

OFFICIAL MINUTES
UNIVERSITY OF SOUTHERN INDIANA
BOARD OF TRUSTEES

May 13, 1988



MINUTES

UNIVERSITY OF SOUTHERN INDIANA BOARD OF TRUSTEES

May 13, 1988

The University of Southern Indiana Board of Trustees met Friday, May 13, 1988, in New Harmony, Indiana. Present were Trustees Robert Boyer, William Brooks, Jr., Percy Clark, Jr., Robert Fair, J. Patrick Leahy, Joseph O'Daniel, John Pruis, Carole Rust, and George Weathersby. Also attending were President David Rice; Vice Presidents Donald Bennett, Robert Reid, Sherrienne Standley, and Byron Wright; Faculty Council Chairman Rebecca Englert; and Student Government Association President Mini Jain.

There being a quorum present, Mr. Fair called the meeting to order at 3:10 p.m.

SECTION I - GENERAL AND ACADEMIC MATTERS

A. APPROVAL OF MINUTES OF MARCH 3, 1988, MEETING

The minutes of the March 3, 1988, meeting were approved by consensus.

B. ESTABLISHMENT OF NEXT MEETING DATE, TIME, LOCATION

The next regular meeting of the Board of Trustees was set for Thursday, July 7, 1988, at 10:00 a.m. at the University of Southern Indiana.

C. PRESIDENT'S REPORT

Dr. Rice introduced newly elected Student Government Association president Mini Jain. Miss Jain is a sophomore pre-med student.

Dr. Rice reported that the University would be celebrating the degree completion of nearly 530 students as they graduate from the University the next day. He added that the University would confer its first master's degrees on three students.

Dr. Rice informed the Board that the University will open bids for the new Classroom Building on Thursday, May 19. The bids will be reviewed and a recommendation will be made by a Board committee.

Dr. Rice noted that today's agenda includes a request for funding to install a secondary electrical feed to campus, a request for funding for the study of the campus entrance, and a request for a sewer line to connect to the trunk line on University property.

Dr. Rice reported that the University has accepted an invitation to join the Indiana Council for Economic Education (ICEE). He added that the University will cooperate with 10 other centers across the state offering workshops, courses, and instructional materials dealing with economics in the classroom.

Dr. Rice reported to the Board the authorized leaves of absence of various faculty members for the coming year. He added that Dr. Reid will report to the Board their activities while on leave. He reported that the leaves of absence enable the faculty members to renew their in-depth training.

Dr. Rice noted also that today's agenda includes recommendations for promotion of two faculty members.

Dr. Rice called on Dr. Bennett to report on athletic appointments. Dr. Lionel Sinn has been selected as men's basketball coach, Mr. Vic Coleman has been selected as assistant men's basketball coach, and Mr. Tony Colavecchia has been selected soccer coach. Dr. Bennett reported that several applications have been received for the women's basketball coach position, and a decision regarding this appointment will be made soon.

D. REPORT ON PROGRAM REVIEW

The Academic Planning Council has reviewed two programs which have experienced declining enrollments. The programs are Dental Laboratory Technology (associate level) and Mining Engineering Technology (associate and baccalaureate levels).

Several factors were considered in the review of these programs including enrollment patterns, accreditation standards, future growth potential, student interest, availability of similar programs in Indiana and the Midwest, and institutional mission. Based on these factors, the Academic Planning Council has recommended that admissions in Mining Engineering Technology be suspended effective April 1, 1988, and that the program in Dental Laboratory Technology be discontinued at the end of the 1988-89 academic year.

On a motion by Dr. Pruis, seconded by Dr. Weathersby, it was approved to discontinue the Dental Laboratory Technology program effective May 13, 1989.

E. APPROVAL OF EASEMENT

Exhibit I-A is an easement to the Evansville Water and Sewer Utility Department for a sewer line to connect to the trunk line on University property.

On a motion by Dr. Weathersby, seconded by Dr. Clark, the easement in Exhibit I-A was approved.

F. OTHER BUSINESS

Mr. Fair appointed a nominating committee, consisting of Mrs. Rust, Mr. Boyer, and Dr. Pruis, as chairman, to prepare a slate of officers for 1988-89. The election of officers will take place at the annual meeting in July.

<u>Single Game</u>		
Adult	2.00	2.00
Student (non-USI)	1.00	1.00

D. Volleyball

<u>Single Game</u>		
Adult	\$2.00	\$2.00
Student (non-USI)	1.00	1.00

3. Child Care Center Fees

Daily attendance fees were recommended to increase by \$.50 for one or two children and by \$1.00 for more than two children in a family. No increase was recommended for the hourly rate. These changes will be effective July 1, 1988.

	Current Fees	Proposed Fees
<u>All day attendance</u>		
One child	\$ 9.00/day	\$9.50/day
Two Children/same family	13.00/day	13.50/day
More than two/same family	15.00/day	16.00/day
<u>Minimum rate (two hours)</u>		
First two hours	\$ 3.00 total	\$3.00 total
Thereafter	1.00/hour	1.00/hour

On a motion by Dr. Pruis, seconded by Dr. Weathersby, the preceding proposed schedules of miscellaneous fees were approved.

C. APPROVAL OF CURRENT AND PLANT FUND BUDGETS 1988-89

The Current and Plant Fund Budget recommendations for fiscal year 1988-89 include a 12.0% increase over the current year. The General Fund Budget recommendation represents a 14.1% increase. This recommendation is a balanced budget based upon estimates of revenue, state appropriation, and available resources. Budget increases are included for salaries and wages, employee benefits, supplies and equipment, program improvements, new programs, funds for attracting and retaining employees in areas of high competition, and employment of full-time faculty to replace some part-time faculty.

On a motion by Dr. Weathersby, seconded by Mrs. Rust, the Current and Plant Fund Budgets in Exhibit II-A were approved.

D. REPORT OF CLASSROOM BUILDING COMMITTEE

Mr. Brooks reported that the Board of Trustees Classroom Building Committee met Monday, April 18, 1988, in the University Library. Trustees present in addition to Mr. William Brooks, were Robert Fair, Joseph O'Daniel, and Carole Rust. The committee approved the final

SECTION II - FINANCIAL MATTERS

A. APPROVAL OF SCHEDULE OF STUDENT FEES, 1988-89

The spending level approved for the state universities by the 1987 Indiana General Assembly requires an increase in student fees to supplement the state appropriation.

It was recommended that the per semester credit hour fee be increased by \$2.75 for Indiana resident undergraduate students, \$4.00 for Indiana resident graduate students, \$6.00 for non-resident undergraduate students, and \$8.00 for non-resident graduate students.

Proposed Schedule of Student Fees
Effective Fall Semester 1988
Per Semester Credit Hour

	<u>Undergraduate</u>		<u>Graduate</u>	
	<u>Resident</u>	<u>Non Resident</u>	<u>Resident</u>	<u>Non Resident</u>
Contingent	\$33.75	\$33.75	\$57.00	\$57.00
Instructional Facilities	13.00	13.00	13.00	13.00
Student Services	4.00	4.00	4.00	4.00
Non-Resident		73.25		74.00
Total	\$50.75	\$124.00	\$74.00	\$148.00

On a motion by Dr. Weathersby, seconded by Mr. Leahy, the preceding proposed Schedule of Fees was approved.

B. APPROVAL OF MISCELLANEOUS FEES

1. Laboratory and Miscellaneous Fees

Laboratory and miscellaneous fees have been reviewed. These fees remain the same for 1988-89.

<u>Type of Fee</u>	<u>Current Fee</u>	<u>Proposed Fee</u>	<u>Effective Date</u>
Laboratory Fee	\$10.00	\$10.00	8/29/88
Computer Lab Fee	10.00	10.00	8/29/88
Studio Fee	10.00	10.00	8/29/88
Bowling Lab Fee	24.00	24.00	7/01/88
Audit Fee (Plus Applicable Lab Fee)	25.00	25.00	7/01/88
Graduate Studies Application Fee	10.00	10.00	7/01/88
CLEP Test	30.00	30.00	7/01/88
Institutional SAT	13.00	13.00	7/01/88
College Placement Test	30.00	30.00	7/01/88
Bad Check Penalty	10.00	10.00	7/01/88
Change of Schedule Fee	10.00	10.00	7/01/88
Late Registration	10.00	10.00	7/01/88

construction documents, with some minor changes, and the following estimated construction costs.

Estimated Base Bids:

General	\$ 4,347,000
Mechanical	1,396,000
Electrical	748,000
Total Base Bids	<u>\$ 6,491,000*</u>

Estimated Alternate Bids:

G1, M1, E1 Add 6,300 sq. ft. basement	\$ 245,000
G2, M2, E2 Add 18,300 sq. ft. basement	645,000
G3 Limestone in lieu of precast concrete	50,000
E4 Complete primary electrical loop	111,000

*Includes \$70,000 contingency

E. APPROVAL OF INTERIM FINANCING OF CLASSROOM BUILDING

WHEREAS, the Board of Trustees (the "Board") of the University of Southern Indiana (the "University") has determined that a necessity exists for the provision of interim and permanent financing for the construction of a classroom building on its campus in Vanderburgh County, Indiana (the "Project"); and

WHEREAS, the Board has full authority under and by virtue of the laws of the State of Indiana, including more particularly the provisions of I.C. 20-12-6 and Public Law 383 of the Acts of the Indiana General Assembly for 1987 (Special Session) to provide for the financing of the Project; and

WHEREAS, a proposal for the financing of the first \$1,000,000 of the Project has been prepared and submitted to this Board by the Trust Department of the Old National Bank in Evansville (the "Bank"); and

WHEREAS, the Board now desires to authorize the Treasurer of the Board to investigate, develop and evaluate with the Bank, Ice Miller Donadio and Ryan as Bond Counsel and such other banks or financial institutions as the Treasurer shall consider appropriate, a plan (the "Plan") for the provision of remaining interim financing and for permanent financing for the construction of the Project for submission to the Finance Committee of this Board;

NOW, THEREFORE, BE IT RESOLVED that

1. The Board hereby approves interim financing of the first \$1,000,000 of costs for the Project under the terms and conditions as set forth on Exhibit II-B hereto and hereby authorizes execution of a Loan Agreement and Promissory Note

Parking Violations Fine (No Decal and Other)	2.00	2.00	7/01/88
Parking Violation Fine (Handicapped Zone)	5.00	5.00	7/01/88
ID Card Replacement Fee	3.00	3.00	7/01/88
College Achievement Project Course (per credit hour)	33.00	33.00	8/29/88
Campus Identification Fee (per semester)	4.00	4.00	8/29/88
Campus Identification Fee (per Summer Session)	1.00	1.00	8/29/88

2. Admission Prices for Athletic Events

It was recommended that 1988-89 admission prices be increased for Men's Basketball chairback seating. Other admission prices will remain the same except for Baseball. It was recommended that the admission charge for Baseball be dropped. A valid student identification card admits USI students free to regularly scheduled athletic events. These fees will be effective July 1, 1988.

