



2015-2017

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Ways and Means
Committee Presentation

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Operating and Capital Improvement Budget Request



UNIVERSITY OF SOUTHERN INDIANA 2015-2017 OPERATING AND CAPITAL IMPROVEMENT BUDGET REQUEST SUMMARY

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EXECUTIVE SUMMARY

The University of Southern Indiana will celebrate its 50th Anniversary in 2015. From its founding in 1965, the University of Southern Indiana has been an institution “of the people, by the people” as expressed on its University seal. Born of need, fueled by community investment, and sustained by alumni success, the University has been a model for student-centered postsecondary education, delivering, as its founders promised, high-quality teaching at the most affordable cost among baccalaureate granting institutions in Indiana. The University was founded to bring higher education to an underserved population in southwest Indiana and remains true to that mission. Students who choose the University of Southern Indiana find high-quality academic programs, affordable costs, an environment that promotes academic success, and opportunities for personal and career growth.

It is not a coincidence that USI’s dramatic development parallels the economic expansion of southwestern Indiana. USI has been boldly redefining the higher education landscape for nearly 50 years, providing affordability, accessibility, and compatibility with employer needs. After existing for 20 years as a regional campus, USI became the state’s fifth free-standing baccalaureate-granting public university in 1985. Innovative programs initiated by the founding Board of Trustees set a course to expand educational opportunity and to overcome financial and geographic barriers to higher education.

Today, 82 percent of high school graduates in the region pursue higher education—a figure that compares to just 33 percent in 1985, and which is nearly 20 percent higher than today’s national average. This educational transformation is a result of USI’s commitment to expanding access to high-quality, affordable academic programs and to forging partnerships that benefit students, faculty, employers, and the community and state. Indeed, USI’s reputation for strong teaching continues to attract exceptionally qualified students from Indiana and beyond—drawing students from 89 counties in Indiana, 36 states, and more than 51 countries.

USI is a key asset in the effort to grow and sustain Indiana’s workforce. Today, more than 70 percent of USI’s 36,000 graduates remain in Indiana and 81 percent of that number reside in southwest Indiana. The University’s is committed to meeting the needs of employers for a well-trained workforce and the state for a well-educated citizenry.

The University of Southern Indiana’s 2015-2017 Operating and Capital Improvement Budget Request addresses many of the strategic goals outlined in the Indiana Commission for Higher Education’s *2012 Reaching Higher, Achieving More* policy paper. The University seeks full funding of the state’s performance incentive formulae to support success, current programs and services, and to respond to regional workforce and educational needs.

UNIVERSITY OF SOUTHERN INDIANA’S 2010-2015 STRATEGIC PLAN

The University is now in year five of its strategic planning process. Significant progress has been made on the six major goals outlined in the strategic plan.

- *Enhance Experiential Learning Opportunities*
- *Increase the Graduation Rate*
- *Preserve and Nurture Our Campus Community*
- *Provide Leadership to Indiana and the Region*
- *Increase the Diversity of Faculty, Staff, and Student Body*
- *Become a 24/7 campus*

In order to continue to increase the graduation rate, a new core curriculum – known as **Core 39** – was designed for implementation in fall 2014. **Core 39** requires fewer credit hours and is more streamlined to work with a student’s major. The new requirements are designed to help better educate students and provide them with a more intuitive academic experience. In 2012, the Indiana General Assembly passed legislation that limits the number

of credit hours required to graduate from a public university to 120 credit hours with some exceptions. With implementation of the new 39 hour University Core Curriculum, most academic programs will meet the 120 hour limit.

In the effort to increase the graduation rate, USI is partnering with the Indiana Commission for Higher Education on its *Guided Pathways to Student Success* initiative. During the 2013-2014 academic year, USI implemented DegreeWorks, a degree audit system that allows students with their academic advisors to create individualized four-year degree maps with the intent of helping students stay on track to graduate on time. Degree Works' user-friendly interface provides students with a more easily understandable summary of their progress towards a degree. Another goal of the transition to DegreeWorks is to improve the effectiveness of academic advising.

USI is promoting the new statewide initiative *15 to Finish*, to encourage students to enroll in 15 credit hours per semester to complete a bachelor's degree in four years. As part of the *15 to Finish* campaign, the University has a link on its web site to the online video about the program; is sponsoring a marketing booth with giveaway items about the program at new student orientation; and, incorporating the *15 to Finish* completion requirements in student degree maps.

In addition, steps are being taken to ensure students are equipped with the skills necessary to succeed in the rapidly-growing number of courses being offered in a distance education or internet-based hybrid format.

"The focus on improving our graduation rates gets to the heart of the strategic plan," said President Linda L. M. Bennett. "Through better advising, more flexible ways to earn a degree, and other retention efforts, we will give students a better chance for academic success – and produce more graduates for our state and region. Improving student experience and success is evident in each of our goals."

The University conducted an Environmental Scan from January 2014 through July 2014. The project had four goals: to provide an assessment of environmental trends; to provide an assessment of USI's competitive strengths; to be data driven from authoritative sources; and to provide a view of USI through multiple external lenses. The project involved a trend analysis and a prioritization of USI's strengths.

The Environmental Scan process will provide valuable information for the next iteration of the University's Strategic Plan.

STUDENTS AT USI

The University of Southern Indiana is committed to improving the postsecondary attainment level of the citizens of the southern Indiana region and throughout the state. Enrollment in fall 2014 was 9,364 and full-time-equivalent (FTE) graduate and undergraduate students numbered 7,822. Approximately 76.2 percent of all students or 7,132 enrolled as full-time students. Students age 25 or older represent 23.5 percent of the student population.

With 47.3 percent of students enrolled in fall 2014 coming from its primary service area, the University is clearly committed to serving students in the region. In fall 2014, 59 percent of USI's students came from the 11-county regional service area and 25.4 percent came from other Indiana counties. The University of Southern Indiana is committed to improving the postsecondary attainment level of the citizens of the southern Indiana region and throughout the state.

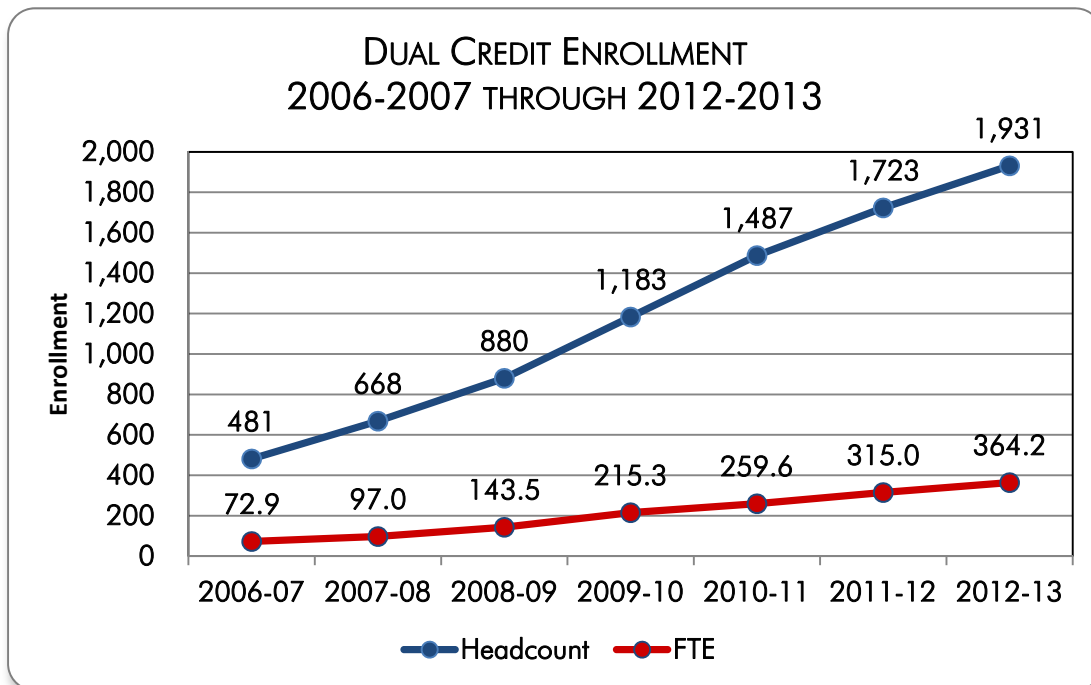
Indiana Commission for Higher Education's *2012 Reaching Higher, Achieving More* document states *"at least a quarter of all first-time Indiana public college students are not college-ready when they arrive on campus."* Readiness for college is usually measured in terms of standardized test scores, placement tests, and grade point averages, but it includes other indicators as well.

Indiana's Core 40 requirements for high school graduates are intended as a statewide effort to strengthen student preparation for college. USI accepts unconditionally any student who has met the Core 40 requirements and has a high school grade point average of at least 2.5 and the appropriate ACT/SAT scores. Among USI's 1,688 first-time, full-time freshmen from Indiana in fall 2013, nearly 42 percent completed the Core 40 diploma and 47 percent completed the Academic Honors Diploma. Nearly 31 percent of the new full-time freshmen were in the top 25 percent of their high school classes.

The Center for Education Services and Partnerships is charged with coordinating a wide variety of educational services and promoting partnerships between the University and P-12 organizations in the region. The focus is to pull together University resources to support greater involvement in P-12 education; the goals are improved teaching and learning

throughout the region, expanded professional development opportunities for teachers, and increased learning opportunities for pre-college students.

