

**INDIANA STATE UNIVERSITY
BOARD OF TRUSTEES
FINANCE COMMITTEE AGENDA
February 23, 2018
8:30 a.m. – 9:45 a.m.**

Recommendation Items:

- 1. Proposed 2018-19 Housing and Dining Rates**
- 2. Proposed 2018-19 Academic Course Specific Fees**
- 3. Proposed 2018-19 Flight Fees**
- 4. Proposed Physician Assistant Program Fee**
- 5. Series S Bond Resolution (Hulman Center)**

Informational Items:

- 1. Updated 2018-19 Budget Planning**
- 2. Review of Debt Plan**
- 3. Review 2016-17 Federal Audit**

Schedule of Regular Review Items:

- July/August – Review Investment Performance of Operating Funds
Review Capital Project Plan
Review State Budget Request (only in even years)**
- October – Review Voluntary Employee Benefit Association (VEBA) Trust Fund
Annual Financial Audit Update**
- December – Review Audited Financial Statements
Review Proposed Housing and Dining Rates**
- February – Review Federal Audit
Discussion of Preliminary Budget Planning Assumptions
Review Debt Plan**
- May/June – Review Proposed Tuition and Fees (only in odd years)
Review Final Proposed Operating Budgets**

RECOMMENDATION ITEMS:

1. Proposed 2018-19 Housing and Dining Rates

On-Campus Housing

Room types for 2018-19 remain unchanged and include Traditional, Standard, and Premium rooms. The proposed rate increase for a Traditional residence hall room with a Standard meal plan, representing the majority of on-campus rooms, reflect a 2.0 percent increase for 2018-19. Freshman students are housed in residence halls assigned the Traditional room category. The Standard room rate is \$500 less per year than the Traditional room rate and is assigned to Lincoln Quad. Premium rooms will be \$500 more per year than the Traditional room rate. Premium housing includes Hines Hall and some rooms within Reeve Hall with private baths. These rooms are available to upper level students and offer additional privacy.

The recommended 2018-19 rates for on-campus housing are listed below and include additional room accommodation options and meal plan options. The 2017-18 housing and dining rates are included with this item for comparative purposes.

2018-19 Residential Life Proposed Room & Board Rates - On Campus Housing

| Breakdown by Hall | | | | |
|---------------------------------------|----------------------|-----------------------------------|----------------------|-----------------------------------|
| Hall | 2017-18 Room Type | 2017-18 Rates Standard Board Plan | 2018-19 Room Type | 2018-19 Rates Standard Board Plan |
| Lincoln Quad | Standard | \$9,883.00 | Standard | \$10,090.00 |
| Hines (upper level students only) | Premium | \$10,883.00 | Premium | \$11,090.00 |
| Jones | Traditional | \$10,383.00 | Traditional | \$10,590.00 |
| Burford | Traditional | \$10,383.00 | Traditional | \$10,590.00 |
| Erickson | Traditional | \$10,383.00 | Traditional | \$10,590.00 |
| Pickerl | Traditional | \$10,383.00 | Traditional | \$10,590.00 |
| Sandison | Traditional | \$10,383.00 | Traditional | \$10,590.00 |
| Mills | Traditional | \$10,383.00 | Traditional | \$10,590.00 |
| Blumberg | Traditional | \$10,383.00 | Traditional | \$10,590.00 |
| Cromwell | Traditional | \$10,383.00 | Traditional | \$10,590.00 |
| Rhoads | --- | --- | Traditional | \$10,590.00 |
| Reeve (Double with Shared Bath) | Traditional | \$10,383.00 | Traditional | \$10,590.00 |
| Reeve (Single Room with Shared Bath) | Traditional - Single | \$12,933.00 | Traditional - Single | \$13,140.00 |
| Reeve (Double Room with Private Bath) | Premium - Double | \$10,883.00 | Premium - Double | \$11,090.00 |
| Reeve (Single Room with Private Bath) | Premium - Single | \$13,433.00 | Premium - Single | \$13,640.00 |

| Supplemental Room Proposed Rates | | | | |
|---|-------------------|-----------------------------------|-------------------|-----------------------------------|
| Accommodations | 2017-18 Room Type | 2017-18 Rates Standard Board Plan | 2018-19 Room Type | 2018-19 Rates Standard Board Plan |
| Lounges, Common Areas | Standard | \$8,010.52 | Standard | \$8,168.68 |
| Lounges, Common Areas | Traditional | \$8,360.52 | Traditional | \$8,518.68 |
| Lounges, Common Areas | Premium | \$8,710.52 | Premium | \$8,868.68 |

