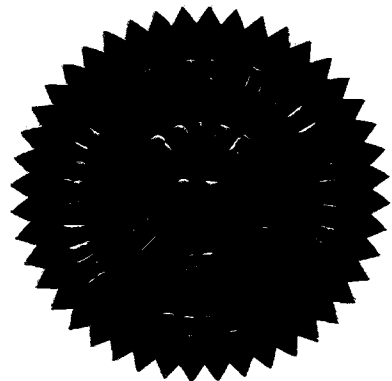


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MINUTES

**UNIVERSITY OF SOUTHERN INDIANA
BOARD OF TRUSTEES**

July 11, 1997



million from the Lilly Endowment. Completion of this facility will double the conference space available in New Harmony. Dr. Rice expresses his appreciation to the trustees for the office space, part-time staff support and use of a university vehicle which make possible his ability to undertake these projects which benefit the University as well as the citizens of New Harmony and southern Indiana.

Dr. Hoops commented on the legislators and state officials responding so positively on the need for greater per-student appropriations, funds to complete and renovate space on campus, and to provide better facilities for the University's growing student body. Also, another development has been renewal of our reciprocity agreement with Kentucky for an eight-year period, and an expansion of our articulation agreements with Vincennes University.

Dr. Hoops welcomed Brian Pauley, newly appointed student Trustee and Connie Cooper, new Faculty Senate chair. They have recently spent a half day in a board orientation.

Dr. Hoops expressed his appreciation to Bruce Baker for his unprecedented five years of service as chairman of the board, and offered his appreciation to Harolyn Torain as the new board chair.

E. APPROVAL OF RESOLUTION OF APPRECIATION TO BRUCE H. BAKER

On a motion by Mr. Will, seconded by Mr. Combs, the following resolution was approved.

WHEREAS, Bruce H. Baker was appointed to the Board of Trustees in 1989, and

WHEREAS, in that capacity Mr. Baker has been an active partner in fully developing educational opportunities for young people, and

WHEREAS, in recognition of his leadership abilities, Mr. Baker was elected chairman of the Board of Trustees in 1992, and has served with distinction for the past five years, and

WHEREAS, during his tenure of leadership, the University has experienced extraordinary progress, including the selection and inauguration of President H. Ray Hoops, unparalleled growth in enrollment and acceptance of the University in wider state circles, the development of new academic and student life programs, and the initiation of the University's first capital campaign.

NOW, THEREFORE, BE IT RESOLVED, that at its thirteenth annual meeting, the Board of Trustees, assembled at New Harmony, Indiana, on July 11, 1997, commends Mr. Bruce H. Baker 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. Bruce H. Baker for his devoted service.

F. REPORT OF THE LONG-RANGE PLANNING COMMITTEE

The Long-Range Planning Committee met prior to the Board meeting with architects from Ratio Architects, Inc. to review the Pre-Design Phase plans for future student housing, the engagement of a firm to provide architectural services for construction of the next phase of student housing, and review of the revised mission statement. Recommendations for action on those topics are contained in agenda items G, H, and I.

G. APPROVAL OF PRE-DESIGN PHASE PLANS FOR FUTURE STUDENT HOUSING

The Long-Range Planning Committee recommended approval of the Pre-Design Phase plans for future student housing as presented by Ratio Architects, Inc.

On a motion by Mr. Baker, seconded by Mr. Will, approval of the Pre-Design Phase plans was approved.

H. APPROVAL OF THE SELECTION OF AN ARCHITECTURAL FIRM FOR THE NEXT PHASE OF STUDENT HOUSING

The Long-Range Planning Committee recommended selection of Ratio Architects, Inc. for the design phase of the Student Housing Planning Project.

On a motion by Mr. Will, seconded by Mrs. Bruce, the recommendation of Ratio Architects, Inc. for the Design Phase of Student Housing was approved.

I. APPROVAL OF THE MISSION STATEMENT

The University's mission statement is reviewed and revised from time to time. The statement in Exhibit I-A has been reviewed and approved by the Long-Range Planning Committee, which recommends its approval by the Board of Trustees. On a motion by Mrs. Kern, seconded by Mrs. Bruce, the revised mission statement was approved.

SECTION II - FINANCIAL MATTERS

A. APPROVAL OF THE DESIGN AND DEVELOPMENT PLANS AND COST ESTIMATES AND AUTHORITY TO PROCEED WITH THE BID PROCESS FOR THE CONSTRUCTION OF THE LIBERAL ARTS CENTER, INCLUDING INSTALLATION OF ADDITIONAL CHILLED WATER CAPACITY AT THE CENTRAL HEATING AND COOLING PLANT

Architects from the firm of Hastings & Chivetta Architects, Inc. and representatives from The Skillman Corporation presented final construction documents and cost estimates for the Liberal Arts Center, including the installation of additional chilled water capacity at the central heating and cooling plant.

On a motion by Mr. Baker, seconded by Mrs. Kern, the final plans and authority to proceed with the bid process for the Liberal Arts Center and the installation of additional chilled water capacity was approved.

B. APPROVAL OF RESOLUTION TO AUTHORIZE THE CONSTRUCTION COMMITTEE TO AWARD CONTRACTS FOR THE CONSTRUCTION OF THE LIBERAL ARTS CENTER AND THE INSTALLATION OF ADDITIONAL CHILLED WATER CAPACITY AT THE CENTRAL HEATING AND COOLING PLANT

On a motion by Mr. Will, seconded by Mrs. Kern, the following resolution was approved.

WHEREAS, the Board of Trustees of the University of Southern Indiana wishes to enhance the completion of the construction of the Liberal Arts Center on a timely basis; and

WHEREAS, the Board of Trustees wishes to include the installation of additional chilled water capacity at the central heating and cooling plant in the Liberal Arts Center; and

WHEREAS, the construction bids will be received in August 1997 and the next scheduled meeting of the Board of Trustees is not until September 1997;

NOW, THEREFORE, BE IT RESOLVED THAT the Construction Committee is authorized to review construction bids and award a contract or reject any and all bids for the project; and

FURTHER RESOLVED that the Construction Committee is authorized to award the contract on behalf of the Board of Trustees; and

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

C. APPOINTMENT OF TRUSTEE TO THE CONSTRUCTION COMMITTEE

It is recommended that the Chair appoint a trustee to the Liberal Arts Center Construction Committee to replace former trustee Nicole Cable, whose term ended June 30, 1997.

On a motion by Mrs. Bruce, seconded by Mr. Combs, the appointment of Finance Committee member Percy Clark Jr. to this committee was approved.

D. APPROVAL OF INTERIM FINANCING FOR THE LIBERAL ARTS CENTER

On a motion by Mr. Will, seconded by Mrs. Kern, the following resolution was approved.

