



# Operating Budget Request 2009–2011



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

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# EXECUTIVE SUMMARY

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The 2009-2011 Operating Budget Request for the University of Southern Indiana responds to the primary concerns of the state and of the region. The University seeks support from the state to fund growth in enrollment, current programs and services, degree completion and on-time degree completion, and quality improvement initiatives 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 2009-2011 Operating Budget Request.

The University's 2009-2011 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; and*  
*Contribution to Indiana's Economy.*

## 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 2007. 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.

As the trustees have sought fully to develop the University and opportunities for education, they have implemented policies which 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.

## **PRESIDENT’S TASK FORCE ON WORKFORCE AND ECONOMIC DEVELOPMENT**

In 2007, the President’s Task Force on Workforce and Economic Development was commissioned 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.

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.

As with the first Task Force in 2000, findings of the 2007 Task Force are being used to plan programs and services to match expressed regional needs. USI made considerable progress in implementing recommendations from the 2000 report, adding 12 of the 13 academic programs identified, with steady development of co-op and internship opportunities, increasing noncredit and workforce training offerings, developing a regional leadership program, and offering alternate delivery of programs through distance education.

The 2007 study affirmed that USI’s planned new programs through 2011 closely parallel the programs regional employers say they need. Such programs include undergraduate degrees in physical therapy; health informatics; business economics; a blended business/engineering degree; advanced manufacturing; environmental sciences; and graduate programs in communications, food and nutrition (dietetics), advanced clinical nursing, and medical records/health informatics. The fact that an overwhelming percentage of USI graduates remain in the region for employment bodes well for meeting the needs of employers.

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.

## **ACCESS TO HIGHER EDUCATION**

The University of Southern Indiana 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.

Over the past decade enrollment increased by 20 percent from 8,300 in fall 1997 to 9,939 in fall 2007. The most dramatic change in enrollment is the number of full-time students. Over the past decade full-time student enrollment increased by 34 percent from 5,743 in fall 1997 to 7,686 in fall 2007. With over 53.4 percent of the fall 2007 entering freshman class coming from its primary service area, the University is clearly committed to serving students in the region. In fall 2007, 61.8 percent of USI's students came from the 11-county regional service area and 26.7 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 2007.

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 24,000 alumni, 74 percent live in Indiana and, of that number, 85 percent reside in southwest Indiana. 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.

## **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 *2008 Reaching Higher with Affordability* document, students are paying a greater share of the cost of higher education. Increased costs are a direct result of decreasing 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 *Annual Survey of Colleges (ASC)*, the national average for undergraduate tuition and fees charged by public four-year colleges and universities in 2007-2008 was \$6,185. At USI, tuition and fees for full-time, in-state undergraduate students were \$4,791 in 2007-2008 while the average charge for four-year public institutions in Indiana was \$6,575. In-state undergraduate students attending USI full-time in 2008-2009 will pay \$5,079, compared to the \$6,854 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 as well as 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. Even with the special appropriations, USI receives 58.7 percent of the weighted statewide average per-FTE-Hoosier student as compared to the other four-year residential institutions. The existence of large disparate differences creates a disadvantaged group of students and explains why it is difficult for the University of Southern Indiana to implement new programs, expand existing programs, or provide needed services for students. The enrollment formula has been fully funded only twice in the past decade. Because of growth in enrollment and because the enrollment funding formula has not been fully funded, USI continues to lose ground. Included in the University's 2009-2011 Operating Budget Request is a request for a special appropriation adjustment in each year of the biennium to address the discrepancy in funding per-FTE-Hoosier student.



## COLLEGE PREPARATION

The 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 2,136 first-time, full-time freshmen in fall 2007, nearly 48 percent completed the Core 40 diploma and 31 percent completed the Academic Honors diploma. One in four 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, they often still need developmental coursework. Among fall 2007 entering freshmen who completed the Core 40 diploma, 72 percent still needed at least one developmental course. Of the students with Academic Honors diplomas, 28 percent needed some form of developmental coursework, usually mathematics. For college freshmen, developmental coursework in mathematics is most frequently required of high school graduates. 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 newly-formed *Center for Education Services and Partnerships* is charged with coordinating a wide variety of educational services and promoting partnerships between the University and P-12 organizations in the region. The focus is to pull together University resources to support greater involvement in P-12 education; the goals are improved teaching and learning throughout the region, expanded professional development opportunities for teachers, and increased learning opportunities for pre-college students.

USI's concurrent enrollment program, the College Achievement Program (CAP) has been in existence since 1985. CAP is a rapidly growing, accredited concurrent credit program involving partnerships with 18 school high schools and enrolling more than 700 students. The Program 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. 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 to have attained this accreditation.

USI recently benchmarked early college high schools (ECHS) in Ohio, Indiana, Kentucky, and Utah to explore expansion of dual credit options through the ECHS approach. The University is discussing a partnership with the Evansville Vanderburgh School Corporation to establish a STEM-education (science, technology, and math) related ECHS as early as fall 2009. The University is participating in on-going discussions with the Center of Excellence in Leadership of Learning (CELL), other postsecondary institutions, Indiana Commission for Higher Education staff, and school corporations to help address statewide issues related to dual credit, advanced placement, and early college high schools.

The University's 2009-2011 Operating Budget Request includes Quality Improvement funding to establish the *STEM Teaching Improvement Institute*. The Institute will provide pre-service and in-service training and professional development opportunities to increase the number of qualified teachers in science, mathematics, and technology disciplines in K-12 schools. It also will qualify these teachers for dual credit, concurrent enrollment, and Early College High School programs, thus expanding opportunities for students to earn college credit while in high school. While most participants will be teachers in southwest Indiana, the improvement in the cadre of STEM teachers will have a ripple effect throughout the state.

## **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. 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.

- **Measure of Academic Proficiency and Progress (MAPP)** is used to assess broad-based educational skills among students including critical thinking, reading, and mathematics skills. Scores are compared to previous years as well as a national average.

- **Major Field Tests (MFT)** are used to assess content knowledge within a range of academic majors. Scores are compared to performance by earlier classes of majors, and to the averages generated by hundreds of other participating universities.
- The MAPP and MFTs are administered on “Assessment Day” (second Tuesday in November), when classes are cancelled and all first year students and rising juniors take the MAPP, and seniors take the MFT for their academic major. Participation rates among students exceed 90 percent each year.
- A campus-based **Academic Program Review** process is required of all academic programs once every five years. The five-year cycle of program review ensures the University has a regular process of internal review and evaluation of its academic programs. 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 which have requested more information about the University’s assessment processes.
- The **Voluntary System of Accountability (VSA)** was developed through task forces supported by the American Association of State Colleges and Universities (AASCU) and the National Association of State Universities and Land Grant Colleges (NASULGC). The VSA webpage template includes graphic data to describe the student and faculty populations on campus, and there is a “student success” graph that tracks four- and six-year graduation rates. USI strongly supports the intent of the VSA.