| Additional Accommodation Options | | | | |
|----------------------------------|---------------------|--------------|---------------------|--------------|
| Accommodations | 2017-18 Room Type | 2017-18 Rate | 2018-19 Room Type | 2018-19 Rate |
| Single Room | Standard | \$1,700.00 | Standard | \$1,700.00 |
| Single Room | Traditional/Premium | \$2,550.00 | Traditional/Premium | \$2,550.00 |
| Triple Room | All | (\$1,000.00) | All | (\$1,000.00) |
| Break Access Contract Add-On | | \$600.00 | | \$600.00 |

| Additional Meal Options - Annual Amount Above Standard Plan | | | | |
|---|------------------|--------------|--|--------------|
| | Meal Plan | 2017-18 Rate | | 2018-19 Rate |
| | Non-Flex | (\$384.20) | | (\$384.20) |
| | Flex 10/204 | \$204.00 | | \$204.00 |
| | Flex 10/306 | \$408.00 | | \$408.00 |
| | Best Flex 12/102 | \$149.60 | | \$149.60 |
| | Best Flex 12/204 | \$353.60 | | \$353.60 |
| | Best Flex 12/306 | \$557.60 | | \$557.60 |
| | High Flex 14/102 | \$244.80 | | \$244.80 |
| | High Flex 14/204 | \$448.80 | | \$448.80 |
| | High Flex 14/306 | \$652.80 | | \$652.80 |

| 2019 Summer Housing Rates - ISU Students | | | | | |
|--|-------------------------------|------------------|-----------------|------------------|-----------------|
| Room Type | Accommodations | 2018 Weekly Rate | 2018 Daily Rate | 2019 Weekly Rate | 2019 Daily Rate |
| Standard | Double Room | \$183.58 | \$26.23 | \$188.36 | \$26.91 |
| Traditional | Double Room | \$198.28 | \$28.33 | \$203.07 | \$29.01 |
| Premium | Double Room | \$212.99 | \$30.43 | \$217.78 | \$31.11 |
| Standard | Single Room Additional Amount | | \$7.14 | | \$7.14 |
| Traditional/Premium | Single Room Additional Amount | | \$10.71 | | \$10.71 |
| All - Early Arrival Student Groups/Break Housing | On Campus | | \$14.00 | | \$14.00 |

500 Wabash & University Apartments

The proposed rates for 2018-19 for student rooms at 500 Wabash & University Apartments represent a 2.0% increase. An optional meal plan will be offered to students living at University Apartments and 500 Wabash. The rates for 500 Wabash and the furnished University Apartments units are a per student rate billed by the semester. The unfurnished family units at University Apartments are a per unit rate.

The recommended 2018-19 rates for University Apartments and 500 Wabash are listed below and include additional room accommodation and meal plan options. The 2017-18 housing and dining rates are included with this item for comparative purposes.

University Apartments*

| Family Apartments (Unfurnished) | | | | |
|---------------------------------|-----------------------|-------------------|-----------------------|-------------------|
| Room Type | 2017-18 Academic Year | 2017-18 Full Year | 2018-19 Academic Year | 2018-19 Full Year |
| One Bedroom | \$6,820.00 | \$8,184.00 | \$6,960.00 | \$8,352.00 |
| Two Bedroom | \$7,870.00 | \$9,444.00 | \$8,030.00 | \$9,636.00 |
| Three Bedroom | \$8,660.00 | \$10,392.00 | \$8,830.00 | \$10,596.00 |

| Single Apartments (Furnished) | | | | |
|--------------------------------------|----------------------------------|------------------------------|----------------------------------|------------------------------|
| Room Type | 2017-18 Academic Year | 2017-18 Full Year | 2018-19 Academic Year | 2018-19 Full Year |
| SYE Shared One Bedroom | \$6,290.00 | n/a | \$6,420.00 | n/a |
| SYE Shared One Bedroom with Study | \$7,340.00 | n/a | \$7,490.00 | n/a |
| Single One Bedroom | \$7,870.00 | \$9,444.00 | \$8,030.00 | \$9,636.00 |
| Single Shared One Bedroom w/ Study | \$7,340.00 | \$8,808.00 | \$7,490.00 | \$8,988.00 |
| Single Three Bedroom (Large) | \$7,340.00 | \$8,808.00 | \$7,490.00 | \$8,988.00 |
| Single Three Bedroom (Medium) | \$5,250.00 | \$6,300.00 | \$5,360.00 | \$6,432.00 |
| Single Three Bedroom (Small) | \$4,200.00 | \$5,040.00 | \$4,280.00 | \$5,136.00 |