	<u>Current Fee</u>	<u>Proposed Fee</u>
<u>A. Basketball, Men</u>		
<u>Season Tickets</u>		
General Admission (bench seat)	\$40.00	\$40.00
Reserved (chairback seat)	60.00	65.00
<u>Single</u>		
General Admission (bench seat)	4.00	4.00
General Admission (children)	2.00	2.00
Reserved (chairback seat)	5.00	6.00

Employees and Varsity Club members may purchase four (4) tickets at a reduced price of \$40 per season reserved chairback seat or \$25 per season bench seat.

B. Basketball, Women

<u>Single Game</u>		
Adult	\$2.00	\$2.00
Student (non-USI)	1.00	1.00

C. Soccer

<u>Season Tickets</u>		
Family Pass	\$20.00	\$20.00

in substantially the forms set forth in Exhibit II-C with changes as are approved by the officers executing the same plus such other documents, certificates and agreements as are necessary to consummate the transaction.

2. The Treasurer is further authorized to investigate, develop and evaluate a Plan of financing and to present such Plan for approval to the Finance Committee of this Board.

3. The Board hereby authorizes the Finance Committee of this Board to approve said Plan upon its submission by the Treasurer and to approve the forms of all the financing documents as submitted by the Treasurer, in accordance with the terms and provisions hereof.

4. The Chairman and Vice Chairman of this Board, or either of them, are hereby authorized to execute and deliver the financing documents in substantially the form approved by the Finance Committee of this Board with such changes in form or substance as the officers executing such items shall approve, such approval to be conclusively evidenced by the execution thereof, and the Secretary or Assistant Secretary of this Board as hereby authorized to attest the signatures of said Chairman or Vice Chairman on said financing documents, as necessary, and to affix or imprint the seal of the University thereon as necessary.

On a motion by Mr. O'Daniel, seconded by Mr. Brooks, the preceding resolution was approved, with Mr. Boyer abstaining.

F. APPROVAL OF AMENDMENT TO RETIREMENT POLICY

Under the University's current retirement policy, University contributions to TIAA/CREF retirement plans cease on July 1 following an employee's sixty-sixth birthday.

The Omnibus Budget Reconciliation Act of 1986 amended the Age Discrimination in Employment Act (ADEA) to prohibit discrimination on the basis of age in employee pension benefit plans. For plan years beginning on or after January 1, 1988, the ADEA was amended to require contributions under defined contribution and defined benefit pension plans to continue on behalf of an employee who keeps working beyond the plan's "normal" retirement age. The "normal" retirement age for USI employees is July 1 following attainment of age 66.

On a motion by Dr. Weathersby, seconded by Dr. Pruis, it was approved that the current retirement policy be amended, effective July 1, 1988, to continue University contributions to TIAA/CREF retirement plans during employment regardless of age.

G. APPROVAL OF RENEWAL OF GROUP LONG-TERM DISABILITY INSURANCE

The contract for the University's Long-Term Disability Insurance program with Teachers Insurance and Annuity Association of America (TIAA) is to be renewed as of July 1, 1988. The TIAA disability

coverage provides income benefits and retirement contributions in the event of a long-term disability. The University pays the total premium cost for eligible employees.

The following TIAA Long-Term Disability monthly premium rates have been quoted for a twelve-month period beginning July 1, 1988. The new rates reflect a change in the distribution of benefits for the University group since the plan was last reviewed and a slight change in TIAA's rating structure.

	1986-87	1987-88	1988-89
Income Premium	\$9.13	\$5.57	\$6.28
Annuity Premium	3.14	1.92	2.13
	<u>\$12.27</u>	<u>\$7.49</u>	<u>\$8.41</u>

On a motion by Dr. Pruis, seconded by Mr. Brooks, the TIAA Long-Term Disability Insurance rates, effective July 1, 1988, were approved.

H. APPROVAL OF REQUEST TO STATE AGENCIES FOR REPAIR AND REHABILITATION FUNDS

This request seeks authorization for President Rice to request the approval of the Commission for Higher Education, the State Budget Agency, the State Budget Committee, and the Governor of the State of Indiana for the listed projects totalling \$131,000.

A balance of \$58,475 remains from the 1985-87 general repair and rehabilitation appropriation, and \$72,525 will be requested from the 1987-89 appropriation of \$149,264.

Replace pipe support racks and install sump pump and drain piping in utility tunnels	\$45,000
Replace Medical Education Building roof	36,000
Replace Medical Education Building HVAC system	50,000

On a motion by Dr. Weathersby, seconded by Mr. Brooks, this request for repair and rehabilitation funds was approved.

I. APPROVAL OF REQUEST TO STATE AGENCIES FOR FUNDS TO STUDY CAMPUS ENTRANCE

This request seeks authorization for President Rice to request approval of the Commission for Higher Education, the State Budget Agency, the State Budget Committee, and the Governor of the State of Indiana for \$25,000 appropriated by the 1983 Indiana General Assembly for the study of the campus entrance.

On a motion by Mrs. Rust, seconded by Dr. Pruis, this request for funds to study the campus entrance was approved.

J. APPROVAL OF BUDGET APPROPRIATIONS, ADJUSTMENTS, AND TRANSFERS

Appropriation of Funds

From: Unappropriated Athletic Funds

To: 3-30602	Athletics Baseball Supplies and Expenses	\$ 820
	Capital Outlay	1,500
To: 3-30605	Athletics Basketball-Women Supplies and Expenses	600
To: 3-30607	Athletics Softball-Women Supplies and Expenses	1,873
	Capital Outlay	500
To: 3-30609	Athletics Cross Country Supplies and Expenses	500
To: 3-30613	Athletics Sports Medicine Capital Outlay	4,030

Purpose: To appropriate additional revenues received by these athletic funds.

From: Unappropriated New Harmony Funds

To: 3-30900	New Harmony Operations Supplies and Expenses	\$32,900
-------------	---	----------

Purpose: To appropriate revenue received from donations, sale of property, and a grant.

Transfer and Appropriation of Funds

From: 6-64100 Academic Building Facilities

To: 6-62150	Secondary Electrical Feed Line Capital Outlay	\$109,000
-------------	--	-----------

Purpose: To appropriate funds for the installation of an alternate electrical supply line to the campus.

On a motion by Dr. Weathersby, seconded by Mr. Leahy, the preceding budget appropriations, adjustments, and transfers were approved.

K. APPROVAL OF RESOLUTION FOR FINANCIAL AID AWARDS

Pursuant to Indiana Code 20-12-1-2, which provides for awarding financial aid to students from existing resources, the University of Southern Indiana Board of Trustees delegates to the President of the

University of Southern Indiana the responsibility to approve financial aid recommendations for students within the 1988-89 budgetary capabilities.

On a motion by Dr. Pruis, seconded by Mr. Brooks, the preceding resolution was approved.

L. APPROVAL OF RESOLUTION FOR CLASSROOM BUILDING CONTRACTS

WHEREAS, the Board of Trustees of the University of Southern Indiana wishes to enhance the completion of the Classroom Building on a timely basis, and

WHEREAS, the construction bids will be received on May 19, 1988, and the next scheduled meeting of the Board of Trustees is not until July 1988,

NOW, THEREFORE, BE IT RESOLVED THAT the Chairman of the Board is authorized to appoint a committee of Trustees to award the contracts after all bids have been received and reviewed by architects and university officials, and

FURTHER RESOLVED that the committee is authorized to award the contracts on behalf of the Board of Trustees, and

FURTHER RESOLVED that the committee will report its actions at the next scheduled meeting of the Board of Trustees.

On a motion by Mr. Brooks, seconded by Mr. Boyer, the preceding resolution was approved.

Mr. Fair reappointed Mr. Brooks, Mr. O'Daniel, Mrs. Rust, and Mr. Leahy to the Classroom Building Committee, authorized to award the contracts on behalf of the Board of Trustees.

M. APPROVAL OF REQUEST FOR FUNDING FOR SECONDARY ELECTRICAL SERVICE

This request is for authorization for President Rice to seek approval of the Commission for Higher Education, the State Budget Agency, the State Budget Committee, and the Governor of the State of Indiana to spend \$109,000 from Academic Building Facilities fund reserves to install a secondary electrical feed to campus.

On a motion by Mr. Brooks, seconded by Mrs. Rust, this request for funding for secondary electrical service was approved.

SECTION III - PERSONNEL MATTERS

A. APPROVAL OF PERSONNEL ACTIONS

1. Approval of Promotions

The following faculty members were recommended for promotion, effective August 22, 1988.

Assistant Professor to Associate Professor

Howard Gabennesch, Social Science; Ph.D., University of Kentucky; M.A., University of Maryland; B.A., Duke University; 16 years at USI; 16 years at present rank.

Associate Professor to Professor

Yen-Tzu Fu, Science and Mathematics; Ph.D., Vanderbilt University; M.S. Purdue University; B.S., National Tung Chi University; 21 years at USI; 8 years at present rank.


2. Approval of Early Retirement

Charles M. Lonnberg, Catalog Librarian and Professor of Library Science, in accordance with the early retirement policy, has requested early retirement effective December 31, 1988, including leave with pay for the period of July 1, 1988, through December 31, 1988. Severance pay based upon 19 years' service to the University will be paid as of January 1, 1989.

On a motion by Mr. O'Daniel, seconded by Dr. Pruis, the preceding personnel items were approved.

There being no further business, the meeting was adjourned at 4:25 p.m.

Respectfully submitted,



Carole D. Rust, Secretary

EASEMENT

Exhibit I-A
5-13-88

THIS INDENTURE WITNESSETH, That the Board of Trustees of University of Southern Indiana of Vanderburgh County, State of Indiana, hereby conveys and transfers to the EVANSVILLE WATER & SEWER UTILITY DEPARTMENT, for the public purpose of constructing, installing, improving, maintaining, repairing and reconditioning one or more water pipes or lines and all appurtenant and necessary structures to transmit water along, across and within the right-of-way over, along, across, within and upon the following described real estate situated in Vanderburgh County, Indiana, to-wit:

An Easement 14 feet in width being part of the Southeast Quarter of the Southwest Quarter of Section 29, Township 6 South, Range 11 West, Vanderburgh County, Indiana described as follows:

Beginning at a point on the East line of said quarter quarter section 61 feet North of the Southeast corner thereof, thence North along the East line 14 feet, thence West and parallel to the South line thereof a distance of 735 feet more or less to a point 20 feet West of an existing manhole, thence South 14 feet to the North edge of the existing pavement on Clark Lane, thence East and parallel with the said South line a distance of 735 feet more or less to the place of beginning.

IN WITNESS WHEREOF, the Grantor has hereunto set her hand(s) and seal(s) this 17th day of May, 19 88.

