

MINUTES

**UNIVERSITY OF SOUTHERN INDIANA
BOARD OF TRUSTEES**

May 5, 1995

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The University of Southern Indiana Board of Trustees met in the University Center on Friday, May 5, 1995. Present were Trustees Brent Auberry, Bruce Baker, Charles Combs, J. David Huber, Thomas McKenna, Joseph O'Daniel, Robert Swan, and Harolyn Torain. Also attending were President H. Ray Hoops; Vice Presidents John Byrd, Robert Reid, Richard Schmidt, and Sherrienne Standley; Faculty Senate Chairperson Timothy Schibik; and Student Government Association President Stuart Mosby.

There being a quorum present, the meeting was called to order at 1:00 p.m.

SECTION I - GENERAL AND ACADEMIC MATTERS

A. APPROVAL OF MINUTES OF MARCH 3, 1995, MEETING

On a motion by Mr. Swan, seconded by Mr. Combs, the minutes of the March 3, 1995, meeting were approved.

B. ESTABLISHMENT OF NEXT MEETING DATE, TIME, LOCATION

The next regular meeting of the Board of Trustees was set for Friday, July 7, 1995 in Terre Haute, Indiana. The annual meeting will precede the regular meeting that day.

C. PRESIDENT'S REPORT

Dr. Hoops called on Mr. Schmidt for a review of legislative action and also an overview of the coming budgetary process. Mr. Schmidt reported that \$420,000, recognizing prior enrollment increases, and a debt service adjustment of \$89,000 were included in the legislative appropriation. The University received an operating increase of four percent for the first year of the biennium and five percent for the second year, and achieved authorization for a general purpose classroom building. Mr. Schmidt expressed appreciation to the local and regional legislators who helped in getting legislative authorization for University projects. Discussion followed on the budgetary process.

Faculty Senate Chairperson Timothy Schibik presented a report on 1994-95 fiscal year activities. Dr. Schibik summarized recommendations from the Student Retention and Economic Benefits Faculty Senate subcommittees. Discussion followed on the recommendations.

Dr. Byrd presented details of activities in recruitment and retention. Currently, applications for new freshman are up 17 percent, visitors to the University over the past 90 days are up 47 percent, attendance at Southern Hospitality Day is up 20 percent, and there is an increase in student housing applications. The University continues to be aggressive in seeking applicants to the University, and is using direct mail to contact several hundred students who have either filled out financial aid forms or sent ACT or SAT scores to the University, but have not yet applied for admission. Dr. Hoops added that it is important for the University to build a sound foundation in terms of the management of its enrollment, and these increases in freshman class applications demonstrate that.

Chairman Bruce Baker was instrumental in directing a gift from the estate of his late Aunt Alma. The Alma Schullien Baker Charitable Trust has a value today of about \$950,000. Mr. Baker, with his co-administrator of the trust, Harold Ashley of Florida, has specified that 75 percent of the USI trust income fund academic scholarships, including those for Warrick County students, and 25 percent fund athletic scholarships. Dr. Hoops expressed thanks on behalf of the University for this generous gift.

Dr. Hoops called on Dr. Reid to introduce two faculty members who will present faculty projects to the Board. Professor of German Donald Wolfe presented a shortened version of a speech presented to the USI Society for the Arts and Humanities of his reactions and insights to culture in American life, and the importance of art and humanities to quality of life.

Professor of Science Education Charles Price presented a series of detailed nature slides chosen from his extensive nature photography selection taken on the University campus. He explained a project he and Professor of Biology James Bandoli have proposed to restore natural areas on campus and enhance the natural ecosystem.

D. APPOINTMENT OF NOMINATING COMMITTEE

Mr. Baker appointed a nominating committee, consisting of Mr. O'Daniel, Mrs. Torain, and Mr. Huber, as chairman, to prepare a slate of officers of the Board of Trustees for 1994-95. The election of officers will take place at the annual meeting in July.

E. APPROVAL OF RESOLUTION OF CONGRATULATIONS TO THE WOMEN'S BASKETBALL TEAM

On a motion by Mrs. Torain, seconded by Mr. Swan, the following resolution of Congratulations to the Women's Basketball Team was approved.

