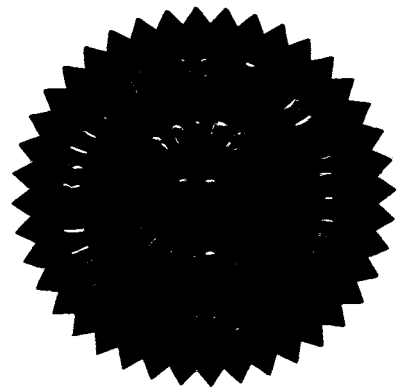


MINUTES

**UNIVERSITY OF SOUTHERN INDIANA
BOARD OF TRUSTEES**

July 6, 2006



MINUTES

UNIVERSITY OF SOUTHERN INDIANA BOARD OF TRUSTEES

July 6, 2006

The University of Southern Indiana Board of Trustees met in regular session on Thursday, July 6, 2006, in the University Center. Present were Chair Bruce H. Baker and Trustees Mark A. Day, Lauren C. Fultz '07, G. Patrick Hoehn, J. David Huber, Frank F. McDonald II '73, and James L. Will, Sr. Also in attendance were President H. Ray Hoops; Provost and Vice President for Academic Affairs Linda L. M. Bennett; Vice President for Governmental Relations Cynthia S. Brinker; Vice President for Student Affairs Robert W. Parrent; Vice President for Business Affairs and Treasurer Mark Rozewski; Vice President for Advancement Sherrienne M. Standley; Faculty Senate Chair-elect Christy Baker; and Student Government Association President Jeff Clark.

Chair Baker called the meeting to order at 1:15 p.m.

SECTION I - GENERAL AND ACADEMIC MATTERS

A. APPROVAL OF MINUTES OF MAY 5, 2006, MEETING

On a motion by Mr. Huber, seconded by Mr. McDonald, the minutes of the May 5, 2006, meeting of the Board of Trustees were approved.

B. ESTABLISHMENT OF NEXT MEETING DATE, TIME, LOCATION

Mr. Baker called on Vice President Standley, who announced that the next meeting of the Board of Trustees will be held on Thursday, September 7, 2006, on campus.

C. REPORT OF THE LONG-RANGE PLANNING COMMITTEE

The Long-Range Planning Committee met prior to the Board of Trustees meeting on July 6, 2006. Committee Chair Jim Will reported that the committee heard two recommendations for changes of academic program names and asked Provost Bennett for a report. Dr. Bennett reviewed the name changes and noted that the Board of Trustees will be asked to approve them in Items E. and F. later in the agenda.

Mr. Will asked Vice President Parrent to review the report to the Long-Range Planning Committee about Study Abroad Programs. Dr. Parrent reported that Heidi Gregori-Gahan, director of International Programs and Services, provided the committee with an overview of Study Abroad programs, including those at over 100 institutions in 51 countries, direct exchange programs, and Semester at Sea. USI students Jessica Graves and Sarah Mathews reported on their Spring 2006 experiences in international programs, and Renee Dugger, an instructor in the College of Nursing and Health Professions, presented a faculty perspective in a report of her teaching experiences in study abroad programs.

D. PRESIDENT'S REPORT

President Hoops began his report by welcoming Christy Baker, associate professor of Social Work, who represents Faculty Senate. He explained that Professor Baker is joining the Board today in the absence of Senate Chair Peter Cashel-Cordo, but beginning with Fall Semester, she will become the Faculty Senate Chair. He remarked that Professor Baker has served admirably in this position in the past.

Dr. Hoops called on Provost Bennett to introduce a report about the cooperative Bachelor/Medical Doctor program with the Indiana University School of Medicine—Evansville. Dr. Bennett reviewed the Baccalaureate/Doctor of Medicine (B/MD) Scholarship, awarded annually to six exceptional Indiana students who enter USI having scored at least 1800 on the SAT or 27 on the ACT and having earned a high school GPA of at least 3.5 (4.0). The scholarship offers a full tuition waiver and a provisional seat in the IU School of Medicine. The B/MD Scholarship program is sponsored jointly by USI and the I.U. School of Medicine – Evansville Center. A total of 24 B/MD Scholars are enrolled at USI every year.

Dr. Bennett introduced Dawn Dycus, a 2003 graduate of the B/MD program who is in her third year of medical school at Indiana University. Ms. Dycus reviewed her decision to attend USI and shared her experiences in the B/MD program. She told the Trustees that her experience as an undergraduate at USI left her well-prepared for medical school. She expressed appreciation for the opportunity to participate in the B/MD program.

President Hoops reported that a team from the Higher Learning Commission of the North Central Association of Colleges and Schools will visit USI in September as a part of the re-accreditation process. He noted that across the institution, faculty, staff, and students have been engaged in a thorough self-study as preparation for this visit, and he called on Provost Bennett for a report. Dr. Bennett reported that work on the self-study will be complete by the end of July and the final version will be available in early August. She told the Trustees that Higher Learning Commission site-visit team will be on campus September 25-27. This seven-member team will include participants from universities across the North Central Association's region. She mentioned that the Trustees recently received copies of a report titled "Faculty and Staff Scholarly and Creative Works, 1996-2005", an exhibit of much of the scholarship of USI's faculty and staff during the past decade. In the future, a compilation of this information will be prepared annually.

President Hoops called on Jeff Clark, president of the Student Government Association, for a report. Mr. Clark reported that SGA is planning its annual New Student Welcome Dinner for incoming freshman students. This event is sponsored in cooperation with the AMIGO (Ask Me I Give Orientation) Program. Another fall event sponsored by SGA will be Alcohol Awareness Week, an annual program that provides students with information about the facts, dangers, and misconceptions regarding the consumption of alcoholic beverages. Mr. Clark concluded by reporting that SGA will collaborate with the Recreation and Fitness Center this fall to host a Student Health Fair.

Dr. Hoops was pleased to report that The National Society of Collegiate Scholars has chosen USI student Candice Thomas to participate in the highly selective and competitive Distinguished Scholars Program, an intensive learning and internship experience that focuses on career development. Ms. Thomas is spending her summer in Chicago, where in addition to a full-time internship, she is taking a course at Loyola University.

The president noted that the new Rice Library is open and he expressed appreciation to Director of Library Services Ruth Miller and her staff for their careful planning of the successful move. He reminded the Trustees that a Grand Opening for the public will be held Sunday, July 23.

He announced that following the board meeting, the Trustees are invited to visit the Physical Activities Center where a new wooden playing floor has been installed across three courts. New chairback seating will be installed later in July. He remarked that the new wooden courts are safer for athletes and will give the University more flexibility in scheduling practices and competition. Dr. Hoops noted that these improvements were made possible in part from a gift from the Estate of Henry Ruston, who expressed a desire to help the athletic program.

President Hoops closed his remarks by reporting that the Governor will soon announce new appointments to the Board of Trustees. On behalf of the University community, he expressed appreciation to Trustees Hoehn, Huber, and Torain for their dedication and vision.

E. APPROVAL OF PROGRAM NAME CHANGE: DENTAL HYGIENE EDUCATION TO DENTAL HYGIENE

Mr. Baker called on Provost Bennett to review the recommendation that the name of the Dental Hygiene Education program be changed to the Dental Hygiene program effective August 1, 2006. Dr. Bennett noted that this name change will better reflect the curriculum required for the degree and that the nomenclature is generally accepted academically and professionally.

On a motion by Mr. Will, seconded by Mr. Huber, the name change from Dental Hygiene Education to Dental Hygiene (Item E.) and the name change from Applied Computer Science to Computer Science (Item F.) were approved.

F. APPROVAL OF PROGRAM NAME CHANGE: APPLIED COMPUTER SCIENCE TO COMPUTER SCIENCE

Provost Bennett reviewed the recommendation to change the name of the Applied Computer Science program to Computer Science program effective August 1, 2006. She explained that given recent changes and modifications to the program, this name change will better reflect new curriculum.

On a motion by Mr. Will, seconded by Mr. Huber, the name change from Dental Hygiene Education to Dental Hygiene (Item E.) and the name change from Applied Computer Science to Computer Science (Item F.) were approved.

G. APPROVAL OF RESOLUTION OF APPRECIATION TO G. PATRICK HOEHN

Trustee McDonald read the following Resolution of Appreciation to retiring Trustee G. Patrick Hoehn for his service to the University of Southern Indiana. On a motion by Mr. McDonald, seconded by Mr. Will, the Resolution of Appreciation to G. Patrick Hoehn was approved.

WHEREAS, G. Patrick Hoehn was appointed to the University of Southern Indiana Board of Trustees in 1998; and

WHEREAS, in his capacity as Trustee, Mr. Hoehn has been an active partner in broadening educational opportunity and increasing educational attainment in Indiana; and

WHEREAS, Mr. Hoehn has provided leadership to the Board as vice chair and chair of the Board of Trustees, as chair of the Finance/Audit, Construction, and Nominating Committees, and as a member of the Long-Range Planning Committee; and has represented the Trustees as a director of the USI/New Harmony Foundation; and

WHEREAS, Mr. Hoehn brought valuable experience to the Board of Trustees from his tenure as a member of the Indiana Commission for Higher Education, and with his leadership, the University has experienced unparalleled progress, including growth in enrollment, development of academic and student life opportunities, and expansion of academic, residential, and recreational facilities;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees, assembled on campus on July 6, 2006, commends G. Patrick Hoehn for his dedication to the full development of the University of Southern Indiana and the people it serves; and

FURTHER RESOLVED, that this resolution be adopted and spread upon its minutes for all time as a perpetual recognition of the deep gratitude owed by the University, its trustees, officers, students, and faculty, to Mr. G. Patrick Hoehn for his devoted service.