WHEREAS, the Board of Trustees has received approval from the Indiana General Assembly for the construction and financing of a new classroom facility on its campus, more particularly described in Exhibit II-A hereto (the "Project"); and

WHEREAS, the Board of Trustees now desires to authorize further planning for the financing

and construction of the Project and to delegate certain powers to the Finance Committee and Treasurer; and

WHEREAS, the Board of Trustees anticipates that a need will exist for interim financing or financings to provide funds for the construction of the Project prior to the permanent financing therefor;

NOW, THEREFORE, BE IT RESOLVED by this Board as follows:

1. The Treasurer of this Board is hereby authorized to develop a plan of financing, including the selection of commercial or investment bankers, which may include the issuance of one or more notes under one or more loan agreements from time to time, in whole or in part up to the maximum authorized amount of the Project as described in Exhibit II-A hereto plus other costs incidental to the interim financing as authorized by Indiana Code 20-12-6.
2. The Treasurer is authorized to present the plan of financing described in paragraph 1 preceding (the "Plan") to the Finance Committee, from time to time, as appropriate, for approval.
3. The Finance Committee is hereby authorized to approve the Plan (as it may be modified or supplemented by such Committee) on behalf of this Board and to authorize the execution and delivery of such legal documents as may be necessary or appropriate, subject to the following conditions:
 - (a) The total aggregate amount of indebtedness occurred pursuant to this authorization (excluding refundings of financings authorized hereunder from time to time) shall not exceed the authorization described in Exhibit II-A hereto, plus incidental costs permitted by statute;
 - (b) The interest rates may be variable or fixed, and if fixed, may not exceed 8 percent per annum in true interest cost; and
 - (c) The final maturity of any interim financings incurred pursuant to the authority delegated in this Resolution may not exceed five years from the date of issuance.
4. The Chair, Vice Chairs, Treasurer, or Assistant Treasurer of this Board are hereby authorized to execute and deliver any notes, loan agreements, other contracts, agreements, certificates, or other documents as may be necessary or appropriate, subject to the further approvals required from the Finance Committee under paragraph 3 preceding.

E. REPORT OF THE FINANCE COMMITTEE

Mr. Combs reported that the Finance Committee had recommended approval of the Schedule of Fees for 1997-98 and also the interim financing proposals for the Liberal Arts Center for the Board's approval (Exhibit II-D).

The committee also was informed of a vendor change, from Citizens Bank to MBNA America Bank, for the University's purchasing credit card.

On a motion by Mr. Combs, seconded by Mr. Baker, the interim financing for the Liberal Arts Center with NBD Bank, N.A. was approved.

F. APPROVAL OF AUTHORIZATION FOR THE CONSTRUCTION OF THE ART STUDIO

On a motion by Mr. Will, seconded by Mr. Baker, the following resolution was approved.

WHEREAS, the estimated cost of the proposed Art Studio is significantly higher than the

University's budget projection; and

WHEREAS, the Board of Trustees wishes to proceed with the construction of the Art Studio in a timely manner; and

WHEREAS, alternative building and site plans are being developed (Exhibit II-B); and

WHEREAS, at its meeting on May 9, 1997 the Board of Trustees authorized the Construction Committee to approve architectural contracts and building plans, review construction bids, and award contracts or reject any or all construction bids for the Art Studio project; and

WHEREAS, the University has adequate plant reserve funds to fund the project if the cost does not exceed \$600,000;

NOW, THEREFORE, BE IT RESOLVED that the Construction Committee is authorized to accept and approve alternate plans and an alternate site as it deems appropriate and to report to the Board at its next meeting; and

FURTHER RESOLVED that, subject to the Construction Committee's approval of the project, 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 Art Studio project.

G. APPROVAL OF CONSTRUCTION BID FOR THE PHYSICAL ACTIVITIES CENTER EXPANSION PROJECT

Construction bids for the PAC Expansion project have been received. The Vice President for Business Affairs reported and made a recommendation to accept the bid from Lichtenberger Construction based on review by University staff.

On a motion by Mr. Baker, seconded by Mr. McKenna, the proposed bid from Lichtenberger Construction was approved.

H. REPORT ON CURRENT CONSTRUCTION PROJECTS

A report was presented on the status of current construction projects.

I. APPROVAL OF AUTHORIZATION FOR FINANCIAL AID AWARDS

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

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 1997-98 budgetary capabilities.

J. APPROVAL OF CURRENT AND PLANT FUND BUDGETS

The recommended current operating budget for fiscal year 1997-98 will be presented. Increases over the previous year's budget are made possible by an increase in state appropriation, which includes an adjustment for prior enrollment increases, an increase in the student fee rate, and increases in several areas of other income. Budget increases are included for salaries and employee benefits, including health insurance.

The recommendation is for a balanced budget based upon estimates of revenue, state appropriations, and other available sources.

On a motion by Mrs. Kern, seconded by Mr. Will, the Current and Plant Fund Budgets in Exhibit II-C were approved.

K. APPROVAL OF BUDGET APPROPRIATIONS, ADJUSTMENTS, AND TRANSFERS

On a motion by Mr. Combs, seconded by Mr. Will, the following budget appropriations, adjustments, and transfers were approved.

1. Additional Appropriations

From:	Unappropriated Designated Funds		
To:	2-20110	Student Activities Supplies and Expense	300
To:	2-20120	Multicultural Center Supplies and Expense	800
To:	2-25112	Faculty Research-Professor Harison Supplies and Expense	75
To:	2-25117	Faculty Research-Professor Braysmith Supplies and Expense	3,440
To:	2-25118	Faculty Research-Professor Harison Supplies and Expense	529
To:	2-25119	Faculty Research-Professor Meliska Personal Services Supplies and Expense	1,320 94
To:	2-25120	Faculty Research-Professor Priest Personal Services Supplies and Expense	565 231
To:	2-25121	Faculty Research-Professor Rhoden Supplies and Expense	2,128
To:	2-25209	Faculty Research-Professor Freudenburg Supplies and Expense	752
To:	2-25210	Faculty Research-Professors Gunderson & Miller Supplies and Expense	3,695
To:	2-25211	Faculty Research-Professor Krahlung Supplies and Expense	2,606
To:	2-25212	Faculty Research-Professor Shaw Personal Services	2,112
To:	2-25311	Faculty Research-Professor Hall Personal Services Supplies and Expense	927 200

To:	2-25312	Faculty Research-Professors Kim & McGuire Personal Services Supplies and Expense	927 450
To:	2-25406	Faculty Research-Professors May & Hayashi Supplies and Expense	1,694
To:	2-25407	Faculty Research-Professors Meyer & Wasson Personal Services Supplies and Expense	200 1,438
From:	Unappropriated Restricted Funds		
To:	4-46245	Vision Athena - Corporation for Educational Communications Personal Services Supplies and Expense Repairs and Maintenance Capital Outlay	14,000 27,940 500 7,500
To:	4-46335	American Chemical Society - Project SEED 97 Personal Services	2,000
To:	4-46338	Faculty/Student Research-Professor Gunderson Personal Services	224
To:	4-46339	Millennium Petrochemicals Personal Services	3,200
To:	4-46342	Student/Faculty Research-Professor Shaw Supplies and Expense	970
To:	4-46816	Visualizing the Past - Indiana Humanities Council Personal Services Supplies and Expense	1,000 1,035
To:	4-46903	Mueller Photo Collection - Indiana Humanities Council Supplies and Expense	2,500

2. Transfer and Appropriation of Funds

From:	2-22100	Extended Services Revolving Fund	
To:	1-10910	Continuing Education Supplies and Expense	136

L. APPROVAL OF SCHEDULE OF STUDENT FEES AND OTHER MANDATORY FEES FOR 1997-98

The spending level approved for the state universities by the 1997 Indiana General Assembly includes an increase in student fees to supplement the state appropriation.

It is recommended that the per-semester credit-hour fee be increased by \$3.75 for Indiana resident undergraduate students, \$5.50 for Indiana resident graduate students, \$10.00 for non-resident undergraduate students, and \$12.50 for non-resident graduate students.