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

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.

A record number of students graduated in 2008, exceeding 1,700 for the first time in USI's history. 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 3,799 in 2007

In the *2008 Reaching Higher with College Completion* working paper, the Indiana Commission for Higher Education charged institutions “*to dramatically improve the number and timeliness of college graduates...particularly in graduating at-risk and underrepresented students in higher education.*” To meet this goal, “*institutions should be encouraged to be creative and experiment with piloting and implementing a variety of innovative and promising programs, practices, and processes designed to enhance and ensure a culture of college completion on campus.*”

The University's 2009-2011 Operating Budget Request includes Quality Improvement funding to establish *ADAPT - Affordable Degree Attainment through Professional Training*. The mission of *ADAPT* is to wrap intensive academic and career-preparatory services around those students most at-risk of failing to complete their degrees, either due to lower socio-economic status, lack of adequate academic preparation, or simply because their personal financial situation requires them to work too many hours to make adequate yearly progress toward their degree.

The specific objectives of the *ADAPT* program are to:

- improve the quality and quantity of on-campus work experiences;
- provide professional training for student workers;
- provide personalized academic coaching for at-risk students;

- successfully retain a larger share of working students;
- prepare a more desirable, professional workforce in the region;
- recruit and retain a larger number of 21<sup>st</sup> Century Scholars; and
- increase degree completion rates for working students.

The development of *ADAPT* will allow USI to play a leadership role in workforce development, as well as dramatically increase the success rates of this population of students.

## **CONTRIBUTION TO INDIANA’S ECONOMY**

In the *2008 Strategic Directions for Higher Education* series, contributing to Indiana’s economy was named as a key goal for public colleges and universities by the Indiana Commission for Higher Education. 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 21<sup>st</sup> 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 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.

State and local officials often cite the important role that 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 that the skills of the workforce continue to improve.

The University of Southern Indiana requests support of its 2009-2011 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 2009-2011 OPERATING AND CAPITAL IMPROVEMENT BUDGET REQUESTS**

The 2009-2011 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 2009-2011 Operating and Capital Improvement Budget Requests to fund:

- ***Growth in Enrollment;***
- ***Current Programs and Services;***
- ***Degree Completion and On-Time Degree Completion;***
- ***Increased Appropriation Levels Due to Disparity in Funding;***
- ***Quality Improvement for:***
  - ***STEM Teaching Improvement Institute; and***
  - ***ADAPT - Affordable Degree Attainment through Professional Training;***
- ***Construction of the Teaching Theatre - Replacement Project; and***
- ***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 2009-2011 Operating and Capital Improvement Budget Requests.

## **INSTITUTIONAL REQUEST**

Full funding of the University of Southern Indiana's 2009-2011 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 *2009-2011 Operating Budget Request* and the supporting narrative and budget schedules.

### **BASIC NEEDS**

	<b>2009-2010 <u>Request</u></b>	<b>2010-2011 <u>Change</u></b>
<b>Enrollment Change</b>	\$ 542,500	
<b>Degree Completion</b>	486,000	
<b>On-Time Degree Completion</b>	358,835	
<b>Appropriation Adjustment</b>	\$ 2,000,000	\$1,000,000

- **Enrollment Change** - Funding for enrollment change continues to be a major component of the University's operating budget request. The University requests funding at \$3,500 per-FTE-Hoosier student based on the four-year rolling average for an additional 155 full-time-equivalent (FTE) students. The enrollment formula has been fully funded only twice in the past decade.

Because of growth in enrollment and because the enrollment formula has not been fully funded, the University's appropriation per-FTE-Hoosier student continues to fall behind. The funds provided through the enrollment funding formula are essential to provide the instruction and support needed for the additional students.

- **Degree Completion** - In 2007-2009, Indiana adopted the degree completion performance funding incentive. From 2001-2002 to 2006-2007, the average number of baccalaureate degrees conferred increased from 879 to 1,001. The University



requests funding at \$4,000 for an additional 122 degrees conferred based on the two-year average. A record number of students graduated in 2008, exceeding 1,700 for the first time in USI's history.

- **On-Time-Degree Completion** - In 2007-2009, Indiana adopted the on-time degree completion performance funding incentive. From 2001-2001 to 2003-2004, the number of baccalaureate degrees conferred in four years increased by 4.3 percent. The University requests funding at \$5,000 for an additional 85 degrees conferred in four years based on the change in cohort graduation rate
- **Appropriation Adjustment** - In past budget 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 difference in state appropriations between institutions is significant. Addressing the problem requires a review of the differentials in funding. Included in the University's 2009-2011 Operating Budget Request is a request for a special appropriation adjustment in each year of the biennium to address the discrepancy in funding per-FTE-Hoosier student. The University requests an additional \$250 per-FTE-Hoosier student in 2009-2010 and an additional \$125 in 2010-2011.
- **Maintenance for Current Programs** - The 2009-2011 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 2009-2011 Operating Budget Request, the University seeks funding to maintain current programs and implement new initiatives during the biennium.

## **QUALITY IMPROVEMENT INITIATIVES**

	<b>2009-2010 <u>Request</u></b>	<b>2010-2011 <u>Change</u></b>
<b>STEM Teaching Improvement Institute</b>	\$700,000	\$700,000
<b>ADAPT - Affordable Degree Attainment through Professional Training</b>	\$500,000	\$500,000

The University of Southern Indiana requests quality improvement funds to support the development of two new initiatives needed for the expansion of science, technology, engineering, and mathematics education (STEM), to increase degree attainment, and to serve regional workforce and economic development needs. The support provided will assist the University in planning and implementing new programs and strengthen the institution's commitment to service to the region and the state. Both initiatives support the Indiana Commission for Higher Education's *2008 Reaching Higher Strategic Directions* documents. To develop new programs without start-up funding is a major challenge in light of the University's low institutional funding base. The investment of the state in specialized programs and initiatives allows the University of Southern Indiana to fulfill its mission to the region and the state.

### **STEM Teaching Improvement Institute**

The University of Southern Indiana seeks funding to establish the *STEM Teaching Improvement Institute*. The Institute will provide pre-service and in-service training and professional development opportunities to increase the number of qualified teachers in science, mathematics, and technology disciplines in K-12 schools. It also will qualify these teachers for dual credit, concurrent enrollment, and Early College High School programs, thus expanding opportunities for students to earn college credit while in high school. While most participants will be teachers in southwest Indiana, the improvement in the cadre of STEM teachers will have a ripple effect throughout the state.