H. APPROVAL OF RESOLUTION OF APPRECIATION TO J. DAVID HUBER

Trustee Fultz read the following Resolution of Appreciation to retiring Trustee J. David Huber for his service to the University of Southern Indiana. On a motion by Ms. Fultz, seconded by Mr. Day, the Resolution of Appreciation to J. David Huber was approved.

WHEREAS, J. David Huber was appointed to the University of Southern Indiana Board of Trustees in 1991 for a term of four years, and was reappointed in 2000; and

WHEREAS, in his capacity as Trustee, Mr. Huber has been an active partner in broadening educational opportunity in Indiana and an advocate for

increasing educational attainment in the State; and

WHEREAS, Mr. Huber has served with distinction as vice chair and chair of the Board of Trustees and as chair of the Long-Range Planning Committee, the Finance/Audit and Construction Committees, and the Nominating Committee; and has represented the Trustees as a director of the USI Foundation and the USI/New Harmony Foundation; and

WHEREAS, during his tenure of exemplary leadership, the University has experienced unparalleled progress, including growth in enrollment, development of academic and student life opportunities, and expansion of academic, residential, and recreational facilities;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees, assembled on campus on July 6, 2006, commends J. David Huber for his dedication to the full development of the University of Southern Indiana and the people it serves; and

FURTHER RESOLVED, that this resolution be adopted and spread upon its minutes for all time as a perpetual recognition of the deep gratitude owed by the University, its trustees, officers, students, and faculty, to Mr. J. David Huber for his devoted service.

I. APPROVAL OF RESOLUTION OF APPRECIATION TO HAROLYN G. TORAIN

Trustee Day read the following Resolution of Appreciation to retiring Trustee Harolyn G. Torain for her service to the University of Southern Indiana. On a motion by Mr. Day, seconded by Mr. Will, the Resolution of Appreciation to Harolyn G. Torain was approved.

WHEREAS, Harolyn G. Torain was appointed to the University of Southern Indiana Board of Trustees in 1990; and

WHEREAS, in her capacity as Trustee, Mrs. Torain has been an active partner in fully developing educational opportunities for young people in Indiana; and

WHEREAS, Mrs. Torain became the first woman and the first University of Southern Indiana alumna elected to chair the Board of Trustees; and

WHEREAS, in further recognition of her leadership abilities, Mrs. Torain has served with distinction as secretary and vice chair of the Board of Trustees, as chair of the Long-Range Planning Committee, and as a member of the Nominating Committee; and

WHEREAS, during her term of leadership, the University has experienced unparalleled progress, including growth in enrollment, development of academic and student life opportunities, and expansion of academic, residential, and recreational facilities;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees, assembled on campus on July 6, 2006, commends Harolyn G. Torain for her dedication to the full development of the University of Southern Indiana and the people it serves; and

FURTHER RESOLVED, that this resolution be adopted and spread upon its minutes for all time as a perpetual recognition of the deep gratitude owed by the University, its trustees, officers, students, and faculty, to Mrs. Harolyn G. Torain for her devoted service.

SECTION II – FINANCIAL MATTERS

A. REPORT OF THE FINANCE/AUDIT COMMITTEE

The Finance/Audit Committee met prior to the Board of Trustees meeting on July 6, 2006. Committee Chair Frank McDonald reported that the committee heard a report on the VEBA Trust Fund from Neil Heppler, Principal with Asset Performance Partners. The Committee approved recommendations to the Board of Trustees to approve the proposed 2007-2009 Capital Improvement Budget Request (Item C.) and to request architectural planning and design funds for the College of Business/General Classroom Building (Item E.). A report was presented on the Operating Budget Request for 2007-2009, which will be submitted to the Commission for Higher Education and the State Budget Agency on August 1, 2006.

B. APPROVAL OF AUTHORIZATION OF FINANCIAL AID AWARDS

Mr. Baker called on Vice President Parrent, who reported that 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 2006-2007 budgetary capabilities. Dr. Parrent recommended approval of this authorization.

On a motion by Mr. Will, seconded by Mr. Huber, the Authorization for Financial Aid Awards was approved.

C. APPROVAL OF THE 2007-2009 CAPITAL IMPROVEMENT BUDGET REQUEST

Mr. Baker called on Vice President Brinker to review the recommendation to approve the 2007-2009 Capital Improvement Budget Request. Ms. Brinker reported that at its meeting on May 5, 2006, the Board of Trustees approved the Ten-Year Capital Improvement Plan for 2007-2017. The Capital Improvement Budget Request for 2007-2009, of which the Ten-Year Capital Improvement Plan is a part, was submitted to the Indiana Commission for Higher Education and the State Budget Committee on June 16, 2006. She referred the Trustees to Exhibit II-A, a copy of the request. She reported that the University received \$6,600,000 in bonding authorization from the 2005-2007 General Assembly to plan and design the College of Business/General Classroom Building and related physical plant expansion, and that the University will request the balance of the funding for construction of the facility in 2007-2009. The total cost of the fee-replacement project will be \$29,900,000. Construction is expected to begin in March 2008 and completion of the project is expected in July 2010.

Vice President Brinker reported that the second request in the Capital Improvement Budget Request is for General Repair and Rehabilitation (R&R) and Infrastructure Funding. She explained that the 2007-2009 request of \$1,965,000 is based on the state's funding formula for R&R. She reported that the 2006 General Assembly approved SB345, which authorized the partial reversal of operating budget payment delays that took place in 2002 and required that the appropriation to higher education be used to fund R&R projects. USI will receive \$1.2 million in 2006-2007.

On a motion by Mr. Hoehn, seconded by Mr. McDonald, the *Capital Improvement Budget Request 2007-2009* (Exhibit II-A) was approved.

D. DISCUSSION OF THE OPERATING BUDGET REQUEST FOR 2007-2009

Vice President Brinker reviewed the Operating Budget Request for 2007-2009, which will be submitted to the Commission for Higher Education and the State Budget Agency on August 1, 2006, pending approval of the Board of Trustees at its meeting on September 7, 2006. She summarized the University's operating appropriation for 2005-2007 and discussed the 2007-2009 request.

E. APPROVAL OF RECOMMENDATION TO REQUEST ARCHITECTURAL PLANNING AND DESIGN FUNDS FOR THE COLLEGE OF BUSINESS/GENERAL CLASSROOM BUILDING

The chair called on Vice President Rozewski to review a recommendation of the Finance/Audit Committee to request planning and design funds for the College of Business/General Classroom Building. The 2005-2007 Biennial Budget contains bonding authorization for \$6,600,000 in fee-replacement borrowing for architectural

planning and design of the College of Business/General Classroom Building; related expansion of Physical Plant infrastructure; and completion of the unfinished lower level of the Education Center. Approval to request release of the funds will allow the University to proceed with a financing plan for the projects.

On a motion by Mr. Day, seconded by Ms. Fultz, a recommendation to the Board of Trustees to authorize President Hoops to request the Indiana Commission for Higher Education, the State Budget Committee, and the Governor of the State of Indiana to release the appropriated fee-replacement funds for architectural planning and design of the College of Business/General Classroom Building; related expansion of Physical Plant infrastructure; and completion of the unfinished lower level of the Education Center was approved.

F. REPORT OF THE CONSTRUCTION COMMITTEE

The Construction Committee met prior to the Board of Trustees meeting on July 6, 2006. Mr. McDonald, chair, reported that the committee heard a report of change orders issued for the David L. Rice Library project.

G. UPDATE ON CURRENT CONSTRUCTION PROJECTS

Vice President Rozewski introduced Director of Facilities Operations and Planning Steve Helfrich for a report on current construction projects. Mr. Helfrich was pleased to report that the library project is complete and open for student, faculty, and community use.

He reported on the planning for several mid-size projects, including completion of the lower level of the Education Center; renovation and expansion of the McDonald West Recreation Building; construction of a Support Services Facility; and the quadrangle project. He added that Jack R. Kinkel and Son Architects are preparing the expansion plans for the Recreation and Fitness Center Phase II project.

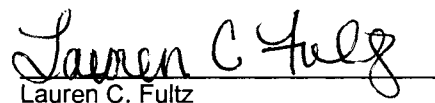
Mr. Helfrich announced that preliminary planning has begun for the College of Business/General Classroom Building project. The planning process will continue through the end of the year and will result in a schematic design that will be shared with the Board of Trustees.

He ended his report with a review of projects currently under construction, including:

- Installation of roofs on five student housing buildings;
- Renovation of Forum I lecture hall and corridors in the Wright Administration Building;
- Construction of exterior patios near the Wright Administration Building; and
- Installation of a new floor and new seating and renovation of the public restrooms in the Physical Activities Center.