WHEREAS, the University of Southern Indiana women's basketball team won the team's first ever Great Lakes Valley Conference title, and

WHEREAS, the women's team competed in its first NCAA Division II Tournament, and

WHEREAS, this women's team broke several records including the most victories in a season, the most victories in the Great Lakes Valley Conference, the best overall record of any USI women's basketball team, the longest winning streak, the school record for total points scored in a season, for field goals percentage, and for the individual highest scoring average, and

WHEREAS, this women's team set a Great Lakes Valley Conference record for most rebounds in a conference game, and

WHEREAS, team member LeAnn Freeland was named All American, National Player of the Year by the College Sports Magazine, Great Lakes Valley Conference Player of the Year, and First Team All Conference, and captured All Conference Academic honors as well, and

WHEREAS, team members Eileen Weber and Deb Pope also won conference performance honors, and

WHEREAS, the achievements of these team members, both individually and collectively, prove that they are champions on and off the court,

NOW THEREFORE BE IT RESOLVED, THAT the Board of Trustees commend Coach Chancellor Dugan and her coaching staff, and each and every member of this Great Lakes Valley Conference championship team, and

FURTHER RESOLVED, that a letter of congratulations be sent with this resolution to all coaches and players, and

FURTHER RESOLVED, that this be spread upon the minutes of the Board for all time.

F. APPROVAL OF RESOLUTION OF CONGRATULATIONS TO THE MEN'S BASKETBALL TEAM

On a motion by Mr. Swan, seconded by Mr. McKenna, the following resolution of Congratulations to the Men's Basketball Team was approved.

WHEREAS, the University of Southern Indiana men's basketball team advanced to post-season play and won the Great Lakes Regional Tournament for the second straight year, and

WHEREAS, the Screaming Eagles captured the NCAA Division II National Championship with a come-from-behind victory which revealed the strength of their character and skill, and

WHEREAS, the team set several records during the tournament and the season, including the national tournament record for most field goals and most points, and season record for achieving 29 wins as well as the highest winning percentage, the most field goals attempted and made, and the most rebounds captured, and

WHEREAS, the Eagles represented the University with distinction in the tournament and on national network television, and

WHEREAS, team member Stan Gouard was named Division II Player of the Year, First Team All American, First Team All Great Lakes Valley Conference, and

WHEREAS, Coach Bruce Pearl was named Division II Coach of the Year by the National Association of Basketball Coaches, and

WHEREAS, team member Cortez Barnes was chosen by CBS and Chevrolet as USI's Most Valuable Player in the Elite Eight, and

WHEREAS, team members Brian Huebner and Chad Gilbert were named to the Elite Eight All Tournament team, and

WHEREAS, team member Chad Gilbert was named Great Lakes Region Tournament Most Valuable Player, and joined his team mates Brian Huebner and Stan Gouard on the Great Lakes Region All Tournament team, and

WHEREAS, team members Neil Coyle and Marc Hostettler captured All Great Lakes Valley Conference Academic honors, and

WHEREAS, the Screaming Eagles men's basketball team was the only Indiana team to compete in a national NCAA final tournament, and by its win it has brought honor and fame to the University of Southern Indiana, the city of Evansville, and the State of Indiana,

NOW THEREFORE BE IT RESOLVED, that the Board of Trustees commend Coach Bruce Pearl, his coaching staff, and each and every member of this championship team, and

FURTHER RESOLVED, that a letter of congratulations with this accompanying resolution be sent to all coaches and players, and

FURTHER RESOLVED, that this be spread upon the minutes of the Board for all time.

G. OTHER BUSINESS

Mr. Auberry expressed his appreciation for the opportunity to serve on the Board. He said it has not only been an honor, but an exciting, entertaining, and educational experience to serve with those he considers his colleagues, mentors, and friends.

Dr. Hoops reported that Trustees Thomas McKenna and Charles Combs attended the AGB National Conference on Trusteeship in Seattle, Washington, March 25-28, 1995. Mr. McKenna summarized topics covered at preconference seminars that he attended and how those topics relate to the growth and development of the University.