Grantor (SEAL) University of Southern Indiana Board of Trustees (SEAL)
Grantor

STATE OF Indiana) SS By: Carol Rust
COUNTY OF Vanderburgh) Carol Rust, Secretary

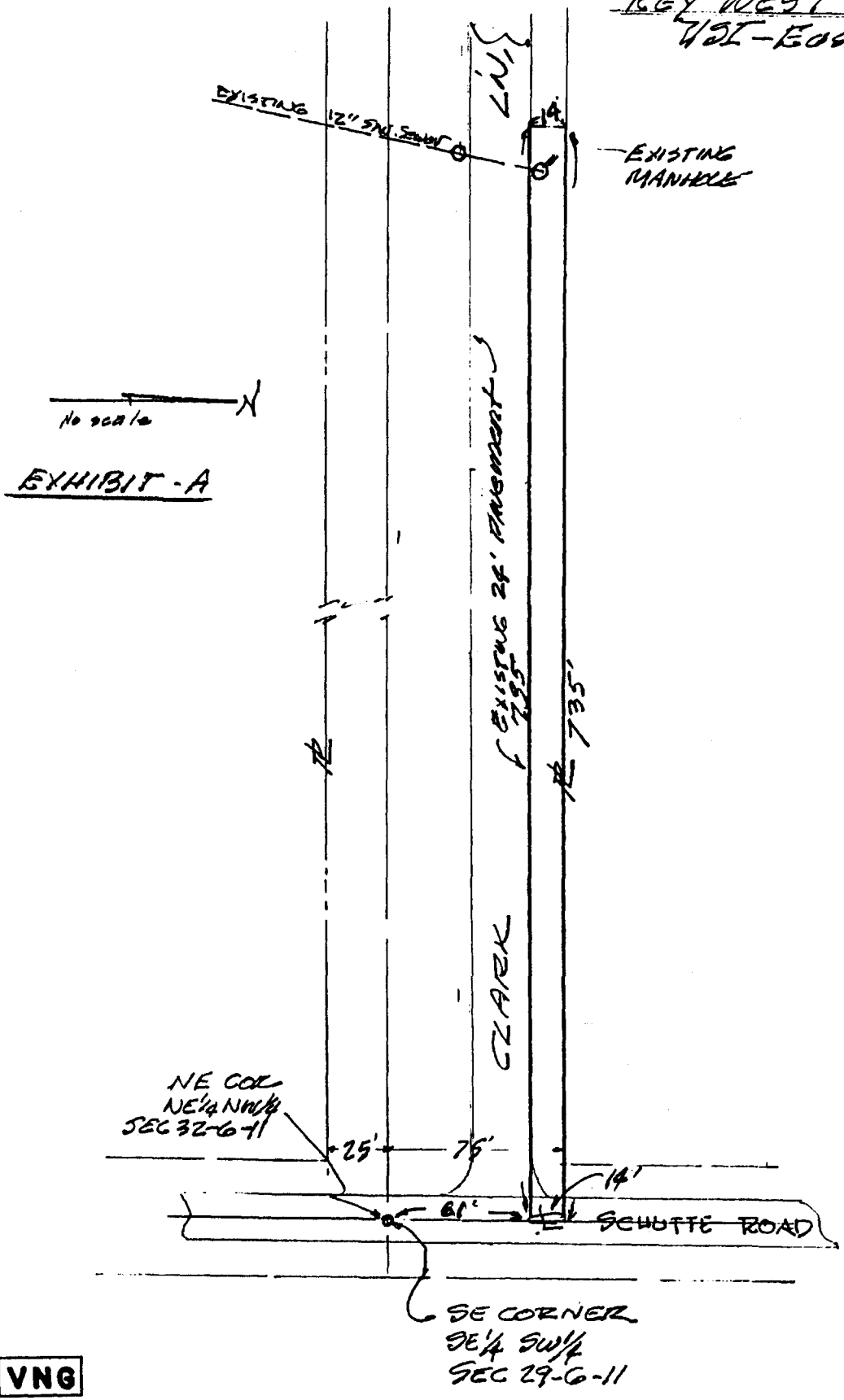
Before me, the undersigned, a Notary Public in and for said County and State, this 17th day of May, 19 88, personally appeared

Carol Rust, Grantor(s) in the foregoing Easement and acknowledged the execution of the same to be her voluntary act and deed.

IN WITNESS WHEREOF: I have hereunto subscribed my name and affixed my official seal.

Notary Public

My Commission expires:
8-15-89



VNG

Veech, Nicholson, Griggs Assoc.
Consulting Engineers & Land Surveyors

JOB NO. 9-87-22
FILE NO. KEY WEST

Certified By Walter J. Veech LS
Date May 9 1988 Ind. L.S. No. 7964

CURRENT OPERATING BUDGET

Exhibit II-A
5-13-88

	Actual 1986-87	Appropriation 1987-88	Appropriation Recommended 1988-89
Fund Balance Allocated		167,275	\$260,051
INCOME			
State Appropriation	8,863,972	9,663,379	\$10,793,440
Student Fees	3,536,171	3,716,514	\$4,457,501
Other Income	551,448	420,090	\$425,491
Total	12,951,591	13,799,983	15,676,432
TOTAL AVAILABLE	12,951,591	13,967,258	15,936,483

MAJOR EXPENSE CLASSIFICATION

Personal Services	7,520,710	8,266,759	9,245,144
Supplies and Expenses	4,000,185	4,715,526	5,604,935
Repairs and Maintenance	470,803	453,920	471,165
Capital Outlay	816,112	531,053	615,239
Total	12,807,810	13,967,258	15,936,483

FUNCTION EXPENDITURE CLASSIFICATION

Instruction	6,383,405	7,377,373	\$8,705,141
Instruction Related	644,017	640,023	\$817,321
Student Services	904,368	933,456	\$987,882
Physical Plant	2,286,442	2,268,814	\$2,348,803
Administration and General	2,589,578	2,747,592	\$3,077,336
Total	12,807,810	13,967,258	15,936,483

	Actual 1986-87	Appropriation 1987-88	Appropriation Recommended 1988-89
FUNCTION BY MAJOR EXPENSE CLASSIFICATION			
Instruction			
Personal services	4,767,868	5,355,371	6,101,473
Supplies and Expenses	1,484,820	1,859,763	2,420,405
Repairs and Maintenance	44,239	57,797	63,571
Capital Outlay	86,478	104,442	119,692
Total	6,383,405	7,377,373	8,705,141
Instruction Related			
Personal services	346,902	347,670	403,428
Supplies and Expenses	117,810	132,771	139,028
Repairs and Maintenance	9,032	10,158	12,564
Capital Outlay	170,273	149,424	262,301
Total	644,017	640,023	817,321
Student Services			
Personal services	634,015	626,000	664,318
Supplies and Expenses	246,611	285,922	298,939
Repairs and Maintenance	5,590	5,394	6,385
Capital Outlay	18,152	16,140	18,240
Total	904,368	933,456	987,882
Physical Plant			
Personal services	678,597	731,677	756,433
Supplies and Expenses	985,634	1,176,030	1,234,527
Repairs and Maintenance	283,832	250,519	259,983
Capital Outlay	338,379	110,588	97,860
Total	2,286,442	2,268,814	2,348,803
Administration and General			
Personal services	1,093,328	1,206,041	1,319,492
Supplies and Expenses	1,165,310	1,313,040	1,512,036
Repairs and Maintenance	128,110	130,052	128,662
Capital Outlay	202,830	98,459	117,146
Total	2,589,578	2,747,592	3,077,336
Total Budget	12,807,810	13,967,258	15,936,483

CURRENT OPERATING BUDGET

	Actual 1986-87	Appropriation 1987-88	Appropriation Recommended 1988-89
	-----	-----	-----
INSTRUCTION			
1-10100 GENERAL INSTRUCTION			
Personal Service			122,056
Supplies & Expense			201,171
Repairs and Maintenance			1,302
Capital Outlay			117,066
Total			----- 441,595
1-10120 HISTORIC SOUTHERN INDIANA			
Personal Service			25,037
Supplies & Expense			10,806
Repairs and Maintenance			275
Total			----- 36,118
1-10150 ARTS COMMISSION - GENERAL			
Personal Service			
Total Supplies & Expense			3,184
1-10160 ARTS COMMISSION - MUSIC			
Supplies & Expense			10,000
1-10170 ARTS COMMISSION - THEATRE			
Supplies & Expense			1,911
1-10180 AERIE			
Personal Service			220
Supplies & Expense			475
Total			----- 695
1-10190 WSWI RADIO STATION			
Personal Service			17,652
Supplies & Expense			18,669
Repairs and Maintenance			2,808
Total			----- 39,129
1-10200 SCHOOL OF LIBERAL ARTS			
Personal Service			471,769
Supplies & Expense			71,302
Repairs and Maintenance			5,874
Total			----- 548,945

	Actual 1986-87	Appropriation 1987-88	Recommended 1988-89
1-10210	ART AND MUSIC		
			138,765
			54,626

			193,391
1-10220	COMMUNICATIONS		
			254,520
			72,611

			327,131
1-10230	ENGLISH		
			329,400
			98,650

			428,050
1-10240	FOREIGN LANGUAGE		
			109,415
			27,011

			136,426
1-10250	HISTORY		
			116,410
			49,880

			166,290
1-10260	POLITICAL SCIENCE & PHILOSOPHY		
			100,360
			32,011

			132,371
1-10270	PSYCHOLOGY		
			147,120
			44,482

			191,602
1-10280	SOCIOLOGY		
			102,830
			32,138

			134,968

	Actual 1986-87	Appropriation 1987-88	Recommended 1988-89
1-10300	SCHOOL OF SCIENCE AND TECHNOLOGY		
			325,169
			97,429
			19,256

			441,854
1-10310	BIOLOGY		
			132,345
			43,067

			175,412
1-10320	ENGINEERING TECHNOLOGY		
			381,474
			131,830

			513,304
1-10330	MATHEMATICS		
			320,130
			86,756

			406,886
1-10340	PHYSICAL SCIENCES		
			205,630
			62,440

			268,070
1-10400	SCHOOL OF NURSING & HEALTH PROFESSIONS		
			105,224
			104,380
			2,500

			212,104
1-10410	NURSING		
			134,000
			56,268

			190,268
1-10420	HEALTH PROFESSIONS		
			257,349
			111,290
			4,081

			372,720

	Actual 1986-87	Appropriation 1987-88	Recommended 1988-89
1-10500	GRADUATE STUDIES		
			42,520
			25,109

			67,629
1-10510	GRADUATE STUDIES CENTER		
			23,506
			19,627

			43,133
1-10520	OUTCOME ASSESSMENT		
			11,360
			12,950

			24,310
1-10700	SCHOOL OF BUSINESS		
			185,591
			30,912
			21,162

			237,665
1-10710	MBA		
			185,000
1-10720	BUSINESS		
			1,065,010
			289,977

			1,354,987
1-10800	SCHOOL OF EDUCATION & HUMAN SERVICES		
			191,472
			35,709
			2,153

			229,334
1-10810	EDUCATION		
			458,515
			154,573

			613,088

	Actual 1986-87	Appropriation 1987-88	Recommended 1988-89
1-10820	SOCIAL WORK		
			82,225
			23,348