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

Respectfully submitted,


Lauren C. Fultz
Secretary

UNIVERSITY OF SOUTHERN INDIANA

2007-2009 CAPITAL IMPROVEMENT BUDGET REQUEST

Table of Contents

	Page
I. 2007-2009 Capital Improvement Budget Request Summary	1
II. Capital Budget Request Schedules	
2007-2009 Capital Improvement Plan	8
SCHEDULE A - Summary of Capital Budget Request for 2007-2009	10
SCHEDULE B - Capital Improvement Budget Project Report for 2007-2009	11
SCHEDULE C - Ten-Year Capital Improvement Plan (Buildings)	12
SCHEDULE D - Ten-Year Capital Improvement Plan (Land)	13
SCHEDULE E - Disposition of 2005-2007 Planned Projects	14
SCHEDULE F - Expected Utilization of 2007-2009 General Repair and Rehabilitation Funding.....	15
ATTACHMENT B (1) - Student Fee Revenue Bonds, Series 1993 D.....	16
ATTACHMENT B (2) - Student Fee Bonds, Series F	17
ATTACHMENT B (3) - Student Fee Bonds, Series H.....	18
ATTACHMENT B (4) - Student Fee Bonds, Series I	19
INCOME II - Debt Service on Capital Projects, 2007-2009 Biennium.....	20
BACKGROUND II-A - Retirement of Principal for Outstanding Capital Debt (Projects Eligible for Fee Replacement)	21
BACKGROUND II-B - Retirement of Principal for Outstanding Capital Debt (Projects Not Eligible for Fee Replacement)	22
III. New Construction Projects	
College of Business/General Classroom Building Project Number: G-0-05-1-01-P	23

UNIVERSITY OF SOUTHERN INDIANA

2007-2009 CAPITAL IMPROVEMENT BUDGET REQUEST SUMMARY

The University of Southern Indiana's 2007-2009 Capital Improvement Budget Request proposes construction of a new College of Business/General Classroom Building and funding for several repair and rehabilitation projects. The University of Southern Indiana Board of Trustees and Administration are pleased to present the 2007-2009 Capital Improvement Budget Request for review by the Indiana General Assembly, the Commission for Higher Education, and the State Budget Agency.

The University's number one capital priority for the 2007-2009 biennium is funding for construction of a new College of Business/General Classroom Building. The 2005 Indiana General Assembly authorized \$2,046,069 in bonding authority in the 2005-2007 Biennial Budget to plan and design the new facility. The University seeks \$29,900,000 in bonding authorization from the 2007 General Assembly to proceed with the construction of the College of Business/General Classroom Building. College of Business enrollment in bachelor's and master's degree programs has increased from 1,486 in 1995 to 1,918 in 2005, an increase of 29 percent. The proposed facility will serve expanded enrollments in the College of Business at both the undergraduate and graduate level and provide needed general and specialized laboratory and classroom space to support instruction, research, and engagement for workforce development.

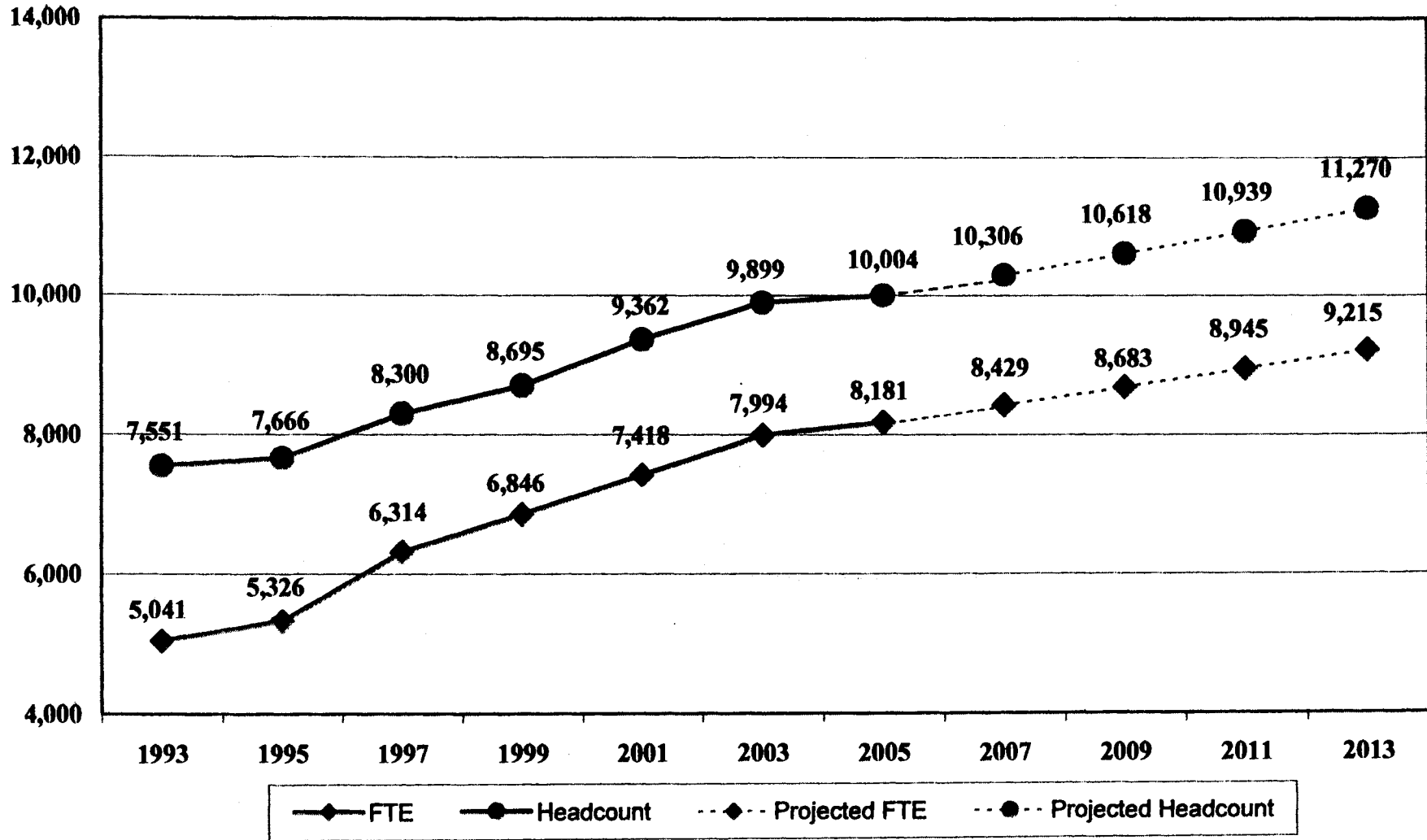
Included in the 2007-2009 Capital Improvement Budget Request is funding for several general repair and rehabilitation projects. The projects address renovations for classrooms and laboratories, needed upgrades to campus infrastructure, safety concerns, and ADA accessibility. The funding requested for the general repair and rehabilitation projects is needed to keep deferred maintenance to a minimum and to maintain University structures and facilities on campus and in New Harmony.

The University of Southern Indiana's 2007-2009 Capital Improvement Budget Request is consistent with the long-range plans of the University, the mission of the University, and the economic needs of the State of Indiana. In the past ten years, enrollment at the University has increased by 30.5 percent from 7,666 students in fall 1995 to 10,004 students in fall 2005. A notable change in the student population is the 63 percent increase in the number of full-time-equivalent students from 5,193 in 1994-1995 to 8,465 in 2004-2005. In addition, more than 12,000 adults and youth enroll annually in noncredit, continuing education, workforce training, and professional development programs at the University. The growth in student enrollment has resulted in a deficit of classroom, laboratory, and office space.

The following charts, *Fall Student Headcount Enrollment and Fall Enrollment 1993-2013*, *Annualized Student FTE Enrollment 1994-2004*, *Projected Academic/Administrative Assignable Square Feet Per FTE Student for Fall 2005*, and *Projected Academic/Administrative Space Needs Per Full-Time-Equivalent Student: 2002-2016*, illustrate the increases in student

UNIVERSITY OF SOUTHERN INDIANA

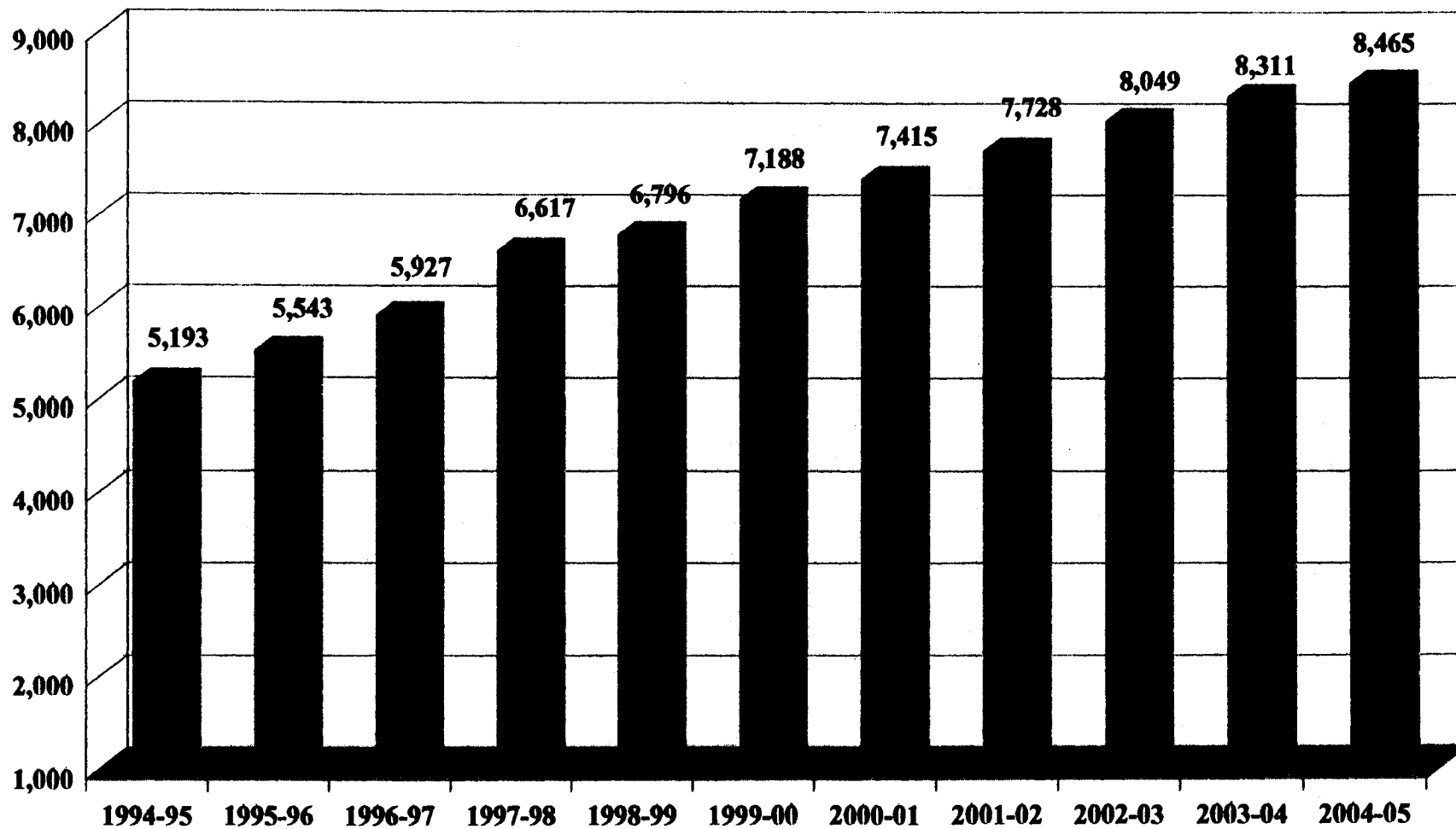
Fall Student Headcount Enrollment and FTE Enrollment 1993-2013