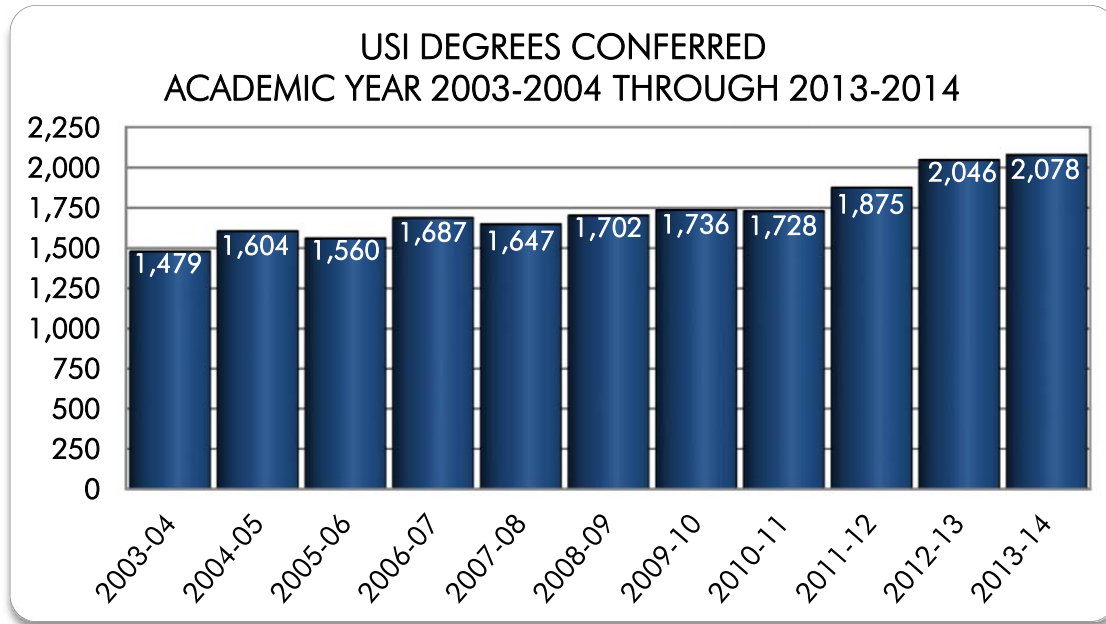
USI offers a range of dual credit opportunities. USI's concurrent enrollment program, the College Achievement Program (CAP), has been in existence since 1985. CAP has evolved in a deliberate manner to ensure sound partnerships with participating high schools and quality control of instruction and curricula at the department level. University resources to support the program have increased to support growing interest. CAP offers mostly introductory survey courses that are part of the University's general education curriculum to high school juniors and seniors. Forty-one courses, a total of 209 sections, were offered at 29 high schools taught by 123 approved high school instructors during the 2013-2014 academic year. Approximately 1,931 students enrolled in one or more courses, generating 10,927 credit hours. Student enrollment increased by 12 percent and credit hours increased by 16 percent from 2011-2012 to 2012-2013. USI's CAP program received re-accreditation from the *National Alliance of Concurrent Enrollment Partnerships (NACEP)* in 2013. This recognition indicates the high quality of the CAP program delivered by the University. USI is one of only seven institutions in Indiana and one of 92 institutions nationwide to have attained this accreditation.



The impact of dual credit to on-time degree is significant. In 2012-2013, 59 percent of the students who entered college with prior credit graduated in four years or less as

compared to 28 percent with no prior credit. The University of Southern Indiana has been a leader in developing the College Achievement Program (CAP) and partnering with participating high schools.

During the ten-year period 2004 to 2014, the number of degrees conferred by the University of Southern Indiana has risen over 40.5 percent, from 1,479 in 2004 to an estimated 2,078 in 2014.



Important to the state and to the region is the number of students who graduate from the University of Southern Indiana and choose to stay in Indiana. Of the University's more than 36,000 alumni, 71 percent live in Indiana and, of that number, 81 percent reside in southwest Indiana. The University of Southern Indiana works closely with regional employers in designing and teaching courses to assure that highly skilled graduates meet their needs. The close relationship with area employers and employers' confidence in USI graduates help meet an important goal of the state – retaining college graduates in the state. Several factors contribute to USI's success in graduate retention. The University has a strong internship and cooperative education program that places students in employer settings, allowing the students to gain experience and the employer to assess the students' skills and work ethic. Many of these experiences lead to full-time employment after graduation.

At USI, students receive a combination of academic instruction and real-world experiences that builds their confidence and enhances their effectiveness for employers.

Many students, due to family and work responsibilities, often must “stop out” or interrupt college attendance for extended periods of time. With each interruption the chances increase that the student will not return to complete a college degree. In fall 2013, re-admitted students or individuals who re-enrolled at USI after previously discontinuing their studies for various reasons for one or more academic terms were over four percent of the student population. Older, part-time, employed, and/or married students tend to not progress or graduate at rates comparable to traditional-aged students. To meet the needs of adult students with responsibilities for family and work, the Bachelor of General Studies (BGS) provides a more flexible degree program. Beginning in fall 2014, two new concentrations will be offered in the BGS program, focused on the needs of adult learners. Enterprising Leadership is a multi-disciplinary concentration designed for students working in business and industry who seek to expand their capacity for leadership and problem solving. The Public Service concentration is designed for adult learners who are working in human service or publicly-funded organizations, and focuses on research, advocacy, and public policy subjects. Both concentrations are offered via distance education.

The University of Southern Indiana has created an environment in which teaching and learning are its foremost mission and where the energy and dedication to purpose of faculty and staff have become a model for other universities. Among the state's baccalaureate institutions, the most productive faculty members may be found at USI, where they not only teach, but guide students' academic work as advisors and engage in service and scholarly work. The faculty's commitment to continual improvement in teaching has produced increasing quality of instruction and graduate preparedness. The University truly is a creator of opportunity for thousands of students, many the first in their families to attend college.

AFFORDABILITY, PRODUCTIVITY, AND EFFICIENCY

Maintaining affordability for postsecondary education is a primary goal of the University of Southern Indiana. According to the College Board's *Trends in College Pricing 2013*, the national average for undergraduate tuition and fees charged by public four-year colleges and universities in 2013-2014 was \$8,893. At the University of Southern Indiana, tuition and fees for full-time, in-state undergraduate students were \$6,418 in 2013-2014 while the average charge for four-year public institutions in Indiana was \$8,364. In-state undergraduate students attending USI full-time in 2014-2015 will pay \$6,697, compared to the \$8,519 average for other Indiana public baccalaureate institutions.

In the 2013-2015 Biennial Budget Request, the University of Southern Indiana requested an increase in its base appropriation to support the need for additional full-time faculty. The University received a \$2 million line item appropriation in each year of the biennium. The University appreciates the support of the Indiana General Assembly and the appropriation. The University has requested that the line item be included in its operating appropriation beginning in the 2015-2017 biennium.

It is important for the state to monitor the differentials in appropriation per-FTE-Hoosier student at the public baccalaureate-degree-granting institutions. The University of Southern Indiana's 2014-2015 funding level per FTE based on resident FTE enrollment for 2013 is \$5,304. With the additional line item appropriation included in its operating appropriation, the funding level would increase to \$5,556, about \$250 per-FTE-Hoosier student.

The current method used to fund the performance-based funding formulae will not correct the differentials in funding. Targeted appropriation adjustments are needed for any real progress to take place. Relying on the performance incentive formulae is not adequate because of the variations in the value of the metrics and the required institutional contribution to fund the metrics in any given year. In 2013-2014 and 2014-2015, the required two percent reallocation of operating and line item appropriations for universities resulted in an appropriation reduction of over \$900,000 in each year of the biennium for the University of Southern Indiana. This was approximately one-half of the University's operating appropriation increase for 2013-2015.

PRIVATE SUPPORT

The USI Foundation is a not-for-profit corporation established in 1968 exclusively to serve the University of Southern Indiana. The USI Foundation's mission is to attract, acquire, and manage donors' charitable gifts to support and sustain the goals of the University of Southern Indiana. To provide the financial resources necessary to achieve the University's goals, the University of Southern Indiana Foundation embarked on a five-year \$50 million capital campaign. *Campaign USI: Elevating Excellence* was made public on April 4, 2013, and to date over \$46 million has been raised. The campaign will fund specific projects in five main areas aligned with the strategic plan of the University:

- Enriching the Student Experience
- Enhancing the Academic Environment

- Elevating Athletics
- Strengthening Community Partnerships
- Providing Ongoing Annual Support

USI seeks innovative ways to increase student success and graduation rates through enriching the student experience. The USI Foundation plans to achieve this through building scholarship endowments, broadening student experiential learning, and expanding support for students who live off campus.

The University seeks to enhance the academic environment to fund new experiences for faculty through creating faculty engaged fellowships. Endowing faculty professorships will serve three main functions to enhance the academic environment by retaining talented faculty, attracting distinguished faculty, and attracting students who are eager to study with those professors. Additionally, USI will establish an endowment to fund an innovative Thinker's Speaker's series to feature globally prominent entrepreneurs and innovators to share expertise, provoke thought, and promote conversation.

During the past five fiscal years, the University of Southern Indiana has raised an average of \$7,207,503 per year in public and private support.

MEASURES OF EDUCATIONAL QUALITY

The University of Southern Indiana was established in response to community and regional needs. USI calculates its institutional effectiveness through a variety of performance indicators designed to meet its internal expectations, as well as those of external constituencies. Appropriate data and feedback loops are available and used throughout the organization to support continuous improvement.

Assessment and accountability are fundamental principles of operation at the University of Southern Indiana. Over time the University has layered a variety of assessment activities to measure the quality of education at the institution. Each layer contributes to a coherent assessment strategy with components including:

- Periodic and systematic scans of the regional environment to assess new programs needed and satisfaction with the quality of education offered at the institution.