500 Wabash*

| Room Type | 2017-18 Contract Rate | 2018-19 Contract Rate |
|---------------------------------|----------------------------------|----------------------------------|
| One Bedroom - 12 Month Contract | \$10,392.00 | \$10,596.00 |
| One Bedroom - 9 Month Contract | \$8,505.00 | \$8,676.00 |
| One Bedroom - 3 Month Summer | \$2,835.00 | \$2,892.00 |

* Rates listed are for housing only and do not include a meal plan. A Sodexo meal plan is optional.

| Additional Accommodation Options | | | | |
|---|--|-------------------------------|--|-------------------------------|
| Accommodations | | 2017-18 Daily Rate | | 2018-19 Daily Rate |
| Early Arrival Student Groups/Break Housing - Off Campus | | \$20.00 | | \$20.00 |

| Optional Meal Plan - University Apartments & 500 Wabash | | | | |
|--|---|--|---|--|
| Meal Plan | 2017-18 Academic Year Rate | | 2018-19 Academic Year Rate | |
| 5 Meals per Week & \$100 Commons Cash per Semester | \$1,516.40 | | \$1,560.60 | |

Residential Life Technology Fee

Beginning with the fall 2018 semester, a \$15 per semester (Fall, Spring, and Summer) Technology Fee is proposed to be charged to all residential students separate from their room and board rates. The fee is to help maintain and implement the significant infrastructure necessary to provide the expected level of technology services to our residents. These services and amenities include high-speed, reliable wireless and wired internet access, card access door security, security cameras, streaming cable television services, and software upgrades necessary to provide a seamless residential service for students.

The fee was developed in consultation with student leaders that make up the Residence Hall Association, the governing board for all residential students. In an effort to increase transparency and as a recommendation from student leaders, an advisory board will be created to determine spending priorities and provide oversight for the Residential Life Technology Fee Funds.

Recommendation: Approval of the proposed 2018-19 Housing and Dining rates and the new Residential Life Technology Fee as listed above.

2. Proposed 2018-19 Academic Course Specific Fees

| <p>College</p> <p>Departments</p> | <p>Rationale and Recommendation</p> |
|--|---|
| <p>College of Health & Human Services</p> <p>Applied Health Sciences</p> | <p>To cover increased expenses of supplies for consumable food and supplies.</p> <p>Recommended Change in Existing Fee:</p> <p>AHS 226 course fee from \$50 to \$85 per course.</p> |
| <p>College of Health & Human Services</p> <p>Applied Health Sciences</p> | <p>To cover the costs associated with the Food Service Dinner project.</p> <p>Recommended New Course Fee:</p> <p>AHS 430, AHS 530 course fee of \$25 per course.</p> |
| <p>College of Arts and Sciences</p> <p>Art and Design</p> | <p>To cover supplies for graphic design courses include a variety of paper, ink, toner/drums for printers, specialized (licensed or single) software, and other equipment for design and digital media. Additional materials include boards, paper, dry mount tissue, binding materials, fixative, markers, pens, pencils, and erasers.</p> <p>Recommended New Course Fee:</p> <p>ARTD 423, ARTD 490 course fee of \$36 per course</p> |

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| <p>College of Arts and Sciences</p> <p>Art and Design</p> | <p>To cover papers, boards, paint, ink, clay, brushes, markers, pens, pencils, charcoal, erasers, glue, scissors, x-acto knives, hanging hardware.</p> <p>Recommended New Course Fee:</p> <p>ARTP 170 course fee of \$5 per course.</p> |
| <p>College of Arts and Sciences</p> <p>Art and Design</p> | <p>To cover an assortment of consumables in varying degrees: Paper, pencils, drawing ink, specialty paper, pens, nibs, brushes, charcoal & chalk, graphite, pastels, crayons, fixatives, erasers, gesso, drawing boards & clips, tapes & adhesives, cutting and measuring tools, still-life props, and supplies for constructing drawing panels.</p> <p>Recommended Change in Existing Fee:</p> <p>ARTS 215 \$10 per credit hour to \$30 per course.</p> |
| <p>College of Arts and Sciences</p> <p>Arts and Design</p> | <p>Raw materials, pottery throwing and hand building tools, plaster-making materials and tools, exhibition materials.</p> <p>Recommended Change in Existing Fee:</p> <p>ARTS 311 \$10 per credit hour to \$30 per course.</p> |
| <p>College of Arts and Sciences</p> <p>Arts and Design</p> | <p>To cover painting courses, in varying degrees, of chemicals and solvents relevant to the media of choice, as well as gesso, paint, canvas, paper, brushes, staples, razor blades, glue.</p> <p>Recommended Change in Existing Fee:</p> <p>ARTS 331 \$10 per credit hour to \$30 per course.</p> |
| <p>College of Arts and Sciences</p> | <p>To cover plaster, gloves, wax resist, sieves, heavy duty sponges, safety glasses, sodium silicate, brushes, ceramic decals</p> |

