluntary consultants

B. Ownership of Creative Works Undertaken with University Support

When the production of such materials, works, or products involves the substantial use of University resources, the University shall retain the sole right of ownership and disposition. In addition, when an individual receives University grant funds or is hired by the University specifically to write, create, produce, or otherwise generate materials which may be patented or copyrighted or which otherwise have commercial value, the University shall retain the sole right of ownership and disposition.

Examples of substantial use of University resources include, but are not limited to, the use of:

1. University services, such as secretarial services and long distance telephone calls;
2. supplies and equipment, such as copying and postage; chemicals; plant and animal specimens; photographic or recording equipment or materials; computer diskettes or software; mainframe computer or other specialized computer equipment; and

3. facilities, such as laboratories and studios.

The individual must obtain prior approval from the appropriate Administrator/Dean for use of these resources and must make arrangements for accurate and detailed accounting of their use.

C. Ownership of Creative Works Which Involve Externally Funded Projects Administered by the University

All interest in patented or copyrighted materials created by a member of the USI community pursuant to a grant, research project, or other creative effort funded in whole, or in part, by sources external to the University will be determined by the document committing external sources to support of the project. In the absence of such a document, the University shall retain the sole right of ownership and disposition.

D. Creative Works Undertaken Under the Terms of University Off-Campus Developing Agreements

All interest in patented or copyrighted materials created as an outcome of the technical expertise that University personnel provide in research or services to external organizations as part of a University-sponsored agreement will be determined by the document committing external sources to that agreement. In the absence of such a document, the University shall retain the sole right of ownership and disposition.

II. NOTIFICATION

Before engaging in activities involving substantial use of University support in which the generation of patentable inventions or copyrightable materials is anticipated (including outside services such as consulting or sabbatical leave activities), University personnel must notify the appropriate Administrator/Dean.

If discoveries or creative works of possible commercial value result from any activity involving substantial use of University support, they should be promptly reported in writing by the inventor or creator to the appropriate Administrator/Dean. Failure to comply with these notification guidelines may result in reversion of all ownership rights to the University.

III. INCOME DERIVED FROM UNIVERSITY-OWNED CREATIVE WORKS

Until the University recovers all direct expenses incurred, the inventor or creator will receive 10 percent and the University 90 percent of the royalties or other income derived from patented and copyrighted works received by the University after (month, day), 1990. After recovery of all direct University expenses incurred, royalties or other income derived from patented and copyrighted works received by the University after (month, day, 1990), will be distributed as follows:

	Income	Inventor or Creator	USI Originating Unit	USI Faculty Development	USI General Fund
First	\$25,000	75%	15%	10%	0%
Over	\$25,000	50%	15%	15%	20%

The inventor's share of the royalty income received by the University from patents or copyrights involving more than one inventor will be divided equally among the inventors, unless a written request to provide some other division of the inventor's share is signed by all inventors and filed with a designated University office thirty (30) days prior to the first payment of royalties or other related income.

IV. PATENTS AND COPYRIGHTS COMMITTEE

The Committee shall consist of five persons, four of whom shall be named by the President of the University. The Director of Graduate Studies shall chair the committee and be responsible for having appropriate written records kept of its proceedings and actions. The Committee shall meet periodically upon call of the chair to develop patent and copyright policy, to review existing policy and recommend desired changes, and to set or revise the procedures of implementing the policy.

Questions concerning such things as the determination of substantial use of University resources; ownership of an invention, patent, or copyright; or the developing of licensing of University-owned patents shall be referred to the Committee. The committee has the authority to recommend that ownership rights of the University be waived. If a waiver of University ownership is granted, ownership reverts to the individual or individuals who produced the material or invention.

If, in any case referred to the committee, the University has taken no action within nine months, the rights of ownership revert to the inventor or creator.

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INVESTMENT POLICY FOR THE UNIVERSITY OF SOUTHERN INDIANA

I. Investment Philosophy and Objective

It shall be the policy of the University of Southern Indiana to manage the investment portfolio of the University in a manner described in Section 30-4-3-3 of the Indiana Statutes. The investment objective shall be to obtain the highest revenue while maintaining safety and insuring adequate liquidity for institutional needs.

II. Investment Officer - Authority

The determination of the amounts to be invested and the authority to place investments may be delegated to an investment officer appointed by the Vice President for Business Affairs and Treasurer. The responsibility for the foregoing shall rest with the investment officer subject to limitations of this policy and consistent with procedures approved by the Vice President for Business Affairs and Treasurer.

III. Definition of Portfolio

This policy applies to funds invested by the University and does not apply to the following funds:

- A. Those held by the bond trustee under bond indentures
- B. Those classified as endowment funds

IV. Authorized Investments

A. The following investments shall be authorized subject to the limits indicated.

1. U.S. Treasury Notes, Bills and Bonds

- a. Limitations per issue: none
- b. Maximum Maturity: 30 years

2. U.S. Government Agencies

- a. Limitation per issue: none
- b. Maximum Maturity: 30 years

(Approval from the Vice President for Business Affairs and Treasurer is required to invest with a maturity which exceeds 10 years.)

3. Indiana Institutions

a. Certificate of Deposit

- 1. Investments limited to those banks, savings banks, and savings and loan institutions that provide deposit insurance for University funds under Indiana Statutes by the Public Deposit Insurance Fund in addition to the amounts insured by agencies of the United States Government (FDIC/SAIF).

2. Maximum investment per issuer: not to exceed 25 percent of University portfolio as valued at the end of the preceding month. Demand accounts shall not be included in the calculation.

3. Maximum maturity: 5 years

b. Repurchase Agreements

1. Collateral: U.S. Treasury and Agency securities with the University having a perfected interest in the securities. Securities market value must equal or exceed the principal plus anticipated interest earnings.

2. Maximum investment per issuer: not to exceed 25 percent of University portfolio as valued at the end of the preceding month. Demand accounts and the Cash Management program shall not be included in this calculation.

3. Maximum maturity: 1 year

4. Non-Indiana Institutions

a. Certificate of Deposit

1. Investments limited to those banks, savings banks, and savings and loan institutions that are insured by agencies of the U.S. Government (FDIC/SAIF) to the maximum statutory amount (\$100,000).

2. Maximum investment per issuer: \$100,000 (principal and interest)

3. Maximum maturity: 1 year

5. Money Market Mutual Funds

a. Participation should be limited to those funds which invest in only U.S. Treasury and/or Federal Agency securities and whose assets exceed \$250,000,000 or funds managed by Indiana banks which provide insurance for University funds under Indiana Statute by the Public Deposit Insurance Fund.

b. Maximum investment in Money Market Mutual Funds shall not exceed 15 percent of the investment portfolio.

6. Cash Management Program

The University Investment Officer shall analyze the institutional checking account daily and invest any available balance in an overnight Repurchase Agreement.

V. Placement of Investments

A. Maturities of investments are to be arranged to meet cash flow needs.

B. It is the University's policy to solicit bids. Investments are to be placed with an institution submitting the highest and best net bid for the type and amount of investment requested. Overnight investments made under the Cash Management program need not be bid. Exceptions to the bid process are authorized when time constraints are such that a loss of income would result if bids were solicited.

VI. Premiums or Discounts

Securities may be purchased at either a premium or a discount.

VII. Gains/Losses

Securities may be sold for more or less than book value if such action would be consistent with the University's investment goals.

VIII. Reporting

The investment officer shall maintain subsidiary records on each investment made for the University. Monthly reports shall be submitted to the Vice President for Business Affairs and Treasurer. A quarterly Treasurer's Report summarizing investment transactions shall be submitted to the Board of Trustees.