UNIVERSITY OF SOUTHERN INDIANA

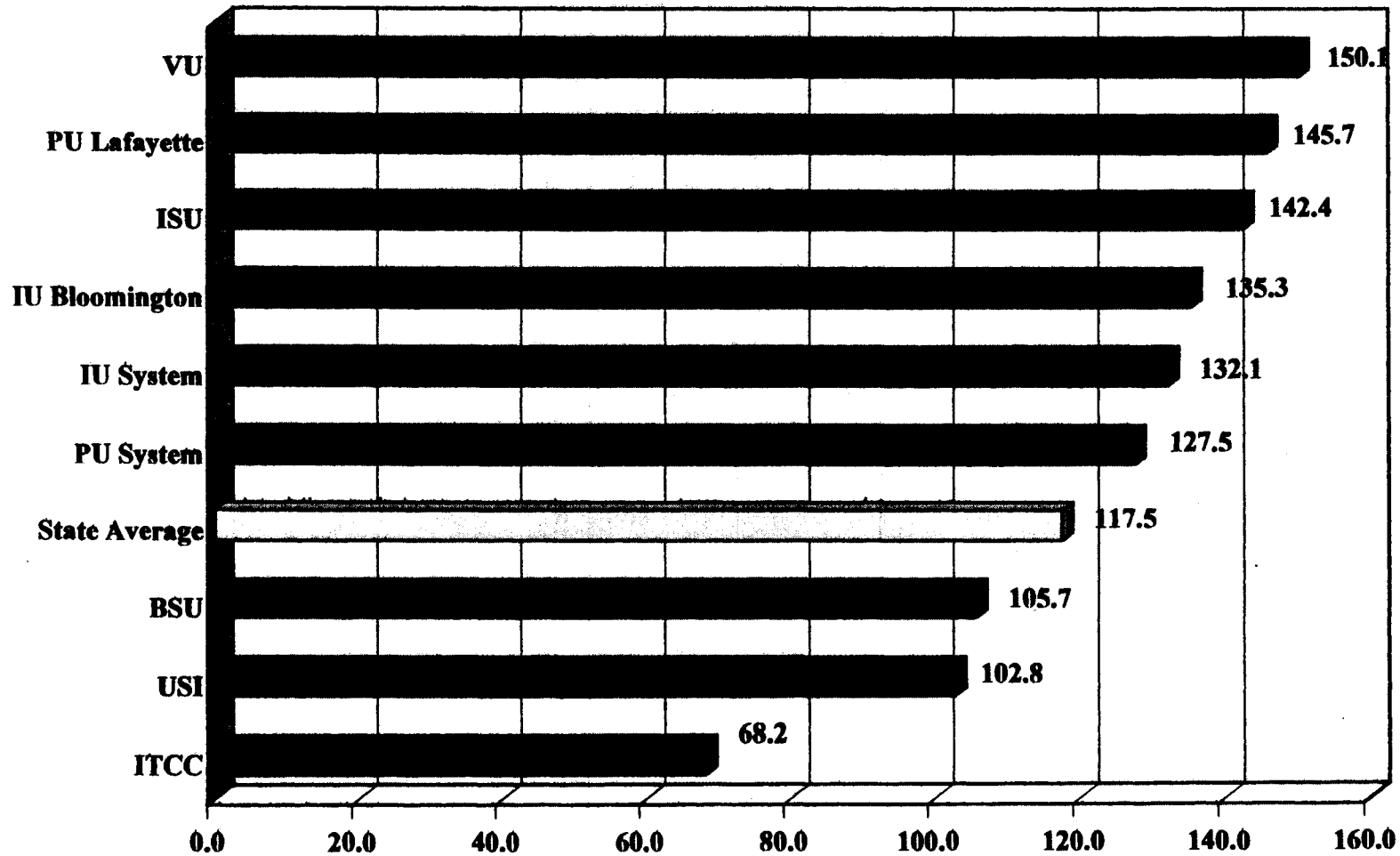
Annualized Student FTE Enrollment

1994 - 2004



UNIVERSITY OF SOUTHERN INDIANA

Indiana Public Institutions of Higher Education Projected Academic/Administrative Assignable Square Feet Per FTE Student for Fall 2005



Source: Commission for Higher Education
Physical Facilities of Indiana
Public Higher Education, Fall 2003
May 3, 2004

UNIVERSITY OF SOUTHERN INDIANA

PROJECTED ACADEMIC/ADMINISTRATIVE SPACE NEEDS PER FULL-TIME-EQUIVALENT STUDENT: 2002-2016

FISCAL YEAR	ANNUAL FTE ENROLLMENT	PLANNED NEW SPACE ASF	SPACE AVAILABLE ASF	SPACE NEEDS ASF (a)	SPACE DEFICIT ASF
2002-03	8,049 <i>actual</i>		604,837	945,758	340,921
2003-04	8,311 <i>actual</i>	(c & d)	729,870	976,543	246,673
2004-05	8,465 <i>actual</i>		729,870	994,638	264,768
2005-06	8,634 <i>projected (b)</i>		729,870	1,014,530	284,660
2006-07	8,807 <i>projected</i>	65,378 (e & f)	795,248	1,034,821	239,573
2007-08	8,983 <i>projected</i>	51,855 (g)	847,103	1,055,517	208,414
2008-09	9,163 <i>projected</i>	5,520 (h)	852,623	1,076,628	224,005
2009-10	9,346 <i>projected</i>		852,623	1,098,160	245,537
2010-11	9,533 <i>projected</i>	98,800 (i)	951,423	1,120,123	168,700
2011-12	9,724 <i>projected</i>		951,423	1,142,526	191,103
2012-13	9,918 <i>projected</i>		951,423	1,165,376	213,953
2013-14	10,116 <i>projected</i>		951,423	1,188,684	237,261
2014-15	10,319 <i>projected</i>		951,423	1,212,458	261,035
2015-16	10,525 <i>projected</i>		951,423	1,236,707	285,284

(a) Based on 117.5 square feet per student. (The statewide average reported in the Commission for Higher Education's report on Physical Facilities of Indiana Public Higher Education, Projected Fall 2005; May 3, 2004)

(b) Annual FTE Enrollment projected at 2%, beginning in 2005-06

(c) Science and Education Center opened fall 2003

(d) Changed Recreation and Fitness Center space from supplemental to academic/administrative space

