



Operating Budget Request 2011-2013

Submitted to the
Commission for Higher Education
and the
State Budget Agency

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University of Southern Indiana



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EXECUTIVE SUMMARY

The 2011-2013 Operating Budget Request for the University of Southern Indiana responds to the primary concerns of the state and of the region. The University seeks full funding of the state's performance incentive formulae to support growth in enrollment, current programs and services, and to respond to regional workforce and educational needs. To help achieve the goals of the state and of the region, the University of Southern Indiana requests support of its 2011-2013 Operating Budget Request.

The University's 2011-2013 Operating Budget Request addresses many of the strategic goals outlined in *Indiana's Framework for Policy and Planning Development in Higher Education and Reaching Higher: Strategic Directions in Indiana*. The University's funding request centers around the strategic directions endorsed by the Indiana Commission for Higher Education and supports several areas addressed in the *Reaching Higher* documents:

Access

Affordability

College Preparation

Accountability

Student Success

Contribution to Indiana's Economy

2010-2015 STRATEGIC PLAN

In summer 2009, under the direction of President Linda L. M. Bennett, an intense strategic planning process began – the University's first – which resulted with USI's Board of Trustees approving new mission and vision statements in summer 2010.

At the beginning of the strategic planning process, individuals were asked to share a story they thought was representative of the USI community. They were then asked to describe their "dream" for USI's future. The *"Reflections and Directions"* set the tone for the new vision and mission statements, as well as the goals of the 2010-2015 Strategic Plan. The University's new vision statement is:

"Shaping the future through learning and innovation"

The mission of USI continues to be one of access and quality education for the region and beyond. The University's new mission statement is:

The University of Southern Indiana is an engaged learning community advancing education and knowledge, enhancing civic and cultural awareness, and fostering partnerships through comprehensive outreach programs. We prepare individuals to live wisely in a diverse and global community.

The strategic planning process, led by USI's Office of Planning, Research, and Assessment, engaged faculty, staff, students, alumni, trustees, and others in the community. President Bennett notes: "We're off to an exciting start and our next steps will be to clarify ways to achieve our strategic goals. The future holds challenges, but also great opportunities. USI will continue to serve the common good as our students shape the future through learning and innovation."

The strategic plan focuses on ***Experiential Learning, Student Success and Graduation Rate, Campus Community, Leadership, Diversity, and Creating a 24/7 Campus***. The new strategic goals are:

Enhance experiential learning opportunities

Improve 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

As the trustees have sought fully to develop the University and opportunities for education, they have implemented policies that have created important changes in the curriculum, composition of the student body, and physical facilities needed to meet the mission of the University of Southern Indiana. As a result, USI stands as a model for student-centered postsecondary education, delivering high-quality teaching at the most affordable cost among

baccalaureate institutions in the state, providing community engagement to assist with economic and workforce development, and performing applied research needed in the region.

The next steps in the planning process will be to more fully develop the strategies to achieve these goals. It is expected the strategic planning process will be complete in spring 2011.

UNIVERSITY OF SOUTHERN INDIANA RESPONDS TO REGIONAL NEEDS

Throughout its history, the University of Southern Indiana has been committed to meeting the needs of the State of Indiana and the southwestern Indiana region. It has remained carefully focused on expanding access to high-quality postsecondary education while meeting workforce needs and positively affecting economic development. The impact of USI's focus can be seen most dramatically in the rise in regional college-going attendance, from 33 percent of public high school graduates in 1985 when USI was established as a separate state institution, to 84 percent in 2009. These gains outpace both state and national averages and speak to the strong partnership USI has established with P-12 educational programs, other higher education institutions, and business and industry.

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 has become a broadly engaged university providing resources and services to support economic and workforce development. The institution has a consistent record of developing and expanding programs and services in anticipation of or response to the needs of a changing economy.

ACCESS TO HIGHER EDUCATION

The University was founded to bring higher education to an underserved population 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.

In the past ten years, enrollment increased by 21 percent from 8,695 in fall 1999 to 10,516 in fall 2009. The most dramatic change in enrollment is the number of full-time students.

Over the past decade, full-time student enrollment increased by 29 percent from 6,307 in fall 1999 to 8,149 in fall 2009. With over 49.4 percent of the fall 2009 entering freshman class coming from its primary service area, the University is clearly committed to serving students in the region. In fall 2009, 62.1 percent of USI's students came from the 11-county regional service area and 25.1 percent came from other Indiana counties. USI provides wide access to students throughout the state, enrolling students from 91 of Indiana's counties in fall 2009. 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.

Important to the region and the state are the students who graduate from USI and remain in the State of Indiana. Of the University's more than 29,000 alumni, 75 percent of all USI graduates remain in the state after graduation and, of that number, 82.5 percent remain 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 are helping meet another goal of the state – retaining college graduates in the state.

AFFORDABILITY

USI remains the most affordable of the four-year institutions in the State of Indiana. As stated in the Indiana Commission for Higher Education's *Reaching Higher – Strategic Initiatives for Higher Education in Indiana – Reaching Higher with Affordability* document, students are paying a greater share of the cost of higher education. Increased costs are a direct result of decreased state appropriations, increased cost of personnel and benefits, compliance with federal, state, and local regulations, increased operational costs, the demand and need for up-to-date technology, and student and family expectations for increased services and amenities.

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 2009*, the national average for undergraduate tuition and fees charged by public four-year colleges and universities in 2009-2010 was \$7,020. At USI, tuition and fees for full-time, in-state undergraduate students were \$5,334 in 2009-2010, while the average charge for four-year public institutions in Indiana was \$7,231. In-state undergraduate students attending USI full-time in 2010-2011 will pay \$5,600, compared to the \$7,574 average for other Indiana public baccalaureate institutions. Believing that cost can be a hindrance to access, the USI trustees and administration are firmly committed to keeping costs low while meeting the needs of students and honoring the state's mission for improved economic vitality through institutional service and

applied research. To maintain affordability is a shared responsibility that includes students and their families, state and federal policymakers, and institutions of higher education. State appropriations remain an important part of the University's ability to maintain affordability.

In past budget request documents, the University of Southern Indiana has drawn attention to the large disparity in state funding per-FTE-Hoosier student received by each of the public baccalaureate-degree-granting institutions. The state recognized this funding discrepancy by appropriating special equity adjustments to USI and other growing institutions in 1993-1995, 1997-1999, 2005-2007, and 2007-2009. The University appreciates the recognition of differentials in funding and the additional support received from the legislature; however, the appropriations have not been significant enough to offset the funding that would have been received from the enrollment funding formula and other funding formulae had they been fully funded. Even with the special appropriations USI receives 57.6 percent of the statewide average per-FTE-Hoosier student as compared to the other four-year residential institutions. The enrollment formula was fully funded only twice in the past decade. And, in the 2009-2011 biennium, the as-passed budget for higher education cut operating appropriations across the board 5.2 percent in 2009-2010 with an additional 2.5 percent reduction in 2010-2011. The five performance-based funding formulae were funded at 50 percent in 2009-2010 and 75 percent in 2010-2011. Due to growth in enrollment, cuts in operating appropriations, and partial funding of the incentive formulae, USI continues to lose even more ground. Additional special appropriation adjustments are needed for any significant progress to take place. Relying on the performance incentive formulae is not enough. The University requests the state continue to address the differences in state funding per-FTE-Hoosier student.

COLLEGE PREPARATION

Indiana Commission for Higher Education's *2008 Reaching Higher with College Preparation* document states "*far too few Indiana students are leaving high school prepared to succeed in college.*" It goes on to state, "*research indicates that the best predictor of success in college is the academic preparation received in high school.*"

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 2.0. Among USI's 1,865 first-time, full-time freshmen from Indiana in fall 2009, nearly 56 percent completed the Core 40 diploma and 38 percent completed the Academic Honors Diploma.

Nearly 29 percent of the new full-time freshmen were in the top 25 percent of their high school classes.

Even though many new students successfully complete a Core 40 or Academic Honors Diploma, many still need developmental coursework. For college freshmen, developmental coursework in mathematics is most frequently required of high school graduates. In fall 2009, 1,052 of new students placed into one of two developmental math courses offered by USI. This number represents slightly more than 50 percent of the incoming class. The University of Southern Indiana continues to advocate that Core 40 requirements include mathematics in the senior year of high school. A goal of the University is to increase interaction with K-12 education to improve educational quality in the region.

USI's *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.

Interest in opportunities for students to earn college credit while still in high school has grown significantly in recent years. Student interest has grown as the benefits of dual credit programming are better known. More school corporations want to partner with higher education institutions to offer dual credit. USI's concurrent enrollment program, the College Achievement Program (CAP) has been in existence since 1985. CAP has evolved in a deliberate manner to insure 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-two courses, a total of 186 sections, were offered at 26 high schools taught by 113 approved high school instructors during the 2009-2010 academic year, with approximately 1,472 students enrolled in one or more courses. USI's CAP program received accreditation from the *National Alliance of Concurrent Enrollment Partnerships (NACEP)* in 2006. This recognition indicates the high quality of the CAP program delivered by the University. USI is one of only four institutions in Indiana and one of 53 institutions nationwide to have attained this accreditation.

ACCOUNTABILITY

Assessment and accountability are fundamental principles of operation at the University of Southern Indiana. The University uses periodic and systematic scans of the regional environment to assess new programs needed and satisfaction with the quality of education offered at the institution. 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.

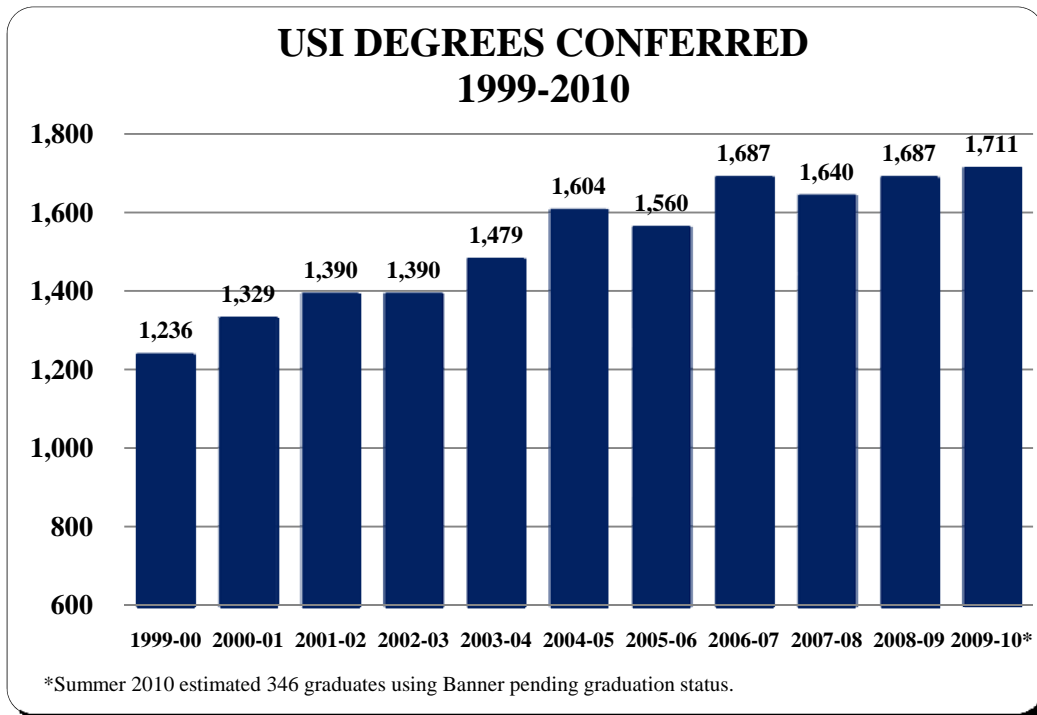
- Assessment of broad-based educational skills among students including critical thinking, reading, and mathematics skills by a standardized test offered through the Educational Testing Service (ETS) called the **Measure of Academic Proficiency and Progress (MAPP)**. Scores are compared to previous years 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, a general knowledge and skills test – the Measure of Academic Proficiency and Progress (MAPP) – is given to all freshmen and seniors. The test is designed to measure “value added” over time. Participation rates for the MAPP test exceeds 90 percent each year. In the spring, a number of academic departments require seniors to take a Major Field Test (MFT) in their areas of study. These exams are designed to measure competency in specific majors. Beginning in spring 2011, a second assessment day will occur focused on program-specific evaluation.
- 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 University on a regular basis disseminates the results of assessment activities to members of the campus and regional communities, the Board of Trustees, the Indiana Commission for Higher Education, and other interested campuses that have requested more information about the University's assessment processes.
- 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 <http://www.collegeportraits.org/IN/USI>.

The University of Southern Indiana was established in response to community and regional need. 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.

STUDENT SUCCESS

Over 1,700 students graduated from USI in 2010. Since the establishment of the University of Southern Indiana in 1985, the college attendance rate of high school graduates in the 11 counties of southwestern Indiana has more than doubled from 1,645 to 3,998 in 2009. During the ten-year period 2000 to 2010, the number of degrees conferred by the University of Southern Indiana has risen over 38.4 percent, from 1,236 in 2000 to 1,711 in 2010.



Since 1994, the Office of Career Services and Placement has conducted a six-month follow-up survey of the most recent graduating class. Information gathered in the survey includes employment information and salary statistics by discipline, the geographic location of graduates, and postgraduate secondary enrollment. A formal report is prepared and presented annually to the University's Board of Trustees.

For the Class of 2009, nearly 85.2 percent live, work, and use services in Indiana and 66.7 percent accepted employment within a 60-mile radius of the University. For the graduating class of 2009, 85.4 percent of the degrees conferred by the University were awarded to Hoosier students. Nearly two-thirds (62.7 percent) of the degrees awarded were to students from the 11 counties comprising the southwestern Indiana region.

CONTRIBUTION TO INDIANA'S ECONOMY

Strategic Directions for Higher Education, a series of planning documents developed by the Indiana Commission for Higher Education, targeted contributing to Indiana's economy as a key goal for public colleges and universities. USI is a proven contributor to Indiana's economy and embraces this goal, 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;
- Implementing academic and outreach programs focusing on innovation, entrepreneurship, applied research, and improved competitiveness; and
- Retaining Hoosier students.

Accelerating Growth, Indiana's strategic economic development plan, states that "Indiana must strive to create an economic environment that fosters innovation and knowledge creation, while fully leveraging existing resources." It cites three imperatives critical to revamping the state's economy for the 21st Century: innovation, talent, and investment. Among key factors named as vital to success are:

- Developing a skilled workforce with constantly improving educational aspirations and attainment;
- Instilling a culture of innovation and entrepreneurship;
- Leveraging key growth opportunities based on existing assets;
- Developing strategic leadership; and
- Promoting and investing in quality of life, community amenities, and civic tolerance.

A major theme of *Accelerating Growth* is that the state's economic revitalization depends heavily on the successful implementation of regional growth strategies.

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 has become a broadly engaged university providing resources and services to support economic and workforce development.

Despite limited resources, the University of Southern Indiana is an active force in engaging the interests of the region and state in economic and workforce development. Regional outreach is central to the institutional mission and a distinguishing characteristic of the University. As implied by its name, USI is embedded in southern Indiana and responds, as resources permit, to regional expectations. The institution has a consistent record of developing and expanding programs and services in anticipation of or response to the needs of a changing economy.

The University of Southern Indiana requests support of its 2011-2013 Operating and Capital Budget Requests to carry out its mission of providing high quality education services to help achieve the goals of the state and region.

PRIORITIES OF 2011-2013 OPERATING AND CAPITAL IMPROVEMENT BUDGET REQUESTS

The 2011-2013 Operating Budget Request and Capital Improvement Budget Request for the University of Southern Indiana were developed in response to the critical needs of the institution and the State of Indiana. The University maintains its commitment to provide students with an affordable, quality education and will continue to expand its many partnerships with business and industry, and social, educational, governmental, and health agencies.

The University faces many challenges as it continues to operate with the lowest tuition and fees of all four-year public universities in the state and the lowest appropriation per-FTE-Hoosier student of the four-year residential campuses. The financial support the University receives from the state is critical to provide the programs, facilities, and support services necessary to fund increases in enrollment and the educational requirements for a high quality educational experience.

The University of Southern Indiana seeks support from the State of Indiana for its 2011-2013 Operating and Capital Improvement Budget Requests to fully fund:

- ***Successfully Completed Credit Hours***
- ***Dual Credit Successfully Completed Credit Hours***
- ***Change in Degree Completion***
- ***On-Time Degree Completion***
- ***Low Income Degree Completion***
- ***Special Repair and Rehabilitation Funding for Three Academic Facilities***
- ***Repair and Rehabilitation Funding***

To help achieve the goals of the state and of the region, the University of Southern Indiana requests support of its 2011-2013 Operating and Capital Improvement Budget Requests.

INSTITUTIONAL REQUEST

Full funding of the University of Southern Indiana's 2011-2013 Operating Budget Request is important to the ongoing growth and development of the campus. The University's budget request was developed in response to the critical needs of the institution and the State of Indiana. The University maintains its commitment to provide students with an affordable, quality education and will continue to expand its many partnerships with business and industry, and social, educational, governmental, and health agencies.

The University has prioritized the needs it believes are required to maintain current programs, sustain the current pattern of enrollment and support increases in enrollment, and address critical state and regional needs. Details of the operating budget request are included in the *2011-2013 Operating Budget Request* and the supporting narrative and budget schedules.

BASIC NEEDS

	2011-2012	2012-2013
	<u>Request</u>	<u>Change</u>
Successfully Completed Credit Hours	\$2,459,050	0
Dual Credit Successfully Completed Credit Hours	\$ 336,600	0
Change in Degree Completion	\$ 645,000	0
On-Time Degree Completion	\$ 35,440	0
Low Income Degree Completion	<u>\$ 220,000</u>	<u>0</u>
Total Base Adjustment	\$3,696,090	0

- **Successfully Completed Credit Hours** - In 2009-2011, Indiana adopted the successfully completed credit hours performance funding incentive. The new formula was partially funded in 2009-2011 with the expectation it would be completely phased in during the 2011-2013 biennium. The University requests funding at \$4,675 per-FTE-Hoosier student based on the four-year rolling average for an additional 526 full-time equivalent (FTE) students who successfully completed credit hours.

Because of growth in enrollment, an increase in the number of successfully completed credit hours, and because the incentive formulae have not been fully funded, the University's appropriation per-FTE-Hoosier student continues to fall

behind. The funds provided through the incentive formulae are essential to provide the instruction and support needed for a quality educational experience for USI students.

- **Dual Credit Successfully Completed Credit Hours** - Interest in opportunities for students to earn college credit while still in high school has grown significantly in recent years. More school corporations want to partner with higher education institutions to offer dual credit. State legislation has mandated the availability of dual credit coursework in high schools throughout Indiana. Dual credit successfully completed credit hours are reported separately in the 2011-2013 budget schedules. The University requests funding for an additional 72 full-time equivalent (FTE) students who successfully completed dual credit hours.
- **Change in Degree Completion** - In 2007-2009, Indiana adopted the degree completion performance funding incentive. From 2003-2004 to 2008-2009, the average number of baccalaureate degrees conferred increased from 992 to 1,164. The University requests funding at \$5,000 for an additional 129 degrees conferred based on the two-year average.
- **On-Time Degree Completion** - In 2007-2009, Indiana adopted the time to degree performance funding incentive. From 2003-2004 to 2005-2006, the number of baccalaureate degrees conferred in four years increased by .4 percent. The University requests funding at \$5,000 for an additional 24 degrees conferred in four years based on the percent change in cohort graduation rate.
- **Low Income Degree Completion** - In 2009-2011, a new performance incentive was partially funded for change in number of degrees awarded to low income students receiving Pell Grants. From 2005-2006 to 2008-2009, the average number of baccalaureate degrees conferred increased from 221 to 265. The University requests funding at \$5,000 for an additional 44 degrees conferred based on the two-year average.
- **Maintenance for Current Programs** - The 2011-2013 Operating Budget Instructions request that no assumption be made for Maintenance/Price increases for the biennium. It is important to note that even though no request was made for increased operating costs, the University continues to experience increased costs. In

the University's 2011-2013 Operating Budget Request, the University seeks funding to maintain current programs and implement new initiatives during the biennium.

LINE ITEM APPROPRIATION REQUEST

The University's 2011-2013 Operating Budget Request includes one line item appropriation for Historic New Harmony.

Historic New Harmony	2011-2012 <u>Request</u>	2012-2013 <u>Request</u>
Base Appropriation	\$553,428	\$553,428

The University requests continued funding of the line item appropriation for Historic New Harmony in the 2011-2013 biennium to support the preservation, education, and interpretive programs of this state and national treasure.

CAPITAL BUDGET REQUEST

The University of Southern Indiana requests bonding authorization for one capital project and full funding of the General Repair and Rehabilitation and Infrastructure formulas during the 2011-2013 biennium.

Special Repair and Rehabilitation Project	\$15,000,000
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The University requests \$15,000,000 in Special Repair and Rehabilitation funding for the renovation and/or expansion of three academic facilities. As campus buildings continue to age, there is increased need to renovate and rehabilitate the facilities. The three projects include: renovation and expansion of the Physical Activities Center to provide additional classroom and laboratory space for the Physical Education Department and renovation of classrooms and laboratories in the Science Center and the Technology Center. The Physical Activities Center, Science Center, and Technology Center serve thousands of students each year. Core academic programming is offered in each of these facilities. The planned renovation and/or expansion will insure the facilities remain in good physical condition.

General Repair and Rehabilitation and Infrastructure \$2,425,000

The University requests full funding of the General Repair and Rehabilitation and Infrastructure formulas to maintain existing facilities, including the infrastructure which supports these facilities, in both years of the biennium. Several general repair and rehabilitation projects totaling \$2,425,000 are planned for completion in the 2011-2013 biennium.

CONCLUSION

The University of Southern Indiana requests support from the State of Indiana for its 2011-2013 Operating and Capital Improvement Budget Requests. The funding requested to support successfully completed credit hours, change in degree completion, on-time degree completion, low income degree completion, one capital project, and repair and rehabilitation projects 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
BIENNIAL BUDGET 2011-2013
REQUEST SUMMARY**

<u>EXPENDITURES</u>	2011-12	2012-13
Expenditure Base	86,170,595	89,866,685
Base Adjustments		
A. Successfully Completed Credit Hours	2,459,050	0
B. Dual Credit Successfully Completed Credit Hours	336,600	0
C. Change in Degree Completion	645,000	0
D. On-Time Degree Completion	35,440	0
E. Low Income Degree Completion	220,000	0
Subtotal Before Debt Service	3,696,090	0
F. Debt Service	1,027,093	1,299,172
Reallocation of Student Fees	(1,027,093)	(1,299,172)
Subtotal Debt Service	0	0
Total Expenditure Base	89,866,685	89,866,685
Maintenance for Current Programs		
A. Personal Services 0%	0	0
B. Supplies & Expense 0%	0	0
C. Student Aid 0%	0	0
Subtotal Maintenance for Current Programs	0	0
Quality Improvement	0	0
Total Budget Increases	3,696,090	0
Total Expenditure Request	89,866,685	89,866,685
 <u>REVENUE</u>		
Student Fee Base	35,878,711	34,851,618
Fee Increase 0%	0	0
Transfer to Debt Service	(1,027,093)	(1,299,172)
Total Student Fees	34,851,618	33,552,446
Operating Appropriation Base	39,172,365	42,868,455
Appropriation Increase	3,696,090	0
Total Operating Appropriation	42,868,455	42,868,455
Fee Replacement Appropriation Base	11,119,519	12,146,612
Fee Replacement Change	1,027,093	1,299,172
Total Fee Replacement Appropriation	12,146,612	13,445,784
Total State Appropriation	55,015,067	56,314,239
Total Revenue Request	89,866,685	89,866,685

SUMMARY I
SUMMARY OF 2011-13 OPERATING REQUEST
UNIVERSITY OF SOUTHERN INDIANA

<u>EXPENDITURE BUDGET CHANGES</u>	2010-11 BUDGET TOTAL (\$)	2011-12 REQUEST			2012-13 REQUEST			TOTAL BIENNIUM (\$)
		CHANGE (\$)	(%)	TOTAL (\$)	CHANGE (\$)	(%)	TOTAL (\$)	
I. BASE ADJUSTMENTS								
A. Successfully Completed Credit Hours		2,459,050		2,459,050	0		2,459,050	4,918,100
B. Dual Credit SSCH		336,600		336,600	0		336,600	673,200
C. Change in Degree Completion		645,000		645,000	0		645,000	1,290,000
D. On-Time Degree Completion		35,440		35,440	0		35,440	70,880
E. Low Income Degree Completion		220,000		220,000	0		220,000	440,000
SUBTOTAL		3,696,090		3,696,090	0		3,696,090	7,392,180
II. PRICE INFLATION								
A. Personal Services	64,390,317	0	0.0%	64,390,317	0	0.0%	64,390,317	128,780,634
B. Supplies and Expense	17,712,943	0	0.0%	17,712,943	0	0.0%	17,712,943	35,425,886
C. Student Assistance	4,067,335	0	0.0%	4,067,335	0	0.0%	4,067,335	8,134,670
SUBTOTAL	86,170,595	0		86,170,595	0		86,170,595	172,341,190
III. QUALITY IMPROVEMENTS		0	0.0%	0	0	0.0%	0	0
TOTAL EXPENDITURE BUDGET	86,170,595	3,696,090	4.3%	89,866,685	0	0.0%	89,866,685	179,733,370
<u>INCOME BUDGET</u>								
I. STUDENT FEES								
A. Rate Change								
1. Gross Fee Base	53,501,058	0	0.0%	53,501,058	0	0.0%	53,501,058	107,002,116
2. Academic Facility Fees	(11,119,519)	(1,027,093)	9.2%	(12,146,612)	(1,299,172)	10.7%	(13,445,784)	(25,592,396)
3. Other Dedicated/Restricted Fees	(6,502,828)	0	0.0%	(6,502,828)	0	0.0%	(6,502,828)	(13,005,656)
SUBTOTAL (= Net Unrestricted Fees)	35,878,711	(1,027,093)	-2.9%	34,851,618	(1,299,172)	-3.7%	33,552,446	68,404,064
II. FEDERAL FUNDS								
III. STATE APPROPRIATIONS								
A. Operating Expense	39,172,365	3,696,090	9.4%	42,868,455	0	0.0%	42,868,455	85,736,910
B. Fee Replacement Base	11,119,519	1,027,093	9.2%	12,146,612	1,299,172	10.7%	13,445,784	25,592,396
SUBTOTAL	50,291,884	4,723,183	9.4%	55,015,067	1,299,172	2.4%	56,314,239	111,329,306
TOTAL INCOME BUDGET	86,170,595	3,696,090	4.3%	89,866,685	0	0.0%	89,866,685	179,733,370

UNIVERSITY OF SOUTHERN INDIANA

PRIMARY ROLES AND MISSIONS

The University of Southern Indiana was established in 1965 in response to a need for public higher education in southwestern Indiana. For 20 years, USI was a regional campus of Indiana State University. In 1985, the Indiana General Assembly created the University of Southern Indiana as a separate statewide public university. The change in structure and mission was best delineated by then-Governor Robert D. Orr in his charge to the University's first Board of Trustees:

You have a statutory mission that is laid out in the bill passed by the legislature, and it is going to take a lot of effort on the part of everyone to live up to those requirements as they have been spelled out by the Indiana General Assembly. This is now a statewide institution, and it is important that this point be emphasized. Heretofore, this has been a branch campus of Indiana State University, and it has been understood to be regional in nature. It was created to accomplish a regional mission...just as other branch campuses around the state. Now this is a state institution in the fullest sense of the word.

Since USI became a separate state university, the Board of Trustees has carefully examined its mission statement on a regular basis. In summer 2009, under the direction of President Linda L. M. Bennett, an intense strategic planning process began – the University's first – which resulted with USI's Board of Trustees approving new mission and vision statements in summer 2010.

2010-2015 STRATEGIC PLAN

At the beginning of the strategic planning process, individuals were asked to share a story they thought was representative of the USI community. They were then asked to describe their "dream" for USI's future. The "*Reflections and Directions*" set the tone for the new vision and mission statements, as well as the goals of the 2010-2015 Strategic Plan. The University's new vision statement is:

"Shaping the future through learning and innovation"

SUMMARY I
SUMMARY OF 2011-13 OPERATING REQUEST
UNIVERSITY OF SOUTHERN INDIANA

<u>EXPENDITURE BUDGET CHANGES</u>	2010-11 BUDGET TOTAL (\$)	2011-12 REQUEST			2012-13 REQUEST			TOTAL BIENNIUM (\$)
		CHANGE (\$)	(%)	TOTAL (\$)	CHANGE (\$)	(%)	TOTAL (\$)	
I. BASE ADJUSTMENTS								
A. Successfully Completed Credit Hours		2,459,050		2,459,050	0		2,459,050	4,918,100
B. Dual Credit SSCH		336,600		336,600	0		336,600	673,200
C. Change in Degree Completion		645,000		645,000	0		645,000	1,290,000
D. On-Time Degree Completion		35,440		35,440	0		35,440	70,880
E. Low Income Degree Completion		220,000		220,000	0		220,000	440,000
SUBTOTAL		3,696,090		3,696,090	0		3,696,090	7,392,180
II. PRICE INFLATION								
A. Personal Services	64,390,317	0	0.0%	64,390,317	0	0.0%	64,390,317	128,780,634
B. Supplies and Expense	17,712,943	0	0.0%	17,712,943	0	0.0%	17,712,943	35,425,886
C. Student Assistance	4,067,335	0	0.0%	4,067,335	0	0.0%	4,067,335	8,134,670
SUBTOTAL	86,170,595	0		86,170,595	0		86,170,595	172,341,190
III. QUALITY IMPROVEMENTS		0	0.0%	0	0	0.0%	0	0
TOTAL EXPENDITURE BUDGET	86,170,595	3,696,090	4.3%	89,866,685	0	0.0%	89,866,685	179,733,370
<u>INCOME BUDGET</u>								
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TOTAL INCOME BUDGET	86,170,595	3,696,090	4.3%	89,866,685	0	0.0%	89,866,685	179,733,370

The mission of USI continues to be one of access and quality education for the region and beyond. The University's new mission statement is:

The University of Southern Indiana is an engaged learning community advancing education and knowledge, enhancing civic and cultural awareness, and fostering partnerships through comprehensive outreach programs. We prepare individuals to live wisely in a diverse and global community.

The strategic planning process, led by USI's Office of Planning, Research, and Assessment, engaged faculty, staff, students, alumni, trustees, and others in the community. President Bennett notes: *"We're off to an exciting start and our next steps will be to clarify ways to achieve our strategic goals. The future holds challenges, but also great opportunities. USI will continue to serve the common good as our students shape the future through learning and innovation."*

The strategic plan focuses on ***Experiential Learning, Student Success and Graduation Rate, Campus Community, Leadership, Diversity, and Creating a 24/7 Campus***. The new strategic goals and their key strategies are:

Enhance experiential learning opportunities

- More fully integrate community and global experience in the academic curriculum
- Increase internships, coop, study abroad, and community engagement
- Articulate the purpose and value of the global and/or community experience
- Accurately track and measure the experiences of students

Improve the graduation rate

- Provide consistently effective advising across campus to increase accountability and ensure students are on track to graduate
- Provide more flexible ways to gain a degree
- Develop an effective framework for student recruitment and retention
- Increase on-campus job opportunities for students who need financial assistance

Preserve and nurture our campus community

- Support the health, well being, and quality of life of our campus community

- Build connections across campus, buildings, and disciplines
- Provide ongoing development for faculty, staff, and students

Provide leadership to Indiana and the region

- Supply collaborative expertise and applied research for issues impacting the region
- Make it easier for people to engage with our resources and/or capabilities
- Elevate our visibility to a level more appropriate to the University's accomplishments and impact in higher education and on the economy

Increase the diversity of faculty, staff, and student body

- Develop activities and experiences that promote diversity as a value
- Enhance support networks for faculty, staff, and students of diverse backgrounds, including first-generation status
- Provide international programming for faculty and students

Become a 24/7 campus

- Engage students in the process of developing a "full-time" campus
- Identify and facilitate activities, spaces, programs, and services to offer during nontraditional hours
- Encourage students to be deliberate in their co-curricular activities

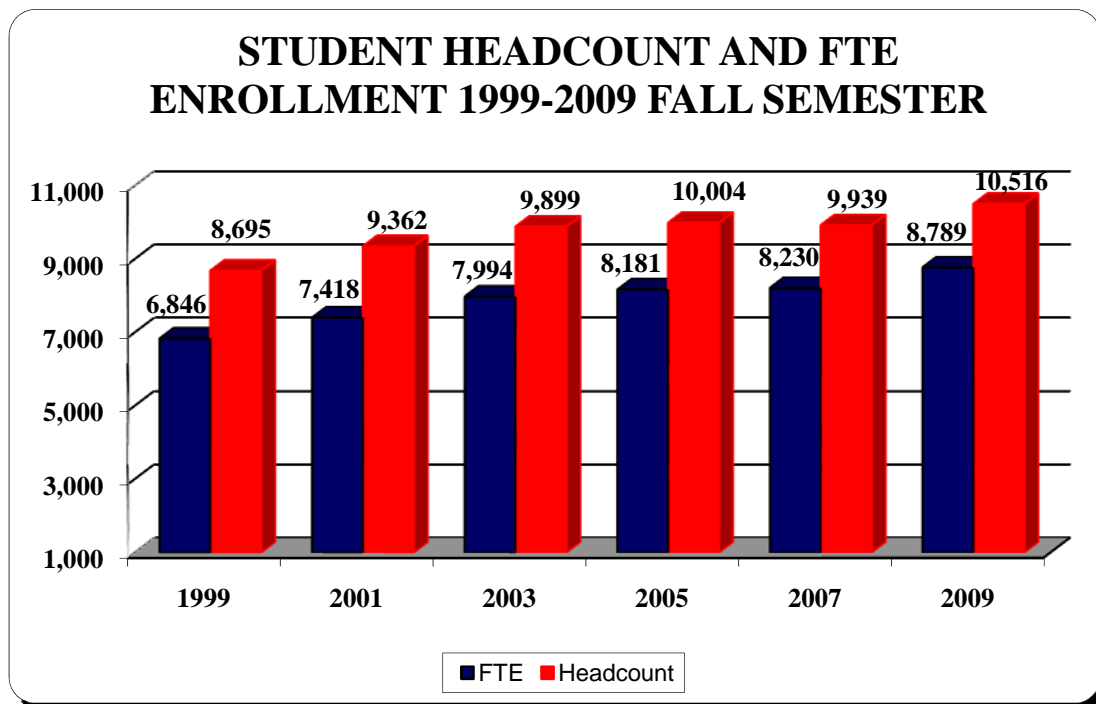
As the trustees have sought fully to develop the University and opportunities for education, they have implemented policies that have created important changes in the curriculum, composition of the student body, and physical facilities needed to meet the mission of the University of Southern Indiana. As a result, USI stands as a model for student-centered postsecondary education, delivering high-quality teaching at the most affordable cost among baccalaureate institutions in the state, providing community engagement to assist with economic and workforce development, and performing applied research needed in the region.

The next steps in the planning process will be to more fully develop the strategies to achieve these goals. It is expected the strategic planning process will be complete in spring 2011.

ACCESS TO HIGHER EDUCATION

Throughout its history, the University of Southern Indiana has been committed to meeting the needs of the State of Indiana and the southwestern Indiana region. It has remained carefully focused on expanding access to high-quality postsecondary education while meeting workforce needs and positively affecting economic development. The impact of USI's focus can be seen most dramatically in the rise in regional college-going attendance, from 33 percent of public high school graduates in 1985 when USI was established as a separate state institution, to 84 percent in 2009. These gains outpace both state and national averages and speak to the strong partnership USI has established with P-12 educational programs, other higher education institutions, and business and industry.

Over the past decade, enrollment increased by 21 percent from 8,695 in fall 1999 to 10,516 in fall 2009. During the same ten-year period, full-time-equivalent (FTE) enrollment increased by 28 percent, from 6,846 in fall 1999 to 8,789 in fall 2009.



Graduates of the institution have become the educated workforce driving the regional and state economy, with more than 75 percent of graduates remaining in the state after graduation. The University is regarded as a facilitator for community and regional progress, and encourages faculty and staff to give freely their time and expertise to solve problems related to infrastructure

development, economic vitality, educational and cultural advancement, and leadership development.

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.