- Assessment of broad-based educational skills among students including critical thinking, reading, and mathematics skills by a standardized test offered through the Educational Testing Service (ETS) called the Proficiency Profile. Scores are compared to previous years as well as a national average.
- Assessment of content knowledge within a range of academic majors through ETS's Major Field Tests (MFT). Scores are compared to performance by earlier classes of majors, and to the averages generated by hundreds of other participating universities.
- Each fall and spring semester, USI dedicates a day to assessment. Classes are canceled and USI students are required to participate in various assessment testing activities. In the fall, the ETS Proficiency Profile test is given to all freshmen and seniors. The test is designed to measure "value added" over time. Participation rates for the Proficiency Profile test exceeds 90 percent each year. On the spring assessment day, a number of academic departments require seniors to take a Major Field Test in their area of study. In addition, each of the four colleges uses the day to focus on academic assessment planning and review.
- A campus-based Academic Program Review process is required of all academic programs. Once every five years, a department conducts a small-scale self-study, followed by reviews from colleagues within the institution. These reviews used as accountability tools have helped multiple programs to develop clearer learning objectives and enhanced objective measurements of student learning. This program-level assessment was identified as a significant strength by the site visit team of the Higher Learning Commission during the University's 2006 re-accreditation process.
- The Voluntary System of Accountability (VSA) is a voluntary initiative developed by the American Association of State Colleges and Universities (AASCU) and the National Association of State Universities and Land Grant Colleges (NASULGC). It is designed to facilitate the dissemination of information about member colleges and universities in a transparent, comparable, and understandable format: The College Portrait. Furthermore, the VSA allows colleges and universities the opportunity to demonstrate accountability and stewardship to the public as well as measurement of educational outcomes. The University of Southern Indiana strongly supports the intent of the Voluntary System of Accountability (VSA) and was

an early adopter of the College Portrait. USI's College Portrait can be found at www.collegeportraits.org/IN/USI.

CONTRIBUTING TO THE INDIANA ECONOMY

Reaching Higher, Achieving More, the Indiana Commission for Higher Education's 2012 report, asserts that a workforce-aligned state higher education system is critical to ensuring Indiana's economic competitiveness. USI is a proven contributor to Indiana's economy and embraces this challenge, as demonstrated by the institution's focus on:

- Increasing access to higher education for traditional and nontraditional students;
- Developing and expanding educational programs and services to address concerns about workforce preparation, including increased emphasis on improving teaching and learning options in science, mathematics, and technical (STEM) skills areas;
- Expanding opportunities for faculty with specialized content expertise to support applied research and problem-solving initiatives critical to development needs in the region;
- Introducing certificate programs designed to increase employability of the unemployed and underemployed;
- Implementing academic and outreach programs focusing on innovation, entrepreneurship, applied research, and improved competitiveness; and
- Retaining Hoosier students.

As a public comprehensive institution, the University of Southern Indiana continues to assist with the economic development strategies of the state and the southwest Indiana region. The University's consistent record of program development and service expansion in response to, or in anticipation of, needs of the changing economy is clear.

Increasingly, as the public comprehensive institution in southwest Indiana, the University of Southern Indiana is called to "regional stewardship." The University is expected to take leadership roles in key regional development initiatives. While remaining focused on the University's central mission of providing quality teaching and learning, USI is a broadly engaged university providing resources and services to support economic and workforce development.

The University of Southern Indiana is mindful of its obligation to serve the region and the state and is actively engaged in a variety of partnerships locally, regionally, and statewide. The University of Southern Indiana continues its strong tradition of service, particularly in the form of continuing education, applied research, and employee development training to meet the ever-changing needs of area businesses and industrial firms, as well as of K-12 schools and the public sector. As implied by its name, USI is embedded in southern Indiana and responds, as resources permit, to regional expectations.

2015-2017 PERFORMANCE FUNDING METRICS

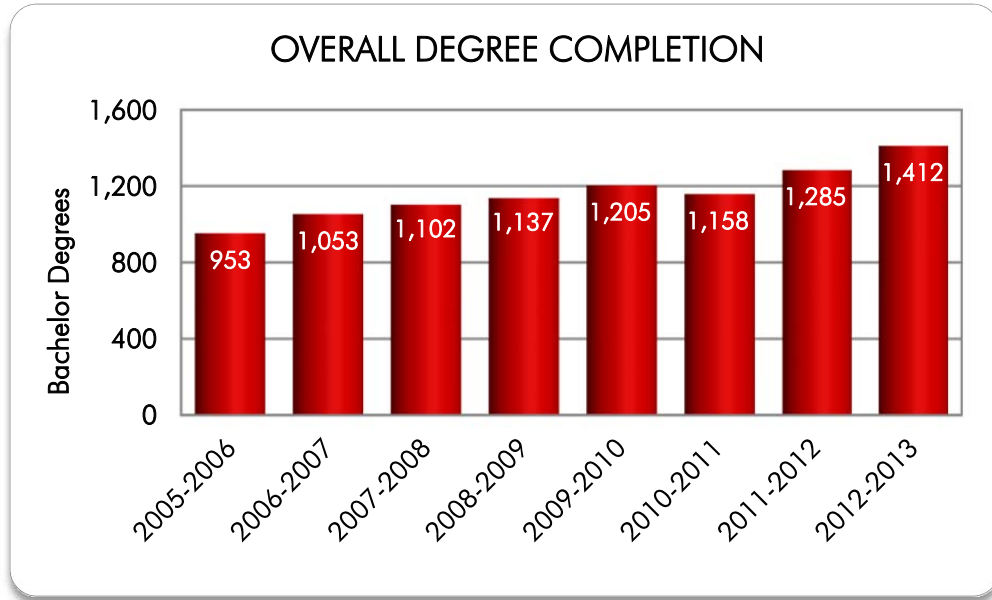
The University of Southern Indiana is eligible to receive funding through five of the seven Performance Funding Metrics in 2015-2017. The five metrics are:

- Overall Degree Completion
- On-Time Degree Completion
- At-Risk Degree Completion
- Student Persistence Incentive
- Institution-Defined Productivity Metric

The University of Southern Indiana submitted data to the Indiana Commission for Higher Education for each of the five Performance Funding Metrics for 2015-2017. The University again demonstrated progress in each category for each metric. The University has increased significantly in the production of degrees.

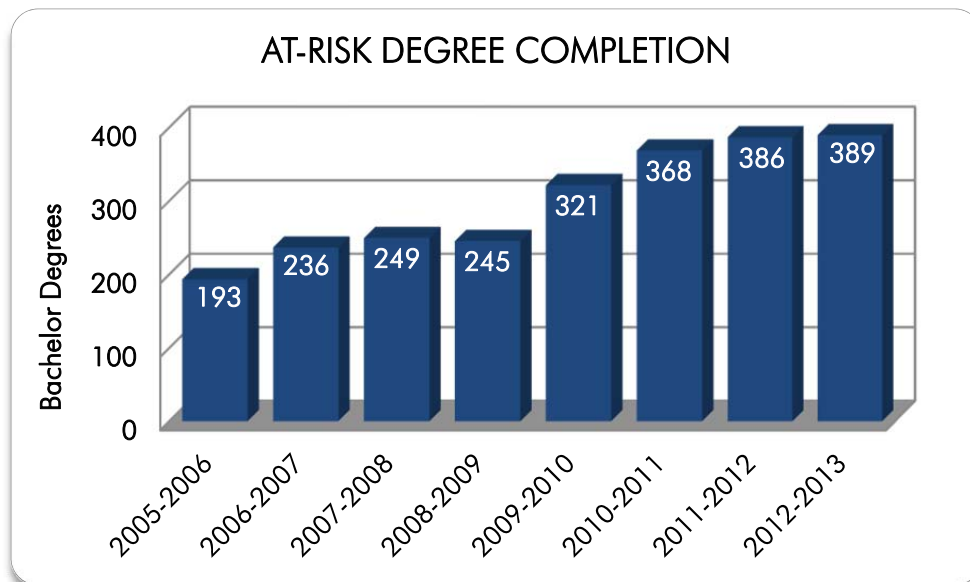
Overall Degree Completion

Degree Completion for bachelor degrees for Indiana residents has increased 48.2 percent since 2005-2006 from 953 degrees to 1,412 degrees in 2012-2013. The number of master degrees for Indiana residents has increased 72.2 percent from 169 degrees in 2005-2006 to 291 degrees in 2012-2013. Overall Degree Completion increased 14.5 percent for the three-year comparison period for the 2015-2017 budget submission.



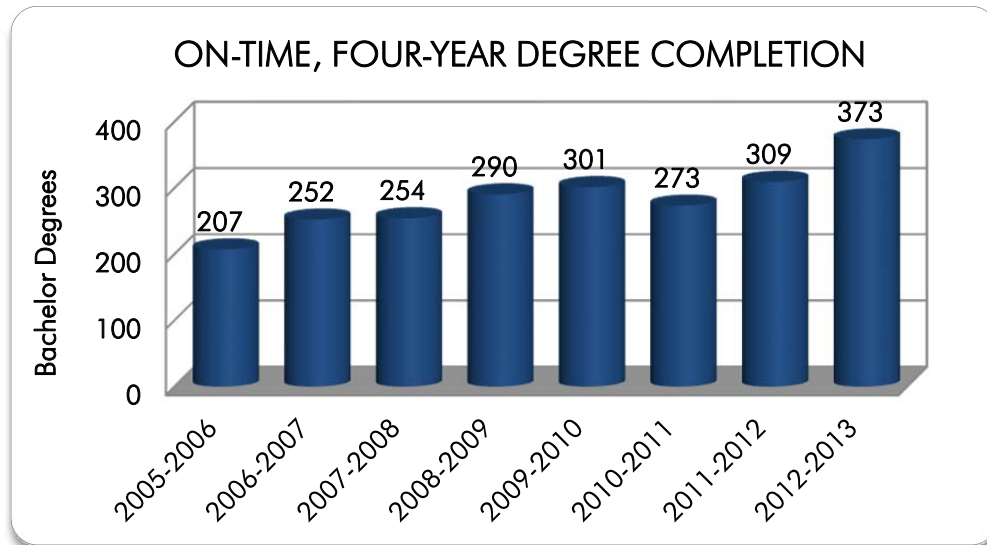
At-Risk Degree Completion

At-Risk Degree Completion has increased over 100 percent since 2005-2006 from 193 degrees to 389 degrees in 2012-2013. For the three-year comparison period, At-Risk Degree Completion increased by 40 percent.



