

MINUTES

**UNIVERSITY OF SOUTHERN INDIANA
BOARD OF TRUSTEES**

March 1, 2007



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The University of Southern Indiana Board of Trustees met in regular session on Thursday, March 1, 2007, at the New Harmony Inn and Conference Center in New Harmony, Indiana. In attendance were Chair Bruce Baker and Trustees W. Harold Calloway, Mark A. Day, John M. Dunn, Jeffrey L. Knight, Amy MacDonell, Frank F. McDonald II '73, and James L. Will Sr. Also attending were President H. Ray Hoops; Provost and Vice President for Academic Affairs Linda L. M. Bennett; Vice President for Governmental Relations Cindy Brinker; Vice President for Student Affairs Robert W. Parrent; Vice President for Business Affairs Mark Rozewski; Vice President for Advancement Annie M. Krug; Senior Vice President for Advancement Sherianne M. Standley; Faculty Senate Chair Christy Baker; and Student Government Association President Jeff Clark.

Mr. Baker called the meeting to order at 1:00 p.m.

SECTION I - GENERAL AND ACADEMIC MATTERS

A. APPROVAL OF MINUTES OF JANUARY 11, 2007, MEETING

On a motion by Mr. Will, seconded by Mr. Knight, the minutes of the January 11, 2007, meeting were approved.

B. ESTABLISHMENT OF NEXT MEETING DATE, TIME, LOCATION

Mr. Baker called on Senior Vice President Standley, who reported that the next meeting of the Board of Trustees is scheduled for Friday, May 4, 2007, on campus in connection with Commencement activities. Mrs. Standley noted that a meeting schedule for 2007-2008 was in the Trustees' meeting packets.

C. REPORT OF THE LONG-RANGE PLANNING COMMITTEE

The Long-Range Planning Committee met prior to the Board of Trustees meeting on March 1, 2007. Mr. Baker called on committee chair Jim Will, who reported that the committee heard a presentation from Dr. Katherine Draughon, director of Institutional Research, on Assessment Day and student survey results. Mr. Will reported that Dr. Draughon gave the committee an overview of the results of major field tests taken by USI freshmen and juniors. She shared the results of a student profile including the reasons students applied to and selected USI, plans for degree completion, concerns about ability to pay for college, satisfaction with facilities, and overall satisfaction with USI.

D. PRESIDENT'S REPORT

President Hoops began his report by welcoming the University's new vice president for Advancement Annie Krug. He reported that Ms. Krug joined the University on February 1, 2007, and is already immersed in the work of the Advancement division. He noted that she brings strong credentials and excellent experience to the position, having served twice as USI's director of Special Events before joining Rockford College in Illinois, where she was vice president for Advancement. Vice President Krug holds a bachelor's degree from St. Mary of the Woods College and a master's degree from Rockford College.

Dr. Hoops called on Director of Historic New Harmony Connie Weinzapfel to give the Trustees a progress report. Ms. Weinzapfel began her report by expressing appreciation to the Board of Trustees for its leadership and support of Historic New Harmony. She reported on projects for 2007-2008, including the painting of four Harmonist buildings and a study of the heating and cooling system at the Atheneum. She noted that following the recent sale of several properties, most of Historic New Harmony's holdings, in keeping with its mission, are Harmonist and Owen/McClure community-related houses. Ms. Weinzapfel reported that in collaboration with the Indiana State Museum, Historic New Harmony will review the exhibits that assist in telling the New Harmony story and prepare a new interpretive plan for the site.

Ms. Weinzapfel concluded her remarks with a report about New Harmony's application to maintain its place on a tentative list of U.S. sites to be considered as World Heritage Sites. The benefits of selection as a World Heritage Site include international recognition of the importance of Historic New Harmony's history, the requirement of long-term preservation planning to protect its heritage resources, and increased international visitation. She noted that this effort is a collaboration of the town of New Harmony, the University of Southern Indiana, the Indiana Department of Natural Resources, the Blaffer Foundation, and the Owen family.

President Hoops reported that the Pott Foundation Tri-State Science and Engineering Fair will be held for the first time at USI in March. Nearly 400 junior high and high school students have entered individual and group projects in the competition. USI has made a commitment to be the home for this annual event, and Dr. Hoops expressed appreciation for the major underwriting of the Robert and Elaine Pott Foundation which makes this possible. He also noted that the University will welcome about 200 health care professionals to campus next week for a cardiovascular conference hosted by Extended Services and the College of Nursing and Health Professions.

President Hoops noted that the Trustees will approve the awarding of degrees to 1,291 candidates who are eligible to participate in the May 5 Commencement Exercises. He announced that the University is recommending four excellent candidates for honorary degrees. The commencement speaker, Jean LemMon, is a longtime friend of Historic New Harmony who oversaw a multi-page story about the community in *Country Home* magazine while she was editor. Bettie Engelbrecht of South Central Communications was instrumental in the donation of the AM-820 frequency to the University 25 years ago, giving USI broadcasting students on-air experience for the first time. Pat and Rosemary O'Daniel continue a family legacy of involvement in the University and its development, begun by Pat's father Joe, one of the founding members of the Board of Trustees.

Dr. Hoops called on Vice President Parrent, who introduced Phil Parker, director of the Career Services and Placement office to give a report on career choices of the 2006 graduating class. Mr. Parker referred the Trustees to a handout titled "University of Southern Indiana Class of 2006" and reviewed demographic information regarding the Class of 2006 and the employment rates of the graduates. He reported that between December 2005 and August 2006, degrees and certificates were awarded to 1,485 individuals. Mr. Parker's report was based on a survey to which 55.2 percent of the graduates responded. He reported that among 2006 graduates with bachelor degrees, 90.9 percent are working in their field or major. He noted that 73.2 percent of graduates remain in the tri-state area, and that 86.3 percent remain in the State of Indiana. Mr. Parker reported that average salaries of graduates with bachelor degrees in new positions have increased since 2005. He noted that 16.4 percent of bachelor degree recipients in the Class of 2006 are enrolled in graduate school, while 37.2 percent of associate degree recipients are completing bachelor degree requirements.

President Hoops asked Student Government Association President Jeff Clark for a report. Mr. Clark reported that SGA has appointed a search committee to screen candidates for the student trustee position. The successful candidate will replace Trustee Lauren Fultz when her term ends in July 2007. Following an on-campus application and interview process, the committee will submit recommendations to the Governor's office. Mr. Clark reported that SGA also is involved in the annual SGA election process and will conduct campus-wide Town Hall Meetings during the spring semester.

Dr. Hoops called on Faculty Senate Chair Christy Baker for a report. Professor Baker reported that the Faculty Senate hosted a successful "Breakfast with the President" in February, for which all faculty were invited to submit questions to be asked of President Hoops by a panel of Senate members. She reported that the Senate participated in the annual internal budget hearing process. Its recommendations included the continued review of faculty salaries, the transition of part-time to full-time faculty positions, and a feasibility study regarding a dedicated testing facility on campus.

President Hoops expressed appreciation to all the vice presidents, deans, and governance units who participated in the annual public budget hearing process. He noted that the budget hearing process is an excellent way for people across the campus to understand each unit's priorities and challenges.

He reported that the Great Lakes Valley Conference (GLVC) men's and women's basketball tournaments open this week at Roberts Stadium in Evansville, signaling the start of post-conference play. Both USI teams qualified for the tournament and Dr. Hoops wished them well. He announced that Men's Basketball Coach Rick Herdes has been named GLVC Coach of the Year and asked the Trustees to join him in congratulating Coach Herdes on this accomplishment.