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| <p>Arts and Designs</p> | <p>Recommended Change in Existing Fee:</p> <p>ARTD 220 \$12 per credit hour to \$36 per course.</p> |
| <p>College of Arts and Sciences</p> <p>Arts and Designs</p> | <p>To cover supplies for graphic design courses include a variety of paper, ink, toner/drums for printers, specialized (licensed or single) software, and other equipment for design and digital media. Additional materials include boards, paper, dry mount tissue, binding materials, fixative, markers, pens, pencils, and erasers.</p> <p>Recommended Change in Existing Fee:</p> <p>ARTD 620 \$12 per credit hour to \$36 per course.</p> |
| <p>College of Health and Human Services</p> <p>Applied Medicine and Rehabilitation</p> | <p>To eliminate existing fee.</p> <p>Recommended Elimination of Existing Fee:</p> <p>ATTR 255 course fee from \$300 to \$00 per course.</p> |
| <p>College of Arts and Sciences</p> <p>Chemistry</p> | <p>To eliminate existing fee in online sections of CHEM 100L</p> <p>Recommended Elimination of Existing Fee:</p> <p>CHEM 100L Online Sections only from \$43 to \$00 per course.</p> |

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|--|---|
| <p>College of Health and Human Services</p> <p>Social Work</p> | <p>To eliminate existing fee.</p> <p>Recommended Elimination of Existing Fee:</p> <p>SOWK 480 course fee from \$75 to \$00 per course.</p> |
| <p>College of Health and Human Services</p> <p>Advanced Practice Nursing</p> | <p>To eliminate Program fee.</p> <p>Recommended Elimination of Existing Fee:</p> <p>APN 624, APN 644, APN 664, APN 667, APN 670, APN 671, APN 673, APN 683 from a \$500 Program Fee to \$00 Program Fee.</p> |
| <p>College of Health and Human Services</p> <p>Advanced Practice Nursing</p> | <p>The fee will cover software products that help with distance learning supplemental class skills, Nita program, Typhon group, Adjunct clinical faculty to travel.</p> <p>Recommended New Course Fee:</p> <p>APN 624, APN 644, APN 664, APN 667, APN 670, APN 671, APN 673, APN 683 course fee of \$500 per course.</p> |
| <p>College of Health and Human Services</p> <p>Advanced Practice Nursing</p> | <p>To eliminate Program fee.</p> <p>Recommended Elimination of Existing Fee:</p> <p>APN 891, APN 892, APN 893, APN 894, APN 895 from a \$500 Program Fee to \$00 Program Fee.</p> |

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| <p>College of Health and Human Services</p> <p>Advanced Practice Nursing</p> | <p>The fee will cover software products that help with distance learning supplemental class skills, Nita program, Typhon group, Adjunct clinical faculty to travel.</p> <p>Recommended New Course Fee:</p> <p>APN 891, APN 892, APN 893, APN 894, APN 895 course fee of \$500 per course.</p> |
| | |

¹Laboratory/course specific fees are assessed only in conjunction with courses associated with the automated fee assessment process. An exception exists for study abroad courses: IS 396, 397, and 398.

Recommendation: Approval of the proposed Academic Laboratory/Course/Program Specific Fees, effective for the fall semester of 2018.

3. Proposed 2018-19 Flight Fees

Operational expenses for the Flight Academy are primarily funded by flight fee income realized through the assessment of flight fees. These fees are non-refundable unless (1) the student drops the respective course for the certification being pursued, or (2) the student completely withdraws from the University.

The flight fees shown below for the mandatory certificates as required by the four year B.S. degree program (Private Pilot, Instrument, Commercial, and Multi-Engine) and additional certifications reflect an overall increase of 2%. Adjustments to flight fee rates, effective with Fall semester 2018, are necessary due to increases in operating costs such as fuel, maintenance, salaries and related benefits.

