

MINUTES OF THE JOINT MEETING OF THE FINANCE
AND LONG-RANGE PLANNING COMMITTEES

November 5, 1987

The University of Southern Indiana Board of Trustees Committees for Finance and Long-Range Planning met in joint session in the University Conference Center on November 5, 1987. Those present were Trustees William Brooks, Jr., Percy Clark, Jr., Robert Fair, J. Patrick Leahy, Joseph O'Daniel, John J Pruis, Carole Rust, and George Weathersby; USI President David Rice; Vice Presidents Donald Bennett, Robert Reid, Sherrienne Standley, and Byron Wright; Faculty Council Chairman Rebecca Englert; and Student Government Association President Carol Dunkel.

Mr. O'Daniel convened the meeting at 9:40 a.m. He reported that the Finance Committee, along with Mr. Wright and Dr. Rice, met recently in Indianapolis with the bond counsel and an underwriting firm to discuss financing options for the new classroom building. He asked Mr. Wright to explain the various proposals for consideration. Mr. Wright distributed information pertaining to nine different plans proposed by the underwriters.

Discussion centered on whether or not to issue bonds now or at the completion of the project and whether or not to issue them at a variable-fixed rate or a fixed rate. Also included in the discussion was the option of selling the bonds only for the cost of this project or including additional projects totalling \$1.2 million.

After considerable discussion, Mr. Brooks moved that USI continue its present payment schedule on its \$1.2 million debt, and not merge it with the new project. Dr. Pruis seconded the motion, which passed unanimously.

The discussion then centered only on the fixed and variable-fixed options detailed by Mr. Wright. The features of each option were discussed, and the value of appointing underwriters immediately was considered. It was recommended that an underwriter not be named and that proposals be invited. Dr. Weathersby suggested that the underwriter alternative and direct placement alternatives be investigated along with any other alternatives that would benefit the University.

The next order of business was the employee group life insurance programs. Mr. Wright asked USI personnel director Cynthia Newhouse to explain the program changes under review. Basically the new program will provide term insurance at an amount equal to 1.5 times annual salary, ranging from \$18,000 - \$75,000. The plan would enable employees currently enrolled in the present group life insurance plan to have the option of enrolling in the revised program during a period of open enrollment. All employees hired February 1, 1988, and thereafter, would be required to enroll in the revised group life insurance program. The proposed program will be taken to employees and explained before being presented to the Board for final approval.

Dr. Weathersby called on Dr. Reid for items under consideration by the Long-Range Planning Committee. Dr. Reid first reported to the members the recommendations of the Task Force on the restructuring of Academic Affairs.

He said that the recommendations included establishing four schools, including the School of Business, the School of Education and Human Services, the School of Liberal Arts, and the School of Science, Engineering Technology, and Health Professions. He reported that this proposed restructuring is scheduled to take effect July, 1988.

Dr. Reid also reported on the Bachelor of Science in nursing program which includes an option for an Associate of Science degree as well. The program would allow students multiple entry and exit points and would articulate with the IV Tech associate degree program. Dr. Pruis added that this was a positive response to the concerns expressed by the Board of Incorporators and the Board of Trustees. Mr. O'Daniel moved that the committee recommend approval of the nursing program; Mrs. Rust seconded the motion, and it was approved unanimously.

The meeting was adjourned at 11:15 a.m.