Dr. Hoops reminded the Trustees that at their January meeting, they heard details of the University of Southern Indiana Foundation's efforts to raise \$2 million in programmatic support for the new College of Business/General Classroom Building. He reported the campaign has been well received and was pleased to report that the Foundation has leadership pledges, including a joint pledge from Trustees Bruce Baker and Jim Will, which have brought the total to \$650,000. He announced that the Foundation hopes to close the campaign this summer.

President Hoops completed his report by announcing that before the close of the spring semester, USI will hold a public hearing to set tuition and fees for the next two years, as required by Indiana law. Trustees will be notified of the date of the hearing, and are invited to participate in this process.

E. REPORT ON THE INDIANA GENERAL ASSEMBLY

Chair Baker called on Vice President Brinker for a report on the 2007 session of the Indiana General Assembly, including a review of the budget process (Exhibit I-A).

Vice President Brinker began her report with an overview of the number of bills introduced in and considered by the General Assembly in 2007, and noted the only bill that must be acted upon by the General Assembly is the Budget Bill, HB 1001, which passed the House on February 22 and will now be considered by the Senate.

Ms. Brinker referred the Trustees to page 3 in Exhibit I-A, a comparison of the University's operating and capital budget requests and the recommendations made by the Commission for Higher Education, the State Budget Committee, and the House of Representatives. She reported that the House approved a balanced budget that did not include tax increases and provided funding for schools and higher education. It included funding for increases in enrollment, increases to the base appropriation in each year of the biennium, funding for Repair and Rehabilitation, repayment of a payment delay from 2002, and funding for new capital projects.

She reviewed the Base Adjustments (including enrollment funding), Maintenance for Current Programs, and Other Base Adjustments on page 3 of Exhibit I-A. The House budget funds the enrollment funding formula at 50 percent the first year of the biennium and 100 percent the second year of the biennium. The amount recommended is about \$500,000 less than the amount requested by the University. For maintenance of current programs, the House recommends an increase in the appropriation base each year of the biennium. The increase in USI's appropriation would be 3.29 percent in the first year of the biennium and 3.23 percent in the second year of the biennium. Other base adjustments in the House-passed budget include a line item appropriation for USI for the Science, Technology, Engineering, and Mathematics (STEM) Center in the amount of \$500,000 in the first year of the biennium and \$1,250,000 in the second year of the biennium.

Vice President Brinker referred the Trustees to page 4 in Exhibit I-A and reviewed the recommendation for Repair and Rehabilitation (R&R), Facilities, and Line Item Initiatives. In the House-passed budget, Repair and Rehabilitation would be funded at 50 percent of the formula and a full repayment of the payment delay from 2002 would be used for R&R. Using this approach, R&R would be fully funded. Also in the capital budget, the House recommended \$29 million for the construction of USI's College of Business/General Classroom Building -- \$900,000 less than was requested, but \$4.1 million more than was included in the Governor's budget. Debt service for the David L. Rice Library was included in the House recommendation. The Governor's budget provided an additional increase in the operating budget for Historic New Harmony over the three percent recommended by the Commission for Higher Education, and the House-passed budget increased the funding level for New Harmony even more.

Vice President Brinker reviewed other items in House Bill 1001, including language that places limits on an institution's increases in tuition; changes the language concerning the administration and payment for dual credit courses; and proposes tax exemption for textbooks.

She concluded her report by highlighting bills that have been acted upon by the General Assembly which have an impact on higher education, including :

- Senate Bill 577, The Lottery Franchise Bill, which would create the Indiana Life Sciences Fund and the Hoosier Hope Scholarship Fund.
- Senate Concurrent Resolution 26, which establishes a study committee on the future of higher education in Indiana.
- Other bills concerning educational benefits for veterans, dual credit programs, and purchasing programs.

F. APPROVAL OF CANDIDATES FOR DEGREES

Mr. Baker asked Provost Bennett to review the recommendation to approve candidates for degrees. Dr. Bennett referred the Trustees to Exhibit I-B, a list of candidates for master, baccalaureate, and associate degrees to be conferred May 5, 2007.

On a motion by Mr. Knight, seconded by Mr. Will, the award of the respective degrees listed in Exhibit I-B, subject to the completion of all requirements, was approved.

G. APPROVAL OF CANDIDATES FOR HONORARY DEGREES

Mr. Baker called on President Hoops for a recommendation for conferral of honorary degrees during the Commencement ceremony on May 5, 2007. Dr. Hoops recommended the following degrees:

DOCTOR OF LETTERS to Ms. Jean LemMon, nationally known journalist and retired editor of *Country Home* magazine, who will bring the Commencement Address; and

DOCTOR OF LAWS to Ms. Bettie G. Engelbrecht, corporate secretary of South Central Communications and retired public service director of WIKY Radio, who has been a pioneer in Indiana radio broadcasting; and

DOCTOR OF LAWS to Mr. D. Patrick O'Daniel and Mrs. Rosemary O'Daniel, business and civic leaders in the Evansville community.

On a motion by Ms. MacDonell, seconded by Mr. McDonald, conferral of honorary degrees during the May 5, 2007, Commencement Exercises upon Jean LemMon, Bettie G. Engelbrecht, D. Patrick O'Daniel, and Rosemary O'Daniel was approved.

H. APPROVAL OF REQUEST FOR PUBLIC EASEMENT

Mr. Baker called on Vice President Rozewski, who referred the Trustees to Exhibit I-C, a request of Vanderburgh County for a perpetual easement and right-of-way to construct a bicycle path linking the University of Southern Indiana with Burdette Park. Mr. Rozewski reported that the University, Southern Indiana Higher Education, Inc., and Vanderburgh County have worked closely for several years on the development of the bicycle and pedestrian path, and it is widely expected to be a useful University and regional recreational amenity. Mr. Rozewski reviewed the details of the easement document, which has a term of 40 years, renewable in 10-year terms, and involves a \$2.5 million investment by the county. He noted that the document states that if construction is not begun on USI property within eight years, the easement will lapse. Mr. Rozewski noted that the route of the path was considered in USI's master plan and the University will have the right to relocate the path, at its expense, if required in the future. Vice President Rozewski reported that Vanderburgh County has agreed to fully indemnify the University against any consequences of its building, operating, or maintaining the trail on the easement.

Upon the recommendation of the Finance/Audit Committee, the Perpetual Bicycle and Pedestrian Trail Easement document in Exhibit I-C was approved.

SECTION II – FINANCIAL MATTERS

A. REPORT OF THE FINANCE/AUDIT COMMITTEE

The Finance/Audit Committee met in joint session with the Construction Committee prior to the Board of Trustees meeting on March 1, 2007. Mr. Baker called on Mr. McDonald for a report. Mr. McDonald reported that the Committee heard an overview of the Internal Audit Department and received a summary of audits completed in 2006. It reviewed the audit-related responsibilities of the Committee and approved, with two recommended additions, the 2007 Internal Audit Plan.

He reported that the Committee approved a recommendation to the Board of Trustees to accept the request for an easement for the pedestrian/bicycle path, which was addressed in Section I, Item H.

B. REPORT OF THE CONSTRUCTION COMMITTEE

The Construction Committee met in joint session with the Finance/Audit Committee prior to the Board of Trustees meeting on March 1, 2007. Mr. Baker called on Mr. McDonald for a report. Mr. McDonald reported that the Committee approved a recommendation to the Board of Trustees for an authorizing resolution for the University Center Expansion/Renovation Project (Section II, Item C).

C. APPROVAL OF AUTHORIZING RESOLUTION FOR THE UNIVERSITY CENTER EXPANSION/RENOVATION PROJECT

The Indiana General Assembly approved \$9.75 million in bonding authorization in 2003 and \$4 million in bonding authorization in 2005 for the conversion of the former David L. Rice Library to additional University Center space and for the renovation of parts of the existing University Center. A Request for Proposal for architectural services for the \$13.75 million project has been issued to solicit architect interest in designing the planned renovations. The following resolution authorizes the Construction Committee to review the proposals and select an architectural firm for recommendation to the Board of Trustees.