Schedule of Fees
Effective Fall Semester 1997
Per Semester Credit Hour

	<u>UNDERGRADUATE</u>		<u>GRADUATE</u>	
	Resident	Non-Resident	Resident	Non-Resident
Contingent	\$ 60.75	\$ 60.75	\$100.25	\$100.25
Instructional Facilities	16.25	16.25	16.25	16.25
Student Services	6.75	6.75	6.75	6.75
Non-Resident		121.50		124.50
Total	<u>\$ 83.75</u>	<u>\$205.25</u>	<u>\$123.25</u>	<u>\$247.75</u>

OTHER MANDATORY FEES

Campus Services Fee (8 or more credit hours per semester)	\$27.00
Campus Services Fee (more than 3 and fewer than 8 credit hours per semester)	20.50
Campus Services Fee (3 or fewer hours per semester)	0.00

On a motion by Mr. Will, seconded by Mr. Pauley, the proposed schedule of student fees and other mandatory fees for 1997-98 was approved.

M. APPROVAL OF MISCELLANEOUS FEES

1. LABORATORY AND MISCELLANEOUS FEES

	<u>Current Fee</u>	<u>Proposed Fee</u>	<u>Effective Fee</u>
Application Fee (Undergraduate)	\$ 25.00	\$ 25.00	07/01/97
Application Fee (Graduate)	25.00	25.00	07/01/97
Audit Fee (Plus Applicable Lab Fee)	30.00	30.00	09/02/97
Bad Check Penalty	15.00	15.00	07/01/97
Bowling Lab Fee	35.00	35.00	09/02/97
Change of Schedule	15.00	15.00	09/02/97
Computer Lab Fee	25.00	25.00	09/02/97
Departmental Exams	15.00	15.00	09/02/97
Distance Education Fee (Learning Center Fee, per credit hour)	15.00	15.00	09/02/97
Distance Education Supply Fee	100.00	100.00	09/02/97
Health Professions Insurance	15.00	15.00	07/01/97
Health Services Fee	0.00	37.00	09/02/97
ID Card Replacement Fee	5.00	5.00	09/02/97
Laboratory Fee	25.00	25.00	09/02/97
Late Registration Fee	25.00	25.00	09/02/97
Matriculation Fee (7 or more credit hours per semester)	60.00	62.00	07/01/97
Matriculation Fee (fewer than 7 credit hours per semester)	30.00	31.00	07/01/97
Nursing Test Fee	30.00	30.00	09/02/97
Payment Plan Fee	30.00	30.00	07/01/97
Payment Plan Late Fee	15.00	15.00	09/02/97
Parking Fee (8 or more credit hours per semester)	0.00	10.00	09/02/97

Parking Fee (more than 3 and fewer than 8 credit hours per semester)	0.00	7.00	09/02/97
Parking Fee (3 or fewer credit hours)	0.00	0.00	09/02/97
Parking Fee (per summer session)	0.00	3.00	09/02/97
Parking Fee (temporary)	0.00	3.00	09/02/97
Parking Fee Replacement Penalty	0.00	10.00	09/02/97
Physical Education Fee	15.00	15.00	09/02/97
Respiratory Therapy Advanced Life Support Fee	0.00	100.00	09/02/97
Studio Fee	25.00	25.00	09/02/97
Traffic Violation Fines			
Reckless Driving	35.00	35.00	07/01/97
Speeding	35.00	35.00	07/01/97
Parking Handicapped Zone	25.00	25.00	07/01/97
All Other Violations	5.00	5.00	07/01/97

2. ADMISSION PRICES FOR ATHLETIC EVENTS

It is recommended that the 1997-98 admission prices for athletic events be established as follows. A valid student identification card admits USI students free to regularly scheduled athletic events. Children two years of age and under not occupying a seat will be admitted free when accompanied by an adult. Children occupying a seat will be charged the student (non-USI) fee. Senior citizens 65 years of age or older will receive a \$1.00 discount on each single-admission ticket or pass. These fees will be effective July 1, 1997.

	<u>Current Fee</u>	<u>Proposed Fee</u>
BASKETBALL, MEN AND WOMEN		
SEASON TICKET		
Reserved Chairback	\$90.00	\$90.00
General Admission Bench, Adult	75.00	75.00
General Admission Bench, Student (non USI)	35.00	35.00
SINGLE GAME		
Reserved Chairback	8.00	8.00
General Admission Bench, Adult	7.00	7.00
General Admission Bench, Student (non USI)	4.00	4.00
SOCCER		
SINGLE GAME		
Family	8.00	8.00
Adult	4.00	4.00
Student (non USI)	2.00	2.00
VOLLEYBALL		
SINGLE GAME		
Adult	3.00	3.00
Student (non USI)	1.00	1.00

3. CHILDREN'S CENTER FEES

It is recommended that the 1997-98 Children's Center fees be set as follows.

	<u>Current Fee</u>	<u>Proposed Fee</u>
<u>Full-time Attendance (Per-Day Fee) *</u>		
One Child (USI)	\$14.50	\$15.00
One Child (off-campus parents)	18.00	18.00

Hourly Attendance (Per-Hour Fee) **

One hour	2.75	2.75
One and one-half hours	3.50	3.75
Two hours	4.25	4.25
Two and one-half hours	4.75	4.75
Three hours	5.25	5.50
Three and one-half hours	6.25	6.25
Four hours	7.00	7.00
Four and one-half hours	7.75	7.75
Five hours	8.50	8.50
More than five hours = full time		

* Snacks and lunches are included in the full-time fee.

** Additional charges for snacks and lunches will be assessed all children attending part-time who are present at snack and/or lunch time.

4. HOUSING CONDUCT PROGRAM PENALTIES

The University Housing Office proposes the establishment of penalties for violation of its student resident conduct program. The plan provides a series of penalties assessed for violation of established rules of conduct for housing residents. Any resident who is sanctioned for established rule violations will be given a formal hearing with housing staff prior to the assessment of any penalty.

	<u>Proposed Penalties</u>
Level I	\$ 25.00
Level II	\$ 50.00
Level III	\$100.00

On a motion by Mr. Will, seconded by Mr. Pauley, the preceding laboratory and miscellaneous fees, admission prices to athletic events, Children's Center fees, and penalties for the Housing Conduct Program were approved.

N. APPROVAL OF STUDENT HOUSING CONSTRUCTION PROJECT

Planning for the next phase of Student Housing is progressing. However, because this phase of housing will utilize a location in an undeveloped area of the campus and will require completely new architectural plans, these units cannot be available before Fall 1999.

Enrollment and housing statistics for Fall 1997 indicate the need for additional space in student housing for Fall 1998. The University anticipates that approximately 500 students will be housed in off-campus housing in Fall 1997. Even with the additional space available in Golden Tower Apartments, the University will have a significant shortfall in the number of beds needed for Fall 1998.

In order to meet the projected housing need, the University recommends the construction of three additional housing units of the existing style in the present housing complex. The master plan for this complex includes site plans, utilities, and telephone services to accommodate the proposed additional units.

The student housing buildings will be of the same general design as the previously constructed buildings. The buildings will consist of sixteen two-bedroom apartments, each of which will house four students. The three buildings under consideration will house 192 students. The buildings will be constructed at a cost not to exceed \$3,200,000, which will include site development, architectural and engineering fees, construction costs, furnishings, and contingencies.