A Super Decathlon Training aircraft (AC8-KCAB) has been added to the fleet to enhance the Flight Academy's ability to improve the upset prevention and recovery skills of students. The acquisition of this aircraft will allow students to earn a FAA Tail Wheel Endorsement after ten hours of dual flight training and five hours of additional ground school. The Flight Academy plans to make this aircraft and endorsement available to students during the Spring 2018 semester. As a result, rates listed below for this aircraft and associated endorsement include a 2017-18 proposed rate (consistent with the rate charged for the DA-20) to be effective upon Board of Trustees approval along with the 2018-19 proposed rate.

Proposed 2018-19 rates are as follows:

Flight Academy Fees

| Flight Fees by Certificate Type | | |
|--|-------------------------|--------------------------------------|
| Certificate Type | 2017-18 Rate | 2018-19 Proposed Rate |
| Private Pilot - Semester 1 | \$6,349 | \$6,476 |
| Private Pilot - Semester 2 | \$5,371 | \$5,479 |
| Instrument - Semester 1 | \$7,935 | \$8,090 |
| Instrument - Semester 2 | \$9,060 | \$9,240 |
| Commercial - Semester 1 | \$10,344 | \$10,546 |
| Commercial - Semester 2 | \$10,611 | \$10,824 |
| Multi-Engine | \$5,050 | \$5,165 |
| Certified Flight Instructor I | \$4,070 | \$4,155 |
| Certified Flight Instructor II | \$4,255 | \$4,345 |
| Multi-Engine Instructor | \$3,490 | \$3,570 |
| Tail Wheel Endorsement* | \$2,215 | \$2,260 |

| Hourly Flight Fee by Aircraft Type | | |
|---|------------------------------|---|
| Aircraft Type | 2017-18 Rate/Hour | 2018-19 Proposed Rate/Hour |
| DA20 - Solo | \$166 | \$169 |
| DA20 - Dual | \$203 | \$207 |
| DA40 - Solo | \$213 | \$217 |
| DA40 - Dual | \$250 | \$255 |
| DA42 - Solo | \$275 | \$281 |
| DA42 - Dual | \$312 | \$319 |
| PA28 - Solo | \$213 | \$217 |
| PA28 - Dual | \$250 | \$255 |
| AC8 - KCAB - Solo* | \$166 | \$169 |
| AC8 - KCAB - Dual* | \$203 | \$207 |

| Ground School Instruction | | |
|----------------------------------|------------------------------|---|
| | 2017-18 Rate/Hour | 2018-19 Proposed Rate/Hour |
| Ground School Instruction | \$37 | \$38 |

* 2017-18 rate recommended for BOT approval at February 2018 meeting with 2018-19 rate.

Recommendation: Approval of the proposed semester based and hourly flight fee rates and instructional ground school rate. The assessment of these fees is to be effective with the Fall 2018 semester. In addition, approval of the 2017-18 rates for the AC8-KCAB aircraft and the associated Tail Wheel Endorsement allowing the Flight Academy to utilize the new aircraft for Spring 2018.

4. Proposed Physician Assistant Program Fee

In May 2010, the Board of Trustees authorized a \$1000 program fee to be assessed each semester to those registered in the Physician's Assistant Program. In order to cover rising program costs, it has been determined that an increase is needed. The fees will be used for affiliated, support, and advising personnel; operating and consumable expenses; administration; capital equipment; and faculty/student/program development. It is proposed to increase the program fee from the current rate of \$1000 per student per semester to \$1350 per student per semester. Comparative costs of Physician Assistant Programs at other institutions have been examined, and the proposed increase will allow the program to remain competitively priced while ensuring a high quality student learning experience.

Recommendation: Approval of the proposed \$1350 per student per semester Physician's Assistant program fee for all students registered in the Physician's Assistant Program, effective with the fall 2018 semester.

5. Series S Bond Resolution

The University is preparing for the sale of new bonds to finance the renovation of the Hulman Center facility as approved by the 2015 Indiana General Assembly. The total project cost, not to exceed \$50 million, is to be financed with the issuance of debt, gifts, and cash. The proposed bond issue, to be designated Series S, would include the issuance of \$37,500,000 of fee-replaced debt and \$6,750,000 of non-fee replaced debt to be repaid through interest income. Total proceeds from the new issuance will not exceed \$44,250,000 million.

The resolution, shown below, allows for authorization and approval of the sale of Indiana State University Student Fee Bonds, Series S.