Mr. Baker referred the Trustees to the authorizing resolution.

Upon the recommendation of the Construction Committee, the following Authorizing Resolution for the University Center Expansion/Renovation Project was approved. Mr. Day opposed the motion.

WHEREAS, the Board of Trustees wishes to proceed with plans for the University Center Expansion/Renovation project;

NOW, THEREFORE BE IT RESOLVED that the Construction Committee be authorized to evaluate responses to the Request for Proposal and select firms for further consideration;

FURTHER RESOLVED that the Construction Committee be authorized to interview representatives of the firms selected for further consideration and present a recommendation to the Board of Trustees to accept a proposal or to reject all proposals.

D. UPDATE ON CURRENT CONSTRUCTION PROJECTS

Mr. Baker called on Steve Helfrich, Director of Facilities Operations and Planning, for a report on current construction projects. Mr. Helfrich reported that the quadrangle project is in Phase I, which includes excavating, building a utility tunnel to service the proposed College of Business/General Classroom Building, and terracing the end of the quadrangle nearest the library. The second phase will include the installation of a fountain and new walkways, and the final phase will include the construction of a labyrinth in front of the Liberal Arts Center. Completion of the quadrangle is scheduled for fall 2007.

Completion of lower level of the Education Center will provide space for the Social Work Department, the Honors Program, and ROTC. The project includes a new direct entrance to the lower level from the west and an exterior courtyard. Completion is expected in late summer.

Mr. Helfrich reported that several projects are developing, including the Support Services Facility on Bluff Lane on the east side of campus. The 26,000-square-foot facility will include maintenance shops, distribution services, and warehouse space. He noted that the cost of the project is \$2.5 million with additional costs for site development and utilities, and that construction is expected to begin during summer 2007.

He reported that design work continues on the renovation and addition to the McDonald West Recreation Center. The \$950,000 project will add study areas, student lounges, offices, and a convenience food store. Construction will begin in summer 2007.

Planning and design for the expansion of the Recreation and Fitness Center continues to develop. University staff is working with Kinkel and Sons Architects and plans call for construction to begin this fall.

Mr. Helfrich reported that a completed project in the southeast corner of the lower level of the Orr Center will house the departments of Career Services and Placement and Career Counseling. The first-floor Orr Center space vacated by these departments will be renovated for the use of Admissions and Student Financial Assistance. This renovation work will be phased during the next two years.

Improvements have been made in the campus emergency power systems in several buildings, including the Computer Center, the new Rice Library, and the Physical Plant. Future plans call for the installation of an emergency power feeder to the University Center, which will provide additional power for the kitchen, serving line, and refrigeration units. The project will allow food services to prepare and serve food to students if there is a power outage.

Mr. Helfrich announced that the firm of American Consulting Engineers has been selected to design and engineer the loop road and new campus entrance intersection. He reported that the University expects construction of the project to begin in spring 2008.

Mr. Helfrich concluded with a report on the proposed McCutchan Art Center, an addition to the Liberal Arts Center being designed by the firm of Veazey Parrot Durkin and Shoulders. He showed slides of the Center and discussed its location and floor plan, which will include three galleries with moveable walls to allow for flexibility in displaying art. The front of the 5,000-square-foot facility includes a glass entry with limestone walls. Mr. Helfrich described plans for the roof of the gallery and an extension of the existing Ruston Terrace patio above the first floor of the Liberal Arts Center.

SECTION III – PERSONNEL MATTERS

A. APPROVAL OF ANNUAL AUTHORIZATION FOR EMPLOYMENT OF FACULTY AND STAFF

Mr. Baker asked Vice President Brinker to review a recommendation for approval of authorization for employment of faculty and staff. Ms. Brinker reported that the University of Southern Indiana Board of Trustees, pursuant to Indiana Code 20-12-1-4, annually authorizes the President of the University of Southern Indiana to employ faculty and staff and to establish salaries and wages within budgetary capabilities. The last authorization was on March 2, 2006.

On a motion by Mr. Dunn, seconded by Mr. Calloway, the Board of Trustees authorized the President of the University to employ qualified faculty and staff, to grant leaves of absence, and to establish salaries, wages, and benefits for employees within the capabilities of the budget and authorized the Chair of the Board of Trustees to convey to the President his employment contract, including salary and benefits.

B. APPROVAL OF PERSONNEL ACTIONS

Chair Baker called on Provost Bennett, who reviewed the following personnel actions, including a recommendation for tenure of ten faculty, a recommendation for promotion of nine faculty, a request for retirement, and the conferral of emeritus status. On a motion by Mr. Will, seconded by Mr. Calloway, Items 1, 2, and 3 were approved. On a motion by Ms. MacDonell, seconded by Mr. Calloway, Item 4 was approved.

Approval of the following personnel actions is recommended.

1. Tenure

The following faculty members are recommended for tenure effective August 18, 2008:

Dr. Omowale Akintunde, Associate Professor of Education
Bower-Suhrheinrich College of Education and Human Services

Dr. Maurice Hamington, Assistant Professor of Philosophy *
College of Liberal Arts

Dr. Elizabeth Johnson, Associate Professor of Nursing
College of Nursing and Health Professions

Dr. Folke-Christine Moeller-Sahling, Assistant Professor of German *
College of Liberal Arts

Dr. Sudesh Mujumdar, Assistant Professor of Economics *
College of Business

Dr. Iris Phillips, Assistant Professor of Social Work *
Bower-Suhrheinrich College of Education and Human Services

Dr. Martha Brown Sparks, Professor of Nursing
College of Nursing and Health Professions

Dr. Chad Tew, Assistant Professor of Online Journalism *
College of Liberal Arts

Dr. Kevin Valadares, Assistant Professor of Health Services/Administration *
College of Nursing and Health Professions

Dr. Steven Williams, Assistant Professor of Sociology *
College of Liberal Arts

*** Also recommended for Promotion effective August 20, 2007**

2. Promotion

The following faculty members are recommended for promotion, effective August 20, 2007:

Assistant Professor to Associate Professor

Dr. Maurice Hamington, Assistant Professor of Philosophy *
College of Liberal Arts

Dr. Folke-Christine Moeller-Sahling, Assistant Professor of German *
College of Liberal Arts

Dr. Sudesh N. Mujumdar, Assistant Professor of Economics *
College of Business

Dr. Iris Phillips, Assistant Professor of Social Work *
Bower-Suhrheinrich College of Education and Human Services

Dr. Chad R. Tew, Assistant Professor of Online Journalism *
College of Liberal Arts

Dr. Wendy G. Turner, Assistant Professor of Social Work
Bower-Suhrheinrich College of Education and Human Services

Dr. Kevin J. Valadares, Assistant Professor of Health Services/Administration *
College of Nursing and Health Professions

Dr. Steven D. Williams, Assistant Professor of Sociology *
College of Liberal Arts

Associate Professor to Professor

Dr. Robert E. Boostrom, Associate Professor of Education
Bower-Suhrheinrich College of Education and Human Services

*** Also recommended for Tenure effective August 18, 2008.**

3. Retirement

College of Business Computer Applications Training Coordinator Shirley K. Kirk, in accordance with the regular retirement plan, has requested retirement effective August 24, 2007.

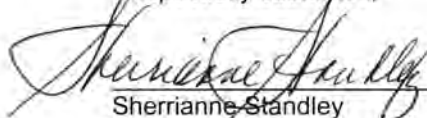
4. Emeritus Status

It is recommended that the following administrator be retired officially with the effective date shown and that the appropriate emerita title, as indicated, be conferred:

Coordinator Emerita of College of Business Computer Applications Training Shirley K. Kirk
10 years at USI, effective August 24, 2007

There being no further business, the meeting adjourned at 2:00 p.m.

