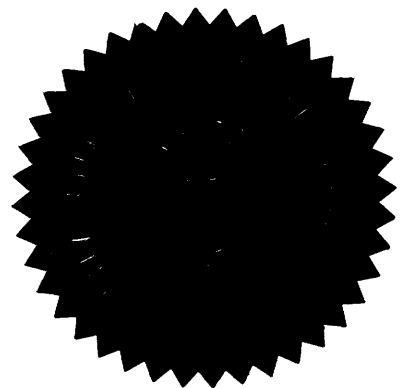


MINUTES

**UNIVERSITY OF SOUTHERN INDIANA
BOARD OF TRUSTEES**

September 7, 2006



MINUTES

UNIVERSITY OF SOUTHERN INDIANA BOARD OF TRUSTEES

September 7, 2006

The University of Southern Indiana Board of Trustees met in regular session on Thursday, September 7, 2006, in the University Center on campus. In attendance were Chair Bruce Baker and Trustees W. Harold Calloway, Mark A. Day, John M. Dunn, Lauren C. Fultz '07, Jeffrey L. Knight, Amy MacDonell, Frank F. McDonald II '73, and James L. Will, Sr. Also attending 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 Mark Rozewski; Vice President for Advancement Sherrienne M. Standley; Faculty Senate Chair Christy Baker; and Student Government Association President Jeff Clark.

Mr. Baker called the meeting to order at 1:00 p.m. and welcomed four newly appointed trustees – Mr. Calloway, Mr. Dunn, Mr. Knight, and Ms. MacDonell – to their first meeting.

SECTION I - GENERAL AND ACADEMIC MATTERS

A. APPROVAL OF MINUTES OF JULY 6, 2006, MEETING

On a motion by Mr. Will, seconded by Ms. Fultz, the minutes of the July 6, 2006, meeting were approved.

B. ESTABLISHMENT OF NEXT MEETING DATE, TIME, LOCATION

Mr. Baker called on Vice President Sherrienne Standley, who noted that the next meeting of the Board of Trustees is scheduled for Thursday, November 2, 2006, on campus. She reviewed a revised meeting schedule for 2006-2007, to which Commencement on December 9, 2006, has been added.

C. REPORT OF THE LONG-RANGE PLANNING COMMITTEE

The Long-Range Planning Committee met prior to the meeting on September 7, 2006. Mr. Baker called on Mr. Will, the committee chair, who asked Provost Bennett to review the report to the committee on the academic planning process. Dr. Bennett reported that the committee heard a review of the academic program planning process, from the inception of a new program to its final approval by the Indiana Commission for Higher Education. She reported that the Committee also discussed new programs under development.

D. PRESIDENT'S REPORT

President Hoops began his report by welcoming the four newest USI Trustees to their first official board meeting.

He reported that the fall semester has begun with as much ease as the University has experienced in many years. He asked Vice President Parrent to report on fall enrollment. Dr. Parrent reported that two years ago, a decision was made to increase USI summer enrollment. Expanded summer offerings with an emphasis on core courses have provided new opportunities to freshmen, returning students, and students from other institutions. He shared enrollment figures for each of the three five-week summer sessions and reported that combined student enrollment for all three summer sessions increased by 5.3 percent and total student credit hours increased by 7.0 percent. Dr. Parrent announced that fall enrollment totals 10,025 students and that the new freshman class of 2,108 students represents 21 percent of the total enrollment. He shared other enrollment and demographic statistics and concluded by saying that USI has experienced a productive enrollment year with more full-time students, increased total credit hours, and increased diversity in the student population.

President Hoops reported that the new Rice Library is a gathering place for both students and faculty and that Library Director Ruth Miller reports a large upswing in traffic and positive comments from all users. He noted that the trustees would find a copy of the current issue of the *USI Magazine* in their meeting packets. The feature story in this issue is about the library and the grand opening held last July.