Recommendation: Approval of the resolution shown below allowing the President of the University and/or Treasurer of the Board of Trustees to develop and submit a plan of financing, to obtain all necessary state agency approvals for the sale of Series S Bonds.

RESOLUTIONS OF THE BOARD OF TRUSTEES FOR THE
INDIANA STATE UNIVERSITY BOARD OF TRUSTEES
APPROVING AND AUTHORIZING THE SALE OF THE
INDIANA STATE UNIVERSITY STUDENT FEE BONDS, SERIES S

WHEREAS, the Board of Trustees (the "Board") of the Indiana State University Board of Trustees (the "University") has full power and authority under and by virtue of the laws of the State of Indiana, including, more particularly, the provisions of Indiana Code 21-34-1 et seq., to issue bonds to finance or

refinance academic and building facilities on its campus in Terre Haute, Indiana, such bonds to be secured by Student Fees; and

WHEREAS, the Board has determined that a necessity exists to consider financing all or a portion of the costs of the acquisition, construction, expansion, renovation and equipping of certain academic and building facilities on the University's campus in Terre Haute, Indiana, as described in Exhibit A attached hereto (the "Project"); and

WHEREAS, the University has heretofore executed and delivered to First Financial Bank, N.A. (formerly known as Terre Haute First National Bank), as trustee (the "Trustee"), a certain Trust Indenture dated as of November 1, 1985, as heretofore supplemented and amended (the "Indenture"), for the purpose of securing its Indiana State University Student Fee Bonds (hereinafter sometimes referred to as the "Bonds"), issued from time to time thereunder; and

WHEREAS, the Treasurer of the University (the "Treasurer") has investigated, developed and evaluated a Plan of Financing (the "Plan of Financing") for financing all or a portion of the costs of the Project; and

WHEREAS, the Board now desires to authorize the Treasurer to effectuate such Plan of Financing for financing all or a portion of the costs of the Project; and

WHEREAS, Article IV of the Indenture authorizes the issuance of additional series of Bonds by the University and the authentication and delivery of those additional series of Bonds by the Trustee under the conditions set forth in Article IV, which conditions have been complied with (subject to approval by the State Budget Committee and the State Budget Director of the State of Indiana) so as to authorize the issuance, authentication and delivery of an additional series of Bonds by the Trustee under the conditions set forth in Article IV, to provide the funds required to finance all or a portion of the costs of the Project, as well as certain related costs incidental to the financing; and

WHEREAS, the Board now desires to authorize the execution and delivery of the Indiana State University Student Fee Bonds, Series S (the "Series S Bonds"), and a Sixteenth Supplemental Indenture (the "Sixteenth Supplemental Indenture"), a Construction and Rebate Agreement (the "Rebate Agreement"), a Preliminary Official Statement (the "Official Statement"), a final Official Statement, a Bond Purchase Agreement (the "Bond Purchase Agreement"), an Eighth Supplement to Amended and Restated Continuing Disclosure Undertaking Agreement (the "Eighth Supplement to Undertaking Agreement"), forms of the Series S Bonds, and any further documents required to complete the execution and delivery of the Series S Bonds (subject to any approvals as may be required from the State Budget Committee and the State Budget Director of the State of Indiana); and

WHEREAS, there has now been made available to the Board a form of Sixteenth Supplemental Indenture, a form of Rebate Agreement, a form of Official Statement, a form of Bond Purchase Agreement and a form of Eighth Supplement to Undertaking Agreement in connection with the issuance of the Series S Bonds in an aggregate principal amount not to exceed \$44,250,000, plus additional amounts needed for underwriter's discount as described below and any original issue discount or bond premium, as permitted by law, capitalized interest (if any), costs of issuance, any amounts necessary to provide for any debt service reserve fund, and costs of any premiums for bond or debt service reserve fund insurance; and

WHEREAS, the Board now desires to authorize and direct the President of the University (the "President") and the Treasurer to do any and all acts and things, to seek all necessary approvals from the State Budget Committee and the State Budget Director of the State of Indiana, and to make and approve

all changes in form or substance to the Sixteenth Supplemental Indenture, the Bond Purchase Agreement, the Rebate Agreement, the Eighth Supplement to Undertaking Agreement or the Official Statement, necessary to secure approval of the transaction contemplated herein by any rating agency, bond insurer, reserve fund surety bond provider, or the State of Indiana; and

