

MINUTES
INDIANA STATE UNIVERSITY
BOARD OF TRUSTEES

DECEMBER 3, 2004

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MINUTES
INDIANA STATE UNIVERSITY
BOARD OF TRUSTEES

DECEMBER 3, 2004

The Indiana State University Board of Trustees met in regular session at 9:00 a.m. on Friday, December 3, 2004 in the State Room, Tirey Hall.

Trustees present: Mr. Alley, Mr. Bonds, Mr. Carpenter, Mrs. House, Ms. Robertson and Dr. Zietlow. Trustees absent: Mr. Fleetwood, Mr. Shagley and Mr. Smith.

President Benjamin, Vice Presidents Bouse, Floyd, Maynard, Ramey and Schafer were present. Also attending were Ms. Melony Sacopulos, University Counsel, Dr. Harriet Hudson, Chairperson, University Faculty Senate, Ms. Trina Langley, Chairperson, Support Staff Council and Ms. Megan McManama, President, Student Government Association.

There being a quorum, Mrs. House called the meeting to order at 9:05 a.m.

SECTION I

A. APPROVAL OF THE MINUTES OF OCTOBER 29, 2004 (Mrs. House)

On a motion by Dr. Zietlow, seconded by Mr. Carpenter, the minutes of the October 29, 2004 meeting were approved as presented.

B. DATE OF NEXT MEETING (Mrs. House)

The next meeting of the Board of Trustees will be a one day meeting on Thursday, January 13, 2005.

Winter commencement is scheduled for December 18, 2004.

C. REPORT OF THE BOARD PRESIDENT (Mrs. House)

Mrs. House noted she was not able to attend Homecoming activities and thanked the trustees who did attend the events. Dr. Zietlow commented that eleven of the emeriti trustees attended the Thursday evening early event in the State Room. Mrs. House thanked Dr. Zietlow and Ms. Robertson for their involvement. Dr. Zietlow stated that the Distinguished Alumni dinner held on November 5 was attended by those emeriti trustees and spouses/guests.

Mrs. House attended the basketball tip-off lunch in Indianapolis and visited with the ISU basketball coaches. She also attended the ISU/IU basketball game in Bloomington.

Mrs. House expressed appreciation to Dean McCallister and the Cunningham Library staff for the seminar and tour on Thursday.

Mrs. House acknowledged the students who spoke during the 2005-06 Tuition Hearing held on Thursday. She assured students that the University will reach out to assist students in obtaining financial aid. Dr. Zietlow underscored and endorsed Mrs. House's comments.

On Thursday evening the Board had dinner with several of the area legislators and Mr. Fred Bauer, a member of the Indiana Commission for Higher Education.

D. REPORT OF THE UNIVERSITY PRESIDENT (Dr. Benjamin)

Recognitions

- Dr. George Bakken, Professor of Life Sciences, was recognized for his work with former Ph.D. student, Aaron Krockmal, an assistant professor at the University of Houston (Downtown Campus). Dr. Krockmal's work with snakes and his doctoral dissertation has attracted wide attention and has been featured in several science news publications.
- Professors Jeff Schrink and Ed Grosskopf, criminology faculty members, were honored by Governor Kernan as "Sagamores of the Wabash" recently. The awards were presented by Representative Clyde Kersey. Mr. Carpenter, as a criminology major and ISU alumnus, noted that Jeff Schrink was his favorite professor and helped him obtain his first job.
- Professors Taieb Roumeaza and Taoufiq Fechtali are on campus from Hassan II University Mohammedia, Morocco. Professor Roumeaza was recognized for his research in use of remote sensing and geographic information systems in the study of dams and dynamics of coasts and is currently a Fulbright resident scholar on campus. He has been working in the Geography Department this fall doing research and lecturing classes. Professor Fechtali is working with Dr. Ghosh in the Department of Life Sciences, and is here through a Hassan II University Mohammedia (H2UM) grant. Colleges and universities are increasingly challenged to internationalize by developing and strengthening international programs and by adding a global multicultural dimension to the traditional curriculum. The contributions of such visiting and returning scholars are instrumental in achieving these goals.

- Moroccan activities include submission of a \$250,000 grant to the State Department in partnership on political leadership and promotion of democracy, completion of the Train the Trainers program in Morocco with Drs. Powers, Hinton and Moore and a visit by Dean Green and Professor Rockmore and students in the MBA program to present on the business incubation program and the development of a global education center at Hassan II to support student internships, faculty exchanges and research in the area of financial services (Networks). President Benjamin commented he visited Morocco in October to award twenty-three certificates of completion in higher education administration and leadership. The AASCU annual tour will be in January, 2005; fourteen (14) American university presidents will be going to Morocco as part of the group. President Benjamin noted he was unable to attend, but that Mr. El-Houcine Chaqra would be in Morocco and will participate on behalf of Indiana State.

Michael Simmons Student Activity Center

Construction is about to begin on the Michael Simmons Student Activity Center. Mr. Simmons, an ISU alumnus, has made a lead gift for this project. Construction bids will be received on December 7 with construction to begin in spring and be completed in September, 2005.