The University of Southern Indiana proposes to develop the *STEM Teaching Improvement Institute* to address factors involved in the supply of well-prepared, highly effective STEM teachers. This multi-faceted approach will address the quantity and quality of teachers through quality improvement initiatives targeted at pre-service and in-service teachers. Significant to the state's desire to expand dual and concurrent credit courses for high school students, the Institute will provide opportunities for high school teachers to validate completion of curricula designed to provide competencies to teach college level courses. A major component of the program will target recruitment of science and mathematics undergraduate majors who may not have considered teaching as a profession.

### **ADAPT - Affordable Degree Attainment through Professional Training**

The University of Southern Indiana requests funding to develop the *ADAPT - Affordable Degree Attainment through Professional Training* program. The mission of the *ADAPT*

program is to wrap intensive academic and career-preparatory services around those students most at-risk of failing to complete their degrees, either due to lower socio-economic status, lack of adequate academic preparation, or simply because their personal financial situation requires them to work too many hours to make adequate yearly progress toward their degree.

The specific objectives of the *ADAPT* program are to:

- improve the quality and quantity of on-campus work experiences;
- provide professional training for student workers;
- provide personalized academic coaching for at-risk students;
- successfully retain a larger share of working students;
- prepare a more desirable, professional workforce in the region;
- recruit and retain a larger number of 21<sup>st</sup> Century Scholars; and
- increase degree completion rates for working students.

The development of *ADAPT* will allow USI to play a leadership role in workforce development, as well as dramatically increase the success rates of this population of students.

## **LINE ITEM APPROPRIATION REQUEST**

The University's 2009-2011 Operating Budget Request includes one line item appropriation for Historic New Harmony.

<b>Historic New Harmony</b>	<b>2009-2010 <u>Request</u></b>	<b>2010-2011 <u>Request</u></b>
<b>Base Appropriation</b>	\$614,536	\$653,252

The University requests continued funding of the line item appropriation for Historic New Harmony in the 2009-2011 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 during the 2009-2011 biennium.

**Teaching Theatre – Replacement Project** \$15,000,000

The University proposes construction of a \$15,000,000 Teaching Theatre to replace the current theatre, costume shop, and scene shop located approximately four miles from campus. The University seeks \$8,000,000 in bonding authorization and \$7,000,000 in authorization only for the construction of a new on-campus facility.

**General Repair and Rehabilitation and Infrastructure** \$2,243,850

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 \$2,243,850 are planned for completion in the 2009-2011 biennium.

**CONCLUSION**

The University of Southern Indiana requests support from the State of Indiana for its 2009-2011 Operating and Capital Improvement Budget Requests. The funding requested to support growth in enrollment, degree completion, on-time degree completion, quality improvement initiatives, 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 2009-2011  
REQUEST SUMMARY**

<b><u>EXPENDITURES</u></b>	<u>2009-10</u>	<u>2009-11</u>
Expenditure Base	<b>80,832,843</b>	<b>85,420,178</b>
Base Adjustments		
A. Enrollment Change	542,500	0
B. Degree Completion	486,000	0
C. On-Time Degree Completion	358,835	
D. Appropriation Adjustment	2,000,000	1,000,000
Subtotal Before Debt Service	3,387,335	1,000,000
E. Debt Service	923,616	(360,950)
Reallocation of Student Fees	(923,616)	360,950
Subtotal Debt Service	0	0
Total Expenditure Base	<b>84,220,178</b>	<b>86,420,178</b>
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		
A. STEM Teaching Improvement Institute	700,000	700,000
B. ADAPT - Affordable Degree Attainment	500,000	500,000
Subtotal Quality Improvement	1,200,000	1,200,000
Total Budget Increases	<b>4,587,335</b>	<b>2,200,000</b>
Total Expenditure Request	<b>85,420,178</b>	<b>87,620,178</b>
 <b><u>REVENUE</u></b>		
Student Fee Base	<b>29,448,561</b>	<b>28,524,945</b>
Fee Increase 0%	0	0
Transfer to Debt Service	(923,616)	360,950
Total Student Fees	<b>28,524,945</b>	<b>28,885,895</b>
Operating Appropriation Base	<b>40,387,429</b>	<b>44,974,764</b>
Appropriation Increase	4,587,335	2,200,000
Total Operating Appropriation	<b>44,974,764</b>	<b>47,174,764</b>
Fee Replacement Appropriation Base	<b>10,996,853</b>	<b>11,920,469</b>
Fee Replacement Change	923,616	(360,950)
Total Fee Replacement Appropriation	<b>11,920,469</b>	<b>11,559,519</b>
Total State Appropriation	<b>56,895,233</b>	<b>58,734,283</b>
Total Revenue Request	<b>85,420,178</b>	<b>87,620,178</b>