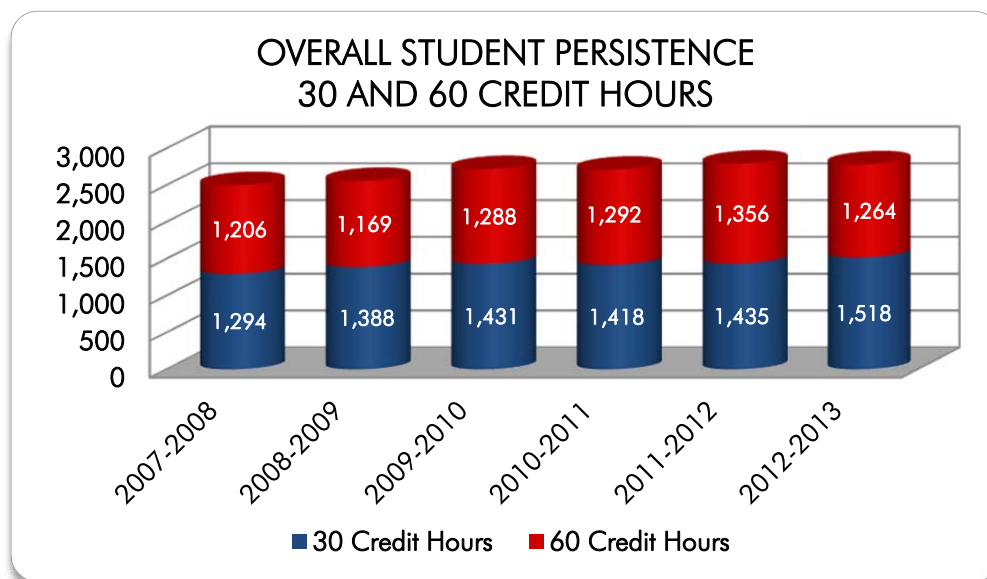
On-Time Degree Completion

On-Time Degree Completion has increased 80.2 percent since 2005-2006 from 207 degrees to 373 degrees in 2012-2013. For the three-year comparison period, On-Time Degree Completion increased 13.2 percent.



Student Persistence Incentive Metric

Overall Student Persistence for the completion of 30 credit hours and 60 credit hours increased 11.3 percent since 2007-2008.



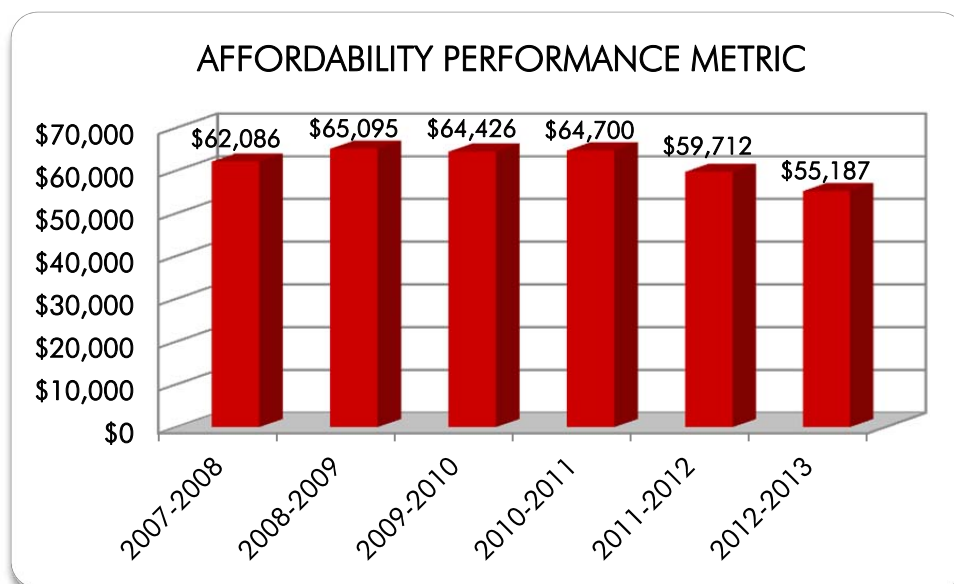
Institution-Defined Performance Metric

A new metric introduced for the 2013-2015 biennium was the Institution-Defined Performance Metric. For the 2015-2017 biennium, the Indiana Commission for Higher Education selected three metrics and each institution was asked to choose one metric to submit in its 2015-2017 Biennial Budget Request.

The University of Southern Indiana chose the College Affordability Index (CAI) metric. The index is an institution generated measure that includes changes in:

- Indiana-resident undergraduate tuition and fees;
- Institutional grant and scholarship aid to students;
- Annual state operating appropriation; and
- Number of resident undergraduate degrees awarded each year.

In comparing the three-year average for 2008-2010 to 2012-2013, there was a 5.3 percent decrease in the Affordability Performance Metric for the University of Southern Indiana. From 2007-2008 to 2012-2013 there was an 11.1 percent decrease in the Affordability Performance Metric.



The University of Southern Indiana demonstrated significant improvement in each of the five Performance Funding Metrics it is eligible to receive funding through in 2015-2017.

Proposed Metric Value and Impact

The Indiana Commission for Higher Education proposed the per-unit values for each of the metrics which are similar to the unit values in 2013-2015. If the metrics are fully funded by the Indiana General Assembly at the initial levels proposed by the Indiana Commission for Higher Education, USI would earn \$3,148,300 for improved performance on the metrics.

SUMMARY OF 2015-2017 PROPOSED METRIC VALUE AND IMPACT

PFF Metric	Value of Metric
Overall Degree Completion	\$1,300,000
At-Risk Degree Completion	\$654,000
Student Persistence Metric	\$193,300
On-Time Degree Completion	\$851,000
Institution-Defined Metric	\$150,000
Total PFF Impact	\$3,148,300

The University of Southern Indiana requests support of its 2015-2017 Operating and Capital Improvement Budget Request to carry out its mission of providing high-quality education services to help achieve the goals of the state and region.

UNIVERSITY OF SOUTHERN INDIANA 2015-2017 OPERATING AND CAPITAL IMPROVEMENT INSTITUTIONAL REQUEST

The University of Southern Indiana's 2015-2017 Operating and Capital Improvement Budget Request was developed using the Performance Funding metrics created by the Indiana Commission for Higher Education.

Based on the budget instructions, the University is eligible to receive funding through five of the seven Performance Funding Metrics in 2015-2017. The metrics are:

- Overall Degree Completion
- At-Risk Degree Completion
- Student Persistence Incentive
- On-Time Graduation Rates
- Institution-Defined Productivity Metric

The University is not eligible to receive funding through the High Impact Degree Completion Metric. This metric only applies to degrees awarded by the research institutions. The Remediation Success Metric only applies to the two-year institutions.

In the 2015-2017 biennia, the Indiana Commission for Higher Education has recommended that the Performance Funding Formulas be funded at 7 percent in 2015-2016 and 8 percent in 2016-2017. In order to fund the Performance Funding Formula pool, institutional operating budgets would be reduced 4 percent in 2015-2016 and 5 percent in 2016-2017 with an assumption of new state funding of 3.2 or 3.3 percent with the metrics weighted at an adjusted unit value. Institutional performance in each of the metrics determines the recommended funding level for each year of the biennium. Based on data provided to the Indiana Commission for Higher Education, the University of Southern Indiana showed improvement in each of the metrics in every category; however, because of the reduction in the operating base and the weighting of the metrics, the amount earned through the formulas is significantly reduced.

**2015-2017 METRIC ALLOCATION BASED ON
INDIANA COMMISSION FOR HIGHER EDUCATION
BUDGET RECOMMENDATIONS**

	OPERATING BASE	BASE REALLOCATION	PERFORMANCE FUNDING IMPACT	TOTAL OPERATING FUNDING	DOLLAR CHANGE	PERCENT CHANGE
FY16/FY17 Funding Based on Metric Values No Unit Adjustment	\$44,146,854	\$0	\$3,148,300	\$47,294,354	\$3,148,300	7.1%
FY16 PFF 7% 4% Base Reallocation 3.2% New Funding -27.1% Per Unit Adjustment	\$44,146,854	\$1,765,874	\$2,294,732	\$44,675,712	\$528,854	1.2%
FY17 PFF 8% 5% Base Reallocation 3.3% New Funding -16.7% Per Unit Adjustment	\$44,146,854	\$2,207,343	\$2,623,682	\$44,563,193	\$416,339	0.9%

In the Governor's Budget for the 2015-2017 biennia, the Performance Funding Formulas are funded at 7 percent in 2015-2016 and 8 percent in 2016-2017. The Performance Funding pool is funded through the reallocation of institutional operating budgets, 6.1 percent in 2015-2016 and 6.2 percent in 2016-2017 with an assumption of new state funding of 1 percent in the first year of the biennium and 2 percent in the second year of the biennium with the metrics weighted at an adjusted unit value. Although the University shows improvements in each of the metrics in every category, the University's operating budget is reduced from 2014-2015 levels in each year of the 2015-2017 biennium in this budget recommendation.