Compensation Update

John Sanders and Karen Green were called upon to present an update report on the Compensation Committees. Mr. Sanders explained the purpose and the results of the committees created to evaluate salaries of all ISU employees in comparison with their market peers. Findings confirmed the need to bolster compensation in many areas to make the University competitive in the market place and positioned to attract, retain, and motivate the best employees to serve the students.

An additional \$1 million was included in the 2004-05 budget compensation pool to begin addressing base salary disparities. The Committee has recommended that these funds be dispersed among the support staff, the administrative/professional staff, and the faculty based on the differential between the market comparisons of salaries and current University salaries. The breakdown was calculated for distribution as follows: \$540,000 (54%) for Support Staff, \$180,000 (18%) for Administrative/Professional Staff, and \$280,000 (28%) for Faculty.

Peer groups were established in each area to help guide the distribution of these funds within each area. The Support Staff Compensation Committee, Administrative/Professional Compensation Committee and the Faculty Compensation Committee met weekly to complete the charge of creating an equitable and fair procedure to distribute the initial compensation pool of \$1 million by January 1, 2005, with the distribution work completed by December 1, 2004. Each eligible employee's share of the distribution will be added to the base salary and is retroactive to July 1, 2004.

Ms. Green outlined the work of each committee. Support Staff Compensation Committee determined the primary focus for the current allocation would be to distribute funds to each support staff member and to raise the lowest base salary to a minimum of \$17,000 which is supported by the University Compensation Committee report finding that almost all support staff salaries are currently below the market. All support staff positions were clustered into three groups according to the type of work performed with even distribution between the three groups. Salary recommendations were not across-the-board, and due to the number of employees in each group the funds were distributed differently. The two groups with the greatest need had the least number of employees, which provided larger salary increases per employee.

The Administrative/Professional Committee, after reviewing salary data comparisons provided by Human Resources, determined that a significant portion of the group had market salary deficiency issues and decided that this initial distribution be allocated to all levels of the group paying particular attention to the greater need at the lower salary levels. Salary ranges and counts within each range were identified taking into consideration salary levels and compensation needs. Once the relationship of salary counts and salary ranges was established, the dollar pool was allocated to each range giving higher consideration to the lower-end salary levels and limiting the allocation amount only to that range.

The Faculty Compensation Committee, in consideration of the faculty salary pool available, established certain criteria as guidelines:

1. Salaries for those newly hired faculty members effective Fall Semester 2002 or later will not be included in the median calculations due to the practice of aggressively hiring closer to the market, which has been supported by data examined by the committee. Therefore, those faculty hired for Fall Semester 2002 or later are not eligible for this market adjustment.
2. Those faculty members in retirement leave status for Fall Semester 2004, ending employment with ISU on December 31, 2004, will only receive half of the allocation for the academic year.

3. No faculty member will receive more than a 3 percent increase market adjustment in this distribution.

ISU median salary for 2003-04 for each rank within the discipline was compared with the mean salary of peer institutions for that rank and discipline. The difference between the ISU median and the mean salary for the peers was used to determine whether a particular rank within discipline was over or under the market. For those ranks determined to be under the market, the percent under the market was calculated and weighted by the number of faculty members at ISU in that group. Points were assigned based upon this weighting. Total points for all ISU groups were then summed. The points an individual group received were then divided by the total number of points available to derive a fraction that represents the proportionate need of the group when compared to the entire need of the ISU faculty. This process determined a specific flat dollar amount to be awarded to each rank within each discipline within the criteria established for the distribution by the committee. In this method the market data from the Compensation Study Committee was incorporated to a certain extent, and monies distributed in an equitable and defensible process.

Individuals in each of the groups whose salaries are based on external funding sources are not included in this distribution because of funding source guidelines. Future consideration may be given to these groups if funding for increases is approved through the external sources.

Mr. Sanders commended the hard work and dedication of the three committees. Because of their diligence and ability to work together, the deadline of December 1, 2004 for completing the allocation of the \$1 million was met.

President Benjamin thanked Mr. Sanders, Ms. Green, Vice President Floyd and those involved with the committees. Results were data driven with broad participation and the committees worked together. An impact should be made on the lowest salaries since the committees placed the focus where it was needed.

Dr. Hudson was appreciative of the compensation committees for working together, the data driven work and the hours spent. She urged the administration to continue implementing the results of the initial work of the University Compensation Committee.

Concluding Remarks

Everyone was reminded that at 1:30 p.m. today in the Heritage Ballroom an ISU Service of Remembrance for former President Richard G. Landini will be held. The program will be followed by a brief reception.

The Annual Holiday Open House will be held from 3:30 to 5:00 p.m. today at Condit House, with tree lighting at 5:00 p.m. For the past few years, this annual event has been timed to correspond with the Downtown Arts Walk Holiday Fest.