			105,573
1-10900	EXTENDED SERVICES		
			62,670
			32,675
			1,313

			96,658
1-10910	CONTINUING EDUCATION		
			84,185
			167,583
			3,410
			1,313

			256,491
1-10920	UNIVERSITY DIVISION		
			97,544
			20,555
			750

			118,849
	TOTAL INSTRUCTION	6,383,405	7,377,373
			8,905,141
	INSTRUCTION RELATED		
1-13100	MEDIA SERVICES		
	63,337	61,745	68,218
	28,258	35,585	32,639
	2,116	3,207	3,335
	3,813	200	108
	-----	-----	-----
	Total	97,524	100,737
			104,300
1-13200	LIBRARY SERVICES		
	283,565	285,925	335,210
	89,552	97,186	106,389
	6,916	6,951	9,229
	166,460	149,224	262,193
	-----	-----	-----
	Total	546,493	539,286
			713,021

	Actual 1986-87	Appropriation 1987-88	Recommended 1988-89
STUDENT SERVICES			
1-14000 STUDENT AFFAIRS			
Personal Service	154,198	135,578	128,751
Supplies & Expense	44,392	52,121	48,051
Repairs and Maintenance	812	812	912
Capital Outlay	2,833	14,620	15,720
Total	202,235	203,131	193,434
1-14001 ADMISSIONS			
Personal Service	107,275	100,370	126,767
Supplies & Expense	42,471	47,815	59,808
Repairs and Maintenance	1,520	1,520	1,220
Capital Outlay	2,984		
Total	154,250	149,705	187,795
1-14002 REGISTRAR			
Personal Service	95,041	100,384	104,991
Supplies & Expense	43,515	46,187	51,099
Repairs & Maintenance	1,125	1,125	1,250
Capital Outlay	3,385		
Total	143,066	147,696	157,340
1-14003 FINANCIAL AIDS			
Personal Service	74,899	78,590	82,590
Supplies & Expense	30,528	37,787	40,287
Repairs & Maintenance	688	688	1,148
Capital Outlay	2,655		
Total	108,770	117,065	124,025
1-14004 COUNSELING			
Personal Service	40,074	42,074	38,179
Supplies & Expense	18,184	19,093	16,799
Repairs & Maintenance	70	211	184
Total	58,328	61,378	55,162
1-14005 PLACEMENT			
Personal Service	29,781	41,326	43,896
Supplies & Expense	18,404	21,500	24,557
Repairs & Maintenance	140	275	254
Capital Outlay	545		
Total	48,870	63,101	68,707

	Actual 1986-87	Appropriation 1987-88	Appropriation Recommended 1988-89
1-14006			
STUDENT ACTIVITIES			
Personal Service	36,428	38,063	40,667
Supplies & Expense	16,692	18,720	18,297
Repairs & Maintenance	760	375	430
Capital Outlay	250		
Total	54,130	57,158	59,394
1-14007			
HEALTH SERVICES			
Personal Service	21,043	21,875	22,975
Supplies & Expense	7,361	9,640	9,569
Repairs & Maintenance	70	70	70
Capital Outlay	220		
Total	28,694	31,585	32,614
1-14100			
RECREATION AND INTRAMURALS			
Personal Service	75,276	67,740	75,502
Supplies & Expense	25,064	33,059	30,472
Repairs & Maintenance	405	318	917
Capital Outlay	5,280	1,520	2,520
Total	106,025	102,637	109,411
PHYSICAL PLANT			
1-15000			
PHYSICAL PLANT			
Personal Service	600,438	657,086	674,571
Supplies & Expense	951,700	1,136,980	1,204,054
Repairs & Maintenance	280,146	247,814	257,727
Capital Outlay	338,379	110,588	97,860
Total	2,170,663	2,152,468	2,234,212
1-15700			
SECURITY			
Personal Service	78,159	74,591	81,862
Supplies & Expense	33,934	39,050	30,473
Repairs & Maintenance	3,686	2,705	2,256
Total	115,779	116,346	114,591
ADMINISTRATIVE & GENERAL			
1-16000			
GENERAL ADMINISTRATIVE			
Supplies & Expense	122,219	129,402	154,634
Repairs & Maintenance	5,655		
Capital Outlay	5,327		
Total	133,201	129,402	154,634

	Actual 1986-87	Appropriation 1987-88	Recommended 1988-89
1-16001			
USI ACADEMIC REMITTED FEES			
Total Supplies & Expenses	61,917	24,000	25,439
1-16002			
NON RESIDENT REMITTED FEES			
Total Supplies & Expenses	78,179	130,200	130,200
1-16003			
GENERAL REMITTED FEES			
Total Supplies & Expenses	6,985	1,452	1,542
1-16004			
FACULTY ADMINISTRATION SPOUSE REMITTED FEES			
Total Supplies & Expenses	1,524	888	888
1-16005			
EMPLOYEE REMITTED FEES			
Total Supplies & Expenses	4,182	4,186	4,556
1-16006			
RETIRED STUDENT REMITTED FEES			
Total Supplies & Expenses	883	448	448
1-16007			
SPOUSE/FULL TIME STUDENT REMITTED FEES			
Total Supplies & Expenses	2,547	3,916	4,160
1-16008			
CDV REMITTED FEES			
Total Supplies & Expenses	37,427	35,010	38,109
1-16009			
CHILD OF EMPLOYEE REMITTED FEES			
Total Supplies & Expenses	5,550	7,906	11,922
1-16010			
SCHOLASTIC EXCELLENCE AWARD REMITTED FEES			
Total Supplies & Expenses	118,051	153,985	162,642
1-16100			
BUSINESS AFFAIRS			
Personal Service	509,790	553,640	582,347
Supplies & Expense	212,472	211,265	238,593
Repairs & Maintenance	10,392	11,000	11,000
Capital Outlay	45,853	20,000	20,800
Total	778,507	795,905	852,740
1-16200			
PRESIDENT'S OFFICE			
Personal Service	205,841	227,850	115,636
Supplies & Expense	114,295	110,158	45,242
Repairs & Maintenance	2,262	2,000	880
Capital Outlay	3,144		
Total	325,542	340,008	161,758

	Actual 1986-87	Appropriation 1987-88	Recommended 1988-89
1-16210	BOARD OF TRUSTEES		
	Total Supplies & Expenses	19,373	26,523
1-16220	UNIVERSITY RELATIONS		
	Personal Service		98,599
	Supplies & Expense		73,013
	Repairs & Maintenance		1,500
	Capital Outlay		5,000
	Total		178,112
1-16300	PUBLICATIONS		
	Personal Service	26,581	46,693
	Supplies & Expense	29,379	29,347
	Repairs & Maintenance	140	
	Total	56,100	76,040
1-16301	DUPLICATING SERVICES		
	Personal Service	19,021	20,717
	Supplies & Expense	37,462	30,838
	Repairs & Maintenance	2,320	6,251
	Capital Outlay	653	2,575
	Total	59,456	60,381
1-16302	COPY CENTER SERVICES		
	Personal Service	10,345	15,369
	Supplies & Expense	20,228	24,813
	Repairs & Maintenance	24,736	24,387
	Capital Outlay	29,960	25,721
	Total	85,269	90,290
1-16400	DEVELOPMENT		
	Personal Service	63,218	88,972
	Supplies & Expense	41,971	48,526
	Repairs & Maintenance	722	891
	Capital Outlay	4,317	
	Total	110,228	138,389
1-16410	ALUMNI AFFAIRS		
	Personal Service		33,087
	Supplies & Expense		14,558
	Repairs & Maintenance		280
	Total		47,925

	Actual 1986-87	Appropriation 1987-88	Recommended 1988-89
1-16500			
COMPUTER CENTER			
Personal Service	258,532	263,546	318,072
Supplies & Expense	250,667	351,935	446,043
Repairs & Maintenance	81,883	86,820	83,473
Capital Outlay	113,576	51,251	63,050
Total	704,658	753,552	910,638

DESIGNATED FUND BUDGET

	Actual 1986-87	Appropriation 1987-88	Appropriation Recommended 1988-89
2-20000			
STUDENT ACTIVITIES			
Estimated Cash Balance, July 1		45,447	20,000
Student Service Fee Income	363,273	358,796	391,254
Investment Interest Income	7,712	5,000	5,000
Other Income	4		
Total Available	370,989	409,243	416,254
Appropriations			
Personal Services			
Supplies & Expenses	6,935	6,676	6,676
Repairs & Maintenance			
Capital Outlay			
Transfers to Other Funds:			
2-20100 Student Programs	26,665	22,470	21,890
2-20200 Activities Prog. Bd.	26,933	32,265	34,940
2-20300 Student Government	3,215	3,787	3,530
2-20500 Shield	5,500	7,510	9,845
2-20600 Transitions Yearbook	4,735	4,750	5,140
3-30200 University Center	132,000	132,000	132,000
3-30600 Athletics	57,639	48,000	53,348
3-30700 Athletic Scholarship	116,657	131,688	139,194
Total	380,279	389,146	406,563
2-20003			
STUDENT ACTIVITIES REMITTED FEES - ENGLISH 490			
Total Remitted Fee Income	1,240	132	132
Appropriations			
Total Supplies & Expenses	1,240	132	132
2-20004			
STUDENT ACTIVITIES REMITTED FEES FACULTY/ADMINISTRATION SPOUSE			
Total Remitted Fee Income	244	74	74
Appropriations			
Total Supplies & Expenses	244	74	74
2-20005			
STUDENT ACTIVITIES REMITTED FEES EMPLOYEE			
Total Remitted Fee Income	384	540	540
Appropriations			
Total Supplies & Expenses	384	540	540

	Actual 1986-87	Appropriation 1987-88	Appropriation Recommended 1988-89
	-----	-----	-----
2-20006	STUDENT ACTIVITIES REMITTED FEES RETIRED STUDENT		
	Total Remitted Fee Income	64	44
			44
	Appropriations -----		
	Total Supplies & Expenses	64	44
			44
2-20007	STUDENT ACTIVITIES REMITTED FEES SPOUSE/FULL TIME STUDENT		
	Total Remitted Fee Income	191	356
			356
	Appropriations -----		
	Total Supplies & Expenses	191	356
			356
2-20100	STUDENT PROGRAMS		
	Estimated Cash Balance, July 1		800
	Student Service Fee Allocation	26,665	22,470
	Other Income	4,961	4,875
			4,575
	Total Available	31,626	29,265
			27,265
	Appropriations -----		
	Personal Services	7,383	11,800
	Supplies & Expenses	15,236	14,045
	Repairs & Maintenance	760	1,000
	Capital Outlay	2,400	2,500
			2,500
	Total	25,779	29,345
			27,265
2-20200	ACTIVITIES PROGRAMMING BOARD		
	Estimated Cash Balance, July 1		
	Student Service Fee Allocation	26,933	32,265
	Other Income	5,761	6,305
			4,550
	Total Available	32,694	38,570
			39,490
	Appropriations -----		
	Supplies & Expenses	36,298	38,570
	Repairs & Maintenance	70	
	Capital Outlay	779	
			39,490
	Total	37,147	38,570
			39,490