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 2009*, the national average for undergraduate tuition and fees charged by public four-year colleges and universities in 2009-2010 was \$7,020. At USI, tuition and fees for full-time, in-state undergraduate students were \$5,334 in 2009-2010, while the average charge for four-year public institutions in Indiana was \$7,231. In-state undergraduate students attending USI full-time in 2010-2011 will pay \$5,600, compared to the \$7,574 average for other Indiana public baccalaureate institutions. Believing that cost can be a hindrance to access, the USI trustees and administration are firmly committed to keeping costs low while meeting the needs of students and honoring the state's mission for improved economic vitality through institutional service and applied research.

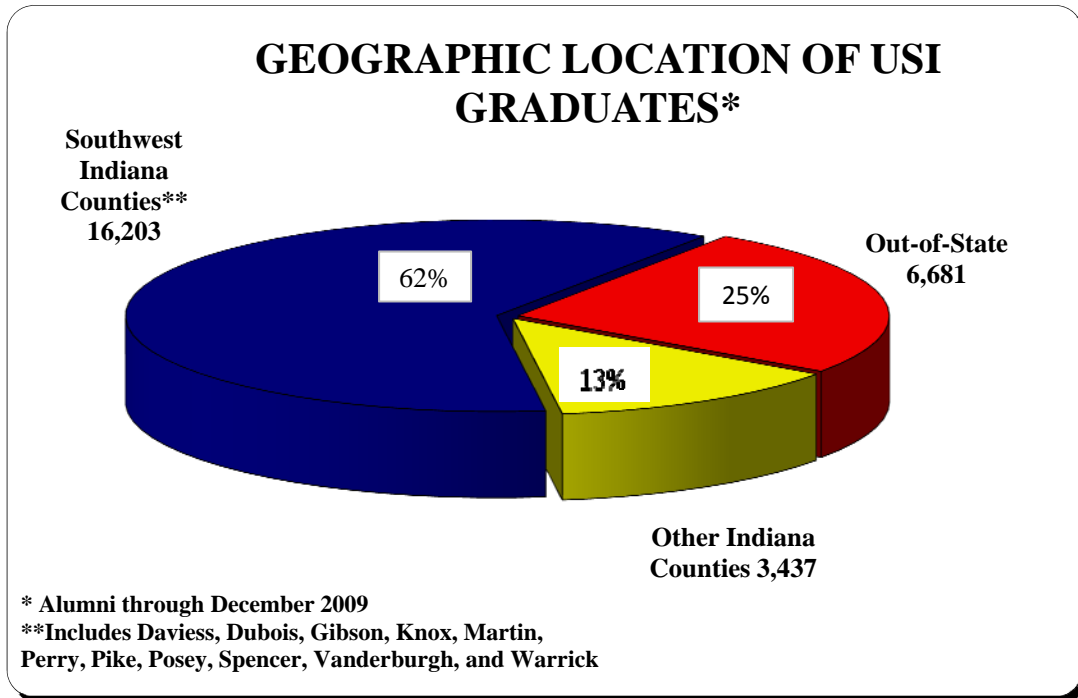
A major goal of the USI Foundation is the creation of scholarships to attract and retain talented Hoosier students. The privately funded Presidential Scholarship program attracts ten new Hoosier valedictorians and/or salutatorians each year, supporting a total of 40 students annually. Fully funding this program will require \$8 million in privately endowed gifts. The USI Foundation has raised \$7.3 million in current or deferred gifts toward this goal. The Foundation has initiated fund raising for full-tuition Dean's Scholarships and the highly competitive Bachelor/Medical Doctor (B/MD) Scholarships, a joint endeavor with the Indiana University School of Medicine. The B/MD program accepts up to six new freshmen a year who reside in Indiana, guaranteeing them admission to medical school on completion of their undergraduate work, if they meet the academic standards of the program. All of these programs are keeping some of Indiana's brightest and best students in the state for their college study and an overwhelming percentage of them remain in Indiana after graduation. Scholarship gifts to the USI Foundation in 2009-2010 accounted for more than \$1,391,000 in aid to students.

With rising gasoline prices, many students who commute 45-60 miles compare the cost of living on campus with the cost of commuting daily. The need for on-campus housing is an indicator of USI's changing demographics from a part-time commuter campus to one that is more residential and enrolls more students on a full-time basis. More students are opting for the broader educational experience that comes with full residence-life programs. Studies indicate there is a statistically significant positive influence on persistence and degree completion for students living on campus. Consistent with the goals established by the Indiana Commission for Higher Education, student retention and student success are important goals of the University of Southern Indiana. Approximately 2,838 students live on campus in residence halls or apartment-style units. Support services which meet students' academic and social needs, and are targeted to increase retention, are provided to students who live in on-campus housing.

The University of Southern Indiana's reputation for high-quality instruction continues to attract professors whose primary focus is teaching and students who desire a vibrant, interactive learning academic experience. Faculty members are recruited to USI for their commitment to a career of teaching and guiding the academic pursuits of their students. This dedication to quality teaching, combined with a strong academic recruitment program, attracts some of Indiana's best students to USI. In fall 2009, 22.5 percent of entering freshmen – 471 students – accepted University academic scholarships, which recognize students who graduate in the top 25 percent of their high school class and hold an Academic Honors Diploma. USI was the first public university in the state to recognize the Academic Honors Diploma with a formal scholarship program. In the entering fall 2009 freshman class, the University enrolled 60 valedictorians or salutatorians and one Lilly Scholar. In an effort to keep more of Indiana's brightest and best students in state for their education, the University is using a portion of a Lilly Endowment grant to fund scholarships for the National Merit and Distinguished Scholars Scholarship program. The University created the scholarship endowment to support National Merit Scholars and students in the top five percent of their high school classes. Five students received this scholarship in 2009-2010.

GRADUATES OF USI

Important to the region and the state are the students who graduate from USI and remain in the State of Indiana. Approximately 75 percent of all USI graduates remain in the state after graduation and, of that number, 82.5 percent remain in southwest Indiana, contrary to the statewide trend of out-migration of college students.



The top ten employers of graduates from the University of Southern Indiana include:

- Evansville Vanderburgh School Corporation
- Deaconess Health System
- St. Mary’s Medical Center of Evansville, Inc.
- Bristol-Myers Squibb/Mead Johnson Nutrition
- Old National Bank
- Warrick County School Corporation
- American General Financial Services
- Fifth Third Bank
- Kimball International
- University of Southern Indiana

USI - AN ENGAGED UNIVERSITY

Carnegie Foundation Engaged University

In December 2008, The Carnegie Foundation for the Advancement of Teaching announced the University of Southern Indiana was successful in its application for the Community Engagement Classification. This achievement recognizes USI’s ongoing

collaboration with the tri-state community and beyond in both curricular engagement and outreach and partnerships. The community engagement designations are defined as:

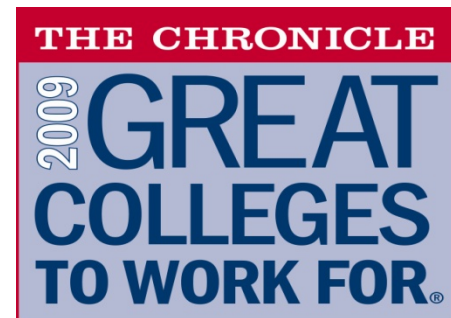
“Curricular Engagement – includes institutions where teaching, learning and scholarship engage faculty, students, and community in mutually beneficial and respectful collaboration. Their interactions address community-identified needs, deepen students’ civic and academic learning, enhance community well-being, and enrich the scholarship of the institution.”

“Outreach and Partnerships – includes institutions that provide compelling evidence of one or both of two approaches to community engagement. Outreach focuses on the application and provision of institutional resources for community use with benefits to both campus and community. Partnerships focus on collaborative interactions with community and related scholarship for the mutually beneficial exchange, exploration, and application of knowledge, information, and resources (research, capacity building, economic development, etc.).”

The University of Southern Indiana was one of 119 public and private colleges and universities nationwide to receive classification from the Carnegie Foundation for the Advancement of Teaching as an institution of community engagement.

2009 Great College to Work For

The University of Southern Indiana was one of 150 colleges to be recognized as a Great College To Work For by The Chronicle of Higher Education in 2009. USI was recognized for facilities, security, and physical work space conditions in the work environment category. The results were based on responses from nearly 41,000 administrators, faculty members, and staff members at more than 300 four- and two-year colleges.



2009 President's Higher Education Community Service Honor Roll

The University of Southern Indiana was named to the 2009 President's Higher Education Community Service Honor Roll, which annually recognizes institutions of higher education for their commitment to and achievement in community service. The President's Honor Roll

increases the public's awareness of the contributions colleges and their students make to local communities and the nation as a whole.

USI service learning programs submitted with the community service honor roll application included work with young children enrolled in an early intervention program through a local school, a partnership with Wesselman Woods Nature Preserve to create a standards-based curriculum for a special event, and a program offering workshops and learning activities related to multicultural literature for an Evansville Boys and Girls Club chapter.

The Corporation for National and Community Service in collaboration with the Department of Education, Department of Housing and Urban Development, Campus Compact, and the American Council on Education recognized more than 700 colleges and universities in 2009 for exemplary, innovative, and effective community service programs. Honorees are chosen based on a series of selection factors including scope and innovation of service projects, percentage of student participation in service activities, incentives for service, and the extent to which the school offers academic service-learning courses.

EDUCATION AS A DRIVER FOR ECONOMIC DEVELOPMENT

Education is the key component in productivity, economic competitiveness, and workforce development. The University has historically been engaged in addressing the state's interest in economic and workforce development and is a proven resource for helping achieve the state's goals. The institution has a consistent record of developing and expanding programs and services in anticipation of, or in response to, the needs of a changing economy. Producing well-prepared graduates who live and lead in the region drives the regional and state economy. State and local officials often cite the important role accessibility to higher education has played in attracting new industry to the southwestern Indiana region. The programs and services of the University are valuable resources as the state strives to diversify its economy and ensure the skills of the workforce continue to improve.

In 2000 and 2007, the USI President commissioned a Task Force on Workforce and Economic Development to “*examine the University's leadership and responsiveness in regional economic development and to recommend academic and training programs that will meet the future workforce and economic development needs of the region.*” The charge also included a study of existing and newly emerging economic and social trends in the regional economy to identify gaps between the existing program offerings and the changing needs of area employers.

Findings of both Task Forces were used to plan program and service development to match expressed regional needs, as resources permitted.

University response to the recommendations of the 2007 Task Force and other environmental scans was to target three primary focus areas for outreach and engagement for the near term. These are:

- economic development;
- workforce and community development; and
- expanded involvement with P-12 education.

Results of the study pointed to relevant trends including the increasing need for college-educated employees, greater need for access to postsecondary education programs via alternative delivery methods, and a need for USI to assume a broader role in developing an entrepreneurial culture in southern Indiana. There is an increasing expectation for USI to be a significant driver of economic and workforce development in the region.

Programs already implemented as a result of the 2007 study are the Doctor of Nursing Practice (DNP), advanced manufacturing, criminal justice, biochemistry, sport management, and health informatics. A master's degree in Communications was initiated in fall 2010. Engineering, Nursing and Health Professions, Business, and Extended Services are expanding existing or developing new program components to meet specified needs.

USI's plans for new programs through 2013 match those for which regional employers expressed interest; for example, undergraduate programs in physical therapy, a blended business/engineering degree, and specialties within the existing BS in Engineering. Graduate level programs targeted to the continuing education needs of professionals in food and nutrition (dietetics) and sales and maintenance management are being explored in response to the study.

The University of Southern Indiana has positioned itself to respond with appropriate and needed educational programs and services to further growth and progress. The University remains committed to educating students for the regional workforce and works in partnership with employers and regional leaders to facilitate economic development. The University will continue to be a strong partner to education, business, government, manufacturing, and health care, responding to needs of all sectors of the community. Follow-up studies of workforce and economic development issues are planned every five years.

REGIONAL DEVELOPMENT IN SOUTHWESTERN INDIANA

The University of Southern Indiana is regarded as a vital partner in workforce and economic development in southern Indiana. USI plays a central role in providing the postsecondary workforce for the region. The University offers a variety of support activities for area business development, including student internships and co-ops, faculty research and consulting, applied research and technical assistance, contract training, and strong academic programs. Significant economic activity is occurring in the southwestern Indiana region and in downtown Evansville. USI plays an important role in a number of economic development activities throughout the region

Innovation Pointe - USI is the higher education partner for the Evansville certified technology park, Innovation Pointe (IP). Innovation Pointe is a knowledge-based business incubator located in downtown Evansville and is a division of Growth Alliance for Greater Evansville (GAGE), the Evansville-Vanderburgh County economic development agency. Among many projects, USI and GAGE are partnering with Crane NSWC to promote entrepreneurship in southwest Indiana and to support commercialization and technology transfer of selected Crane research.

Center for Applied Research - The University received initial funding for the Center for Applied Research (CAR) through a grant from the U.S. Small Business Administration in 2005. The 2007 Indiana General Assembly appropriated funds for the Center through the University's request for quality improvement funding. CAR has been a successful outreach initiative for the University enabling faculty, students, and staff to engage in applied research, problem-solving, consulting, and facilitation for regional and statewide organizations and businesses. Between January 2006 and June 2010, CAR activities included:

- 346 projects identified; 203 projects completed;
- 17 projects in process or approved;
- 136 faculty and staff engaged;
- Almost 250 students engaged; and
- Over \$500,000 generated from CAR services.

STEM-Related Education - USI is committed to developing and implementing long-term success strategies for science, technology, engineering, and mathematics education in southwest Indiana. The University is the lead institution in the development and

implementation of the Indiana STEM (I-STEM) Resource Network and in 2007, established the Southwest Indiana STEM Resource Center (SwI STEM). These are two examples of the many University-led STEM initiatives.

Connect with Southern Indiana (CSI) - Through funding from Lilly Endowment, Inc., USI created a unique nine-county regional leadership/citizenship development program in 2006. Sixty-eight southwest Indiana residents have participated in the program, strengthening their network contacts across the tri-state and collaborating on the development of 21 projects designed to improve quality of life for residents of Indiana.

Cultural and Heritage Tourism Development Outreach - Since 1986, USI has been home to ***Historic Southern Indiana (HSI)***, a 26-county coalition dedicated to Heritage Tourism that seeks to preserve, enhance, and promote historical, natural, and recreational resources in southern Indiana. ***Historic New Harmony (H NH)***, another USI-based tourism and education-focused project, is a partnership with the State of Indiana to preserve the utopian legacy of Historic New Harmony through its programs and collections.

The completion of I-69 is expected to have a major impact on economic development and further expansion of business and industry in southwestern Indiana because companies will have an easy north-south route; I-64 continues to serve the east-west route needs. Many new businesses, suppliers for large manufacturing plants, continue to spring up throughout the area, which has experienced a shortage of qualified workers at all levels. Toyota, in particular, has attracted a wide range of suppliers. To meet Toyota's high standards, each business requires a skilled workforce. Moreover, the demand for well-educated employees continues to grow as new industries affect wage rates in the broader region and cause movement in the employee pool.

Clearly, participation in education, both credit and noncredit, is increasing. There is a continuing demand for higher education to address workforce issues of education and training. Growth in the engineering program at the University of Southern Indiana is an example of how the University is meeting the needs of existing and new businesses. The engineering program graduated its first class in spring 2006. To date, 88 students have graduated from the program. The number of students in the program is expected to increase in the next few years given that the program has relocated to the new state-of-the-art Business and Engineering Center. There are currently over 300 students majoring in programs offered through the engineering department. The advanced manufacturing degree program started in fall 2008. The University expects to have the first graduates from the program in spring 2011. The University also expects

steady growth in the advanced manufacturing degree program once construction is complete on the new Advanced Manufacturing Facility.

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.

PRIORITIES OF 2011-2013 OPERATING AND CAPITAL IMPROVEMENT BUDGET REQUESTS

The 2011-2013 Operating Budget Request and Capital Improvement Budget Request for the University of Southern Indiana were developed in response to the critical needs of the institution and the State of Indiana. The University maintains its commitment to provide students with an affordable, quality education and will continue to expand its many partnerships with business and industry, and social, educational, governmental, and health agencies.

The University's 2011-2013 Operating Budget Request addresses many of the strategic goals outlined in *Indiana's Framework for Policy and Planning Development in Higher Education and Reaching Higher: Strategic Directions in Indiana*. The University's funding request centers around the strategic directions endorsed by the Indiana Commission for Higher Education and supports several areas addressed in the *Reaching Higher* documents:

- *Access*
- *Affordability*
- *College Preparation*
- *Accountability*
- *Student Success*
- *Contribution to Indiana's Economy*

The University faces many challenges as it continues to operate with the lowest tuition and fees of all four-year public universities in the state and the lowest appropriation per-FTE-Hoosier student of the four-year residential campuses. The financial support the University receives from the state is critical to provide the programs, facilities, and support services necessary to fund increases in enrollment and the educational requirements for a high quality educational experience.

The University of Southern Indiana seeks support from the State of Indiana for its 2011-2013 Operating and Capital Improvement Budget Requests to fully fund:

- *Successfully Completed Credit Hours*
- *Dual Credit Successfully Completed Credit Hours*
- *Change in Degree Completion*
- *On-Time Degree Completion*

- *Low Income Degree Completion*
- *Special Repair and Rehabilitation Funding for Three Academic Facilities*
- *Repair and Rehabilitation Funding*

To help achieve the goals of the state and of the region, the University of Southern Indiana requests support of its 2011-2013 Operating and Capital Improvement Budget Requests.

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. The University was founded to bring higher education to an underserved population 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. In the past ten years, enrollment increased by 21 percent from 8,695 in fall 1999 to 10,516 in fall 2009. The most dramatic change in enrollment is the number of full-time students. Over the past decade, full-time student enrollment increased by 29 percent from 6,307 in fall 1999 to 8,149 in fall 2009. Today, nearly 2,850 students, or 27 percent of the student body, live on campus in student housing. 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 29,000 alumni, 75 percent live in Indiana and, of that number, 82.5 percent reside in southwest Indiana. The University's 2011-2013 operating budget priorities support the University's commitment to increase access to higher education and to ensure student success.

FULL-TIME VS. PART-TIME STUDENTS

	1999	2004	2009
Full-Time	6,307 (72.5%)	7,542 (75%)	8,149 (77.5%)
Part-Time	2,388 (27.5%)	2,508 (25%)	2,367 (22.5%)
All Students	8,695	10,050	10,516

EDUCATIONAL IMPACT

The University of Southern Indiana has had a dramatic impact on the college participation rates in the 11 southwestern Indiana counties which comprise its principal service area. Since 1985, when USI was established as a separate state university, the number of public high school graduates from the region pursuing postsecondary education has steadily increased.

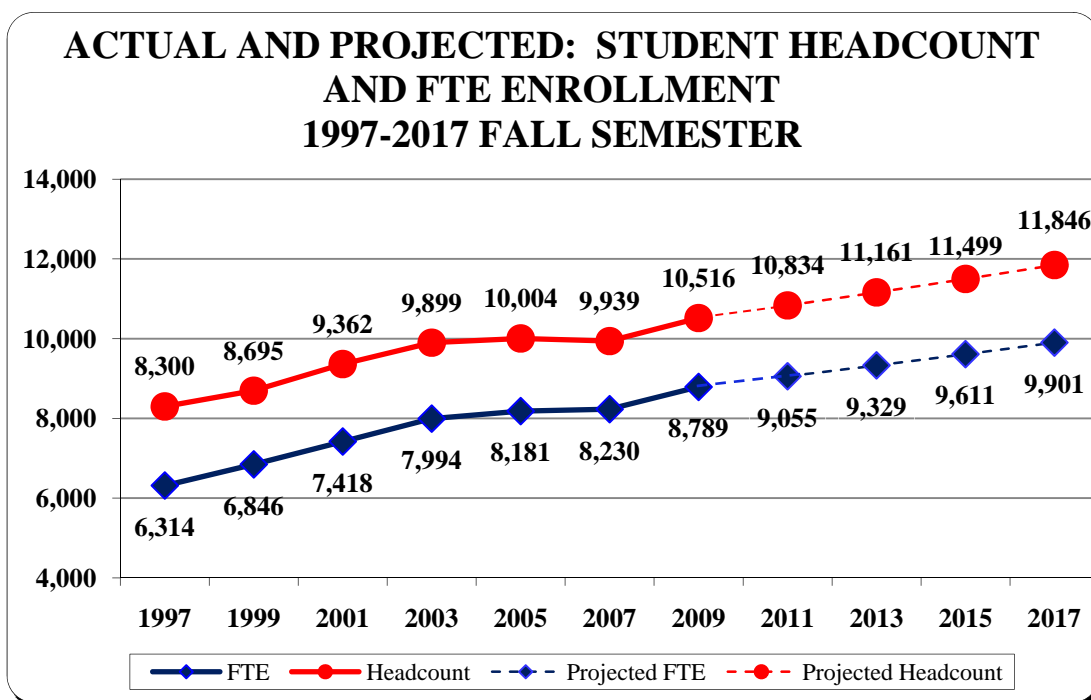
Information from the Indiana Department of Education shows the number of college-bound public high school graduates in the 11 southwestern Indiana counties has grown from 1,645 students, or 33 percent, in 1985 to 3,998 students, or 84 percent, in 2009. Of the 3,998 college-bound graduates in this region in 2009, approximately 1,103, or 28 percent, chose the University of Southern Indiana.

COLLEGE PARTICIPATION IN SOUTHWEST INDIANA

	1985	2009
H.S. Graduates	4,852	4,745
College-Bound	1,645 (33%)	3,998 (84%)
USI Freshmen	642	1,103

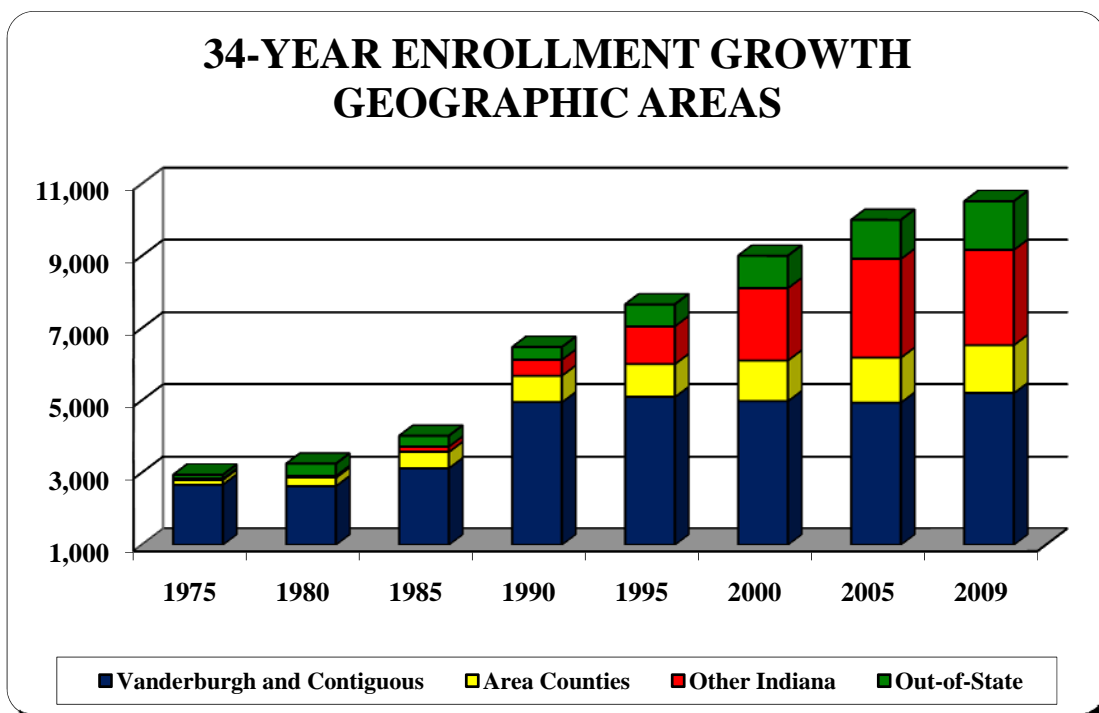
ENROLLMENT PROFILE

The University anticipates modest growth in enrollment over the next several years. Enrollment in fall 2009 was 10,516 as compared to 9,939 in fall 2007 for an increase of 5.8 percent. Full-time-equivalent (FTE) graduate and undergraduate students in fall 2009 numbered 8,789 as compared to 8,230 for an increase of 6.8 percent. Full-time undergraduates accounted for 88.6 percent of all credit hours generated by undergraduate students in fall 2009. Enrollment growth is expected to increase at a rate of one to two percent each year in the foreseeable future.



With over 49.4 percent of the fall 2009 entering freshman class coming from its primary service area, the University is clearly committed to serving students in the region. In fall 2009, 62.1 percent of USI's students came from the 11-county regional service area and 25.1 percent

came from other Indiana counties. USI provides wide access to students throughout the state, enrolling students from 91 of Indiana's counties in fall 2009.



In fall 2009, 1,345 students from 40 states and 63 countries were represented in the University's enrollment. Other noteworthy features of student demographics at USI include the following:

- Full-time student enrollment increased by 29 percent from 6,307 in fall 1999 to 8,149 in 2009.
- 703 transfer students enrolled in fall 2009.
- Students age 25 years or older represent 24.3 percent of the student population.
- A significant number of students work while enrolled.
- Married students represent 14.8 percent of student enrollment.
- Nearly 2,850 students, 27 percent of the student body, live in student housing.
- Minority students represent 9 percent of the student population with African Americans comprising 5 percent, the largest segment of that group.
- Annually, there are more than 15,000 enrollments in noncredit, continuing education, and workforce training programs.

RECIPROCITY

The University of Southern Indiana has a commitment to serve regional students in Illinois and Kentucky. A reciprocal agreement between Kentucky and Indiana, developed between the Indiana Commission for Higher Education and the Kentucky Council on Higher Education, provides an opportunity for the residents of Daviess, Hancock, Henderson, and Union counties in Kentucky to attend USI while paying "in-state" tuition and fees. Since the first agreement was signed in 1993, reciprocity has enhanced the University's ability to serve the students in the four bordering Kentucky counties.

Negotiations to renew Indiana's reciprocity agreement with Kentucky took place in 2007. After months of negotiations, agreement was reached to establish a six-year agreement from July 1, 2007, through June 30, 2013. This new agreement assures reciprocal tuition rates for residents of designated counties in both states and provides students with expanded opportunities for postsecondary education. It allows USI to play an expanded role in the economic development of a region in which many people cross state lines for employment as well as education. A total of 527 students from the "reciprocity" counties in Kentucky enrolled at USI in the 2009-2010 academic year.

In an effort to provide greater access to non-resident students, the University of Southern Indiana also has established a fee waiver for eligible students in Kentucky and Illinois pursuing an undergraduate degree or certificate. This program is open to both new freshmen and new transfer students who are permanent residents of Kentucky or Illinois. In fall 2009, 195 students participated in this program. New freshman nationwide also are eligible for the University's "Non-Resident Top Scholar Award." In fall 2009, 23 students received the award.

STUDENT PREPAREDNESS

Indiana Commission for Higher Education's *2008 Reaching Higher with College Preparation* document states "*far too few Indiana students are leaving high school prepared to succeed in college.*" It goes on to state, "*research indicates that the best predictor of success in college is the academic preparation received in high school.*" 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. This snapshot of USI students' preparation for college includes some of those additional indicators to give a more complete picture of the challenges in helping today's student succeed in college.

Impact of Indiana's Core 40 Requirements

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 2.0. Among USI's 1,865 first-time, full-time freshmen from Indiana in fall 2009, nearly 56 percent completed the Core 40 diploma and 38 percent completed the Academic Honors Diploma. Nearly 29 percent of the new full-time freshmen were in the top 25 percent of their high school classes.

Even though many new students successfully complete a Core 40 or Academic Honors Diploma, many still need developmental coursework. For college freshmen, developmental coursework in mathematics is most frequently required of high school graduates. In fall 2009, 1,052 of new students placed into one of two developmental math courses offered by USI. This number represents slightly more than 50 percent of the incoming class. The University of Southern Indiana continues to advocate that Core 40 requirements include mathematics in the senior year of high school.

The academic profile of USI's entering students has improved slightly over the past decade. In fall 2009, entering first-time, full-time freshmen had a high school GPA of 3.02, an average ACT score of 21, and an average SAT composite score of 962.

Efforts to Support Success

The University seeks to support academically under-prepared students through a series of initiatives including increased use of first-year seminar courses, required placements for developmental coursework, and intrusive advising practices for conditionally admitted students.

- ***Academic Skills*** - The mission of Academic Skills is to enhance student success and the educational process at USI. Academic Skills offers academic support for all USI students through a variety of services including study skills and subject-based tutoring academic coaching, Supplemental Instruction, developmental coursework, Success Series workshops, and the Writers' Room. During the 2008-2009 academic year, 1,850 students utilized Academic Skills' services for a total of 10,695 visits. In spring 2009, Academic Skills embarked on the most comprehensive evaluation survey of its services in program history. The assessment was sent out to over 1,300 students with a 30 percent response rate. Over 80 percent of students (in almost all

areas of service) agreed or strongly agreed that Academic Skills provided them the help they needed to succeed academically.

- ***First Year Seminar*** - All conditionally admitted students are required to take the First Year Seminar. Course topics include study skills, time management, and other topics designed to help a student succeed in college. Beginning in fall 2008, First Year Seminar was offered to all undecided students in an attempt to improve the overall retention of students assigned to University Division, including conditionally admitted students. In fall 2009, 270 students enrolled in one of 15 sections of First Year Seminar. Since 2008, all new student athletes have been required to take the First Year Seminar. Elements of the NCAA Champs/Lifeskills program have been included, as well as the traditional seminar topics. University Division plans to continue to promote this experience to new students.
- ***Required Reading Placement*** - A considerable amount of attention has been placed on the need for improved skills in mathematics, but another area of concern is the decline in reading skills among entering new students. To address this issue a reading placement rubric was developed and all students are placed in appropriate reading courses. A reading instructor position was added in 2008-2009 and additional developmental reading sections have been added to the schedule. Since fall 2009, students with reading deficiencies are required to enroll in reading courses.
- ***Rapid Review*** - A pilot program has been developed for students with mathematics placement scores within four points of the score required for intermediate algebra. Students elect to participate in a guided, individually-paced review session for three weeks rather than enrolling in a review course for an entire semester. Upon completion of the review session, students are permitted to retake the placement test. Students with scores above the desired cut-off score are permitted to immediately enroll in an intermediate algebra class that begins the fourth week of the semester. Students save both time and tuition dollars by participating in this fast-track program.

EBI MAP-WORKS

MAP-Works® Making Achievement Possible, developed in partnership with Ball State University, is a comprehensive student retention and success program designed for first- and second-year students. MAP-Works® identifies students early in the academic year allowing for immediate support and intervention. It provides the following:

- helps improve students' transition to the college environment;
- focuses on academic success, retention, student development, and student involvement; and
- utilizes the results of the Transition Survey as the catalyst for early intervention.

In fall 2008, MAP-Works® survey results were used by University Division Advisors in the GENS 101 courses during one-on-one meetings to address specific needs cited in the Student Report. During fall 2009, the number of students completing MAP-Works® increased by including students in the Pathways Leading to Undergraduate Success in the Sciences program (PLUSS) and all new students living in campus housing.

EBI 2008 Cohort	Fall 2008	Spring 2009	Spring 2009	Fall 2009	Fall 2009	Spring 2010	
	Number of Students	Number of Students	One Semester Retention	Number of Students	One Year Retention	Number of Students	One and One-Half Year Retention
EBI Freshman Overall Cohort	592	519	87.7%	390	65.9%	349	59.0%
Completers	464	417	89.9%	313	67.5%	280	60.3%
Non-Completers	128	102	79.7%	77	60.2%	69	53.9%
Non EBI Freshman Cohort	1,509	1,291	85.6%	1,005	66.6%	957	63.4%
Overall USI First-Time Freshmen Retention	2,104	1,812	86.1%	1,425	67.7%	1,304	62.1%
By EBI Group							Retention
Housing	198	182	92.0%	146	73.7%	137	69.2%
University Division	223	197	88.3%	139	62.3%	118	52.9%
Conditional Admits	159	133	83.6%	80	50.3%	67	42.1%

USI has secured funding to continue to administer MAP-Works® for the 2010-2011 academic year and is pleased with the role it has played in the overall retention efforts of new USI students.

Dual Credit Opportunities and College Achievement Program

Interest in opportunities for students to earn college credit while still in high school has grown significantly in recent years. Student interest has grown as the benefits of dual credit programming are better known. More school corporations want to partner with higher education institutions to offer dual credit. State legislation has mandated the availability of dual credit coursework in high schools throughout Indiana. In 2010, the Indiana Department of Education revised the Academic Honors Diploma to reward students who pursue rigorous, advanced courses. It is available to all students who accumulate 47 credits, maintain a “B” average, and meet one of the following criteria:

- Complete Advanced Placement (AP) courses (four credits) and corresponding AP exams;
- Complete International Baccalaureate (IB) higher level courses (four credits) and corresponding IB exams;
- Earn a combined SAT score of 1200 or higher in critical reading and mathematics;
- Score a 26 or higher composite on the ACT;
- Complete dual high school/college credit courses from an accredited postsecondary institution (six transferable college credits); and
- Complete a combination of AP courses (two credits) and corresponding AP exams and dual high school/college credit course(s) from an accredited postsecondary institution (three transferable college credits).

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 insure 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. Available survey courses include biology, mathematics, physical education, English composition, history, chemistry, physics, economics, journalism, sociology, political science, broadcasting, psychology, literature, public speaking, world languages, computer applications, and health professions. Forty-two courses, a total of 186 sections, were offered at 26 high

schools taught by 113 approved high school instructors during the 2009-2010 academic year, with approximately 1,472 students enrolled in one or more courses, generating 6,503 credit hours.

USI's CAP program received accreditation from the *National Alliance of Concurrent Enrollment Partnerships (NACEP)* in 2006. This recognition indicates the high quality of the CAP program delivered by the University. USI is one of only four institutions in Indiana and one of 53 institutions nationwide to have attained this accreditation.

The University also offers joint enrollment options for high school students interested in taking dual credit distance education courses and students are excused from high school during the school day to attend college courses on campus.

International Baccalaureate Program

The University has implemented a transfer articulation with the International Baccalaureate Program (IBP). This program continues to draw increasing numbers of students. Approximately 20 high schools in Indiana including Bosse High School and The Signature School in Evansville offer this rigorous curriculum. In addition, Apollo High School in nearby Owensboro, Kentucky, offers the IBP curriculum. Since the agreement was implemented in 2006, 35 IBP graduates have been admitted to USI.

ADULT STUDENT

In fall 2009, students 25 years of age or over represented 24.3 percent of the student population at USI. The University has worked to develop educational opportunities for adult learners. For part-time, commuting, and older students, the University offers extensive evening, off-campus, and distance education programming to provide degree-completion opportunities. Currently many undergraduate majors and graduate degrees can be completed through part-time evening and off-campus coursework. The University now offers seven of its programs via distance education.

To promote adult enrollment at USI, a full-time professional staff person is assigned to market and recruit adult students. Direct contacts are made with area businesses such as ALCOA, American General Finance, Crane Naval Surface Warfare Center, Old National Bank, General Electric, Total Interior Systems – America (TISA), and Toyota Motor Manufacturing,

Indiana to recruit adult students. Also, the University participates in employee college programs and in workforce development job fairs.

The Non-Traditional Student Organization (NTSO) was organized to help integrate older students into the life of the University. Pinnacle, the national adult honors organization, recognizes outstanding leadership and academic performance among upper-class nontraditional students.

The Bachelor of General Studies (BGS) degree continues to meet the educational needs of many adults, age 25 or over, who have delayed or interrupted their educational goals. The BGS differs from the traditional postsecondary route by recognizing prior learning and career experience adult learners bring to their college pursuits. Adult students work closely with the program advisor to optimize prior college coursework, military, and professional training to create an individualized plan for degree completion. Options include day and evening courses offered by all USI colleges, USI Nearby (off-campus classes), distance education courses, CLEP testing, and program credit awarded for professional training. Two upper-level courses, a capstone course and career development course, are tailored for working adults. There are currently 55 students actively pursuing this degree option and approximately ten to 15 students complete the BGS degree each academic year.

In partnership with the Evansville Joint Apprenticeship Training Council and Ivy Tech Community College, two new concentrations were added in 2010 to respond to regional needs for more opportunities for adult degree completion programs. Graduates of selected apprenticeship programs in the skilled trades can choose one of two concentrations: Technical Supervision and Leadership or Business Development. Graduates of these programs will be technically skilled, broadly educated, innovative, and well-prepared to lead tomorrow's workforce.