2015-2017 METRIC ALLOCATION BASED ON
GOVERNOR'S BUDGET RECOMMENDATIONS

	OPERATING BASE	BASE REALLOCATION	PERFORMANCE FUNDING IMPACT	TOTAL OPERATING FUNDING	DOLLAR CHANGE	PERCENT CHANGE
FY16/FY17 Funding Based on Metric Values No Unit Adjustment	\$44,146,854	\$0	\$3,148,300	\$47,294,354	\$3,148,300	7.1%
FY16 PFF 7% 6.1% Base Reallocation 1.0% New Funding -28.7% Per Unit Adjustment	\$44,146,854	\$2,679,714	\$2,245,272	\$43,712,412	(\$434,442)	(1.0%)
FY17 PFF 8% 6.2% Base Reallocation 2.0% New Funding -17.7% Per Unit Adjustment	\$44,146,854	\$2,715,385	\$2,591,759	\$44,023,228	(\$123,626)	(0.3%)

DEFINITIONS OF METRICS

- **Overall Degree Completion:**
 - Calculates the change in degrees conferred over a three-year period rolling average (2008 through 2013; average of 2008-2010 versus 2011-2013)
 - For resident students only (no reciprocity)
 - Applies to bachelor, masters, and doctoral degrees conferred at four-year institutions

- **At-Risk Student Degree Completion:**
 - Calculates the change in degrees conferred over a three-year period rolling average (2008 through 2013; average of 2008-2010 versus 2011-2013)
 - For resident students only (no reciprocity)
 - Only those students who were eligible for Pell when they graduated from the institution
 - Applies to bachelor degrees conferred at four-year institutions

- **Student Persistence Incentive:**
 - Calculates the change in headcount over a three-year period rolling average (2008 through 2013; average of 2008-2010 versus 2011-2013)
 - Applies to all resident undergraduate students (no reciprocity)
 - Progress points include credit hours associated with dual credit and transfer credits; however, a student who transfers in credits must attain the credit hour threshold by earning additional credits at the reporting institution
 - For four-year non-research campuses, number of students who successfully complete 30 and 60 credit hours

- **On-Time Graduation Rates:**
 - Calculates the change over a three-year period rolling average (2008 through 2013; average of 2008-2010 versus 2011-2013)
 - Applies only to resident, undergraduate, first time, full-time students (no reciprocity)
 - Measures the graduation rate for institutions based on type of campus
 - For four-year institutions, the graduation rate achieved in four years

- **Institution-Defined Productivity Metric:**
 - New metric introduced for the 2013-2015 biennium was the Institution-Defined Performance Metric
 - For 2015-2017 biennium, the Indiana Commission for Higher Education selected three metrics and each institution was asked to choose one metric to submit in its 2015-2017 Biennial Budget Request
 - University of Southern Indiana chose the College Affordability Index (CAI) metric
 - Index is an institution generated measure that includes changes in:
 - Indiana-resident undergraduate tuition and fees;
 - Institutional grant and scholarship aid to students;
 - Annual state operating appropriation; and
 - Number of resident undergraduate degrees awarded each year

LINE ITEM APPROPRIATION REQUEST

The University’s 2015-2017 Operating Budget Request includes three line item appropriation requests.

Historic New Harmony

The University of Southern Indiana has been responsible for operating and maintaining the New Harmony historic sites since 1985. During this period, the University has been responsible for all operational expenses that exceeded revenue. In addition, the University performs, at its expense, all ongoing restoration to the historic sites. Portions of the repair and renovation expenditures come from the appropriations provided by the state to the University for maintaining of its educational facilities. New Harmony is an international treasure that must be preserved to showcase Indiana’s role in the history of a developing nation. The budget for operational expenditures is critical. Educational exhibits and programs must continually be updated and refreshed with new ideas intended to encourage both initial and return visits to New Harmony.

<u>Historic New Harmony</u>	<u>2015-2016</u>	<u>2016-2017</u>
	<u>Request</u>	<u>Request</u>
<u>Base Appropriation</u>	\$535,566	\$535,566

Dual Credit

Funding for the line item for Dual Credit was added as a new line item in the 2013-2015 biennium. The funding for Dual Credit is based on the credit hours earned in 2012-2013 for dual credit priority courses multiplied times \$50 per credit hour.

<u>Dual Credit</u>	2015-2016	2016-2017
	<u>Request</u>	<u>Request</u>
 <u>Base Appropriation</u>	 \$320,450	 \$320,450

STEM Initiative – Enhancing Engineering, Advanced Manufacturing, and Innovation in Southwest Indiana Expanding Engineering and Advanced Manufacturing Capabilities

The University of Southern Indiana requests funding for a new Science, Technology, Engineering, and Mathematics (STEM) Initiative line item in the 2015-2017 biennium to support the expansion of USI’s engineering program in two specific disciplines; to continue and expand USI’s work with K-12 schools and STEM programs; and, to strengthen USI’s STEM efforts in managing the I-69 Innovation Corridor. The University of Southern Indiana is one of only two public institutions in Indiana authorized to confer undergraduate degrees in engineering. The Southwest Indiana region is poised for substantial economic growth with the impending completion of I-69 that links the university with the Crane Naval Surface Warfare Center. STEM jobs will form the basis of much of that growth. Since 2007, USI has responded to the need for additional STEM graduates, having increased the number of STEM majors from 650 to over 1,200 majors today. The University of Southern Indiana requests support of the STEM Initiative line item to continue to facilitate the demands in engineering and advanced manufacturing in Southwest Indiana.

<u>STEM</u>	2015-2016	2016-2017
	<u>Request</u>	<u>Request</u>
 <u>Base Appropriation</u>	 \$2,000,000	 \$2,000,000

The University requests continued funding of the line item appropriation for Historic New Harmony to support the preservation, education, and interpretive programs of this state and national treasure; and for the funding of dual credit priority courses. The University also

requests funding for STEM Initiatives to meet the demand for regional business and industry requests for engineering and technical assistance, collaborations, and partnerships in the region.

CAPITAL BUDGET REQUEST

The University of Southern Indiana requests bonding authorization for two capital projects and funding of the General Repair and Rehabilitation and Infrastructure formula during the 2015-2017 biennium.

Classroom Renovation/Expansion – Health Professions Center \$8,000,000

This project proposes the renovation and expansion of the 26,000 gross square feet of the third floor of the Health Professions Center that will be vacated when the Indiana University School of Medicine-Evansville moves to its new downtown Evansville facility planned by the City of Evansville. The project also encloses four corner balconies adjoining the existing space, to add another 4,000 gross square feet to the floor. The proposed use of the space is to expand nursing and health science related offerings of the University, which are operating at capacity, and to support and expand other academic programs.

Multi-Institutional Academic Health Science/Research Center – USI \$7,300,000

The University of Southern Indiana, Ivy Tech Community College, Indiana University School of Medicine - Evansville, and the University of Evansville will jointly plan, occupy, and co-fund, with the City of Evansville, a two-building complex in downtown Evansville that will co-locate various health sciences programs operated by the participating schools with the medical school currently located on the campus of the University of Southern Indiana. The goal of the project is to facilitate inter-professional health sciences education and the joint training of related health professions. The project also is intended re-position the region to better compete in the recruitment and development of science-oriented and knowledge-based industries. Coupled with a related expansion of the number of medical resident training positions in the region, the project will foster the retention of trained medical professionals in the underserved Evansville area and the development of the city as a nexus for health care services. USI is requesting funding to construct 26,000 gross square feet in the facility that will be dedicated to several health-related degree programs.

General Repair and Rehabilitation and Infrastructure

\$3,597,873

The University requests funding of the General Repair and Rehabilitation and Infrastructure formula to maintain existing facilities, including the infrastructure which supports these facilities, in both years of the biennium. Several general repair and rehabilitation projects totaling \$3,597,873 are planned for completion in the 2015-2017 biennium.

CONCLUSION

The University of Southern Indiana requests support from the State of Indiana for its 2015-2017 Operating and Capital Improvement Budget Request. The funding requested to support Overall Degree Completion, At-Risk Student Degree Completion, Student Persistence Incentive, On-Time Graduation Rates, Institution-Defined Productivity Metric, two capital projects, funding of the General Repair and Rehabilitation and Infrastructure formula, and funding of the line items for Historic New Harmony, Dual Credit, and STEM Initiatives is essential for the University of Southern Indiana to serve the southern Indiana region and to help achieve the goals of the state.