**SUMMARY I**  
**SUMMARY OF 2009-11 OPERATING REQUEST**  
**UNIVERSITY OF SOUTHERN INDIANA**

<u>EXPENDITURE BUDGET CHANGES</u>	2008-09	2009-10 REQUEST			2010-11 REQUEST			TOTAL BIENNIUM
	BUDGET TOTAL (\$)	CHANGE (\$)	(%)	TOTAL (\$)	CHANGE (\$)	(%)	TOTAL (\$)	
<b>I. BASE ADJUSTMENTS</b>								
A. Enrollment Change		542,500		542,500	0		542,500	1,085,000
B. Degree Completion		486,000		486,000	0		486,000	972,000
C. On-Time Degree Completion		358,835		358,835	0		358,835	717,670
D. Appropriation Adjustment		2,000,000		2,000,000	1,000,000		3,000,000	5,000,000
SUBTOTAL		3,387,335		3,387,335	1,000,000		4,387,335	7,774,670
<b>II. PRICE INFLATION</b>								
A. Personal Services	61,567,182	0	0.0%	61,567,182	0	0.0%	61,567,182	123,134,364
B. Supplies and Expense	16,387,263	0	0.0%	16,387,263	0	0.0%	16,387,263	32,774,526
C. Student Assistance	2,878,398	0	0.0%	2,878,398	0	0.0%	2,878,398	5,756,796
SUBTOTAL	80,832,843	0		80,832,843	0		80,832,843	161,665,686
<b>III. QUALITY IMPROVEMENTS</b>								
A. STEM Teaching Improvement Institute		700,000		700,000	700,000		1,400,000	2,100,000
B. ADAPT - Affordable Degree Attainment		500,000		500,000	500,000		1,000,000	1,500,000
SUBTOTAL		1,200,000	1.5%	1,200,000	1,200,000	1.4%	2,400,000	3,600,000
<b>TOTAL EXPENDITURE BUDGET</b>	<b>80,832,843</b>	<b>4,587,335</b>	<b>5.7%</b>	<b>85,420,178</b>	<b>2,200,000</b>	<b>2.6%</b>	<b>87,620,178</b>	<b>173,040,356</b>
<b><u>INCOME BUDGET</u></b>								
<b>I. STUDENT FEES</b>								
A. Rate Change								
1. Gross Fee Base	46,665,489	0	0.0%	46,665,489	0	0.0%	46,665,489	93,330,978
2. Academic Facility Fees	(10,996,853)	(923,616)	8.4%	(11,920,469)	360,950	-3.0%	(11,559,519)	(23,479,988)
3. Other Dedicated/Restricted Fees	(6,220,075)	0	0.0%	(6,220,075)	0	0.0%	(6,220,075)	(12,440,150)
SUBTOTAL (= Net Unrestricted Fees)	29,448,561	(923,616)	-3.1%	28,524,945	360,950	1.3%	28,885,895	57,410,840
<b>II. FEDERAL FUNDS</b>								
<b>III. STATE APPROPRIATIONS</b>								
A. Operating Expense	40,387,429	4,587,335	11.4%	44,974,764	2,200,000	4.9%	47,174,764	92,149,528
B. Fee Replacement Base	10,996,853	923,616	8.4%	11,920,469	(360,950)	-3.0%	11,559,519	23,479,988
SUBTOTAL	51,384,282	5,510,951	10.7%	56,895,233	1,839,050	3.2%	58,734,283	115,629,516
<b>TOTAL INCOME BUDGET</b>	<b>80,832,843</b>	<b>4,587,335</b>	<b>5.7%</b>	<b>85,420,178</b>	<b>2,200,000</b>	<b>2.6%</b>	<b>87,620,178</b>	<b>173,040,356</b>

# UNIVERSITY OF SOUTHERN INDIANA

## PRIMARY ROLES AND MISSIONS

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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. The mission statement has changed only with minor language requirements and is summarized in these two paragraphs:

*American education assumes a link between the truth of an idea and the good it promotes for individuals and society. An educated person can be expected not only to be knowledgeable and more financially secure, but also a better citizen, among whose virtues are tolerance, judgment, and belief in freedom for self and others. These values develop in an atmosphere of open inquiry and pursuit of truth. Therefore, as the University of Southern Indiana seeks to support education, social and economic growth, and civic and cultural awareness in southwestern Indiana, it will be devoted primarily to preparing students to live wisely.*

*The University of Southern Indiana is a broad-based institution offering programs of instruction, research, and service. A liberal arts and science curriculum serves as the foundation of knowledge for all programs and complements undergraduate*

*programs leading to careers in business, engineering, government, health professions, education, and related fields. Selected master's degrees already in existence, and in development, serve persons in professional and technical studies. As a public institution, the University of Southern Indiana counsels and assists both business and industry and social, educational, governmental, and health agencies to higher levels of efficiency and improved services.*

As the trustees have sought fully to develop the University and opportunities for education, they have implemented policies which 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.

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 2007. 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.

Graduates of the institution have become the educated workforce driving the regional and state economy, with more than 74 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.

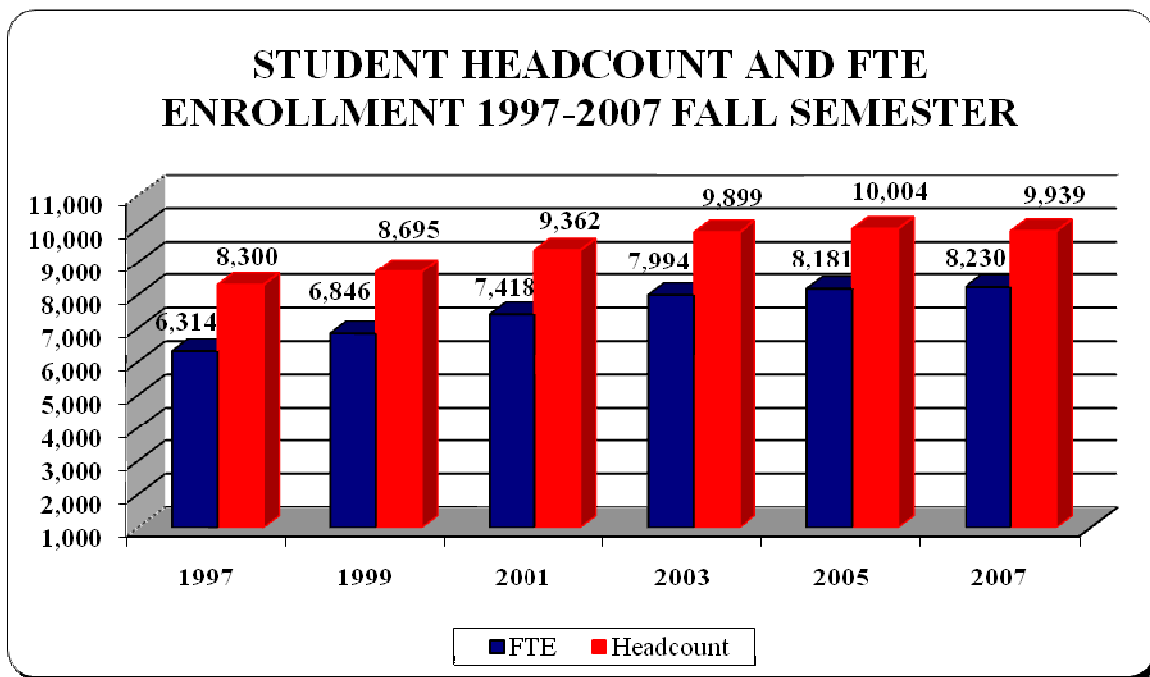
The University of Southern Indiana has created an environment in which teaching and learning are its foremost mission and where the energy and dedication to purpose of faculty and staff have become a model for other universities. Among the state's baccalaureate institutions, the most productive faculty 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 has been a creator of opportunity for thousands of students, many the first in their families to attend college.

## ACCESS TO HIGHER EDUCATION

Over the past decade enrollment increased by 20 percent from 8,300 in fall 1997 to 9,939 in fall 2007. During the same ten-year period, full-time-equivalent (FTE) enrollment increased by 30 percent, from 6,314 in fall 1997 to 8,230 in fall 2007.