Scholarship Opportunities

In 2009, Extended Services established application guidelines and selection criteria for the USI Adult Learner Scholarship. This program recognizes the academic and personal achievements of adult learners in any USI major and is available to part-time or full-time students. With annual funding of \$10,000, ten students received awards for the 2009-2010 year and 11 were chosen for 2010-2011.

ALFI Toolkit Information

USI will investigate ways to better serve adult learners in 2010 with resources developed by the Council on Adult and Experiential Learning (CAEL). Based on CAEL's "ALFI Project" (Adult Learner Focused Institutions) and its principles of effectiveness for serving adult learners, an institutional self-assessment survey will be completed by faculty and administrators with a follow-up survey completed by adult learners (undergraduates) currently enrolled at USI. The completed survey information will be available in the fall of 2010 and should provide tools and information for institutional improvement on behalf of adult learners.

DIVERSITY COMMITTEE

The University's Diversity Committee was created in 2008 in response to House Enrolled Act 1256, authorized by the 2007 Indiana General Assembly (IC-21-27-8-7). Initial work of the Committee focused on defining the University's vision for diversity, recommending methods to integrate the vision with existing policies and procedures, and communicating the vision of diversity throughout the University community. The vision of diversity statement is:

At the University of Southern Indiana, diversity means embracing and celebrating the many differences that exist among the members of a dynamic, intellectual, and inclusive community that welcomes the full spectrum of human characteristics, ideas, and world views. We strive to create an exciting, energetic living and learning community in which people with different experiences can learn through intellectual engagement, both within and beyond the classroom. Diversity stimulates learning, encourages imagination, and benefits everyone – students, employees, and the community. We believe that intellectual and personal developments are best supported in a climate that respects differences and provides a sense of belonging and inclusion.

As members of the University community, we are committed to cultural competency and meaningful intercultural relationships within the University and with our community partners. We seek to develop these capacities in the classroom and through recruitment, orientation, open forums, programming, and partnerships. We encourage every member of our University community to embrace this vision and exhibit a strong commitment to attracting, recruiting, developing, and retaining students, faculty, administrators, and support staff who mirror the diversity of our global society.

The first annual report of the Diversity Committee was presented to the USI Board of Trustees in March 2010.

MINORITY PARTICIPATION

The University is committed to increasing student diversity and is focused on recruitment strategies aimed at increasing the number of minority students. The Office of Admissions and the Multicultural Center continue to collaborate on these efforts and include minority student groups to promote USI to all minority groups. Personal recruitment efforts are effective and will continue to be used. Of the 10,516 students enrolled in fall 2009, 938 or nine percent were classified as minority. The percentage of African-American students enrolled at USI is somewhat higher than the percentage living in the southwestern Indiana region.

ENROLLMENT BY ETHNICITY FALL 2009

Ethnicity	Percent
African-American	5.0%
Hispanic	1.6%
American Indian/Alaskan	0.4%
Asian	1.8%
Pacific Islander	0.2%
White	90.0%
Other	1.1%

The EXCEL Mentoring Program was developed to empower students to take charge of their own learning experiences with staff assisting and advocating for them as they learn to become independent. Through the EXCEL Mentoring Program, first-year and transfer students of color are assigned peer mentors to help with the transition from high school to college. The mentors share their own experiences at USI, encourage the students to develop the skills needed to succeed personally and academically, and teach the students to use the variety of services and programs available to USI students.

The THREADS (Teaching Human Respect and Encouraging Action Diversity Series) Program is an initiative to encourage the University community to explore and celebrate the cultures of diverse populations on campus. Programs and events sponsored by campus departments and student organizations focusing on diversity are promoted through a coordinated University calendar. The THREADS program promotes understanding and mutual respect of all

members of the University community and helps build a more welcoming and inclusive campus community.

21ST CENTURY SCHOLARS

The 21st Century Scholars Program is designed to support and encourage youth from lower-income families to enter college through early intervention strategies and grants. The state-sponsored 21st Century Scholars program provides qualifying low-income students with pre-college support services and the promise of full in-state tuition. The University of Southern Indiana has been fully committed to the 21st Century Scholars program since its inception in 1995-1996. The University corresponds directly with each 21st Century Scholar identified by the state. The University also offers a number of financial incentives, including a waiver of both the admission application fee and a \$200 security deposit for on-campus housing. To encourage retention, eligible 21st Century Scholars also receive a \$200 textbook grant for their second through fourth years. A staff member in the Office of Admissions is responsible for working with 21st Century Scholars and for providing high school counselors with up-to-date information on the special programs at USI. The number of 21st Century Scholars at USI has grown from the first class of 87 students in fall 1995 to 607 scholars in fall 2009. Since the program began in 1995, 2,722 scholars have enrolled at USI and 447 have graduated.

In fall 2010, University Division received a Student Support Services (SSS) Grant through the U.S. Department of Education. The Student Support Services Program will provide services designed to assist in the academic, career, and personal development of 140 qualified students per fiscal year. The University's program primarily will target first generation, low income students. To help motivate eligible students to successfully complete their degree, the SSS Program will provide students comprehensive services through classroom instruction, academic skill development, academic advising and career development, personal and financial aid counseling, and other opportunities designed to enhance the collegiate experience.

VETERANS SUPPORT SERVICES

Veterans Support Services recently received a one-time \$50,000 grant from the Military Family Research Institute to significantly expand services to the University's growing veteran population. Through "Project Eagle" the University plans to hire a full-time Veterans Support Services (VSS) Associate with responsibilities for consolidating existing programs, developing new initiatives, and providing additional services to student veterans. The VSS Associate will develop a veteran-specific orientation program and conduct veterans' orientation sessions as part

of the existing USI new student orientation program. Student veterans will receive information about veteran-specific services and programs available at USI and in the Evansville community.

RESIDENCE LIFE

On-campus living provides students with outstanding living options for their “home away from home.” The mission of Residence Life promotes and enhances the educational mission of the University of Southern Indiana by providing programs, services, staffing, and facilities that support academic success. Today, Residence Life serves the needs of nearly 2,850 students.

Students may choose to live in suite-style residence halls or apartment-type living units. The facilities are fully furnished and offer on-campus students the convenient living location they want with the services and amenities they need.

Residence Life continues to support the development of the whole student. Through its facilities, staffing, programs, and services, Residence Life continues to be key to the academic and developmental success of USI students.

OPPORTUNITIES FOR STUDENT DEVELOPMENT

The University of Southern Indiana offers a wide array of opportunities for students to learn, develop, and grow. The University is committed to providing a holistic education and preparing students to live wisely. The University’s mission statement addresses the importance of student development:

The University of Southern Indiana is an engaged learning community advancing education and knowledge, enhancing civic and cultural awareness, and fostering partnerships through comprehensive outreach programs. We prepare individuals to live wisely in a diverse and global community.

Students have the opportunity to participate in a broad range of organizations and activities to practice what they learn in the classroom. These organizations and activities provide students with an avenue to develop skills and to explore new interests and ideas. They are an integral part of the college experience and the education of the “whole” student. From orientation through graduation, students are challenged to step outside the classroom to develop

and become contributing members of society. They can do this through a variety of activities, including:

- ***Student Organizations*** - USI has over 100 student organizations that address a variety of student needs and interests. There are academic and professional organizations, honorary and recognition societies, multicultural organizations, political organizations, religious organizations, service organizations, special interest, and club sports.
- ***Student Government Association (SGA)*** - Students elected to serve in leadership positions in SGA represent and serve the entire student body. SGA provides a forum for expression of student views and interests and promotes the continuous improvement of higher education within the University. SGA serves as the voice of the student body to the Board of Trustees, faculty, administration, and the larger USI community. Students have an opportunity through involvement with SGA to impact the campus community while learning important life and leadership skills.
- ***Student Academic Honoraries and Organizations*** - There are over 35 academic clubs and ten Academic Honoraries on campus. In the Honoraries, student members are recognized for academic achievement, either overall or within a particular major or profession. In the academic clubs, students gather around a common interest in a profession or discipline.
- ***Activities Programming Board (APB)*** - USI's student-led programming organization provides out-of-classroom interaction, from educational programs to entertainment, for over 14,000 students each year. Through the programs sponsored by APB, students are challenged to experience new ideas and new cultures.
- ***Greek Community*** - Fraternities and sororities provide a special opportunity for students to develop life skills. These organizations provide avenues for students to hold leadership positions, enhance interpersonal skills, participate in community service and philanthropic projects, and establish relationships with alumni and community members. In some instances, these organizations are responsible for the day-to-day operation of a housing facility.
- ***Intramural and Recreational Sports (IRS)*** - Through the Intramural and Recreational Sports program, students have the opportunity to participate in more

than 80 programs, including intramurals, club sports, special events, outdoor adventure activities, and open recreation.

A unique opportunity for students to develop leadership skills is the O'Daniel Leadership Academy, established in 1997. With a \$100,000 endowment gift from former USI Trustee Joseph O'Daniel, the Academy was created to further concentrate and focus efforts of the University to educate the "whole" student through development of interpersonal and leadership skills. It is the goal of the Academy to provide training, experiences, and instruction to facilitate development of critical-thinking skills, interpersonal competence, increased clarity of purpose, and increased enrichment of the quality of life. Because the programs are designed to meet the various levels of student leadership, the Academy has been successful in preparing many USI graduates for the challenges they face in the civic, business, and professional worlds.

- ***Student Leadership Conference*** - This one-day workshop is held during the spring semester for all USI students interested in cultivating their leadership skills. The program focuses on developing both personal and organizational leadership skills and empowering students to use these skills within their organizations.
- ***Leadership USI*** - This one-day workshop, led by an expert in professional leadership, focuses on the growth and development of the individual student. It is designed to provide students with the opportunity to learn about themselves and a specific leadership topic.
- ***Corporate Leadership Conferences*** - A collaborative effort between the Academy and a southern Indiana business or corporation, this one-day program offers nominated students the opportunity to interact and network with business leaders to learn about corporate leadership development initiatives. Past participants include American General Finance Services, *Evansville Courier and Press*, Mead Johnson Nutrition, St. Mary's Medical Center, Fifth Third Bank, Vectren Corporation, ALCOA, Integra Bank, Deaconess Hospital Health System, Evansville Vanderburgh School Corporation, and Toyota Motor Manufacturing, Indiana.

The University of Southern Indiana has created numerous additional opportunities for students to be active participants or spectators in artistic, cultural, philanthropic, and community-based activities. Some of these activities and programs include:

- ***International Programs and Services (IPS)*** - The primary mission of the Office of International Programs and Services is to enhance the international dimensions of the University and to facilitate opportunities for all students to acquire skills necessary to succeed in a global society. The IPS Office provides leadership for the development of a broad range of international activities and events.
 - ***International Student Services and Recruitment*** - The IPS Office works with the Office of Admissions to coordinate communications to respond to international inquiries and other international recruitment activities. IPS sponsors programs and services designed to meet the unique needs of international students and scholars, from the time the students arrive on campus and attend international student orientation, through graduation activities honoring students and their families. IPS staff members advise international students on immigration, financial, academic, cultural, and other pertinent matters.
 - ***Study Abroad*** - The Office of International Programs and Services develops and coordinates overseas study opportunities in more than 50 countries. Students earn USI course credits. Fees for many study-abroad programs are comparable to USI tuition, room, and board.
 - ***ESLI*** - The population of international students at USI continues to grow, with 165 students in spring 2010. The ***English as a Second Language International (ESLI)*** program is designed to prepare students from non-English speaking countries to successfully enter and study at North American universities. The University's partnership with ***ESLI*** provides services to a significant number of students (30 in spring 2010) who need to improve their language skills. Many of these students successfully matriculate to USI upon completion of their intensive-language program.
 - ***Global Undergraduate Exchange Program*** - USI's new partnership with the Global Undergraduate Exchange program is funded through the U.S. Department of State to support international educational and cultural exchange as an investment in global understanding and peace. USI served as a host institution since 2008 and will host eight students from three continents through this program in fall 2010.

- ***Iraqi Young Leaders Exchange Program*** - USI was selected as one of two institutions in the United States to host the ***Iraqi Young Leaders Exchange Program*** for undergraduate students in July 2010. Twenty-three students from all regions of Iraq participated in an intensive leadership seminar taught by USI faculty in partnership with Leadership Evansville. A wide variety of cultural and educational programs were offered in an effort to provide a solid understanding of culture in the United States, civic responsibility, and life in a democratic society. Funding for this program was provided by the U.S. Department of State.
- ***Global Community Theme Floor*** - Located in Governors Hall, the floor is open to freshmen from the United States and international students interested in learning more about the world through the exploration of cultures and global issues and by interacting with one another daily. Weekly programs are offered to provide residents with a diverse view of different countries, cultures, and customs. The program also hosts day trips to areas of interest within the region.
- ***Campus-Wide International Programming*** - This forum for communication and learning contributes to increased international awareness, acceptance, and understanding of peoples and cultures from around the world.
- ***Multicultural Center*** - The Multicultural Center encourages, promotes, and enhances the personal and academic success of students by preparing them to be responsible citizens in a multicultural society. The Center offers programs and services to assist in the academic and social integration of underrepresented students into the University. USI offers a variety of multicultural organizations for students to join. Other activities include:
 - ***Diversity Workshops and Programs*** - The Center offers a variety of workshops and programs to strengthen and enhance awareness, appreciation, and acceptance of diversity within the University community as it relates to race, gender, religion, nationality, age, sexual orientation, disabilities, and lifestyles. For example, during Welcome Week, first-year and transfer students and their families participate in the Cultural Diversity Welcome Reception. This experience provides students and their families an opportunity to interact and build relationships with faculty, staff, and returning students at an informal reception.

- ***College Mentors for Kids, Inc.*** - This program cultivates ongoing mentoring relationships between college students and primary school children through shared experiences on campus. This interaction is used as a tool to motivate and educate elementary students on the importance of preparing academically for college and to learn about areas of higher education, culture and diversity, and community service. At the close of the year, literature is issued to the families of the elementary student explaining the accessibility and affordability of attending college. In 2008, the University of Southern Indiana College Mentors for Kids program received *Leadership Evansville's* Project Leadership Award for its partnership with Culver Elementary School for providing leadership and guidance to first through fourth graders in three specific areas: higher education, community service, and culture and diversity.

- ***Campus-Wide Programming*** - The Center hosts a variety of cultural programs to provide opportunities for all students, faculty, staff, and the community to experience the practice, celebrations, and demonstration of culture. Through a variety of performance and presentations, cultural engagement programs allow the community to experience the visual and performing arts as well as social and entertainment events. These programs serve to enhance the campus climate and social environment by providing opportunities for cultural interaction.

- ***Designed by Grace*** - USI's Gospel choir is open to all students and is a cooperative initiative by the USI Multicultural Center and the College of Liberal Arts. The choir performs a variety of music, including spirituals and hymns, on campus and in the community.

- ***Theatre and Musical Productions*** - Numerous theatre and musical productions are offered on and off campus. Since fall 2007, the University of Southern Indiana Theatre Program and The New Harmony Theatre, USI's professional summer company, has offered The Fall Repertory Project. Each fall semester the theatres co-produce two plays in rotating repertory that blend professional actors with junior and senior performance students. Students who participate in the Project are able to work with accomplished professionals in their chosen field of study and gain valuable points toward qualifying to join the Actors Equity Association. Many students will be able to include professional Equity productions on their resumes even before graduating from USI.

- ***Volunteer USI*** - The Volunteer USI program was established in 1996 as a university-wide volunteer management program to recruit, place, and recognize volunteers who donate their time and resources to benefit the needs of USI, its outreach program, and the Evansville community. Since its founding, over 5,530 volunteers have donated 989,180 hours to benefit USI and its outreach programs. Calculated at the average national volunteer wage, volunteers have given over \$20 million in service to USI.
- ***New Harmony Gallery of Contemporary Art*** - Established in 1975, this gallery in nearby New Harmony is a not-for-profit exhibition space, dedicated to the promotion of contemporary art created by artists of the midwest. The Gallery also exhibits the work of USI faculty and provides internships for students throughout the academic year.
- ***The McCutchan Art Center/Palmina F. and Stephen S. Pace Galleries*** - Dedicated in fall 2008, the Art Center/Galleries provide opportunities for students to learn professional gallery practices, including handling and hanging artwork and registering and creating identification for artwork. Through the James Sanders Fellowships, four students are selected to receive one-year awards. They work one semester with the USI art collections registrar on collection projects and also assist in the McCutchan Art Center. In the alternate semester, Sanders Fellows are assigned to the New Harmony Gallery of Contemporary Art where they work under the director.
- ***Student Alumni Association (SAA)*** - Formed in 1989, SAA develops positive relations among current and prospective students, alumni, faculty, staff, parents, and the community. SAA is a student-run organization sponsored by the USI Alumni Association. SAA provides a link for current students to work with the Alumni Association in developing loyalty and support of the University. SAA is committed to building spirit and tradition among the University community.

STUDENT SUCCESS

Most higher education research confirms that the first year of college is critical to building a foundation for success and degree attainment. USI has developed a number of programs to help new students negotiate what can appear, particularly to first generation students, to be very unfamiliar terrain. A priority for many of these programs is to enhance skill development and career focus for students as they begin their college education. Among programs offered to entering students are:

- ***Success Series Workshops*** - During the course of the academic year, University Division in Academic Affairs offers more than 20 workshops with topics such as effective note-taking, test-taking strategies, understanding plagiarism, and other academic and social skills that help students to “plug in” to the campus community and build a pattern of success. These workshops take an interactive approach to skills and strategies important to both college-level coursework and life-long learning. In fall 2009, 234 students participated in 29 workshops.
- ***Calling New Eagles*** - Personal contact is an important component in helping students feel connected and capable of managing what can be a stressful first year. Coordinated by Student Development Programs, each new student is contacted via telephone by a staff member or student leader to discuss how the new student is adjusting to campus life and classes. New students also can use this telephone call as a resource to ask questions about getting involved in student organizations, meeting with their advisor, registering for classes, and dealing with any challenges the student may be facing.
- ***Camp Eagle*** - Incoming students participate in a three-day adventure with challenging outdoor exercises, team-building activities, educational sessions, and opportunities to learn the history and traditions of the University of Southern Indiana. Camp Eagle provides first-year students with proven high school leadership experience the opportunity to expand their leadership skills and build friendships with other promising student leaders. Camp Eagle participants learn ways to utilize their leadership experience in student activities and student organizations at USI and through service to the community.
- ***Living-Learning Communities*** - First-year students with similar interests, goals, or academic programs can become part of a collaborative experience called Living-Learning Communities (LLC). Established in 1999, Living-Learning Communities are intentional partnerships with academic and student affairs programs to help students create a strong link between their everyday lives and their learning experiences in the classroom. Floor participants take a cluster of courses together each semester and participate in special educational and social programs designed to assist in the transition from high school to college. Students who participate in the program develop stronger relationships with fellow students and receive additional encouragement from faculty and University staff. The heightened faculty and staff involvement, special programs and activities, community service projects, freshmen

seminars, and block course scheduling help students adjust to college life and promote student success. In fall 2009, the Living Learning Communities were permanently funded and expanded to serve additional students. Currently there are 11 living-learning communities: Emerging Leaders, Global Community, Honors, Teacher Education, Business, Nursing and Health Professions, STEM, Social Work, Exploring Majors, Liberal Arts, and Sophomore.

Ample assistance for first-year students is essential, but ongoing support is needed to ensure students receive the information and encouragement they need to complete their education. To meet this goal, other initiatives build on the first year experience:

- ***University Advising Council*** - The Council, established in 2004, issued a report with recommendations to improve various components of University advising. Changes have been implemented to improve advising during the summer months, particularly in the largest college, Liberal Arts. Intense advisor training programs are offered and campus-wide advising awards have been implemented. A stronger role for academic advising has been developed within promotion and tenure guidelines for faculty members.
- ***Continuing Student Surveys*** - Beginning in early summer, academic deans, department chairs, and faculty call continuing students who have delayed registering for the next semester to see if they have questions or concerns about continuing their education at USI. These calls have elicited positive responses from students and their parents, who appreciate the personal attention and sincere effort to help students stay focused on their educational goals.
- ***University Web Site and Social Media*** - The University maintains an updated and informative electronic portal through its web page. In addition, through various social networking sites, students, parents, faculty, and community residents can find out quickly what is taking place on campus throughout the academic year.

INTERNSHIPS AND CO-OPS

The USI Internship Program, facilitated through the Office of Career Services and Placement, offers a unique opportunity for students to integrate classroom learning with career-related work experience in both the public and private sector. Although most internship and co-op placements are paid positions, the primary value of a co-op or internship is the opportunity to

clarify career goals, gain practical experience, and establish contacts with professional colleagues.

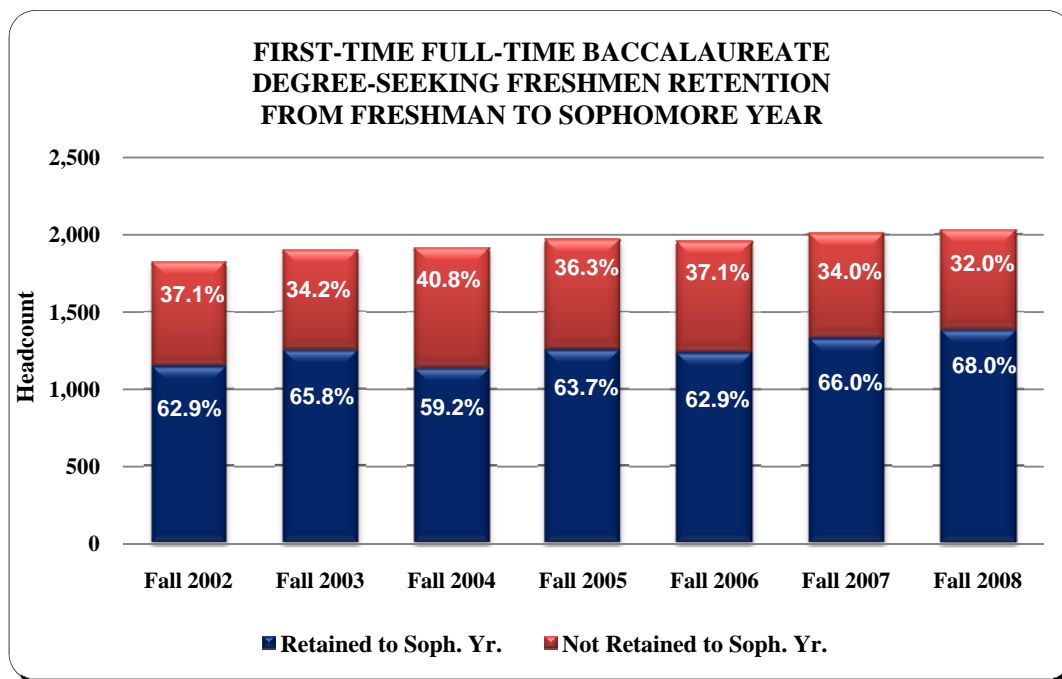
Students who participate in the USI Internship Program can alternate semesters of full-time work with semesters of full-time study (co-op) or work part-time over an extended period of time while maintaining a minimum academic load. Internships are of shorter duration than co-op assignments and normally are completed during a student's junior or senior year. Because each program option offers benefits to different students, programs are individually tailored to meet student and employer needs. Since the implementation of the USI Internship Program 16 years ago, over 900 businesses, non-profit organizations, governmental agencies, health care providers, and educational institutions have provided co-op and internship opportunities to approximately 300 students on an annual basis.

USI Career Services and Placement provides employment preparation and career development services to students and alumni. Several different methods are used to prepare students for internship and co-op placement. These include job search strategy programming that provides opportunities for students to network with employers and Eagle Career Launch, an online job listing and recruitment system that allows USI students access to over 3,000 internship, co-op, part-time, and full-time job listings annually. In addition, four career fairs are held each year which bring over 200 employers to campus to recruit students for various positions.

A generous grant of \$1 million in 2003 from Lilly Endowment, Inc. permitted an expansion of the co-op and internship program through the engineering program. Shortly after establishing the program, nearly 70 regional employers are participating. Feedback from employers is uniformly positive about the quality of education evident in the work of intern and co-op students. In November 2008, the University received a \$500,000 sustaining grant from Lilly Endowment, Inc. to expand the model to include business intern and co-op placement on USI's campus and to expand the engineering program.

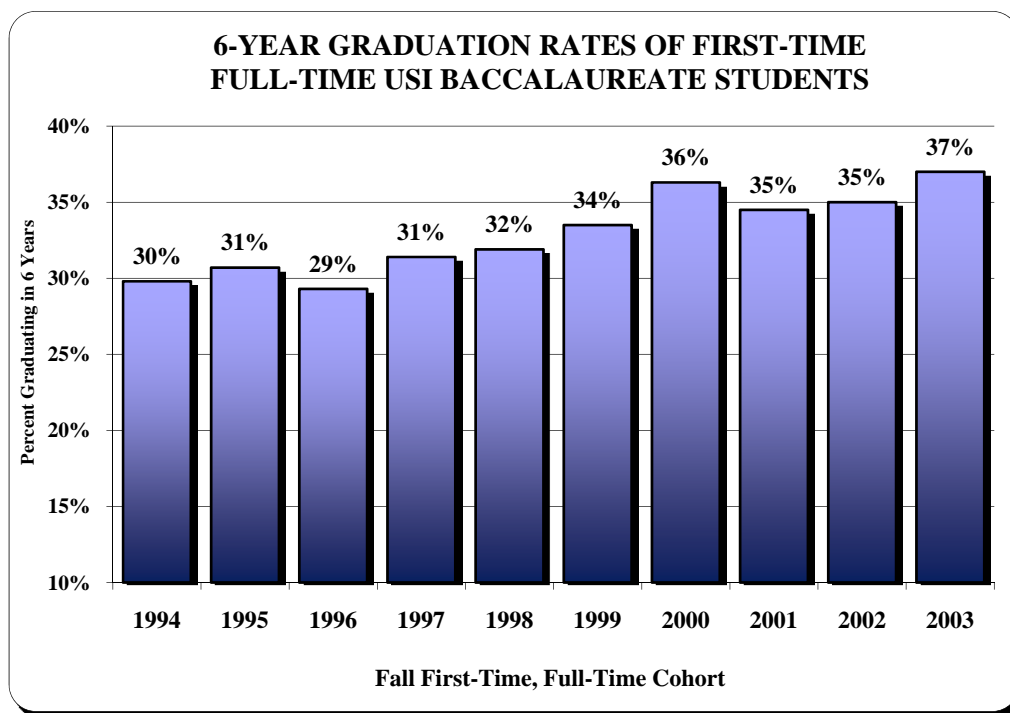
RETENTION AND GRADUATION RATES

USI's freshmen to sophomore retention rates for first-time, full-time students have increased in recent years. The University continues to retain 68 percent of freshmen to the following fall semester.



A significant number of USI's students are first-generation college students. Some need additional academic preparation to begin college coursework and many have financial obligations that require them to work off campus, often for more hours than is desired for academic success. These students confront many challenges to successfully complete a college degree. Despite many success stories of USI students, the University seeks to increase the number of students completing degrees in a timely manner.

Six-year graduation rates have improved significantly over the past ten years. Improved enrollment and retention remain a high priority for the University.



Nationally Competitive Scholarships

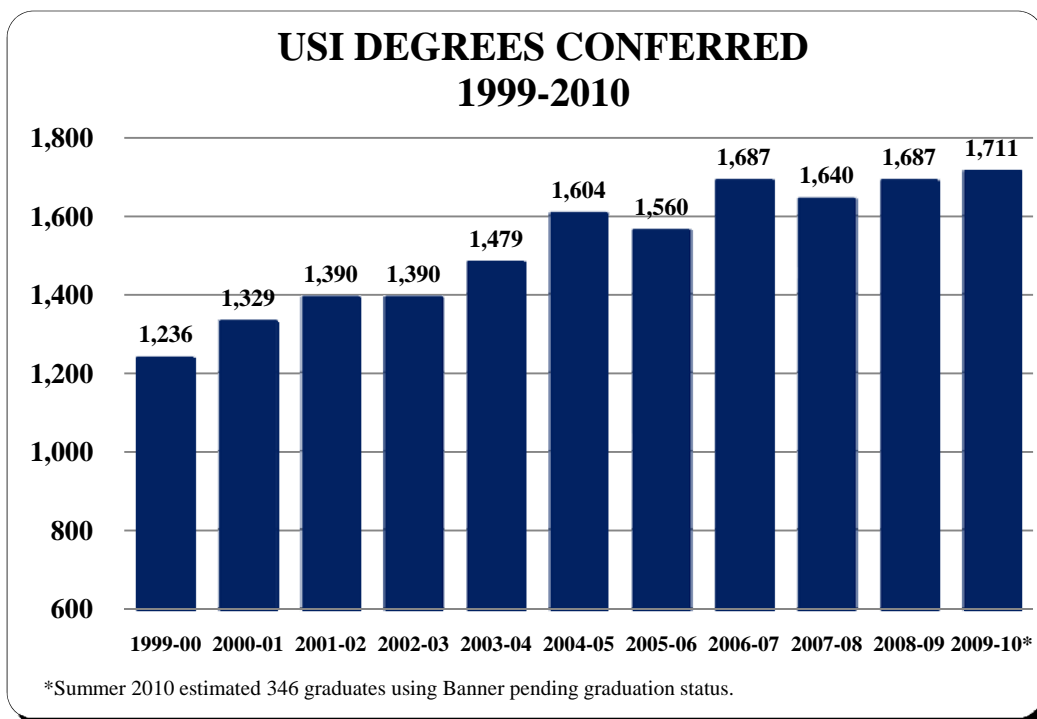
In 2007, USI began an initiative to aid eligible students to prepare for prestigious scholarship competitions. The Nationally Competitive Scholarship initiative consists of 13 faculty mentors who help identify candidates and support them through the selection process. The University web site (<http://www.usi.edu/acaffrs/scholarships>) provides information, advice, and links to undergraduate, graduate, and study abroad opportunities for students. There already has been success with this effort, including USI's first Goldwater Scholar, another Fulbright Scholar, a Gilman award winner, and a Freeman-Asia Award winner.

GRADUATES FROM USI

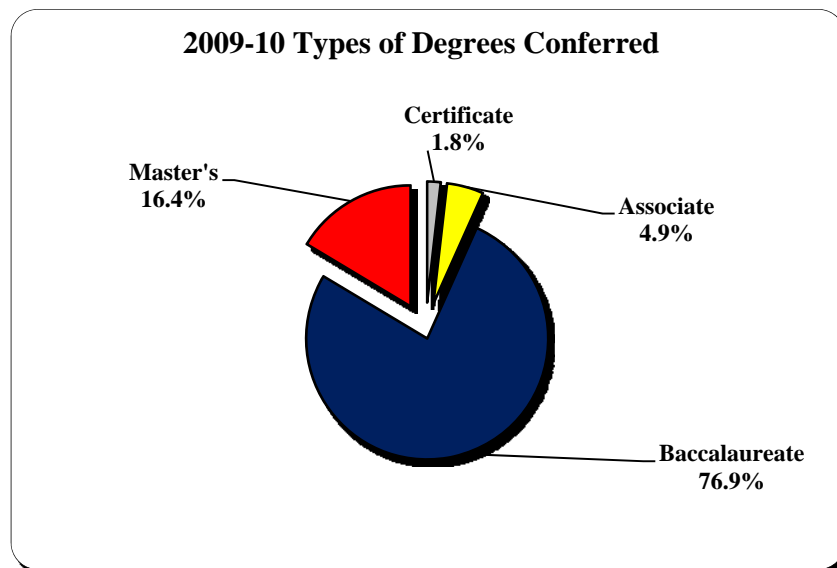
Over 1,700 students graduated from USI in 2010. Since the establishment of the University of Southern Indiana in 1985, the college attendance rate of high school graduates in the 11 counties of southwestern Indiana has more than doubled from 1,645 to 3,998 in 2009. The next challenge is to improve the rate of success for these students in completing their college degrees.

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 2009, 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 five 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 provides a more flexible degree program.

During the ten-year period 2000 to 2010, the number of degrees conferred by the University of Southern Indiana has risen over 38.4 percent, from 1,236 in 2000 to 1,711 in 2010.



In 2010, of the 1,711 degrees conferred, 77 percent were at the baccalaureate level, 16 percent at the master's level, and 5 percent at the associate level.



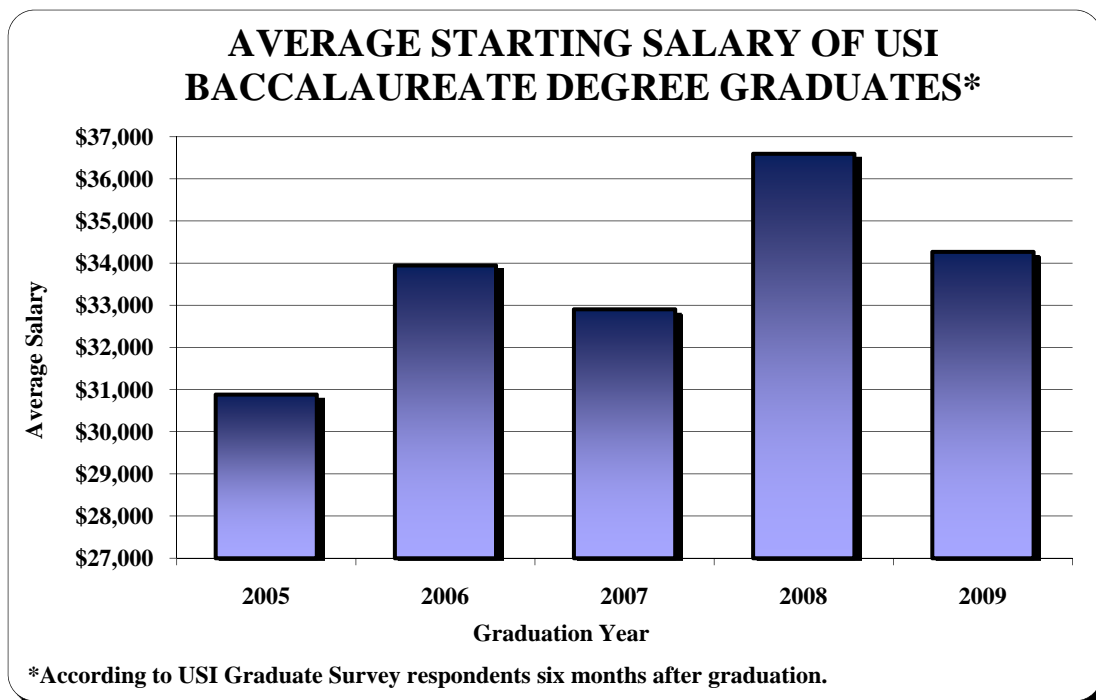
Since 1994, the Office of Career Services and Placement has conducted a six-month follow-up survey of the most recent graduating class. Information gathered in the survey includes employment information and salary statistics by discipline, the geographic location of graduates, and postgraduate secondary enrollment. A formal report is prepared and presented annually to the University's Board of Trustees.

For the Class of 2009, nearly 85.2 percent live, work, and use services in Indiana and 66.7 percent accepted employment within a 60-mile radius of the University. For the graduating class of 2009, 85.4 percent of the degrees conferred by the University were awarded to Hoosier students. Nearly two-thirds (62.7 percent) of the degrees awarded were to students from the 11 counties comprising the southwestern Indiana region.

In 2009, graduation follow-up surveys were received from 46 percent of the graduates. Survey results included the following:

- 91.2 percent of the respondents were employed or actively seeking employment;
- approximately 72.5 percent of the employed graduates secured new positions as a result of their degree; 27.5 percent were employed in the same position held prior to graduation;

- more than 89.5 percent of the employed bachelor's degree recipients were employed in their field of study;
- of all employed graduates, 91.5 percent were employed in their field of study;
- 16.1 percent of the bachelor's degree recipients were attending graduate school or pursuing a professional degree;
- 43.5 percent of associate degree recipients were completing requirements for a baccalaureate degree; and
- average starting salary for baccalaureate degree graduates securing new, full-time positions was \$34,269. There was a decrease in the starting salaries for the Class of 2009 reflecting a national trend for new graduate salaries due to economic conditions.



