

AGENDA
UNIVERSITY OF SOUTHERN INDIANA
BOARD OF TRUSTEES

May 9, 1997

SECTION 1 - GENERAL AND ACADEMIC MATTERS

- A. Approval of Minutes of March 6, 1997, Meeting
- B. Establishment of Next Meeting Date, Time, Location
- C. President's Report
- D. Appointment of Nominating Committee
- E. Report of the Long-Range Planning Committee
- F. Approval of New Associate Degree Program in Communications via Distance Education

SECTION II - FINANCIAL MATTERS

- A. Report of the Finance Committee
- B. Approval of Recommendation of Transfer of Funds to the VEBA Trust Account
- C. Report on Current Construction Projects
- D. Approval of Authorizing Resolution for Construction Committee Action
- E. Report on Housing Services Building Construction Bids and Recommendation of Approval to Proceed
- F. Approval of Resolution of Intent to Reimburse Liberal Arts Center Planning and Construction Costs from Bond Proceeds
- G. Approval of Concern: Employee Assistance Program Premium Rates
- H. Approval of Life Insurance Rates for 1997-1998
- I. Approval of Long-Term Disability Insurance Rates for 1997-1998
- J. Approval of Budget Appropriations, Adjustments, and Transfers

SUPPLEMENTAL INFORMATION
UNIVERSITY OF SOUTHERN INDIANA
BOARD OF TRUSTEES

May 9, 1997

SECTION I - GENERAL AND ACADEMIC MATTERS

- A. APPROVAL OF MINUTES OF MARCH 6, 1997, MEETING**
- B. ESTABLISHMENT OF NEXT MEETING, DATE, TIME, LOCATION**
- C. PRESIDENT'S REPORT**
- D. APPOINTMENT OF NOMINATING COMMITTEE**
- E. REPORT OF THE LONG-RANGE PLANNING COMMITTEE**

The Long Range Planning Committee, at its meeting on March 6, 1997, reviewed the proposals for Architectural and Engineering Services for Student Housing Planning and selected the firm of Ratio Architects, Inc. of Indianapolis. A report will be presented on the final agreement with Ratio and the status of the student housing planning project.

F. APPROVAL OF NEW ASSOCIATE DEGREE PROGRAM IN COMMUNICATIONS VIA DISTANCE EDUCATION

Approval of new Associate degree program in Communications via Distance Education (Exhibit I-A) is recommended.

1. Proposal for Associate of Arts/Science Degree in Communications Program to be offered statewide via telecommunications.

An associate's degree program in communications has been modified to provide opportunities for students statewide to complete degree requirements via telecommunications. While the University is authorized to offer this degree, approval is needed from the Board of Trustees and the Commission for Higher Education to extend the courses statewide through mediated instruction.

The program has been recommended by the Department of Communications and has the approval of the Academic Planning Council and the Vice President for Academic Affairs.

SECTION II - FINANCIAL MATTERS

A. REPORT OF THE FINANCE COMMITTEE

B. APPROVAL OF RECOMMENDATION OF TRANSFER OF FUNDS TO THE VEBA TRUST ACCOUNT

The Finance Committee will meet on May 9, 1997, to review and recommend any transfer of funds to the VEBA trust account.

Approval of any recommended transfer to a VEBA Trust sub account is recommended.

C. REPORT ON CURRENT CONSTRUCTION PROJECTS

A report will be presented on the status of current construction projects.

D. APPROVAL OF AUTHORIZING RESOLUTION FOR CONSTRUCTION COMMITTEE ACTION

Approval of the following resolution is recommended.

WHEREAS, the Board of Trustees, in its meeting on March 6, 1997, appointed a Construction Committee to review initial schematic plans for the Science Center renovation project and the Health Professions Center lower level renovation project; and

WHEREAS, the Board of Trustees wishes to proceed with these projects as well as the Art Department Studio construction project; and

WHEREAS, the three projects are similar in size and scope; and

WHEREAS, the projects may require approvals to proceed between regularly scheduled Board meetings;

NOW, THEREFORE, BE IT RESOLVED that the Construction Committee be authorized to approve architectural contracts and building plans, review construction bids, and award contracts or reject any or all construction bids for the Science Center renovation project, the Health Professions Center lower level renovation project, and the Art Department Studio construction project and report regularly on the progress of the projects to the full Board.

E. REPORT ON HOUSING SERVICES BUILDING CONSTRUCTION BIDS AND RECOMMENDATION OF APPROVAL TO PROCEED

A report will be presented on the construction bids received for the Housing Services Building (Exhibit II-A).