Maintaining affordability for postsecondary education is a primary goal of the University of Southern Indiana. According to the College Board's *Annual Survey of Colleges (ASC)*, the national average for undergraduate tuition and fees charged by public four-year colleges and universities in 2007-2008 was \$6,185. At USI, tuition and fees for full-time, in-state undergraduate students were \$4,791 in 2007-2008 while the average charge for four-year public institutions in Indiana was \$6,575. In-state undergraduate students attending USI full-time in 2008-2009 will pay \$5,079, compared to the \$6,854 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 as

well as the state's mission for improved economic vitality through institutional service and applied research.

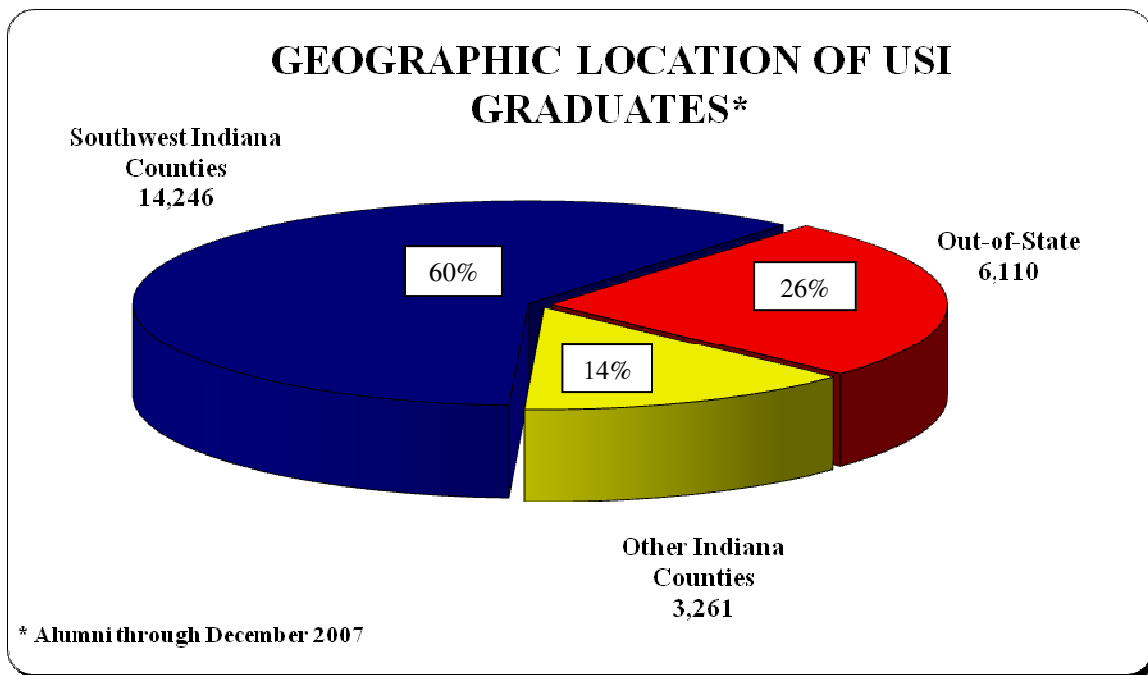
A major goal of the USI Foundation is the creation of scholarships to attract and retain talented Hoosier students. The privately funded Presidential Scholarship program attracts ten new Hoosier valedictorians and/or salutatorians each year, supporting a total of 40 students annually. Fully funding this 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 USI Foundation also 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 2006-2007 accounted for more than \$961,640 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 which 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 2,650 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 2007, 18.7 percent of entering freshmen - 399 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 2007 freshman class, the University enrolled 52 valedictorians or salutatorians and two Lilly Scholars. In an effort to keep more of Indiana’s brightest and best students in Indiana 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. Six students received this scholarship in 2007-2008.

Important to the region and the state are the students who graduate from USI and remain in the State of Indiana. Approximately 74 percent of all USI graduates remain in the state after graduation and, of that number, 85 percent remain in southwest Indiana, contrary to the statewide trend of out-migration of college students.



## EDUCATION AS A DRIVER FOR ECONOMIC DEVELOPMENT

Education is the key component in productivity, economic competitiveness, and workforce development. The University has historically been actively 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 that 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 that the skills of the workforce continue to improve.

A comprehensive study of workforce and economic development needs in the region was completed in 2000. The 2000 President's Task Force on Economic and Workforce Development identified shortages of baccalaureate- and master-educated people needed by regional employers, and, as a result, university curricula were revised. Twelve of the 13 new academic programs recommended by the study were added, including engineering, applied computer science, special education, health service management, early childhood education, and public administration. A follow-up study of the workforce and economic development needs of the region was conducted in 2007. The 2007 President's Task Force on Workforce and Economic Development was established to report on the University's leadership and responsiveness in regional economic development and to make recommendations for academic and training programs to meet the future workforce and economic development needs of the region. The findings of the Task Force, presented in July 2007, provide a foundation for the programs and services USI will offer in the coming years. The President's charge to the Task Force was to:

- Audit existing curriculum, education and training programs, and community engagement activities, and recommend needed changes;
- Study the 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;
- Conduct a study of USI's economic impact on the regional economy; and
- Mount a regional effort to generate awareness of these issues and to solicit feedback on the role of the University as an agent for economic development.

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.

The study affirmed that USI's planned new programs through 2011 closely parallel those regional employers say they need. Such programs include undergraduate degrees in physical

therapy; health informatics; business economics; a blended business/engineering degree; advanced manufacturing; environmental sciences; and graduate programs in communications, food and nutrition (dietetics), advanced clinical nursing, and medical records/health informatics. The fact that an overwhelming percentage of USI graduates remain in the region for employment bodes well for meeting the needs of employers. Other recommendations from the Task Force include:

- Developing regional employers need specialties within the Bachelor of Science in Engineering program.
- Assuming regional leadership to strengthen interest in science, technology, engineering, and mathematics (STEM) fields.
- Examining opportunities to partner with other institutions for hospitality management, and study the possibility of USI's food serve management (nutrition) program as a foundation for a baccalaureate program in hospitality.
- Examining the feasibility of creating a nonprofit management program.