He recalled that at the July meeting of the Long-Range Planning Committee, the committee heard a comprehensive report on Study Abroad programs. The trustees on the committee requested more information for the full board, and President Hoops asked Vice President Parrent to introduce the report. Dr. Parrent introduced Heidi Gregori-Gahan, director of International Programs and Services, and USI student Jessica Graves. Ms. Gregori-Gahan reported on the many opportunities for study abroad, including programs at over 100 institutions in 51 countries, direct exchange programs, and Semester at Sea. She noted that USI is committed to making study abroad as accessible and affordable as possible for all USI students. Ms. Graves reported on her Spring 2006 work in the Semester at Sea Program. She reviewed her itinerary and coursework and shared experiences in the many countries she was privileged to visit.

Dr. Hoops was pleased to report that alumna Kim Elpers is one of five Indiana teachers selected as finalists for the 2006 Presidential Award for Mathematics and Science Teaching, the nation's highest honor for mathematics and science teachers in elementary and secondary education. The award is administered by the National Science Foundation and recognizes exemplary work in and out of the classroom. National winners will be named in spring 2007, and receive a \$10,000 award, among other honors. Ms. Elpers graduated from USI in 1981 and is a teacher at Saints Peter and Paul School in Haubstadt.

The president asked Provost Bennett to give an update of progress on the University's institutional reaccreditation by the Higher Learning Commission of the North Central Association of Colleges and Schools. Dr. Bennett reported that the University is prepared for the site visit from the HLC in late September. She referred the Trustees to their meeting materials for copies of the self study written in preparation for the visit, an executive summary about the five criteria from the self study, and the Institutional Snapshot, a document required by the HLC with data and demographic information about USI.

Dr. Hoops invited Director of Athletics Jon Mark Hall to give a report on the Athletics Program in 2005-2006. Mr. Hall reported on the continued academic success of USI student athletes and noted that in 2005-2006 they had a combined 3.08 grade point average. He reported that the men's cross country team captured the Great Lakes Valley Conference (GLVC) championship and the men's basketball team tied for the GLVC West Division title and finished in the final sixteen teams in the NCAA tournament. Three other programs competed in NCAA tournaments – women's golf, women's cross country, and softball. USI finished third in the race for the GLVC All-Sports Trophy. The GLVC completed its first year as a 14-school conference, following the addition of three teams last year. Mr. Hall reported that a committee is studying the feasibility of another possible expansion to 16 schools.

Mr. Hall reported on a successful Walk for Women's Athletics which raised \$16,500 and which will be repeated in April 2007. He reviewed recent improvements to the Physical Activities Center (PAC), including the construction of three hardwood playing floors, new chair back seating, and new scoreboards. He was pleased to announce that the first class in the Screaming Eagles Hall of Fame will be inducted in February 2007. He was also pleased to report the addition to the coaching staff of Tracy Archulata, head baseball coach.

Mr. Hall concluded his report by discussing the goals of the Athletics Department and how these goals are shared with student athletes. He shared information about a successful program that provides financial aid to student athletes who have completed their eligibility but have not completed their coursework for graduation, and he told the Board about the department's drug testing program, in which all student athletes are tested three times each year, providing an opportunity for coaches to talk with them about drug abuse and performance enhancers on a regular basis. He expressed his appreciation to the Board of Trustees for its support of athletics programs at the University of Southern Indiana.

President Hoops called on Professor Christy Baker, the 2006-2007 chair of Faculty Senate, for a report. Professor Baker reported that the Faculty Senate has elected officers and developed charges to its eight committees. She invited the Trustees to visit the Faculty Senate web site for updates on the work of the Senate.

Dr. Hoops concluded the President's Report by asking Jeff Clark, the president of the USI Student Government Association, for a report. Mr. Clark reported that SGA focuses on student involvement and began the year by sponsoring a welcome dinner for new students. Other early fall events include a block party and a cookout. Late in September, the SGA will meet in a retreat to make additional programming plans for 2006-2007.