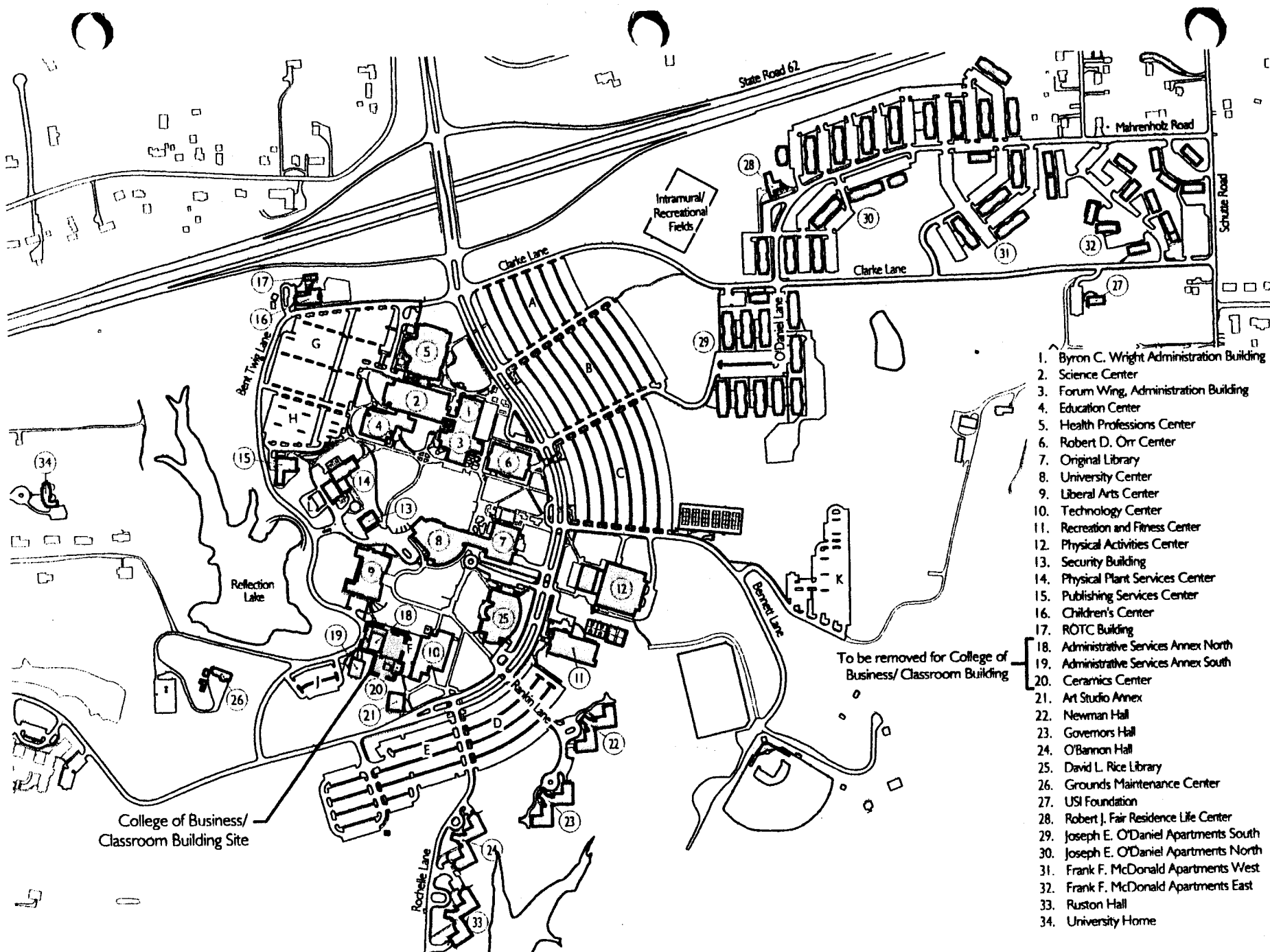
(e) David L. Rice Library to open summer 2006

(f) Existing Library closed with opening of new David L. Rice Library

(g) Completion of Recreation and Fitness Center Expansion - Phase II; McCutchan Art Gallery; Lower Level of Education Center; and Physical Plant Maintenance Shop

(h) University Center Expansion is completed

(i) College of Business/General Classroom Building is completed which includes expansion of the central heating and cooling plant in the Physical Plant and removal of the Administrative Services Annex Buildings.



1. Byron C. Wright Administration Building
2. Science Center
3. Forum Wing, Administration Building
4. Education Center
5. Health Professions Center
6. Robert D. Orr Center
7. Original Library
8. University Center
9. Liberal Arts Center
10. Technology Center
11. Recreation and Fitness Center
12. Physical Activities Center
13. Security Building
14. Physical Plant Services Center
15. Publishing Services Center
16. Children's Center
17. ROTC Building
18. Administrative Services Annex North
19. Administrative Services Annex South
20. Ceramics Center
21. Art Studio Annex
22. Newman Hall
23. Governors Hall
24. O'Bannon Hall
25. David L. Rice Library
26. Grounds Maintenance Center
27. USI Foundation
28. Robert J. Fair Residence Life Center
29. Joseph E. O'Daniel Apartments South
30. Joseph E. O'Daniel Apartments North
31. Frank F. McDonald Apartments West
32. Frank F. McDonald Apartments East
33. Ruston Hall
34. University Home

To be removed for College of Business/ Classroom Building

College of Business/
Classroom Building Site

UNIVERSITY OF SOUTHERN INDIANA
CAMPUS AND HOUSING MAP



UNIVERSITY OF SOUTHERN INDIANA

2007-2009 CAPITAL IMPROVEMENT PLAN

The Capital Improvement Budget Request for 2007-2009 is detailed on Schedule A and asks approval and funding for the following projects:

SPECIAL REPAIR AND REHABILITATION

No requests for Special Repair and Rehabilitation for 2007-2009

NEW CONSTRUCTION

Request for College of Business/General Classroom Building for 2007-2009

ACQUISITIONS

No requests for Acquisitions for 2007-2009

MAJOR EQUIPMENT

No requests for Major Equipment for 2007-2009

GENERAL REPAIR AND REHABILITATION AND INFRASTRUCTURE

The 2007-2009 Capital Improvement Budget Request asks for funding and approval of several general repair and rehabilitation projects totaling \$1,965,000. The repair and rehabilitation projects planned for completion in the 2007-2009 biennium include the following:

- Renovate selected Science Center laboratories, classrooms, and faculty offices Phase II
- Renovate Physical Activities Center gymnastics classroom
- Repair Robert D. Orr Center wall covering in corridors, stairs, and classrooms
- Renovate Robert D. Orr Center restrooms to provide ADA accessibility
- Upgrade fire alarm in Robert D. Orr Center
- Replace HTW piping and tunnel from Manhole 6 to University Boulevard
- Replace roof on Wright Administration Building
- Replace stairs in utility tunnels
- Replace metal roof and insulation on Robert D. Orr Center
- Repair brick facade and roof on Physical Activities Center pool structure
- Perform exterior repairs to Neef House in New Harmony
- Rebuild Weber Cabin in New Harmony

**UNIVERSITY OF SOUTHERN INDIANA
BACKGROUND II-B
RETIREMENT OF PRINCIPAL FOR OUTSTANDING CAPITAL DEBT
(Projects Not Eligible for Fee Replacement)**

	<u>Outstanding Principal June 30, 2005</u>	<u>Outstanding Principal June 30, 2006</u>	<u>Outstanding Principal June 30, 2007</u>	<u>Estimated Outstanding Principal June 30, 2008</u>	<u>Estimated Outstanding Principal June 30, 2009</u>
II. <u>Projects Not Eligible for Fee Replacement</u>					
ACTS OF 1927 OR 1929					
Existing Debt: Permanently Scheduled					
A. Auxiliary System Revenue Bonds (Series 2001A) (1)	19,755,000	18,745,000	17,885,000	16,575,000	15,410,000
B. Auxiliary System Revenue Bonds (Series 2001B) (1)	10,400,000	10,200,000	10,000,000	9,800,000	9,600,000
C. Auxiliary System Revenue Bonds (Series 2003) (1)	8,005,000	7,725,000	7,435,000	7,135,000	6,825,000
D. Recreation and Fitness Center Bonds (Series G)	4,300,000	4,100,000	3,900,000	3,700,000	3,500,000
E. Series I (Refunded Series E) (2)	3,170,000	2,935,000	2,695,000	2,450,000	2,190,000
Existing Debt: Interim & Variable Rate					
A.					
B.					
C.					
SUBTOTAL	<u>45,630,000</u>	<u>43,705,000</u>	<u>41,715,000</u>	<u>39,660,000</u>	<u>37,525,000</u>
New Debt:					
A. University Center Expansion (3)					13,750,000
B. Recreation and Fitness Center Expansion - Phase II (4)			5,075,000	7,157,060	6,962,307
SUBTOTAL	<u>0</u>	<u>0</u>	<u>5,075,000</u>	<u>7,157,060</u>	<u>20,712,307</u>
TOTAL	45,630,000	43,705,000	46,790,000	46,817,060	58,237,307

- (1) Auxiliary System Revenue Bonds, Series 2001A and 2001B, were issued to refund existing variable rate student housing bonds, Series 1996, 1997, and 1998, and to finance the construction of additional student residence facilities. Auxiliary System Revenue Bonds, Series 2003, were issued to finance the construction of a student residential building.
- (2) A portion of Student Fee Bonds, Series I, were issued to refund outstanding Series E bonds issued in 1995 for the first University Center Expansion project.
- (3) Budget Agency Number G-0-03-2-01. Assumes 20-year debt at 6.25% interest rate, capitalized interest during construction, and no principal payments due until the project is complete.
- (4) Construction will begin in late 2006 and take 18 months to complete. Funds will be drawn as needed during the construction period. Principal payments will begin in early 2008 on the 20-year debt at an assumed interest rate of 6.25%.

PROJECT SUMMARY
NEW CONSTRUCTION

INSTITUTION: University of Southern Indiana **CAMPUS:** _____
PROJECT TITLE: College of Business/General **BUDGET AGENCY NO.:** G-0-05-1-01-P
Classroom Building **INSTITUTION'S PRIORITY:** 1

PROJECT SUMMARY DESCRIPTION (ATTACHMENT A)
The University of Southern Indiana received bonding authorization from the Indiana General Assembly in 2005 to plan and design a new College of Business/General Classroom Building. The new facility will accommodate increased student enrollment and provide needed general and specialized classrooms and laboratory space.

SUMMARY OF NEED AND NET CHANGE IN CONTRIBUTION TO EDUCATIONAL SERVICES PROVIDED BY INSTITUTION (ATTACHMENT B)
The College of Business/General Classroom Building will allow the University to provide programs that equip students with the knowledge and skills necessary to enter immediately into the workforce, promote student and faculty research, and provide enhanced training opportunities for existing business, industry, and manufacturing personnel.