On a motion by Mr. Will, seconded by Mr. Baker, the following resolution was approved.

WHEREAS, the Board of Trustees wishes to proceed with the construction of three housing units in the present housing complex; and

WHEREAS, approvals may be required before the next regular meeting of the Board of Trustees;

NOW, THEREFORE, BE IT RESOLVED that the Chair authorize the current Construction Committee to approve building plans, review construction bids, and award a contract or reject any or all construction bids for the project and report to the Board on any action taken;

FURTHER RESOLVED 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 enter into contracts to plan, construct, equip, finance, and otherwise provide for the construction of the student housing units;
- b. to use receipts from fees and earnings for the construction and financing of the project to the extent necessary; and
- c. to issue debt in the form of construction financing and bonds in an amount not to exceed \$3,200,000 to finance the project.

There being no further business, the meeting was adjourned at 4:55 p.m.

Respectfully submitted,



Tina Kern, Secretary

Mission Statement University of Southern Indiana

American education assumes a link between the truth of an idea and the good it promotes for individuals and society. An educated person can be expected not only to be knowledgeable and more financially secure, but also a better citizen, among whose virtues are tolerance, judgment, and belief in freedom for self and others. These values develop in an atmosphere of open inquiry and pursuit of truth. Therefore, as the University of Southern Indiana seeks to support education, social and economic growth, and civic and cultural awareness, it will be devoted primarily to preparing students to live wisely.

The University of Southern Indiana is a broad-based institution offering instruction, research, and service. A liberal arts and science curriculum provides the foundation of knowledge for all programs and complements undergraduate programs leading to careers in business, engineering technology, government, health professions, education, and related fields. Selected master's degrees serve persons in professional and technical studies. As a public institution, the University of Southern Indiana counsels and assists business and industry, as well as social, educational, governmental, and health agencies to higher levels of efficiency and improved services.

The University was established in 1965 as a branch campus of Indiana State University with a regional mission, in response to a need for public higher education in southwestern Indiana. In 1985, the legislature created the University of Southern Indiana as a separate statewide public university. This change in structure and mission was best delineated by then-Governor Robert D. Orr in his charge to the Board of Trustees at its first meeting:

"You have a statutory mission that is laid out in the bill passed by the legislature, and it is going to take a lot of effort on the part of everyone to live up to those requirements as they have been spelled out by the Indiana General Assembly. This is now a statewide institution, and it is important that this point be emphasized. Heretofore, this has been a branch campus of Indiana State University, and it has been understood to be regional in nature. It was created to accomplish a regional mission...just as other branch campuses around the state. Now this is a state institution in the fullest sense of the word."

Community leaders have supported the University in providing a solid base for its present success and future growth. The University is expected to grow moderately in the years ahead as it seeks to positively affect postsecondary attainment levels in Indiana. To this end, the University emphasizes programs and services for traditional college-age students as well as for part-time, commuting, and older students. It has developed partnerships with high schools and has expanded opportunities for individuals in the workplace. The University is an institution which students choose for the strength of its academic programs and the quality of its student life.

A board of nine trustees, appointed by the Governor, governs the University. This board must include one alumnus of the University, one current student, and one resident of Vanderburgh County. Trustee terms are four years, except the student term, which is two years. The board has powers and duties common to other public postsecondary institutions in the State of Indiana.

The 1989 Indiana General Assembly authorized the Trustees of the University to construct, acquire, operate, and manage student housing facilities and to issue revenue obligations for this purpose. The Commission for Higher Education approved the transfer of ownership of student housing from a nonprofit foundation to the University of Southern Indiana in February 1994. The addition of housing facilities enables students to take full advantage of the educational, cultural, and recreational benefits that a residential campus offers.

Excellence in teaching will continue to be the most important criterion in faculty recruitment. At the same time, the ability to do research, to engage in continuous scholarly and creative work, and to provide service, primarily to the region and the state, will be important additional qualifications.

A major emphasis of the University of Southern Indiana is the delivery of credit programs. The primary curricular offerings include liberal arts, pre-professional, professional, technical, and occupational programs at associate, baccalaureate, and master's levels. The University provides comprehensive outreach and public service programs of short duration -- including workshops, conferences, seminars, and instructional courses. These programs will increase as the University continues to address economic, social, and cultural needs in Region 13 as well as in the state. The University's location in Evansville, the center of a predominantly rural region dotted with smaller population centers, gives it opportunities to increase educational access by both traditional means as well as through innovative instructional delivery systems, including active participation in the Indiana Higher Education Telecommunications System networks and other technology-based instruction.

The University welcomes appropriate partnerships for providing services to its constituency and cooperates with public and private universities, hospitals, and libraries to achieve this objective. The University participates with area business, industry, social and governmental agencies for research and development related to the problems and concerns of business development, labor-management relations, tourism and recreation, health-care delivery, gerontology, energy development, and environmental-quality analysis. Community groups often use campus facilities for the purpose of meetings, programs, services, and instruction.

The University works in cooperation with the Indiana Department of Natural Resources to manage historic properties and tourism programs in New Harmony, Indiana, a community with a rich intellectual and cultural inheritance. The community provides opportunities for research and laboratory learning experiences which benefit both the town and the University.

The University provides a comprehensive range of support services for students. These include academic skills development, child care, counseling, financial aid, placement, housing, health services, student activities, and both recreational and intercollegiate athletics. The University of

Southern Indiana participates in Division II intercollegiate athletics and is a member of the Great Lakes Valley Conference.

The University admits graduates of commissioned high schools in the state of Indiana who successfully complete college preparatory courses in English, mathematics, science, and social studies with at least a C average. Other students will be considered for admission to the University based on past academic performance and promise for future success.

The University is accredited at the baccalaureate and master's levels by the North Central Association of Colleges and Schools. Programs in education, engineering technology, social work, and the health professions are accredited by the appropriate professional organizations and state agencies.

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 1995-97 Capital Improvement Budget Request. 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 approximately 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 building will be located southwest of the University Center and east of Reflection Lake near the former location of the Children's Center. As part of the site preparation for the project, the Children's Center has been moved to the area near the Theatre Center and the Radio Center.