SECTION II – FINANCIAL MATTERS

A. REPORT OF THE FINANCE/AUDIT COMMITTEE

The Finance/Audit Committee met in joint session with the Construction Committee prior to the meeting on September 7, 2006. Mr. Baker asked Mr. McDonald for a report. Mr. McDonald reported that the Finance/Audit Committee approved recommendations to the Board of Trustees to approve the proposed 2007-2008 Housing Rates, the proposed 2007-2008 Dining Plan Rates, and the 2007-2008 Operating Budget Request. He noted that these recommendations will be included later in Section II of the agenda. In other actions, Mr. McDonald reported, the committee approved year-end budget appropriations for fiscal year 2005-2006.

B. APPROVAL OF 2007-2008 HOUSING RATES

Mr. Baker called on Vice President Rozewski to review the recommended housing rates for 2007-2008. Mr. Rozewski reported that the proposed rates will allow the University to continue to provide good service to students, provide housing that is affordable and accessible, provide for the operational needs of housing, and keep the rate structure competitive, both locally and statewide.

Upon the recommendation of the Finance/Audit Committee, the following 2007-2008 housing rates were approved.

	<u>CURRENT RATE</u>	<u>PROPOSED RATE</u>	<u>EFFECTIVE DATE</u>
<u>FALL OR SPRING SEMESTER</u>			
<u>McDONALD or O'DANIEL APARTMENT</u>			
Two Bedroom: Two students per bedroom	\$1,617	\$1,642	7-01-07
One student per bedroom	2,897	2,941	7-01-07
One Bedroom: Two students	1,953	1,983	7-01-07
One student	3,636	3,691	7-01-07
<u>GOVERNORS, NEWMAN, O'BANNON, or RUSTON HALL</u>			
One and Two Bedroom: Two students per bedroom	\$1,617	\$1,642	7-01-07

SUMMER SESSIONS

Summer session rates are indexed to semester rates. The rate for each five-week summer session is one-third of the academic year semester rate.

C. APPROVAL OF 2007-2008 DINING PLAN RATES

Mr. Baker called on Vice President Rozewski to review the recommended dining plan rates for 2007-2008. Mr. Rozewski reported that students who live in the Residence Halls (Governors, Newman, O'Bannon, and Ruston) are required to purchase a Resident Dining Plan. Three plans are available from which students can choose, with the Blue Plan being the most popular. The proposed rates allow for normal increases in food and labor costs.

Upon the recommendation of the Finance/Audit Committee, the following 2007-2008 dining plan rates were approved.

FALL OR SPRING SEMESTER

	<u>CURRENT RATE</u>	<u>PROPOSED RATE</u>	<u>EFFECTIVE DATE</u>
Red Eagle Plan	\$1,629	\$1,629	7-01-07
White Eagle Plan	1,519	1,569	7-01-07
Blue Eagle Plan	1,369	1,435	7-01-07

SUMMER SESSIONS

Dining plans are not offered during summer sessions.

D. APPROVAL OF THE 2007-2009 OPERATING BUDGET REQUEST

Chair Baker asked Vice President Brinker to review the 2007-2009 Operating Budget Request. Ms. Brinker noted that the Operating Budget Request for 2007-2009 was submitted to the Indiana Commission for Higher Education, the State Budget Agency, and the Indiana General Assembly on August 1, 2006. It was prepared under the instructions of the State Budget Agency and the Indiana Commission for Higher Education. She referred the Trustees to Exhibit II-A, a summary of the complete Operating Budget Request that was mailed with their meeting materials.

She reviewed the Request Summary on page 2 of Exhibit II-A and discussed the requests for the operating expenditure base and fee replacement appropriation. She reported on the prioritization of increases, including basic needs of maintenance for current programs; enrollment change; plant expansion; and appropriation adjustment. Ms. Brinker specifically explained the request for enrollment change and appropriation adjustment. Other priorities are quality improvement initiatives; a line item appropriation request for Historic New Harmony; and the capital requests for the College of Business/General Classroom Building and general repair and rehabilitation and infrastructure funding. She discussed the request for quality improvement funds for economic development outreach in southwestern Indiana and for the Southwestern Indiana Science, Technology, Engineering, and Mathematics Education Center (SISTEMEC).