Respectfully submitted,


Sherrienne Standley
Assistant Secretary

**UNIVERSITY OF SOUTHERN INDIANA
BIENNIAL BUDGET 2007-2009
OPERATING BUDGET REQUEST SUMMARY/COMPARISON**

	2007-08				2008-09			
	Request	Commission for Higher Education Recommendation	State Budget Committee Recommendation	House Passed Budget	Request	Commission for Higher Education Recommendation	State Budget Committee Recommendation	House Passed Budget
EXPENDITURES								
Expenditure Base	70,953,039	70,953,039	70,953,039	70,953,039	78,700,394	71,908,064	71,908,064	72,112,299
Base Adjustments								
A. Enrollment Change	910,000	455,000	455,000	455,000	0	455,000	455,000	455,000
B. Plant Expansion	1,258,763	0	0	0	0	0	0	0
C. Appropriation/Equity Adjustment	2,000,000	0	0	0	1,000,000	500,000	500,000	0
D. On-Time Completion	0	0	0	0	0	85,672	85,672	0
Subtotal Base Adjustments	4,168,763	455,000	455,000	455,000	1,000,000	1,040,672	1,040,672	455,000
Debt Service	3,586,621	3,856,621	3,586,621	3,586,621	3,358	2,218,518 e	2,218,518 e	3,358
Reallocation of Student Fees	(3,586,621)	(3,856,621)	(3,586,621)	(3,586,621)	(3,358)	(2,218,518)	(2,218,518)	(3,358)
Subtotal Debt Service	0	0	0	0	0	0	0	0
Total Expenditure Base	75,121,802	71,408,039	71,408,039	71,408,039	79,700,394	72,948,736	72,948,736	72,567,299
Percent Change	5.88%	0.64%	0.64%	0.64%	1.27%	1.45%	1.45%	0.63%
Maintenance for Current Programs								
A. Personal Services	1,606,636 a				1,654,835 a	0	0	0
B. Supplies & Expense	452,656 a				466,235 a	0	0	0
C. Student Aid	69,300 a				71,379 a	0	0	0
Subtotal Maintenance for Current Programs	2,128,592	500,025 b	500,025 b	704,260 f	2,192,449	714,261 c	714,261 c	718,346 g
Quality Improvement								
A. Econ Development Outreach in SW Indiana	950,000	0	0	0	850,000	0	0	0
B. SW Indiana STEM Education Center	500,000	0	0	0	750,000	0	0	0
Subtotal Quality Improvement	1,450,000	0	0	0	1,600,000	0	0	0
Total Budget Increases	7,747,355	955,025	955,025	1,159,260	4,792,449	1,754,933	1,754,933	1,173,346
Total Expenditure Request	78,700,394	71,908,064	71,908,064	72,112,299	83,492,843	73,662,997	73,662,997	73,285,645
Percent Change	10.92%	1.35%	1.35%	1.63%	6.09%	2.44%	2.44%	1.63%

**UNIVERSITY OF SOUTHERN INDIANA
BIENNIAL BUDGET 2007-2009
OPERATING BUDGET REQUEST SUMMARY/COMPARISON**

	2007-08				2008-09			
	Request	Commission for Higher Education Recommendation	State Budget Committee Recommendation	House Passed Budget	Request	Commission for Higher Education Recommendation	State Budget Committee Recommendation	House Passed Budget
REVENUE								
Student Fee Base	29,838,415	29,838,415	29,838,415	29,838,415	27,478,833	25,981,794	26,251,794	26,251,794
Fee Increase	1,227,039 ^d	0	0	0	1,263,851 ^d	0	0	0
Transfer to Debt Service	(3,586,621)	(3,856,621)	(3,586,621)	(3,586,621)	(3,358)	(2,218,518)	(2,218,518)	(3,358)
Total Student Fees	27,478,833	25,981,794	26,251,794	26,251,794	28,739,326	23,763,276	24,033,276	26,248,436
Operating Appropriation Base	35,213,023	35,213,023	35,213,023	35,213,023	41,733,339	36,168,048	36,168,048	36,372,283
Appropriation Increase	6,520,316	955,025	955,025	1,159,260	3,528,598	1,754,933	1,754,933	1,173,346
Total Operating Appropriation	41,733,339	36,168,048	36,168,048	36,372,283	45,261,937	37,922,981	37,922,981	37,545,629
Percent Change	18.52%	2.71%	2.71%	3.29%	8.46%	4.85%	4.85%	3.23%
Fee Replacement Appropriation Base	5,901,601	5,901,601	5,901,601	5,901,601	9,488,222	9,758,222	9,488,222	9,488,222
Fee Replacement Change	3,586,621	3,856,621	3,586,621	3,586,621	3,358	2,218,518 ^e	2,218,518 ^e	3,358
Total Fee Replacement Appropriation	9,488,222	9,758,222	9,488,222	9,488,222	9,491,580	11,976,740	11,706,740	9,491,580
Total State Appropriation	51,221,561	45,926,270	45,656,270	45,860,505	54,753,517	49,899,721	49,629,721	47,037,209
Percent Change	24.58%	11.70%	11.05%	11.54%	6.90%	8.65%	8.70%	2.57%
Total Revenue Request	78,700,394	71,908,064	71,908,064	72,112,299	83,492,843	73,662,997	73,662,997	73,285,645

- a 3% increase on Expenditure Base
- b 1.42% increase on Operating Appropriation Base
- c 2.03% increase on Operating Appropriation Base
- d 3% increase on Gross Student Fee Base
- e Includes Fee Replacement for the College of Business/Classroom Building
- f 2% increase on Operating Appropriation Base
- g 2% increase on Operating Appropriation Base without 07/08 enrollment change funding

UNIVERSITY OF SOUTHERN INDIANA
BIENNIAL BUDGET 2007-2009
COMPARISON OF REQUEST FOR BUDGET INCREASES
WITH INDIANA COMMISSION FOR HIGHER EDUCATION, STATE BUDGET COMMITTEE, AND HOUSE PASSED BUDGET

	2007-08				2008-09			
	Request	Commission for Higher Education Recommendation	State Budget Committee Recommendation	House Passed Budget	Request	Commission for Higher Education Recommendation	State Budget Committee Recommendation	House Passed Budget
OPERATING BUDGET								
Base Adjustments								
Enrollment Change	910,000	455,000	455,000	455,000	0	455,000	455,000	455,000
Plant Expansion	1,258,763	0	0	0	0	0	0	0
Appropriation/Equity Adjustment	2,000,000	0	0	0	1,000,000	500,000	500,000	0
On-Time Completion	0	0	0	0	0	85,672	85,672	0
Maintenance for Current Programs		500,025 b	500,025 b	704,260 f		714,261 c	714,261 c	718,346 g
Personal Services	1,606,636 a				1,654,835 a			
Supplies & Expense	452,656 a				466,235 a			
Student Aid	69,300 a				71,379 a			
Quality Improvement								
Econ Development Outreach in SW Indiana	950,000	0	0	0	850,000	0	0	0
SW Indiana STEM Education Center	500,000	0	0	0	750,000	0	0	0
Total	7,747,355	955,025	955,025	1,159,260	4,792,449	1,754,933	1,754,933	1,173,346

a 3% increase on Expenditure Base

b 1.42% increase on Operating Appropriation Base

c 2.03% increase on Operating Appropriation Base

f 2% increase on Operating Appropriation Base

g 2% increase on Operating Appropriation Base without 07/08 enrollment change funding