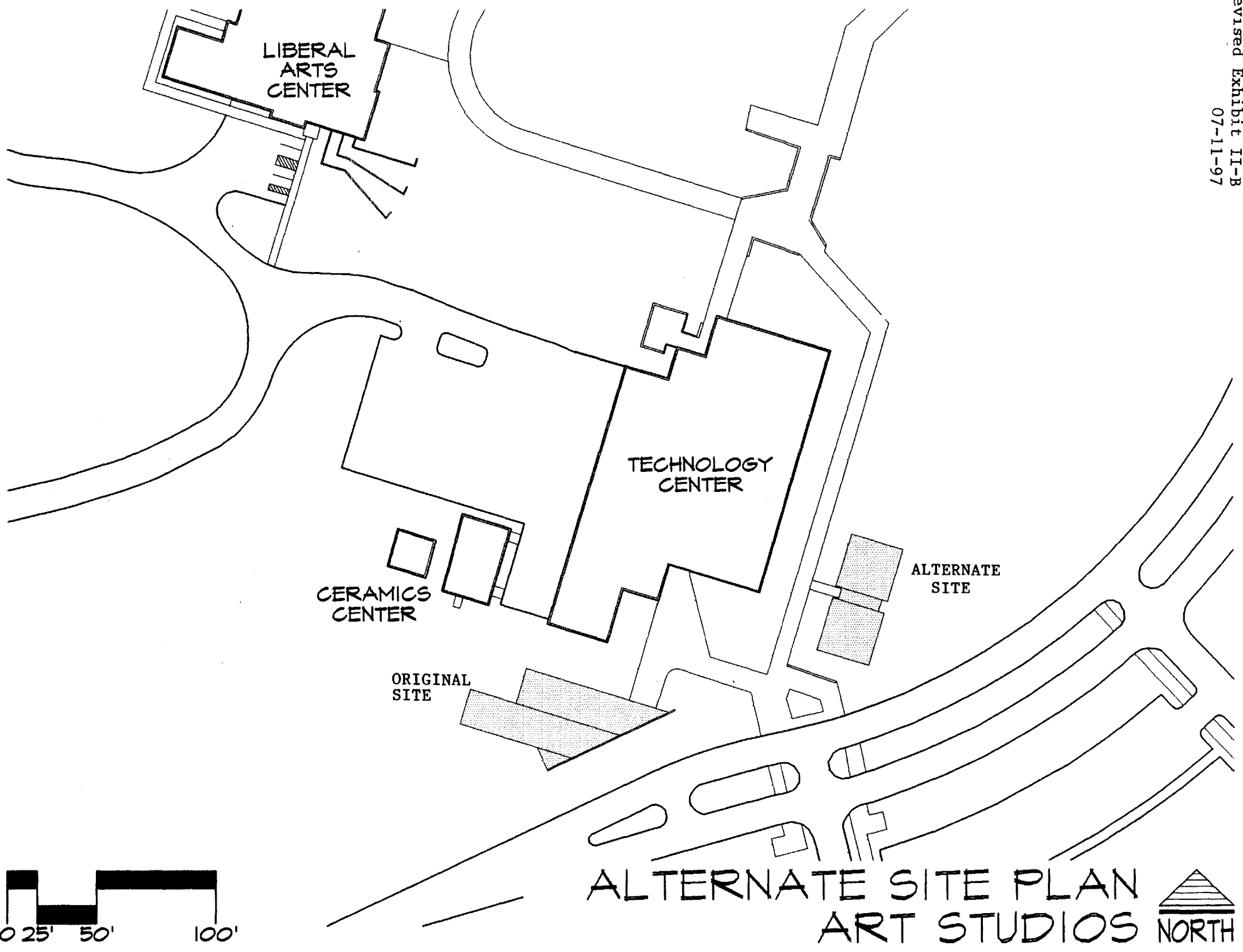
The primary function of this classroom building is to provide additional classrooms and faculty offices. The building also will provide specialized facilities and service areas for the School of Liberal Arts. The general purpose classrooms and lecture rooms will be available for scheduling by all academic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

PROJECT SIZE: approximately 110,000 GSF

ESTIMATED PROJECT COST: \$15,200,000

ANTICIPATED CONSTRUCTION SCHEDULE:

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



LIBERAL
ARTS
CENTER

TECHNOLOGY
CENTER

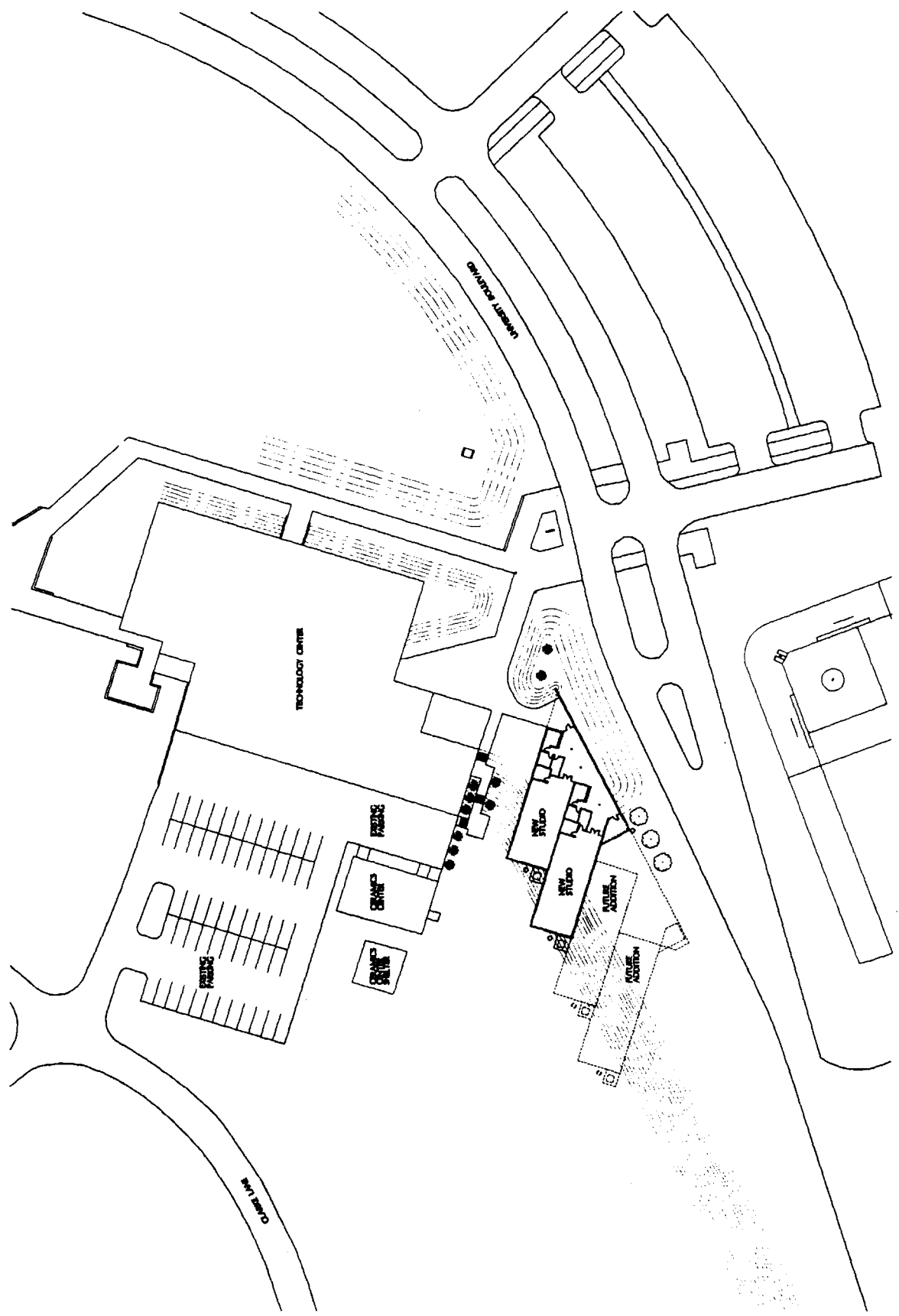
CERAMICS
CENTER

ORIGINAL
SITE

ALTERNATE
SITE

ALTERNATE SITE PLAN
ART STUDIOS NORTH





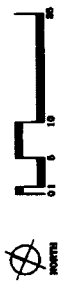
**VEAZEY
PABLOTT &
SHOULDERS**



April 28, 1997

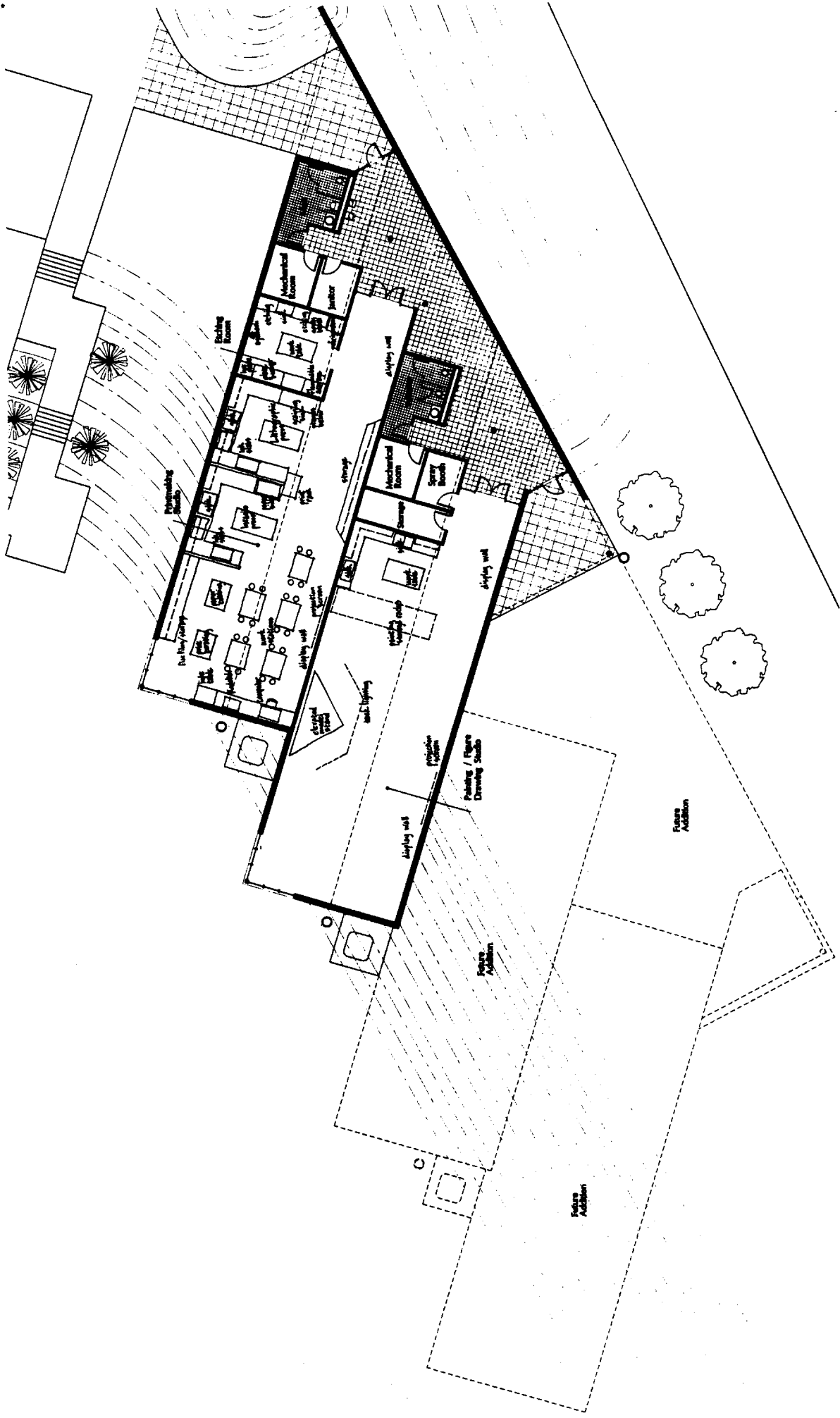
Art Studios
University of Southern Indiana

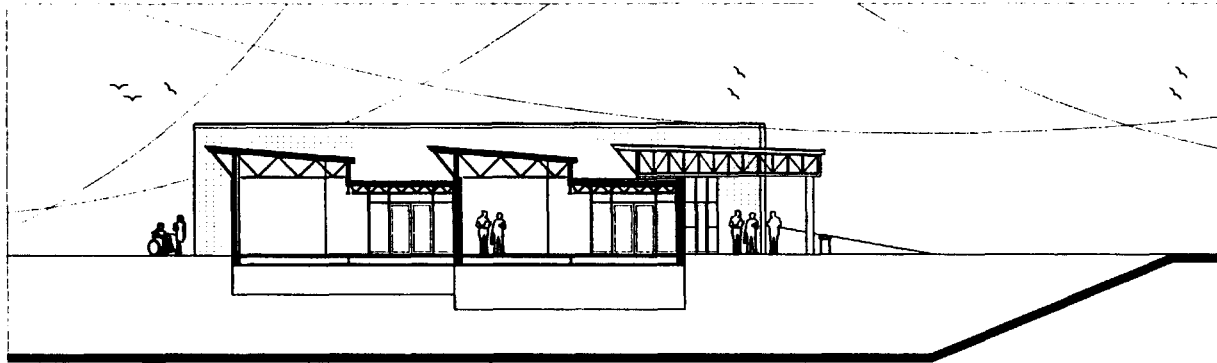
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PARROTT &
SHOULDERS**



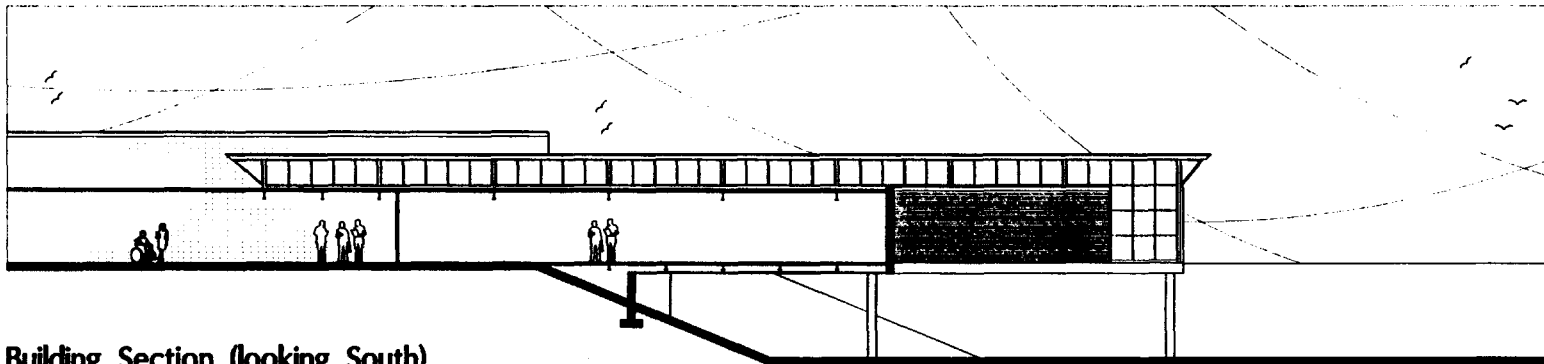
June 10, 1997

Art Studios
University of Southern Indiana





Building Section (looking East)