Upon the recommendation of the Finance/Audit Committee, the 2007-2009 Operating Budget Request was approved. Mr. Day opposed the motion.

E. REPORT OF THE CONSTRUCTION COMMITTEE

The Construction Committee met in joint session with the Finance/Audit Committee prior to the meeting on September 7, 2006. Mr. Baker called on Mr. McDonald, who reported that the committee heard a report on three projects in the design phase. These projects are the landscaping of the Quad; completion of the unfinished lower level of the Education Center; and planning for a Physical Plant/Support Services Building.

F. UPDATE ON CURRENT CONSTRUCTION PROJECTS

Mr. Baker called on Vice president Rozewski who introduced Steve Helfrich, director of facilities operations and planning, for a report on current construction projects. Mr. Helfrich reported that Forum I, a lecture hall in the Wright Administration Building, has been renovated, as have the corridors and stairs in the building. Exterior patios on the south side of the Wright Building have been replaced to provide additional outdoor seating.

He reported on the improvements to the PAC, including the installation of new floors, lights, and seating, and the renovation of public restrooms. Shingle roofs on six student apartment buildings were replaced during the summer months and the annual summer rehab project, which includes painting, cleaning, and general repairs

to all student housing, is complete. In addition to the projects he presented to the Construction Committee, detailed in Item E. above, Mr. Helfrich reported that the following projects are also in the design and planning stage:

- Programming and schematic design of the College of Business/General Classroom Building;
- Expansion of the Recreation and Fitness Center;
- Construction of the loop road and new campus entrance intersection;
- Renovation and expansion of the McDonald West recreation building;
- Renovation of the southeast corner of the lower level of the Orr Center.

SECTION III – PERSONNEL MATTERS

A. APPROVAL OF PERSONNEL ACTIONS

Mr. Baker called on Vice President Brinker, who reviewed the recommended personnel actions. On a motion by Mr. Will, seconded by Mr. McDonald, the following personnel actions were approved.

1. Early Retirement

Director of Historic Southern Indiana and Professor of History Darrel E. Bigham, in accordance with the early retirement policy, has requested early retirement effective June 30, 2008, including leave with pay for the period January 1, 2008 through June 30, 2008. Severance pay based on 38 years of service to the University will be paid as of June 30, 2008.

Vice President for Advancement Sherrienne Standley, in accordance with the early retirement policy, has requested early retirement effective December 31, 2007, including leave with pay for the period July 1, 2007 through December 31, 2007. Severance pay based on 32 years of service to the University will be paid as of December 31, 2007.

2. Emerita/Emeritus Status

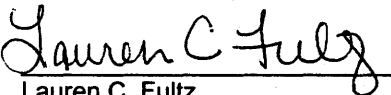
It is recommended that the following be retired officially with the effective dates shown and that the appropriate emerita/emergitus titles, as indicated, be conferred:

Director Emeritus of Historic Southern Indiana and
Professor Emeritus of History Darrel E. Bigham
38 years at USI, effective June 30, 2008

Vice President Emerita for Advancement Sherrienne Standley
32 years at USI, effective December 31, 2007.

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

Respectfully submitted,



Lauren C. Fultz
Secretary

**Possible Conflict of Interest Disclosure Statements
Filed for 2006**

DATE	NAME/ TITLE	VENDOR/ CONTRACTOR	DESCRIPTION OF FINANCIAL INTEREST
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NOTE: New Trustees' Statements – Documents will be signed at Trustee Orientation on 8-25-06.