SECTION II - FINANCIAL MATTERS

A. REPORT OF THE FINANCE COMMITTEE

The Finance Committee met on May 2, 1995, to review the responses to the Requests for Proposal for investment banker services, construction manager services, and VEBA trust services. The chairman of the Finance Committee presented, for the Board's approval, the committee's recommendation of the firms to be selected to provide these services.

B. APPROVAL OF INVESTMENT BANKER FOR UNIVERSITY CENTER ADDITION FINANCING

Responses to the Request for Proposal (RFP) were received on April 10, 1995, from seven firms that provide investment banker services. The Finance Committee reviewed these proposals at its May 2, 1995, meeting. The Chairman of the Finance Committee presented the committee's recommendation that Smith Barney, Inc. and Traub and Company be selected to provide these services.

On a motion by Mr. Combs, seconded by Mr. Huber, the selection of Smith Barney, Inc. and Traub and Company was approved.

C. APPROVAL OF CONSTRUCTION MANAGER FOR THE GENERAL PURPOSE CLASSROOM BUILDING

Responses to the Request for Proposal (RFP) were received on April 18, 1995, from four construction management firms. The Finance Committee reviewed these proposals at its May 2, 1995, meeting. The Chairman of the Finance Committee presented the committee's proposal that the Skillman Corporation be selected to provide these services.

On a motion by Mr. Combs, seconded by Mr. O'Daniel, selection of the Skillman Corporation was approved.

D. APPROVAL OF FINANCIAL INSTITUTION TO PROVIDE VEBA TRUST SERVICES FOR POST-RETIREMENT BENEFITS

Responses to the Request for Proposal (RFP) were received on February 3, 1995, from four financial institutions interested in providing VEBA trust services for post-retirement benefits. The Chairman of the Finance Committee presented the committee's proposal of the financial institution(s) selected to provide these services. It was recommended that Old National Trust Company be awarded custodial responsibilities and that two sub-accounts be authorized. It was further recommended that one sub-account be managed by Old National Bank and that the other be managed by NBD.

On a motion by Mr. Swan, seconded by Mr. Auberry, the firm proposed by the Finance Committee was approved.

E. APPROVAL OF AUTHORIZATION FOR UNIVERSITY CENTER ADDITION

The 1994 Indiana General Assembly authorized the University of Southern Indiana to issue and sell bonds under I.C. 20-12-6 for the construction of a \$4,100,000 addition to the University Center.

On November 15, 1994, the Board approved the appointment of a committee of Trustees to recommend an architect for the project. The committee recommended selection of the firm of Veazey, Parrott, and Shoulders, of Evansville, Indiana, to prepare schematic plans and cost estimates for the project. The Board approved the selection of the architect at its July 7, 1994, meeting, and reviewed the schematic plans for the University Center Addition project on January 5, 1995.

On a motion by Mr. Combs, seconded by Mrs. Torain, it was approved that President Hoops be authorized to request the Indiana Commission for Higher Education, the Indiana State Budget Committee, and the Governor of the State of Indiana to approve the following actions:

- a. to engage architects for the project;
- b. to enter into contracts to construct, equip, finance, and otherwise provide for the construction of the University Center addition;
- c. to use receipts from fees and earnings for the construction and financing of the project to the extent necessary; and
- d. to issue interim construction financing if necessary and to issue and sell bonds in an amount not to exceed the total estimated cost of the project, including financing costs as finally determined by the Board of Trustees to finance the project.

F. APPROVAL OF RESOLUTION TO AUTHORIZE DISCOVER CARD AGREEMENT

On a motion by Mr. Swan, seconded by Mr. Huber, the following resolution was approved.

BE IT RESOLVED that the President, Secretary, or Treasurer, or any one or more of them, be and hereby are authorized and empowered to enter into and execute an agreement, on such terms as they deem advisable, in the name of this Corporation, with Discover Systems, Inc. (hereinafter called "Discover Card") relating to the sale by this Corporation to Discover Card of sales slips evidencing purchases from this Corporation of merchandise sold and delivered and services rendered, or both, and from time to time to modify such agreement and make and modify arrangements with Discover Card as to the terms on which such sales slips are to be sold to Discover Card;