Many students receive their undergraduate degree from USI and continue their studies at the graduate level. Within the various academic schools, follow-up surveys are conducted to maintain contact with graduates and to assess the effect of their education on their career choices and professional school performance. The following examples highlight the success of USI graduates:

- Eighty-five percent of the graduates from the Pott College of Science and Engineering who apply for advanced study are accepted in graduate schools or professional programs such as medicine, veterinary science, dentistry, and optometry.
- The College of Nursing and Health Professions' graduates score as high as or higher than any graduates in the state on the professional exams. Since 1990-1991, all candidates sitting for the National Dental Hygiene Board Examination have successfully completed their examinations. Graduates of the USI baccalaureate Nursing program have the highest scores in the state on their licensing exams. One hundred percent of nurse practitioners graduates have passed their licensure.
- Newly licensed teachers must complete Indiana's assessment program for beginning teachers. The most recent available data, the 2007-2008 report from the Indiana Department of Education, shows that 100 percent of USI graduates perform well as beginning teachers in Indiana. Beginning Teacher Internship Program (BTIP) data indicate that of 60 USI beginning teachers participating, 63 percent (38) completed the program with the remaining 37 percent (22) still in their first year of the two-year program. Indiana Mentoring and Assessment Program (IMAP) data indicate that 100 percent of USI beginning teachers participating successfully completed IMAP. Moreover, USI graduates are recruited regularly by school districts throughout the midwest, midsouth, and southwest.

GRADUATE EDUCATION AT USI

Over seven percent of the students at USI - 868 students in fall 2009 - enrolled in graduate programs developed primarily in response to regional workforce needs. Approximately 79 percent of USI's graduate students are pursuing advanced degrees in nursing, teaching, social work, and business administration. Graduate students also are pursuing advanced degrees in occupational therapy, health administration, public administration, industrial management, accounting, and liberal studies. USI offers a significant number of graduate courses to students interested in enhancing their professional preparation with post-master's credit courses.

In fall 2008, USI offered its first doctoral-level academic program, the Doctor of Nursing Practice. The DNP degree at USI was developed in response to needs expressed by regional health care providers, graduates, and current students. The program will graduate its first class in 2011. Implementation of the DNP program has increased the visibility and profile of the University and supported the continued expectations of excellence in USI graduate programs. In

its first two years, several DNP students have achieved recognition in their advanced subject matter:

- one student received a first place award for poster presentation at the 2009 Mayo Medical Center Research Conference;
- another student presented a paper at an international conference in Ireland; and
- four students have had manuscripts accepted for publication.

In fall 2010, responding to needs expressed by area employers, USI will offer a new Master of Arts in Communication degree to train and foster communication leaders. The need for the new degree program was identified in the *2007 President's Task Force on Workforce and Economic Development*.

RETAINING GRADUATES

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 are helping meet another 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.

AFFORDABILITY

Maintaining affordability for postsecondary education is a primary goal of the University of Southern Indiana. USI remains the most affordable of the four-year institutions in the State of Indiana. As stated in the Indiana Commission for Higher Education's *Reaching Higher – Strategic Initiatives for Higher Education in Indiana – Reaching Higher with Affordability* document, students are paying a greater share of the cost of higher education. Increased costs are a direct result of decreased state appropriations, increased cost of personnel and benefits, compliance with federal, state, and local regulations, increased operational costs, the demand and need for up-to-date technology, and student and family expectations for increased services and amenities. To maintain affordability is a shared responsibility that includes students and their families, state and federal policymakers, and institutions of higher education. State appropriations remain an important part of the University's ability to maintain affordability.

In the 2009-2011 biennium, the as-passed budget for higher education cut operating appropriations across-the-board 5.2 percent in 2009-2010 with an additional 2.5 percent reduction in 2010-2011. Five performance-based funding formulae funded at 50 percent in 2009-2010 and 75 percent in 2010-2011 were then utilized to fund higher education budgets for the four-year institutions. For the University of Southern Indiana, even though funding was received through each of the funding formulae, there was a 3.3 percent decrease in operating appropriations in 2009-2010 with a slight increase of .3 percent in 2010-2011. Funds from the American Recovery and Reinvestment Act of 2009 (ARRA) State Fiscal Stabilization Funds were used to backfill operating appropriations to fiscal year 2008-2009 levels. These one-time funds could be used for operating or repair and rehabilitation expenses.

University of Southern Indiana Operating Appropriation 2009-2011

2008-2009 Operating Appropriation	\$40,387,429
2008-2009 - 5.2 percent Across-the-Board Reduction - New Base	\$38,300,247
Reduction in Base	(\$ 2,087,182)
2009-2010 Base with Formula Add Back	\$39,044,222
2009-2010 - 2.5 percent Across-the-Board Reduction - New Base	\$38,056,403
Reduction in Base	(\$ 987,819)
2010-2011 Base with Formula Add Back	\$39,172,365

In December 2009, higher education budgets were reduced by an additional \$150,000,000. The majority of funds withheld by the state were ARRA funds received by the

institutions. However, for the University of Southern Indiana over \$1 million in operating appropriations were withheld for 2010-2011. Because the University generated more funds in its operating budget through the performance funding formulae, fewer ARRA funds were appropriated to backfill the University's budget to 2008-2009 levels. As a result, the University's share of the \$150,000,000 budget reduction was a one-time reversion in its operating appropriation.

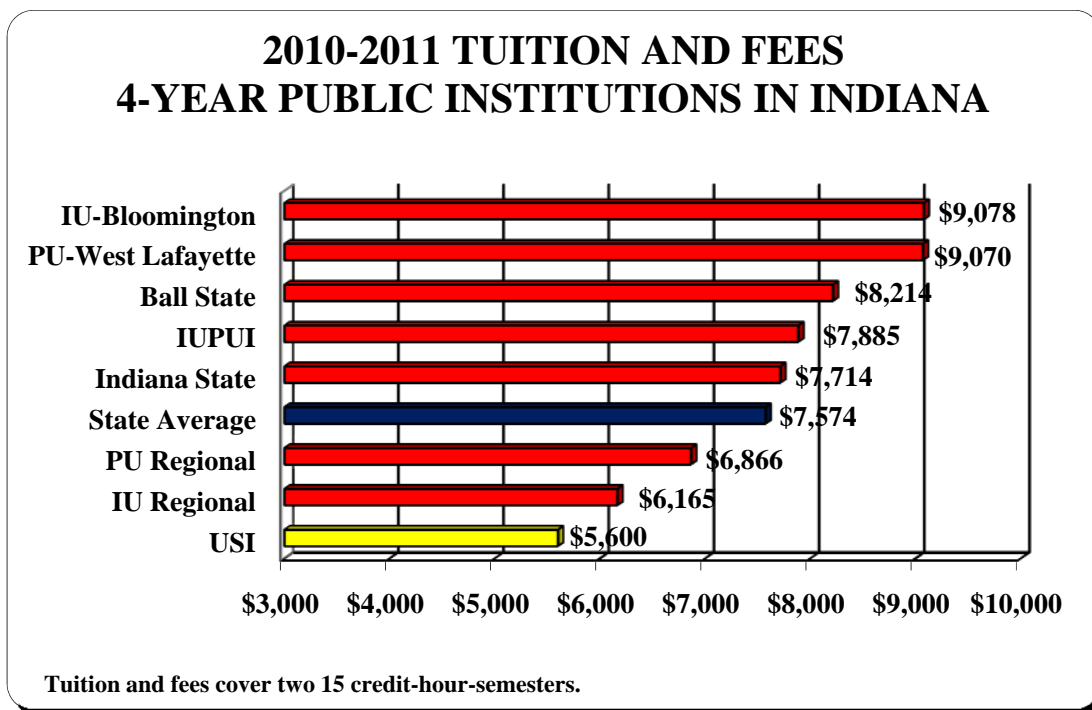
Because of the current fiscal situation and declining state revenues, funding from the state has not kept pace with the increased demands placed on the higher education system. While maintaining affordability for postsecondary education is a core value of the University of Southern Indiana, there continues to be a need for additional support from the state.

The University of Southern Indiana reaffirms its commitment to continue to provide affordable high quality higher education to the citizens of Indiana. In this budget document, the University requests that funding is provided by the state through the funding formulae and that efforts are made to address growing disparities in funding per-FTE-Hoosier student throughout the state. The University intends to maintain, for the foreseeable future, its position as the most affordable baccalaureate-degree granting public higher education institution in Indiana.

TUITION AND FEES

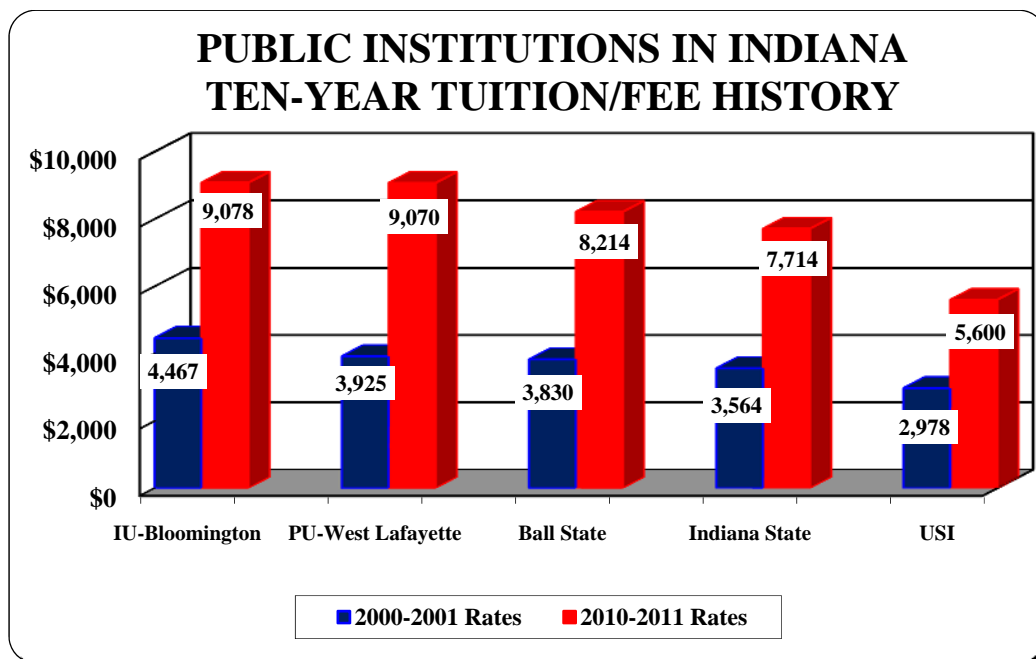
According to the College Board's *Trends in College Pricing 2009*, the national average for undergraduate tuition and fees charged by public four-year colleges and universities in 2009-2010 was \$7,020. At the University of Southern Indiana, tuition and fees for full-time, in-state undergraduate students were \$5,334 in 2009-2010 while the average charge for four-year public institutions in Indiana was \$7,231. For the 2010-2011 academic year, tuition and fees at USI for full-time, in-state undergraduate students are \$5,600. These fees are \$1,974, or 26 percent, less than the average of the other four-year public universities in the state, and \$2,919, or 34 percent, less than the average of the other four-year residential campuses.

The following graph shows the 2010-2011 tuition and fees for a full-time, in-state undergraduate student attending one of the four-year public institutions in Indiana.



The Indiana General Assembly passed legislation in 2005 which requires public institutions of higher education to set tuition and fee rates for a two-year period following the budget session. In May 2009, the University of Southern Indiana held a public hearing on tuition and fees. In each year of the 2009-2011 biennium, tuition and fees were increased by 5 percent. The University does not differentiate fees based on entry date into the University or type of academic program and there are no surcharges on the base rate. The \$266 increase in 2010-2011 for a full-time, in-state undergraduate student is the lowest dollar increase of the four-year residential campuses in the state.

Cost is a very real barrier to access. Increasing the number of Hoosiers pursuing postsecondary education is a major goal of the state. To assist the state in reaching its goal of increased participation, the University of Southern Indiana has a long history of maintaining an affordable fee structure. Maintaining low tuition is the University of Southern Indiana's answer to need-based aid. As shown in the following graph, during the past ten years, the University has remained the most affordable baccalaureate-degree-granting institution in the state.



While the University of Southern Indiana is committed to maintaining affordability, the University recognizes that the responsibility for accomplishing this goal is shared with other stakeholders including students, their families, and state and federal policymakers. Financial support is required from each of these constituencies in order to provide the programs, facilities, and support services necessary to fund increases in enrollments and the educational requirements necessary for a high quality educational experience.

MAINTENANCE OF CURRENT PROGRAMS

The 2011-2013 Operating Budget Instructions request that no assumption be made for maintenance/price increases for the biennium. It is important to note that even though no request was made for increased operating costs, the University continues to experience increased costs. The University operates very efficiently, stretching every dollar to maximize the student's and the state's return on investment. More than 80 percent of the University's expenditures are for personnel and benefits. The University has implemented many cost-saving measures. However, in order to maintain and improve quality, it is critical to make the important investments needed in human capital.

In the University's 2011-2013 Operating Budget Request, the University seeks funding through the performance incentive formulae to maintain current programs and implement new initiatives during the biennium.

COST-SAVING MEASURES

The University always has been a careful steward of the funds received from the state and other sources. In the University's current operating budget, the expenditure categories for supplies and expenses and repairs and maintenance have not increased since 2000-2001. In addition, there was a 3 percent decrease in the supplies and expense budget in 2002-2003. The last increase in the capital outlay budget was in 1999-2000. For nearly a decade, departmental units have been challenged to manage flat budgets for these expenditure categories at a time when there has been a significant increase in enrollment and expanded programs. As a result, the University continually looks for ways to save money and to operate more efficiently especially during these difficult economic times.

In spring 2010, the University of Southern Indiana responded to a request from the Indiana Commission for Higher Education concerning Budget Actions. Departments and colleges were asked to provide information about cost saving measures that have been in place over the past two years and to outline anticipated cost savings measures that may be implemented in future years. The responses fell into several broad categories.

Personnel

- Elimination of full-time positions and increased use of part-time employees
- Delay in hiring of full-time positions
- Elimination of overtime worked by support staff
- Student workers:
 - Shift eligible students to Federal Work Study program leveraging use of federal dollars to pay student workers
 - Reduce regular student worker hours
 - Delay replacement of student workers
- In 2009-2010, no salary increases were given to faculty, administrators, or support staff

Increased Use of Technology

- Increased use of email and technology to distribute course syllabi, handouts, promotional materials, correspondence, and newsletters; decreased use of printed materials and postage
- Increased emphasis placed on the web and information included on the University web site

- Implementation of USI Alumni Online, a new web site to interact with alumni and to decrease printing and mailings
- Increased utilization of computer-based simulations and laboratory exercises
- Increased use of on-line exams to save paper

Supplies and Equipment Replacement and Purchase

- Delay purchase of large equipment, furniture, and replacement computers
- Installation of more efficient color copier
- Lease of computer graphics equipment to be able to continue to use updated equipment rather than purchase
- Increased sharing of equipment such as printers
- Review of subscriptions and memberships

Change in Business Procedures and Operational Changes

- Eliminate use of Visa cards and debit cards and charge a fee for use of MasterCard or AMEX card when used to pay tuition
- Outsourced in-house rental car fleet to decrease replacement costs for vehicles
- Partner with other organizations to deliver programs – result is increased visibility of programs and decreased cost; increased collaboration and sharing of costs
- Increase class sizes to accommodate increased enrollment
- Increase minimum enrollment for summer classes; utilize adjuncts, instructors, and assistant professors to teach courses

Energy

- Turn back thermostats
- Turn off computers at the end of the day
- Turn off lights in offices

Travel

- Reduce travel costs by using more webinars for training sessions and regular meetings that required out-of-town travel

- Use conference calls rather than travel to meetings - saves mileage, per diem, cost of hotels, and other travel costs

Employee Benefits

- Increased emphasis on employee wellness programs - anticipate a 3:1 ROI by 2012
- 2010 - Introduction of high deductible health insurance plan
- 2009 and 2010 - Change in benefit design and funding mechanism for plans resulted in lower renewal costs
- Annual review of employee benefit plans and review of cost structure; implementation of multi-year contracts as a cost saving mechanism

Continuous Improvement Initiatives

- Continue to review and evaluate current business practices
- Review purchasing procedures
- Increase use of recycling
- Increase use of students as interns in on-campus positions

Other Revenue Sources

- Continue to seek funding from other sources such as grants, foundations, and federal funds

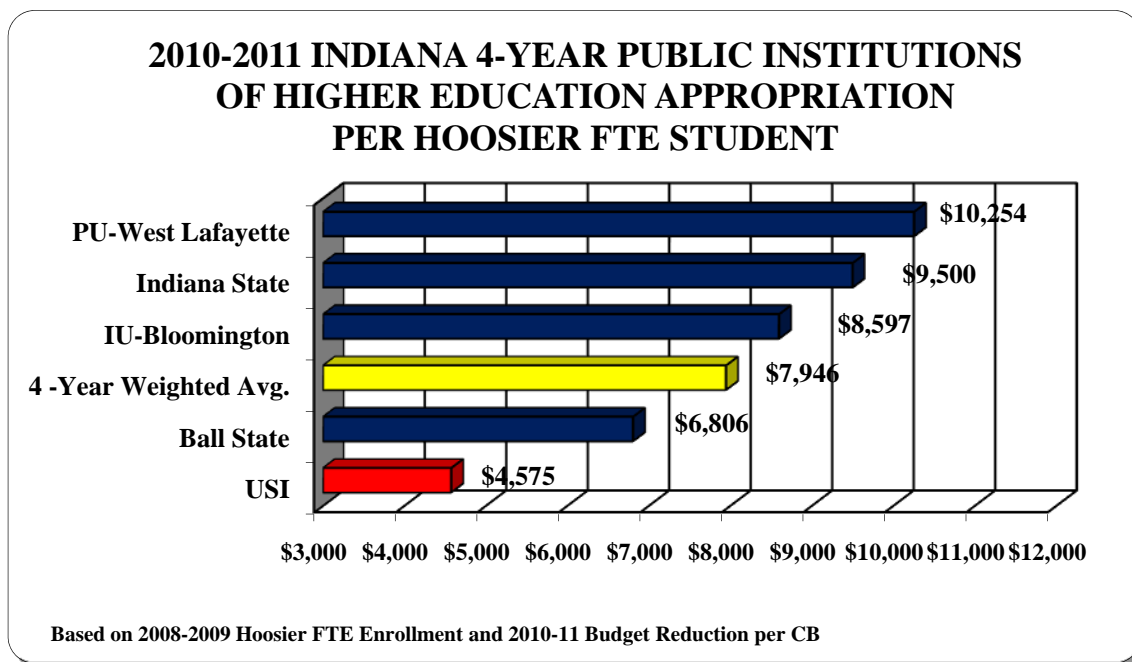
Because of budget reductions and the level of funding received by the University, any cost savings are redirected or used to support campus initiatives with the highest priority to maintain academic quality.

STATE APPROPRIATIONS

In past budget request documents, the University of Southern Indiana has drawn attention to the large disparity in state funding per-FTE-Hoosier student received by each of the public baccalaureate-degree-granting institutions. The state recognized this funding discrepancy by appropriating special equity adjustments to USI and other growing institutions in 1993-1995, 1997-1999, 2005-2007, and 2007-2009. However, while greatly appreciated, the appropriations have not been significant enough to offset the funding that would have been received from the

enrollment funding formula and other funding formulae had they been fully funded. The enrollment formula was fully funded only twice in the past decade. And, in the 2009-2011 biennium, the as-passed budget for higher education cut operating appropriations across the board 5.2 percent in 2009-2010 with an additional 2.5 percent reduction in 2010-2011. The five performance-based funding formulae were funded at 50 percent in 2009-2010 and 75 percent in 2010-2011. Due to growth in enrollment, cuts in operating appropriations, and partial funding of the incentive formulae USI continues to lose even more ground.

The difference in appropriation per-FTE-Hoosier student is significant. USI receives 57.6 percent of the statewide average per-FTE-Hoosier student as compared to the other four-year residential institutions and 67 percent of the next lowest institution. As can be seen in the chart, funding per-FTE-Hoosier student ranges from a high of \$10,254 per-FTE-Hoosier student at Purdue to a low of \$4,575 at the University of Southern Indiana.



Even with the special appropriations the University has received in past budgets, the magnitude of difference in funding has not changed significantly since the submission of the University's 2001-2003 operating budget request. Coupled with the University's low tuition level, this helps explain why the University of Southern Indiana finds it very difficult to implement new programs, expand existing programs, or provide needed services for students. The difference in state appropriations between institutions is significant and can be demonstrated by the following examples:

- To bring USI's funding per-FTE-Hoosier student in line with the next lowest four-year residential campus would require about \$2,231 per-FTE-Hoosier student or about \$18.6 million.
- To bring USI's funding per-FTE-Hoosier student to the statewide average for the four-year residential campuses would require \$3,371 per-FTE-Hoosier student or about \$28 million.

Additional special appropriation adjustments are needed for any significant progress to take place. Relying on the performance incentive formulae is not enough. The University recognizes there are significant differences in mission between the five four-year residential campuses. Some differences in appropriation per student are justified and appropriate. However, the existence of large disparate differences creates a disadvantaged group of students. The following chart demonstrates the difference in appropriation levels.

DIFFERENCE IN APPROPRIATION PER-FTE-HOOSIER STUDENT

	2008-2009 Hoosier FTE Enrollment	2010-2011 Operating Appropriation	2010-2011 Appropriation Per-FTE- Hoosier Student	2010-2011 Difference in Appropriation Per-FTE- Hoosier Student from USI	2010-2011 Total Difference in Appropriation Per-FTE- Hoosier Student
USI	8,332	\$38,122,411	\$4,575		
VU	7,464	\$37,190,537	\$4,983	\$408	\$3,399,456
ISU	7,530	\$71,536,249	\$9,500	\$4,925	\$41,035,100
BSU	17,785	\$121,037,431	\$6,806	\$2,231	\$18,588,692
IU	22,178	\$190,670,086	\$8,597	\$4,022	\$33,511,304
Purdue	23,515	\$241,119,044	\$10,254	\$5,679	\$47,317,428
4 Yr. Avg.			\$7,946	\$3,371	\$28,087,172

The gap in appropriations between students continues to widen. The current funding formulae will not correct the differentials in funding. There continues to be a need to address this problem to correct the differentials in funding. The target funding level per-FTE-Hoosier student at USI is 75 percent of the average appropriation of the other four-year residential campuses.

STUDENT FINANCIAL ASSISTANCE

Overall funding for student financial assistance at the University of Southern Indiana was nearly \$65.6 million in 2008-2009, an increase of 15.5 percent or \$8.8 million over the prior year. Federal student aid programs increased at a rate of 21 percent while the State of Indiana's assistance increased by 10.5 percent. Institutional financial aid increased by 23.7 percent and funding from corporate and private sources was up 16.4 percent.

The growth in financial assistance is directly related to the University's growth in enrollment. While there have been significant increases in the amount of financial aid awarded, federal entitlement programs, such as the Pell Grant, have not kept pace with inflation. Distribution of federal student aid programs has increased mainly due to two supplemental federal grant programs. The Academic Competitiveness Grant (ACG) rewards needy students for completion of a rigorous high school program and the National Smart Grant (SMART) is available to students in their third or fourth year who are majoring in physical, life, or computer sciences; mathematics, technology, or engineering; or in a foreign language determined critical to national security.

2008-2009 STUDENT FINANCIAL ASSISTANCE BY TYPE

Type of Assistance	Number	Total Amount Awarded	Percent of Amount Awarded
Grants / Scholarships	11,437	\$23,082,253	35.2%
Loans	7,223	\$40,910,101	62.3%
Employment	1,033	\$1,641,124	2.5%
Total	19,693	\$65,633,478	100.0%

Aggregate borrowing for Stafford Student Loan recipients for the class of 2009 baccalaureate graduates averaged \$22,290. This figure is up 15.8 percent from the 2008 class average of \$19,242. Among 2009 graduate degree recipients, aggregate borrowing averaged \$41,003, including both graduate and undergraduate borrowing. This figure represents an increase of 17 percent over the prior year, but includes prior college borrowing. The distribution of student financial assistance by type indicates a continuing reliance on student loans as the primary source of assistance. A three-year summary of USI's Stafford Loan default rates appears below.

Fiscal Year	Stafford Loan Default Rate
2005	2.6%
2006	4.0%
2007	5.7%

For fiscal year 2007, the national average default rate was 6.7 percent with the Indiana rate at 6.3 percent. Nationwide, public four year colleges with graduate programs have an average 4.3 percent Stafford Loan default rate.

The Office of Student Financial Assistance helps students and their families seek, obtain, and make the best use of all resources available to help finance the costs of attending the University of Southern Indiana. Staff members provide efficient and effective access to programs and services through personalized attention and the use of state-of-the-art technology. In partnership with internal, federal, state, and other organizations, student financial assistance is awarded to ensure equity and consistency in the delivery of funds to students. The professional staff works to minimize the procedural barriers that sometimes frustrate financial aid applicants and ensure that students at USI learn to handle their financial affairs in a responsible manner. The Student Financial Assistance team provides student advocacy on issues relevant to student success.

Scholarship Programs

Competitive scholarship programs at the University of Southern Indiana continue to attract many outstanding students. The primary institutional scholarship offered by the University of Southern Indiana is the Departmental Scholarship. These scholarships recognize and promote academic excellence. Students must be eligible to receive an Indiana Academic Honors Diploma and be ranked in the top 25 percent of their class at the time of application to qualify. Award amounts vary from \$500 per year to full tuition, based upon academic standing, high school grade-point average, high school curriculum, and scores on either the SAT or ACT. Departmental Scholarships are awarded upon application to the University and are renewable for four years, provided all academic and financial aid criteria requirements are satisfied.

The three most prestigious scholarship programs at USI are the Presidential Scholarship program, the Baccalaureate/Doctor of Medicine (B/MD) program, and the Deans Scholarship program. The Presidential Scholarship program began in 1988 to attract outstanding Indiana

students to the University. Ten students are selected for the competitive scholarships each year. Students ranked first or second in their senior class at the end of the fall semester from an Indiana high school are eligible to compete for the full four-year scholarships. The Presidential Scholar program is valued at more than \$54,500 over four years and provides a full scholarship for instructional fees, room, board, and books. Between 1991 and 2010, 225 Presidential Scholars have earned USI degrees.

The B/MD program offers a full tuition waiver for the undergraduate program at USI and a provisional seat in the Indiana University School of Medicine. It also offers special opportunities to learn more about medicine as a career, including opportunities to conduct undergraduate research. The purposes of the B/MD program are:

- to increase opportunities for Indiana residents, especially those who reside in the southwestern and southern portions of the state, to obtain education and training in Indiana University School of Medicine;
- to enhance the state's efforts in medical education, research, and services focusing on medical issues in Indiana; and
- to increase the number of physicians providing medical services to Indiana residents in southwestern and southern Indiana.

This program has attracted a number of exceptionally talented students who have successfully challenged fellow USI students through their leadership in academic pursuits and extracurricular activities. In 2010-2011, 22 students will participate in the B/MD program.

The Deans Scholarship is a merit scholarship patterned after the Presidential Scholarships, but without the Indiana residency or valedictorian/salutatorian requirement. A Deans Scholarship provides full tuition and ten are awarded annually to exceptional students who graduated at the top or near the top of their high school classes.

PRIVATE SUPPORT

The USI Foundation is a not-for-profit corporation organized 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.

In November 2008, a \$300,000 campaign for the STEM Resource Endowment was initiated. As part of a statewide consortium, the University of Southern Indiana was named the lead institution to improve STEM (Science, Technology, Engineering, and Mathematics) education in southwestern Indiana. The University is dedicated to the creation of a STEM Education Center to measurably improve K-16 student achievement in the STEM disciplines by focusing on increased learning opportunities and professional development for STEM teachers. The creation of two traveling laboratories takes science to schools in the nine-county southern Indiana region and provides students and teachers with access to modern/advanced research and equipment/instrumentation used by scientists and other STEM professionals.

In 2009, the USI Foundation successfully completed a \$2 million campaign to fund the programmatic needs of the new Business and Engineering Center. The state's investment in construction of the new facility and private investment in programmatic needs made it possible to provide state-of-the-art equipment and technology needed to enhance the instructional environment. The new facility, which opens to students in fall 2010, will allow USI to produce more graduates who can enter the workforce with vital knowledge and skills in business and engineering and provide enhanced opportunities for USI faculty and students to engage more fully in applied research for the region.

The USI Foundation recently launched a \$2 million campaign to support the state's investment in construction of the USI Teaching Theatre. Authorized by the 2009 Indiana General Assembly, the Teaching Theatre supports the University's commitment to arts education and to the cultural needs of the community. The new Theatre will be constructed in the core of the campus, attract more students to the Theatre Arts Program, provide theatre majors with a quality educational experience, and include a practice lab/classroom to teach key design and production elements. The much-needed Theatre will seat approximately 300 people and provide a venue for additional events such as special speakers, small performance groups, and musical recitals and performances. The University is ready to begin construction on the project and is awaiting release of the project by the Indiana Commission for Higher Education and the State Budget Committee.

More than \$1.1 million annually is awarded in student scholarships by the USI Foundation. Another \$132,000 is contributed in athletic grants-in-aid to student athletes by the USI Varsity Club. Further, private scholarships to USI students which do not flow through the USI Foundation, now account for \$5.7 million. These figures illustrate the motivation individuals and businesses have to financially support talented USI students and assist them in reaching their academic goals.

During the past five fiscal years, the University of Southern Indiana has raised an average of \$7,313,174 per year in public and private support. When government grants are excluded from this total, the average total private support is \$6,154,926.

GROWTH IN PRIVATE GIVING AND GOVERNMENT GRANTS

	FY2006	FY2007	FY2008	FY2009	FY2010
Gifts through Development Office	\$9,520,151	\$5,406,216	\$6,819,452	\$3,547,416	\$3,157,843
Lilly Endowment Grants	\$1,843,786	0	\$479,768	0	0
Total Private Support	\$11,363,937	\$5,406,216	\$7,299,220	\$3,547,416	\$3,157,843
Government Grants	\$294,438	\$1,029,756	\$929,925	\$1,573,132	\$1,963,986
Total Private and Public Support	\$11,658,375	\$6,435,972	\$8,229,145	\$5,120,548	\$5,121,829

MEASURES OF EDUCATIONAL QUALITY: ASSESSMENT AND ACCOUNTABILITY

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. The most recent of these environmental scans was the *2007 President's Task Force on Workforce and Economic Development*, a replication of the successful 2000 Task Force that led to a dozen new academic programs being developed in response to community feedback. Most notable among these new programs was the engineering program, approved by the Indiana Commission for Higher Education in 2002.
- 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 Measure of Academic Proficiency and Progress (MAPP). 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, a general knowledge and skills test – the Measure of Academic Proficiency and Progress (MAPP) – is given to all freshmen and seniors. The test is designed to measure “value added” over time. Participation rates for the MAPP test exceeds 90 percent each year. In the spring, a number of academic departments require seniors to take a Major Field Test (MFT) in their areas of study. These exams are designed to measure competency in specific majors. Other assessment related activities and testing are conducted on assessment day in the spring. Beginning in

spring 2011, a second assessment day will occur focused on program-specific evaluation.

- 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. The provost then reviews the findings and meets with the department chair and dean to discuss recommendations. 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 University on a regular basis disseminates the results of assessment activities to members of the campus and regional communities, the Board of Trustees, the Indiana Commission for Higher Education, and other interested campuses that have requested more information about the University's assessment processes.

Regional and Program Accreditation

One of the most important measures for educational quality is regional accreditation. In fall 2006, a visit team for the Higher Learning Commission of the North Central Association concluded that USI had established strong evidence for success across the five fundamental criteria – mission, future planning, student learning and effective teaching, knowledge generation and dissemination, and engagement and service. The University was renewed for accreditation for a ten-year period with no monitoring reports required.

Other recent successes in accreditation include:

- Reaccreditation of Department of Communications programs: journalism; public relations and advertising; radio and television by ACEJMC (Accrediting Council on Education in Journalism and Mass Communications) in 2009
- Full Certification of health services program by AUPHA (Association of University Programs in Health Administration) in 2009
- Radiologic imaging sciences accredited by JRCERT (Joint Review Committee on Education in Radiologic Technology) in 2009
- Initial accreditation for diagnostic medical sonography by CAAHEP (Commission on Accreditation of Allied Health Education Programs) in 2009

- Candidacy of accreditation for dietetics education by CADE (Commission on Accreditation for Dietetic Education) in 2010
- Reaccreditation of teacher education programs by NCATE (National Council for Accreditation of Teacher Education) in 2008

Virtually all programs for which there is an accrediting body have successfully achieved accreditation. The one exception is the Master in Public Administration program, and the University is working toward that goal in coming years.

CREATION OF NEW ACADEMIC PROGRAMS

USI Degree Programs and Needs of Regional Employers

USI plans to continue the expansion of its undergraduate and graduate degree program offerings to meet local and regional employer needs. There is a careful planning process for new academic programs including an all-university Academic Planning Council, chaired by the provost, which maintains a six-to-eight-year planning calendar for programs being considered across the five colleges. New programs must pass through college review and then be submitted to the Faculty Senate's Curriculum Committee, the full Faculty Senate, and the Academic Planning Council before they are sent for final approval to the Indiana Commission for Higher Education. During the past two years, the Commission approved four new degree programs.

Consistent with recommendations by the Indiana Commission for Higher Education, USI now focuses on the development of new academic programs at the baccalaureate and graduate levels. The newest baccalaureate degree programs approved by the Commission are in criminal justice, biochemistry, and sport management. The newest graduate program approved by the Commission 2010 is a Master of Arts in Communication. Included in the University's New Program Development Plan for 2011-2013 are three baccalaureate degree programs, six master degree programs, and two doctoral programs.

NEW DEGREE PROGRAMS APPROVED SINCE 1994

1994 M.S. in Nursing - received start-up funding

1995 M.S. in Accountancy *

1996 A.S. in Occupational Therapy Assisting *

- 1998 B.S. in Exercise Science
B.S. in Nursing via Distance Education
B.S. in Health Services via Distance Education
A.S. in Communications
- 1999 B.A./B.S. in Communication Studies
B.A./B.S. in Public Relations and Advertising
B.A./B.S. in Journalism and Computer Publishing
B.A./B.S. in Radio and Television
B.A./B.S. in Theatre Arts
B.S. in Radiologic and Imaging Sciences
Post-Baccalaureate Certification in Computer Information Systems
- 2000 B.S. in Applied Computer Science *
- 2001 Master of Health Administration via Distance Education *
M.S. in Occupational Therapy *
M.S. in Nursing via Distance Education
B.A./B.S. in Special Education
B.S. in Radiologic and Imaging Sciences via Distance Education
- 2002 B.S. in Electronic Business
B.S. in Engineering *
M.S. in Public Administration
- 2003 B.A. in International Studies
B.A./B.S. in Early Childhood Education
- 2005 B.A./B.S. in Food and Nutrition
Master of Social Work on Indiana State University Campus
- 2007 D.N.P. - Doctor of Nursing Practice
- 2008 B.S. in Advanced Manufacturing
B.A./B.S. in Criminal Justice Studies
- 2009 B.A./B.S. in Biochemistry

2010 B.A./B.S. in Sport Management
M.A. in Communication

* Degree programs recommended for consideration for funding by the Indiana Commission for Higher Education

Academic Program Review

Academic Affairs coordinates an Academic Program Review Process wherein programs are placed on a five-year schedule for internal review by a committee of faculty and administrators from across the campus. For those programs that do not have an external accreditation, an external reviewer in the field can be invited to assist in the review process. Programs that have thorough professional accreditation processes experience an abbreviated version of the internal academic program review because the external accreditation review generates most of the documentation needed. The primary purpose of the Academic Program Review is to assess and strengthen programs. The five areas targeted for review are:

- Quality of education, including assessment of student learning outcomes;
- Quality of research, creative activity, or scholarly work;
- Quality of outreach activities and service to the University, the academic profession, and the community;
- Contribution or importance of the program to other campus programs, particularly the Core Curriculum; and
- Potential and future expectations for the program.

The review is intended to enhance the quality of a program and to assist in determining a program's future challenges and opportunities. The information gathered in the review process assists in the University's planning efforts and guides the evaluation of new academic program proposals, budget requests, and capital project requests. The five-year cycle of program review ensures the University has a regular process of internal review and evaluation of its academic programs.

VOLUNTARY SYSTEM OF ACCOUNTABILITY AND THE COLLEGE PORTRAIT

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 College Portrait supplies basic comparable information through a common web report. Information includes student and campus characteristics, cost of attendance, success and progress rates, campus safety, class size, student experiences on campus, and student learning outcomes. In addition, adopters of the VSA commit to use one of three standardized student outcomes assessments and agree to report the scores for first-year and senior students, allowing the public to gauge the learning that occurs on campus.

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 <http://www.collegeportraits.org/IN/USI>.