	Actual 1986-87	Appropriation 1987-88	Appropriation Recommended 1988-89
2-20300			
STUDENT GOVERNMENT			
Estimated Cash Balance, July 1		(437)	1,000
Student Service Fee Allocation	4,119	3,787	3,530
Other Income	348		100
Total Available	4,467	3,350	4,630
Appropriations			
Personal Services	9		
Supplies & Expenses	4,388	3,350	4,630
Repairs & Maintenance	70		
Total	4,467	3,350	4,630
2-20400			
STUDENT PUBLICATIONS			
Total Supplies & Expenses	468		
2-20500			
SHIELD			
Estimated Cash Balance, July 1			860
Student Service Fee Allocation	5,500	7,510	9,845
Other Income	3,882	8,400	7,000
Total Available	9,382	15,910	17,705
Appropriations			
Personal Services	2,195	6,300	8,000
Supplies & Expenses	6,574	8,910	8,345
Repairs & Maintenance		350	500
Capital Outlay	574	350	860
Total	9,343	15,910	17,705
2-20600			
TRANSITIONS YEARBOOK			
Student Service Fee Allocation	4,735	4,750	5,140
Other Income	2,033	3,800	8,000
Transfers from Publications	468		500
Total Available	7,236	8,550	13,640
Appropriations			
Personal Services	820	600	2,240
Supplies & Expenses	6,295	7,950	10,900
Capital Outlay			500
Total	7,115	8,550	13,640

	Actual 1986-87	Appropriation 1987-88	Appropriation Recommended 1988-89
2-20700			
TYPESETTING REVOLVING FUND			
Other Income	19,563	10,000	
Appropriations			
Personal Services	10,638	5,000	
Supplies & Expenses	2,145	1,500	
Repairs & Maintenance	3,494	1,700	
Total	16,277	8,200	
2-21000			
BUILDING FACILITIES FEES			
Instructional Facilities Fees	1,179,381	1,170,000	1,275,300
Investment Interest Income	9,885		
	1,189,266	1,170,000	1,275,300
Appropriations			
Supplies & Expenses	1,186,115	1,170,000	1,275,300
2-21100			
CAMPUS ID FUND			
Campus ID Fee	34,446	36,000	38,800
Investment Interest Income	1,591	1,100	400
Total Available	36,037	37,100	39,200
Appropriations			
Total Supplies & Expenses	36,005	37,100	39,200
2-22000			
CONTINUING EDUCATION REVOLVING FUND			
Total Other Income	46,877	5,000	30,000
Appropriations			
Personal Services	500		
Supplies & Expenses	32,284	5,000	30,000
Total	32,784	5,000	30,000
2-23000			
GENERAL INSTRUCTION REVOLVING FUND			
Total Transfers from Other Funds	1,663	1,000	1,000
Appropriations			
Personal Services		400	400
Supplies & Expenses	1,000	600	600
Total	1,000	1,000	1,000

	Actual 1986-87	Appropriation 1987-88	Appropriation Recommended 1988-89
2-24000			
EQUIPMENT MAINTENANCE REVOLVING FUND			
Total Other Income	38,850	38,000	38,000
Appropriations			
Repairs & Maintenance	9,717	25,000	20,000
Capital Outlay	8,563	13,000	18,000
Total	18,280	38,000	38,000
2-24200			
COMPUTER MAINTENANCE REVOLVING FUND			
Total Transfers from Other Funds	46,989	34,000	75,000
Appropriations			
Supplies & Expenses	4,272	4,000	10,000
Repairs & Maintenance	5,110	18,000	25,000
Capital Outlay	16,059	12,000	40,000
Total	25,441	34,000	75,000
2-24300			
AUTO SELF-INSURANCE REVOLVING FUND			
Total Transfers from Other Funds			10,000
Appropriations			
Total Repairs and Maintenance			10,000

AUXILIARY FUND BUDGET

	Actual 1986-87	Appropriation 1987-88	Appropriation Recommended 1988-89
3-30100			
RENTAL PROPERTY			
Rental Income	2,650	2,700	2,850
Total Available	2,650	2,700	2,850
Appropriations			
Supplies & Expenses	31	70	70
Repairs & Maintenance	94	2,130	2,280
Capital Outlay		500	500
Total	125	2,700	2,850
3-30200			
UNIVERSITY CENTER			
Student Service Fee Allocation	132,000	132,000	132,000
Other Income	93,598	85,000	91,100
Investment Interest Income	26,944	30,000	33,000
Transfers from Other Funds	29,544	16,000	16,000
Total Available	282,086	263,000	272,100
Appropriations			
Personal Services	42,220	50,800	52,300
Supplies & Expenses	154,177	146,400	148,224
Repairs & Maintenance	19,088	26,000	27,500
Capital Outlay	7,905	10,000	10,000
Total	223,390	233,200	238,024
3-30400			
HISTORIC NEW HARMONY MUSEUM SHOP			
Sales & Services			50,000
Transfer from Other Funds			3,009
Total Available			53,009
Appropriations			
Personal Services			10,500
Supplies & Expenses			40,509
Repairs & Maintenance			2,000
Total			53,009

	Actual 1986-87	Appropriation 1987-88	Appropriation Recommended 1988-89
	-----	-----	-----
3-30500	BOOKSTORE		
	Other Income	4,071	230
	Investment Interest Income	40,847	35,000
	Total Available	44,918	35,230
	Appropriations		

	Personal Services	92,538	100,214
	Supplies & Expenses	74,175	79,863
	Repairs & Maintenance	2,197	2,000
	Capital Outlay	6,468	3,000
	Total	175,378	185,077
3-30510	BOOKSTORE - NEW BOOKS		
	Total Other Income	643,588	698,690
	Appropriations		

	Total Supplies & Expenses	476,056	502,711
3-30520	BOOKSTORE - USED BOOKS		
	Total Other Income	198,515	218,000
	Appropriations		

	Total Supplies & Expenses	140,725	139,607
3-30530	BOOKSTORE - SUPPLIES		
	Total Other Income	72,494	78,480
	Appropriations		

	Total Supplies & Expenses	30,268	39,164
3-30540	BOOKSTORE - WHOLESALE BOOKS		
	Total Other Income	48,460	43,600
	Appropriations		

	Total Supplies & Expenses	33,400	35,532
3-30550	BOOKSTORE - SUNDRIES		
	Total Other Income	62,258	70,850
	Appropriations		

	Total Supplies & Expenses	41,854	43,736

	Actual 1986-87	Appropriation 1987-88	Appropriation Recommended 1988-89
3-30560			
BOOKSTORE - OFFICE EQUIPMENT			
Total Other Income	2,156	4,150	
Appropriations			

Total Supplies & Expenses	489	3,039	
3-30600			
ATHLETICS			
Student Service Fee Allocation	57,639	49,805	
Other Income	9,458	40,995	

Total Available	67,097	90,800	
Appropriations			

Personal Services	2,943	1,300	2,300
Supplies & Expenses	31,037	69,680	39,976
Repairs & Maintenance	528	600	600
Capital Outlay	1,158		

Total	35,666	71,580	42,876
3-30601			
ATHLETICS REVENUE			
Student Service Fee Allocation			53,348
Other Income			92,300

Total Available			145,648
3-30602			
ATHLETICS BASEBALL MEN			
Other Income	4,847	125	
Transfers from Other Funds		7,820	

Total Available	4,847	7,945	
Appropriations			

Supplies & Expenses	16,565	7,945	8,859
Capital Outlay	3,882		

Total	20,447	7,945	8,859
3-30603			
ATHLETICS TENNIS MEN			
Other Income	979		
Transfers from Other Funds		2,185	

Total	979	2,185	
Appropriations			

Supplies & Expenses	4,254	2,185	2,438

	Actual 1986-87	Appropriation 1987-88	Appropriation Recommended 1988-89
	-----	-----	-----
3-30604	ATHLETICS TENNIS WOMEN		
		2,185	
	Transfers from Other Funds		
	Appropriations		

	2,288	2,185	2,466
	Total Supplies & Expenses		
3-30605	ATHLETICS BASKETBALL WOMEN		
	905	450	
	Other Income		
		9,860	
	Transfers from Other Funds		

	905	10,310	
	Total Available		
	Appropriations		

	12,082	11,285	12,550
	Supplies & Expense		
	300		
	Capital Outlay		

	12,382	11,285	12,550
	Total		
3-30606	ATHLETICS BASKETBALL MEN		
	85,709		
	Other Income		
		70,925	
	Transfers from Other Funds		

	85,709	70,925	
	Total Available		
	Appropriations		

	60,880	38,470	43,109
	Supplies & Expenses		
3-30607	ATHLETICS SOFTBALL WOMEN		
	3,081		
	Other Income		
		5,355	
	Transfers from Other Funds		

	3,081	5,355	
	Total Available		
	Appropriations		

	8,787	5,355	6,058
	Total Supplies & Expenses		
	549		
	Capital Outlay		

	9,336	5,355	6,058
	Total		
3-30608	ATHLETICS GOLF		
	160		
	Other Income		
		2,785	
	Transfers from Other Funds		

	160	2,785	
	Total Available		
	Appropriations		

	3,679	3,225	3,591
	Total Supplies & Expenses		

	Actual 1986-87	Appropriation 1987-88	Appropriation Recommended 1988-89
3-30609			
ATHLETICS CROSS COUNTRY			
Other Income	4,467		
Transfers from Other Funds		2,585	
Total Available	4,467	2,585	
Appropriations			
Supplies & Expense	7,068	2,680	3,102
Capital Outlay	60		
Total	7,128	2,680	3,102
3-30610			
ATHLETICS SOCCER			
Other Income	7,302	900	
Transfers from Other Funds		9,450	
Total Available	7,302	10,350	
Appropriations			
Supplies & Expense	22,137	10,350	11,475
3-30611			
ATHLETICS VOLLEYBALL WOMEN			
Other Income	2,290	200	
Transfers from Other Funds		3,555	
Total Available	2,290	3,755	
Appropriations			
Total Supplies & Expenses	5,691	4,115	4,677
3-30612			
ATHLETICS CROSS COUNTRY			
Appropriations			
Total Supplies & Expenses	3,191		
3-30613			
ATHLETICS SPORTS MEDICINE			
Total Transfers from Other Funds		4,025	
Appropriations			
Personal Services		1,450	1,450
Supplies & Expenses	2,111	2,575	2,997
Capital Outlay	823		
Total	2,934	4,025	4,447