E. REPORT OF THE UNIVERSITY FACULTY SENATE CHAIRPERSON
(Dr. Hudson)

Dr. Hudson noted that a number of the proposals on the agenda have been forwarded from the University Faculty Senate including the revised sabbatical leaves policy, changes to medical and retirement benefits, and the division of the life sciences department.

The revised sabbatical leaves policy is the product of several years of work by various committees. The former leaves policy was not laid out in sufficient detail, and inconsistencies in granting of leaves from year to year were a real problem. The revised policy guarantees greater procedural consistency, and replaces the old university level leaves committee with a leaves oversight committee. This delegates the approval of leaves proposals primarily to the departments and colleges, where value can most appropriately be judged by colleagues in related disciplines. It also provides for feedback and the possibility of appeals as the proposal moves through the process. The application and review process will be regularly monitored by the oversight committee. Sabbatical leaves are important to faculty work so it is imperative that there be a fair and effective policy.

The changes to medical and retirement benefits have also received much attention from the Senate, and the Faculty Economic Benefits Committee. With medical benefits extended to same sex partners, ISU policies will be in line with those of other major state universities and businesses in Indiana and elsewhere. It should make ISU more competitive in attracting the best qualified employees and strengthens the commitment to diversity and non-discrimination. The elimination of retirement medical coverage for those hired after January 1, 2005, was a much more difficult decision. Those Senators who voted to support the proposal did so with great reluctance while some could not support it. The Senate suggested that the administration investigate possible gap plans for such future coverage. The Senate also approved the seven percent increase in health benefits contributions.

Dr. Hudson also commented on the proposed division of the Department of Life Sciences. The Senate acted on the proposal, as described in a detailed Memorandum of Understanding (MOU), and it passed by only three votes (19-16-1). Senators on both sides of the issue wanted the Board to be aware of their concerns. The proposal received strong votes of approval in Senate committees and the College Faculty Council, but discussions there raised the same issues. Dr. Hudson stated that since she had no other opportunity to bring

the concerns to the Board's attention before the vote, she did so now, mindful of decorum, and her responsibility to her constituents and the Board of Trustees.

Provost Maynard's statement on the addendum sheet indicates valid academic justifications for the proposed division. But the impetus for the division is, as a Senator in Life Sciences observed "a belated response ... [to a decade of] ... dysfunction within the department." This dysfunction was recognized in a departmental review conducted by the American Association for the Advancement of Science, which recommended a division. The Senator went on to note that the arrangement outlined in the MOU was approved by members of the department not as the best option (since it leaves unresolved the origin of the problems in the current department) but as the most expedient way to end the conflict that has drained the energy of the faculty away from research and teaching. Those on the various committees and the Senate who supported the proposal did so in the same spirit: a solution is needed, and this one is expedient.

There were others who objected that the proposal should not come to the University Faculty Senate at all but be sent back to the dean's office and addressed as a personnel matter. There were also objections that the division will not be without costs. A new chair will have to be hired, and while that salary is to be made up from two vacated faculty lines, these teaching faculty will need to be replaced at some point. New equipment, start-up funds for the chair's research, and separate office staff will no doubt be required. And then there is the matter of creating two smaller departments and programs when the Indiana Commission for Higher Education is asking for reductions in the number of programs ISU offers. All of these are valid concerns. Factionalism is nothing new in the academy. Those who are not a part of it observe these conflicts with bemusement, but they reflect the strength of faculty commitment to and vision for our disciplines and institution, and may, in fact, be productive. But when these run unchecked, as this situation did, the damage caused may require difficult, imperfect attempts at solution.

Dr. Hudson wished all a fulfilling and relaxing holiday season.

F. REPORT OF THE SUPPORT STAFF COUNCIL CHAIRPERSON
(Ms. Langley)

Ms. Langley commented that the Support Staff Compensation Committee has completed its work. The recommendation for the distribution of the \$540,000 has been finalized, and a letter to support staff from the Committee explaining the process used to distribute the funds has been written. Developing a compensation policy, securing the additional compensation information needed, and creating a plan for the distribution of future allocations will be a top priority for the support

staff committee during the upcoming months. On behalf of all support staff, she thanked the Board of Trustees and President Benjamin for responding to the need identified by the University Compensation Committee. Committing \$1 million for salaries at a time of limited funds demonstrates a commitment to the ISU workforce.

The Support Staff Council Bylaws were approved for a second time by the Council at the November 11, 2004 meeting. Additional reviews will be completed and Ms. Langley expects the Bylaws will be included on the Board agenda for January.

The Salary and Employee Benefits Committee of the council has been reviewing several items, including the recommended changes to the health benefits plan. The Council supports all of the recommended changes to the health benefits plan, in particular the addition of an open enrollment period for existing employees. The Council appreciates the opportunity for discussion and input into such issues.

The Support Staff Choir will again sing at the Condit House Open House. In addition, the choir will also perform at several locations on campus during the Support Staff Council cookies and punch event for students later this month. Ms. Langley wished everyone a warm and wonderful holiday.