SPACE DATA (ATTACHMENT C)
PROJECT SIZE: 148,000 GSF 105,674 ASF 0.71 ASF/GSF
NET CHANGE IN CAMPUS ACADEMIC/ADMINISTRATIVE SPACE: 98,800 ASF

TOTAL PROJECT BUDGET (ATTACHMENT D)
TOTAL ESTIMATED COST: \$31,946,069 **\$/GSF** \$215.85
ANTICIPATED DATE OF PROJECT COMPLETION: July 2010

ANTICIPATED SOURCES OF FUNDING (ATTACHMENT E)

<u>Bonding Authority Requested</u>	<u>\$ 29,900,000</u>
<u>Bonding Authorized by 2005 General Assembly to Plan and Design College of Business/General Classroom Building</u>	<u>\$ 2,046,069</u>
TOTAL BUDGET:	<u>\$ 31,946,069</u>

ESTIMATED CHANGE IN ANNUAL OPERATING BUDGET AS A RESULT OF THIS PROJECT (ATTACHMENT F)

\$1,098,140 (X) INCREASE () DECREASE

Note: SEE ATTACHMENTS FOR SUPPORTING INFORMATION REQUEST TO BE SUBMITTED WITH PROJECT SUMMARY FORM.

**UNIVERSITY OF SOUTHERN INDIANA
SCHEDULE A
SUMMARY OF CAPITAL BUDGET REQUEST FOR 2007-09**

Capital Budget Item	Budget Agency Number (1)	Institutional System-wide Priority	State Funding			Non-State Funding	Total Budget Request	Annual Debt Service (2)	
			Cash	Bonding Authority	Lease-Purchase			Fee Replacement	Non-State Debt Service
I. R & R Formula Facilities Infrastructure/Utilities Total	G-0-07-2-01		\$1,650,000 \$315,000				\$1,650,000 \$315,000		
			\$1,965,000				\$1,965,000		
II. Special R & R (None)									
III. Technology (None)									
IV. New Construction									
College of Business/General Classroom Bldg.	G-0-05-1-01-P	1		\$29,900,000 (3)			\$29,900,000	\$2,620,000	
V. Acquisition (Facility, Land, or Lease) (None)									
VI. Other (None)									
VII. Grand Total			\$1,965,000	\$29,900,000	\$0	\$0	\$31,865,000	\$2,620,000	\$0

NOTES:

(1) See Appendix A

(2) Assume 20 years at 6.25%

(3) College of Business/General Classroom Building: \$33,800,000 - \$6,600,000 received in 2005-2007 = \$27,200,000*1.03*1.03 = \$28,856,480; Relocation of Facilities = \$1,043,520.
Project Total: \$29,900,000

**UNIVERSITY OF SOUTHERN INDIANA
SCHEDULE C
TEN-YEAR CAPITAL IMPROVEMENT PLAN (BUILDINGS)
(ALL AMOUNTS EXPRESSED IN 2007-09 DOLLARS)**

	NEAR-TERM 2007-09 Biennium			MEDIUM-TERM 2009-11 Biennium			LONG-TERM 2011-17 Biennium		
	Projected State Amount	Funding Other Sources (1)	Space Change A.S.F.	Projected State Amount	Funding Other Sources (1)	Space Change A.S.F.	Projected State Amount	Funding Other Sources (1)	Space Change A.S.F.
I. Special R & R									
1. Classroom Renovation/Expansion				\$31,000,000	\$650,000 c	70,000			
2. Student Residence Building Renovation/Replacement					\$8,000,000 a		\$8,000,000 a		
II. New Construction									
1. College of Business/General Classroom Bldg. (Note 2)	\$29,900,000		98,800						
2. Art, Theatre, and Music Center				\$25,000,000	\$7,000,000 c	60,000			
3. General Classroom Building							\$25,000,000		50,000
4. Student Residence Buildings					\$8,500,000 a	55,000		\$9,000,000 a	55,000
5. Student Residence Dining Facilities								\$3,000,000 a	55,000
6. Parking Facilities (Note 3)					\$8,250,000 b	1,400		\$7,000,000 b	
7. Recreation and Fitness Center Expansion - Phase III								\$5,250,000 b	25,000
8. Physical Activities Center (PAC) Addition							\$6,430,000	\$6,430,000 c	58,000
9. Campus Roadway System - Phase II							\$3,500,000		
III. Facilities Acquisition									
(None)									
IV. Lease									
(None)									
TOTAL	\$29,900,000	\$0	98,800	\$56,000,000	\$32,400,000	186,400	\$34,930,000	\$38,680,000	243,000

- (1) Identify source of non-state (i.e. "other") funding: (a) Rental/Board Income, (b) Fees and Contributions, (c) Contributions
(2) College of Business/General Classroom Building: \$33,800,000 - \$6,000,000 received in 2005-2007 = \$27,200,000*1.03*1.03 = \$28,856,480; Relocation of Facilities = \$1,043,520. Project Total: \$29,900,000
(3) Received bonding authorization in 2003-2005 for \$3,000,000 to construct parking facility; mid-term request is for increase of \$4,000,000 in bonding authorization for construction of parking facility for total of \$7,000,000 for project. Balance of request for \$1,250,000 is for other parking facilities.

UNIVERSITY OF SOUTHERN INDIANA
SCHEDULE E
DISPOSITION OF 2005-07 PLANNED PROJECTS APPEARING IN THE 2005-07 TEN-YEAR CAPITAL PLAN

2005-07 Projects (specify)	Proposed Funding			Disposition*
	Projected State Amount	Other Funding	Space Change Applicable	
<u>BUILDINGS</u>				
-- Special R & R				
-- New Construction				
College of Business/General Classroom Bldg. and Related Physical Plant Expansion	\$33,800,000		98,800	Project received \$6,600,000 in bonding authorization in 2005-2007 Biennial Budget. Funds appropriated for architectural planning and design of College of Business/General Classroom Building; expansion of the Physical Plant; and completion of lower level of the Education Center. Design of College of Business/General Classroom Building will begin in summer 2006. Physical Plant and Education Center projects are currently in the design phase.
Recreation and Fitness Center Expansion - Phase II		\$7,250,000	33,800	Project in design phase with construction to begin in 2007.
Student Residence Building		\$7,750,000	55,000	Project has not begun.
Parking Facilities		\$1,000,000	N/A	Project has not begun.
-- Acquisition				
-- Lease				
-- Termination				
<u>LAND</u>				
-- Acquisition				
-- Lease				
-- Termination				

UNIVERSITY OF SOUTHERN INDIANA
ATTACHMENT B (1)
ACADEMIC FACILITIES BONDING DEBT SERVICE ANALYSIS

I. ISSUE NAME: Student Fee Revenue Bonds, Series 1993 D

II. TOTAL AMOUNT OF SERIES D BONDS ISSUED AS OF 6/30/2006: \$ 3,163,547

III. SCHEDULE OF PAYMENTS:

FY Ending 6/30	Principal	Payment Date	Interest	(Less) Interest Subsidy	Total Debt Service	Outstanding Principal	Academic Facilities Debt Retirement Reserve Bond Balance		
							Held By Institution	Held By Bond Trustee	Total Reserve
1994	0	10-01-93	580,003		580,003	24,678,101	0	4,669,652	4,669,652
1995	0	10-01-94	923,899		923,899	24,678,101	0	894,805	894,805
1996	210,000	10-01-95	920,224		1,130,224	24,468,101	0	1,507	1,507
1997	775,000	10-01-96	902,018		1,677,018	23,693,101	0	1,003	1,003
1998	800,000	10-01-97	871,486		1,671,486	22,893,101	0	874	874
1999	840,000	10-01-98	838,161		1,678,161	22,053,101	0	864	864
2000	860,000	10-01-99	802,131		1,662,131	21,193,101	0	1,115	1,115
2001	1,070,000	10-01-00	759,084		1,829,084	20,123,101	0	899	899
2002	1,491,824	10-01-01	986,527		2,478,351	18,631,277	0	5,736	5,736
2003	1,505,030	10-01-02	973,893		2,478,923	17,126,247	0	105	105
2004	13,044,042	10-01-03	956,981		14,001,023	4,082,205	0	575	575
2005	473,920	10-01-04	366,080		840,000	3,608,285	0	584	584
2006	444,738	10-01-05	395,262		840,000	3,163,547	0	1,500	1,500
2007	414,060	10-01-06	420,940		835,000	2,749,488			
2008	387,056	10-01-07	447,944		835,000	2,362,432			
2009	363,768	10-01-08	471,232		835,000	1,998,664			
2010	341,540	10-01-09	493,460		835,000	1,657,124			
2011	320,364	10-01-10	514,636		835,000	1,336,759			
2012	300,216	10-01-11	534,784		835,000	1,036,544			
2013	283,666	10-01-12	551,334		835,000	752,877			
2014	265,438	10-01-13	569,562		835,000	487,439			
2015	250,684	10-01-14	584,316		835,000	236,756			
2016	236,756	10-01-15	598,244		835,000	(0)			

Series D bonds were issued in 1993 to advance refund Student Fee Bonds, Series B of 1988; to provide funds for the construction of the Health Professions Center classroom building; and to pay all related costs of issuance. Series I bonds, issued in 2004, refunded \$11.5 million in Series D serial bonds, leaving the capital appreciation bonds outstanding.