UNIVERSITY OF SOUTHERN INDIANA 2015-2017 CAPITAL IMPROVEMENT PLAN

The University of Southern Indiana's 2015-2017 Capital Improvement Budget Request asks for the approval and funding for the following projects:

SPECIAL REPAIR AND REHABILITATION

Classroom Renovation/Expansion – Health Professions Center

Student Residence Building Renovation/Replacement – to be funded through housing reserves

NEW CONSTRUCTION

Multi-Institutional Academic Health Science/Research Center – USI

Welcome Center – to be funded through private gifts

ACQUISITIONS

No requests for Acquisitions for 2015-2017

MAJOR EQUIPMENT

No requests for Major Equipment for 2015-2017

GENERAL REPAIR AND REHABILITATION AND INFRASTRUCTURE

The 2015-2017 Capital Improvement Budget Request asks for funding and approval of several general repair and rehabilitation projects totaling \$3,597,873. The repair and rehabilitation projects planned for completion in the 2015-2017 biennium include the following replacements or upgrades:

- Ballasted Roofs on Physical Plant and Tech Center
- Damaged sidewalks at Entrance to Parking Lots B and C; Doors on Science Center South by Redwood Patio

- Air Handling Units in Wright Administration Building; Science Center East; and University Center
- Public Restrooms to Comply with ADA Requirements in Orr Center
- Sealant in Façade on Education Center; Health Professions Center; Orr Center; and Liberal Arts Center
- Roadway Projects for Loop Road – Phase II and Bennett Lane
- Landscape in Parking Lots A and B Islands
- HVAC System in Atheneum in New Harmony
- Membrane Roof System for Atheneum in New Harmony

CAPITAL REQUEST SCHEDULE IV (CRS IV)
TEN YEAR CAPITAL PROJECT PLAN
INDIANA PUBLIC POSTSECONDARY EDUCATION
SUMMARY OF MAJOR PROJECTS RELATED TO THE TEN YEAR CAPITAL PLAN
UNIVERSITY OF SOUTHERN INDIANA
September 4, 2014

	Near Term 2015-17			Medium Term 2017-19			Long-Term 2019-2025		
	Est. State Funding	Est. Other Funding ⁽¹⁾	Est. GSF Impact	Est. State Funding	Est. Other Funding ⁽¹⁾	Est. GSF Impact	Est. State Funding	Est. Other Funding ⁽¹⁾	Est. GSF Impact
<u>A. SPECIAL R&R PROJECTS</u>									
1. Classroom Renovation/Expansion (July 2017)	\$ 8,000,000		30,000						
2. Student Residence Building Renovation/ Replacement (July 2016)		\$ 8,000,000 a			\$ 8,000,000 a				
3. University Center Expansion/Renovation - Phase II (July 2020)							\$ 12,000,000 b		
<u>B. NEW CONSTRUCTION</u>									
1. Multi-Institutional Academic Health Science/ Research Center (July 2016)	\$ 7,300,000		26,000						
2. Welcome Center (July 2016)		\$ 2,500,000 c	6,000						
3. Parking Facilities ⁽²⁾ (July 2017)					\$ 8,000,000 b	2,000	\$ 8,000,000 b		
4. General Classroom Building (July 2019)							\$ 30,000,000	\$ 2,000,000 c	92,850
5. Recreation and Fitness Center Expansion - Phase III (July 2020)							\$ 5,250,000 b		35,700
<u>C. QUALIFIED ENERGY SAVINGS PROJECTS</u>									
(none)									
<u>D. ACQUISITION (FACILITY, LAND OR LEASE)</u>									
(none)									
<u>E. OTHER PROJECTS</u>									
(none)									
TOTAL CAPITAL PROJECT BUDGET REQUEST	\$ 15,300,000	\$ 10,500,000	62,000		\$ 16,000,000	2,000	\$ 30,000,000	\$ 27,250,000	128,550

Notes:

(1) Source of non-state (i.e. "other") funding: (a) Rental/Board Income, (b) Fees and Contributions, (c) Contributions

(2) Received bonding authorization in 2003-2005 for \$3,000,000 to construct parking facility; mid-term request is for increase of \$5,000,000 in bonding authorization for construction of parking facility for total of \$8,000,000 for project.

(3) Construction start date may change if funding is received early.

- All projects that would need approval from the General Assembly or CHE/SBA/SBC should be included in this schedule

- Any project that would not need approval from the General Assembly or CHE/SBA/SBC should not be included in the schedule

- For projects listed in Medium and Long-Term, the estimated cost and GSF impact can be shown as a range

- Projects should include all costs associated with the project (structure, A&E, infrastructure, consulting, FF&E, etc.)

CLASSROOM RENOVATION/EXPANSION HEALTH PROFESSIONS CENTER

Project Description:

The Classroom Renovation/Expansion project proposes repurposing 26,000 gross square feet of space on the third floor of the Health Professions Center at the University of Southern Indiana that will be vacated when the Indiana University School of Medicine-Evansville moves to the new downtown Evansville facility planned by the City of Evansville. The project also encloses four corner balconies adjoining the existing space, to add another 4,000 gross square feet to the floor. The proposed use of the space is to expand nursing and health science related offerings of the University, which are operating at capacity, and to support and expand other academic programs.

Estimated Request: \$8,000,000 – State Funding – State Bonding Authorization

Project A.S.F.: 22,200

Anticipated Date of Completion: August 2018

Estimated Change in Annual Operating Budget: \$31,800

NEED FOR CLASSROOM RENOVATION/EXPANSION – HEALTH PROFESSIONS CENTER

Expansion of the BSN program at USI is needed to meet both market and enrollment demand. The vacated medical school space is located on the third floor of the same building in which the College of Nursing and Health Professions is located. Renovation of the space in this facility is uniquely well suited to meet this need.

PRIORITY FOR CLASSROOM RENOVATION/EXPANSION HEALTH PROFESSIONS CENTER

- Number one capital request for 2015-2017 biennium

MULTI-INSTITUTIONAL ACADEMIC HEALTH SCIENCE/RESEARCH CENTER

Project Description:

The University of Southern Indiana, Ivy Tech Community College, Indiana University School of Medicine-Evansville, and the University of Evansville will jointly plan, occupy, and co-fund, with the City of Evansville, a two-building complex in downtown Evansville. The facility will co-locate the various health sciences programs operated by the participating schools with the medical school currently located on the campus of the University of Southern Indiana. The goal of the project is to facilitate inter-professional health sciences education and the joint training of related health professions. Coupled with a related expansion of the number of medical resident training positions in the region, the project will foster the retention of trained medical professions in the underserved Evansville area and the development of the city as a nexus for health care services.

Estimated Request: \$7,300,000 – State Funding – State Bonding Authorization

Project A.S.F.: 19,500

Anticipated Date of Completion: July 2017

Estimated Change in Annual Operating Budget: \$206,700

NEED FOR MULTI-INSTITUTIONAL ACADEMIC HEALTH SCIENCE/RESEARCH CENTER

Indiana University School of Medicine - Evansville recently added a fourth year to the three years of medical school already offered in the region. Co-locating various health-related degree programs offered by the four institutions of higher education will foster the kind of interdisciplinary communication, cooperation, and coordination that is needed to train the health professionals of the future.

PRIORITY FOR MULTI-INSTITUTIONAL ACADEMIC HEALTH SCIENCE/RESEARCH CENTER

- Number two capital request for 2015-2017 biennium

UNIVERSITY OF SOUTHERN INDIANA

Campus Legend

- Applied Engineering Center
- Art Studio
- Bent Twig Outdoor Education Center
- A.** Amphitheatre
- B.** Bokelman #3 School
- C.** Breckinridge Cabin
- D.** Eicher Barn
- E.** Grimes Haus
- F.** Herb Garden
- G.** Restrooms
- H.** Westwood Lodge
- Business and Engineering Center
- Carter Hall (**UC 233**)
- Children's Learning Center
- Couch/Renner Hall (**ED 1101**)
- Dowhie Ceramic Center
- Education Center
- Forum Lecture Halls (**FA 1, 2, and 3**)
- Forum Wing
- USI Foundation
- Grounds Center
- Health Professions Center
- I.U. School of Medicine-Evansville (**HP 3026**)
- Klemeyer Hall (**LA 0101**)
- Liberal Arts Center
- Mallette Studio Theatre (**LA 0105**)
- McCutchan Art Center/Pace Galleries (**LA 0155**)
- Mitchell Auditorium (**HP 1002**)
- Robert D. Orr Center
- Physical Activities Center (PAC)
- Physical Plant Service Center
- Publishing Services Center
- Recreation, Fitness and Wellness Center
- Fair Residence Life Center
- Residence Life Community Center
- David L. Rice Library
- Security Building
- Science Center
- Support Services Building
- Teaching Theatre
- Teaching Theatre Support Center
- Technology Center
- University Center
- A.** UC Courtyard
- B.** Rice Plaza
- C.** Skywalk (2nd floor)
- D.** UC Fountain
- E.** Teaching Theatre Courtyard
- Byron C. Wright Administration Building