G. REPORT OF THE STUDENT GOVERNMENT ASSOCIATION PRESIDENT
(Ms. McManama)

The Student Government Association has been working to prepare for its February elections. The election code passed at the last meeting. The election commissioner will be the same person who served as deputy commissioner in last year's election.

The Student Affairs Committee is studying the USA Today proposal and is working with The Statesman staff to determine the negatives and positives of the program. The Committee also is attempting to make students aware of the University Bookstore "book buy back" program.

The Sycamore Psychos season began at the women's basketball game and continued at the men's basketball game last Saturday.

Ms. McManama wished everyone a wonderful holiday season.

H. MEMORIAL RESOLUTION – PRESIDENT EMERITUS RICHARD G. LANDINI (Mrs. House)

The following resolution acknowledges the distinguished academic career and dedicated service of President Emeritus Richard George Landini who passed away October 24, 2004.

Recommendation: Approval of the Resolution.

On a motion by Dr. Zietlow, seconded by Mr. Bonds, the recommendation was approved.

In Memoriam

WHEREAS, Dr. Richard G. Landini, President Emeritus and Professor of English, gave loyal and distinguished service to Indiana State University for 29 years, serving as its President for 17 years from 1975-1992, the third-longest tenure among the institution's chief executives, and performed his duties as an administrator and a member of the faculty in an outstanding and exemplary manner; and

WHEREAS, under Dr. Landini's leadership, a Campus Master Plan was approved by the University Board of Trustees and the Indiana General Assembly, resulting, over the years, in the enhancement of campus facilities through the construction of the School of Technology Building, Oakley Plaza, a recreation and athletics arena, Root Hall, the University Pavilion, Parsons Hall, the Hulman Memorial Student Union, and Dede Plaza; and

WHEREAS, Dr. Landini honored his inaugural pledge to pursue academic excellence at Indiana State University by enhancing of the General Education Program; the raising and redefinition of admissions standards; the chartering of several national honor societies on campus; the awarding of a 10-year reaccreditation from the North Central Association; and the admission of ISU's College of Business to full membership in the American Assembly of Collegiate Schools of Business; and

WHEREAS, Dr. Landini's tenure as president was one of tremendous growth, with nearly one-half of all alumni receiving their degrees during that period, and witnessed the addition of significant numbers of new degree programs to meet expressed needs in the State; and

WHEREAS, Dr. Landini was an outstanding scholar and teacher and remained an active member of Indiana State's academic community by sharing his extensive knowledge of American and British literature with students as a Professor of English; and

WHEREAS, Dr. Landini's stature as an administrator, a scholar and teacher was recognized through the awarding of numerous honors including honorary degrees and memberships in honor societies; and

WHEREAS, Dr. Landini's efforts to create a campus environment and foster campus beautification efforts at Indiana State University including the creation of Donaghy Day have created one of Indiana's most attractive campuses; and

WHEREAS, Dr. Landini was an avid and passionate fan of Sycamore athletics, attending numerous games and matches to cheer on Indiana State's student-athletes, and seeking to elevate the status of ISU's intercollegiate athletics program by administratively merging the men's and women's programs and having the men's teams join the Missouri Valley Conference and the women's program become a founding member of the Gateway Collegiate Athletic Conference; and

WHEREAS, Dr. Landini maintained a deep and abiding love for Indiana State University, its students, and its alumni, and dedicated a majority of his professional life to the institution;

NOW, THEREFORE, BE IT RESOLVED, that the Indiana State University Board of Trustees acknowledges Dr. Richard G. Landini's exemplary service to Indiana State University, recognizes him for his many and outstanding contributions to the institution as its President and as a scholar and teacher, and expresses sincere condolences to his wife, Barbara, his children and other members of his family; and

BE IT FURTHER RESOLVED, that this Resolution be spread on the records of the minutes of the Indiana State University Board of Trustees, and that a copy thereof be duly executed and transmitted to his family.

I. CANDIDATES FOR DEGREES (Dr. Maynard)

Candidates for graduate and undergraduate degrees to be conferred on December 18, 2004 are presented in Exhibit A.

Recommendation: Approval of the candidates for degrees subject to completion of the requirements.

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On a motion by Mr. Alley, seconded by Dr. Zietlow, the recommendation was approved.

J. STUDENT ACADEMIC SEMESTER FEES FOR 2005-06 (Mr. Floyd)

Recommendation: Approval of the academic student fee schedule beginning with Fall, 2005 through Summer II 2006, as presented in Exhibit B.

On a motion by Mr. Alley, seconded by Dr. Zietlow, the recommendation was approved.

K. EARLY CHILDHOOD EDUCATION CENTER FEES (Mr. Floyd)

Recommendation: Approval of the proposed \$5.00 per child per week fee increase schedule effective for the Spring 2005 semester and Fall 2005 semester for the Early Childhood Education Center as presented in Exhibit C.