WHEREAS, the University intends to acquire, construct, equip, renovate and/or rehabilitate the various components of the Project, and reasonably expects to reimburse certain costs of the Project with proceeds of debt to be incurred by the University; and

WHEREAS, the University expects to issue debt not exceeding \$44,250,000 in aggregate principal amount for purposes of financing, refinancing or reimbursing all or a portion of the costs of the Project, plus additional amounts needed for costs of issuance, any debt service reserve fund, costs of any premiums for bond or debt service reserve fund insurance, underwriter's discount and original issue discount/bond premium as provided by law, capitalized interest (if any), and other incidental costs as required by the issue;

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

Section 1. The Plan of Financing investigated, developed and evaluated by the Treasurer is hereby approved and the Treasurer is hereby authorized to effectuate the Plan of Financing with respect to financing all or a portion of the costs of the Project.

Section 2. The issuance of the Series S Bonds by the University on the terms and conditions set forth in the Sixteenth Supplemental Indenture is hereby authorized in the total principal amount not to exceed \$44,250,000, plus additional amounts needed for underwriter's discount as described below and original issue discount or bond premium, as permitted by law, capitalized interest (if any), costs of issuance, any amounts necessary to provide for any debt service reserve fund, and costs of any premiums for bond or debt service reserve fund insurance. The Series S Bonds shall be designated the "Indiana State University Board of Trustees, Indiana State University Student Fee Bonds, Series S." The true interest cost of the Series S Bonds shall not exceed 4.75%, with a maximum underwriters' discount of 1.00%, and with such serial or term maturities and redemption features as the executing officers shall approve. The final maturity of the Series S Bonds shall not extend beyond October 1, 2038. The Series S Bonds shall be sold pursuant to the Bond Purchase Agreement at negotiated sale to a managing underwriter and co-managing underwriter(s) as selected and appointed pursuant to Section 13 below.

Section 3. The President and the Treasurer are hereby authorized and directed to do any and all acts and things, to seek all necessary approvals from the State Budget Committee and the State Budget Director of the State of Indiana, and to make and approve all changes in form or substance to the Sixteenth Supplemental Indenture, the Bond Purchase Agreement, the Rebate Agreement, the Eighth Supplement to Undertaking Agreement or the Official Statement necessary to secure approval of the transaction contemplated herein by any rating agency, bond insurer, reserve fund surety bond provider, or the State of Indiana.

Section 4. The Sixteenth Supplemental Indenture is hereby approved in substantially the form submitted to the Board and is made a part of this Resolution as if fully set forth herein. The Chair and the Vice Chair of the University (the "Chair" and the "Vice Chair," respectively), or either of them, are hereby authorized to execute and deliver, and the Secretary and the Assistant Secretary of the University (the "Secretary" and the "Assistant Secretary", respectively), or either of them, are hereby authorized to attest the signature of and to imprint the corporate seal of the University on the Sixteenth Supplemental Indenture in substantially the form presented to the Board, with those changes in form or substance that

the President and Treasurer, and the officers executing the Sixteenth Supplemental Indenture, shall approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. The Official Statement is approved in substantially the form submitted to the Board and is made a part of this Resolution as if fully set forth herein. The Treasurer is hereby authorized and directed to make those changes in form or substance as are necessary or appropriate, to authorize the distribution of the Official Statement, to deem an Official Statement to be final or nearly final for purposes of applicable Securities and Exchange Commission rules, to execute and deliver the form of any final Official Statement with those changes in form or substance that the Treasurer shall approve, and to cause printed copies of the Preliminary and final Official Statements to be provided to those prospective purchasers, investors and other persons as he may deem advisable in order to market the Series S Bonds, and any such prior actions are hereby ratified and confirmed.