FURTHER RESOLVED that they are hereby further authorized and empowered to sell, assign, deliver, endorse, negotiate, or otherwise transfer to Discover Card all accounts, sales slips, and other obligations, and any instruments evidencing or securing same, now and hereafter owned or acquired by this Corporation, and for said purposes to execute and deliver any and all assignments, transfers, endorsements, contracts, guarantees, agreements, or other instruments in respect thereof;

FURTHER RESOLVED that they are hereby further authorized to make remittances and payments in respect thereof by cash, checks, drafts, or otherwise and to do and perform all such other acts and things deemed by such Officer or Officers necessary, convenient, or proper to carry out or modify such contract and arrangements with Discover Card, hereby ratifying, approving, and confirming all that any said Officers have done or may do in the premises.

G. APPROVAL OF CONCERN: EMPLOYEE ASSISTANCE PROGRAM PREMIUM RATES

CONCERN: EAP is a comprehensive employee assistance program which provides assessment, short-term counseling, referral and follow-up services for 540 employees and members of their immediate families. Since the program was adopted in February, 1987, the utilization rate has been approximately 6.6 percent per year.

The renewal rate of \$25 per employee per year reflects no rate increase for the twelve-month period beginning July 1, 1995. The University pays the annual cost for the program. This agreement with Deaconess Service Corporation may be terminated at any time by either party upon sixty (60) days advance written notice to the other party.

On a motion by Mr. McKenna, seconded by Mr. Swan, the renewal of the master policy with the Deaconess Service Corporation beginning July 1, 1995, was approved.

H. APPROVAL OF LIFE INSURANCE RATES FOR 1995-96

The University has two group life insurance programs. There are 417 employees and one retiree currently enrolled in the revised program and 118 employees and 49 retirees in the original program. Employees hired since February 1, 1988, are enrolled in the revised program.

Recently, the Manufacturers Life Insurance Company decided to withdraw from the U.S. Group Life and Health business in order to concentrate on its U.S. Individual Life and Group Pension business and entered into an agreement with the Canada Life Assurance Company. Canada Life is rated "AAA" by Standard & Poor's and Duff & Phelps with a strong commitment to the Group Business.

Renewal rates from the Canada Life Assurance Company reflect no rate increase for a twelve-month guarantee period effective July 1, 1995.

On a motion by Mr. Combs, seconded by Mr. McKenna, the Canada Life insurance rates effective July 1, 1995, were approved.

I. APPROVAL OF LONG-TERM DISABILITY INSURANCE RATES FOR 1995-96

The contract for the University's Long-Term Disability Insurance Program with Teachers Insurance and Annuity Association (TIAA) is to be renewed as of July 1, 1995. 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 379 eligible employees.

Renewal rates from Teachers Insurance and Annuity Association (TIAA) reflect a rate increase for a twelve-month period beginning July 1, 1995. The current monthly premium is based on a percentage of Covered Monthly Salary (CMS) for the University:

	1994-95 <u>Rates</u>	1995-96 <u>Rates</u>
Income Premium	0.375% CMS	0.396% CMS
Annuity Premium	0.124% CMS	0.153% CMS

On a motion by Mr. Swan, seconded by Mr. McKenna, the TIAA Long-Term Disability Insurance rates and plan changes effective July 1, 1995, were approved.

J. APPROVAL OF BUDGET APPROPRIATIONS, ADJUSTMENTS, AND TRANSFERS

On a motion by Mrs. Torain, seconded by Mr. Auberry, the following budget appropriations, adjustments, and transfers were approved.