Mr. Floyd stated that the early childhood education fees have not been increased in two years. Mr. Bonds asked if the fees are still below market? Mr. Floyd said ISU does everything it can to stay in range and below market and keep fees as low as possible. Dr. Zietlow commented that the fees seemed fair and in range with area income.

On a motion by Mr. Alley, seconded by Dr. Zietlow, the recommendation was approved.

L. UNIVERSITY HEALTH BENEFITS PLAN, 2005 (Mr. Sanders)

The University's self-insured medical benefits plan is administered by J.F. Molloy & Associates. The contract includes provider discounts with the Sagamore Plus Network (Indiana) and PHCS Healthy Directions network (out-of-state). Delta Dental administers the dental benefits. Majestic Underwriters underwrites the University's stop loss excess coverage. The contracts for Sagamore, PHCS Healthy Directions, J.F. Molloy, and Delta Dental will continue with no change in coverage.

Public Law 50-2004 requires public universities to participate in the Indiana Prescription Drug Purchasing Program. Effective January 1, 2005, ISU must utilize the services of the State's program administrator, Anthem. There is no change in the drug card plan design with the Anthem contract. The financial arrangement with Anthem has been determined by the State of Indiana.

It is proposed that an annual open enrollment period be established to allow employees to enroll in the plan without regard to qualifying events. With this proposal, employees would have an annual open enrollment month that would allow employees and/or dependents to be covered by the ISU health coverage plan. For 2005, January would be the open enrollment month with coverage effective February 1, 2005. For subsequent years, November will be the open enrollment month with coverage effective January 1. This open enrollment period will not pertain to retirees who may not add new dependents to the coverage after retirement.

It is also proposed that the current late enrollment provisions be amended to allow for late enrollment at other times during the year for voluntary loss of health coverage, i.e., changing jobs, early retirement, etc., within 31 days of the event and with proper documentation.

Effective January 1, 2005, it is proposed that employees be eligible to add same sex domestic partners and the biological or legally adopted children of such partners to their health coverage during the open enrollment period without regard to the current qualifying event structure. Also included are the other benefits presently afforded to dependents. These partners must be over age 18, not married to anyone else, not related by blood and must have shared a residence for at least six months. Documentation of joint residence, checking account, or other major asset is required to verify the partnership. Verification of responsibility for children is also required.

Because of additional future costs, it is proposed that post retirement health coverage/life insurance not be extended to new employees hired on or after January 1, 2005, or to current employees/dependents who enroll in the ISU health plan during an open or late enrollment period effective January 1, 2005, and beyond. This will help control the future liability of the plan by restricting the number of individuals eligible for post retirement benefits. This proposal does not affect any current employees/dependents who are already covered on the ISU plan and will only affect those enrolling in the plan January 1, 2005, or after.

Administrative Fees

The proposed administrative fees for J.F. Molloy are increased by 4.0 percent; Sagamore's and PHCS Healthy Directions network access fee and administration fees will remain unchanged and Delta Dental is requesting a 4.4 per cent increase in administrative service fees.

Standard Security (Majestic Underwriters) currently underwrites the excess coverage for the medical plan. An increase of 25 percent has been requested for reinsurance with a specific deductible of \$225,000/covered person/calendar year. Negotiations with Standard Security are continuing and may result in a lower rate for this coverage for 2005. If necessary, the final rates may be updated at a subsequent Board meeting.

Monthly administrative fees per membership unit proposed for the 2005 policy year are as follows:

	<u>Actual 2004</u> <u>Plan Year</u>	<u>Proposed 2005</u> <u>Plan Year</u>
J.F. Molloy & Associates*	\$10.85	\$11.28
First Step Managed Care	2.76	2.87
Sagamore Network Access	2.25	2.25
PPO Repricing (J.F. Molloy)	.78	.81
Specific Stop Loss	7.27	9.09
Delta Dental*	2.71	2.83

*These administrative fees are paid on active employees and retirees without Medicare. Other fees are not paid on retirees with Medicare.

Contribution Rates

Claims experience for medical expenses has increased by 8.5 percent during 2004. Forecasts of average trend factors for 2005 have decreased somewhat, but continue to be in the double digits. The consultant's budget forecast indicated a possible 6.5 per cent increase in income needed for 2005 claims which will result in a need for an increase in the contribution rates. A 7 percent increase in contribution rates is recommended to be applied across the tier structure.

The University share will also be increased by 7 percent. Retirees who do not have Medicare (under age 65) will have rates based upon the tier of their appointment salary during the last year of University service. Retirees with Medicare will also have a 7 percent increase in rates.

The proposed 2005 University Health Plan rates are attached in Exhibit D.

SECTION I

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The 2005 Employee Health Benefits Plan booklet will be distributed to all employees and retirees enrolled in the ISU health plan and will include the University's disclosure notice and exemption election to the Health Insurance Portability and Accountability Act of 1996 as required.

The above plan amendments and contribution rates have been discussed and have received support by faculty and staff constituent groups.

Recommendation: Approval of the continuation of the University Health Plan as outlined above and in Exhibit D, effective January 1, 2005.