**UNIVERSITY OF SOUTHERN INDIANA
BIENNIAL BUDGET 2007-2009**

**COMPARISON OF REQUEST FOR BUDGET INCREASES
WITH INDIANA COMMISSION FOR HIGHER EDUCATION, STATE BUDGET COMMITTEE, AND HOUSE PASSED BUDGET**

		2007-09			
		<u>Request</u>	<u>Commission for Higher Education Recommendation</u>	<u>State Budget Committee Recommendation</u>	<u>House Passed Budget</u>
CAPITAL BUDGET REPAIR AND REHABILITATION					
	General R&R	1,650,000	638,595	638,595	638,595
	Infrastructure	315,000	483,330	483,330	483,330
	Payment Delay (one-time funding)	0	1,612,030	1,612,030	1,612,030
	Total	1,965,000	2,733,955	2,733,955	2,733,955
 CAPITAL BUDGET FACILITIES					
	Bonding Authorization College of Business/Classroom Building	29,900,000	24,900,000	24,900,000	29,000,000
 LINE ITEM INITIATIVES					
	Historic New Harmony	1,049,313	744,813	1,081,690	1,141,672
	SW Indiana STEM Education Center	0	0	0	1,750,000
	Total	1,049,313	744,813	1,081,690	2,891,672

UNIVERSITY OF SOUTHERN INDIANA
BIENNIAL BUDGET 2007-2009
COMPARISON OF REQUEST FOR BUDGET INCREASES
WITH INDIANA COMMISSION FOR HIGHER EDUCATION, STATE BUDGET COMMITTEE, AND HOUSE PASSED BUDGET

CAPITAL BUDGET REPAIR AND REHABILITATION	Request	Commission for Higher Education Recommendation			Comments
	2007-09	2007-08	2008-09	Total	
General R&R	1,650,000	319,298 *	319,297 *	638,595	* 50% of the 2007-09 annual formula amount
Infrastructure	315,000	241,665 *	241,665 *	483,330	
Payment Delay (one-time funding)	0	806,015	806,015	1,612,030	
Total	1,965,000	1,366,978	1,366,977	2,733,955	

CAPITAL BUDGET FACILITIES	Request	Commission for Higher Education Recommendation	
	2007-09	2007-09	Comments
Bonding Authorization College of Business/Classroom Building	29,900,000	24,900,000	

LINE ITEM INITIATIVES	Request	Commission for Higher Education Recommendation			Comments
	2007-09	2007-08	2008-09	Total	
Historic New Harmony	1,049,313	366,903	377,910	744,813	3% increase in 2007-08 and 2008-09

UNIVERSITY OF SOUTHERN INDIANA
BIENNIAL BUDGET 2007-2009
COMPARISON OF REQUEST FOR BUDGET INCREASES
WITH INDIANA COMMISSION FOR HIGHER EDUCATION, STATE BUDGET COMMITTEE, AND HOUSE PASSED BUDGET

CAPITAL BUDGET REPAIR AND REHABILITATION	<u>Request</u>	<u>State Budget Committee</u>			<u>Comments</u>
	<u>2007-09</u>	<u>2007-08</u>	<u>2008-09</u>	<u>Total</u>	
General R&R	1,650,000	319,298 *	319,297 *	638,595	* 50% of the 2007-09 annual formula amount
Infrastructure	315,000	241,665 *	241,665 *	483,330	
Payment Delay (one-time funding)	0	806,015	806,015	1,612,030	
Total	1,965,000	1,366,978	1,366,977	2,733,955	

CAPITAL BUDGET FACILITIES	<u>Request</u>	<u>State Budget Committee</u>	
	<u>2007-09</u>	<u>2007-09</u>	<u>Comments</u>
Bonding Authorization College of Business/Classroom Building	29,900,000	24,900,000	

LINE ITEM INITIATIVES	<u>Request</u>	<u>State Budget Committee</u>		
	<u>2007-09</u>	<u>2007-08</u>	<u>2008-09</u>	<u>Total</u>
Historic New Harmony	1,049,313	527,588	554,102	1,081,690

UNIVERSITY OF SOUTHERN INDIANA
BIENNIAL BUDGET 2007-2009
COMPARISON OF REQUEST FOR BUDGET INCREASES
WITH INDIANA COMMISSION FOR HIGHER EDUCATION, STATE BUDGET COMMITTEE, AND HOUSE PASSED BUDGET

CAPITAL BUDGET REPAIR AND REHABILITATION	<u>Request</u>	<u>Housed Passed Budget</u>			<u>Comments</u>
	<u>2007-09</u>	<u>2007-08</u>	<u>2008-09</u>	<u>Total</u>	
General R&R	1,650,000	319,298 *	319,297 *	638,595	* 50% of the 2007-09 annual formula amount
Infrastructure	315,000	241,665 *	241,665 *	483,330	
Payment Delay (one-time funding)	0	806,015	806,015	1,612,030	
Total	1,965,000	1,366,978	1,366,977	2,733,955	

CAPITAL BUDGET FACILITIES	<u>Request</u>	<u>Housed Passed Budget</u>	
	<u>2007-09</u>	<u>2007-09</u>	<u>Comments</u>
Bonding Authorization College of Business/Classroom Building	29,900,000	29,000,000	

LINE ITEM INITIATIVES	<u>Request</u>	<u>Housed Passed Budget</u>			<u>Comments</u>
	<u>2007-09</u>	<u>2007-08</u>	<u>2008-09</u>	<u>Total</u>	
Historic New Harmony	1,049,313	565,184	576,488	1,141,672	Additional funding increase in 2007-08 2% increase in 2008-09
SW Indiana STEM Education Center	0	500,000	1,250,000	1,750,000	
Total	0	500,000	1,250,000	1,750,000	

**Possible Conflict of Interest Disclosure Statements
Filed for 2007**

DATE	NAME/ TITLE	VENDOR/ CONTRACTOR	DESCRIPTION OF FINANCIAL INTEREST
11-21-06	Janel Allen Assistant to the President	Safety Management Corporation	Spouse is owner
11-05-06	Bruce H. Baker Trustee	N/A	N/A
11-03-06	Linda L.M. Bennett Provost and Vice President for Academic Affairs	N/A	N/A
11-14-06	Cynthia S. Brinker Vice President for Governmental Relations	N/A	N/A
11-28-06	Pam Buschkill Coordinator of Children's Center	Safety Management Corporation	Spouse is employee
11-06-06	W. Harold Calloway Trustee	N/A	N/A
11-03-06	Nadine Coudret Dean, College of Nursing and Health Professions	N/A	N/A
11-08-06	Mark A. Day Trustee	N/A	N/A
11-14-06	John L. Deem Associate Vice President for Student Affairs	Cabinets & Counters Keller Schroeder	Son employed at C&C Son employed at Keller
12-22-06	John M. Dunn Trustee	Dunn Hospitality Group Old National Community Bank Evansville Commerce Bank	Majority Share Holder Director Spouse is Director
11-08-06	Lauren Fultz Trustee	N/A	N/A
11-06-06	David M. Glassman Dean, College of Liberal Arts	N/A	N/A
11-03-06	Scott A. Gordon Dean, Pott College of Science and Engineering	N/A	N/A
11-06-06	Jon Mark Hall Director of Athletics	N/A	N/A
11-16-06	H. Ray Hoops President	Integra Bank Deaconess Hospital, Inc. Deaconess Health System, Inc. WNIN Public Television Eastern Illinois University Foundation	Director (compensated) Director Director Director Member