Section 6. The Bond Purchase Agreement is hereby approved in substantially the form submitted to the Board and is made a part of this Resolution as if set forth fully herein. The Chair, Vice Chair and Treasurer, or any of them, are hereby authorized to execute and deliver the Bond Purchase Agreement in substantially the form submitted to the Board, with those changes in form or substance that the President and Treasurer, and the officers executing the Bond Purchase Agreement, shall approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 7. The Rebate Agreement is hereby approved in substantially the form submitted to the Board and is made a part of this Resolution as if set forth fully herein. The Chair, Vice Chair and Treasurer, or any of them, are hereby authorized to execute and deliver, and the Secretary or Assistant Secretary, or either of them, is hereby authorized to attest the signature of and to imprint the corporate seal of the University on, the Rebate Agreement in substantially the form submitted to the Board, with those changes in form or substance that the President and Treasurer, and the officers executing the Rebate Agreement, shall approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 8. The Eighth Supplement to Undertaking Agreement is hereby approved in substantially the form submitted to the Board and is made a part of this Resolution as if set forth fully herein. The Chair, Vice Chair, and Treasurer, or any of them, are hereby authorized to execute and deliver the Undertaking Agreement in substantially the form submitted to the Board, with those changes in form or substance that the President and Treasurer, and the officers executing the Eighth Supplement to Undertaking Agreement, shall approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 9. The Treasurer is hereby authorized to prepare the bond forms required for use in the issuance of the Series S Bonds, on the terms and conditions set forth in the Sixteenth Supplemental Indenture, and to cause the same to be executed manually or by facsimile by the proper officers of the University as provided in the Sixteenth Supplemental Indenture and the Indenture. Upon execution of the Series S Bonds, the Treasurer shall deliver the Series S Bonds to the Trustee for authentication, and upon their authentication, the Treasurer is authorized and directed to deliver the Series S Bonds to the purchasers thereof on payment of the purchase price, which price shall reflect the underwriter's discount permitted by this Resolution and original issue discount or bond premium, if any, as permitted by law.

Section 10. The Chair, Vice Chair, President, Treasurer, Secretary and Assistant Secretary, or any of them acting singly or jointly, are hereby authorized and directed to do any and all further acts and things necessary underlying the execution and delivery of such additional or supporting agreements,

documents or certificates as may be requested or necessary in order to complete the transactions contemplated by the Bond Purchase Agreement, the Sixteenth Supplemental Indenture, the Rebate Agreement, the Eighth Supplement to Undertaking Agreement and the Official Statement hereby authorized.

Section 11. The Board hereby approves the Treasurer to make the necessary calculations with respect to the coverage factor of Student Fees to Maximum Annual Debt Service, after the pricing of the Series S Bonds, to be shown in the Official Statement for the Series S Bonds.

Section 12. The Board hereby ratifies the selection of, and appoints, Citigroup Global Markets Inc. as senior managing underwriter for the Series S Bonds, and Siebert Cisneros Shank & Co., L.L.C., as co-managing underwriter for the Series S Bonds, and further authorizes the President and the Treasurer in their discretion to select one or more additional co-managing underwriters for the Series S Bonds (or none at all). The Board hereby ratifies the selection of, and appoints, (i) Ice Miller LLP as bond counsel for the Series S Bonds, and (ii) Blue Rose Capital Advisors, LLC as financial advisor for the Series S Bonds.

Section 13. The use of bond insurance is hereby approved in connection with the Series S Bonds, if deemed beneficial to the University in the best judgment of the President and the Treasurer. The President and Treasurer are hereby authorized to select a bond insurer, if deemed beneficial at their discretion and using their best judgment, and to accept any commitments and execute any agreements which may be necessary or advisable in connection with any such bond insurance for the Series S Bonds.

Section 14. The Board hereby declares its official intent to acquire, construct, equip and/or rehabilitate the Project described in Exhibit A; to reimburse certain costs of acquiring, constructing, equipping and/or rehabilitating the Project with proceeds of debt to be incurred by the University; and to issue debt not exceeding \$44,250,000 in aggregate principal amount for purposes of financing, refinancing or reimbursing all or a portion of the costs of the Project, plus additional amounts needed for costs of issuance, any debt service reserve fund, costs of any premiums for bond or debt service reserve fund insurance, underwriter's discount and original issue discount/bond premium as provided by law, capitalized interest (if any), and other incidental costs as required by the issue.

Dated: February 23, 2018

EXHIBIT A

THE PROJECT

The Project consists of the acquisition, construction, expansion, renovation and equipping of certain facilities of the University on its Terre Haute campus, including, in particular, the renovation of the Hulman Center, including replacement of outdated and obsolete mechanical and electrical systems, a new fire protection system, and replacement of the exterior envelope with new curtain wall glazing.

The Project has a total cost not expected to exceed \$50,000,000, to be financed in whole or in part by the Series S Bonds in an amount not to exceed \$44,250,000 (with a maximum amount eligible for fee replacement of \$37,500,000). Ratio Architects, Inc. of Indianapolis, Indiana is the architect for the Project. Work on the Project will begin in spring 2018 and is scheduled for completion in fall 2020.

INFORMATIONAL ITEMS:

- 1. 2018-19 Budget Planning**
- 2. Review of Debt Plan**
- 3. Review of 2016-17 Federal Audit**