Ms. Barton discussed the changes in the benefits annual renewal. Changes will make the plan more flexible by relaxing late enrollment provisions, by adding open enrollment and coverage for same sex partners. Claims have increased 8-9 percent for 2004. A 7 percent increase in university and employee contributions is recommended. Mr. Bonds noted he had participated in a medical rate survey and that a 15% to 20% rate increase was not unusual. He commended Staff Benefits on doing a great job in arriving at a very competitive rate. Dr. Zietlow was pleased to see the same sex domestic partner coverage added to the ISU plan.

On a motion by Dr. Zietlow, seconded by Mr. Bonds, the recommendation was approved.

M. CIGNA EMPLOYEE ASSISTANCE PROGRAM (Mr. Sanders)

The one-year pilot outsourced Employee Assistance Program with CIGNA was found not to be cost effective and is proposed to be cancelled December 31, 2004, due to low utilization. The EAP function will be managed in-house utilizing existing staff.

Recommendation: Approval of the cancellation of the CIGNA contract effective December 31, 2004.

Mr. Bonds commented that such programs are not always cost effective due to low usage, but he felt it was a good program and encouraged ISU to look at other agencies in Vigo County and to utilize such services.

On a motion by Mr. Alley, seconded by Dr. Zietlow, the recommendation was approved.

N. TIAA-CREF INVESTMENT SOLUTIONS (Mr. Sanders)

TIAA-CREF has been the University's retirement plan provider since 1937. Contributions provided by the University are invested in individually owned accounts for faculty and administrative staff.

TIAA-CREF Investment Solutions Accounts offer nine new mutual funds in addition to the ten annuity funds currently being offered. These new funds will allow for a focus on specific market segments and provide a broad and diversified menu of investments that may be attractive to ISU faculty and staff. These new accounts can accept both the University contributions toward retirement and voluntary tax-deferred contributions made by employees. These investment options are also included on supplemental retirement annuity accounts and deferred compensation plans that are also available to support staff.

Recommendation: Adoption of these additional TIAA- CREF investment opportunities for contributions from both the University contributions and voluntary contributions made by employees as outlined in the attached TIAA-CREF Retirement Plan Resolution in Exhibit E.

On a motion by Dr. Zietlow, seconded by Ms. Robertson, the recommendation was approved.

O. TIAA-CREF RETIREMENT PLAN RESOLUTION ((Mr. Sanders)

A TIAA-CREF Retirement Plan amended resolution is presented in Exhibit E covering the revised contribution rate of ten per cent and the additional investment options.

Recommendation: Approval of the TIAA-CREF Retirement Plan Resolution presented in Exhibit E.

On a motion by Dr. Zietlow, seconded by Ms. Robertson, the recommendation was approved.

P. POLICY ON SABBATICAL LEAVES (Dr. Maynard)

Recommendation: Approval of the policy on sabbatical leaves as presented in Exhibit F.

On a motion by Dr. Zietlow, seconded by Mr. Alley, the recommendation was approved.

Q. IN MEMORIAM (Mr. Schafer)

Memorial resolutions for the following individuals are presented in Exhibit G.

Pamela Faye Dust, Accounting Services Specialist in Degree Audit and Transfer, died on November 7, 2004.

Marilyn B. Lawrence, Director Emerita of Indiana State University Foundation Services, died on October 24, 2004.

Hoyt Lee Scott, Utility Worker I (retired), Facilities Management; died on October 20, 2004.

Flora L. Sebastian, Custodial Worker I (retired), Facilities Management, died on October 20, 2004.

John B. Stabler; Professor Emeritus of Political Science, died on October 29, 2004.

Recommendation: Acceptance of the resolutions and acknowledgement of years of service to the University.

On a motion by Dr. Zietlow, seconded by Mr. Alley, the recommendation was approved.

R. UNIVERSITY TRAVEL POLICY (Mr. Floyd)

A review to simplify, but maintain financial controls of the current University travel policy contained in the ISU Handbook, Appendix E, was conducted by the finance staff. The changes, as presented in Exhibit H, were discussed and approved by the administration.

Recommendation: Approval of the changed in the University Travel Policy as presented in Exhibit H and approval of the Travel provider contracts: On-line provider – Orbitz for Business and Travel Agency – IT Travel Agency; effective January 1, 2005.

On a motion by Dr. Zietlow, seconded by Mr. Alley, the recommendation was approved.

S. DIVISION OF LIFE SCIENCES DEPARTMENT (Dr. Maynard)

The Department of Life Sciences within the college of Arts and Sciences proposed to divide into two separate departments, with one department continuing to be named Life Sciences and the other department Ecology and Organismal Biology.

The proposed division reflects a recent trend at many universities to address the growth of knowledge within the biological sciences as well as society's increasing expectations for biological research. A team of consultants from the American Academy for the Advancement of Science has recommended the division, the department faculty and college administration have developed protocols to effect the division, and the division was reviewed and endorsed by all levels of faculty governance this semester. The division will provide greater focus within each new unit on its respective sub disciplines; and this focus will in turn allow the units to compete successfully for highly qualified undergraduate and graduate students, to increase research supported by external grants and contracts, and to contribute effectively to Indiana's initiated to make the state a world renowned leader in biosciences.

