

MINUTES
BOARD OF VISITORS, SCHOOL OF BUSINESS
DECEMBER 6, 2001
KOCH ENTERPRISES

PRESENT: David Abbott, Roxy Baas, John Bolger, Keith Emge, Frederick Geissinger, William Greubel, Robert Griffin, Steven Heim, Daniel Hermann, Philip Lieberman, Allen Mounts, James Muehlbauer, Alan Newman, Donald Minton, Ronald Romain, Kenneth Sendelweck, Robert Swan, Michael Weber, Phil Fisher, and Nancy Bizal.

ABSENT: Ronald Bonger, Alan Brill, Adrian Brooks, James Dodd, Kay Forbes-Smith, Carolyn Georgette, Andrew Goebel, David Gunn, Patrick Harvey, Mark Lemond, Thomas Magan, Frank McDonald, James McKinney, Daniel Norman, Daniel Schenk, John Schultz, John Shekell, Marjorie Soyugenc, Bruce Stallings, Lawrence Steenberg, Richard Stivers, Roy Templin, and Vince Vawter.

SCHOOL OF BUSINESS FACULTY PRESENT: Marvin Albin, Kevin Celuch, Abbas Foroughi, Ernest Hall, William Henderson, Eva Jermakowicz, Mohammed Khayum, Mehmet Kocakluah, Bruce Mabis, Brian McGuire, Sudesh Mujumdar, James Odom, Dane Partridge, Holly Payne, Joy Peluchette, and Daniel Wade.

Welcome to Board of Visitors Meeting and Koch Enterprises:

Jim Muehlbauer, Chair of the Board of Visitors, welcomed everyone to the meeting and asked if each Board and faculty member would introduce himself or herself. After the introductions, Muehlbauer gave a short presentation about Koch Enterprises. The company started in 1873 and is celebrating 128 years in business this year. George Koch Sons was incorporated in 1903 – and changed its name to Koch Enterprises in 1999. Companies that today make up Koch Enterprises are George Koch Sons, Koch Air, Brake Supply, Uniseal, Gibbs Die Casting, and Audubon Metals.

Approval of Minutes:

The minutes of April 16, 2001 were approved as mailed.

Old Business:

Update on Recruiting and Marketing School – Phil Fisher

Fisher introduced new School of Business faculty: Dr. Bruce Mabis, Assistant Professor in Computer Science; Jim Odom, Instructor in Computer Science; Ms. Holly Payne, Instructor in Business Communications; Dr. Kevin Celuch, Blair Chair in Business Science and Professor in Marketing; and Dr. Sudesh Mujumdar, Assistant Professor in Economics.

Fisher gave an update on recruiting and marketing the School of Business. Freshmen applications with a GPA of 3.0 have been going up since 1999. The last two years the School of

Business, the Accounting Circle and Department, and the Admissions Office have invited area high school counselors to a luncheon to give them up-to-date information about the School.

We also have increased our contacts with high school students who meet certain criteria and have changed the scholarship structure: Depending on academic standing (GPA and SAT/ACT scores), students receive \$500 to \$2000 scholarships. The university's growth target is 3-5%; we need controlled growth because of the lag in legislative appropriations. Our goal is to improve the mix in our controlled growth.

In response to a question about transfer students, Fisher said we have many very good transfer students (typically Evansville natives). We know where to find high school students; we do not know how to recruit transfers. We do recruit from community colleges. Fisher also noted that 38 of 103 MBA students are new students.

In response to a question about assistance from Career Services, Fisher said outside of accounting, on-campus recruiting is growing slowly. One reason is many students are not willing to leave the area. However, our placement rate of students working in their chosen field is very high.

Update on e-Business Concentration and Major – Abbas Foroughi

The Report was distributed at the meeting and is included with the minutes for those unable to attend.

Update on Computer Science Major – Marvin Albin

Albin reported the Computer Science Major started Fall 2001 and met enrollment projections. The freshmen course will be repeated in the spring semester. CS students are interested in co-op positions. If a member of the Board of Visitors is interested in having a CS student co-op in his/her company, contact Albin in the School of Business. We are still hoping to get a Sun lab.

Update on CRSP Tapes – Dan Hermann

Hermann reported the CRSP Tapes, a database of stock returns for companies listed on the NYSE and the NASDAQ, have been purchased. The funds (\$8700/year) to buy the CRSP tapes were obtained through a challenge grant from Vectren and special contributions from the Board; he thanked members for helping to meet this important goal. It is expected that the School of Business will fund these for a couple of years and then the funding will go into the budget.

Update on Economic Survey – Mohammed Khayum

Khayum noted that most of the information we have is national or regional – not local. Local is the niche of this quarterly survey so we know about the current local economy and expectations. We can make better decisions if we have more relevant information. The report was distributed at the meeting and is included with the minutes for those unable to attend.

Update on MBA Program – Ernest Hall

Hall reported the new MBA program was implemented Fall 2001. The Brochure on the new 30-hour program was distributed at the meeting and is included with the minutes for those unable to attend.

The discussion following Hall's report included these topics:

Bob Swan noted with satisfaction that the School has taken seriously the recommendation of the Board.

Ninety-six percent of our MBA students are working full-time – probably 60-70% in managerial roles beyond entry-level.

Employers say our MBA is important for purposes of career change and advancement – need business experience beyond technical experience.

Employer financial support is very high. Tuition is \$151.25 /credit hour plus books – about \$6,000. Keith Emge noted, “We are the price leader.”

Update on AACSB Accounting Program Candidacy – Dan Wade

Wade reported the Self-Study Plan would be completed by May 1, 2002. In Fall 2002 the Accreditation Team will visit campus. The new Accounting and Professional Services program will start in Fall 2002. A brochure on the new program was distributed at the meeting and is included with the minutes for those unable to attend. Wade noted that less than half of the AACSB accredited schools have accounting accreditation and that accounting accreditation will be a “feather in our cap”.

New Business:

Preliminary AACSB Report and Feedback – Dane Partridge

Partridge, chair of the task force preparing the five-year report to AACSB, distributed a preliminary draft of the report that is due January 15, 2002 to AACSB. The preliminary draft is included with the minutes for those unable to attend.

Highlights from the Dean's Report – Phil Fisher

The Dean's Report was distributed at the meeting and is included with the minutes for those unable to attend. Fisher noted more fund raising would be necessary with the closing of the 1996 Capital Campaign. He also noted the School will endeavor to be of greater service particularly through the Center for Economic Research. The School will call together a focus group to learn what you would like to know and how we can find it.

Wrap-up and Next Steps:

Muehlbauer thanked everyone for their excellent reports and expressed pleasure with the progress that is being made in the School of Business.

The next meeting is scheduled for April 23, 2002 at 3:00 p.m. at USI.

Adjournment:

The meeting was adjourned at 5:05 p.m.