Approval to accept the bid submitted by Arc Construction Co., Inc. and to proceed with the construction of the Housing Services Building is recommended.

F. APPROVAL OF RESOLUTION OF INTENT TO REIMBURSE LIBERAL ARTS CENTER PLANNING AND CONSTRUCTION COSTS FROM BOND PROCEEDS

Approval of the following resolution is recommended.

WHEREAS, the University of Southern Indiana Board of Trustees (the "University") intends to acquire, construct, equip, and/or rehabilitate the educational facilities described in Exhibit II-B hereto (the "Project"); and

WHEREAS, the University reasonably expects to reimburse certain costs of the Project with proceeds of debt to be incurred by the University; and

WHEREAS, the University expects to issue debt not exceeding \$16.5 million in aggregate principal amount for purposes of financing, refinancing, or reimbursing costs of the Project;

NOW, THEREFORE, BE IT RESOLVED that the University declares its official Intent to acquire, construct, equip, and/or rehabilitate the Project described in Exhibit II-A; to reimburse certain costs of acquiring, constructing, equipping, and/or rehabilitating the Project with proceeds of debt to be incurred by the University; and to issue debt not exceeding \$16.5 million in aggregate principal amount for purposes of financing, refinancing, or reimbursing costs of the Project.

G. APPROVAL OF CONCERN: EMPLOYEE ASSISTANCE PROGRAM PREMIUM RATES

The contract for the University's Employee Assistance Program (CONCERN: EAP) with Deaconess Service Corporation is to be renewed as of July 1, 1997. CONCERN: EAP is a comprehensive employee assistance program which provides assessment, short-term counseling, referral and follow-up services for 597 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 \$18.50 per employee per year reflects no rate increase for the twelve-month period beginning July 1, 1997. 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.

Approval of the renewal of the master policy with the Deaconess Service Corporation beginning July 1, 1997 is recommended.

H. APPROVAL OF LIFE INSURANCE RATES FOR 1997-98

The University has two group life insurance programs. There are 502 employees and six retirees currently enrolled in the revised program and 100 employees and 60 retirees in the original program. Employees hired since February 1, 1988, are enrolled in the revised program.

Renewal rates from Canada Life Assurance Company reflect no rate increase for a twelve-month guarantee period effective July 1, 1997.

Approval of the Canada Life Insurance rates effective July 1, 1997, is recommended.

I. APPROVAL OF LONG-TERM DISABILITY INSURANCE RATES FOR 1997-98

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, 1997. 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 402 eligible employees.

Renewal rates from TIAA reflect a rate decrease for a twelve-month period beginning July 1, 1997. The current monthly premium is based on a percentage of Covered Monthly Salary (CMS) for the University:

	<u>1996-97</u> Rates	<u>1997-98</u> Rates
Income Premium	0.396% CMS	0.365% CMS
Annuity Premium	0.153% CMS	0.141% CMS

The renewal rate includes the adoption of two benefit changes into the current plan:

1. The period before benefits begin is extended to include any period the employee is eligible to receive payments under a sick leave or salary continuation program. The monthly income benefit is reduced by any additional sick leave, salary continuation or short-term disability payments payable beyond this point to prevent duplication and excess replacement of wages; and
2. The provision to increase the monthly benefits will equal the lesser of the percentage change in the Consumer Price Index (CPI) or 3%. The first increase will take effect after 36 months of benefit payments and will be compounded annually thereafter for the duration of disability.

Approval of the TIAA Long-Term Disability Insurance rates and plan changes effective July 1, 1997 is recommended.

J. APPROVAL OF BUDGET APPROPRIATIONS, ADJUSTMENTS, AND TRANSFERS

Approval of the following budget appropriations, adjustments, and transfers is recommended.