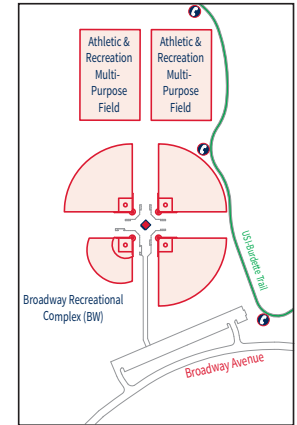
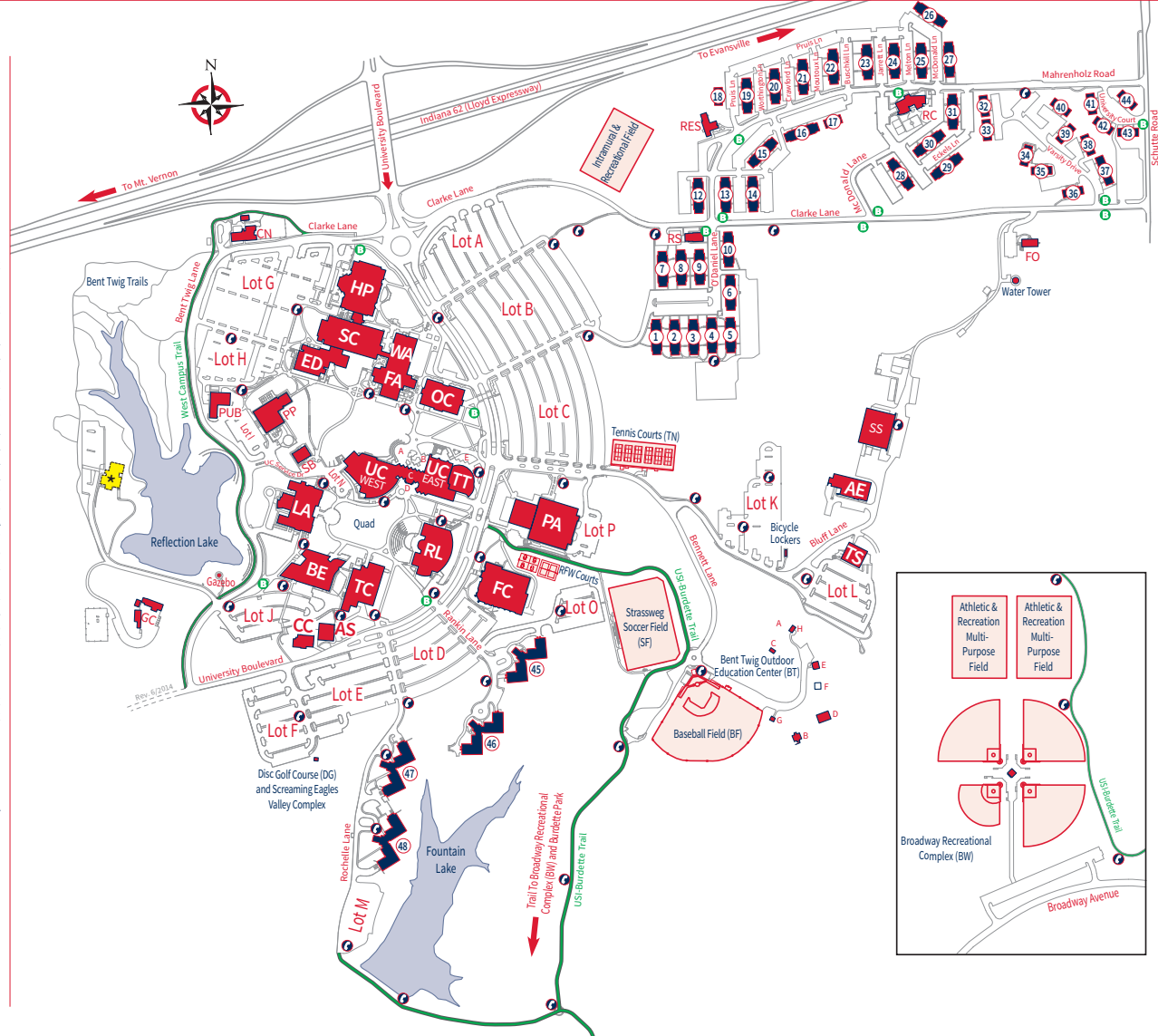
- Pedestrian, Bike and Nature Trail
- Blue Emergency Phone
- Bus Stop

The off-campus recreational and varsity softball fields can be reached by traveling south on Schutte Road, then west on Broadway 1/4 mile; see map inset.

Under Construction

Meeting Facility

- AE
- AS
- BT
- BE
- UC
- CN
- ED
- CC
- ED
- FA
- FA
- FO
- GC
- HP
- HP
- LA
- LA
- LA
- LA
- HP
- OC
- PA
- PP
- PUB
- FC
- RES
- RC
- RL
- SB
- SC
- SS
- TT
- TS
- TC
- UC
- WA



Housing Legend

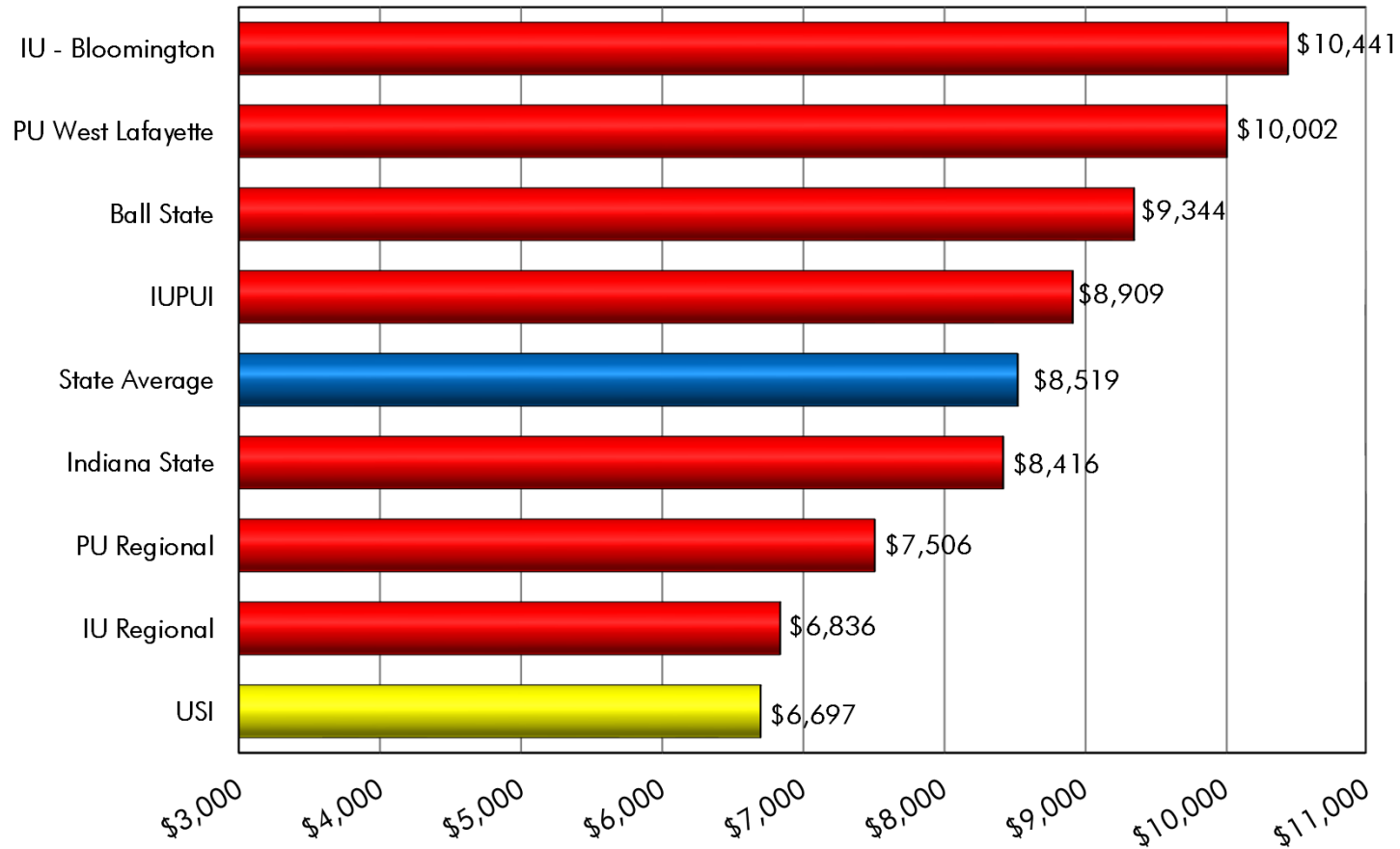
- Fair Residence Life Center
- Residence Life Community Center
- Residence Life Service Center
- Baker Building-McDonald East
- Bayh Building-O'Daniel North
- Bigger Building-O'Daniel South
- Boon Building-O'Daniel South
- Bowen Building-O'Daniel North
- Branch Building-McDonald West
- Branigan Building-O'Daniel North
- Chase Building-McDonald East
- Craig Building-O'Daniel North
- Dunning Building-O'Daniel South
- Durbin Building-McDonald West
- Gates Building-O'Daniel North
- Gray Building-McDonald East
- Goodrich Building-McDonald West
- Governors Hall
- Hammond Building-McDonald East
- Hanly Building-McDonald West
- Hendricks Building-O'Daniel South
- Hendricks Building-McDonald East
- Hovey Building-McDonald East
- Jackson Building-McDonald West
- Jennings Building-O'Daniel South
- Lane Building-McDonald East
- Leslie Building-O'Daniel North
- Marshall Building-McDonald West
- Matthews Building-McDonald East
- McCray Building-McDonald West
- McNutt Building-O'Daniel North
- Morton Building-McDonald East
- Mount Building-McDonald East
- Newman Hall
- Noble Building-O'Daniel South
- O'Bannon Hall
- Orr Building-O'Daniel North
- Porter Building-McDonald East
- Ralston Building-McDonald West
- Ray Building-O'Daniel South
- Ruston Hall
- Saletta Building-McDonald West
- Schricker Building-O'Daniel North
- Townsend Building-O'Daniel North
- Wallace Building-O'Daniel South
- Welsh Building-O'Daniel North
- Whitcomb Building-O'Daniel South
- Willard Building-McDonald East
- Williams Building-McDonald East
- Wright Building-O'Daniel South