INSTRUCTIONAL AND PROGRAM DELIVERY

Growing interest in distance education programming is evident from the data below. A phenomenal 277 percent increase in enrollment during the past decade indicates that distance education strategies must be part of USI's future program planning. The availability of distance education programming helps to address the state's goal of increasing access to and affordability of higher education. USI continues to look for opportunities to expand its distance education offerings, particularly in Core Curriculum courses, but in other programs as well. The Doctor of Nursing Practice program is available online, making it more accessible to practicing nurses. The College of Nursing and Health Professions also "podcasts" various classes, making it possible for students to "tune in" to the day's lesson at their own convenience.

The USI Summer Institute for Online Teaching and Learning is designed to provide faculty with training to develop online courses, particularly those courses in the core curriculum or that support an ongoing distance education program. Selected faculty members attend a three-week long intensive Institute during the summer to learn how to develop online courses. The online courses are developed and delivered within the following academic year; and participants share their experiences and training with others in their schools and departments.

DISTANCE EDUCATION HEADCOUNT ENROLLMENT

Year	Fall	Spring	Summer	Total
1999-2000	661	903	502	2,066
2000-2001	1,074	1,051	539	2,664
2001-2002	1,440	1,467	647	3,554
2002-2003	1,819	2,332	807	4,958
2003-2004	2,467	2,586	876	5,929
2004-2005	2,444	2,874	1,428	6,746
2005-2006	2,867	2,942	1,688	7,497
2006-2007	2,783	2,828	2,112	7,723
2007-2008	2,967	2,760	2,368	8,095
2008-2009	2,823	2,881	2,708	8,412

Keeping in mind that time is valuable for students, USI Nearby was designed for busy commuter students. Courses are offered in the evening at three off-campus locations: Castle High School in Newburgh, the National Guard Armory on the east side of Evansville, and Innovation Pointe in downtown Evansville. USI Nearby courses are taught by USI faculty. Most courses meet University Core Curriculum requirements and can help a student make significant progress toward educational requirements and a degree.

USI is a leader in offering dual credit courses in area high schools and invests considerable resources in ensuring the quality of those dual credit offerings. USI proudly confirms the quality of its dual credit educational programming through accreditation by the National Alliance of Concurrent Enrollment Partnerships in 2006. Furthermore, the University granted recognition to the International Baccalaureate Program in 2006 and offers college credit for completion of that program.

ARTICULATION

The University believes that collaborative use of all higher education resources is necessary if the state's goals of expanding access to higher education and preparing a skilled and educated workforce are to be met. Also, it has become increasingly evident that a regional approach to addressing workforce education and skills deficiencies is required if the

southwestern Indiana economy is to remain lively and competitive. Although the University's most active two-year college partnerships have been with Vincennes University and Ivy Tech Community College, the University is expanding agreements with all community colleges within the University's service area, including western Kentucky and southern Illinois, from which a sizeable percentage of the southern Indiana workforce is drawn.

USI partners with Vincennes University (VU) to offer "One Admission. Two Universities," a concurrent admission program begun in 2007, wherein students admitted to VU are automatically admitted to USI and can pursue a seamless articulation into a bachelor's degree program. Nearly 40 VU associate degree programs have been articulated with USI bachelor's programs for the concurrent admissions program and to facilitate transfer for other VU students. Approximately 40 VU students participate in the "One Admission. Two Universities" program are on track to make the transition to USI in the fall of 2010. A USI advisor holds weekly office hours on the VU campus to advise these students and to coordinate interaction between USI and VU faculty and staff. USI hosted 18 VU faculty and staff on campus in January 2010 to update articulation agreements and meet with their USI counterparts. VU student groups visited USI in March and April of 2010 as part of this program.

Since 2006, a USI admissions representative has been housed on the Ivy Tech Community College - Southwest campus to connect Ivy Tech students with USI personnel and programs. Currently there are more than 20 2+2 articulation agreements in place with Ivy Tech Community College; most are with Ivy Tech - Southwest, while several are statewide. Additional program agreements with Ivy Tech are being negotiated and will be expanded to other campuses as it is determined that faculty preparation and program content levels meet University quality standards. Beginning in fall 2010, USI and Ivy Tech will launch USIvy, a concurrent admission program between the two institutions. Similar to the concurrent admission program with Vincennes University, if a new Ivy Tech student meets program entrance criteria and successfully achieves the program's renewal terms, the student is guaranteed admission to USI. The intent of the program is to encourage students to leverage educational resources at both institutions in order to achieve undergraduate educational goals.

The University is a member of the Statewide Transfer Articulation Committee (STAC), which seeks to continually expand articulation programs between colleges and universities throughout the state. USI supports the Core Transfer Library of courses developed by the Statewide Articulation Committee and has worked with other institutions in the state to expand the number of courses that are part of the Core Transfer Library. A record number of students

transferred to USI in 2009-2010 and many of these students received credit for courses completed as part of the Core Transfer Library.

FACULTY PROFILE

USI has experienced rapid growth in the past decade, increasing student headcount by 21 percent and full-time enrollment increased by 29 percent in fall 2009. Meeting the needs of more full-time students requires attention to an increase in the number of full-time faculty. The University is fortunate to have a talented cadre of part-time faculty and will continue to find ways to recruit and retain these outstanding faculty. Still, meeting the educational needs of students requires talented professors, advisors, scholars, and enthusiastic boosters who are available when students need guidance.

The University of Southern Indiana employed 657 faculty members in fall 2009. Of these, 338 (51.4 percent) were full-time and 319 (48.6 percent) were part-time. A profile of those faculty members by rank follows:

FULL-TIME FACULTY PROFILE BY RANK: FALL 2009

Faculty by Rank	Fall 2009	
	n	%
Professor	42	12.4%
Associate Professor	73	21.6%
Assistant Professor	121	35.8%
Instructor	102	30.2%
Total	338	100.0%

What is evident from this distribution of full-time faculty across the ranks is that the largest grouping of faculty is either contract at the instructor level or tenure-track assistant professor. On many campuses, a concentration of faculty in the senior ranks can signal significant challenges should several retirements occur within a short span of time. The concentration of full-time faculty in the more junior and instructor ranks bodes well for the retention of more faculty over a longer period of time.

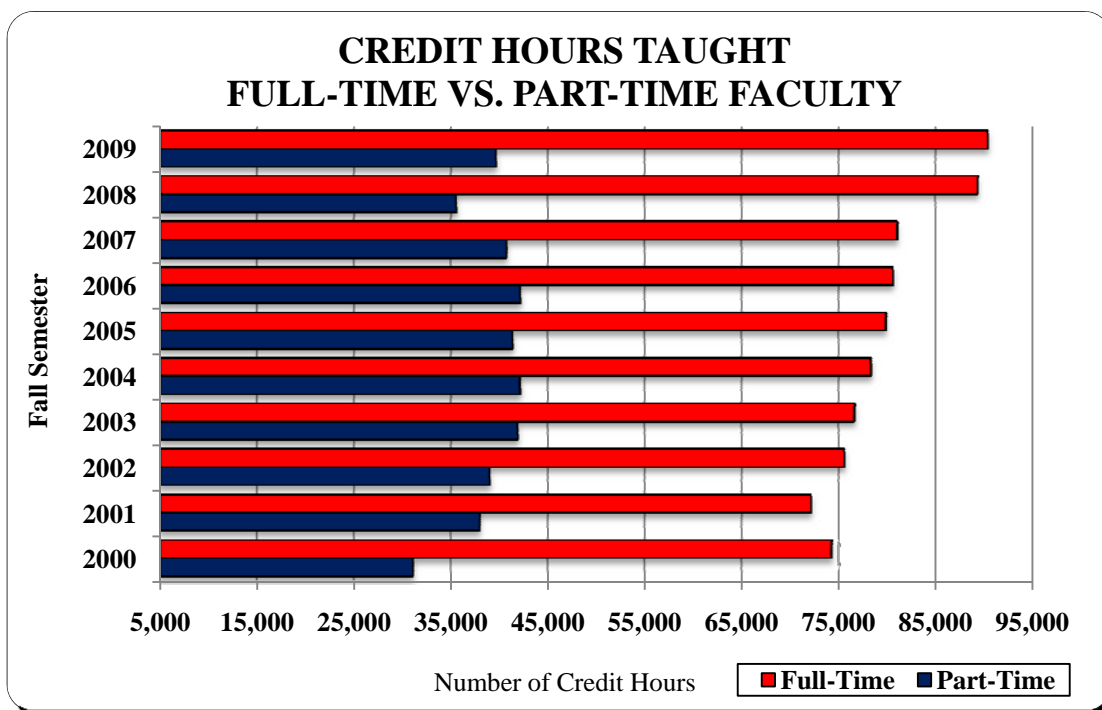
The highest number of part-time faculty is found in two colleges: Liberal Arts (36.7 percent of college faculty) and Education and Human Services (22.6 percent of college faculty). Teacher Education and Physical Education rely upon many K-12 teachers and physical education

specialists, trainers, and coaches to enrich their programs. The involvement of these faculty in the education of future teachers and teaching of physical activity courses strengthens these programs. The College of Liberal Arts absorbs most of the new student demand for Core Curriculum courses along with the College of Science and Engineering and thus their utilization of part-time faculty is the highest among the colleges.

FULL- AND PART-TIME FACULTY BY COLLEGE: FALL 2009

College	Full-Time		Part-Time		Total
	N	%	N	%	N
Business	49	14.5%	11	3.4%	60
Education and Human Services	41	12.1%	72	22.6%	113
Liberal Arts	108	32.0%	117	36.7%	225
Nursing and Health Professions	56	16.6%	36	11.3%	92
Science and Engineering	82	24.3%	44	13.8%	126
University Division	2	.6%	39	12.2%	41
Total	338	51.4%	319	48.6%	657

Even with USI's reliance upon part-time faculty, the bulk (70 percent in fall 2009) of credit hours taught was delivered by full-time faculty, as shown below.



Additional demographic analysis of the fall 2009 full-time faculty indicates that 53.6 percent were female and 5.9 percent minority. All full-time faculty members carry at least 12 credit hours per semester instructional responsibility and produce more credit hours per faculty member than other baccalaureate-level public institutions in the state. This higher teaching load and greater productivity also translates into a higher student-faculty ratio than other state institutions, as shown below.

Institution	Student to Faculty Ratio
University of Southern Indiana	21 to 1
Indiana University	19 to 1
Indiana State University	18 to 1
Ball State University	18 to 1
Purdue University	14 to 1

All members of the full-time faculty are reviewed annually. Each faculty member is expected to generate an annual report of instruction, research, and service productivity. This report is the primary instrument in promotion and salary recommendations. Probationary faculty members are reviewed according to an established schedule. While the University has not adopted a formal post-tenure review system, annual reviews for salary increases are based on meritorious performance, market considerations, and equity studies. Salary recommendations begin at the department and college levels and are reviewed by the provost and vice president for Academic Affairs and the president.

The University operates in highly competitive national and international markets. In recent years, markets in higher education have presented challenges in the recruitment and retention of new faculty. Every effort is made to offer competitive salaries to new faculty, and the University is building a stronger faculty development structure to support those faculty members as soon as they arrive on campus. Successful students are mentored by successful faculty and the needs of both groups must be the primary focus of the University.

STUDENT AND FACULTY RECOGNITIONS

Undergraduate education at the University of Southern Indiana is characterized by significant contact between students and faculty within and outside of the classroom. Faculty and students are frequently engaged in co- and extra-curricular activities on the USI campus, in the region, and even in international ventures.

While USI faculty carry the heaviest teaching loads of the four-year public institutions in the state, they also serve as mentors and advisors to students in their academic disciplines. Students benefit significantly from this close teaching/learning environment and their successes are evident in their scores on licensure examinations, field exams, senior year achievement tests, and advanced graduate study. Specific examples include:

Student and Alumni Recognition

- A team of accounting students in the College of Business won first place in the national 2010 Student Case Competition sponsored by the Institute of Management Accountants (IMA). This marks the third consecutive year for a USI student team to win the award and the fifth straight year for USI to qualify for the national finals.
- WSWI AM 820, the student radio station, was named Radio School of the Year by the Indiana Association of School Broadcasters at its 2009 College Radio Competition.
- Engineering students at USI launched a high-altitude balloon in spring 2009. Two onboard GPS pods allowed for continual tracking of the flight and a quick recovery after landing. The launch was one of 15 university or college launches occurring simultaneously from across the midwest to the east coast.
- Two recent graduates of the University of Southern Indiana – Sarah Braun '10, biology major, and Edwin Ramos '10, mathematics major – are among 80 new Woodrow Wilson Indiana Teaching Fellows. They have been selected to complete an innovative teacher preparation program at the master's level and then teach in Indiana's high-need urban and rural schools.
- Brad Morton '92 was named a 2009 Energy Patriot by U.S. Senator Richard Lugar. Lugar's Energy Patriots Awards recognize outstanding Hoosiers who have demonstrated leadership and initiative in taking concrete action to improve America's energy security. Morton was recognized for his efforts to increase the use of solar energy in Indiana.
- Engineering team members Thomas Calhoun '10, Flint Rasure '12, Hasan Odeh '10, Alex Schnautz '11, and Matt Schneider '10 designed and built a robot for the first annual Lunabotics Mining Competition at the Kennedy Space Center. Sponsored by

the National Aeronautics and Space Administration, the engineering competition attracted teams from 22 universities throughout the country. The USI team placed third in the competition and was the winner of the team spirit competition.

- Michael Phillips, a cadet in the USI Reserve Officer's Training Corps (ROTC) program, received the George C. Marshall Award for his scholarship, leadership, physical fitness, and involvement in the community. The award is part of the annual George C. Marshall ROTC Award Seminar held in Lexington, Va. at the Virginia Military Institute (VMI). VMI is the alma mater of General George C. Marshall and holds historic significance to Lexington.

Faculty Recognition

- Michael Aakhus, interim dean of the College of Liberal Arts and professor of art, was named 2009 Artist of the Year by the Arts Council of Southwestern Indiana.
- The *Wall Street Journal* recognized Timothy B. Mahoney, instructor in economics, with a Distinguished Professor Award in 2009 for his continued commitment to the success of students. Mahoney was one of eight faculty members chosen to receive the award from an eight-state region that includes 24 universities.
- Dr. Elizabeth Bonham, assistant professor of nursing in the College of Nursing and Health Professions, received the Melva Jo Hendrix Lectureship Award presented in April 2009 at the annual conference of the International Society of Psychiatric-Mental Health Nurses (ISPN).
- Tracy Archuleta, USI's head baseball coach, led the Screaming Eagles to their first-ever national championship in baseball. He was named the 2010 Diamond/American Baseball Coaches Association (ABCA) Coach of the Year for the NCAA Division II and the Midwest Region Coach of the Year by the ABCA and the National Collegiate Baseball Writers Association.
- Daniel Craig, assistant professor of music, led USI's Chamber Choir on a concert tour of Ireland in spring 2010. The choir performed in Dublin, Cork, Cobh, Lisdoonvarna, Doolin, and Galway. Their performances raised money for local charities in Ireland.

- Dr. Joseph Uduehi, associate professor of art education, received the Arts Council of Southwestern Indiana's 2010 Arts Educator of the Year Award.
- Bob Jeffers, instructor in communications, received the Silver Medal from the American Advertising Federation-Greater Evansville at its annual ADDY awards ceremony in spring 2010. The Silver Medal is given to a member of the advertising community who has significantly contributed to the local community and the advertising industry.

ONGOING INITIATIVES

Ongoing assessment processes lead to efforts for continuous improvement in the learning environment and teaching effectiveness. Among recent initiatives are:

- ***Center for Academic Creativity*** - Support from Lilly Endowment, Inc. helped to establish in 1998 the first faculty development program on USI's campus, the Center for Teaching and Learning Excellence (CTLE). With additional support from Lilly Endowment in 2004 through its "Recruitment and Retention of Intellectual Capital" initiative, there was sufficient funding to hire a full-time director of faculty development in 2008 and to establish a broader structure for faculty development programming on campus. Under the leadership of the full-time director, USI's renamed Center for Academic Creativity supports all faculty and staff contributing directly to the academic mission of the institution and offers faculty and staff more opportunities to learn and grow in their roles as teachers, mentors, advisors, leaders, and scholars. Workshops, seminars, and presentations for and by faculty are offered through the Center. The Center seeks to offer innovation in support of student learning and works closely with Instructional Technology Services to promote the use of technology as well as distance education delivery.
- ***Service Learning*** - To support the growing interest of faculty and students in community-based instruction, the University implemented a formal service learning program in fall 2007. Given the University's mission as an institution characterized by excellence in teaching and regional outreach, faculty members have long embraced the concept of service learning as an important vehicle for instructional effectiveness and curricular currency. USI has a solid history of faculty, staff, and student involvement in outreach projects, many of which have a service learning component. By implementing a formal program, the University is better able to

provide professional assistance to faculty, staff, students, and community partners with consistent, structured support for intentional service learning projects. The Office's program guidelines, goals, objectives, and plan of implementation were identified by a faculty/staff advisory committee and program director and were officially implemented in the past two years. The University has seen a 50 to 80 percent increase in the numbers of courses, faculty, and students involved in service learning.

The Office of Service Learning established a process that greatly improved the practice of service learning on campus, offering assistance to those coordinating these projects that includes the dissemination of best practice information. This new process will facilitate effectively reaching out to faculty and Colleges not involved in service learning, increasing the numbers even further over the next biennium. Beginning in summer 2008, the Office of Service Learning and the faculty development center began sponsoring annual Service Learning Institutes to recruit and train faculty in service learning methodology. Thirty faculty members have participated in these Institutes to date.

The Office of Service Learning developed a Co-Curricular Service Learning Program, through which regular co-curricular activities are offered that include learning components, reflective activities, and other elements of service learning practice to help students develop excellent civic practice through a full range of experiences while attending USI. For the first time in fall 2010, the Office of Service Learning is collaborating with the Office of Student Development to offer a Service Day the weekend before classes begin. The intent is to orient new students to the idea of USI as an engaged campus, helping them benefit more fully from these opportunities while attending USI. Future plans include the creation of staff development opportunities for Student Affairs staff who work with students in many of these co-curricular activities.

- ***Summer at USI*** - Academic Affairs has focused on summer sessions in recent years, working to increase the number of high demand courses and thus increase student opportunities to make progress on their degrees during the summer months. Current USI students, new freshmen, and visiting transfer students are encouraged to take classes during the summer. Students who take summer courses increase their chances of graduating in four years and can complete many core requirements during the summer months. Through careful selection of courses offered (including an increase

in Core Curriculum classes), summer enrollments increased 15.7 percent from 2008 to 2010.

CONTRIBUTING TO THE INDIANA ECONOMY

THE ROLE OF THE UNIVERSITY IN ECONOMIC AND WORKFORCE DEVELOPMENT

Strategic Directions for Higher Education, a series of planning documents developed by the Indiana Commission for Higher Education, targeted contributing to Indiana's economy as a key goal for public colleges and universities. USI is a proven contributor to Indiana's economy and embraces this goal, 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;
- Implementing academic and outreach programs focusing on innovation, entrepreneurship, applied research, and improved competitiveness; and
- Retaining Hoosier students.

Accelerating Growth, Indiana's strategic economic development plan, states that "Indiana must strive to create an economic environment that fosters innovation and knowledge creation, while fully leveraging existing resources." It cites three imperatives critical to revamping the state's economy for the 21st Century: innovation, talent, and investment. Among key factors named as vital to success are:

- Developing a skilled workforce with constantly improving educational aspirations and attainment;
- Instilling a culture of innovation and entrepreneurship;
- Leveraging key growth opportunities based on existing assets;
- Developing strategic leadership; and
- Promoting and investing in quality of life, community amenities, and civic tolerance.

A major theme of *Accelerating Growth* is that the state's economic revitalization depends heavily on the successful implementation of regional growth strategies.

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.

THE UNIVERSITY AND REGIONAL DEVELOPMENT

Today in southwest Indiana, several coalitions of community, business, education, and economic development leaders are engaged in a variety of planning initiatives and projects focusing on revitalizing and expanding the regional economy. These include the Economic Development Coalition of Southwest Indiana, Growth Alliance for Greater Evansville (GAGE) and Innovation Pointe Certified Technology Park (division of GAGE), The Mayor's Education Roundtable, Southwest Indiana Network for Education (SINE), Evansville Regional Business Council, the Indiana-STEM Network (I-STEM), and the Grow Southwest Indiana Workforce Board. Other significant coalitions are initiating dialogues among key stakeholders to consider how a broad-based regional partnership can proactively address strategic issues that impact the future economic viability of the region going forward.

USI is an active partner in most of these initiatives, sharing the common goal of improving general economic well being through diversification of the economic base. Achieving and sustaining a highly skilled workforce is a primary objective. It is important to understand that quality preparation in science, mathematics, and technical skills is key to raising the preparedness level of high school graduates and incumbent workers.

The regional development approach rests on the premise that overall economic well being requires an increase in the standard of living driven by growth in productivity and innovation. It embraces a "new economy" model built on opportunity-finding, idea generation, knowledge creation and application, a highly skilled workforce, clean energy, and increased entrepreneurial activity. Current initiatives in place to transform the economy center on developing an entrepreneurial culture, targeting innovation and technology transfer, and boosting science, mathematics, and technical skills. Important economic sectors for which initiatives are planned or in the implementation stage include advanced manufacturing, technology transfer, information technology, biosciences, clean energy, and logistics, transportation, and distribution.

Despite the negative impact of the recent economic downturn, the southwest Indiana economy has averaged stable growth in traditional business sectors and some noticeable changes in economic structure over the past two decades. There is evidence, however, that innovative

and entrepreneurial activities have not kept pace, particularly as legacy manufacturing leaves the region. Innovation and entrepreneurship are not embedded in the region's culture. Of the 394 regions in the recent Bureau of Labor Statistics regional entrepreneurship index, the Evansville area ranked in the 27th percentile. Recent studies find that both entrepreneurship (new firms and growing firms) and innovation (patents, R&D, and high-tech industries) are drivers in the growth of regional economies. These studies concluded that growth relies on a blend of innovation and entrepreneurship (Armington and Acs, 2003; Camp, 2005). A recent report on Education and Tech Entrepreneurship issued by the Kauffmann Foundation in May 2008, found that more than 60 percent of the founders of technology firms in the United States completed degrees in business and/or engineering. Business and the STEM fields (science, technology, engineering, and mathematics), account for 80 percent of the terminal degrees completed by U.S. born tech founders. The national average of U.S. tech founders who establish a start-up company in the same state in which they received their degree is 45 percent. In Indiana, only 18 percent of tech founders educated in the state remain in Indiana. The University's new Business and Engineering Center, opened in fall 2010, provides a venue to stimulate collaboration between business and engineering that will positively impact the region and the state in the number of degrees completed and number of graduates who remain in the state and contribute to the Indiana economy.

As described in the American Association of State Colleges and Universities (AASCU) publication, *Tools and Insights for Universities Called to Regional Stewardship*, a public university's role in advancing regional prosperity in an economy based on the application of knowledge is evident. Public comprehensive institutions are embedded in their regions' culture and economy. They play a central role in increasing the postsecondary-educated workforce. Faculty and staff form a key component of the region's talent pool. Faculty and student expertise can help transform businesses through problem-solving, applied research, technical assistance, consulting, and internships. Centers of excellence housed in universities can help to distinguish regional employers and the university from competitors. They provide entrepreneurs in a wide variety of fields. And, universities can be the driving force behind innovation, as the primary source of expertise, diversity, and interaction. (AASCU, 2006)

UNIVERSITY OF SOUTHERN INDIANA RESPONDS TO REGIONAL NEEDS

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 has become a broadly engaged university providing resources and services to support economic and workforce development.

Despite limited resources, the University of Southern Indiana is an active force in engaging the interests of the region and state in economic and workforce development. Regional outreach is central to the institutional mission and a distinguishing characteristic of the University. As implied by its name, USI is embedded in southern Indiana and responds, as resources permit, to regional expectations. The institution has a consistent record of developing and expanding programs and services in anticipation of or response to the needs of a changing economy.

In recognition of the important and successful role USI plays in economic and workforce development, the 2007 General Assembly appropriated more than \$1 million to help increase the University's capacity to respond to regional need. The University used these funds wisely to support regional economic and workforce development

SIGNIFICANT UNIVERSITY INITIATIVES RELATED TO ECONOMIC AND WORKFORCE DEVELOPMENT

President's Task Force on Workforce and Economic Development

In 2000 and 2007, the USI President commissioned a Task Force on Workforce and Economic Development to *"examine the University's leadership and responsiveness in regional economic development and to recommend academic and training programs that will meet the future workforce and economic development needs of the region."* The charge also included a study of existing and newly emerging economic and social trends in the regional economy to identify gaps between the existing program offerings and the changing needs of area employers. Findings of both Task Forces were used to plan program and service development to match expressed regional needs, as resources permitted.

Programs already implemented as a result of the 2007 study are the Doctor of Nursing Practice (DNP), advanced manufacturing, criminal justice, biochemistry, sport management, and health informatics. A master's degree in Communications was initiated in fall 2010. Engineering, Nursing and Health Professions, Business, and Extended Services are expanding existing or developing new program components to meet specified needs.

USI's plans for new programs through 2013 match those for which regional employers expressed interest; for example, undergraduate programs in physical therapy, a blended business/engineering degree, and specialties within the existing BS in Engineering. Graduate-level programs targeted to the continuing education needs of professionals in food and nutrition (dietetics) and sales and maintenance management are being explored in response to the study.

It is important to note that most of these regional initiatives and USI programs require high school graduates and adult learners with adequate preparation for high-skill learning environments, especially in mathematics, science, and technology. Greater University involvement to help improve P-12 education has been strongly encouraged by educators, business leaders, and workforce development officials. Expanded interaction with P-12 schools to improve teaching and learning through strong professional development programs for teachers and better alignment of middle, high school, and college curricula is felt to be essential to workforce skill development. The University's STEM-related initiatives were expanded to include a broader regional approach through a series of grant-funded projects and becoming an I-STEM Resource Center. Significant to regional workforce and economic development, the University has entered a partnership with NSWC Crane to promote STEM education in a 17 county area of southwestern Indiana, including the new RADIUS economic development region.

University response to the recommendations of the 2007 Task Force and other environmental scans was to target three primary focus areas for outreach and engagement for the near term. These are:

- economic development;
- workforce and community development; and
- expanded involvement with P-12 education.

All outreach and engagement support units in Extended Services are charged with addressing specific regional needs. These include the Centers for Applied Research, Continuing Education, Education Services and Partnerships, and Human Resource Development, the USI-Crane Partnership, Service Learning, Instructional Services/Distance Education, Historic Southern Indiana, and Historic New Harmony. In addition, several academic Colleges have designated outreach activities that promote faculty and student engagement in the region.

Innovation Pointe

USI is the higher education partner for the Evansville certified technology park, Innovation Pointe. Innovation Pointe (IP) is a knowledge-based business incubator located in downtown Evansville and is a division of Growth Alliance for Greater Evansville (GAGE), the Evansville-Vanderburgh County economic development agency. The University has an active presence in Innovation Pointe to provide credit and noncredit courses, operation of the incubator services, faculty and student consulting and mentoring, supporting innovation and entrepreneurship for IP-located and other clients, providing internships, and developing an Innovation/Idea Center within the complex. A USI manager of education and entrepreneurship support is housed on site to coordinate University activities. USI and GAGE are partnering with Crane NSWC to promote entrepreneurship in southwest Indiana and to support commercialization and technology transfer of selected Crane research.

Academic Assets and Outputs

Development of both undergraduate and graduate degree programs at USI has strongly reflected the workforce and economic development needs of southwest Indiana and the state. The Department of Workforce Development and the regional workforce board identified specific skills that are strategic to the state's interest. Many of the programs identified by regional stakeholders in the *2007 President's Task Force on Workforce and Economic Development* show common agreement that these strategic skills and related academic programs are critical to the development of the regional workforce. USI has numerous academic assets that address these strategic skills categories. As a result of the President's Task Force, other such programs and services are in the planning stage. Among USI programs that respond to specific regional and state need are:

- **College of Business**
 - ACSB - accredited MBA and BS/BA programs (undergraduate degrees offered in accounting and business law, economics and finance, management, management information systems, marketing); and
 - Applied Computer Science (BS).

- **College of Nursing and Health Professions**
 - Nursing (BS and MS);
 - Health Services (BS);
 - Doctor of Nursing Practice (DNP);

- Health Services Administration (MS);
 - Occupational Therapy (BS and MSOT);
 - Extensive use of distance education in degree program delivery;
 - Partnerships with a broad range of hospitals, health care facilities, businesses, and social organizations to provide internships and clinical experiences; and
 - Host for a ten-county Area Health Education Center, which focuses on health care workforce recruitment and education, funded with state and federal grants.
- **Pott College of Science and Engineering**
 - Engineering (BSE), Industrial Supervision (BS), Industrial Management (MS);
 - Science and mathematics (BS/BA), disciplines include biology, chemistry, geology, and physics;
 - Advanced Manufacturing (BS); and
 - Provides leadership to regional STEM education initiatives and houses the southwest Indiana I-STEM Resource Center.
- **Other USI Colleges and Programs**
 - The College of Liberal Arts offers career-focused degree programs in communications, criminal justice, international studies, and public administration as well as a variety of general education and service courses to support all USI programs.
 - The Bower-Suhrheinrich College of Education and Human Services provides pre-service and in-service training for teachers and is expanding programming to better prepare mathematics and science teachers. The College also offers bachelors and masters degrees in social work. A special hybrid MSW program is offered via distance education to Indiana State University in Terre Haute.

STEM-Related Education

Southwestern Indiana STEM Initiative

USI is committed to developing and implementing long-term success strategies for science, technology, engineering, and mathematics (STEM) education in southwest Indiana. The University has moved aggressively to develop capacity as the STEM education resource for the region. USI has extensive STEM-related projects underway or in the planning stages. While improving STEM education in the region requires a long-term approach, most USI projects rely

on short-term grants for planning, development, and implementation. Long-term funding for sustainability is needed.

The goals of the STEM initiative are to:

- Develop new STEM advancement alliances and partnerships (public and private);
- Focus on regional STEM education and workforce development;
- Identify and support existing STEM programs;
- Develop a web-based clearinghouse of information for all constituents (parents, teachers, students, community, industry, etc.);
- Increase recruitment of middle, high school, and college students into STEM courses and programs;
- Communicate with constituents about the importance of STEM education and career path options;
- Expand Project Lead the Way (PLTW) opportunities into every school in the region;
- Develop closer PLTW ties between school districts and universities;
- Develop STEM summer camps, weekend workshops, and other alternative programming to encourage and recruit students into STEM disciplines;
- Develop a STEM equipment lending service with state-of-the-art equipment and high-tech instrumentation;
- Develop teams of university and school faculty to redesign K-16 STEM curricula by developing new and innovative lessons and hands-on, inquiry-based laboratories; and
- Identify and remedy gaps in K-16 STEM education.

The Pott College of Science and Engineering provides leadership to the USI projects that carry out the goals of the STEM Initiative, with support from the Bower-Suhrheinrich College of Education and Human Services and USI Extended Services. Projects include:

- ***Southwestern Indiana STEM Resource Center*** - In 2007, with funding through the Indiana STEM Resource Network (I-STEM), the Pott College of Science and Engineering established the Southwest Indiana STEM Resource Center (SwISTEM). In the years following, SwISTEM has continued to operate through continued funding from I-STEM as well as funding through USI, private giving, and regional, state, and federal grants. SwISTEM currently operates with two full-time employees (the SwISTEM Resource Center Director and the Science Coordinator) and two part-time employees (Coordinator of Engineering Outreach/Project Lead the Way Liaison and the Coordinator of Mathematics Outreach).

- **Indiana STEM (I-STEM) Network** - USI is the lead institution in the development and implementation of the Indiana STEM (I-STEM) Resource Network. USI has primary responsibility for STEM-related efforts for the Department of Education (DOE) Service Center Region 1 and Economic Growth Region 11. The focus will be on improvement of STEM-related education through curriculum redesign, realignment, and professional development for teachers in the nine counties within the region.

- **Partnership with Crane Division, Naval Surface Warfare Center (NSWC Crane)** - The University of Southern Indiana and the Crane Division, Naval Surface Warfare Center (NSWC Crane) announced a Partnership Intermediary Agreement (PIA) on February 6, 2010. The formal agreement will accelerate the USI STEM initiative and help Crane continue to improve their innovative path by creating new businesses and jobs with Crane patents. In addition, summer programs bringing together educators from the region to work side-by-side with Crane engineers and scientists are being offered, strengthening a core curriculum of science, technology, engineering, and mathematics.

- **National Science Foundation (NSF) STEP Grant** - USI received a five-year \$1.2 million NSF grant for four projects that complement and enhance other STEM initiatives; these are:
 - The *Early Undergraduate Research Program*;
 - the *Pathways Leading to Undergraduate Success in the Sciences (PLUSS) Program*;
 - Increased community and K-12 involvement through a formal *Outreach Program*; and
 - Improved pedagogical approaches through a formal *Professional Development Program* for K-16 teachers.

These components support other STEM initiatives and address additional STEM goals including: increasing the number and quality of students selecting STEM majors; providing opportunities for high school and college students to engage in hands-on research; providing enhanced academic and career advising for students majoring or intending to major in any of the STEM areas; improving the retention and graduation rates for STEM students; improving success rates in mathematics and science courses; providing professional development for regional K-16 STEM teachers, developing community, business, and industry partnerships to

generate additional interest in STEM careers; and, increasing community awareness of STEM-focused education.

- **GO STEM (Girls Only STEM)** - This summer camp targets female students entering 10th or 11th grade who have demonstrated an interest in continuing their education in one or more STEM areas. The program is designed and launched in summer 2010 by a team of female faculty from biology, chemistry, engineering, and mathematics. STEM topics, activities, and research projects of interest to young women are explored during the three-day residential camp.
- **Crane Physics Teachers Camp** - This two-day annual event conducted on-site at NSWC Crane began in the summer of 2010 to expose high school physics and math teachers to the application of technology and translation of that technology back to STEM curriculum. USI engineering, physics, and STEM education faculty facilitated this event with over 20 teachers from high schools throughout southwest Indiana.
- **STEM Curriculum** - USI STEM faculty members are creating a STEM curriculum to be used by scientists, engineers, and technologists at Crane to engage fifth and sixth grade students touring Crane. The curriculum focuses on experiential learning regarding technology and is linked to current science and math standards.
- **The SwISTEM Equipment Lending Trucks** - These trucks contain over \$300,000 worth of laboratory grade equipment/instrumentation and mathematics manipulatives. All equipment contained within the trucks is bar-coded, labeled and inventoried in Resource Mate, a cataloging, searching, and circulating software program. The trucks began delivering to public, private, and parochial schools throughout southwest Indiana in September 2009. Approximately 200 teachers from 57 elementary, middle, and high schools are patrons of this free lending service. As of June 2010, over 1,300 items were utilized by K-12 teachers.
- **Indiana Science Initiative** - The Pott College of Science and Engineering is partnering with I-STEM, Eli Lilly, and the Department of Education to train K-8 teachers in a research-developed science curriculum to better prepare the state's youth for careers in STEM areas. The pilot program uses inquiry-based learning, which allows students to explore and problem solve while building knowledge and understanding of science concepts. Over 200 teachers in southwest Indiana are participating in the pilot program during the 2010-2011 academic year.

- **Summer Workshops for Teachers** - Numerous professional development workshops are held each summer for K-12 teachers in southwest Indiana. Workshop topics include all STEM disciplines. Workshops sponsored by the Pott College of Science and Engineering and SwI STEM were offered at USI, Vincennes University, and NSWC Crane. In 2009, 150 teachers participated in 12 workshops. In 2010, 170 teachers participated in 15 workshops.
- **Ohio Valley STEM Educators Conference** - Planning is underway for a one-day STEM conference designed to bring together STEM educators from southwestern Indiana, southern Illinois, and western Kentucky for workshops, presentations, and best-practice discussions. Conference tracks have been developed to focus on Bridging STEM Disciplines, Embracing Technology in the Classroom, Data-Driven Learning: Meeting the Standards, Utilizing Resources for Hands-on Learning, and Sharing Best Practices.
- **Pott Foundation Tri-State Science and Engineering Fair** - In 2010, over 600 students in grades 4-12 participated in the annual fair while over 1,000 students, parents, and teachers viewed the student projects. Approximately 90 STEM professionals from regional higher education institutions, businesses, and organizations volunteered as judges for the 2010 fair.
- **STEM Competitions** - Numerous STEM competitions are held annually throughout the academic year for students at varying grade levels. These events include the Lego Robotics competition, State Mathematics competitions, Chemistry Olympiad, bridge-building contests, and chemistry quiz bowls. Regional students participate in the events at USI.