1. Additional Appropriations

From: Unappropriated Current Operating Funds

To:	1-10170	USI Theatre Supplies & Expense	1,604
To:	1-15000	Physical Plant Personal Services	1,387
To:	1-16120	Business Office Supplies & Expense	4,150

From: Unappropriated Designated Funds

To:	2-20120	Multicultural Center Supplies and Expense	2,000
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From: Unappropriated Auxillary Funds

To:	3-30602	Baseball Supplies and Expense	525
To:	3-30603	Tennis - Men Supplies and Expense	525
To:	3-30604	Tennis - Women Supplies and Expense	525
To:	3-30607	Softball Supplies and Expense	865
To:	3-30608	Golf - Men Supplies and Expense	525
To:	3-30609	Cross Country - Men Supplies and Expense	525

To:	3-30611	Volleyball Supplies and Expense	525
To:	3-30615	Cross Country - Women Supplies and Expense	525
To:	3-30617	Golf - Women Supplies and Expense	525
To:	3-30620	Soccer - Women Supplies and Expense	7,500
From:	Unappropriated Restricted Funds		
To:	4-45090	Medical Education Supplies and Expense	159,222
To:	4-46321	National Science Foundation-Professor DiPietro Personal Services Supplies and Expense	8,487 27,575
To:	4-46332	Student/Faculty Research-Professor Dunn Supplies and Expense	200
To:	4-46334	U.S. Fish and Wildlife Service -Paddlefish Study Personal Services Supplies and Expense	5,000 15,000
To:	4-46341	Student/Faculty Research-Professor Dunn Supplies and Expense	2,903
To:	4-46403	Nurse Practitioner Personal Services Supplies and Expense Capital Outlay	220,892 45,657 21,100
To:	4-46605	Student/Faculty Research-Professor Price Personal Services Supplies and Expense	420 88
To:	4-46815	Layers of the Land-Historic New Harmony Geological Exhibit Supplies and Expense	2,000
To:	4-46902	Southern Indiana Rural Development Project Supplies and Expense	21,450

2. Appropriation Transfers

From:	1-10410	Nursing Personal Services	
To:	1-10410	Nursing Supplies & Expense	3,587

From:	1-10700	School of Business Personal Services	
To:	1-10700	School of Business Supplies & Expense	2,962
From:	1-10730	Accounting Personal Services	
To:	1-10700	School of Business Supplies & Expense	25,000
From:	1-16500	Computer Center Personal Services	
To:	1-16500	Computer Center Supplies & Expense	2,520

3. Transfer of Funds

From:	2-22000	Extended Services Revolving Fund	
To:	2-22700	Extended Services Facilities Fund	2,500

4. Transfer and Appropriation of Funds

From:	6-60015	Reserve for Auxillary Facilities	
To:	3-36000	University Fitness Center Capital	106,300

SUMMARY OF CONSTRUCTION BIDS
University of Southern Indiana
Housing Services Building

	<u>BASE BID</u> <u>(Less Alternates)</u>
Arc Construction Co., Inc.	683,740
Empire Contractors, Inc.	768,100
Grohoff Construction, Inc.	814,478
Key Construction Co., Inc.	713,691
Lichtenberger Construction, Inc.	709,574
Maken Corporation	735,412
MIC Constructors	742,391
Phoenix Construction	756,382

CONTRACT RECONCILIATION:

Arc Construction Bid	683,740
Less Negotiated Deducts	<u>63,784</u>
Net Contract	619,956
Add Contingency	<u>16,000</u>
TOTAL PROJECT:	<u><u>635,956</u></u>

PROJECT DESCRIPTION

NEW CONSTRUCTION - LIBERAL ARTS CENTER

Budget Agency Number: G-0-93-1-01

DESCRIPTION OF THE PROJECT:

The University of Southern Indiana proposed the construction of a general purpose classroom building (the Liberal Arts Center) in its Capital Improvement Budget Request 1995-97. This project includes related site preparation for the building and expansion of the central campus chiller plant to accommodate the facility. Projections for the building include thirty (30) general classrooms, twenty-two (22) specialized instructional facilities for individual disciplines, eighty (80) faculty offices, and administrative and academic/administrative support facilities.

The University plans to locate the classroom building southwest of the University Center and east of Reflection Lake near the present location of the Children's Center. As part of the site preparation for the project, the Children's Center will be moved to the area near the Theatre Center and the Radio Center. The exact site of the Liberal Arts Center will be selected after the design team studies the educational specifications and requirements, prepares the schematic design of the building plans, and reviews the conditions of the proposed site and alternate sites.

The primary function of this classroom building is to provide additional classrooms and faculty offices. The building will also provide specialized facilities and service areas for the School of Liberal Arts. The general purpose classrooms and lecture rooms will be available for scheduling by all academic schools.

PROJECT SIZE: 106,950 GSF

ESTIMATED PROJECT COST: \$15,192,000

ANTICIPATED CONSTRUCTION SCHEDULE:

Bid Date	8/97
Start Construction	9/97
Occupancy	8/99