UNIVERSITY OF SOUTHERN INDIANA
BIENNIAL BUDGET 2007-2009
REQUEST SUMMARY

EXPENDITURES	<u>2007-08</u>	<u>2008-09</u>
Expenditure Base	70,953,039	78,700,394
Base Adjustments		
A. Enrollment Change	910,000	0
B. Plant Expansion	1,258,763	0
C. Appropriation Adjustment	2,000,000	1,000,000
Subtotal Before Debt Service	4,168,763	1,000,000
D. Debt Service	3,586,621	3,358
Reallocation of Student Fees	(3,586,621)	(3,358)
Subtotal Debt Service	0	0
Total Expenditure Base	75,121,802	79,700,394
Maintenance for Current Programs		
A. Personal Services 3%	1,606,636	1,654,835
B. Supplies & Expense 3%	452,656	466,235
C. Student Aid 3%	69,300	71,379
Subtotal Maintenance for Current Programs	2,128,592	2,192,449
Quality Improvement		
A. Economic Development Outreach in SW Indiana	950,000	850,000
B. SW Indiana STEM Education Center (SISTEMEC)	500,000	750,000
Subtotal Quality Improvement	1,450,000	1,600,000
Total Budget Increases	7,747,355	4,792,449
Total Expenditure Request	78,700,394	83,492,843
REVENUE		
Student Fee Base	29,838,415	27,478,833
Fee Increase 3%	1,227,039	1,263,851
Transfer to Debt Service	(3,586,621)	(3,358)
Total Student Fees	27,478,833	28,739,326
Operating Appropriation Base	35,213,023	41,733,339
Appropriation Increase	6,520,316	3,528,598
Total Operating Appropriation	41,733,339	45,261,937
Fee Replacement Appropriation Base	5,901,601	9,488,222
Fee Replacement Change	3,586,621	3,358
Total Fee Replacement Appropriation	9,488,222	9,491,580
Total State Appropriation	51,221,561	54,753,517
Total Revenue Request	78,700,394	83,492,843

- **Appropriation Adjustment** - In past budget documents, the University of Southern Indiana has drawn attention to the large disparity in state funding per-FTE-Hoosier student received by each of the public baccalaureate-degree-granting institutions. The difference in state appropriations between institutions is significant. Addressing the problem requires a review of the differentials in funding. Included in the University's 2007-2009 Operating Budget Request is a request for a special appropriation adjustment in each year of the biennium to address the discrepancy in funding per-FTE-Hoosier student. The University requests an additional \$250 per-FTE-Hoosier student in 2007-2008 and an additional \$125 in 2008-2009.
- **Plant Expansion** - Plant expansion is requested for the new David L. Rice Library which opened in July 2006. Plant expansion was requested in the 2005-2007 Operating Budget Request, but was not funded. The addition of the new library increased the University's square footage by 14.4 percent. Funding for plant expansion is critical to adequately maintain the facility and to cover the operating costs.

QUALITY IMPROVEMENT INITIATIVES

	2007-2008	2008-2009
	<u>Request</u>	<u>Change</u>
Economic Development Outreach in Southwestern Indiana	\$950,000	\$850,000
SISTEMEC - Southwestern Indiana Science, Technology, Engineering, and Mathematics Education Center	\$500,000	\$750,000

The University of Southern Indiana requests quality improvement funds to support the development of two new initiatives needed to serve regional workforce and economic development demands and the expansion of science, technology, engineering, and mathematics education (STEM). The support provided will assist the University in planning and implementing new programs and strengthen the institution's commitment to service to the region and the state. To develop new programs without start-up funding is a major challenge in light of the low institutional funding base. The investment of the state in specialized programs and initiatives allows the University of Southern Indiana to fulfill its mission to the region and the state.

Economic Development Outreach in Southwestern Indiana

The University of Southern Indiana is increasingly viewed as a key enabler of regional economic transformation in southwestern Indiana. USI is the higher education partner in Innovation Pointe, the downtown Evansville Certified Technology Park. With the quality improvement funds requested, the University plans to:

- Expand the activities of the University's Center for Applied Research in Innovation Pointe Certified Technology Park with the establishment of the ***Innovation and Commercialization Project***. The project will target innovation -- entrepreneurship, technology transfer, and commercialization -- and actively engage university faculty and students in specific initiatives designed to accelerate changes in the regional economy.
- Develop an ***Entrepreneurship Education Program*** through the USI College of Business to strengthen entrepreneurial assets and infrastructure within the southwestern Indiana region.
- Create a new ***Center for Business Economic Studies*** to provide regional leaders with the data needed for informed decision-making related to economic development initiatives in southwestern Indiana.