Recommendation: Approval of the division of the Department of Life Sciences into the Department of Life Sciences and the Department of Ecology and Organismal Biology effective January 1, 2005.

On a motion by Mr. Alley, seconded by Mr. Carpenter, the recommendation was approved.

SECTION II

DECEMBER 3, 2004

A. UNIVERSITY INVESTMENTS (Mr. Floyd)

In accordance with the Board of Trustees approved investment policy, the University Treasurer was given authority to manage the short and long-term investments of the University.

The following comparative presentation has been modified to a year-to-date reporting basis for the period of July 1, 2004 to September 30, 2004.

	3-Month Rolling Average Investment	3-Month Rolling Average Rate of Return
<u>Internal Invested Funds</u>		
1. Short-Term Bond Proceeds Invested	\$ 6,250,000	2.00%
2. Cash (Sweep)	\$ 4,686,936	.59%
3. Common Fund	\$36,138,142	1.38%
<u>Comparative Index</u>		
Avg Yield on 90-Day T-Bill		1.46%
<u>External Invested Funds</u>		
1. Medium Term (exceeds two years)	\$47,840,240	3.98%
<u>Comparative Index</u>		
Avg Yield on 2 year T-Notes		2.53%

B. FINANCIAL PERFORMANCE REPORT (Mr. Floyd)

The Financial Performance Report for the period ending October 2004 is presented in Attachment 1 as an information item.

C. VENDORS REPORT (Mr. Floyd)

The Vendors Report is presented in Attachment 2 as an information item.

D. PURCHASES OVER \$25,000 – INFORMATION ONLY (Mr. Floyd)

Sole Source

Nading Mechanical, Inc. -- P0051283 -- \$25,016.00
(Electrical, Instructional Services-Greensburg)

One bid Received, 5 Bids Solicited

Polhemus -- P0051478 -- \$27,350.50
(Scanner Scorpion System for Information Technology)

SECTION III

DECEMBER 3, 2004

PERSONNEL (Mr. Schafer)

Recommendation: Approval of all the items in this section.

On a motion by Dr. Zietlow, seconded by Mr. Alley, the recommendation was approved.

A. FACULTY

1. Appointments

Full-Time Tenure Track Appointments

(Effective August 18, 2004, unless otherwise stated)

Randell W. Peters; Assistant Professor, Department of Industrial Mechanical Technology; M.S., Indiana State University; salary \$53,800.

Temporary Appointments

(Effective August 19, 2004, unless otherwise indicated)

Duane E. Caperton; Instructor, Department of Psychology; M.S., Indiana State University; salary \$24,480.

Travis D. Rutherford; Instructor, Departments of Criminology and Psychology and in the Student Academic Services Center; B.S., Indiana State University (special credentials on file); salary \$24,480.

Part-Time Temporary Faculty Appointments

(Effective August 19, 2004, unless other indicated)

Allan Bates; Lecturer II, Department of English; Ph.D., The University of Chicago; six hours; salary \$4,800.

Aric S. Frazier; Lecturer II, Department of Criminology; M.S., University of Evansville; three hours; salary \$2,400.

Patricia Holsapple; Lecturer II, Department of Criminology; M.S., Indiana State University; three hours; salary \$2,400, prorated from the effective date of September 23, 2004.

Dorothy A. Stanfill; Lecturer II, Department of Criminology; M.A., Indiana State University; three hours; salary \$2,400.

Scotty A. Stepp; Lecturer II, Department of Music; Ph.D., University of Illinois; twelve hours; salary \$2,496; effective October 15, 2004, through November 12, 2004.

2. Changes of Status and/or Rate

Gladys Arome; Lecturer III, Department of Curriculum, Instruction, and Media Technology; change from six hours; salary \$6,000; to nine hours; salary \$9,000; for the fall semester of the 2004-05 academic year.

Saundra Kassis; Lecturer III, Department of Elementary, Early, and Special Education; additional assignment of student teacher supervision; salary \$812.20; effective October 25, 2004, through December 18, 2004.

Marcia A. Miller; Assistant Professor, Associate Degree Nursing Department; \$1,200 added to 2004-05 academic year base for completion of the doctorate; Ph.D., Indiana State University; salary \$54,750; effective August 19, 2004.

Lori Scott; Lecturer III, Department of Elementary, Early, and Special Education; additional assignment of student teacher supervision; salary \$1,624.40; effective October 25, 2004, through December 18, 2004.

Linda Vickers; Lecturer III, Department of Elementary, Early, and Special Education; additional assignment of student teacher supervision; salary \$1,624.40; effective October 25, 2004, through December 18, 2004.

3. Leave of Absence

Richard J. Easton; Department of Mathematics and Computer Science; leave of absence, without pay, for the spring semester of the 2004-05 academic year; effective January 10, 2005.