	Actual 1986-87	Appropriation 1987-88	Appropriation Recommended 1988-89
	-----	-----	-----
3-30700	ATHLETIC GRANT-IN-AID		
Student Service Fee Allocation	116,657	131,688	139,194
Gift-Grant-Foundation	57,684	58,684	59,684
	-----	-----	-----
Total Available	174,341	190,372	198,878
Appropriations			

Total Supplies & Expenses	174,347	190,372	198,878
3-30800	DAY CARE CENTER		
Student Service Fee Allocation	357		
Other Income	41,466	40,125	40,535
	-----	-----	-----
Total Available	41,823	40,125	40,535
Appropriations			

Personal Services	36,511	27,630	31,015
Supplies & Expenses	6,578	11,870	9,020
Repairs & Maintenance	393	450	350
Capital Outlay	3,746	175	150
	-----	-----	-----
Total	47,228	40,125	40,535
3-30900	NEW HARMONY OPERATIONS		
Gifts and Grants	376,353	351,000	280,400
Rental Income	39,578	35,000	25,000
Other Income	99,573		
Transfers from Other Funds	27,464	35,297	21,745
	-----	-----	-----
Total Available	542,968	421,297	327,145
Appropriations			

Personal Services	117,800	151,040	85,146
Supplies & Expenses	321,541	205,324	241,999
Repairs & Maintenance	89,017	64,933	
Capital Outlay	39,773		
	-----	-----	-----
Total	568,131	421,297	327,145
3-30905	NEW HARMONY MAINTENANCE		
Transfers From Other Funds			122,247
Appropriations			

Personal Services			44,391
Supplies & Expenses			26,923
Repairs & Maintenance			45,733
Capital Outlay			5,200

Total			122,247

	Actual 1986-87	Appropriation 1987-88	Appropriation Recommended 1988-89
	-----	-----	-----
3-30910			
NEW HARMONY GALLERY			
Gifts and Grants	25,250	42,000	35,500
Sales and Service	37,582	35,000	42,000
Transfers From Other Funds		11,795	15,081
	-----	-----	-----
Total Available	62,832	88,795	92,581
Appropriations			

Personal Services	24,775	33,950	34,630
Supplies & Expenses	43,221	57,545	60,950
Repairs & Maintenance	51	300	
Capital Outlay	190		
	-----	-----	-----
Total	68,237	91,795	95,580
3-30912			
NEW HARMONY GALLERY			
Other Income	4,706	3,000	6,000
Appropriations			

Total Supplies & Expense	3,348		3,000
3-30920			
NEW HARMONY GALLERY TOURS			
Other Income	50,048	60,000	66,000
Appropriations			

Personal Services	36,789	32,300	33,590
Supplies & Expenses	2,204	27,700	9,865
Repairs & Maintenance			800
Transfers to Other Funds		22,297	21,745
	-----	-----	-----
Total	38,993	60,000	44,255
3-30990			
NEW HARMONY MUSEUM SHOP			
Other Income		40,000	
Appropriations			

Personal Services		6,000	
Supplies & Expenses		34,000	

Total		40,000	

PLANT FUND BUDGET

	Actual 1986-87	Appropriation 1987-88	Appropriation Recommended 1988-89
6-60200			
PARKING FACILITIES FUND			
Estimated Cash Balance, July 1			54,000
Transfers from Other Funds	34,100	32,100	33,200
Total Available	34,100	32,100	87,200
Appropriations			
Repair & Maintenance		23,500	79,000
Capital Outlay	40,700	8,600	8,200
Total	40,700	32,100	87,200
6-64100			
ACADEMIC BUILDING FACILITIES			
Interest Subsidy	86,073	86,073	86,073
Investment Interest Income	170,000	150,000	140,000
Transfers from Other Funds	936,431	953,742	963,074
Total Available	1,106,431	1,103,742	1,103,074
Appropriations			
Total Supplies & Expenses	576,806	1,043,315	1,052,447
6-64200			
UNIVERSITY CENTER BOND AND INTEREST SINKING FUND			
Transfers from Other Funds	77,388	75,400	78,119
Interest Subsidy	44,100	44,100	44,100
Total Available	121,488	119,500	122,219
Appropriations			
Total Supplies & Expenses	95,170	119,500	122,219

REVENUE PROJECTION FY 1988-89

DESCRIPTION -----	PROJECTION -----
CONTINGENT STUDENT FEES	\$1,466,967
CONTINGENT STUDENT FEES	1,316,055
CONTINGENT STUDENT FEES	166,501
CONTINGENT STUDENT FEES	69,822
CONTINGENT STUDENT FEES	30,245
GRADUATE CONTINGENT FEES	17,100
MEDICAL ED STUDENT FEES	22,000
AUDIT FEES	1,700
CREDIT BY EXAM FEES	450
LATE REGISTRATION FEE	700
LABORATORY FEES	28,750
ART SUPPLIES FEE	3,300
NON RESIDENT FEES	192,998
NON RESIDENT FEES	169,643
NON RESIDENT FEES	20,929
NON RESIDENT FEES	9,972
NON RESIDENT FEES	13,327
CONTINUING EDUCATION FEES	235,000
USI ACADEMIC REMITTED FEES	12,304
USI ACADEMIC REMITTED FEES	11,797
USI ACADEMIC REMITTED FEES	761
USI ACADEMIC REMITTED FEES	360
USI ACADEMIC REMITTED FEES	127
NON RESIDENT REMITTED FEES	65,100
NON RESIDENT REMITTED FEES	54,684
NON RESIDENT REMITTED FEES	5,208
NON RESIDENT REMITTED FEES	3,906
NON RESIDENT REMITTED FEES	1,302
GENERAL REMITTED FEES	771
GENERAL REMITTED FEES	771
GENERAL REMITTED FEES	0
GENERAL REMITTED FEES	0
GENERAL REMITTED FEES	0
FACULTY ADMN SPOUSE REMITTED FEES	444
FACULTY ADMN SPOUSE REMITTED FEES	444
FACULTY ADMN SPOUSE REMITTED FEES	0
FACULTY ADMN SPOUSE REMITTED FEES	0
FACULTY ADMN SPOUSE REMITTED FEES	0
EMPLOYEE REMITTED FEES	2,278
EMPLOYEE REMITTED FEES	2,278
EMPLOYEE REMITTED FEES	0
EMPLOYEE REMITTED FEES	0
EMPLOYEE REMITTED FEES	0
RETIRED STUDENT REMITTED FEES	224
RETIRED STUDENT REMITTED FEES	224
RETIRED STUDENT REMITTED FEES	0
RETIRED STUDENT REMITTED FEES	0
RETIRED STUDENT REMITTED FEES	0
SPOUSE/FULL TIME STUDENT REMITTED FEES	2,080
SPOUSE/FULL TIME STUDENT REMITTED FEES	2,080
SPOUSE/FULL TIME STUDENT REMITTED FEES	0
SPOUSE/FULL TIME STUDENT REMITTED FEES	0
SPOUSE/FULL TIME STUDENT REMITTED FEES	0

DESCRIPTION -----	PROJECTION -----	
CDV REMITTED FEES	19,086	
CDV REMITTED FEES	17,177	
CDV REMITTED FEES	1,145	
CDV REMITTED FEES	701	
CDV REMITTED FEES	0	
CHILD OF EMPLOYEE REMITTED FEES	5,961	
CHILD OF EMPLOYEE REMITTED FEES	5,961	
CHILD OF EMPLOYEE REMITTED FEES	0	
CHILD OF EMPLOYEE REMITTED FEES	0	
CHILD OF EMPLOYEE REMITTED FEES	0	
SCHOLASTIC EXCELLENCE REMITTED FEES	78,945	
SCHOLASTIC EXCELLENCE REMITTED FEES	75,690	
SCHOLASTIC EXCELLENCE REMITTED FEES	4,883	
SCHOLASTIC EXCELLENCE REMITTED FEES	2,310	
SCHOLASTIC EXCELLENCE REMITTED FEES	814	
TRANSFERS FROM INSTRUCTIONAL FACILITIES FEE		

TOTAL STUDENT FEES		\$4,145,275
GOVERNMENT APPROPRIATION GENERAL OPERATING	9,297,316	
GOVERNMENT APPROPRIATION NURSING	318,000	
GOVERNMENT APPROPRIATION MBA	185,000	
GOVERNMENT APPROPRIATION GRADUATE STUDIES	43,133	
GOVERNMENT APPROPRIATION FEE REPLACEMENT	949,991	
TOTAL STATE APPROPRIATION		\$10,793,440
ADMINISTRATIVE EXPENSE	9,500	
OVERHEAD FROM CONTRACTS	13,470	
SCRAP MATERIAL SALES	500	
OLD EQUIPMENT SALES	1,000	
DUPLICATION SALES	2,000	
PHOTO COPYING SALES	18,000	
TELEPHONE SALES	500	
DENTAL CLINIC SERVICES	2,000	
TENNIS COURT LIGHTS	400	
TOWEL SERVICE CHARGE	200	
RECREATION INCOME	2,500	
MISCELLANEOUS SERVICES	0	
RECREATION FACILITIES RENT	2,500	
ROOM RENTAL	6,000	
INVESTMENT INCOME	205,000	
VETERANS HANDLING CHARGES	350	
PHYSICAL PLANT MILEAGE	14,000	
PHYSICAL PLANT LABOR AND MATERIALS	8,000	
MEDIA SERVICES	4,400	
DUPLICATING	24,500	
COPY CENTER	69,000	
LIBRARY FINES	2,000	
LIBRARY LOST BOOKS	300	
PARKING FINES	3,000	
CHANGE OF COURSE FEE	16,000	
COLLECTION RETURNED CHECKS	350	
ID CARD REPLACEMENT	21	
OTHER REIMBURSEMENTS	9,200	
ART COMMISSION MUSIC	10,000	
ART COMMISSION THEATRE	800	
TRANSFERS FROM DESIGNATED FUNDS	312,226	

TOTAL OTHER INCOME		\$737,717
TOTAL INCOME		----- \$15,676,432

Amount: \$1,000,000

Maturity: June 30, 1989

Payable: Interest payable the first day of each month commencing July 1, 1988 and at maturity.
Principal payable at maturity.

Interest Rate: A rate per annum equal to one-half of prime rate as in effect from time to time, plus three-fourths of one percent per annum.

Other Conditions: A line of credit will be established with the Old National Bank in the amount of principal balance due plus interest due. No charge will be made for the line of credit. If the line of credit is used, the interest rate will be the prime interest rate of Old National Bank.

AGREEMENT

THIS AGREEMENT, dated the 1st day of May, 1986, by and between the University of Southern Indiana, a statutory body corporate organized under the laws of the State of Indiana (hereinafter referred to as the "University"), and Old National Bank in Evansville, Trust Division, as fiduciary for various accounts (including, but not limited to, trusts, estates, guardianships, conservatorships and agencies), and not individually (hereinafter referred to as "Old National").