DATE	NAME/ TITLE	VENDOR/ CONTRACTOR	DESCRIPTION OF FINANCIAL INTEREST
11-03-06	Mary A. Hupfer Assistant Vice President for Business Affairs and Foundation Fiscal Officer	N/A	N/A
11-22-06	Nils I. Johansen University Division Advisor, Lecturer, Science and Engineering	Nils I. Johansen, P.E.	Owner
11-06-06	M. Edward Jones Associate Vice President for Academic Affairs and Dean of Extend Services	N/A	N/A
11-14-06	Mohammed F. Khayum Dean, College of Business	N/A	N/A
11-08-06	Jeffrey L. Knight Trustee	Old National Bank	Executive Officer and Shareholder
12-22-06	Amy MacDonell Trustee	N/A	N/A
11-06-06	Frank F. McDonald II Trustee	Integra Bank	Officer and Stockholder
11-29-06	Deborah Murray Senior Program Assistant	Three I Engineering, Inc.	Husband is partner in firm
11-03-06	Robert W. Parrent Vice President for Student Affairs	Fifth Third Bank	Wife employed in trust dept.
11-03-06	C. Thomas Pickering Dean, Bower-Suhrheinrich College of Education and Human Services	N/A	N/A
11-09-06	Brian Posler Assistant Vice President for Academic Affairs	N/A	N/A
11-03-06	Mark Rozewski Vice President for Business Affairs and Treasurer	Veazey Parrott Durkin Shoulders	Wife is employee
11-03-06	Sherrienne Standley Vice President for Advancement	N/A	N/A
11-30-06	Carmen F. Stoen Director Student Development	United Rentals	Spouse is Sales Coordinator for company
11-30-06	Connie Weinzapfel Director, Historic New Harmony	James Parrent Garden Design	Spouse is owner
11-06-06	James L. Will Sr. Trustee	N/A	N/A

BICYCLE AND PEDESTRIAN TRAIL EASEMENT

THIS INDENTURE WITNESSETH, that the University of Southern Indiana Board of Trustees, whose principal address is 8600 University Boulevard, Evansville, Indiana ("Grantor") of Vanderburgh County, State of Indiana Conveys and Warrants to the Board of Commissioners of Vanderburgh County, Indiana ("Grantee"), for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, an easement and right of way in, under and upon certain real estate described in Volume 517 Page 490 and in Instrument No. 2003R00014460 as recorded in the Office of the Recorder of Vanderburgh County, and situated in the County of Vanderburgh, State of Indiana, and which is more particularly described on Exhibit A attached hereto and depicted on Exhibit B attached hereto ("Easement").

This Easement is for the purpose of Grantee's construction, reconstruction, maintenance, operation and repair thereupon of a bicycle and pedestrian trail and appurtenances thereto, which said appurtenances may include, but are not limited to, ditches and drainage facilities, retaining walls, slopes, rip rap, culverts and like features necessary for the said bicycle and pedestrian trail ("Bicycle and Pedestrian Trail"). All of such construction, reconstruction, maintenance, operation and repair shall be at the sole expense of the Grantee.

The initial term of this Easement shall be for a period of forty (40) years running from March 1, 2007, through the last day of February in 2047. Such initial term shall automatically renew for successive terms of ten (10) years each so long as on the last of the initial term or any successive term the Easement is being used as a Bicycle and Pedestrian Trail. Notwithstanding the foregoing, if the Easement ever ceases to be used as a Bicycle and Pedestrian Trail, then, in such event, the Easement shall terminate effective as of the date of the cessation of such use.

This conveyance is subject to zoning and use restrictions, existing roadways and all and all easements, rights of way, conditions and restrictions of record that affect the use of the real estate.

Grantee, its employees, agents, contractors, subcontractors and assigns shall have the right to enter in, under, over, along and upon the area of the said easement conveyed herein at will to construct, reconstruct, maintain, and continue to operate the bicycle and pedestrian trail and appurtenances thereon and to remove from the said area any encroaching trees or other vegetation, buildings or other obstructions to the free and unobstructed use of the said easement and right of way and to make such alterations and improvements to the bicycle and pedestrian trail and appurtenances as the Grantee may deem necessary or useful.

Grantor and its successors in title covenant and agree not to erect, maintain or allow to continue within the area of the said easement any building, structure, fence, plantings or other obstruction to Grantee's free and unobstructed use of the said bicycle and pedestrian trail, or appurtenances thereto without the prior express written permission of Grantee. Such permission shall not be effective unless and until recorded.

Notwithstanding the foregoing provisions of this instrument, the provisions of this paragraph shall prevail. For purposes of this paragraph, the entire Bicycle and Pedestrian Trail is considered to be developed in three (3) phases with phase one (1) running from Burdette Park to Nurrenbern Road, phase two (2) running from Nurrenbern Road to Broadway Avenue, and phase three (3) running from Broadway Avenue to the University of Southern Indiana. In the event that the construction and development of any of those three phases is not commenced by a date eight (8) years after the date of this instrument, then, in that event, the Grantor shall have the option to terminate the Easement granted by this instrument by giving the Grantee written notice of such intended termination at least sixty (60) days prior to the intended date of termination. If such option is exercised by the Grantor, then the Easement granted by this instrument shall terminate after the end of such sixty (60) day notice period. Further, and insofar as the Easement granted by this instrument is concerned, the Grantor reserves the right to vary the path of the Bicycle and Pedestrian Trail by granting a revised Easement to the Grantee and causing the construction and development of the Bicycle and Pedestrian Trail over the revised path (and maintaining connections with other portions of the Bicycle and Pedestrian Trail) without any expense to the Grantee.

Grantor warrants that it is the owner in fee simple of said real estate, lawfully seized thereof and has a good right to grant and convey the foregoing easement and right of way; warrant the quiet use and enjoyment thereof; warrant that the said real estate is free from all encumbrances inconsistent with the grant contained herein; and warrants that it will defend the Grantee's title in said easement and right of way against all claims. The easement and right of way granted herein, and its associated benefits and obligations, shall run with said real estate. This indenture shall bind and inure to the benefit of the successors and assigns of the Grantee.

Grantee agrees to release, indemnify and hold harmless the Grantor, including, without limitation, its officers, employees, agents, representatives, affiliates, directors, servants, volunteers, members, invitees, guests, sponsors, officials and staff from any and all liability, claims, demands, actions and causes of action whatsoever for any loss, claim, damage, injury, illness or harm of any kind or nature to a third party or parties that arises out of the construction, maintenance and use of the Bicycle and Pedestrian Trail and is caused by the Grantee.

The undersigned person executing this Easement on behalf of the Grantor represents and certifies that he is fully empowered by resolution of the Grantor to execute and deliver this Easement; that the Grantor has all authority and power to convey the property hereby conveyed; and that all necessary action for the making of such conveyance has been taken and done.

IN WITNESS WHEREOF, the said Grantor has caused this instrument to be executed by its duly authorized Vice President of Business Affairs this ____ day of _____, 2007.

UNIVERSITY OF SOUTHERN INDIANA
BOARD OF TRUSTEES

By: _____
Mark Rozewski, Vice President of Business Affairs

STATE OF INDIANA)
) SS:
COUNTY OF VANDERBURGH)

Before me, a Notary Public in and for said State and County, personally appeared Mark Rozewski, the Vice President of Business Affairs of the Grantor in the above conveyance, and acknowledged the execution of the same on the date aforesaid to be his voluntary act and deed for and on behalf of the Grantor, and who, being duly sworn, stated that any representations contained therein are true.

Witness my hand and notarial seal this ____ day of _____, 2007.

Signature of Notary Public

Printed Name Notary Public

My Commission expires _____

I am a resident of _____ County

I affirm under the penalties for perjury that I have taken reasonable care to redact each social security number in this document, unless required by law.

Ted C. Ziemer, Jr.