Jean L. Kristeller; Department of Psychology; change in approved leave of absence from the 2004-05 academic year at 60 percent pay to the 2004 fall semester at full pay; effective August 19, 2004.

4. Resignation

Peggy A. Hanna; Department of Elementary, Early, and Special Education; effective October 22, 2004.

5. Retirement

Warren E. Barnard; Associate Professor of Journalism, Department of Communication; retirement leave during the fall semester of the 2005-06 academic year; retirement effective December 17, 2005.

B. ADMINISTRATION1. Appointments

Janetta M. Benton; Student Financial Aid Counselor, Student Financial Aid; B.S., Saint Mary-of-the-Woods College; salary \$30,000 per fiscal year, prorated from the effective date of October 25, 2004.

Walter T. Gordon; Student Financial Aid Counselor, Student Financial Aid; B.S., Indiana State University; salary \$30,000 per fiscal year, prorated from the effective date of October 19, 2004.

Temporary Appointments

Elizabeth A. Flach; Assistant Athletic Academic Coordinator, Student Academic Services Center; B.A., Capital University; salary \$28,495 per fiscal year; effective July 1, 2004, through June 30, 2005.

Karen S. Goehl; Project Director, Blumberg Center; M.S., Indiana University; salary \$64,289 per fiscal year; effective October 1, 2004, through September 30, 2005.

Randall W. Green; Associate Director, International Student and Scholar Services, International Affairs Center; M.A., School for International Training; salary \$45,000 per fiscal year, prorated for the period of October 4, 2004, through May 31, 2005.

Louis M. Lindinger; Admissions Counselor (part-time), Office of Admissions; Ed.D., Indiana State University; salary \$8,000 for the period of October 1, 2004, through May 31, 2005.

William R. Littlejohn; Director, Blumberg Center, and Associate Professor of Special Education; Ed.D., Indiana University; salary \$86,594 per fiscal year; effective July 1, 2004, through June 30, 2005.

Joseph Itchimatsu Williams; Temporary Academic Coordinator, McNair Scholars Program; salary \$27,500 per fiscal year, prorated for the period of October 1, 2004, through December 31, 2004.

2. Changes of Status and/or Rate

Stacy Allen Lindsay; Assistant Director, Educational Talent Search, Upward Bound Programs; reclassified to pay level 27; salary \$32,612 per fiscal year prorated from the effective date of November 1, 2004.

Elizabeth Nesius; from a support staff appointment as Office Assistant III, Terre Haute Center for Medical Education, to a monthly position as Operations Manager, Terre Haute Center for Medical Education; salary \$38,000 per fiscal year prorated from the effective date of November 8, 2004.

Ronald W. Payne; from Course Delivery Coordinator, Office of Information Technology, to Assistant Director for Program Development, Distance Support Services; salary \$35,500 per fiscal year prorated from the effective date of October 27, 2004.

Shauna L. Roberts; Outreach Coordinator, Networks; reclassified to pay level 27; salary \$32,500 per fiscal year prorated from the effective date of November 1, 2004.

Jodie D. Ward; from a temporary appointment as Tutor Coordinator/Counselor, Student Support Services, to a regular position as Assistant Director, Undergraduate Student Services, College of Business; salary \$33,150, per fiscal year prorated from the effective date of October 25, 2004.

3. Resignations

Abigail L. Miley; South Central Indiana Education Alliance; effective November 8, 2004.

Tammi Prince; Student Counseling Center; effective October 21, 2004.

Ruby Robinson, 21st Century Scholars Program; effective November 29, 2004.

4. Retirement

William R. Littlejohn; Blumberg Center; effective June 30, 2005.

5. Deceased

Richard G. Landini; President Emeritus and Professor Emeritus of English; October 24, 2004.

C. INTERCOLLEGIATE ATHLETICS

Resignation

Chad Zaucha; Part-time Assistant Baseball Coach; effective October 29, 2004.

D. RESIDENTIAL LIFE

(Compensation includes maintenance in the form of a furnished apartment and board)

1. Appointment

Tulasi Ram Reddy Kurapati; Assistant Hall Director; salary \$8,200 for the employment period of August 1, 2004 through May 7, 2005, prorated from the effective date of November 1, 2004.

2. Resignation

Charity Mouck; Residential Life; effective October 29, 2004.

E. SUPPORT STAFF REPORT

The Support Staff Report for the period ending November 15, 2004 is presented in Exhibit A.

SECTION IV

DECEMBER 3, 2004

A. Agreements – Information Only (Dr. Maynard)

1. Brown Flying School, Terre Haute, Indiana

The purpose of this agreement is to provide flight training for students enrolled in the Department of Aerospace Technology.

2. Clay County Health Center, Brazil, Indiana

This is a renewal of a contract for the purpose of providing clinical experiences for nursing students.

B. Grants – Information Only – Attachment 1 (Dr. Maynard)

The meeting was adjourned at 10:20 a.m.