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. The full report can be found online at <http://www.usi.edu/president/2007taskforce/>. 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. Recent developments throughout the region include:

- Increasing local tourism with Evansville as the home port of the LST 325 (Landing Ship Tank), a World War II historic naval ship museum. Other recent attractions

- opened in the downtown area are the Koch Family Children's Museum (cMOE) and Indiana's first African American Museum, located in Lincoln Gardens, one of the nation's first housing projects built in 1938. The museum celebrates the struggles, successes, and experiences of the African American community in Evansville throughout the last 70 years.
- Not far from downtown, Evansville's Mesker Park Zoo opened Amazonia, a \$15 million project to allow visitors to see and experience the animal and plant life of a South American rainforest.
  - The Evansville Museum has announced a \$15 million expansion that includes a planetarium and theatre plus renovation and remodeling of the current facility to be completed in November 2010.
  - Commercial developers have renovated downtown buildings into lofts and condominiums and support services such as restaurants, retail areas, and groceries are being developed.
  - USI is a key partner in Innovation Pointe, the high-tech business incubator which opened in 2007 in downtown Evansville. Innovation Pointe has been a force in revitalizing downtown and a significant contributor to new business in the Evansville area.
  - Toyota Motor Manufacturing, Indiana (TMMI) is the area's largest employer with 4,500 employees. A planned expansion at Gibson County's TMMI complex includes a Toyota Boshoku America \$57 million metal-stamping and assembly facility. The new plant is expected to create more than 200 jobs. It is an example of how TMMI continues to attract new businesses to the area. The company plans to build a \$5 million visitor's center in Princeton to house exhibits on the Toyota manufacturing system and company history. TMMI is an industry whose impact is felt statewide. Approximately 55 USI graduates work at TMMI.
  - Vectren Corporation, with 1,750 employees, is an energy holding company with its corporate headquarters located on Evansville's riverfront. Fly ash produced at two Vectren power plants in southwest Indiana will be used to make concrete. The corporation has agreed to provide Geocycle US with as much as 200,000 tons of the ash - a byproduct of burning coal - each year. The agreement will take effect in 2009

- and last for the next decade. The fly ash will come from two power plants in southwest Indiana: The A.B. Brown plant, in Posey County, and the F.B. Culley plant, near Newburgh. Approximately 78 USI graduates work at Vectren.
- Old National Bancorp, the largest financial services holding company headquartered in Indiana, recently relocated to its new downtown riverfront location. With more than 1,200 employees and assets of \$7.8 billion, ONB provides multiple financial services in Indiana, Illinois, and Kentucky and ranks among the top 100 bank companies in the United States. Over 114 USI graduates work at Old National.
  - Whirlpool Corporation is one of the top 10 employers in Evansville with 2,083 people on the payroll at its design center and refrigerator plant. Approximately 44 USI graduates work at Whirlpool Corporation.
  - The world headquarters of United Components, an automotive parts manufacturer, has located in northern Vanderburgh County and created 60 new jobs. The company employs 6,200 nationally.
  - Berry Plastics has its corporate headquarters and largest injection-molding plant in Evansville. The company employs 14,000 nationally in 70 factories and 1,400 people in Indiana and has recently expanded its reach with the purchase of Pennsylvania-based Kerr Group. The company has plans to add \$27.9 million in equipment to build food containers. Plans are to hire 27 more workers by the time the project is finished and 60 or more within five years of the completion.
  - ALCOA's Warrick Operations, which employs 2,150 people, recently invested more than \$375 million in environmental upgrades and continues to be a major employer. Thirty USI graduates work at ALCOA.
  - AT&T Indiana is bringing an additional 150 new jobs to Evansville in 2008. With the creation of these new jobs, the workforce at the AT&T center will reach 750 employees.
  - Mead Johnson Nutritionals is one of Evansville's largest industrial employers with 2,000 employees, producing baby formula and nutritional products, and conducting research at its Posey County facility. The company plans to use methane gas generated from decomposing waste in a local landfill to replace most of the current natural gas consumption at its Evansville manufacturing facility. The landfill

produces enough such gas to equal about 70,000 barrels of crude oil or 15,000 tons of coal each year. The natural gas usage that will be eliminated by the project represents a shift from the use of fossil fuels to energy that comes from a renewable source. The landfill is expected to provide enough gas to power the facility for at least 15 to 20 years.

- Evansville-Vanderburgh School Corporation employs over 500 USI graduates.
- Both Deaconess Hospital and St. Mary's Medical Center, with a combined workforce of over 7,517 employees, have expanded facilities and services. The Deaconess Gateway Hospital in Warrick County, an \$80 million facility with 116 beds, has created between 400 and 500 new jobs. St. Mary's has constructed a new 12,800-square-foot Heart Institute. Over 600 USI graduates work at one of the two medical facilities.
- Port of Indiana-Southwind Maritime Center, located just 10 miles from USI in Mt. Vernon, ranks as the eighth largest inland port in the country based on trip-ton miles. The Mount Vernon port expects to handle more than four million tons in 2008 and anticipates the volume to increase.
- GE Plastics in Mt. Vernon was purchased by Saudi Basic Industries Corp. (SABIC) in 2007 and is now known as SABIC Innovative Plastics (IP). Based in Riyadh, Saudi Arabia, SABIC-IP is a global manufacturer of basic chemicals, fertilizers, plastics, and metals. The company is 70 percent-owned by the Saudi government and 30 percent-owned by the private sector. It is considered to be the Middle East's most profitable publicly traded company.
- WestGate at Crane Technology Park, the state's first multi-county Certified Technology Park near Crane Surface Warfare Center, provides an incubator for high-tech jobs. EG&G Technical Services and Science Applications International Corporation opened in WestGate in 2007. The opening marked development of a new technology economy with high paying jobs for southwestern Indiana.
- American General Finance, Inc., headquartered in Evansville, is building a new \$35 million office complex in downtown Evansville which will open in 2009. The company employs 1,400 and will add 150 new jobs with the expansion. American General has seen business growth in personal loans and retail financing. Over 130 USI graduates are employed by American General.



- ATTC Manufacturing Inc. – a subsidiary of Aisin Takaoka Company, Ltd. – will invest \$35 million over the next four years in the third expansion of its state-of-the-art automotive machining operation in Perry County. The expansion will create 75 new jobs.
- French Lick Resort in Orange County is a \$382 million project including a casino and conference center plus extensive renovation to the French Lick Springs Resort and West Baden Resort. French Lick is the midwest's premiere resort and casino destination.
- Atlas World Group, a transportation and relocation services company has its corporate headquarters in Evansville and provides employment for 500 people.
- Accuride, a supplier of wheels and other truck and body parts, has its corporate headquarters in Evansville and recently celebrated its 100th anniversary.
- Koch Enterprises, which employs 2,200 people globally, including 650 in Indiana, is a manufacturer and distributor with headquarters in Evansville.
- Shoe Carnival's corporate headquarters are located in new facilities in Cross Pointe Commerce Center in Evansville, just west of I-64. The company's decision to invest locally is an indication of the comparative advantage this region has for logistics and distribution. Not only is Vanderburgh County near the nation's center of median population, but the region has a variety of transportation options. Shoe Carnival could have received larger incentives in other cities, but company officials opted to remain in Evansville where its roots are located. Shoe Carnival started with one store in Evansville in 1978. It has grown today to include a total of 290 stores in 27 states.
- As the search for alternative fuels intensifies, there is high interest in regional coal and agricultural resources. Aventine Renewable Energy is currently constructing an ethanol plant in nearby Mt. Vernon. An investment of \$400 million will be made in the project. Upon its completion, 220 million gallons of fuel-grade ethanol and 500,000 tons of dry distiller grain will be produced annually.