THIS INSTRUMENT WAS PREPARED BY TED C. ZIEMER, JR. OF ZIEMER, STAYMAN, WEITZEL & SHOULDERS, LLP, 20 N.W. FIRST STREET, P.O. BOX 916, EVANSVILLE, INDIANA 47706, AT THE SPECIFIC REQUEST OF GRANTOR BASED SOLELY ON INFORMATION SUPPLIED BY ONE OR MORE OF THE PARTIES TO THIS CONVEYANCE, AND WITHOUT EXAMINATION OF TITLE OR ABSTRACT. THE DRAFTER ASSUMES NO LIABILITY FOR ANY ERRORS, INACCURACY, OR OMISSIONS IN THIS INSTRUMENT RESULTING FROM THE INFORMATION PROVIDED, THE PARTIES HERETO SIGNIFYING THEIR ASSENT TO THIS DISCLAIMER BY THE EXECUTION OF THIS INSTRUMENT BY THE GRANTOR(S) AND THE ACCEPTANCE OF THIS INSTRUMENT BY THE GRANTEE.

EXHIBIT A

UNIVERSITY OF SOUTHERN INDIANA BOARD OF TRUSTEES
MAIN LINE AND SPUR TRAIL
PERPETUAL EASEMENT DESCRIPTION

PARCEL ONE

A strip of land 20 feet in width and being part of the East Half of the Southeast Quarter of Section 31, Township 6 South, Range 11 West of the Second Principal Meridian, Vanderburgh County, Indiana and whose center line is more particularly described as follows:

Commencing at the southeast corner of the East Half of the Southeast Quarter of said Section 31; thence along the east line of said half-quarter section North 01 degree 50 minutes 00 seconds East 1785.60 feet to a point of intersection with a non-tangent curve concave Northeasterly; thence Westerly, Northwesterly, and Northerly 228.75 feet along an arc to the right and having a radius of 180.89 feet and subtended by a long chord having a bearing of North 36 degrees 42 minutes 46 seconds West and a length of 213.81 feet to a point of reverse curvature with a curve; thence Northerly, and Northwesterly 74.48 feet along an arc to the left and having a radius of 95.00 feet and subtended by a long chord having a bearing of North 22 degrees 56 minutes 40 seconds West and a length of 72.58 feet; thence North 45 degrees 24 minutes 12 seconds West 17.64 feet to the POINT OF BEGINNING of this description; thence North 45 degrees 24 minutes 12 seconds West 70.31 feet; thence Northwesterly, and Westerly 76.31 feet along an arc to the left and having a radius of 80.57 feet and subtended by a long chord having a bearing of North 72 degrees 32 minutes 13 seconds West and a length of 73.49 feet to a point of compound curvature with a curve; thence Westerly, and Southwesterly 24.30 feet along an arc to the left and having a radius of 80.57 feet and subtended by a long chord having a bearing of South 71 degrees 41 minutes 19 seconds West and a length of 24.21 feet to a point of reverse curvature with a curve; thence Southwesterly, and Westerly 44.69 feet along an arc to the right and having a radius of 95.00 feet and subtended by a long chord having a bearing of South 76 degrees 31 minutes 26 seconds West and a length of 44.28 feet; thence North 90 degrees 00 minutes 00 seconds West 217.97 feet; thence Westerly, and Northwesterly 631.44 feet along an arc to the right and having a radius of 939.04 feet and subtended by a long chord having a bearing of North 70 degrees 44 minutes 11 seconds West and a length of 619.61 feet to a point of compound curvature with a curve; thence Northwesterly, and Northerly 243.61 feet along an arc to the right and having a radius of 250.00 feet and subtended by a long chord having a bearing of North 23 degrees 33 minutes 27 seconds West and a length of 234.08 feet to a point of compound curvature with a curve; thence Northerly 144.59 feet along an arc to the right and having a radius of 705.37 feet and subtended by a long chord having a bearing of North 10 degrees 13 minutes 48 seconds East and a length of 144.34 feet to a point of reverse curvature with a curve; thence Northerly 84.31 feet along an arc to the left and having a radius of 300.00 feet and subtended by a long chord having a bearing of North 08 degrees 03 minutes 04 seconds East and a length of 84.03 feet; thence North 00 degrees 00 minutes 00 seconds East 21.71 feet to the point of terminus of said center line.

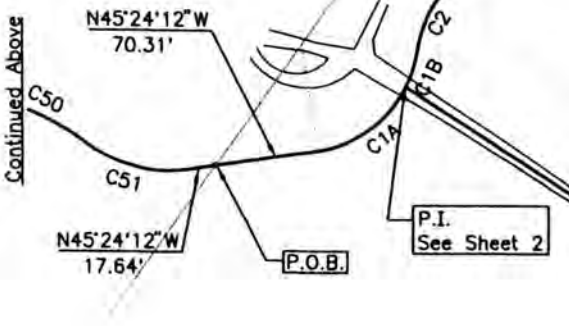
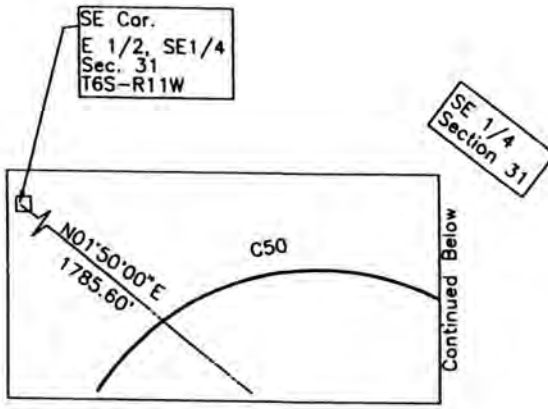
PARCEL TWO

ALSO a strip of land 20 feet in width and being part of the East Half of the Southeast Quarter of Section 31 and the West Half of Section 32, both in Township 6 South, Range 11 West of the Second Principal Meridian, Vanderburgh County, Indiana and whose center line is more particularly described as follows:

Beginning at the southern end of the 76.31 foot course in the above description; thence North 04 degrees 11 minutes 19 seconds West 138.75 feet; thence Northerly 34.08 feet along an arc to the right and having a radius of 95.00 feet and subtended by a long chord having a bearing of North 06 degrees 05 minutes 19 seconds East and a length of 33.90 feet; thence North 16 degrees 21 minutes 57 seconds East 65.58 feet; thence Northerly 23.04 feet along an arc to the left and having a radius of 95.00 feet and subtended by a long chord having a bearing of North