1. Additional Appropriations

From:	Unappropriated Current Operating Funds		
To:	1-10220	Communications Supplies & Expense	320
To:	1-10220	Communications Capital Outlay	3,290
To:	1-10240	Foreign Language Supplies & Expense	1,763
To:	1-10400	School of Nursing Supplies & Expense	9,604
To:	1-10700	School of Business Capital Outlay	2,252
To:	1-10840	Teacher Education Supplies & Expense	1,199
To:	1-14003	Student Financial Assistance Supplies & Expense	800
To:	1-14006	Student Life Personal Services	1,500
To:	1-15000	Physical Plant Personal Services	1,252
To:	1-15000	Physical Plant Capital Outlay	3,774
To:	1-15700	Security Personal Services	50
		Supplies & Expense	480
To:	1-16230	News & Information Services Supplies & Expense	800
From:	Unappropriated Designated Funds		
To	2-20100	Student Programs Supplies and Expense	32
To:	2-20300	Student Government Supplies and Expense	226
To:	2-25106	Faculty Research-Professor Zehr Personal Services	425
		Supplies and Expense	706
To:	2-25107	Faculty Research-Professor Waters Supplies and Expense	1,455
To:	2-25108	Faculty Research-Professor Rhoden Supplies and Expense	2,310
To:	2-25109	Faculty Research-Professor Petranek Supplies and Expense	1,287
To:	2-25110	Faculty Research 2-Professor Hart Supplies and Expense	970
To:	2-25205	Faculty Research-Professor Shaw Supplies and Expense	490
To:	2-25206	Faculty Research-Professor Gordon Supplies and Expense	1,284

To:	2-25305	Faculty Research 2-Professor Shields Supplies and Expense	1,840
To:	2-25306	Faculty Research-Professors Rhim and Peluchette Personal Services	1,044
		Supplies and Expense	406
To:	2-25307	Faculty Research-Professor Khayum Capital Outlay	995
To:	2-25403	Faculty Research-Professor Lamb Capital Outlay	1,216
To:	2-25404	Faculty Research-Professor Divine Supplies and Expense	239
To:	2-25501	Faculty Research-Professors Roberts, White, and Coudret Personal Services	1,000
		Supplies and Expense	523
To:	2-25502	Faculty Research-Professor Koob Personal Services	520
		Supplies and Expense	264
To:	2-25503	Faculty Research-Professor Cooper Supplies and Expense	76
From:	Unappropriated Auxiliary Funds		
To:	3-30602	Athletics-Baseball Supplies and Expense	7,600
To:	3-30607	Athletics-Softball Supplies and Expense	405
To:	3-30609	Athletics-Men's Cross Country Supplies and Expense	3,403
		Repairs and Maintenance	135
		Capital Outlay	500
To:	3-30610	Athletics-Soccer Supplies and Expense	304
To:	3-30710	Athletics-Soccer Grant-in-Aid Supplies and Expense	1,623
From:	Unappropriated Restricted Funds		
To:	4-45090	Medical Education Personal Services	43,201
		Supplies and Expense	26,326
To:	4-46324	Faculty/Student Research 2-Professor Shaw Supplies and Expense	1,000

2. Appropriation Transfers

From:	1-10320	Engineering Technology Supplies & Expense	
To:	1-10320	Engineering Technology Capital Outlay	1,300
From:	1-10700	School of Business Supplies & Expense	
To:	1-10700	School of Business Capital Outlay	1,704

From:	1-10820	Social Work Capital Outlay	
To:	1-10820	Social Work Supplies & Expense	2,600
To:	1-10830	Physical Education Supplies & Expense	1,400
From:	1-14000	Student Services Personal Services	
To:	1-14000	Student Services Supplies & Expense	1,272
From:	1-14004	Counseling Personal Services	
To:	1-14000	Student Services Capital Outlay	2,500
From:	4-46132	Eisenhower Grant/Reitz High School Demo Project Capital Outlay	
To:	4-46132	Eisenhower Grant/Reitz High School Demo Project Supplies and Expense	22,978
From:	4-46321	National Science Foundation Grant- Professor DiPietro Personal Services	
To:	4-46321	National Science Foundation Grant- Professor DiPietro Supplies and Expense	3,000

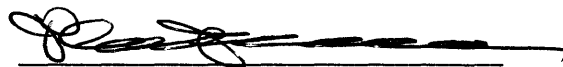
K. APPROVAL OF REQUEST FOR GENERAL REPAIR AND REHABILITATION FUNDS

This request seeks authorization for President Hoops 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 appropriation of general repair and rehabilitation funds to replace the water tubes in Boiler No. 2 in the Physical Plant Service Center at a cost of \$54,000.

On a motion by Mr. O'Daniel, seconded by Mr. McKenna, the funding authorization request was approved.

There being no further business, the meeting was adjourned at 3:45 p.m.

Respectfully submitted,



Thomas McKenna, Secretary