WITNESSETH:

WHEREAS, the University has advised Old National that it anticipates that it will require One Million Forty Thousand Dollars (\$1,040,000) to be used by the University to provide for interim borrowing for the costs of constructing a building facility known as the HPER Building in Vanderburgh County, Indiana (said construction being hereinafter referred to as the "Project"); and

WHEREAS, the University has obtained specific authority from the State Budget Committee, the State Budget Agency and the Governor of the State of Indiana to issue bonds pursuant to Indiana Code 20-12-6 to fund the construction of such Project; and

WHEREAS, Old National is willing to make a loan or loans in the aggregate principal amount of \$1,040,000 in increments of not less than \$1,000 from such fiduciary accounts as it may from time to time select, all subject to the following terms, provisions and conditions:

NOW, THEREFORE,

1. Representations and Warranties. The University represents:

(a) The University has full power and authority under and by virtue of the laws of the State of Indiana, more particularly under the provisions of Indiana Code 20-12-6 and the acts amendatory thereof and supplemental thereto (the "Act"), to construct the Project at and in connection with the University of Southern Indiana and to provide for the cost thereof with loan proceeds evidenced by its promissory note or notes executed and delivered pursuant to the terms and conditions hereof.

(b) The principal amount of its promissory note or notes evidencing the indebtedness incurred hereunder, together with other indebtedness incurred pursuant to the Act, will not exceed the aggregate principal amount of bonds, as defined in such Act, which may be issued by the University.

(c) The University has, by resolution duly adopted, authorized the loan provided for herein, the proceeds of which will be used to finance the cost of constructing the Project.

(d) The University has, by resolution duly adopted, authorized its officers to execute and deliver to Old National this Agreement and its promissory note or notes in the form annexed hereto.

(e) The financing provided for in this Agreement has been approved by the State Budget Committee, the State Budget Agency and the Governor of the State of Indiana.

(f) The principal amount of the loan provided for in this Agreement, which will be used to provide for the cost of constructing the Project, will not exceed the total estimated cost of constructing thereof, including incidental expenses and financing costs.

(g) The University has determined that there is a need for the construction of the Project.

2. The Loans. The amount lent hereunder to the University by Old National shall not exceed One Million Forty Thousand Dollars (\$1,040,000) in principal amount and shall be evidenced by a note (referred to herein as the "note") substantially in the form attached hereto and marked "Exhibit A." All borrowings, payments and settlements made under this arrangement shall be made at the principal office of Old National. The note shall be dated as of the date of its issue and shall bear interest on the principal amount outstanding each day at the end of the day. (All borrowings will commence to bear interest on the day they are advanced and will bear interest through the day preceding the day of repayment.)

When used herein, the term "day" shall mean each actual natural, calendar day; the term "business day" shall mean each day that the principal office of Old National Bank in Evansville (the "Bank") is open to the public for the transaction of general banking business.

The interest on such note shall be at a rate equal to one-half (1/2) of the prime interest rate charged from time to time by the Bank plus three-fourths (3/4) of one percent (1%).

Whenever there is a change in the interest rate on the note, Old National's representative will telephone the University's representative and inform him of the new rate and of its effective date, effective on the date of notification. The University will receive written confirmation from Old National of such changes in the interest rate and of the effective date of such changes.

3. Change In Loan Amount.

(a) It shall be the obligation of the Bank to use its best efforts at all times, consistent with its fiduciary duties, to maintain participation in the loans by a sufficient number of its fiduciary accounts to enable it to keep the full committed principal amount of One Million Forty Thousand Dollars (\$1,040,000) in force. In the event the Bank is unable to do so in the exercise of its fiduciary duties, it shall promptly advise the University, as provided below, of any necessary decrease in the loan amount.

In the event that the loan amount has been decreased and it subsequently becomes possible for the Bank to do so, the Bank may make a corresponding increase in the principal amount of the loan (but not in excess of the amount stated above), it being the mutual intention of the parties that throughout the proposed term of this Agreement the University shall have use of the full principal loan amount to the greatest extent possible.

(b) A duly authorized representative of Old National, designated by Old National in writing, will from time to time before 10:00 A.M. of the day that any amount is to be lent pursuant hereto, notify the University's designated representative by telephone or otherwise of the total amount to be lent to the University, and, on receiving verbal approval from the University's representative, Old National's representative will enter such amount on the University's note as the "Amount Loaned" or the "Amount Repaid", and will make an adjustment in the "Balance Owing." However, if any increase or decrease is in excess of \$100,000.00 (one hundred thousand dollars), notice will be given to the University at least one business day prior to such increase.

The University will mail written confirmation of adjustments in the principal amount of the note to Old National on the same day that the University's representative gives its verbal approval. The entries made on the note by Old National's representative shall constitute prima facie evidence (except to the extent that error can be demonstrated) of the principal amount of the note outstanding at any time when Old National shall have received written confirmation of such entries from the University's authorized representative.

In the event Old National's notification to the University results in an increase in the total amount to be lent to the University hereunder, Old National shall cause the amount of said increase to be credited to the University's account with such bank as the University shall designate in writing.

In the event such verbal notification to the University results in a decrease in the total amount to be lent to the University, such notification shall constitute a demand for payment of the amount of such decrease. Contemporaneously with the verbal notification, Old National shall mail or otherwise personally deliver to the University a certificate executed by an officer of the Bank evidencing that the Bank and Old National have used their best efforts to maintain full participation of Old National's trust accounts in accordance with Section 3(a) hereof and that they have been unable to maintain such participation to the extent of the decrease. The University shall, on the same business day (or in the event of a decrease in excess of \$100,000, on the succeeding business day) pay the amount of the decrease to Old National in federal funds; such payment to be applied in reduction of the total outstanding and unpaid principal amount of the note. After any such payment by the University, Old National shall enter the new reduced principal balance on the note. The University will promptly send its written confirmation of the amount of any increase or decrease in the "Balance Owing" on the note. All payment to Old National of principal under this Paragraph 3 and of interest under Paragraph 4 shall be made by the University, in federal funds by wire or otherwise, to the Bank for the account of the Trust Division.

4. Payment of Interest. As of the last business day of each month, the University's representative will check with Old National's representative as to the amount of interest due through the next to the last business day of that month, and the University shall pay the amount due to Old National in federal funds. Such interest shall be paid for each calendar month on the last business day of the month.

5. Payment of Principal. It is understood and agreed that Old National shall have the right at any time to demand payment of all or any part of the principal amount then outstanding on the note or notes then held by Old National, together with interest to date of payment, subject to the notification provided in Paragraph 3, above, relating to

possible periodic increase or decreases in the amount of the loan. The University shall have the right at any time, upon advice to Old National by letter or telephone, to pay all or any part of the principal amount then outstanding on the note then held by Old National, together with interest to the date of payment, notwithstanding that Old National has not heretofore demanded such payment in accordance with the foregoing and with the note.

6. Source of Payment. The University will, on or before May 1, 1991, repay the note or in the alternative, issue permanent bonds or procure further interim financing from other sources, pursuant to the Act, the proceeds of which will be used to retire in full the indebtedness evidenced by the note or notes. The note or notes issued pursuant to this Agreement shall, except as hereinafter provided be payable solely from any one or more of the following sources:

- a. From the proceeds of the note or notes issued pursuant to this Agreement;
- b. From the proceeds of the permanent bonds issued to pay the cost of construction of the Project;
- c. From other short-term obligations issued to provide interim financing for the construction of the Project; or
- d. From the Line of Credit hereinafter described.

If the principal and interest on such note or notes or any part thereof remains unpaid at maturity on May 1, 1991, or upon demand, such principal and interest shall be additionally payable from student fees assessed against students attending the University, subject to the prior claim of the Trust Indenture dated as of November 1, 1985, between the University and The Merchants National Bank of Terre Haute providing for the issuance of University of Southern Indiana Student Fee Bonds from time to time and other prior indebtedness.

The University hereby covenants and agrees to charge and maintain its student fees in an amount sufficient in each year to pay principal of and interest on all indebtedness secured by such fees.

If the note or notes issued pursuant to this Agreement mature prior to the issuance of permanent bonds, the University will issue, sell and deliver other short-term obligations in an amount to pay, with other funds available therefor, the principal and interest on such note or notes.

The failure of the University to repay the note or to issue permanent bonds by May 1, 1991, shall in no way relieve the University of its obligations to repay the note or to issue such bonds. In no event shall the note or notes become an indebtedness of or liability against the State of Indiana.

After giving any required notice of demand under Section 3 hereof, Old National shall have the right to make demand for payment of the amount so demanded from the Bank as issuer of a Line of Credit (or any successor or issuer of a Line of Credit acceptable to Old National) under a Line of Credit dated concurrently herewith in the

form attached hereto as Exhibit B and in accordance with the terms and conditions thereof.

7. Total Indebtedness. In the event that Old National is unable to maintain the full principal amount of the loan in force for the entire term of this Agreement, the University shall be free to issue notes or other short-term obligations to provide replacement interim financing for the portion not maintained by Old National; but the aggregate principal amount of all interim financing for this project outstanding at any one time shall not exceed One Million Forty Thousand Dollars (\$1,040,000). All such notes and other short-term obligations issued within such amount for the purpose hereinabove described shall be of equal priority, and the University covenants that if it issues permanent bonds, or refinances, in an amount less than such outstanding notes and other short-term obligations, it will apply the proceeds thereof pro rata to the payment of principal and interest on all such notes and other short-term obligations outstanding. To the extent of its pro rata share of the proceeds of bonds which may be issued from time to time, each such note and other short-term obligations shall no longer be deemed to be outstanding.

8. Application of Proceeds. The University covenants and agrees that the proceeds of the note or notes shall be applied to the payment of the cost of construction of the Project, including the reimbursements of the University for any amounts advanced for such purpose.

9. Exchange of Notes. Upon Old National's request, the University shall issue and deliver to Old National without charge, a new note in exchange for the one then held by Old National in a principal amount equal to the then outstanding principal balance of the note surrendered in exchange.

Old National shall also have the right at any time to exchange the University's note then held by Old National for the University's separate demand notes payable to Old National's order as fiduciary for the various accounts administered by Old National which have advanced funds represented by the note (the separate note for each such account to be in a principal amount equal to the then outstanding loans by such account to the University) and the University shall immediately issue and deliver such separate demand notes to Old National, without charge, in exchange for the note. Such separate notes shall bear interest at the same rate or rates as the note in the same manner as though the note had not been exchanged.

10. Transfer of Notes. It is further understood and agreed that Old National shall not sell, pledge, assign, nor otherwise transfer any promissory note held by it pursuant to this Agreement without first having notified the University at least ten (10) days prior to the intended date of such sale, pledge, assignment or transfer of Old National's intention to do so.