Through the expansion of existing University services and the development of new and innovative activities, these projects will strengthen the economic future of the southwestern Indiana region.

SISTEMEC - Southwestern Indiana Science, Technology, Engineering, and Mathematics Education Center

Data over the last decade shows a decreasing proportion of the population seeking undergraduate and graduate education in the areas of Science, Technology, Engineering, and Mathematics (STEM). Many students who begin their college studies in STEM areas drop out of these fields by their senior year. USI is a leader in STEM education and plays a key role in the recruitment of Indiana students working toward degrees in STEM areas and in professional development of STEM teachers.

Development of ***SISTEMEC - Southwestern Indiana Science, Technology, Engineering, and Mathematics Education Center*** will place southwestern Indiana in a

leadership role in STEM education initiatives. SISTEMEC will focus on recruitment and retention of students as well as outreach and professional development programs for teachers. The project will include:

- Development of the on-campus *Summer STEM Academy* for high school students from throughout the state will allow students who have an interest in STEM disciplines to work with other students, K-12 teachers, and university faculty in classroom and hands-on laboratory experiences.
- Creation of the *Early Undergraduate Research Program* will allow undergraduate STEM majors to work closely with faculty members on selected research projects during an eight-week summer session.
- Development of the *Program Leading to Undergraduate Success in the Sciences (PLUSS)* will provide students who are interested in STEM majors, but who may lack sufficient high school preparation, the specialized advising services, tutoring, and faculty mentoring needed to succeed in STEM disciplines.

Creation of SISTEMEC will increase student recruitment in STEM areas and assist the state in developing the skilled workforce needed to compete in an increasingly technology-oriented and science-based economy.

LINE ITEM APPROPRIATION REQUEST

The University's 2007-2009 Operating Budget Request includes one line item appropriation for Historic New Harmony.

Historic New Harmony	2007-2008 <u>Request</u>	2008-2009 <u>Request</u>
Base Appropriation	\$516,902	\$532,409

The University requests continued funding of the line item appropriation for Historic New Harmony in the 2007-2009 biennium. To support the preservation, education, and interpretive programs of this state and national treasure, the University requests:

- a base adjustment to the current appropriation of \$150,000 beginning in 2007-2008; and
- a three percent increase on the adjusted base of the line item appropriation in 2007-2008 and 2008-2009.

Funding the University's 2007-2009 Line Item Budget Request for Historic New Harmony will allow the University to continue to provide the programming and ongoing maintenance of this Indiana historic treasure.

CAPITAL BUDGET REQUEST

The University of Southern Indiana requests bonding authorization for one capital project and full funding of the General Repair and Rehabilitation and Infrastructure during the 2007-2009 biennium.

College of Business/General Classroom Building **\$29,900,000**

The 2005 Indiana General Assembly authorized \$2,046,069 in bonding authority in the 2005-2007 Biennial Budget to plan and design the new College of Business/General Classroom Building. 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.

General Repair and Rehabilitation and Infrastructure **\$ 1,965,000**

The University requests full funding of the General Repair and Rehabilitation and Infrastructure formulas to maintain existing facilities, including the infrastructure which supports these facilities, in both years of the biennium. Several general repair and rehabilitation projects totaling \$1,965,000 are planned for completion in the 2007-2009 biennium.

CONCLUSION

The University of Southern Indiana requests support from the State of Indiana for its 2007-2009 Operating and Capital Improvement Budget Requests. The funding requested to support current programs and services, growth in enrollment, quality improvement initiatives, plant expansion for approved projects, capital projects, and repair and rehabilitation projects is essential for the University of Southern Indiana to serve the southern Indiana region and to help achieve the goals of the state.