An essential part of the University's STEM efforts is developing partnerships with all school corporations in the region, other postsecondary education providers, and business and community leaders in an effort to provide a uniform, collaborative approach for the improvement of STEM-related education in southwest Indiana.

Center for Applied Research

The University received initial funding for the Center for Applied Research (CAR) through a grant from the U.S. Small Business Administration in 2005. The 2007 Indiana General Assembly appropriated funds for the Center through the University's request for quality

improvement funding. The Center, now fully funded, is helping further develop USI's capacity to assist in regional economic and workforce development. CAR has been a successful outreach initiative enabling faculty, students, and staff to engage in applied research, problem-solving, consulting, and facilitation for regional and statewide organizations and businesses. Between January 2006 and June 2010, CAR activities included:

- 346 projects identified; 203 projects completed;
- 17 projects in process or approved;
- 136 faculty and staff engaged;
- Almost 250 students engaged; and
- Over \$500,000 generated from CAR services.

Examples of applied research projects conducted in 2007-2009 that were developed by USI faculty and staff and coordinated by the Center are:

- **Indiana Office of Community and Rural Affairs**

In response to the flooding in almost half of Indiana's 92 counties, the Office of Community and Rural Affairs (OCRA) received EDA funding to support economic recovery projects in Indiana. USI CAR partnered with the Ball State Center for Business and Economic Research to develop a database for capturing over 5,000 projects and then analyzing their economic impact. This database and its analytical tools were used not just by OCRA and EDA, but have been used to quickly identify high impact stimulus-eligible projects and remain a valuable database tool for state agencies.

- **Chrisney Net Zero Library**

The small community of Chrisney, in central Spencer County, raised funds and identified grants to build a branch library of the Lincoln Heritage Library system. It was the first "net zero" energy use library in the country utilizing solar and geothermal power and energy efficient design. USI public relations faculty and students became the "PR Team" for the library resulting in state-wide recognition and extensive media, including television, radio, and print articles. Further, they developed curriculum for grade school students to teach them about energy efficiency.

- **Glenwood Collaborative**

The Glenwood Collaborative was initiated by Habitat for Humanity, along with Glenwood Neighborhood Association and Glenwood School, to bring comprehensive change to a struggling neighborhood in downtown Evansville. USI researchers did extensive surveys and focus groups to understand the needs of residents. Further, USI facilitated quarterly neighborhood forums to develop the framework, team, and projects to be pursued. Many successes have already been realized as the school is just completing renovation to become a K-8 community school: a grant was received for a large community garden, a grant-funded leadership academy to develop servant leadership in all Glenwood students is now underway, new homes are being built integrating all levels of income, and new commerce is being attracted to this neighborhood revitalization.

- **NSWC Crane**

NSWC Crane sought USI help to ramp up the number of patents it is producing. USI CAR developed an innovation discovery process called IP Mining which brings together inventors/project leaders with IP experts and business leaders to explore their completed projects to identify potential commercial applications and disclosures leading to eventual patents. This project received the Midwest Federal Research Laboratory Consortium partnership award in 2009 recognizing the impact of this project on patent production. To date, Crane has generated more disclosures than the entire U.S. Air Force, largely as a result of this program.

- **Vanderburgh County Foundation**

Seven faculty members from social work, education, business, and sociology completed a research study to identify the primary factors contributing to successive generation (also referred to as intergenerational) poverty in Vanderburgh County. The United Way's Comprehensive Community Awareness Assessment had rated generational poverty as the greatest community need not being addressed effectively. The research developed a methodology to identify pockets of poverty within Vanderburgh County and determined the primary contributing factors related to the cycle of poverty unique to those pockets. The research also included an economic impact study of successive generational poverty, with a focus on the relative importance of the primary contributing factors. The final report included suggestions on programs to break the cycle of poverty. The work is

currently being used by the Vanderburgh Community Foundation to determine program funding for regional non-profit organizations that address the contributing factors identified during the research.

- **City of Evansville**

The City of Evansville, through the Metropolitan Evansville Transit System (METS), provides public transportation throughout Evansville. The last formal efficiency study of the system was conducted more than ten years ago. With the growth of the city over the past ten years and shifts in demographics, a new study was warranted. The goal of the study was to determine a more efficient routing system that would reduce operation costs and help the city reach a cost breakeven point while still meeting the needs of the community. Three faculty from public administration and engineering programs, along with students in the MPA and engineering programs, were involved in the two phases of the research. The first phase focused on surveying the community to gain an understanding of rider experiences, non-rider impressions of METS and identify ways to increase the number of bus riders. The second phase consisted of a technical assessment of the routes through the development of a route simulation model that could identify more efficient routing systems.

- **St. Meinrad Abbey Press**

Abbey Press has been an important revenue generator for the St. Meinrad Archabbey, providing funds to support the lay leadership and seminary programs. The product catalog was discontinued as this method of purchasing decreased over the last decade. This resulted in many lost jobs in a small community. Abbey Press began development of a new product line, Snails Pace, for which they sought USI support to complete market research. The Snails Pace products will be produced in the United States, using green technologies and all profits will remain “in the Church.” USI marketing faculty completed focus groups across the Evansville and Indianapolis dioceses in Catholic school and church communities to assess the support for this new product line and the fundraising approach Abbey Press was considering. This product is now moving towards a launch based on the very positive response and feedback from this qualitative research. No projections have been made on number of new jobs that will be created, but it will offer new employment opportunities as the product line grows.

- **D&L Innovative Materials**

This start-up company works with scrap materials from regional industries to create useful new polymers that can be used as fillers in and for new products of their own. USI polymer chemistry faculty utilized infrared spectrometry (IR) to analyze the reconstituted polystyrene and provide assistance in understanding the properties of the polystyrene. USI, in essence, provided the “virtual laboratory” for D&L, as well as the highly skilled polymer chemist to test and analyze the materials. This is one of several such projects USI CAR has completed including start-up companies pursuing biodiesel, coal, and plastics products for which the University provides testing facilities and expertise.

- **ALCOA**

USI continues to support a range of projects with ALCOA including geological testing, senior and graduate projects, and, most recently, an economic-impact study for ALCOA as they celebrated their 50th year at the Warrick Operation. This project was a collaboration utilizing USI and University of Evansville economists to complete a comprehensive economic impact study. The study provided the company with useful public relations information for the community and government organizations demonstrating ALCOA’s economic impact on southwest Indiana and beyond, as well as supportive data for contract negotiations which were successfully completed during the summer of 2010.

Center for Human Resource Development

Environmental scanning and other analyses of the economic and workforce environment in southwest Indiana led to renewed emphasis on outreach to employers, non-profit and governmental agencies, and entrepreneurs/business start-ups. USI is focusing more sharply on developing human capital, consulting, technical assistance, applied research support, and assessment activities. These initiatives take the form of customized credit programs, instruction delivered on site and by distance education, contract training programs, continuing education programs related to employee development, leadership development, and faculty and staff consulting. The planned results of this outreach are partnerships and collaboration that promote an entrepreneurial culture, increased productivity and competitiveness, and more consistent workforce improvement programs.

The Center for Human Resource Development, a unit of Extended Services, works with area organizations and professional associations to enhance workforce development by creating and analyzing surveys, leading strategic planning sessions, conducting workshops and training programs, and consulting on human resource issues. In addition to working with companies to meet unique challenges, this unit fosters collaboration between area industries to address similar needs.

Custom designed Contract Education and Training Programs include noncredit and degree programs for regional businesses and industries such as ALCOA, Azteca, Babcock & Wilcox, Best Home Furnishings, Farbest Foods, Inc., Gibbs Die Casting, Graham Packaging, Industrial Contractors, Inc., Irving Materials, Kimball International, Koch Enterprises, Lucent Polymers, and Mount Vernon Screw.

The Center facilitated the formation of the Tri-State Industrial Safety Council (TSISC), a consortium of area employers seeking to improve the level of safety for contractors working at area facilities. Twenty-three member companies now comprise the Council: ALCOA Warrick Operations, Aleris International, American Electric Power, Berry Plastics, Century Aluminum, DSM Engineering Plastics, Dana Corporation, Domtar Hawesville Operation, Ferro Corporation, Indiana Furniture, Indianapolis Power and Light, Jasper Engine Exchange, Jasper Seating Company, Kimball International, MasterBrand Cabinets, Mead Johnson Nutrition, Pittsburgh Glass Works, OFS Industries, Rio Tinto Alcan Sebree Operations, SABIC-IP, Toyota Motor Manufacturing, Indiana, University of Southern Indiana, and Vectren,. Thirty-two contractor organizations and local unions are associate or subscriber members, forming a partnership to improve the safety practices of contract employees. Each organization requires contractors to pass the Basic Orientation Plus™ safety orientation examination to earn a badge that is reciprocal for all TSISC members. The TSISC is housed at USI, with USI providing safety orientation for over 8,000 contractor employees annually, saving participants and organizations time and money by reducing redundant on-site safety orientation. A spin-off contract to address the time-consuming task of providing site-specific safety orientations is being addressed by the Center for HRD. On-line accessible modules are developed and hosted by USI, allowing easier access for contractor employees and on-line look-up capability for company representatives.

Babcock & Wilcox, a military supplier in southern Indiana, uses USI-licensed training programs such as Development Dimensions International (DDI) and the University's partnership with the local section of the American Society for Quality. Babcock & Wilcox looks to the University to supply needed training that is difficult for its parent company in Virginia to provide. The Center custom-designed three sets of training for Babcock & Wilcox: quality

management, leadership, and personal development. Babcock & Wilcox became the first U.S. corporation to receive certification to construct heavy nuclear components. With the political push away from fossil fuels and towards renewable or more eco-friendly energy sources, Babcock & Wilcox is poised to benefit from nuclear energy initiatives.

Center for Education Services and Partnerships

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.

The Center directs the College Achievement Program (CAP), a rapidly growing, accredited concurrent credit program involving partnerships with 26 high schools and enrolling more than 1,400 students. The director is involved in the Concurrent Enrollment Partnership to help shape state policies about concurrent enrollment and serves on the governing board of the National Alliance for Concurrent Credit Partnerships (NACEP), the organization responsible for accrediting university concurrent credit programs, as well as the newly formed Indiana Dual Credit Review Subcommittee of Statewide Transfer Articulation Committee (STAC). This subcommittee is working with the Indiana Commission for Higher Education and the Department of Education to develop standards and best practices that postsecondary institutions offering concurrent credit programs will be required to follow.

Other initiatives include facilitating customized professional development programs for schools, focusing on integrating technology into the classroom, and coordinating with the Colleges of Science and Engineering and Education and Human Services to provide a variety of STEM education projects for area schools and teachers. Examples include a variety of professional development workshops for teachers to incorporate the inductive approach to teaching into elementary, middle, and high school STEM curricula, and the recent completion of a two-year \$274,000 Math Science Partnership grant funding USI activities with the Evansville-Vanderburgh and Warrick County School corporations. Other projects include hosting the first annual GO STEM! program for high school girls and planning for the first Ohio Valley STEM conference for area educators to be held on USI's campus in November 2010.

The Center initiates many of the on-campus and community programs for children and adolescents and offers summer enrichment classes covering a wide variety of topics and often involving USI faculty. Summer 2010 enrichment programs generated 200 enrollments of children ages 4-14. The Center also manages the campus child care and early learning facilities.

Connect with Southern Indiana

Among findings of the President's Task Force on Workforce and Economic development was strong interest in USI's providing community leadership training. With Lilly Endowment funding, USI collaborated with a diverse community advisory committee to create a unique nine-county regional leadership/citizenship development program. *Connect with Southern Indiana (CSI)* uses critical-thinking development as the basis for community engagement. Launched in 2006, 68 southwest Indiana residents have participated in the program, strengthening their network contacts across the tri-state and collaborating on the development of 21 projects designed to improve quality of life for residents of Indiana. Projects range from tourism to economic development and from childhood health and safety to environmental issues. In addition to critical thinking, participants hone their networking, problem-solving, and project management skills, while learning about the strengths and opportunities in individual counties and communities in an effort to enhance long-term, region-wide collaboration. USI faculty members are allotted approximately 20 percent of the seats in each CSI class to acculturate them to the region and to highlight opportunities for faculty engagement.

Cultural and Heritage Tourism Development Outreach

The University continues its significant leadership role in cultural and heritage tourism development, another important form of economic development in the historic region of Indiana. Since 1986, USI has been home to *Historic Southern Indiana (HSI)*, a 26-county coalition dedicated to Heritage Tourism that seeks to preserve, enhance, and promote historical, natural, and recreational resources in southern Indiana. Significant recent projects include collaboration with other multi-state agencies in developing and gaining federal recognition for the Ohio River Scenic Trail and providing leadership to obtain state designation of "*Indiana's Historic Pathways*," scenic routes following buffalo traces across southern Indiana. HSI was active in helping several Ohio River communities plan 200th anniversary celebrations occurring in 2007-2009 and with Lincoln Bicentennial events. *Historic New Harmony (HNH)*, another USI-based tourism and education-focused project, is a partnership with the State of Indiana to preserve the utopian legacy of Historic New Harmony through its programs and collections. HNH partnered with the New Harmony Town Council to complete a ten-year comprehensive plan and will help

facilitate implementation of the plan. Regional professional theatre is produced in New Harmony by the College of Liberal Arts during the summer months. *Southern Indiana Japanese School*, a Saturday program for children of Japanese employees of several Japanese-owned corporations, is managed by USI.

INCREASING THE CAPACITY OF THE UNIVERSITY OF SOUTHERN INDIANA FOR ECONOMIC AND WORKFORCE DEVELOPMENT ASSISTANCE

As the record of initiatives and activities shown above demonstrate, the University of Southern Indiana is a major contributing partner to the economy of the state, especially in southwest Indiana. While the record is impressive, the ability of the University to respond to all worthy requests and to fully meet expectations is limited. As the public comprehensive university in southwest Indiana, the University of Southern Indiana is increasingly viewed as a key enabler of regional economic and workforce transformation. The University is targeted as a major provider of applied research, economic development research, marketing research, and other data gathering and analysis for the Economic Development Coalition of Southwest Indiana, GAGE, and Southwest Indiana WIRED. USI's Center for Applied Research continues to receive numerous requests for faculty/student support for technical services, applied research, and problem-solving projects from area business and industry. Requests for university-originated training and leadership programs to support business practice transformation continue to grow. USI's leadership in STEM education, including implementing Project Lead the Way in all districts within the Southwest Indiana WIRED region, is a welcomed major outreach effort that will improve science, mathematics, and technical education, a key to developing the desired highly skilled workforce. Of increasing concern regionally, as well as nationally, is the growing shortage of quality high school teachers in these disciplines. Leadership in training and upgrading skills of in-service teachers, recruiting and adequately preparing pre-service science and mathematics teachers, and redesigning and aligning curricula is expected from the University.

USI's state funding, when compared to Indiana's other comprehensive institutions, falls significantly short of the level needed to fully engage in economic and workforce development outreach. USI has a long history of excellence in teaching and is carefully transitioning to a more broadly based institution providing quality applied research, partnerships with schools to improve both teaching and learning, and community engagement in response to regional expectations. That transition is made difficult because of the constraints imposed by the University's inadequate funding base. The most critical impact of this funding shortfall is the

shortage of full-time faculty with training in targeted disciplines. Not only does this inhibit academic development, it severely limits the institution's ability to respond to worthy requests for assistance from schools, individual businesses, and other organizations, and to support community economic development initiatives. The 2007 quality improvement appropriation was most helpful in building the University's capacity to respond to economic development issues. While economic development will continue to be a strong outreach focus, it is important that USI sharpen its focus on expanding capacity to address critical workforce-preparation deficiencies resulting from inadequate preparation of students and the growing shortage of quality teachers, especially in STEM education areas.

As noted in previous requests, USI is eager to expand its capacity to assist with economic development priorities of the region and state in keeping with the Commission's Strategic Directions planning and as described in *Accelerating Growth*. An increased investment by the state is critically important if the University is to continue to respond effectively to regional and state need.

SUMMARY I
SUMMARY OF 2011-13 OPERATING REQUEST
UNIVERSITY OF SOUTHERN INDIANA

<u>EXPENDITURE BUDGET CHANGES</u>	2010-11 BUDGET TOTAL (\$)	2011-12 REQUEST			2012-13 REQUEST			TOTAL BIENNIUM (\$)
		CHANGE (\$)	(%)	TOTAL (\$)	CHANGE (\$)	(%)	TOTAL (\$)	
I. BASE ADJUSTMENTS								
A. Successfully Completed Credit Hours		2,459,050		2,459,050	0		2,459,050	4,918,100
B. Dual Credit SSCH		336,600		336,600	0		336,600	673,200
C. Change in Degree Completion		645,000		645,000	0		645,000	1,290,000
D. On-Time Degree Completion		35,440		35,440	0		35,440	70,880
E. Low Income Degree Completion		220,000		220,000	0		220,000	440,000
SUBTOTAL		3,696,090		3,696,090	0		3,696,090	7,392,180
II. PRICE INFLATION								
A. Personal Services	64,390,317	0	0.0%	64,390,317	0	0.0%	64,390,317	128,780,634
B. Supplies and Expense	17,712,943	0	0.0%	17,712,943	0	0.0%	17,712,943	35,425,886
C. Student Assistance	4,067,335	0	0.0%	4,067,335	0	0.0%	4,067,335	8,134,670
SUBTOTAL	86,170,595	0		86,170,595	0		86,170,595	172,341,190
III. QUALITY IMPROVEMENTS		0	0.0%	0	0	0.0%	0	0
TOTAL EXPENDITURE BUDGET	86,170,595	3,696,090	4.3%	89,866,685	0	0.0%	89,866,685	179,733,370
<u>INCOME BUDGET</u>								
I. STUDENT FEES								
A. Rate Change								
1. Gross Fee Base	53,501,058	0	0.0%	53,501,058	0	0.0%	53,501,058	107,002,116
2. Academic Facility Fees	(11,119,519)	(1,027,093)	9.2%	(12,146,612)	(1,299,172)	10.7%	(13,445,784)	(25,592,396)
3. Other Dedicated/Restricted Fees	(6,502,828)	0	0.0%	(6,502,828)	0	0.0%	(6,502,828)	(13,005,656)
SUBTOTAL (= Net Unrestricted Fees)	35,878,711	(1,027,093)	-2.9%	34,851,618	(1,299,172)	-3.7%	33,552,446	68,404,064
II. FEDERAL FUNDS								
III. STATE APPROPRIATIONS								
A. Operating Expense	39,172,365	3,696,090	9.4%	42,868,455	0	0.0%	42,868,455	85,736,910
B. Fee Replacement Base	11,119,519	1,027,093	9.2%	12,146,612	1,299,172	10.7%	13,445,784	25,592,396
SUBTOTAL	50,291,884	4,723,183	9.4%	55,015,067	1,299,172	2.4%	56,314,239	111,329,306
TOTAL INCOME BUDGET	86,170,595	3,696,090	4.3%	89,866,685	0	0.0%	89,866,685	179,733,370

SERVICES I
SUMMARY OF EDUCATIONAL SERVICES FOR 2011-13 BIENNIUM
UNIVERSITY OF SOUTHERN INDIANA

	<u>2008-09 ACTUAL</u>			<u>2009-10 ESTIMATED</u>			<u>2010-11 BUDGETED</u>		
	<u>Total</u> <u>\$</u>	<u>Activity</u> <u>Level (FTE)</u>	<u>Unit</u> <u>(\$FTE)</u>	<u>Total</u> <u>\$</u>	<u>Activity</u> <u>Level (FTE)</u>	<u>Unit</u> <u>(\$FTE)</u>	<u>Total</u> <u>\$</u>	<u>Activity</u> <u>Level (FTE)</u>	<u>Unit</u> <u>(\$FTE)</u>
EDUCATIONAL SERVICES									
INSTRUCTION									
A. On-Campus for Credit Instruction									
1. Vocational/Technical	1,631,296	188	8,677	1,379,567	166	8,311	1,390,063	170	8,177
2. Baccalaureate	71,463,969	8,251	8,661	72,564,245	8,725	8,317	73,116,343	8,943	8,176
3. Graduate	6,321,322	528	11,972	6,652,500	571	11,651	6,703,115	585	11,458
SUBTOTAL CREDIT INSTRUCTION	<u>79,416,587</u>	<u>8,967</u>		<u>80,596,312</u>	<u>9,462</u>		<u>81,209,521</u>	<u>9,698</u>	
B. On/Off Campus Non-Credit	<u>940,359</u>			<u>982,008</u>			<u>893,739</u>		
SUBTOTAL ALL INSTRUCTION	<u>80,356,946</u>	<u>8,967</u>		<u>81,578,320</u>	<u>9,462</u>		<u>82,103,260</u>	<u>9,698</u>	
Of the above, total FTE generated by off-campus for-credit instruction									
1. Distance Education		910			1,172			1,201	
RESEARCH									
PUBLIC SERVICE									
STUDENT ASSISTANCE									
A. Fee Remissions	<u>3,069,833</u>			<u>3,661,052</u>			<u>4,067,335</u>		
TOTAL EDUCATIONAL SERVICE BUDGET	<u><u>83,426,779</u></u>			<u><u>85,239,372</u></u>			<u><u>86,170,595</u></u>		

EXPENDITURES I
EXPLANATION OF MAINTENANCE/PRICE INCREASE BUDGET CHANGES
UNIVERSITY OF SOUTHERN INDIANA

	2010-11 Base Budget Expenditures	2011-12		2012-13	
		Projected Change \$	Total Budget	Projected Change \$	Total Budget
A. <u>PERSONAL SERVICES</u>					
1. Salaries & Wages	46,236,391	0	46,236,391	0	46,236,391
2. Staff Benefits					
a. Retirement Programs					
(1) PERF	668,171	0	668,171	0	668,171
(2) TRF	10,885	0	10,885	0	10,885
(3) TIAA/CREF	4,775,775	0	4,775,775	0	4,775,775
b. Social Security	3,420,259	0	3,420,259	0	3,420,259
c. Life Insurance	143,676	0	143,676	0	143,676
d. Health Insurance	8,490,840	0	8,490,840	0	8,490,840
e. Employee Remitted Fees	644,320	0	644,320	0	644,320
SUBTOTAL STAFF BENEFITS	18,153,926	0	18,153,926	0	18,153,926
TOTAL PERSONAL SERVICES	64,390,317	0	64,390,317	0	64,390,317
B. <u>SUPPLIES & EXPENSES</u>					
1. General S & E	11,784,488	0	11,784,488	0	11,784,488
2. Energy					
a. Electricity	3,290,144	0	3,290,144	0	3,290,144
b. Natural Gas	1,303,676	0	1,303,676	0	1,303,676
SUBTOTAL ENERGY	4,593,820	0	4,593,820	0	4,593,820
3. Utilities					
a. Water	124,962	0	124,962	0	124,962
b. Sewer	291,267	0	291,267	0	291,267
SUBTOTAL UTILITIES	416,229	0	416,229	0	416,229
4. Property & Liability Insurance	918,406	0	918,406	0	918,406
TOTAL SUPPLIES & EXPENSES	17,712,943	0	17,712,943	0	17,712,943
SUBTOTAL	82,103,260	0	82,103,260	0	82,103,260
C. <u>STUDENT ASSISTANCE</u>	4,067,335	0	4,067,335	0	4,067,335
GRAND TOTAL BASE BUDGET	86,170,595	0	86,170,595	0	86,170,595

**EXPENDITURES II-A
FACULTY INSTRUCTIONAL WORKLOAD AND COMPENSATION TABLE - FALL 2009
UNIVERSITY OF SOUTHERN INDIANA**

	<u>Head Count</u>	<u>Percent Tenured</u>	<u>Unrestricted FTE</u>	<u>Instruction Only</u>		
				<u>Sections</u>	<u>Course Credit Hours</u>	<u>Student Credit Hours</u>
1. Tenure-Track, Full-Time Faculty	230	47.80%	189.00	830.13	2,391.63	58,239.50
2. Non-Tenure-Track, Full-Time Faculty	107	n.a.	106.20	415.75	1,225.25	31,691.00
3. Part-Time Faculty						
a. Adjunct Faculty	260	n.a.	119.56	483.25	1,298.25	32,302.00
b. Graduate Assistants	0	n.a.	0.00	0.00	0.00	0.00
SUBTOTAL -- Part-Time Faculty	260	n.a.	119.56	483.25	1,298.25	32,302.00
SUBTOTAL -- Faculty	597	n.a.	414.76	1,729.13	4,915.13	122,232.50
4. Other Instructors	75	n.a.	n.a.	211.75	350.75	8,380.00
TOTAL -- Faculty and Other Instructors	672	n.a.	414.76	1,940.88	5,265.88	130,612.50

**EXPENDITURES II-B
BREAKDOWN OF SECTIONS BY INSTRUCTIONAL FORMAT - FALL 2009
UNIVERSITY OF SOUTHERN INDIANA**

Sections taught by Means of Group Instruction	1,812.00
Equivalent Sections Generated through Individualized Instruction	128.88
Equivalent Sections Generated by Theses and Dissertations	0.00
Total Number of Sections and Equivalent Sections	1,940.88

BACKGROUND III
SPECIAL FEE REMISSIONS AND/OR WAIVERS INCLUDED AS EMPLOYEE COMPENSATION
FOR UNIVERSITY OF SOUTHERN INDIANA

	2008-09		2009-10		2010-11		2011-12		201
	Actual		Actual		Base Budget		Projected		Proj
	Awards	\$	Awards	\$	Awards	\$	Awards	\$	Awards
I. BUDGET INFORMATION									
A. <u>Undergraduate Fee Remissions</u>									
a. Resident									
b. Non-Resident									
Total Undergraduate Fee Remissions	0	0	0	0	0	0	0	0	0
B. <u>Graduate Fee Remissions</u>									
a. Resident	9	36,792	11	44,181	11	48,230	11	48,230	11
b. Non-Resident	1	14,473	1	16,685					
Total Graduate Fee Remissions	10	51,265	12	60,866	11	48,230	11	48,230	11
C. <u>Faculty and Staff Courtesy Fee Remissions</u>									
1. Employed Faculty or Staff	117	171,276	113	187,925	113	200,025	113	200,025	113
2. Spouses	35	34,275	33	25,628	33	60,009	33	60,009	33
3. Dependents of Faculty and Staff	122	193,976	117	348,073	117	336,056	117	336,056	117
Total Courtesy Fee Remissions	274	399,527	263	561,626	263	596,090	263	596,090	263
D. <u>Other Special Fee Remissions</u>									
TOTAL SPECIAL FEE REMISSIONS	284	450,792	275	622,492	274	644,320	274	644,320	274

II. EXPLANATIONS

A. The dollars reported on this schedule and Expenditures Schedule VIII are mutually exclusive with dollars from this schedule reported as compensation.

12-13
ected

 \$

0

48,230

48,230

200,025
60,009

336,056
596,090

644,320

**EXPENDITURES VIII
STUDENT ASSISTANCE BUDGET ANALYSIS
UNIVERSITY OF SOUTHERN INDIANA**

	2008-09		2009-10		2010-11		2011-12		2012-13	
	Awards	\$	Awards	\$	Awards	\$	Awards	\$	Awards	\$
I. BUDGET INFORMATION										
A. <u>Fee Remissions</u>										
1. <u>Statutory (Resident)</u>										
a. County Scholarships IC 20-12-60-1										
b. Other Statutory Remissions (Identify)										
SUBTOTAL	0	0	0	0	0	0	0	0	0	0
2. <u>Other Undergraduate</u>										
a. Resident										
(1) Need based										
(2) Other criteria	1,287	1,689,134	1,363	1,869,103	1,363	2,033,432	1,363	2,033,432	1,363	2,033,432
SUBTOTAL	1,287	1,689,134	1,363	1,869,103	1,363	2,033,432	1,363	2,033,432	1,363	2,033,432
b. Non-Resident										
(1) Need based										
(2) Other criteria	333	1,330,199	365	1,736,999	365	1,982,903	365	1,982,903	365	1,982,903
SUBTOTAL	333	1,330,199	365	1,736,999	365	1,982,903	365	1,982,903	365	1,982,903
3. <u>Other Graduate</u>										
a. Resident										
b. Non-Resident										
SUBTOTAL	0	0	0	0	0	0	0	0	0	0
TOTAL REMITTED FEES	1,620	3,019,333	1,728	3,606,102	1,728	4,016,335	1,728	4,016,335	1,728	4,016,335
B. <u>Undergraduate Scholarships, Awards and Other Grants</u>										
a. Resident										
(1) Need based										
(2) Other criteria	267	50,500	271	54,950	271	51,000	271	51,000	271	51,000
b. Non-Resident										
(1) Need based										
(2) Other criteria										
SUBTOTAL	267	50,500	271	54,950	271	51,000	271	51,000	271	51,000
C. <u>Graduate Fellowships, Awards, and Other Grants</u>										
a. Resident										
b. Non-Resident										
SUBTOTAL	0	0	0	0	0	0	0	0	0	0
D. <u>Loan Programs (Matching Funds Only)</u>										
a. Resident										
b. Non-Resident										
SUBTOTAL	0	0	0	0	0	0	0	0	0	0
TOTAL STUDENT AID	1,887	3,069,833	1,999	3,661,052	1,999	4,067,335	1,999	4,067,335	1,999	4,067,335
<u>RECAP</u>										
Resident Student Aid	1,554	1,739,634	1,634	1,924,053	1,634	2,084,432	1,634	2,084,432	1,634	2,084,432
Non-Resident Student Aid	333	1,330,199	365	1,736,999	365	1,982,903	365	1,982,903	365	1,982,903
TOTAL STUDENT AID	1,887	3,069,833	1,999	3,661,052	1,999	4,067,335	1,999	4,067,335	1,999	4,067,335

**EXPENDITURES VIII
STUDENT ASSISTANCE BUDGET ANALYSIS
UNIVERSITY OF SOUTHERN INDIANA**

II. EXPLANATORY NOTES

- A. Guidelines governing residency status at the University of Southern Indiana can be obtained in the Admission Office.
- B. Projected budget increase reflects no student fee increase in 2011-12 and 2012-13.

EXPENDITURES X-A
EXPENDITURE ADJUSTMENT FOR PRIOR AND ANTICIPATED SUCCESSFULLY COMPLETED CREDIT HOURS (SCCH)
2011-13 BIENNIUM
UNIVERSITY OF SOUTHERN INDIANA

	<u>4 Year Average 2006-10 (1)</u>	<u>Actual 2008-09</u>	<u>Estimated 2009-10 (2)</u>	<u>Budgeted 2010-11 (3)</u>	<u>Projected 2011-12 (3)</u>	<u>4 Year Average 2008-12</u>
A. Indiana Resident SCCH FTE Enrollment						
1. Undergraduate		6,293	6,522	6,685	6,852	
2. Graduate/Professional		369	374	383	393	
B. Reciprocity Non-Resident SCCH FTE Enrollment						
1. Undergraduate		245	282	289	296	
2. Graduate/Professional		40	45	46	47	
C. Total Eligible SCCH FTE Enrollment (A+B)	6,764	6,947	7,223	7,403	7,588	7,290
D. SCCH FTE Enrollment Change						
1. 2008-12 4-Year Average SCCH FTE	7,290					
2. 2006-10 4-Year Average SCCH FTE	6,764					
3. SCCH FTE Enrollment Change	526					
4. Adjustment Amount Per SCCH FTE	\$4,675					
5. Adjustment	\$2,459,050					

The data presented EXCLUDES Dual Credit successfully completed credit hour information.

Note (1): The 4-year average SSCH FTE for 2006-10 excludes dual credit SCCH FTE. It is calculated using the 2006-10 4-year average from the previous biennium provided in the instructions for Expenditures X-A less the 2006-10 4-year average for dual credit courses calculated for Expenditures X-B using a simple arithmetic average of the dual credit SSCH FTE for 2006-07, 2007-08, 2008-09, and 2009-10. (6,893 - 129 = 6,764)

Note (2): The data for 2009-10 is preliminary. The data submitted on the SIS tape may vary slightly from the data presented on this schedule.

Note (3): The projected SCCH FTE enrollment for 2010-11 and 2011-12 is based on a 2.5% enrollment increase assumption.

EXPENDITURES X-B
EXPENDITURE ADJUSTMENT FOR PRIOR AND ANTICIPATED DUAL CREDIT ONLY SUCCESSFULLY COMPLETED CREDIT HOURS (SCCH)
2011-13 BIENNIUM
UNIVERSITY OF SOUTHERN INDIANA

	<u>4 Year Average 2006-10</u>	<u>Actual 2008-09</u>	<u>Estimated 2009-10 (1)</u>	<u>Budgeted 2010-11 (2)</u>	<u>Projected 2011-12 (2)</u>	<u>4 Year Average 2008-12</u>
A. Indiana Resident SCCH FTE Enrollment						
1. Undergraduate	129	143	215	220	226	201
B. SCCH FTE Enrollment Change						
1. 2008-12 4-Year Average SCCH FTE	201					
2. 2006-10 4-Year Average SCCH FTE	129					
3. SCCH FTE Enrollment Change	72					
4. Adjustment Amount Per SCCH FTE	\$4,675					
5. Adjustment	\$336,600					

Note (1): The data for 2009-10 is preliminary. The data submitted on the SIS tape may vary slightly from the data presented on this schedule.

Note (2): The projected dual credit SCCH FTE enrollment for 2010-11 and 2011-12 is based on a 2.5% enrollment increase assumption.

**EXPENDITURES XII-A
MEDICAL, DENTAL, AND VISION PLAN INFORMATION
UNIVERSITY OF SOUTHERN INDIANA**

Is your institution fully insured or self-funded? **Fully Insured**

<u>HEALTH CARE PLANS</u>	<u>Contract Year</u>	<u>Number of Employees Enrolled in FY 2010 or Most Recent Contract Year</u>	<u>Total Covered Lives in FY 2009 or Most Recent Contract Year</u>	<u>Premium Cost</u>	<u>University Contribution</u>	
Per plan Per type of plan (i.e., single, employee and spouse, family)					\$	%
<u>Anthem Blue Access 300</u>	1/1/10 - 12/31/10	539	1,026			
Employee				511.84	383.88	75.0%
Employee + Child				846.42	634.82	75.0%
Employee + Spouse				1,122.24	841.68	75.0%
Family				1,396.72	1,047.54	75.0%
<u>Anthem Blue Access 500</u>	1/1/10- 12/31/10	350	805			
Employee				451.02	383.88	85.1%
Employee + Child				745.72	634.82	85.1%
Employee + Spouse				988.88	841.68	85.1%
Family				1,230.86	1,047.54	85.1%
<u>Anthem Blue Access 1000</u>	1/1/10- 12/31/10	12	25			
Employee				425.88	383.88	90.1%
Employee + Child				704.22	634.82	90.1%
Employee + Spouse				933.70	841.68	90.1%
Family				1,162.10	1,047.54	90.1%
<u>Welborn HMO</u>	1/1/10 - 12/31/10	130	256			
Employee				401.28	300.96	75.0%
Employee + Child				774.80	581.10	75.0%
Employee + Spouse				860.48	645.36	75.0%
Family				1,207.04	905.28	75.0%
<u>DENTAL PLANS</u>						
<u>Health Resources, Inc.</u>	1/1/10 - 12/31/10	1,031	2,112			
Employee				24.24	18.18	75.0%
Employee + Child				59.14	44.36	75.0%
Employee + Spouse				50.14	37.61	75.0%
Family				86.50	64.88	75.0%
<u>VISION PLANS</u>						
<u>Spectera</u>	1/1/10 - 12/31/10	317	619			
Employee				8.58	0.00	0.0%
Employee + Child				16.90	0.00	0.0%
Employee + Spouse				16.14	0.00	0.0%
Family				25.42	0.00	0.0%
<u>Other Pharmaceutical/Benefit Managers*</u>						
N/A						

*Provide details of any PBM contract

The University bundles the medical, pharmaceutical, and dental insurance coverage. The University contributes the same dollar amount for all Blue Access Plans.