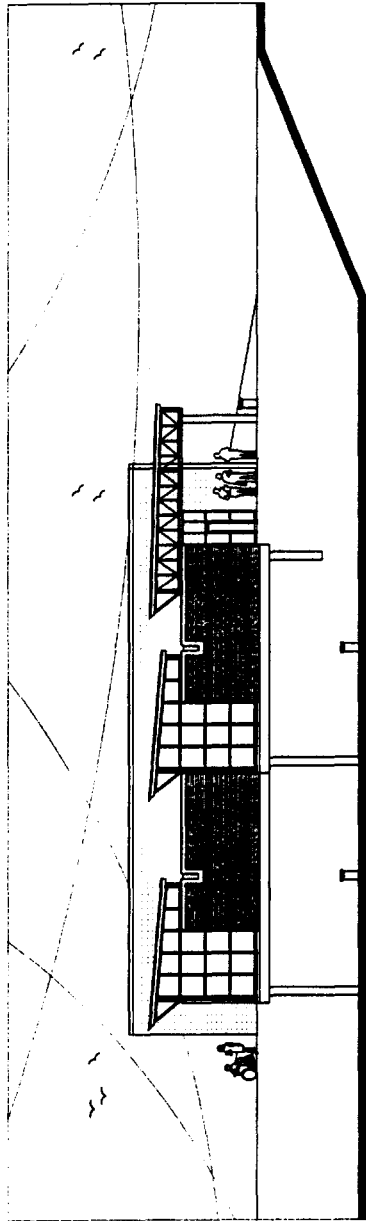
Building Section (looking South)

Art Studios
University of Southern Indiana

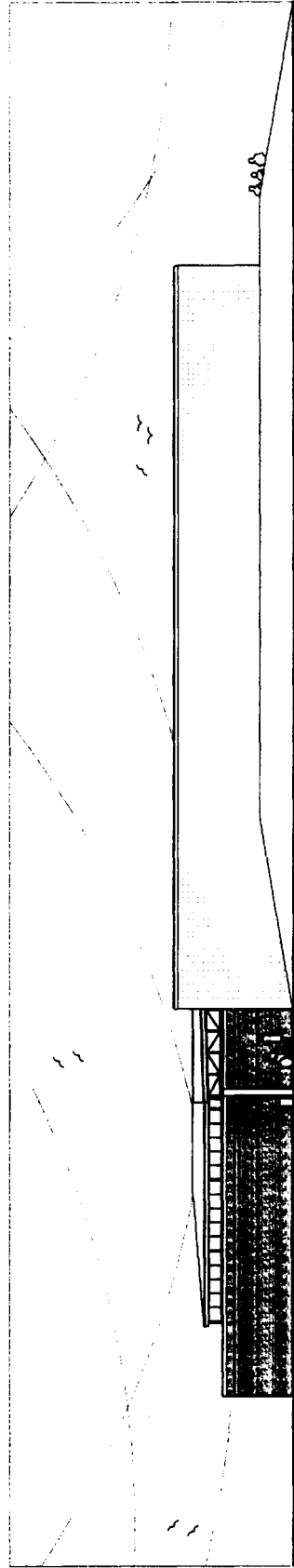
April 28, 1997



VEAZEY
PARROTT &
SHOULDERS



West Elevation



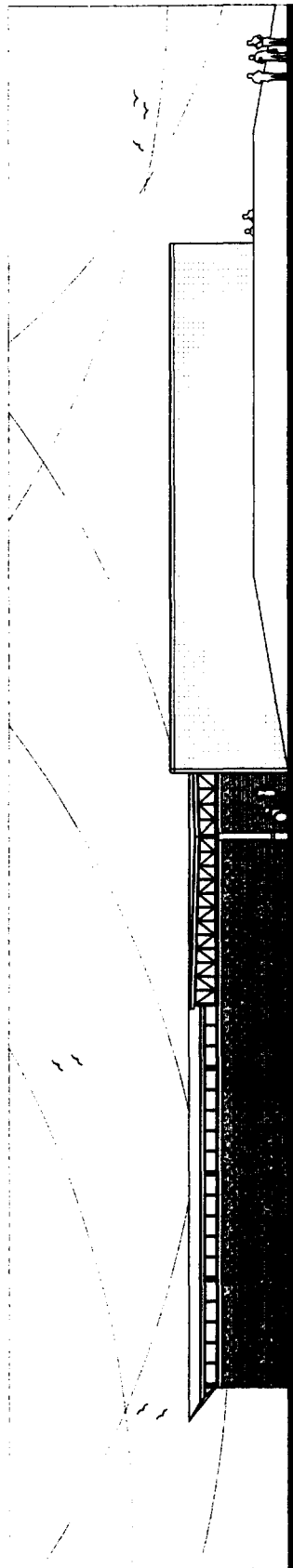
East Elevation

Art Studios
University of Southern Indiana

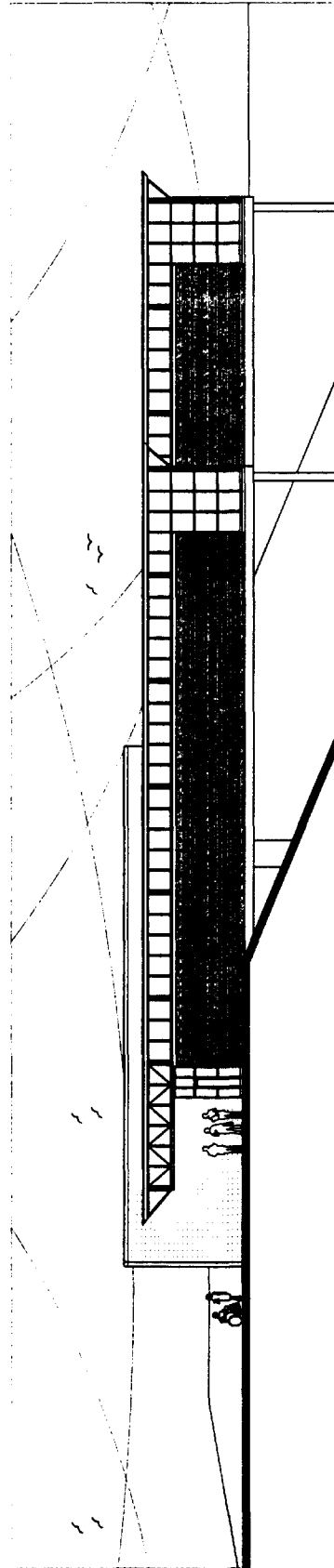
April 28, 1997

**VEAZEY
PARROTT &
SHOULDERS**





South Elevation



North Elevation

VEAZEY
PARROTT &
SHOULDERS



April 28, 1997

Art Studios
University of Southern Indiana

CURRENT OPERATING BUDGET SUMMARY

	<u>Actual 1995-96</u>	<u>Appropriation 1996-97</u>	<u>Appropriation Recommended 1997-98</u>
Fund Balance Allocated		474,795	471,461
INCOME			
State Appropriation	20,741,996	22,239,294	25,006,854
Student Fees	10,526,852	11,728,319	11,690,593
Other Income	3,172,874	1,458,297	1,984,616
Total Income	34,441,722	35,425,910	38,682,063
TOTAL AVAILABLE	34,441,722	35,900,705	39,153,524

MAJOR EXPENSE CLASSIFICATION

Personal Services	24,003,989	27,170,306	29,487,296
Supplies and Expense	7,361,163	6,658,515	7,534,562
Repairs and Maintenance	1,121,096	1,151,166	1,218,700
Capital Outlay	1,717,157	920,718	912,966
Total	34,203,405	35,900,705	39,153,524