The construction 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 been experiencing 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, the 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 44 students have graduated from the program. The number of graduates is expected to increase dramatically in the next two years given the growth in the program that began in 2003. There are currently 300 students majoring in engineering and the University anticipates an additional 125 new engineering majors in fall 2008. The new advanced manufacturing degree program will begin in fall 2008. The University is in the process of finalizing articulation agreements with Ivy Tech State College for this new degree program. The University anticipates 15 to 20 majors in fall 2008 with a consistent increase throughout the next few years.

Mindful of its obligation to serve the region and the state, the University actively engages in a variety of partnerships in community, regional, and state progress. 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 2009-2011 OPERATING AND CAPITAL IMPROVEMENT BUDGET REQUESTS**

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The 2009-2011 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 2009-2011 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; and*  
*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 2009-2011 Operating and Capital Improvement Budget Requests to fund:

- *Growth in Enrollment;*
- *Current Programs and Services;*
- *Degree Completion and On-Time Degree Completion;*
- *Increased Appropriation Levels Due to Disparity in Funding;*

- ***Quality Improvement for:***
  - ***STEM Teaching Improvement Institute; and***
  - ***ADAPT - Affordable Degree Attainment through Professional Training;***
- ***Construction of the Teaching Theatre - Replacement Project; and***
- ***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 2009-2011 Operating and Capital Improvement Budget Requests.

## STUDENTS AT USI

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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 20 percent from 8,300 in fall 1997 to 9,939 in fall 2007. The most dramatic change in enrollment is the number of full-time students. Over the past decade full-time student enrollment increased by 34 percent from 5,743 in fall 1997 to 7,686 in fall 2007. Today, nearly 2,650 students, or 26.7 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 24,000 alumni, 74 percent live in Indiana and, of that number, 85 percent reside in southwest Indiana. The University's 2009-2011 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

	1997	2002	2007
<b>Full-Time</b>	<b>5,743 (60.1%)</b>	<b>7,146 (72.5%)</b>	<b>7,686 (76.2%)</b>
<b>Part-Time</b>	<b>2,557 (39.9%)</b>	<b>2,529 (27.2%)</b>	<b>2,253 (23.8%)</b>
<b>All Students</b>	<b>8,300</b>	<b>9,675</b>	<b>9,939</b>

### 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.

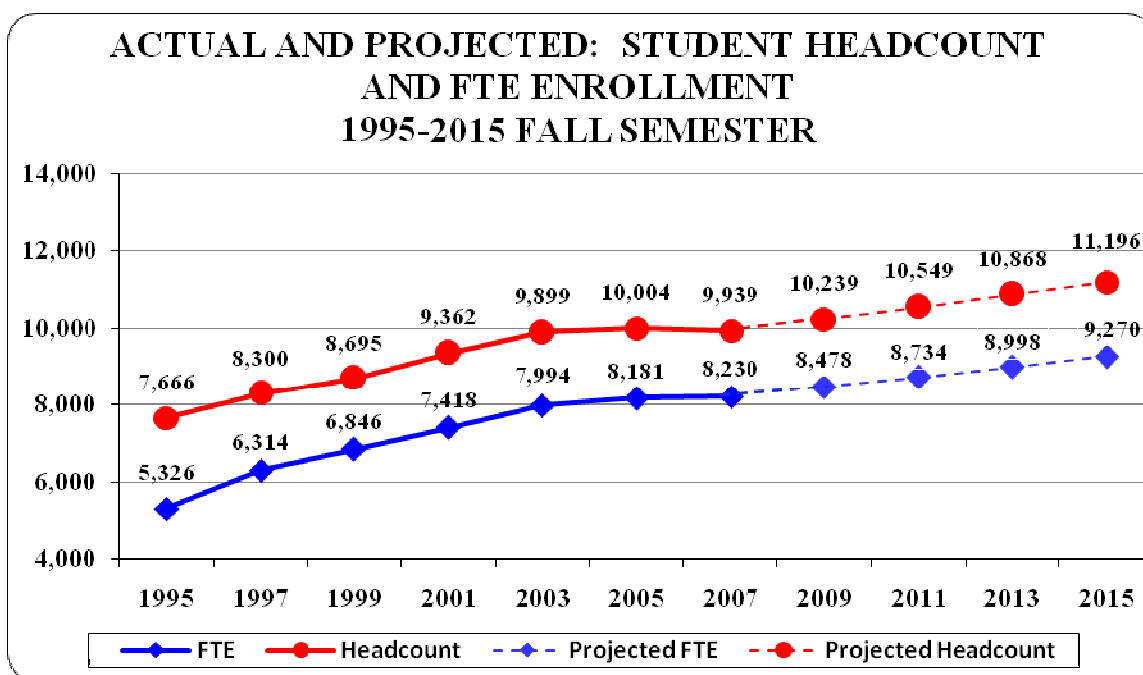
Information from the Indiana Department of Education shows the number of college-bound public high school graduates in the 11 southwestern Indiana counties has grown from 1,645 students, or 33 percent, in 1985 to 3,799 students, or 84 percent, in 2007. Of the 3,799 college-bound graduates in this region in 2007, approximately 1,140, or 30 percent, chose the University of Southern Indiana.