**EXPENDITURES XII-B
MEDICAL, DENTAL, AND VISION PLAN EXPENDITURES
UNIVERSITY OF SOUTHERN INDIANA**

	Total Institutional Expenditures ¹					
	2004-05	2005-06	2006-07	2007-08	2008-09	
Welborn HMO Total Medical Claims Paid ²	2,161,077	668,376	901,636	1,135,141	1,079,773	Data not available until October 2010.
Hospital Inpatient ³	1,338,551	986,091	1,092,151	2,264,285	922,771	
Hospital Outpatient ³	992,864	996,613	1,173,250	1,324,926	1,596,492	
Professional Services ³		1,644,361	1,755,445	2,081,968	1,883,214	
Physician Services - Non-Surgery						
Physician Services - Surgery						
Home Health Services						
Mental Health Services						
Dental	511,762	409,411	416,704	419,054	440,847	
Vision						
LTC/Nursing Home						
Prescription Drugs/Pharmaceuticals	1,029,592	1,190,884	1,460,964	1,924,035	2,156,282	
Totals	6,033,846	5,895,736	6,800,150	9,149,409	8,079,379	

Notes:

1 Total institutional expenditures are reported for each plan's experience year - August through July. The total institutional expenditures include the University's share of medical, dental, and vision plan expenditures and exclude employee copays and deductibles.

2 Welborn HMO plan only; information cannot be reported separately for Welborn HMO.

3 Anthem plans only.

**EXPENDITURES XII-C
GENERAL INFORMATION ON MEDICAL, DENTAL, AND VISION PLANS
UNIVERSITY OF SOUTHERN INDIANA**

1. What are the renewal dates for your institution's medical, dental, and vision plans?

Contract dates: Annual: 1/1/2010 - 12/31/2010
Renewal date: 1/1/2011

2. Are retirees eligible for coverage? If so, are they funded differently? Explain.

Retirees are eligible for coverage. Retirees hired before 7/1/1993 pay the same percent of the premium contributions for chosen plan as an active employee. Employees hired on or after 7/1/1993 pay a premium contribution by schedule:

10 - 14 years of service	75% contribution
15 - 19 years of service	50% contribution
20 + years of service	25% contribution

The University funds a VEBA Trust to pay for future retiree health care coverage.

3. Please supply copies or summaries of descriptions of plan benefits.

Blue Access, Welborn HMO, Spectera, and Health Resources benefit summaries sent under separate cover.

4. Name and phone number of benefit manager or other person responsible for completing Expenditures XII-A, B, and C.

Brandy Smith
Benefits Manager
(812) 464-1988

EXPENDITURES XIII
CHANGE IN DEGREES DETAIL
BACCALAUREATE AND ASSOCIATE DEGREES
2011-13 BIENNIUM
UNIVERSITY OF SOUTHERN INDIANA

<u>Campus</u>	<u>Year</u>	<u>Baccalaureates Conferred (Resident, Unduplicated)</u>	<u>Average Baccalaureates Conferred 2003-04 to 2004-05 2007-08 to 2008-09</u>	<u>Change in Average Baccalaureates Conferred</u>	<u>Change x \$5,000</u>
USI	2003-04	992			
	2004-05	1,068	1,030		
	2007-08	1,154			
	2008-09	1,164	1,159	129	645,000

<u>Campus</u>	<u>Year</u>	<u>Associates Conferred (Resident, Unduplicated)</u>	<u>Average Associates Conferred 2003-04 to 2004-05 2007-08 to 2008-09</u>	<u>Change in Average Associates Conferred</u>	<u>Change x \$3,500</u>
USI	2003-04				
	2004-05				
	2007-08				
	2008-09				

EXPENDITURES XIV
ON-TIME DEGREES DETAIL
BACCALAUREATE AND ASSOCIATE DEGREES
2011-13 BIENNIUM
UNIVERSITY OF SOUTHERN INDIANA

<u>Campus</u>	<u>Cohort Year</u>	<u>Headcount (Resident, First-Time, Full-Time, Degree Seeking)</u>	<u>Baccalaureates Conferred for Cohort in 4 Years</u>	<u>Cohort Grad Rate</u>	<u>Change in Cohort Grad Rate</u>	<u>Change x \$5,000</u>
USI	2003-04	1,669	296	17.7%		
	2004-05				0.4%	35,440
	2005-06	1,772	320	18.1%		

<u>Campus</u>	<u>Year</u>	<u>Headcount (Resident, First-Time, Full-Time, Degree Seeking)</u>	<u>Associates Conferred for Cohort in 2 Years</u>	<u>Cohort Grad Rate</u>	<u>Change in Cohort Grad Rate</u>	<u>Change x \$3,500</u>
USI	2003-04					
	2004-05					
	2005-06					

EXPENDITURES XVI
LOW INCOME DEGREE COMPLETION DETAIL
BACCALAUREATE AND ASSOCIATE DEGREES
2011-13 BIENNIUM
UNIVERSITY OF SOUTHERN INDIANA

<u>Campus</u>	<u>Year</u>	<u>Baccalaureates Awarded to Pell Recipients (Resident, Unduplicated)</u>	<u>Average Baccalaureates Awarded to Pell Recipients 2005-06 to 2006-07 2007-08 to 2008-09</u>	<u>Change in Average Baccalaureates Awarded to Pell Recipients</u>	<u>Change x \$5,000</u>
USI	2005-06	193			
	2006-07	250	221		
	2007-08	268			
	2008-09	262	265	44	220,000

<u>Campus</u>	<u>Year</u>	<u>Associates Awarded to Pell Recipients (Resident, Unduplicated)</u>	<u>Average Associates Awarded to Pell Recipients 2005-06 to 2006-07 2007-08 to 2008-09</u>	<u>Change in Average Associates Awarded to Pell Recipients</u>	<u>Change x \$3,500</u>
USI	2005-06				
	2006-07				
	2007-08				
	2008-09				

INCOME I
GROSS STUDENT FEE REVENUE ANALYSIS
UNIVERSITY OF SOUTHERN INDIANA

	2008-09 (Actual)		2009-10 (Estimated)		Base Year 2010-11 (Budgeted)		2011-12 (Projected)		2012-13 (Projected)	
	Unrestricted	Restricted/ Auxiliary	Unrestricted	Restricted/ Auxiliary	Unrestricted	Restricted/ Auxiliary	Unrestricted	Restricted/ Auxiliary	Unrestricted	Restricted/ Auxiliary
I. BUDGET INFORMATION										
A. Instructional and Academic Facilities Fee Revenue										
1. Resident										
a. Undergraduate	31,503,725		34,020,930		34,910,750		34,910,750		34,910,750	
b. Graduate	2,654,567		3,108,478		3,189,781		3,189,781		3,189,781	
2. Non-Resident										
a. Undergraduate	7,391,466		7,424,170		7,618,351		7,618,351		7,618,351	
b. Graduate	173,245		197,005		202,158		202,158		202,158	
SUBTOTAL	41,723,003		44,750,583		45,921,040		45,921,040		45,921,040	
B. Other Fees										
1. Continuing Education	140,713		188,133		137,100		137,100		137,100	
2. Special Course Fees (Lab)	901,415		998,386		730,540		730,540		730,540	
3. Incidental Student Fees	194,969		177,477		145,300		145,300		145,300	
4. Medical Education Students	79,250		80,571		64,250		64,250		64,250	
SUBTOTAL	1,316,347		1,444,567		1,077,190		1,077,190		1,077,190	
C. Gross Unrestricted Fees	43,039,350		46,195,150		46,998,230		46,998,230		46,998,230	
D. Academic Facilities Fees Contained in (A)										
1. Debt Service	9,278,623		11,804,892		11,119,519		12,146,612		13,445,784	
2. Coverage or Reserve Requirements										
SUBTOTAL	9,278,623		11,804,892		11,119,519		12,146,612		13,445,784	
E. Net Unrestricted Fees	33,760,727		34,390,258		35,878,711		34,851,618		33,552,446	
F. Other Dedicated Fee Revenue										
1. Student Activities										
a. Student Programs		1,630,990		1,948,658		1,813,081		1,813,081		1,813,081
b. Student Publications		24,806		14,365		14,365		14,365		14,365
c. Intercollegiate Athletics		1,014,289		1,440,492		1,477,857		1,477,857		1,477,857
d. Student Service Fee		51,577		102,414		80,287		80,287		80,287
2. Performance Facilities										
a. University Center		2,003,295		2,014,586		1,874,738		1,874,738		1,874,738
b. Fitness Center Financing Reserve		454,524		0		0		0		0
3. Technology Fee		1,284,608		1,341,700		1,242,500		1,242,500		1,242,500
SUBTOTAL		6,464,089		6,862,215		6,502,828		6,502,828		6,502,828
G. GROSS FEE BASE		49,503,439		53,057,365		53,501,058		53,501,058		53,501,058

Note: Non-resident reciprocity students are included with Indiana residents.

INCOME II
DEBT SERVICE ON CAPITAL PROJECTS – 2011-13 BIENNIUM
UNIVERSITY OF SOUTHERN INDIANA

	<u>2008-09</u> Actual	<u>2009-10</u> Actual	<u>2010-11</u> Budget	<u>2011-12</u> Requested	<u>2012-13</u> Requested
<u>Projects Eligible for Fee Replacement</u>					
Acts of 1953 or 1965					
Existing Debt Service: Permanently Scheduled					
A. Series D (1)	835,000	835,000	835,000	835,000	835,000
B. Series F (1)	1,318,970	1,315,575	1,319,938	1,315,863	1,318,213
C. Series H (1)	2,060,431	2,060,063	2,063,275	2,062,650	2,061,000
D. Series I (1)	4,694,519	4,688,081	3,878,956	3,879,206	3,878,831
E. Series J (1)	244,538	2,906,173	2,906,798	2,906,048	2,907,673
F. Series J - Additional Amount Appropriated in 2010-11 (2)			115,552		
Existing Debt Service: Interim & Variable Rate					
A. Interim Financing: Gen Classroom Bldg (3)	125,165				
New Debt Service:					
A. Teaching Theatre - Replacement Project (4)				1,147,845	1,147,195
B. Classroom Renovation/Expansion (5)					1,297,872
SUBTOTAL	9,278,623	11,804,892	11,119,519	12,146,612	13,445,784
Acts of 1927 or 1929					
Existing Debt Service: Permanently Scheduled					
Existing Debt Service: Interim & Variable Rate					
New Debt Service:					
SUBTOTAL	0	0	0	0	0
TOTAL DEBT SERVICE	9,278,623	11,804,892	11,119,519	12,146,612	13,445,784

- (1) The permanently scheduled projects eligible for fee replacement represent Health Professions Center Student Fee Revenue Bonds, Series D of 1993; Liberal Arts Center Student Fee Bonds, Series F of 1998; the Science/Education Classroom Building Student Fee Bonds, Series H of 2001; the David L. Rice Library Student Fee Bonds, Series I of 2004; and the Business and Engineering Center Classroom Building Student Fee Bonds, Series J of 2009.
- (2) An additional \$115,552 was appropriated in 2010-11 for the Business and Engineering Center Classroom Building Student Fee Bonds, Series J of 2009. This additional existing appropriation will be used in 2010-11 to offset the Teaching Theatre 2010-11 debt service obligation of \$398,700.
- (3) Budget Agency Number G-0-05-1-01. The College of Business/General Classroom Building project received \$6,600,000 in bonding authorization in the 2005-2007 Biennial Budget. Funds were appropriated for architectural planning and design of the College of Business/General Classroom Building; expansion of the Physical Plant infrastructure; and completion of the lower level of the Education Center.
- (4) Budget Agency Number G-0-09-1-01. Bonding authorization for \$15,000,000 for the Teaching Theatre - Replacement Project was received in the 2009-2011 Biennial Budget. The University anticipates issuing debt totaling \$13,290,000, which includes cost of issuance, on a 20-year debt amortization schedule at 6% beginning in April 2011.
- (5) Budget Agency Number G-0-11-2-01. Bonding authorization for \$15,000,000 for Special Repair and Rehabilitation funding for Classroom Renovation/Expansion is requested in the 2011-2013 Capital Improvement Budget Request. Assumes a 20-year debt at 6% beginning in July 2012.

**INCOME II - SUPPLEMENT
FEE REPLACEMENT APPROPRIATIONS NECESSARY FOR ALL ELIGIBLE CAPITAL PROJECTS
UNIVERSITY OF SOUTHERN INDIANA**

	<u>Permanently Scheduled</u>	<u>Interim Financing</u>	<u>New Debt Service*</u>	<u>Total Debt Service</u>
2011-12	10,998,767		1,147,845	12,146,612
2012-13	11,000,717		2,445,067	13,445,784
2013-14	10,022,833		2,441,093	12,463,926
2014-15	9,675,961		2,439,585	12,115,546
2015-16	9,675,939		2,437,985	12,113,924
2016-17	8,030,182		2,436,289	10,466,471
2017-18	8,027,450		2,434,493	10,461,943
2018-19	8,025,219		2,432,589	10,457,808
2019-20	8,026,560		2,430,570	10,457,130
2020-21	8,030,580		2,428,431	10,459,011
2021-22	8,029,388		2,426,161	10,455,549
2022-23	5,969,175		2,423,757	8,392,932
2023-24	5,969,675		2,421,208	8,390,883
2024-25	2,907,256		2,418,506	5,325,762
2025-26	2,909,288		2,415,645	5,324,933
2026-27	2,908,413		2,412,607	5,321,020
2027-28	2,909,200		2,409,390	5,318,590
2028-29	2,906,219		2,405,979	5,312,198
2029-30			2,402,363	2,402,363
2030-31			2,398,532	2,398,532
2031-32			1,270,531	1,270,531

*Assumes 20 years at 6%

Permanently Scheduled Debt Service includes Series D, Series F, Series H, Series I, and Series J

New Debt Service includes:

Budget Agency Number G-0-09-1-01 USI Teaching Theatre - Replacement Project. Bonding authorization received in the 2009-11 Biennial Budget.

Budget Agency Number G-0-11-2-01 Classroom Renovation/Expansion. Bonding authorization requested in the 2011-13 Capital Improvement Budget Request.

**ATTACHMENT B (1)
ACADEMIC FACILITIES BONDING DEBT SERVICE ANALYSIS
UNIVERSITY OF SOUTHERN INDIANA**

I. ISSUE NAME: Student Fee Bonds, Series 1993 D

II. TOTAL AMOUNT OF SERIES D BONDS ISSUED AS OF 6/30/2010: \$1,657,124

III. SCHEDULE OF PAYMENTS:

FY Ending 6/30	Principal	Payment Date	Interest	Total Debt Service	Outstanding Principal	Academic Facilities Debt Retirement Reserve Bond Balance		
						Held By Institution	Held By Bond Trustee	Total Reserve
1994	0	10-01-93	580,003	580,003	24,678,101	0	4,669,652	4,669,652
1995	0	10-01-94	923,899	923,899	24,678,101	0	894,805	894,805
1996	210,000	10-01-95	920,224	1,130,224	24,468,101	0	1,507	1,507
1997	775,000	10-01-96	902,018	1,677,018	23,693,101	0	1,003	1,003
1998	800,000	10-01-97	871,486	1,671,486	22,893,101	0	874	874
1999	840,000	10-01-98	838,161	1,678,161	22,053,101	0	864	864
2000	860,000	10-01-99	802,131	1,662,131	21,193,101	0	1,115	1,115
2001	1,070,000	10-01-00	759,084	1,829,084	20,123,101	0	899	899
2002	1,491,824	10-01-01	986,527	2,478,351	18,631,277	0	5,736	5,736
2003	1,505,030	10-01-02	973,893	2,478,923	17,126,247	0	105	105
2004	13,044,042	10-01-03	956,981	14,001,023	4,082,205	0	575	575
2005	473,920	10-01-04	366,080	840,000	3,608,285	0	584	584
2006	444,738	10-01-05	395,262	840,000	3,163,547	0	1,500	1,500
2007	414,059	10-01-06	420,940	834,999	2,749,488	0	1,570	1,570
2008	387,056	10-01-07	447,944	835,000	2,362,432	0	4,700	4,700
2009	363,768	10-01-08	471,232	835,000	1,998,664	0	4,742	4,742
2010	341,540	10-01-09	493,460	835,000	1,657,124	0	4,743	4,743
2011	320,364	10-01-10	514,636	835,000	1,336,760			
2012	300,216	10-01-11	534,784	835,000	1,036,544			
2013	283,666	10-01-12	551,334	835,000	752,878			
2014	265,438	10-01-13	569,562	835,000	487,440			
2015	250,684	10-01-14	584,316	835,000	236,756			
2016	236,756	10-01-15	598,244	835,000	0			

Series D bonds were issued in 1993 to advance refund Student Fee Bonds, Series B of 1998; to provide funds for the construction of the Health Professions Center classroom building; and to pay all related costs of issuance. Series I bonds, issued in 2004, refunded \$11.5 million in Series D serial bonds, leaving the capital appreciation bonds outstanding.

**ATTACHMENT B (2)
ACADEMIC FACILITIES BONDING DEBT SERVICE ANALYSIS
UNIVERSITY OF SOUTHERN INDIANA**

I. ISSUE NAME: Student Fee Bonds, Series F

II. TOTAL AMOUNT OF SERIES F BONDS ISSUED AS OF 6/30/2010: \$3,930,000

III. SCHEDULE OF PAYMENTS:

FY Ending 6/30	Principal	Payment Date	Interest	(Less) Interest Subsidy	Total Debt Service	Outstanding Principal	Academic Facilities Debt Retirement Reserve Bond Balance		
							Held By Institution	Held By Bond Trustee	Total Reserve
1998	1,240,000	06-01-98	6,358	78,848	1,325,206	14,040,000	0	1,334,261	1,334,261
1999	635,000	10-01-98	682,868	7,338	1,325,206	13,405,000	0	618	618
2000	690,000	10-01-99	628,108	0	1,318,108	12,715,000	0	815	815
2001	715,000	10-01-00	600,174	0	1,315,174	12,000,000	0	656	656
2002	745,000	10-01-01	570,423	0	1,315,423	11,255,000	0	2,031	2,031
2003	780,000	10-01-02	538,770	0	1,318,770	10,475,000	0	85	85
2004	815,000	10-01-03	504,868	0	1,319,868	9,660,000	0	310	310
2005	850,000	10-01-04	468,645	0	1,318,645	8,810,000	0	1,011	1,011
2006	890,000	10-01-05	429,920	0	1,319,920	7,920,000	0	2,230	2,230
2007	930,000	10-01-06	388,970	0	1,318,970	6,990,000	0	4,655	4,655
2008	970,000	10-01-07	345,493	0	1,315,493	6,020,000	0	6,675	6,675
2009	1,020,000	10-01-08	298,970	0	1,318,970	5,000,000	0	7,220	7,220
2010	1,070,000	10-01-09	245,575	0	1,315,575	3,930,000	0	115,307	115,307
2011	1,135,000	10-01-10	184,938	0	1,319,938	2,795,000			
2012	1,195,000	10-01-11	120,863	0	1,315,863	1,600,000			
2013	1,265,000	10-01-12	53,213	0	1,318,213	335,000			
2014	335,000	10-01-13	9,213	0	344,213	0			

Series F bonds were issued in 1998 to finance and refinance a portion of the cost of the Liberal Arts Center and to pay all or a portion of related costs of issuance.

**ATTACHMENT B (3)
ACADEMIC FACILITIES BONDING DEBT SERVICE ANALYSIS
UNIVERSITY OF SOUTHERN INDIANA**

I. ISSUE NAME: Student Fee Bonds, Series H

II. TOTAL AMOUNT OF SERIES H BONDS ISSUED AS OF 6/30/2010: \$18,510,000

III. SCHEDULE OF PAYMENTS:

FY Ending 6/30	Principal	Payment Date	Interest	Total Debt Service	Outstanding Principal	Academic Facilities Debt Retirement Reserve Bond Balance		
						Held By Institution	Held By Bond Trustee	Total Reserve
2002	0	04-01-02	461,356	461,356	25,260,000	0	1,533,705	1,533,705
2003	0	10-01-02	1,221,238	1,221,238	25,260,000	0	122,391	122,391
2004	855,000	10-01-03	1,206,275	2,061,275	24,405,000	0	477	477
2005	885,000	10-01-04	1,175,825	2,060,825	23,520,000	0	1,694	1,694
2006	920,000	10-01-05	1,143,088	2,063,088	22,600,000	0	3,350	3,350
2007	955,000	10-01-06	1,106,738	2,061,738	21,645,000	0	3,760	3,760
2008	1,000,000	10-01-07	1,062,638	2,062,638	20,645,000	0	2,570	2,570
2009	1,045,000	10-01-08	1,015,431	2,060,431	19,600,000	0	3,298	3,298
2010	1,090,000	10-01-09	970,063	2,060,063	18,510,000	0	3,313	3,313
2011	1,145,000	10-01-10	918,275	2,063,275	17,365,000			
2012	1,200,000	10-01-11	862,650	2,062,650	16,165,000			
2013	1,260,000	10-01-12	801,000	2,061,000	14,905,000			
2014	1,330,000	10-01-13	729,775	2,059,775	13,575,000			
2015	1,405,000	10-01-14	654,563	2,059,563	12,170,000			
2016	1,485,000	10-01-15	575,088	2,060,088	10,685,000			
2017	1,565,000	10-01-16	495,125	2,060,125	9,120,000			
2018	1,645,000	10-01-17	414,875	2,059,875	7,475,000			
2019	1,730,000	10-01-18	330,500	2,060,500	5,745,000			
2020	1,820,000	10-01-19	241,750	2,061,750	3,925,000			
2021	1,915,000	10-01-20	148,375	2,063,375	2,010,000			
2022	2,010,000	10-01-21	50,250	2,060,250	0			

Series H bonds were issued in 2001 to provide funds for the construction of the Science/Education Classroom Building, to refinance interim indebtedness, and to pay all related costs of issuance.

**ATTACHMENT B (4)
ACADEMIC FACILITIES BONDING DEBT SERVICE ANALYSIS
UNIVERSITY OF SOUTHERN INDIANA**

I. ISSUE NAME: Student Fee Bonds, Series I

II. TOTAL AMOUNT OF SERIES I BONDS ISSUED AS OF 6/30/2010: \$34,755,000

III. SCHEDULE OF PAYMENTS:

FY Ending 6/30	Principal	Payment Date	Interest	(Less) Interest Subsidy	Total Debt Service	Outstanding Principal	Academic Facilities Debt		
							Held By Institution	Held By Bond Trustee	Total Reserve
2004	0		0	0	0	46,265,000	0	4,953,100	4,953,100
2005	950,000	10-01-04	1,837,381	(1,449,925)	1,337,456	45,315,000	0	3,576,583	3,576,583
2006	1,190,000	10-01-05	2,194,281	(1,751,588)	1,632,693	44,125,000	0	1,925,260	1,925,260
2007	1,230,000	10-01-06	2,157,981	(1,751,588)	1,636,393	42,895,000	0	232,210	232,210
2008	2,605,000	10-01-07	2,087,431	0	4,692,431	40,290,000	0	1,900	1,900
2009	2,710,000	10-01-08	1,984,519	0	4,694,519	37,580,000	0	3,397	3,397
2010	2,825,000	10-01-09	1,863,081	0	4,688,081	34,755,000	0	1	1
2011	2,140,000	10-01-10	1,738,956	0	3,878,956	32,615,000			
2012	2,250,000	10-01-11	1,629,206	0	3,879,206	30,365,000			
2013	2,365,000	10-01-12	1,513,831	0	3,878,831	28,000,000			
2014	2,485,000	10-01-13	1,387,922	0	3,872,922	25,515,000			
2015	2,620,000	10-01-14	1,250,725	0	3,870,725	22,895,000			
2016	2,765,000	10-01-15	1,106,003	0	3,871,003	20,130,000			
2017	2,085,000	10-01-16	975,659	0	3,060,659	18,045,000			
2018	2,195,000	10-01-17	862,006	0	3,057,006	15,850,000			
2019	2,315,000	10-01-18	743,619	0	3,058,619	13,535,000			
2020	2,440,000	10-01-19	618,800	0	3,058,800	11,095,000			
2021	2,570,000	10-01-20	490,500	0	3,060,500	8,525,000			
2022	2,700,000	10-01-21	358,750	0	3,058,750	5,825,000			
2023	2,840,000	10-01-22	220,250	0	3,060,250	2,985,000			
2024	2,985,000	10-01-23	74,625	0	3,059,625	0			

Series I bonds were issued in 2004 to finance a portion of the cost of construction of the David L. Rice Library Building, to refund Series D serial bonds (eligible for fee replacement), to advance refund Series E bonds (not eligible for fee replacement), and to finance various costs incidental to the financing. The total Series I bond issue was \$49,590,000. The debt service schedule above illustrates the repayment of the new money issue and the refunding Series D issue only. Because Series E is not eligible for fee replacement, the debt service for that portion of Series I has been excluded. The interest due on the new monies portion of Series I bonds in fiscal years 2005, 2006, and 2007 was paid from capitalized interest held by the bond trustee.

**ATTACHMENT B (5)
ACADEMIC FACILITIES BONDING DEBT SERVICE ANALYSIS
UNIVERSITY OF SOUTHERN INDIANA**

I. ISSUE NAME: Student Fee Bonds, Series J

II. TOTAL AMOUNT OF SERIES J BONDS ISSUED AS OF 6/30/2010: \$35,260,000

III. SCHEDULE OF PAYMENTS:

FY Ending 6/30	Principal	Payment Date	Interest	Total Debt Service	Outstanding Principal	Academic Facilities Debt Retirement Reserve Bond Balance		
						Held By Institution	Held By Bond Trustee	Total Reserve
2009	0	10-01-08	244,538	244,538	36,420,000	0	29,979,571	29,979,571
2010	1,160,000	10-01-09	1,746,173	2,906,173	35,260,000	0	18,916,279	18,916,279
2011	1,190,000	10-01-10	1,716,798	2,906,798	34,070,000			
2012	1,235,000	10-01-11	1,671,048	2,906,048	32,835,000			
2013	1,300,000	10-01-12	1,607,673	2,907,673	31,535,000			
2014	1,370,000	10-01-13	1,540,923	2,910,923	30,165,000			
2015	1,440,000	10-01-14	1,470,673	2,910,673	28,725,000			
2016	1,505,000	10-01-15	1,404,848	2,909,848	27,220,000			
2017	1,570,000	10-01-16	1,339,398	2,909,398	25,650,000			
2018	1,635,000	10-01-17	1,275,569	2,910,569	24,015,000			
2019	1,690,000	10-01-18	1,216,100	2,906,100	22,325,000			
2020	1,760,000	10-01-19	1,146,010	2,906,010	20,565,000			
2021	1,840,000	10-01-20	1,066,705	2,906,705	18,725,000			
2022	1,930,000	10-01-21	980,388	2,910,388	16,795,000			
2023	2,025,000	10-01-22	883,925	2,908,925	14,770,000			
2024	2,130,000	10-01-23	780,050	2,910,050	12,640,000			
2025	2,245,000	10-01-24	662,256	2,907,256	10,395,000			
2026	2,380,000	10-01-25	529,288	2,909,288	8,015,000			
2027	2,520,000	10-01-26	388,413	2,908,413	5,495,000			
2028	2,670,000	10-01-27	239,200	2,909,200	2,825,000			
2029	2,825,000	10-01-28	81,219	2,906,219	0			

Series J bonds were issued in February 2009 to refund the interim financing issued in fiscal year 2007 for architectural planning and design of the College of Business/General Classroom Building project, expansion of the Physical Plant infrastructure, and completion of the lower level of the Education Center (all eligible for fee replacement); to finance the construction of the College of Business/General Classroom Building; and to finance the University Center Expansion (not eligible for fee replacement). The total Series J bond issue was \$50,185,000. The debt service schedule above illustrates the refunding of the interim financing issued in fiscal year 2007 and the construction of the College of Business/General Classroom Building only. Because the University Center Expansion is not eligible for fee replacement, the debt service for that portion of Series J has been excluded. Bond proceeds held by bond trustee are for construction costs not debt service.

**ATTACHMENT B (6)
ACADEMIC FACILITIES BONDING DEBT SERVICE ANALYSIS
UNIVERSITY OF SOUTHERN INDIANA**

I. ISSUE NAME: USI Teaching Theatre - Replacement Project

II. TOTAL AMOUNT OF BONDS ISSUED AS OF 6/30/2010: \$0

III. SCHEDULE OF PAYMENTS:

FY Ending 6/30	Principal	Payment Date	Interest	Total Debt Service	Outstanding Principal	Academic Facilities Debt Retirement Reserve Bond Balance		
						Held By Institution	Held By Bond Trustee	Total Reserve
2011	0	04-01-11	398,700	398,700	13,290,000			
2012	361,283	10-01-11	786,562	1,147,845	12,928,717			
2013	382,960	10-01-12	764,235	1,147,195	12,545,757			
2014	405,937	10-01-13	740,568	1,146,505	12,139,820			
2015	430,294	10-01-14	715,481	1,145,775	11,709,526			
2016	456,111	10-01-15	688,888	1,144,999	11,253,415			
2017	483,478	10-01-16	660,700	1,144,178	10,769,937			
2018	512,486	10-01-17	630,822	1,143,308	10,257,451			
2019	543,236	10-01-18	599,150	1,142,386	9,714,215			
2020	575,830	10-01-19	565,578	1,141,408	9,138,385			
2021	610,380	10-01-20	529,992	1,140,372	8,528,005			
2022	647,002	10-01-21	492,270	1,139,272	7,881,003			
2023	685,823	10-01-22	452,285	1,138,108	7,195,180			
2024	726,972	10-01-23	409,901	1,136,873	6,468,208			
2025	770,590	10-01-24	364,975	1,135,565	5,697,618			
2026	816,826	10-01-25	317,353	1,134,179	4,880,792			
2027	865,835	10-01-26	266,873	1,132,708	4,014,957			
2028	917,785	10-01-27	213,364	1,131,149	3,097,172			
2029	972,852	10-01-28	156,645	1,129,497	2,124,320			
2030	1,031,223	10-01-29	96,523	1,127,746	1,093,097			
2031	1,093,097	10-01-30	32,793	1,125,890	0			

Budget Agency Number G-0-09-1-01. Bonding authorization for \$15,000,000 for the Teaching Theatre - Replacement Project was received in the 2009-2011 Biennial Budget. The University anticipates issuing debt totaling \$13,290,000, which includes issuance costs, in April 2011. The project cost is estimated to be \$16,500,000 which will be funded by \$13,000,000 in bond proceeds, \$2,000,000 in private gifts and donations, and \$1,500,000 in University funds. Assumes a 20-year debt at 6% beginning in April 2011.

BACKGROUND I-A
OVERVIEW OF SOURCES OF REVENUE & EXPENDITURES BY CATEGORY
2009-10 BUDGETED DATA
UNIVERSITY OF SOUTHERN INDIANA

	Legislative Budget (1)	Reconciliation (2)	General Fund Budget (3)=(1)+(2)	Designated & Restricted Funds (4)	Auxiliary Enterprises (5)	TOTAL ALL FUNDS (6)=(3)+(4)+(5)
<u>REVENUE</u>						
Student Tuition/Fees: Gross Fee Base	31,838,531		31,838,531	18,274,746		50,113,277
State Appropriation - Operating	39,044,222		39,044,222			39,044,222
State Appropriation - Debt Service	11,920,469		11,920,469			11,920,469
State Appropriation - Line Item Appropriation					553,428	553,428
Administrative and Indirect Cost Recovery		1,053,329	1,053,329			1,053,329
Sales and Service		1,297,621	1,297,621	2,388,625	22,133,510	25,819,756
Investment, Endowment, and Other Income		350,000	350,000	74,000		424,000
Other Revenue				5,602,343	9,128,388	14,730,731
TOTAL REVENUE	82,803,222	2,700,950	85,504,172	26,339,714	31,815,326	143,659,212
<u>EXPENDITURES</u>						
PERSONAL SERVICES						
Salaries & Wages	45,015,127	2,027,645	47,042,772			
Retirement - PERF Program	630,366		630,366			
Retirement - TRF Program	11,854		11,854			
Retirement - TIAA Program	4,646,593		4,646,593			
Social Security	3,343,797		3,343,797			
Life Insurance	141,201		141,201			
Health/Medical Insurance	7,825,265		7,825,265			
Employee Remitted Fees	547,448		547,448			
Total Personal Services	62,161,651	2,027,645	64,189,296	2,038,971	5,453,562	71,681,829
SUPPLIES & EXPENSES						
General S & E	11,603,159	673,305	12,276,464			
Energy	4,205,769		4,205,769			
Utilities	374,280		374,280			
Property & Liability Insurance	918,406		918,406			
Total Supplies & Expenses	17,101,614	673,305	17,774,919	23,082,439	24,936,186	65,793,544
STUDENT ASSISTANCE	3,539,957		3,539,957	99,913	925,067	4,564,937
TOTAL EXPENDITURES	82,803,222	2,700,950	85,504,172	25,221,323	31,314,815	142,040,310

BACKGROUND I-B
OVERVIEW OF SOURCES OF REVENUE & EXPENDITURES BY CATEGORY
2010-11 BUDGETED DATA
UNIVERSITY OF SOUTHERN INDIANA

	Legislative Budget (1)	Reconciliation (2)	General Fund Budget (3)=(1)+(2)	Designated & Restricted Funds (4)	Auxiliary Enterprises (5)	TOTAL ALL FUNDS (6)=(3)+(4)+(5)
<u>REVENUE</u>						
Student Tuition/Fees: Gross Fee Base	35,878,711		35,878,711	17,622,347		53,501,058
State Appropriation - Operating	39,172,365		39,172,365			39,172,365
State Appropriation - Debt Service	11,119,519		11,119,519			11,119,519
State Appropriation - Line Item Appropriation					553,428	553,428
Administrative and Indirect Cost Recovery		1,160,611	1,160,611			1,160,611
Sales and Service		1,306,134	1,306,134	2,294,634	24,404,422	28,005,190
Investment, Endowment, and Other Income		350,000	350,000	70,000		420,000
Other Revenue				4,524,400	9,411,193	13,935,593
TOTAL REVENUE	86,170,595	2,816,745	88,987,340	24,511,381	34,369,043	147,867,764
<u>EXPENDITURES</u>						
PERSONAL SERVICES						
Salaries & Wages	46,236,391	2,104,791	48,341,182			
Retirement - PERF Program	668,171		668,171			
Retirement - TRF Program	10,885		10,885			
Retirement - TIAA Program	4,775,775		4,775,775			
Social Security	3,420,259		3,420,259			
Life Insurance	143,676		143,676			
Health/Medical Insurance	8,490,840		8,490,840			
Employee Remitted Fees	644,320		644,320			
Total Personal Services	64,390,317	2,104,791	66,495,108	2,045,659	5,662,865	74,203,632
SUPPLIES & EXPENSES						
General S & E	11,784,488	711,954	12,496,442			
Energy	4,593,820		4,593,820			
Utilities	416,229		416,229			
Property & Liability Insurance	918,406		918,406			
Total Supplies & Expenses	17,712,943	711,954	18,424,897	22,310,023	27,041,267	67,776,187
STUDENT ASSISTANCE	4,067,335		4,067,335	107,360	1,081,427	5,256,122
TOTAL EXPENDITURES	86,170,595	2,816,745	88,987,340	24,463,042	33,785,559	147,235,941

BACKGROUND II-A
RETIREMENT OF PRINCIPAL FOR OUTSTANDING CAPITAL DEBT
(Projects Eligible for Fee Replacement)
UNIVERSITY OF SOUTHERN INDIANA

	<u>Outstanding Principal June 30, 2009</u>	<u>Outstanding Principal June 30, 2010</u>	<u>Outstanding Principal June 30, 2011</u>	<u>Estimated Outstanding Principal June 30, 2012</u>	<u>Estimated Outstanding Principal June 30, 2013</u>
I. <u>Projects Eligible for Fee Replacement</u>					
ACTS OF 1953 OR 1965					
Existing Debt: Permanently Scheduled (1)	100,598,664	94,112,124	88,181,759	82,001,544	75,527,877
Existing Debt: Interim & Variable Rate					
SUBTOTAL	100,598,664	94,112,124	88,181,759	82,001,544	75,527,877
New Debt:					
A. Teaching Theatre - Replacement Project (2)			13,290,000	12,928,717	12,545,757
B. Classroom Renovation/Expansion (3)					14,589,823
SUBTOTAL	0	0	13,290,000	12,928,717	27,135,580
ACTS OF 1927 OR 1929					
Existing Debt: Permanently Scheduled					
Existing Debt: Interim & Variable Rate					
SUBTOTAL	0	0	0	0	0
TOTAL	100,598,664	94,112,124	101,471,759	94,930,261	102,663,457

(1) Permanently scheduled existing debt includes Series D capital appreciation bonds, Series F, Series H, Series I, and Series J.

(2) Budget Agency Number G-0-09-1-01. Bonding authorization for \$15,000,000 for the Teaching Theatre - Replacement Project was received in the 2009-2011 Biennial Budget. The University anticipates issuing debt totaling \$13,290,000, which includes issuance costs, in April 2011. The project cost is estimated to be \$16,500,000 which will be funded by \$13,000,000 in bond proceeds, \$2,000,000 in private gifts and donations, and \$1,500,000 in University funds. Assumes a 20-year debt at 6% beginning in April 2011.