FUNCTIONAL EXPENDITURE CLASSIFICATION

Instruction	18,193,382	20,208,413	21,713,410
Instruction Related	1,187,619	1,332,895	1,443,408
Student Services	2,715,995	2,946,114	3,298,877
Physical Plant	4,942,078	4,944,511	5,272,921
Administration and General	7,164,331	6,468,772	7,424,908
Total	34,203,405	35,900,705	39,153,524

	<u>Actual 1995-96</u>	<u>Appropriation 1996-97</u>	<u>Appropriation Recommended 1997-98</u>
FUNCTION BY MAJOR EXPENSE CLASSIFICATION			
Instruction			
Personal Services	15,856,739	17,923,448	19,303,942
Supplies and Expense	1,710,817	1,678,526	1,717,935
Repairs and Maintenance	207,840	319,386	366,517
Capital Outlay	417,986	287,053	325,016
Total Instruction	18,193,382	20,208,413	21,713,410
Instruction Related			
Personal Services	674,511	833,494	914,502
Supplies and Expense	109,206	110,378	132,233
Repairs and Maintenance	37,777	44,574	51,753
Capital Outlay	366,125	344,449	344,920
Total Instruction Related	1,187,619	1,332,895	1,443,408
Student Services			
Personal Services	2,224,971	2,473,009	2,768,180
Supplies and Expense	402,899	418,049	470,769
Repairs and Maintenance	26,535	31,852	37,077
Capital Outlay	61,590	23,204	22,851
Total Student Services	2,715,995	2,946,114	3,298,877
Physical Plant			
Personal Services	1,979,425	2,206,839	2,411,947
Supplies and Expense	1,994,520	2,037,274	2,214,794
Repairs and Maintenance	643,668	557,828	552,443
Capital Outlay	324,465	142,570	93,737
Total Physical Plant	4,942,078	4,944,511	5,272,921
Administration and General			
Personal Services	3,268,343	3,733,516	4,088,725
Supplies and Expense	3,143,721	2,414,288	2,998,831
Repairs and Maintenance	205,276	197,526	210,910
Capital Outlay	546,991	123,442	126,442
Total Administration and General	7,164,331	6,468,772	7,424,908
Total Budget	34,203,405	35,900,705	39,153,524

**RESOLUTION OF THE FINANCE COMMITTEE OF
THE UNIVERSITY OF SOUTHERN INDIANA
BOARD OF TRUSTEES
RE: INTERIM FINANCING FOR THE LIBERAL ARTS CENTER**

WHEREAS, the Board of Trustees (the "Board") of the University of Southern Indiana (the "University") has heretofore received approval from the Indiana General Assembly for the construction and financing of a new classroom facility on its campus, as described more particularly in Exhibit A hereto (the "Project"); and

WHEREAS, the Finance Committee of the Board (the "Finance Committee") anticipates that the Board, by resolution to be considered for adoption at its July 11, 1997 meeting, will authorize the Treasurer of the Board (the "Treasurer") to develop a plan of financing for the Project (the "Plan"), including the selection of commercial or investment bankers, which may include the issuance of one or more notes under one or more loan agreements from time to time, in whole or in part up to the maximum authorized amount of the Project as described in Exhibit A plus other costs incidental to the financing as authorized by Indiana Code 20-12-6, and to present such Plan to the Finance Committee; and

WHEREAS, the Finance Committee anticipates that the Board will authorize the Finance Committee to approve any Plan developed and presented by the Treasurer which is consistent with the conditions hereof and which is deemed appropriate by the Finance Committee (as such Plan may be modified or supplemented by the Finance Committee); and

WHEREAS, the Finance Committee anticipates that the Board will further delegate to the Finance Committee the power to authorize the execution and delivery of such legal documents as may be necessary or appropriate to the financing, subject to the following conditions:

- a. The total amount of indebtedness incurred (excluding refundings of financings for the Project authorized from time to time) shall not exceed the legislative authorization described in Exhibit A hereto, plus incidental costs permitted by statute;
- b. The interest rate or rates of such financings may be variable or fixed, and if fixed, may not exceed 8 percent per annum in true interest cost; and
- c. The final maturity of any authorized interim financings incurred may not exceed five (5) years from the date of issuance; and

WHEREAS, the Finance Committee further anticipates that the Board will authorize the Chairman, Vice Chairman, Treasurer or Assistant Treasurer of the Board to execute and deliver any notes, loan agreements, other contracts, agreements, certificates, etc. as may be necessary or appropriate to the financing, subject to the further approvals required from this Finance Committee; and

WHEREAS, the Treasurer has presented a Plan to the Finance Committee, which includes a proposal for interim financing of the Project featuring the financial institution and other terms and conditions as set forth in Exhibit B hereto.

NOW, THEREFORE, BE IT RESOLVED by this Finance Committee as follows (all subject to, and effective only upon receipt of, the anticipated authorization and delegation from the Board as described above):

1. The Finance Committee hereby approves the Plan developed by the Treasurer and presented to this Finance Committee, including the proposal for interim financing and the selection of the financial institution and the other terms and conditions as set forth in Exhibit B hereto.
2. The Finance Committee hereby authorizes the Treasurer to cause to be prepared and to approve in final form any notes, loan agreements, other contracts, agreements, certificates, etc. as may be necessary or appropriate, subject to and setting forth the terms of the interim financing described in the Plan and in Exhibit B hereto.

3. The Chairman, Vice Chairman, Treasurer or Assistant Treasurer of the Board are hereby authorized to execute and deliver any notes, loan agreements, other contracts, agreements, certificates, etc. as may be necessary or appropriate to consummate the interim financing as approved herein and as described in the Plan and in Exhibit B hereto, the approval of all such documents to be conclusively evidenced the execution and delivery thereof.
4. The Finance Committee hereby designates the tax-exempt indebtedness to be incurred in calendar year 1997, pursuant to the authorization for interim financing set forth herein, in an amount not to exceed \$1,050,000 as described in Exhibit B hereto, to be a qualified tax-exempt obligation under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

EXHIBIT A

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 1995-97 Capital Improvement Budget Request. 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 approximately 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 building will be located southwest of the University Center and east of Reflection Lake near the former location of the Children's Center. As part of the site preparation for the project, the Children's Center has been moved to the area near the Theatre Center and the Radio Center.

The primary function of this classroom building is to provide additional classrooms and faculty offices. The building also will 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: approximately 110,000 GSF

ESTIMATED PROJECT COST: \$15,200,000

ANTICIPATED CONSTRUCTION SCHEDULE:

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

EXHIBIT B

TERMS OF INTERIM FINANCING FOR THE LIBERAL ARTS CENTER PROJECT

Maximum Principal Amount:	\$1,050,000 tax-exempt \$6,950,000 taxable
Final Maturity:	January 31, 1999
Interest Rate:	Tax-exempt: Fixed at the prevailing rate on U.S. Treasury obligations of like maturity, plus 75 basis points, divided by 1.565363, plus 22 basis points Taxable: Fixed at the prevailing rate on U.S. Treasury obligations of like maturity, plus 75 basis points
Interest Payable:	Semiannually (December 31, 1997; June 30, 1998; December 31, 1998) and at Final Maturity
Principal Payable:	At Final Maturity
Financial Institution:	NBD Bank, N.A.
Financing Documents:	Loan Agreement; Promissory Note
Prepayment Provisions:	No Restrictions
Demand Provisions:	None or Demand upon default
Fees:	None
Security:	Junior lien on student fees