Rev. 6/2014

UNIVERSITY OF SOUTHERN INDIANA

2014-2015 TUITION AND FEES

4-YEAR PUBLIC INSTITUTIONS IN INDIANA

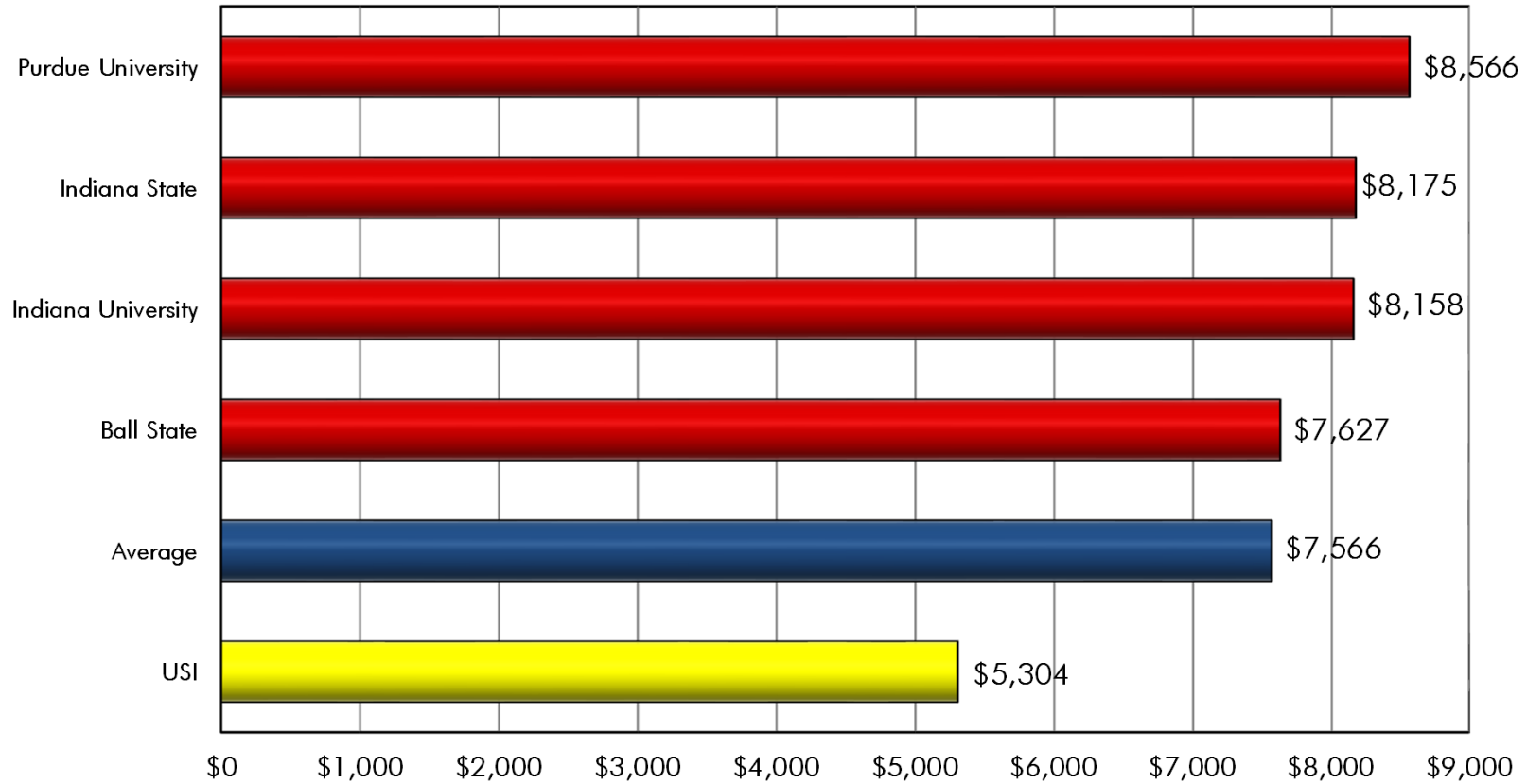


Tuition and fees cover two 15 credit-hour-semester

UNIVERSITY OF SOUTHERN INDIANA

4-YEAR PUBLIC INSTITUTIONS IN INDIANA

2014-2015 APPROPRIATIONS PER-FTE-HOOSIER STUDENT



Based on Actual 2012-2013 Hoosier FTE Enrollment

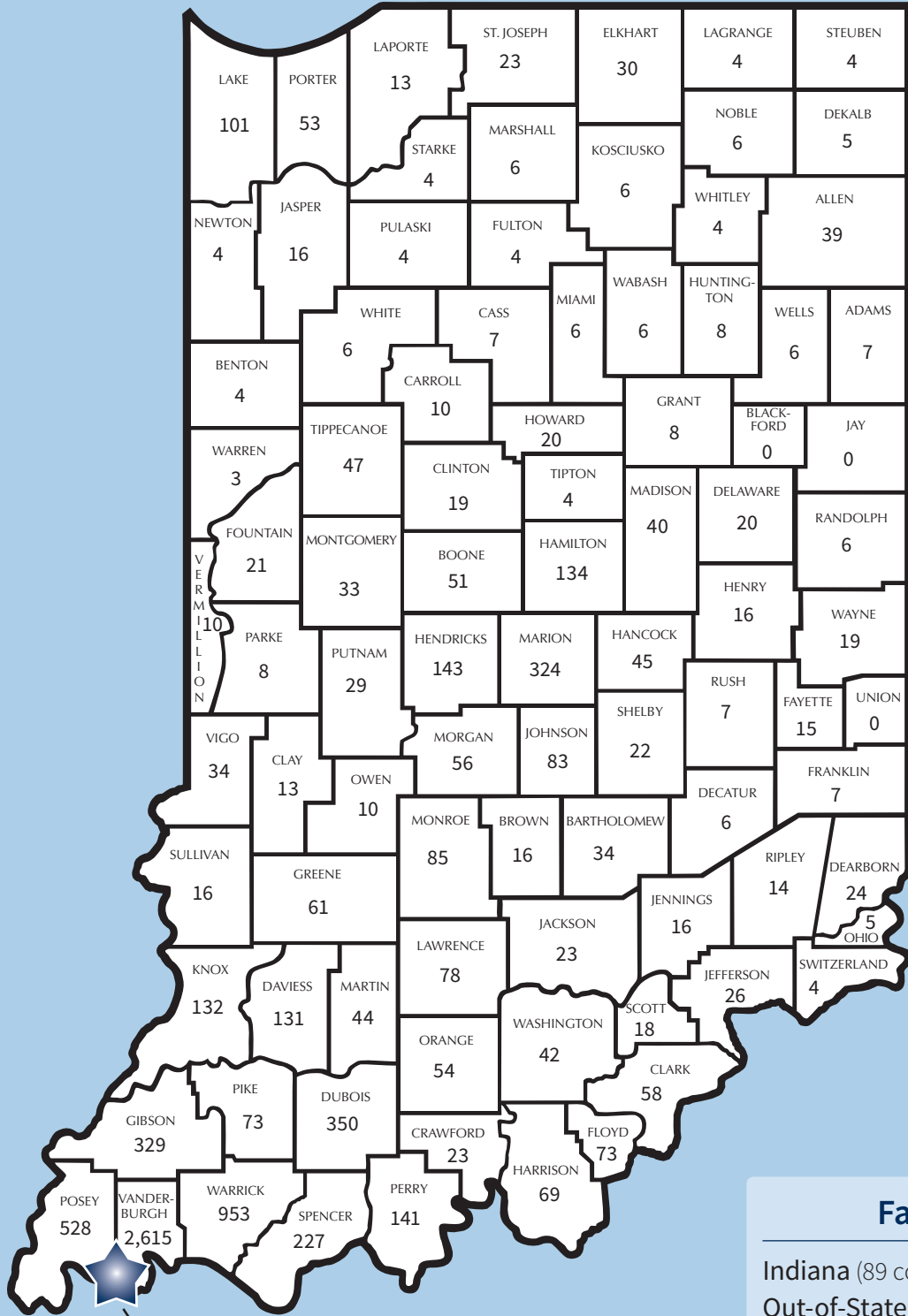
USI Fast Facts - Fall 2014

UNIVERSITY PROFILE	
Established	1965
Location	Evansville, IN
Number of Colleges	4
Undergraduate Degree Majors	
Associates	3
Bachelors	60
Undergraduate Degrees Awarded Academic Year 13–14	
Associates	88
Bachelors	1,590
Graduate Degree Programs	12
<i>Doctoral Degree Programs</i>	1
<i>Masters Degree Programs</i>	11
Graduate Degrees Awarded Academic Year 13–14	314

FACULTY PROFILE	
Fall 2014 Faculty Count	664
Full-Time	352
Part-Time	312
Faculty Rank	
Professors	46
Associate Professors	94
Assistant Professors	121
Instructors	111
Part-Time	292
Faculty Tenure	
Tenured	125
Tenure Track	115
Not Tenured	416
Tenured Part-Time	8
Faculty Count by College	
College of Business	66
College of Liberal Arts	264
College of Nursing and Health Professions	126
College of Science, Engineering & Education	174
University Division	34

STUDENT PROFILE		
Fall 2014 Admissions	<u>New Freshman</u>	<u>Transfer Students</u>
Applicants	5,831	1,258
Admitted	3,576	961
Enrolled	1,613	627
Fall 2014 Official Head Count Enrollment		9,364
Freshmen		2,301
Sophomores		1,806
Juniors		1,801
Seniors		2,345
Non-Degree Seeking		161
Graduate (Master and Doctorate)		950
<i>New</i>		308
<i>Continuing</i>		642
Enrollment Status		
Full-Time		7,132
Part-Time		2,232
Gender		
Females		5,825
Males		3,539
Age		
24 or younger		7,163
25 or older		2,201
Residency Status		
In-State Students		7,901
Out-of-State Students		1,238
International Students		225
Total Credit Hours Generated		115,915
Undergraduate Credit Hours		110,279
Graduate Credit Hours		5,636
Full-Time Student Equivalency		7,821.6
Undergraduate FTE		7,351.9
Graduate FTE		469.7

HOME COUNTIES OF USI STUDENTS—FALL 2014



University of Southern Indiana

Fall 2014	
Indiana (89 counties)	7,901
Out-of-State (35 states)	1,238
International (35 countries)	225
Total Enrollment	9,364



USI.edu