(3) Budget Agency Number G-0-11-2-01. Bonding authorization for \$15,000,000 for Special Repair and Rehabilitation funding for Classroom Renovation/Expansion is requested in the 2011-2013 Capital Improvement Budget Request. Assumes a 20-year debt at 6% beginning in July 2012.

BACKGROUND II-B
RETIREMENT OF PRINCIPAL FOR OUTSTANDING CAPITAL DEBT
(Projects Not Eligible for Fee Replacement)
UNIVERSITY OF SOUTHERN INDIANA

	Outstanding Principal June 30, 2009	Outstanding Principal June 30, 2010	Outstanding Principal June 30, 2011	Estimated Outstanding Principal June 30, 2012	Estimated Outstanding Principal June 30, 2013
II. <u>Projects Not Eligible for Fee Replacement</u>					
ACTS OF 1927 OR 1929					
Existing Debt: Permanently Scheduled					
A. Auxiliary System Revenue Bonds (Series 2001A) (1)	15,410,000	14,185,000	12,900,000	11,550,000	10,130,000
B. Auxiliary System Revenue Bonds (Series 2003) (1)	6,825,000	6,510,000	6,185,000	5,845,000	5,495,000
C. Auxiliary System Revenue Bonds (Series 2008A) (2)	9,650,000	9,450,000	9,250,000	9,050,000	8,850,000
D. Recreation and Fitness Center Bonds (Series G) (3)	3,500,000	3,200,000	2,900,000	2,600,000	2,300,000
E. Refunded Series E (Series I) (4)	2,190,000	1,920,000	1,640,000	1,345,000	1,035,000
F. Recreation and Fitness Center Expansion - Phase II (Series 2006) (5)	6,963,872	6,723,702	6,472,291	6,209,115	5,933,621
G. University Center Expansion (Series J) (6)	13,765,000	13,325,000	12,875,000	12,410,000	11,920,000
SUBTOTAL	58,303,872	55,313,702	52,222,291	49,009,115	45,663,621
New Debt:					
SUBTOTAL	0	0	0	0	0
TOTAL	58,303,872	55,313,702	52,222,291	49,009,115	45,663,621

- (1) Auxiliary System Revenue Bonds, Series 2001A and 2001B, were issued in February 2001 to refund existing variable rate student housing bonds, Series 1996, 1997, and 1998, and to finance the construction of additional student residence facilities. Auxiliary System Revenue Bonds, Series 2003, were issued in July 2003 to finance the construction of a student residential building.
- (2) Auxiliary System Revenue Bonds, Series 2008A, were issued in May 2008 to refinance variable rate demand revenue bonds 2001B.
- (3) Series G bonds were issued in September 1999 to construct and equip a Recreation and Fitness Center for students and employees.
- (4) A portion of Student Fee Bonds, Series I, were issued in June 2004 to refund outstanding Series E bonds issued in 1995 for the first University Center Expansion project.
- (5) Student Fee Bonds, Series 2006, were issued in June 2006 to complete Phase II Expansion of the Recreation and Fitness Center.

(6) A portion of Student Fee Bonds, Series J, were issued in February 2009 to fund the expansion of the University Center.

BACKGROUND IV-A
STUDENT ENROLLMENT (CREDIT INSTRUCTION) BY RESIDENCY STATUS
UNIVERSITY OF SOUTHERN INDIANA

	<u>2007-08</u> Actual	<u>2008-09</u> Actual	<u>2009-10</u> Estimated	<u>2010-11</u> Projected	<u>2011-12</u> Projected	<u>2012-13</u> Projected
I. ANNUAL HEADCOUNT						
A. Undergraduate						
1. Indiana Resident	9,949	10,289	10,899	11,171	11,450	11,736
2. Non-Resident	651	724	762	781	801	821
3. Reciprocity Non-Resident	426	432	479	491	503	516
B. Graduate/Professional						
1. Indiana Resident	815	829	839	860	882	904
2. Non-Resident	198	184	212	217	222	228
3. Reciprocity Non-Resident	78	96	89	91	93	95
TOTAL	12,117	12,554	13,280	13,611	13,951	14,300
II. ANNUAL FULL-TIME EQUIVALENT (FTE) STUDENTS						
A. Undergraduate						
1. Indiana Resident	7,389	7,609	7,985	8,185	8,390	8,600
2. Non-Resident	455	540	575	589	604	619
3. Reciprocity Non-Resident	280	290	331	339	347	356
B. Graduate/Professional						
1. Indiana Resident	372	389	416	426	437	448
2. Non-Resident	99	96	106	109	112	115
3. Reciprocity Non-Resident	37	43	49	50	51	52
TOTAL	8,632	8,967	9,462	9,698	9,941	10,190
III. ANNUAL DISTANCE EDUCATION/CORRESPONDENCE FTE						
A. Undergraduate Resident and Reciprocity	572	609	806	826	847	868
B. Graduate/Professional Resident and Reciprocity	175	177	211	216	221	227
C. Undergraduate Nonresident	44	50	68	70	72	74
D. Graduate/Professional Nonresident	78	74	87	89	91	93
Note: FTE attributable to dual credit instruction included above	94	145	217	222	228	234

The data for 2009-10 is preliminary. The data submitted on the SIS tape may vary from the data presented on this schedule. The projected data for 2010-11, 2011-12, and 2012-13 is based on a 2.5% enrollment increase assumption.

BACKGROUND IV-B
STUDENT ENROLLMENT (SUCCESSFULLY COMPLETED CREDIT HOURS) BY RESIDENCY STATUS
UNIVERSITY OF SOUTHERN INDIANA

	<u>2007-08</u> Actual	<u>2008-09</u> Actual	<u>2009-10</u> Estimated	<u>2010-11</u> Projected	<u>2011-12</u> Projected	<u>2012-13</u> Projected
I. ANNUAL HEADCOUNT						
A. Undergraduate						
1. Indiana Resident	9,294	9,643	10,255	10,511	10,774	11,043
2. Non-Resident	610	696	725	743	762	781
3. Reciprocity Non-Resident	391	399	442	453	464	476
B. Graduate/Professional						
1. Indiana Resident	775	786	792	812	832	853
2. Non-Resident	184	175	199	204	209	214
3. Reciprocity Non-Resident	72	90	84	86	88	90
TOTAL	11,326	11,789	12,497	12,809	13,129	13,457
II. ANNUAL FULL-TIME EQUIVALENT (FTE) STUDENTS						
A. Undergraduate						
1. Indiana Resident	6,190	6,436	6,737	6,905	7,078	7,255
2. Non-Resident	391	475	497	509	522	535
3. Reciprocity Non-Resident	229	245	282	289	296	303
B. Graduate/Professional						
1. Indiana Resident	350	369	374	383	393	403
2. Non-Resident	94	92	99	101	104	107
3. Reciprocity Non-Resident	35	40	45	46	47	48
TOTAL	7,289	7,657	8,034	8,233	8,440	8,651
III. ANNUAL DISTANCE EDUCATION/CORRESPONDENCE FTE						
A. Undergraduate Resident and Reciprocity	507	524	672	689	706	724
B. Graduate/Professional Resident and Reciprocity	167	170	194	199	204	209
C. Undergraduate Nonresident	39	46	59	60	62	64
D. Graduate/Professional Nonresident	75	70	81	83	85	87
Note: FTE attributable to dual credit instruction included above	94	143	215	220	226	232

The data for 2009-10 is preliminary. The data submitted on the SIS tape may vary from the data presented on this schedule. The projected data for 2010-11, 2011-12, and 2012-13 is based on a 2.5% enrollment increase assumption.

**LINE ITEM I
SUMMARY OF PROPOSED LINE ITEM PROJECTS
UNIVERSITY OF SOUTHERN INDIANA**

	2010-11 Budget Total	2011-12 Request			2012-13 Request		
		Increase	%	Total	Increase	%	Total
<u>HISTORIC NEW HARMONY</u>							
State General Funds	553,428	0	0.0%	553,428	0	0.0%	553,428
Other Revenues							
New Harmony Operations	187,688	0	0.0%	187,688	0	0.0%	187,688
Gifts and Grants	185,000	0	0.0%	185,000	0	0.0%	185,000
University Support	371,377	25,951	7.0%	397,328	26,470	6.7%	423,798
Subtotal Other Revenues	744,065	25,951	3.5%	770,016	26,470	3.4%	796,486
TOTAL	1,297,493	25,951	2.0%	1,323,444	26,470	2.0%	1,349,914

LINE ITEM REQUEST HISTORIC NEW HARMONY

Located on the banks of the Wabash River, New Harmony was founded before Indiana became a state. Indeed, those who shaped New Harmony later shaped the complexion of Indiana, drafting its Constitution, establishing its first schools, leading its first public universities, and promoting intellectualism and scientific advancement in what was then America's frontier. The first communal group, the Harmonists, started building the town in 1814 and established a thriving community in ten years. In 1824, industrialist and social reformer Robert Owen of Scotland bought the entire town and set out to develop a community based on education and equality for all. As a result of the work of Owen and his partner William Maclure, the ideas and people of New Harmony had a profound impact on the nation.

Designated a National Historic Landmark District in 1965, New Harmony brings further distinction to the State of Indiana through the national awards and honors it receives. In 2007, New Harmony was declared a "Preserve America Community" by the National Park Service and the town's visitor center, Richard Meier's Atheneum, which is owned and operated by the University of Southern Indiana, won the prestigious 25 Year Award from the American Institute of Architects in 2008.

STATE, CORPORATE, AND UNIVERSITY INVOLVEMENT

In 1937, the Indiana General Assembly passed the New Harmony Memorial Commission Act and a statewide one-mill tax for the Memorial Commission to fund the legislatively defined educational programs in New Harmony. The first New Harmony Memorial Commission was appointed by Governor M. Clifford Townsend in 1939. After a respite of several decades, the New Harmony Commission was reconstituted in 1965 by Governor Roger D. Branigin to ensure continued protection of the New Harmony area for the citizens of Indiana. The statutory mandates of the Commission include recommending legislation to protect all of New Harmony, conducting a survey and establishing a plan for the New Harmony area, and promoting and enhancing New Harmony as a tourist destination.

The State of Indiana has taken an active role in acquiring and preserving historic and natural sites in and around New Harmony. In 1943, the Indiana Department of Conservation (the forerunner of the Department of Natural Resources) approved a preliminary plan for the development of the New Harmony State Memorial. Then, in 1955, several historic properties

were placed in the custody of the Department of Conservation. During the administration of Governor Edgar D. Whitcomb, the importance of New Harmony was recognized and planning moved forward to develop the Harmonie State Recreation area to further augment the preservation of New Harmony and natural areas surrounding it. In a public/private partnership, the Department of Natural Resources division of Outdoor Recreation provided a matching grant to the town to create the Kenneth and Jane B. Owen River Trail. Following along the river from the Atheneum, the trail is enjoyed by citizens and visitors alike. Phase Two of the trail project will connect the eastern borders of the town with the Wabash River over the next two years.

Several corporate, foundation, and education entities have been involved with preservation and education activities over the years, the most notable being Historic New Harmony, Inc., a nonprofit foundation founded in 1974 to develop an organizational and financial base. With the support of Lilly Endowment, Inc., Historic New Harmony, Inc. purchased and restored a wide variety of historic sites, leading to establishing the community as a primary Indiana tourist attraction.

In order to establish long-term management stability for New Harmony's educational programs and to maintain the historic facilities, the State of Indiana asked the University of Southern Indiana to assume operational control of Historic New Harmony in 1985. In addition to the programmatic responsibilities, the University accepted ownership of more than 40 historically significant properties. At the time of this transfer, there was general agreement that over time, state appropriations would be made available to support the preservation, education, and interpretive programs necessary to realize the mission of the site: *"By preserving its utopian legacy, Historic New Harmony will inspire renewal and fellowship between people and communities through its programs and collections."*

In 1989, the State of Indiana, through the Sunset Commission, recommended there be a Unified Program for New Harmony's historical museum activities. This recommendation led to the unification of the Department of Natural Resources (DNR) historic sites with the USI properties through a contractual agreement that established USI as the manager of the site with DNR providing curatorial support. A new strategic plan for the unified program was adopted in 2009. It focuses activities on creating experiences for niche markets identified as having an affinity for New Harmony's history and resources. In 2009, New Harmony's role in the establishment of the Smithsonian Institution was celebrated in Washington, D.C., with a lecture and a behind-the-scenes-tour of the Smithsonian Castle, which was initiated and designed by the Owen brothers of New Harmony. In fall 2010, the first New Harmony Outreach and Engagement Awards will be selected. These awards will partially fund service-learning and

applied-research projects for USI faculty and students, thus encouraging greater interaction and involvement between USI and the town of New Harmony. New Harmony Gallery of Contemporary Art, in addition to its educational programming, offers rotating exhibits of work by artists of national and regional reputation. The New Harmony Theatre – managed by the USI Department of Performing Arts in the College of Liberal Arts and Indiana’s only Actors Equity theatre outside of Indianapolis – offers three major productions in the summer months.

STATEMENT OF NEED

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 repairs and renovations to the historic sites. Portions of the repair and renovation expenditures come from the appropriations provided by the state to the University for maintenance of its educational facilities. Since the initiation of the Unified Program, the University also has provided routine maintenance of and utilities for DNR properties in New Harmony. The DNR holdings in New Harmony include several major structures. They are:

- Thrall’s Opera House;
- Community House No.; 2
- The Fautleroy House;
- The Scholle House;
- The Harmonist Cemetery; and
- The Harmonist Labyrinth.

The repair and rehabilitation funds received by the University are needed to maintain the campus facilities. At the same time, the historic properties located in New Harmony continue to require rehabilitation and restoration to maintain their preservation value as tourist/educational facilities. Without the continued investment of state funds for New Harmony properties, maintenance of both the campus educational facilities and those in New Harmony will suffer.

The budget for operational expenditures is equally 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. A new exhibition premiered in March 2010 illustrating New Harmony as the center for scientific research during the Owen community era. A full year

of special programming, featuring national, regional, and local speakers and presenters accompanied the exhibition. Planning is currently underway to redesign the exhibits at the Atheneum/Visitor Center and in other of the historic sites to expand the relevance and appeal of New Harmony's history to a wider audience, as well as to use the town of New Harmony and its development as a model for small towns throughout America.

Fund raising through the nonprofit USI/New Harmony Foundation, Inc., and support from volunteers in fund-raising activities enable the University to supplement the New Harmony operating budget by approximately \$60,000 annually. The preservation mission of Historic New Harmony also requires the University to raise private money for capital restoration projects. Grants from private foundations provide limited additional sources of funding for selected projects and programs. Important as these efforts are, they are insufficient to cover the costs associated with preserving the heritage of New Harmony while also providing the educational and cultural programs expected of a nationally known historical site.

It is clear from reviewing the history of the state's actions to preserve New Harmony's history and facilities, the state always intended to provide support, either through a tax levy or through the budgets of state agencies.

OUTCOMES AND BENEFITS

New Harmony is an international treasure that must be preserved to showcase Indiana's role in the history of a developing nation. There are many compelling reasons to provide funding for facility maintenance and programming. The funding will:

- Ensure the preservation and promotion of New Harmony's heritage as a model for community building in small rural towns across America.
- Allow the University to promote greater interest in the community's culture and add substantially to Indiana's tourism efforts. The major metropolitan centers from which New Harmony draws visitors are Indianapolis, Louisville, St. Louis, Chicago, and Nashville. Because many of New Harmony's visitors come from other states and nations, the tourism dollars are new to Indiana's economy and, therefore, even more valuable.
- Allow the University to continue, through its New Harmony outreach program, to provide educational opportunities for regional school systems.

- Sustain a living laboratory for University instructional and applied research programs.
- Ensure the continuation of a center for historical and educational exhibits, performing arts, and visual arts.

BUDGET REQUEST

The University appreciates the operating appropriation approved by the Indiana General Assembly in 2009-2011. The University requests continued funding of the line item appropriation for Historic New Harmony in the 2011-2013 biennium to support the preservation, education, and interpretive programs of this state and national treasure.

	2011-2012	2012-2013
	<u>Request</u>	<u>Request</u>
Base Appropriation	\$ 553,428	\$ 553,428

Funding the University's 2011-2013 Line Item Budget Request will allow the University to continue to provide the programming and ongoing maintenance of Historic New Harmony.

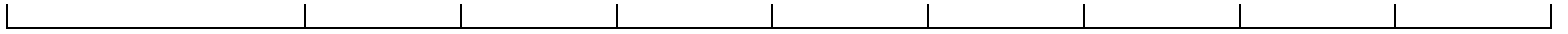
SUMMARY OF BUDGET REQUESTS

State Form 5105(R2) Rev. 6-86

Budget Agency Form B-6

Agency Name	UNIVERSITY OF SOUTHERN INDIANA	Page 1 of 1
Unit Name	Historic New Harmony	
Acct. Number		Historic New Harmony

PURPOSE OF APPROPRIATION		To provide support for facility maintenance and programming expenditures for the Unified Program in Historic New Harmony.						
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
EXPENDITURE CATEGORIES FUNDED BY SECTION AND OTHER DATA	AGENCY ACTUAL EXPENDITURES		CURRENT YEAR AGENCY EST'D EXPENDITURES	BUDGET AGENCY ESTIMATED EXPENDITURES	AGENCY REQUEST		BUDGET AGENCY RECOMMENDATION	
	FY 08-09	FY 09-10	FY 10-11	FY 10-11	FY 11-12	FY 12-13	FY 11-12	FY 12-13
Salaries & Wages	464,584	462,327	477,180		486,724	496,459		
Fringe Benefits	144,965	155,371	174,506		177,996	181,556		
Other Personal Services								
.1 TOTAL PERSONAL SERVICES	609,549	617,698	651,686		664,720	678,015		
.2 Services Other Than Personal								
.3 Service By Contract								
.4 Supplies, Materials, Parts	557,544	581,861	523,007		533,468	544,137		
.5 Equipment	34,835	146,542	105,000		107,100	109,242		
.7 Grants/Subsidies/Awards								
.8 In-State Travel	4,668	2,569	5,699		5,813	5,930		
.9 Out-of-State Travel	17,465	5,453	12,101		12,343	12,590		
TOTAL OTHER OPERATING	614,512	736,425	645,807		658,724	671,899		
GRAND TOTAL	1,224,061	1,354,123	1,297,493		1,323,444	1,349,914		
Funded by General Fund	570,723	553,428	553,428		553,428	553,428		
Other Revenue								
New Harmony Operations	190,190	196,259	187,688		187,688	187,688		
Gifts and Grants	214,080	198,211	185,000		185,000	185,000		
University Support	249,068	406,225	371,377		397,328	423,798		
GRAND TOTAL CHECK	1,224,061	1,354,123	1,297,493		1,323,444	1,349,914		



CONSOLIDATION OF BUDGET REQUEST

State Form 21707(R) Rev. 6-86

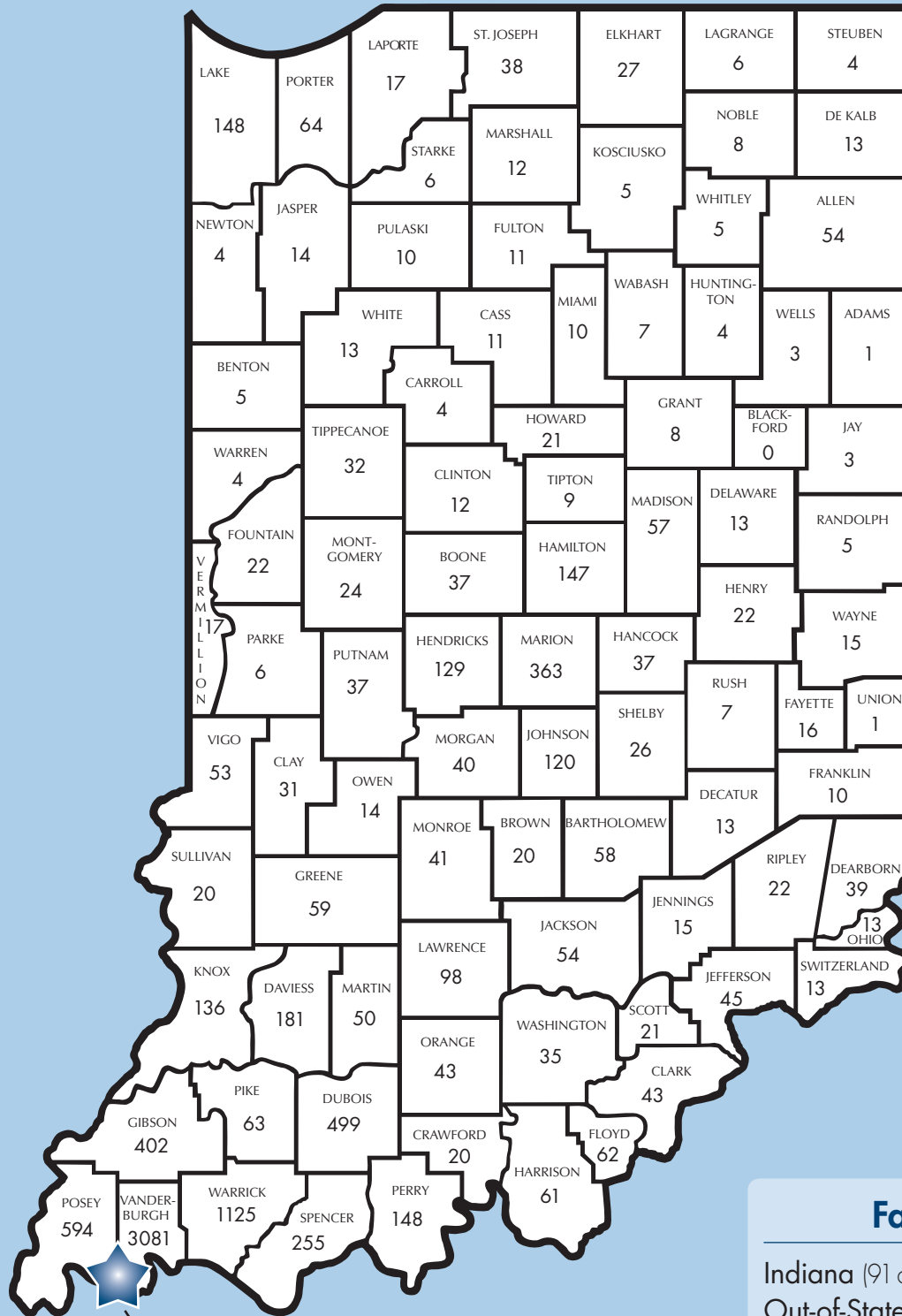
Budget Agency Form B-13

Agency Name	UNIVERSITY OF SOUTHERN INDIANA	Page 1 of 1
Unit Name	Historic New Harmony	
Acct. Number		Historic New Harmony

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
MAJOR OBJECT CATEGORIES BY BASE BUDGET AND NEW PROGRAMS	AGENCY ACTUAL EXPENDITURES		CURRENT YEAR AGENCY EST'D EXPENDITURES	BUDGET AGENCY ESTIMATED EXPENDITURES	AGENCY REQUEST		BUDGET AGENCY RECOMMENDATION	
	FY 08-09	FY 09-10	FY 10-11	FY 10-11	FY 11-12	FY 12-13	FY 11-12	FY 12-13
.1 Personal Services								
Base Budget (Forward to B-6)	609,549	617,698	651,686		651,686	664,720		
Increases:								
2011-12					13,034			
2012-13						13,295		
.4 Supplies/Materials/Parts								
Base Budget (Forward to B-6)	557,544	581,861	523,007		523,007	533,468		
Increases:								
2011-12					10,461			
2012-13						10,669		
.5 Equipment								
Base Budget (Forward to B-6)	34,835	146,542	105,000		105,000	107,100		
Increases:								
2011-12					2,100			
2012-13						2,142		
.8 Travel								
Base Budget (Forward to B-6)	22,133	8,022	17,800		17,800	18,156		
Increases:								
2011-12					356			
2012-13						364		
GRAND TOTAL	1,224,061	1,354,123	1,297,493		1,323,444	1,349,914		

STUDENT PROFILE

HOME COUNTIES OF USI STUDENTS—FALL 2009

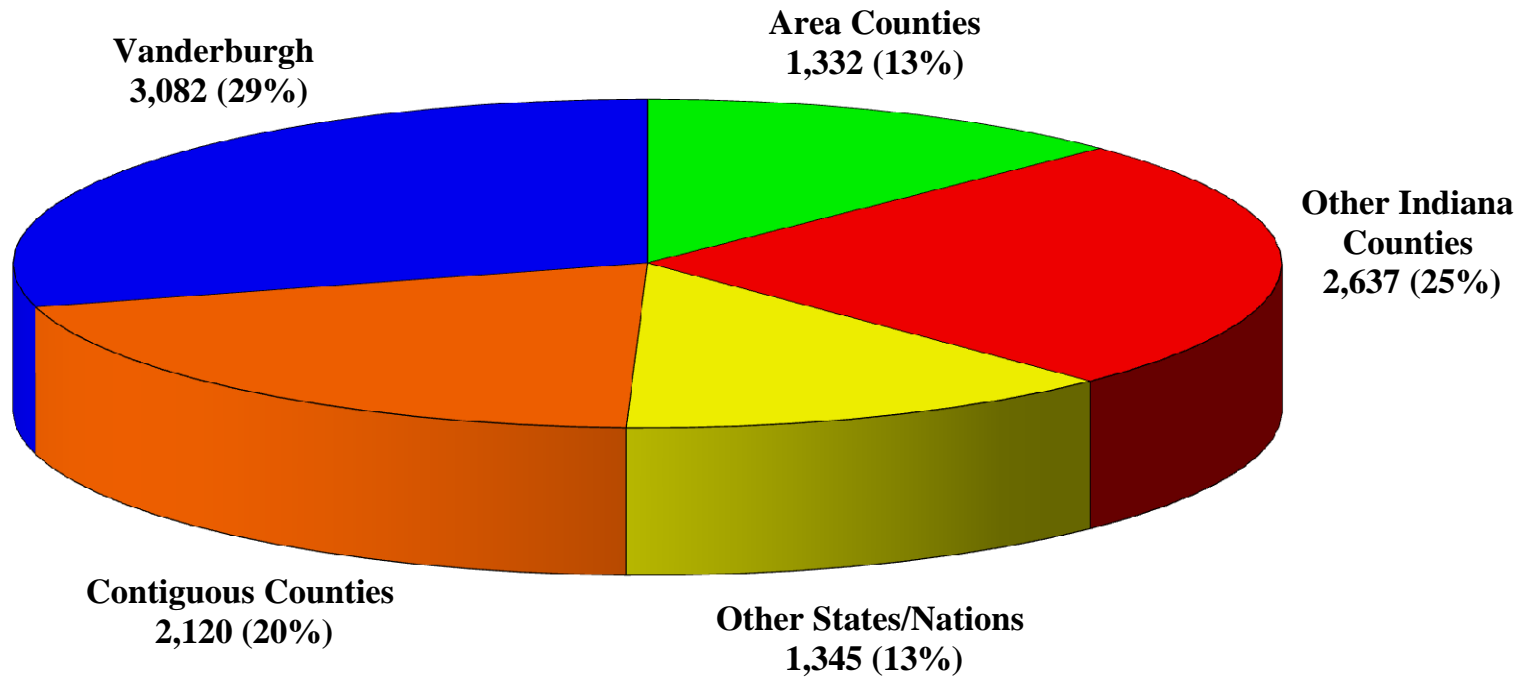


University of Southern Indiana

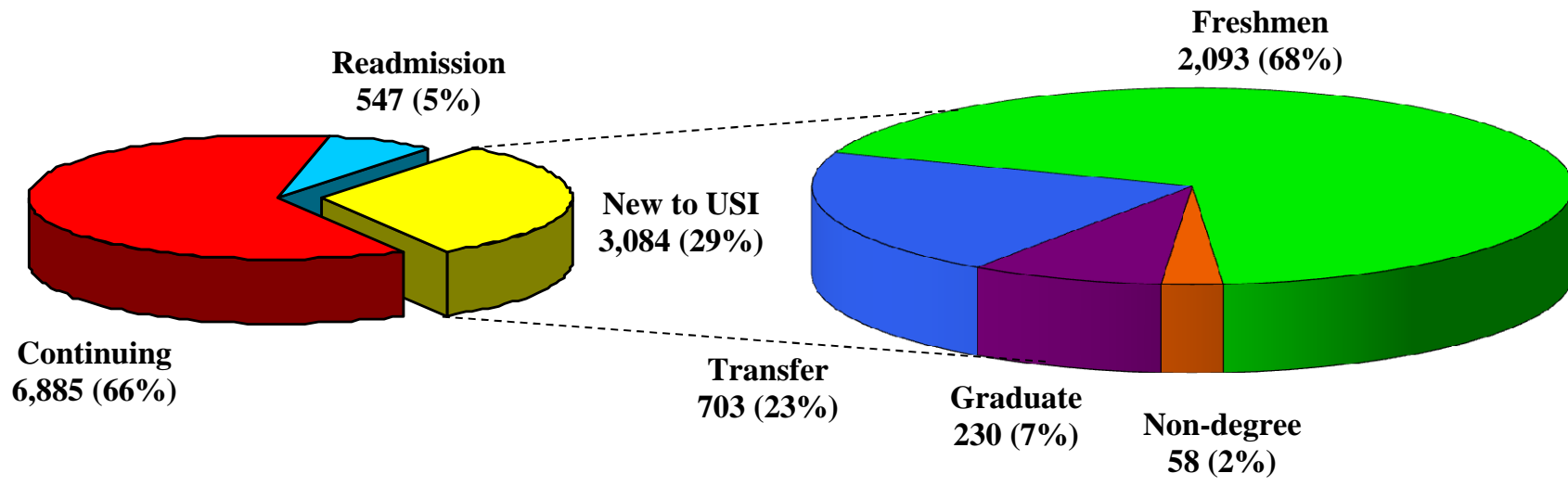
Fall 2009

Indiana (91 counties)	9,171
Out-of-State (40 states)	1,186
International (63 countries)	159
Total Enrollment	10,516

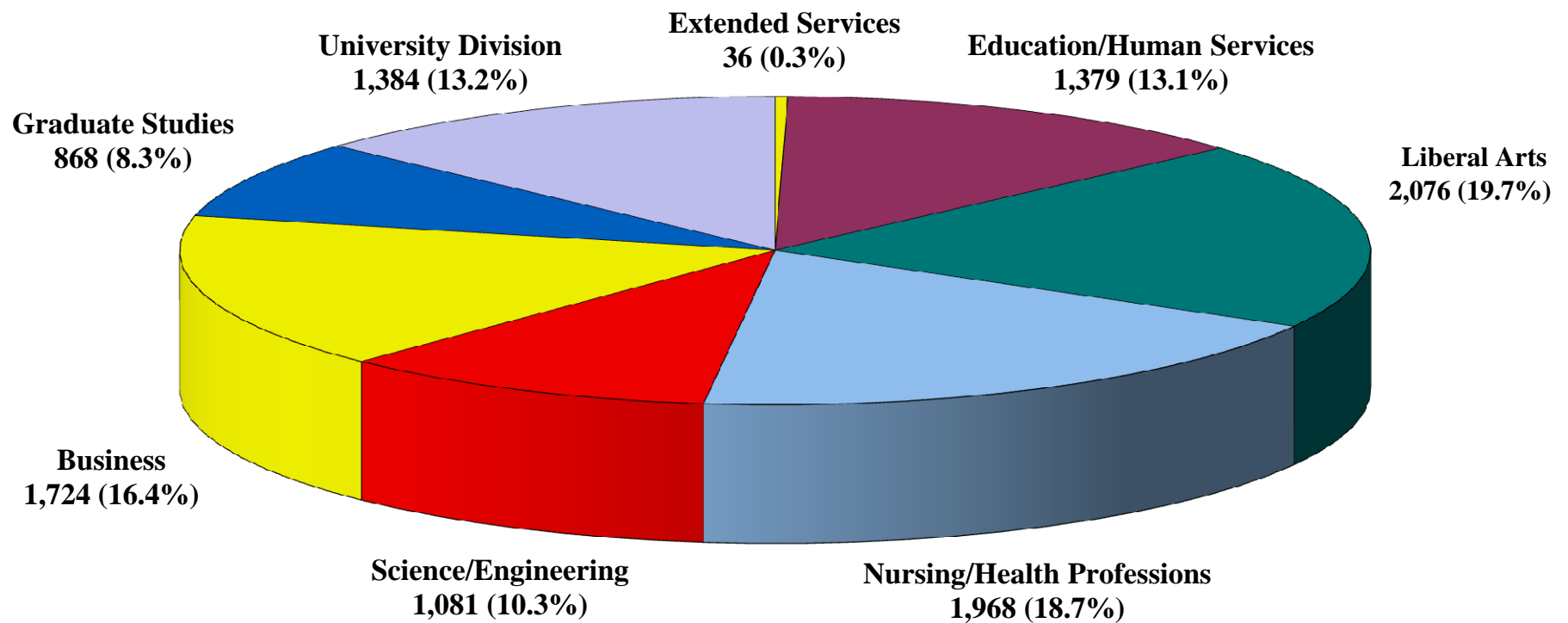
UNIVERSITY OF SOUTHERN INDIANA GEOGRAPHICAL AREA ENROLLMENT FALL 2009



UNIVERSITY OF SOUTHERN INDIANA REGISTRATION TYPES FALL ENROLLMENT 2009



UNIVERSITY OF SOUTHERN INDIANA STUDENT MAJORS BY COLLEGES FALL SEMESTER 2009



FAST FACTS – FALL 2009

University of Southern Indiana Fast Facts – Fall 2009

UNIVERSITY PROFILE	
Established	1965
Location	Evansville, IN
Number of Colleges	5
Undergraduate Degree Majors	
Associates	5
Bachelors	66
Undergraduate Degrees Awarded Academic Year 08–09	
Associates	115
Bachelors	1249
Graduate Degree Programs	11
<i>Doctoral Degree Programs</i>	1
<i>Masters Degree Programs</i>	10
Graduate Degrees Awarded Academic Year 08–09	229

FACULTY PROFILE	
Fall 2009 Faculty Count	668
Full-Time	338
Part-Time	330
Faculty Rank	
Professors	42
Associate Professors	73
Assistant Professors	121
Instructors	102
Administrators with Faculty Rank	7
Administrators with Teaching Responsibility	18
Part-Time Adjuncts	305
Faculty Count by College	
College of Business	61
College of Education and Human Sciences	114
College of Liberal Arts	231
College of Nursing and Health Professions	93
College of Science and Engineering	126
University Division	43

STUDENT PROFILE		
Fall 2009 Admissions	<u>New Freshman</u>	<u>Transfer Students</u>
Applicants	5,324	1,212
Admitted	4,694	949
Enrolled	2,093	703
Fall 2009 Official Head Count Enrollment		10,516
Freshmen		3,724
<i>New</i>		2,093
<i>Continuing</i>		1,631
Sophomores		1,868
Juniors		1,675
Seniors		2,175
Non-Degree Seeking		206
Graduate (Master and Doctorate)		868
<i>New</i>		230
<i>Continuing</i>		638
Enrollment Status		
Full-Time		8,149
Part-Time		2,367
Gender		
Females		6,331
Males		4,185
Age		
24 or younger		7,941
25 or older		2,575
Residency Status		
In-State Students		9,171
Out-of-State Students		1,186
International Students		159
Total Credit Hours Generated		130,613
Undergraduate Credit Hours		125,830
Graduate Credit Hours		4,783
Full-Time Student Equivalency		8,789
Undergraduate FTE		8,380
Graduate FTE		409

NEW PROGRAM DEVELOPMENT PLAN – SPRING 2010

University of Southern Indiana New Program Development Plan Spring 2010

BACCALAUREATE DEGREE

MASTER DEGREE

DOCTORATE DEGREE

2009-2011 Biennium

Anthropology
Arts and Heritage Management
Business Economics
Environmental Science
Health Informatics
International Business
Mechanical Engineering
Respiratory Therapy

2011-2013 Biennium

Business/Engineering Entrepreneurship Industrial Engineering	History (MA) Human Performance Imaging Sciences MSW in Administration Medical Records and Health Informatics Special Education/Exceptional Needs	Physical Therapy Occupational Therapy
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2013-2015 Biennium

Civil Engineering Electrical and Computer Engineering Forensic Science Geography	Environmental Science Food and Nutrition (Dietetics)	Pharmacy
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Approved by USI Board of Trustees May 8, 2010