11. Authorized Representatives. The Treasurer of the University, pursuant to authorization of the University of Southern Indiana Board of Trustees, has designated any one of the following individuals, as the University's representative, to receive notification of increases or decreases in the principal amount of the note, to give verbal approval thereof in person or by telephone, to sign written confirmations thereof and to verify the amount of interest due on the note from time to time. A specimen of the signature of each of these individuals appears following his or her name. Old National may rely upon the signatures and verbal authorizations of these individuals until notified, in writing, to the contrary.

Name

Specimen Signature

BYRON WRIGHT

Byron Wright

Richard W. Schmidt

Richard W. Schmidt

Old National hereby designates any one of the following individuals:

Name

Specimen Signature

DONALD R. BALSER

Donald R. Balsler

MARVIN H. SUNDERMAN

Marvin H. Sunderman

William B. Kelley

W. Kelley

or any other individual or individuals who may be designated in writing by Old National's Chief Trust Officer, to enter on the note the total amount loaned by Old National from time to time, and to notify the University of changes in interest rates.

12. Addresses for Notice. Written confirmations of verbal approval shall be made to the appropriate representative at the following address:

If to Old National:

Old National Bank
in Evansville,
Trust Division
420 Main Street
P.O. Box 718
Evansville, Indiana 47705

If to the University:

University of Southern Indiana
Attention: Treasurer
8600 University Boulevard
Evansville, Indiana 47712

13. Condition Precedent. Prior to the initial loan hereunder, Old National shall have received from Ice Miller Donadio & Ryan, Indianapolis, Indiana, their favorable written opinion substantially to the effect that (which opinion may be subject in certain respects to timely publication of notice under Indiana Code 20-12-6-7(g)):

(a) This Agreement has been duly authorized, executed and delivered and constitutes the legal, valid and binding agreement of the University enforceable in accordance with its terms;

(b) The note or notes have been duly authorized and, when executed and delivered to evidence loans made hereunder, will constitute the legal, valid and binding obligations of the University, enforceable in accordance with their terms;

(c) The loans provided for in this Agreement have been authorized by resolutions duly adopted by the University;

(d) The note or notes issued pursuant to this Agreement have been sold in compliance with the negotiated sale requirements of Indiana Code 4-1-5; and

(e) The principal and interest of the note or notes are exempt under existing laws, regulations and rulings from the intangible tax, gross income tax and all other taxes in the State of Indiana, except the state inheritance tax, and under existing federal statutes, decisions, regulations and rulings, the interest thereon is excludable from gross income for federal income tax purposes.

14. Amendments. This Agreement may be amended only by an agreement in writing executed by the University, the Bank and Old National.

15. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together constitute one and the same instrument.

16. Registration; Persons Treated as Owners. So long as the note or notes shall remain outstanding, the University shall keep a register for the registration and transfer of the note or notes (herein referred to as the "Register").

The note or notes shall be transferable only on the Note Register at the principal office of the University, at the written request of the registered owner thereof or his attorney duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the University duly executed by the registered owner or his duly authorized attorney.

The University and any agent of the University may treat the person in whose name the note or notes is registered as the owner of the note or notes for the purpose of receiving payment of principal of and interest on the note or notes and for all other purposes whatsoever whether or not the note or notes is overdue, and neither the University nor any agent of the University shall be affected by notice to the contrary.

17. Exchange; Transfer. The registered note or notes, upon surrender thereof at the principal office of the University with a written instrument of transfer satisfactory to the University, duly executed by the registered owner or his duly authorized attorney, may at the option of the holder thereof, be exchanged for an equal aggregate principal amount of registered note or notes.

In all cases in which the privilege of exchanging notes or transferring registered notes is exercised, the University shall execute and deliver notes in accordance with the provisions of this Loan Agreement. For every exchange or transfer of notes the University may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a

condition precedent to the exercise of the privilege of making such exchange or transfer. The University shall not be obliged to make any such exchange or transfer of notes during the 15 days next preceding an interest payment date on note or notes.

IN WITNESS WHEREOF, the University, the Bank and Old National have executed this Agreement the day and year first above written.

THE UNIVERSITY OF SOUTHERN INDIANA

By Byron C. Wright
Byron C. Wright, Treasurer

OLD NATIONAL BANK IN EVANSVILLE,
TRUST DIVISION, as Fiduciary for
Various Accounts, and Not Individually

By [Signature]
Senior Vice Pres Trust Officer

OLD NATIONAL BANK IN EVANSVILLE
(the "Bank") solely with regard
to the obligations of the Bank
expressed in paragraph 3 hereof

By [Signature]
Senior Vice Pres Trust Officer

EXHIBIT A
PROMISSORY NOTE

SPECIMEN

For value received, the University of Southern Indiana will pay to Old National Bank in Evansville, Trust Division, as fiduciary for various accounts and not individually, on its demand, but no later than May 1, 1991, solely out of the funds hereinafter referred to, the principal sum set forth below as "Balance Owing" on the date of such demand at the office of Old National Bank in Evansville and will likewise pay to the order of said payee interest at the rate or rates provided for in the Agreement mentioned below. Said interest will be due and payable on the last business day of each month after the date of this note, or upon payment in full of the principal amount outstanding, and will be calculated on the average daily principal amount from time to time outstanding, as indicated below.

This note is issued pursuant to and subject to the terms and conditions of a certain Agreement dated May 1, 1986, by and between the University of Southern Indiana Board of Trustees and Old National Bank in Evansville, Trust Division, the terms of which are incorporated herein by reference.

This note is issued to provide interim borrowing for application to the cost of construction of the project as described in the above-mentioned Agreement, prior to the issuance by the University of Southern Indiana of permanent bonds pursuant to Indiana Code 20-12-6 ("Act") to provide funds for said project.

This note and the interest thereon shall be payable solely from any one or more of the following sources:

1. From the proceeds of the note or notes issued pursuant to the above-mentioned Agreement;
2. From the proceeds of the permanent bonds issued to pay the cost of construction of such project;
3. From other short-term obligations issued to provide interim financing for such project; or
4. From the Line of Credit described in the above mentioned agreement.

If the principal and interest on this note, or any part thereof, remains unpaid at maturity (May 1, 1991), or upon demand, as the case may be, such principal and interest shall be additionally payable from student fees assessed against students attending the the University of Southern Indiana, subject to liens and claims described in said Agreement. The University of Southern Indiana Board of Trustees covenant and agree to charge and maintain student fees in an amount sufficient in each year to pay principal of and interest on all indebtedness secured by such fees.

The University of Southern Indiana covenants that it will not issue notes or other short-term obligations to provide interim financing for the purpose hereinabove described in an aggregate amount outstanding at any one time exceeding One Million Forty Thousand Dollars (\$1,040,000), but all notes or other short-term obligations to provide interim financing issued within such amount for the purpose herein described shall be of

equal priority, and the University of Southern Indiana covenants that if it issues permanent bonds in an amount less than such outstanding notes and other short-term obligations, it will apply the proceeds thereof pro rata to the payment of principal and interest on all such notes and short-term obligations outstanding. To the extent of its pro rata share of the proceeds of bonds which may be issued from time to time, this note shall no longer be deemed to be outstanding.

This note is issued pursuant to the provisions of the Act, and, as provided for in such Act, the University of Southern Indiana shall not be obligated to pay this note or the interest thereon except from the funds and income as aforesaid, and no recourse shall be had for the payment of the principal or interest thereof against the State of Indiana or against the property or funds of the State of Indiana.

THE UNIVERSITY OF SOUTHERN
INDIANA

By Byron C. Wright
Treasurer

Evansville, Indiana

Dated: May 1, 1986

<u>Date</u>	<u>Amount Loaned</u>	<u>Amount Paid</u>	<u>Balance Owing</u>	<u>Authorized Initials</u>
May <u>29</u> , 1986	\$1,040,000	\$0	\$1,040,000	

SP-1111

PROMISSORY NOTE

For value received, the University of Southern Indiana will pay to Old National Bank in Evansville, Trust Division, as fiduciary for various accounts and not individually, on its demand, but no later than May 1, 1991, solely out of the funds hereinafter referred to, the principal sum set forth below as "Balance Owing" on the date of such demand at the office of Old National Bank in Evansville and will likewise pay to the order of said payee interest at the rate or rates provided for in the Agreement mentioned below. Said interest will be due and payable on the last business day of each month after the date of this note, or upon payment in full of the principal amount outstanding, and will be calculated on the average daily principal amount from time to time outstanding, as indicated below.

This note is issued pursuant to and subject to the terms and conditions of a certain Agreement dated May 1, 1986, by and between the University of Southern Indiana Board of Trustees and Old National Bank in Evansville, Trust Division, the terms of which are incorporated herein by reference.

This note is issued to provide interim borrowing for application to the cost of construction of the project as described in the above-mentioned Agreement, prior to the issuance by the University of Southern Indiana of permanent bonds pursuant to Indiana Code 20-12-6 ("Act") to provide funds for said project.

This note and the interest thereon shall be payable solely from any one or more of the following sources:

1. From the proceeds of the note or notes issued pursuant to the above-mentioned Agreement;
2. From the proceeds of the permanent bonds issued to pay the cost of construction of such project;
3. From other short-term obligations issued to provide interim financing for such project; or
4. From the Line of Credit described in the above mentioned agreement.

If the principal and interest on this note, or any part thereof, remains unpaid at maturity (May 1, 1991), or upon demand, as the case may be, such principal and interest shall be additionally payable from student fees assessed against students attending the the University of Southern Indiana, subject to liens and claims described in said Agreement. The University of Southern Indiana Board of Trustees covenant and agree to charge and maintain student fees in an amount sufficient in each year to pay principal of and interest on all indebtedness secured by such fees.

The University of Southern Indiana covenants that it will not issue notes or other short-term obligations to provide interim financing for the purpose hereinabove described in an aggregate amount outstanding at any one time exceeding One Million Forty Thousand Dollars (\$1,040,000), but all notes or other short-term obligations to provide interim financing issued within such amount for the purpose herein described shall be of equal priority, and the University of Southern Indiana covenants that if it issues

SPECIMEN

permanent bonds in an amount less than such outstanding notes and other short-term obligations, it will apply the proceeds thereof pro rata to the payment of principal and interest on all such notes and short-term obligations outstanding. To the extent of its pro rata share of the proceeds of bonds which may be issued from time to time, this note shall no longer be deemed to be outstanding.

This note is issued pursuant to the provisions of the Act, and, as provided for in such Act, the University of Southern Indiana shall not be obligated to pay this note or the interest thereon except from the funds and income as aforesaid, and no recourse shall be had for the payment of the principal or interest thereof against the State of Indiana or against the property or funds of the State of Indiana.

THE UNIVERSITY OF SOUTHERN
INDIANA

By Byron C. Wright
Treasurer

Evansville, Indiana

Dated: May 1, 1986

<u>Date</u>	<u>Amount Loaned</u>	<u>Amount Paid</u>	<u>Balance Owing</u>	<u>Authorized Initials</u>
May <u>29</u> , 1986	\$1,040,000	\$0	\$1,040,000	