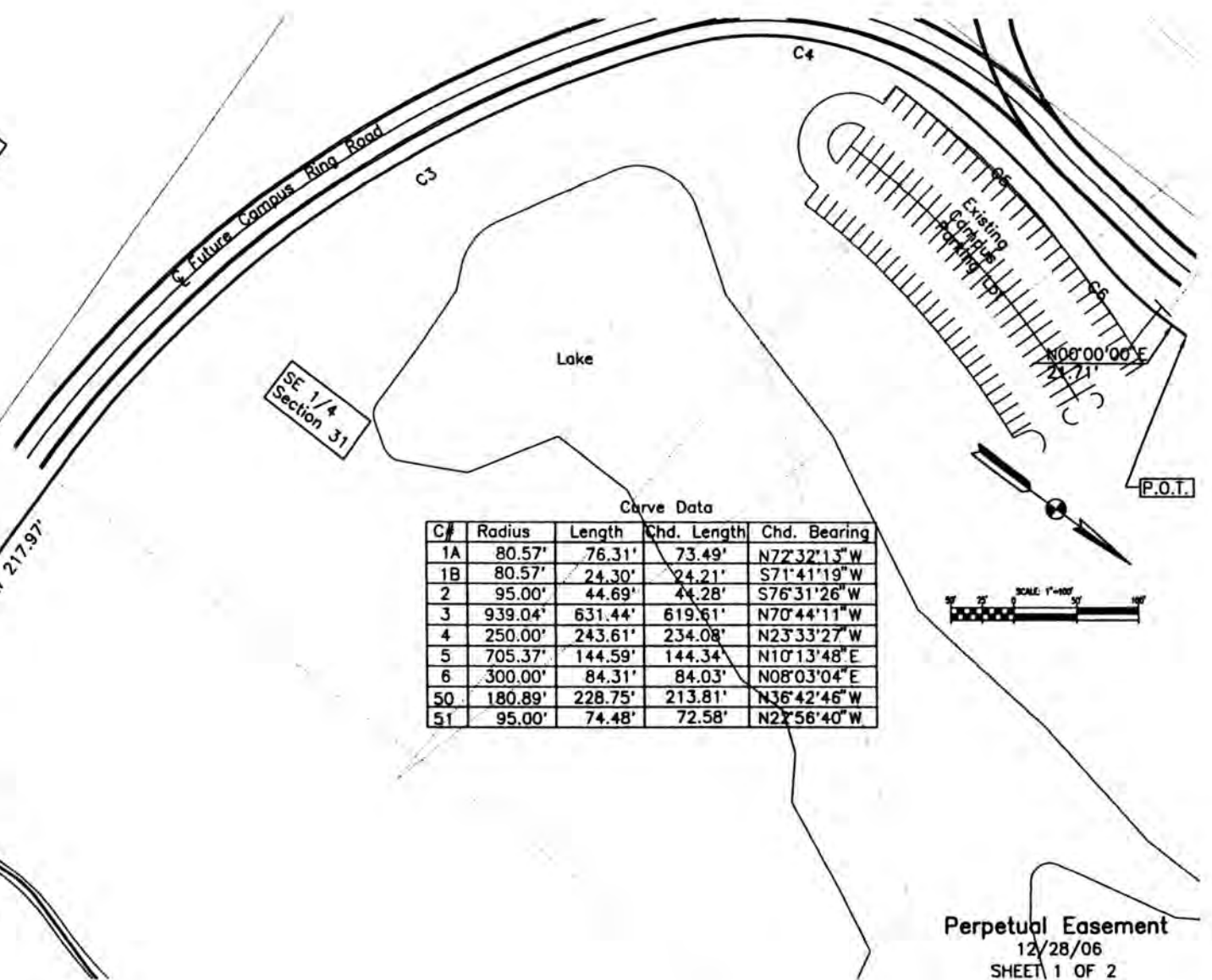
09 degrees 25 minutes 02 seconds East and a length of 22.99 feet; thence North 02 degrees 28 minutes 07 seconds East 158.20 feet; thence Northerly 22.04 feet along an arc to the right and having a radius of 95.00 feet and subtended by a long chord having a bearing of North 09 degrees 06 minutes 59 seconds East and a length of 22.00 feet; thence North 15 degrees 45 minutes 51 seconds East 137.76 feet; thence Northerly 115.14 feet along an arc to the left and having a radius of 500.00 feet and subtended by a long chord having a bearing of North 09 degrees 10 minutes 02 seconds East and a length of 114.88 feet; thence North 02 degrees 34 minutes 14 seconds East 186.74 feet; thence Northerly, and Northeasterly 136.30 feet along an arc to the right and having a radius of 175.00 feet and subtended by a long chord having a bearing of North 24 degrees 53 minutes 00 seconds East and a length of 132.88 feet; thence North 47 degrees 11 minutes 45 seconds East 52.90 feet; thence Northeasterly 43.39 feet along an arc to the left and having a radius of 1000.00 feet and subtended by a long chord having a bearing of North 45 degrees 57 minutes 11 seconds East and a length of 43.38 feet; thence North 44 degrees 42 minutes 36 seconds East 47.45 feet; thence Northeasterly 59.56 feet along an arc to the right and having a radius of 1000.00 feet and subtended by a long chord having a bearing of North 46 degrees 24 minutes 58 seconds East and a length of 59.55 feet; thence North 48 degrees 07 minutes 21 seconds East 42.15 feet; thence Northeasterly 18.91 feet along an arc to the left and having a radius of 100.00 feet and subtended by a long chord having a bearing of North 42 degrees 42 minutes 23 seconds East and a length of 18.88 feet to a point of compound curvature with a curve, said point intersecting the east line of Section 31, being South 01 degree 50 minutes 00 seconds West 47.98 feet from the northeast corner of the Southeast Quarter of Section 31; thence Northeasterly, and Northerly 29.00 feet along an arc to the left and having a radius of 100.00 feet and subtended by a long chord having a bearing of North 28 degrees 58 minutes 57 seconds East and a length of 28.90 feet; thence North 20 degrees 40 minutes 30 seconds East 23.69 feet to a point on the north line of the Southwest Quarter of Section 32, being South 88 degrees 35 minutes 27 seconds East 20.84 feet from the northwest corner thereof; thence North 20 degrees 40 minutes 30 seconds East 61.59 feet to the point of terminus of said center line.

Together with a temporary easement for general grading purposes over and across four strips of land fifteen feet in width, one on either side and coincident with the above described strips of land, which said temporary easement shall be extinguished, become void and revert to the Grantor(s) and/or the Grantor(s) successor(s) in title upon completion of the said Project. Said extinguishment shall be evidenced by a release document, which shall be executed and recorded by the Grantee, at no cost to the Grantor(s).



SE 1/4
Section 31

SE 1/4
Section 31



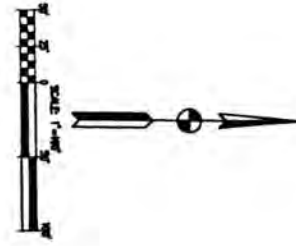
Curve Data

C#	Radius	Length	Chd. Length	Chd. Bearing
1A	80.57'	76.31'	73.49'	N72°32'13"W
1B	80.57'	24.30'	24.21'	S71°41'19"W
2	95.00'	44.69'	44.28'	S76°31'26"W
3	939.04'	631.44'	619.61'	N70°44'11"W
4	250.00'	243.61'	234.08'	N23°33'27"W
5	705.37'	144.59'	144.34'	N10°13'48"E
6	300.00'	84.31'	84.03'	N08°03'04"E
50	180.89'	228.75'	213.81'	N36°42'46"W
51	95.00'	74.48'	72.58'	N27°56'40"W

Perpetual Easement
12/28/06
SHEET 1 OF 2

EXHIBIT B, p. 2 (Parcel Two)

SE 1/4
Section 31



N04°11'19"W
138.75
P.O.B.
C1A (Prev. Desc.)
L=76.31'

N16°21'57"E
65.58'

Curve Data

C#	Radius	Length	Chd. Length	Chd. Bearing
1	95.00'	34.08'	33.90'	N06°05'19"E
2	95.00'	23.04'	22.99'	N09°25'02"E
3	95.00'	22.04'	22.00'	N09°06'59"E
4	500.00'	115.14'	114.88'	N09°10'02"E
5	175.00'	136.30'	132.88'	N24°53'00"E
6	1000.00'	43.39'	43.38'	N45°57'11"E
7	1000.00'	59.56'	59.55'	N46°24'58"E
8	100.00'	18.88'	18.81'	N44°42'23"E
9	100.00'	28.90'	29.90'	N28°58'57"E

N02°28'07"E
158.20'
C3
N15°45'51"E
137.76'

N02°34'14"E
188.74'

N47°11'45"E
52.90'

S01°50'00"W
47.98'

N44°42'36"E
47.45'

NE Cor. SE 1/4
Sec. 31
T6S-R11W

S88°35'27"E
20.84'

Section Line

SW 1/4
Section 32

N48°07'21"E
42.15'

N20°40'30"E
23.69'

N20°40'30"E
61.59'

P.O.T.

Perpetual Easement
12/28/06
SHEET 2 OF 2

1/4 Section Line