**UNIVERSITY OF SOUTHERN INDIANA
ATTACHMENT B (3)
ACADEMIC FACILITIES BONDING DEBT SERVICE ANALYSIS**

I. ISSUE NAME: Student Fee Bonds, Series H

II. TOTAL AMOUNT OF SERIES H BONDS ISSUED AS OF 6/30/2006: \$22,600,000

III. SCHEDULE OF PAYMENTS:

FY Ending 6/30	Principal	Payment Date	Interest	(Less) Interest Subaldy	Total Debt Service	Outstanding Principal	Academic Facilities Debt Retirement Reserve Bond Balance		
							Held By Institution	Held By Bond Trustee	Total Reserve
2002	0	04-01-02	461,356		461,356	25,260,000	0	1,533,705	1,533,705
2003	0	10-01-02	1,221,238		1,221,238	25,260,000	0	122,391	122,391
2004	855,000	10-01-03	1,206,275		2,061,275	24,405,000	0	477	477
2005	885,000	10-01-04	1,175,825		2,060,825	23,520,000	0	1,694	1,694
2006	920,000	10-01-05	1,143,088		2,063,088	22,600,000	0	3,350	3,350
2007	955,000	10-01-06	1,106,738		2,061,738	21,645,000			
2008	1,000,000	10-01-07	1,062,638		2,062,638	20,645,000			
2009	1,045,000	10-01-08	1,015,431		2,060,431	19,600,000			
2010	1,090,000	10-01-09	970,063		2,060,063	18,510,000			
2011	1,145,000	10-01-10	918,275		2,063,275	17,365,000			
2012	1,200,000	10-01-11	862,650		2,062,650	16,165,000			
2013	1,260,000	10-01-12	801,000		2,061,000	14,905,000			
2014	1,330,000	10-01-13	729,775		2,059,775	13,575,000			
2015	1,405,000	10-01-14	654,563		2,059,563	12,170,000			
2016	1,485,000	10-01-15	575,088		2,060,088	10,685,000			
2017	1,565,000	10-01-16	495,125		2,060,125	9,120,000			
2018	1,645,000	10-01-17	414,875		2,059,875	7,475,000			
2019	1,730,000	10-01-18	330,500		2,060,500	5,745,000			
2020	1,820,000	10-01-19	241,750		2,061,750	3,925,000			
2021	1,915,000	10-01-20	148,375		2,063,375	2,010,000			
2022	2,010,000	10-01-21	50,250		2,060,250	0			

Series H bonds were issued in 2001 to provide funds for the construction of the Science/Education Classroom Building, to refinance Interim Indebtedness, and to pay all related costs of issuance.

**UNIVERSITY OF SOUTHERN INDIANA
INCOME II
DEBT SERVICE ON CAPITAL PROJECTS, 2007-09 BIENNIUM**

	<u>2004-05 Actual</u>	<u>2005-06 Actual</u>	<u>2006-07 Budget</u>	<u>2007-08 Requested</u>	<u>2008-09 Requested</u>
I. <u>Projects Eligible for Fee Replacement</u>					
Acts of 1953 or 1965					
Existing Debt Service: Permanently Scheduled					
A. Series D (1)	840,000	840,000	835,000	835,000	835,000
B. Series F (1)	1,318,645	1,319,920	1,318,970	1,315,493	1,318,970
C. Series H (1)	2,060,825	2,063,088	2,061,738	2,062,638	2,060,431
D. Series I (1)	1,337,456	1,632,693	1,636,393	4,692,431	4,694,519
Existing Debt Service: Interim & Variable Rate					
A. (Identify)					
B. (Identify)					
C. (Identify)					
New Debt Service:					
A. College of Business/Gen Classroom Bldg (2)			0	0	0
B. (Identify)					
C. (Identify)					
SUBTOTAL	5,556,926	5,855,701	5,852,101	8,905,562	8,908,920
Acts of 1927 or 1929					
Existing Debt Service: Permanently Scheduled					
Existing Debt Service: Interim & Variable Rate					
New Debt Service:					
SUBTOTAL	0	0	0	0	0
TOTAL DEBT SERVICE	5,556,926	5,855,701	5,852,101	8,905,562	8,908,920

(1) The permanently scheduled projects eligible for fee replacement represents Health Professions Center Student Fee Revenue Bonds, Series D of 1993; Liberal Arts Center Student Fee Bonds, Series F of 1998; the Science/Education Classroom Building Student Fee Bonds, Series H of 2001; and the David L. Rice Library Student Fee Bonds, Series I of 2004.

(2) Budget Agency Number G-0-05-1-01-P. Assumes 20-year debt at 6.25% interest rate, capitalized interest during construction, and no principal payments due until project is complete.

ATTACHMENT A

DETAILED PROJECT DESCRIPTION

NEW CONSTRUCTION

Budget Agency Number: G-0-05-1-01-P

Page 1 of 2

DESCRIPTION OF PROJECT:

The 2005 Indiana General Assembly authorized \$2,046,069 in bonding authority in the 2005-2007 Biennial Budget to plan and design a new College of Business/General Classroom Building for the University of Southern Indiana. The University seeks \$29,900,000 in bonding authorization from the 2007 General Assembly to proceed with the construction of the College of Business/General Classroom Building.

The request for the new College of Business/General Classroom Building is a direct result of growth in enrollment in the College of Business and in other academic programs. In the past ten years, annual FTE enrollment at the University of Southern Indiana has increased by 63 percent, from 5,193 in 1994-1995 to 8,465 in 2004-2005. College of Business enrollment in bachelor's and master's degree programs has increased from 1,486 in 1995 to 1,918 in 2005, an increase of 29 percent. The new facility will provide needed general and specialized classrooms and laboratory space to support instruction, research, and engagement for workforce development.

The new 98,800 assignable square foot (ASF) College of Business/General Classroom Building will be a multi-story facility constructed between the Liberal Arts Center and the Technology Center. The new facility will serve expanded enrollments in the College of Business at both the undergraduate and graduate level and provide needed general classroom and specialized laboratory and instructional space, faculty and administrative offices, student study areas, computer laboratories, and group meeting facilities.

Construction of the new facility will:

- Provide a stimulus to support and promote increased undergraduate and graduate student enrollment;
- Provide a common place to link University faculty with members of the region's business community;
- Promote faculty and student interaction on research and community engagement projects;
- Support the integration of business and technology curricula;
- Increase the level of innovation and entrepreneurship in the southwestern Indiana region;
- Enhance the ability to recruit new faculty and retain existing faculty; and,

24

The 63 percent increase in FTE enrollment for the University and the 29 percent increase in enrollment in the College of Business places severe pressure on the need for general classrooms, laboratories, faculty and administrative office space, and areas devoted to specialized activities such as student study areas and computer laboratories.

The University has established a strong record of partnership with the region and the State to improve access to higher education and to develop needed academic programs and services. Emphasizing its commitment to teaching, classes have 25 or fewer students, allowing students to develop close working relationships with members of the faculty. Construction of the College of Business/General Classroom Building will enhance the University's ability to fulfill its commitment to provide instruction, service, and research activities which contribute to the economic, intellectual, and cultural life of the citizens of southern Indiana and the entire state.

NEED AND EXPECTED CONTRIBUTION TO EDUCATIONAL SERVICES:

Construction of the College of Business/General Classroom Building will enhance the University's ability to fulfill its commitment to provide instruction, service, and research activities which contribute to the economic, intellectual, and cultural life of the citizens of southern Indiana and the entire state.

many students outside the College of Business enroll in business classes. Included within the University Core Curriculum are several courses offered through the College of Business which increase the number of students enrolled in general business courses. In addition, many liberal arts majors are strongly encouraged to take business courses as part of their academic program. For example, communications majors in public relations and advertising are encouraged to take courses in marketing, which is housed in the College of Business. Other academic programs encourage students to enroll in either individual courses -- such as computer technology courses or courses in managing people -- or minor programs -- such as business administration, management, or marketing. Also, with the addition of the Bachelor of Science in Engineering, the University plans to develop academic programs which integrate business and technology courses. Graduates of such programs are in high demand by the marketplace; many colleges and universities nationwide are aggressively responding to this need.

Growth in student enrollment has forced the College of Business to add a significant number of full-time faculty to its ranks. This group has grown in size from 35 in 1995 to 43 in 2005. It also should be noted the College of Business employed, on average, 19 adjunct instructors per semester for the 2005-2006 academic year. Because office space is limited, the College of Business was unable to allocate more than one office for use by these 19 instructors. This is a pattern followed by many space-challenged schools of business. However, this practice is highly discouraged by the AACSB (Association to Advance Collegiate Schools of Business), which accredits qualified schools of business. New AACSB standards require that academic resource support for part-time/adjunct faculty be on par with full-time counterparts. This does not mean supporting each part-time faculty member with an office, but it does mean the current office allocation for this purpose must be expanded if the College of Business is to meet AACSB standards. Accreditation by AACSB is an assurance and measure of quality. Continued AACSB accreditation promotes excellence and continued improvement in undergraduate and graduate education for business and accounting.

Classrooms today are built to provide computer-based, multi-media presentations, as well as access to the Internet and web-based learning platforms with teaching/research laboratories. Design of the new facility will include:

- *General and Specialized Classrooms*
 - to incorporate state-of-the-art multi-media
 - to provide web-based learning opportunities through networked and wireless internet connects
 - to provide networks to allow faculty to access their office computer system from the classroom to retrieve presentations, data, and other reference materials as needed

- *Lecture Hall*
 - with minimum of 300 seats
 - equipped with learning-related technology

businesses, governmental agencies, and entrepreneurial groups to enhance economic development and job growth using faculty knowledge and expertise. Business leaders from throughout the region are actively engaged in the future development of the College of Business through their participation on the School's Board of Advisors. The expansion of existing University services and the development of new and innovative activities through several specialized centers included in College of Business/General Classroom Building will help strengthen the economic well being of southwestern Indiana and the State.

The new College of Business/General Classroom Building will allow the University to provide programs that equip students with the knowledge and skills necessary to enter immediately into the workforce, promote student and faculty research, and provide enhanced training opportunities for existing business, industry, and manufacturing personnel.

ALTERNATIVES CONSIDERED:

Increased enrollment is the primary factor for the request for the College of Business/General Classroom Building. Rapidly evolving technologies in instruction, scholarship, and engagement have contributed significantly to the need for a new and more appropriate facility for the College of Business. Space is not available in the current facility for expansion of the College of Business.

PRIORITY RANKING:

The College of Business/General Classroom Building is the University's first and only priority in the 2007-2009 Capital Improvement Budget Request. The College of Business/General Classroom project is important to the continued development of the University of Southern Indiana and directly supports the mission of the campus.

RELATIONSHIP TO LONG-RANGE FACILITY PLANS:

Construction of the new College of Business/General Classroom Building is closely related to future projects in the University's 2007-2017 Ten-Year Capital Plan. In fall 2005, the University completed a review of its Campus Master Plan. The planned location of the College of Business/General Classroom Building adjacent to the College of Liberal Arts and the Technology Center, will enhance the development of the academic quadrangle with the completion of the David L. Rice Library and the expansion of the University Center. Once the new College of Business/General Classroom Building is constructed, existing space in the Robert D. Orr Center will be reconfigured to better serve University needs, and planned renovations to the Technology Center will be completed.

**ATTACHMENT C
SPACE DATA**

NEW CONSTRUCTION

BUDGET AGENCY NUMBER: G-0-05-1-01-P

PAGE 1 OF 1

(a) ROOM TYPE	CURRENT SPACE IN USE	(b) SPACE UNDER CONSTRUCTION	(b) SPACE PLANNED AND FUNDED	SUBTOTAL CURRENT & FUTURE SPACE	(b)		NET TOTAL FUTURE SPACE
					SPACE TO BE DEMOLISHED AS A RESULT OF THIS REQUEST	SPACE IN NEW REQUEST	
(110 & 115) Classroom	113,580	0	4,588	118,168	----	29,423	147,591
(210, 215, 220, 225, 230,235) Class Lab	116,600	0	0	116,600	----	30,653	147,253
(250 & 255) Nonclass Lab	19,943	0	0	19,943	----	----	19,943
300 Office Facilities	166,755	0	14,465	181,220	6,447	29,817	204,590
400 Study Facilities	129,330	0	0	129,330	----	4,706	134,036
500 Spec Use Facilities	95,149	0	20,650	115,799	----	----	115,799
600 General Use Facilities	159,167	0	5,535	164,702	----	----	164,702
700 Support Facilities	66,004	0	17,437	83,441	427	11,075	94,089
800 Health Care Facilities	3,019	0	0	3,019	----	----	3,019
900 Resident Facilities	560,633	0	0	560,633	----	----	560,633
000 Unclassified	16,708	0	0	16,708	----	----	16,708
TOTAL	1,446,888	0	62,675	1,509,563	6,874	105,674	1,808,363

(a) Room type classifications should follow the categories defined in the Commission's Facilities Inventory and Space Utilization Report.
 (b) Identify in footnote the specific facilities that are included in the data in the these columns.

Identify only space currently in the campus inventory plus new space that has already been authorized, whether it is under construction or not. Only if the proposed project is dependent on another proposed project should the latter project's space data be included in this data. Room type classifications should follow the categories defined in the Commission's Facilities Inventory and Space Utilization Report.

FOOTNOTES

(b) The space planned and funded is the Recreation and Fitness Center Expansion - Phase II, McCutchan Art Gallery, completion of the lower level of the Education Center, expansion of the Physical Plant, and the University Center Expansion.
 The space to be demolished is the Administrative Services Annex Buildings.

**ATTACHMENT D
PROJECT COST**

NEW CONSTRUCTION

BUDGET AGENCY NUMBER: G-0-05-1-01-P

PAGE 1 OF 1

ANTICIPATED CONSTRUCTION SCHEDULE:	<u>MONTH</u>	<u>YEAR</u>
Bid Date	<u>January</u>	<u>2008</u>
Start Construction	<u>March</u>	<u>2008</u>
Occupancy	<u>July</u>	<u>2010</u>

ESTIMATED CONSTRUCTION COST:	<u>PROJECT COST BASIS ^(a)</u>	<u>ESCALATION FACTORS ^(b)</u>	<u>ESTIMATED PROJECT COST ^(c)</u>
Planning Costs			
Academic Facilities Planning Fund	<u>\$ 1,928,434</u>	<u>\$ 117,635</u>	<u>\$ 2,046,069</u>
Other Architectural Fees	<u>0</u>	<u>0</u>	<u>0</u>
Construction			
Structure	<u>15,096,136</u>	<u>920,864</u>	<u>16,017,000</u>
Mechanical (Plumbing, HVAC, Elevators)	<u>3,048,068</u>	<u>185,932</u>	<u>3,234,000</u>
Electrical	<u>2,972,667</u>	<u>181,333</u>	<u>3,154,000</u>
Moveable Equipment (Furnishings)	<u>1,655,985</u>	<u>101,015</u>	<u>1,757,000</u>
Fixed Equipment	<u>1,913,289</u>	<u>116,711</u>	<u>2,030,000</u>
Site Development	<u>1,973,139</u>	<u>120,361</u>	<u>2,093,500</u>
Other (Explain)	<u>1,521,678</u>	<u>92,822</u>	<u>1,614,500</u>
Total Estimated Project Cost	<u>\$ 30,109,396</u>	<u>\$ 1,836,673</u>	<u>\$ 31,946,069</u>
Less Funds Already Appropriated			<u>\$ 2,046,069</u>
Total Project Request			<u>\$ 29,900,000</u>

(a) Based on current costs prevailing as of May 2006.

(b) Explain the basis for arriving at this estimate. Annual inflation rate of 3% for 2 years.

(c) Description of unique building characteristics, design features, construction materials, site development factors or other considerations affecting cost estimates on a separate page immediately following.

Included in the site-development costs are the relocation of the Ceramics Center, the removal of the Administrative Services Annex Buildings, extension of the utility tunnel system and utilities to the site, and the relocation of the service drives/roadways at the site.

The "Other" cost estimate includes funds to cover contingencies and miscellaneous costs for soil borings, surveys, legal fees, printing, construction administration, permits, and fees.

ATTACHMENT E
Source(s) of Funding

NEW CONSTRUCTION

BUDGET AGENCY NUMBER: G-0-05-1-01-P

PAGE 1 OF 1

ESTIMATED TOTAL PROJECT COST: \$29,900,000

SOURCES OF FUNDING:

Prior Appropriation (Acts of ____)	_____	ANNUAL*
State Appropriation Requested	_____	PAYMENT
Bonding Authority (Acts of 1965)	<u>\$29,900,000</u>	<u>\$2,620,000</u>
Bonding Authority (Acts of 1929)	_____	_____
Bonding Authority (Acts of 1927)	_____	_____
Lease Purchase	_____	_____
Other _____ (specify)	_____	_____

* Annual payment based on assumed 20 years at 6.25%.

**ATTACHMENT F
Estimated Change In Operating Costs**

NEW CONSTRUCTION

BUDGET AGENCY NUMBER: G-0-05-1-01-P

PAGE 1 OF 1

GROSS SQUARE FOOTAGE OF AREA AFFECTED BY PROJECT: 148,000

ANNUAL OPERATING COST	<u>COST PER SQUARE FOOT</u>	<u>TOTAL COST</u>	<u>PERSONAL SERVICES</u>	<u>SUPPLIES AND EXPENSE</u>
Operations	<u>\$ 4.140</u>	<u>\$ 612,720</u>	<u>\$ 490,176</u>	<u>\$ 122,544</u>
Maintenance	<u>1.440</u>	<u>213,120</u>	<u>170,496</u>	<u>42,624</u>
Fuel	<u>0.640</u>	<u>94,720</u>	<u>-</u>	<u>94,720</u>
Utilities	<u>1.200</u>	<u>177,600</u>	<u>-</u>	<u>177,600</u>
Other	<u>0.530</u>	<u>78,440</u>	<u>-</u>	<u>78,440</u>
Total	<u>\$ 7.950</u>	<u>\$ 1,176,600</u>	<u>\$ 660,672</u>	<u>\$ 515,928</u>
 LESS: OPERATING COST OF				
Existing Area Affected	9,870 GSF	<u>\$ 78,460</u>	<u>\$ 44,060</u>	<u>\$ 34,400</u>
Other Space Affected		<u>-</u>	<u>-</u>	<u>-</u>
ESTIMATED CHANGE IN COST		<u>\$ 1,098,140</u>	<u>\$ 616,612</u>	<u>\$ 481,528</u>

DESCRIPTION OF ANTICIPATED PLANT EXPANSION REQUEST:

Fuel costs have risen substantially over the past two years and are expected to remain high. The operating cost for the Administrative Services Annex Buildings that will be removed (9,870 GSF) is reflected in the Estimated Change In Cost total.

DESCRIPTION OF ANY UNUSUAL FACTORS AFFECTING OPERATING AND MAINTENANCE COST:

The estimated change in operating costs for this project, \$1,098,140, will be requested as a plant expansion adjustment to the University's operating budget beginning July 2010. These costs are based on projected costs for July 2010.