## COLLEGE PARTICIPATION IN SOUTHWEST INDIANA

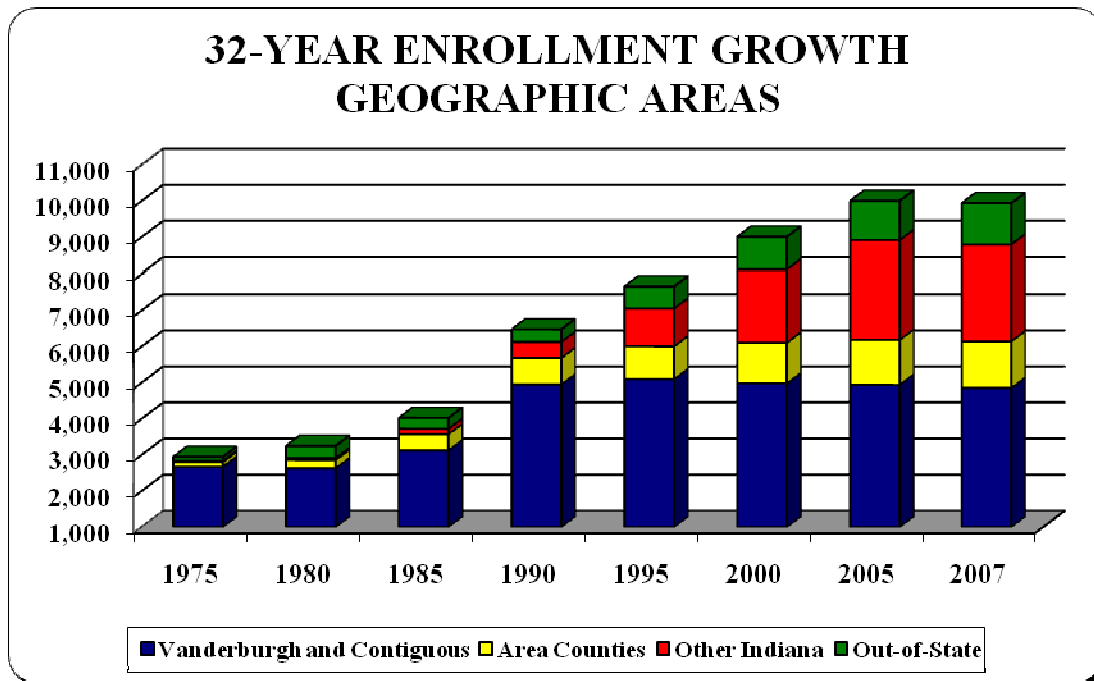
	1985	2007
H.S. Graduates	4,852	4,496
College-Bound	1,645 (33%)	3,799 (84%)
USI Freshmen	642	1,140

## ENROLLMENT PROFILE

The University anticipates modest growth in enrollment over the next several years. Enrollment in fall 2007 was 9,939. Full-time-equivalent (FTE) graduate and undergraduate students in fall 2007 numbered 8,230. Full-time undergraduates accounted for 88.7 percent of all credit hours generated by undergraduate students in fall 2007. Enrollment growth is expected to increase at a rate of one to two percent each year in the foreseeable future.



With over 53.4 percent of the fall 2007 entering freshman class coming from its primary service area, the University is clearly committed to serving students in the region. In fall 2007, 61.8 percent of USI's students came from the 11-county regional service area and 26.7 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 2007.



In fall 2007, 1,141 students from 35 states and 44 different nations were represented in the University's enrollment. Other noteworthy features of student demographics at USI include the following:

- Full-time student enrollment increased by 30 percent from 6,314 in fall 1997 to 8,230 in 2007.
- 598 transfer students enrolled in fall 2007.
- Students age 25 years or older represent 22.6 percent of the student population.
- A significant number of students work while enrolled.
- Married students represent 12.9 percent of student enrollment.
- Nearly 2,650 students, 26.7 percent of the student body, live in student housing.
- Minority students represent 7.6 percent of the student population with African Americans comprising 4.9 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. Indiana has requested additional counties be included in the new agreement; however, this issue is still pending. A total of 506 students from the "reciprocity" counties in Kentucky enrolled at USI in the 2007-2008 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 2007, 243 students participated in this program. New freshman nationwide also are eligible for the University's "Non-Resident Top Scholar Award." In fall 2007, 29 students received the award.

## **STUDENT PREPAREDNESS**

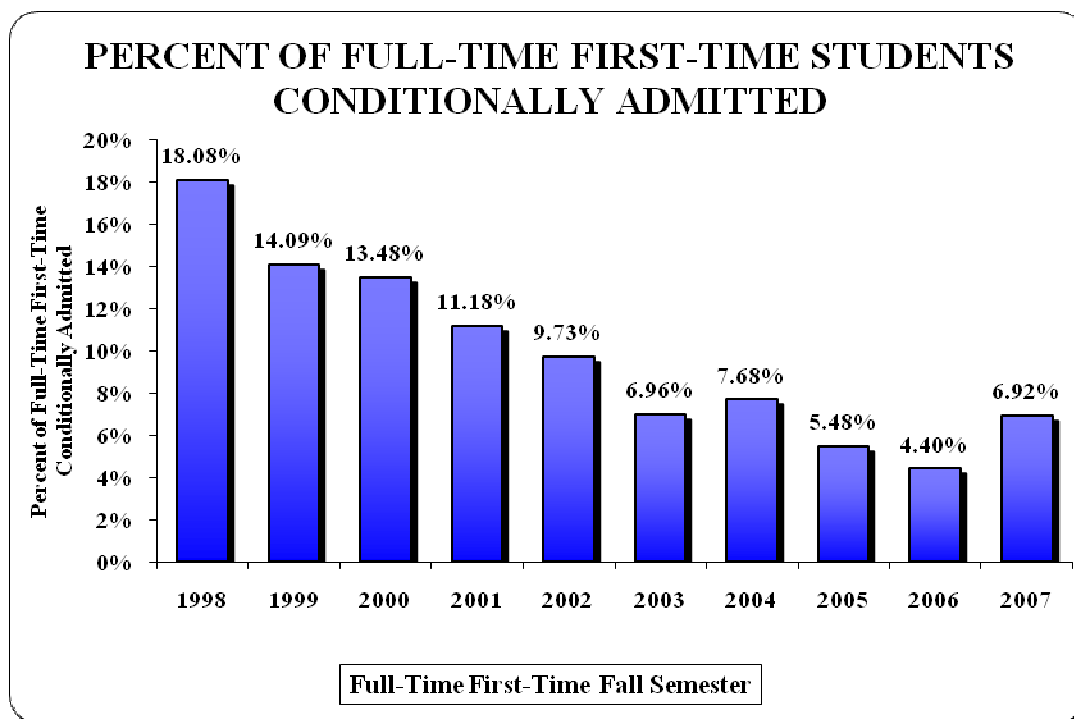
Indiana Commission for Higher Education's *2008 Reaching Higher with College Preparation* document states "*far too few Indiana students are leaving high school prepared to succeed in college.*" It goes on to state, "*research indicates that the best predictor of success in college is the academic preparation 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 2,136 first-time, full-time freshmen in fall 2007, nearly 48 percent completed the Core 40 diploma and 31 percent completed the Academic Honors diploma. One in four of the new full-time freshmen were in the top 25 percent of their high school classes.

The Core 40 curriculum has undoubtedly contributed to the reality that over the past decade, USI has attracted increasingly better prepared students. In fall 1998, over 18 percent of the entering students were conditionally admitted, meaning that their performance in high school and/or test scores did not meet standards for regular admission. As of fall 2007, less than seven percent of the entering freshman class was admitted conditionally. The University anticipates a decrease in the number of conditional admits in fall 2008 for the entering freshman class.



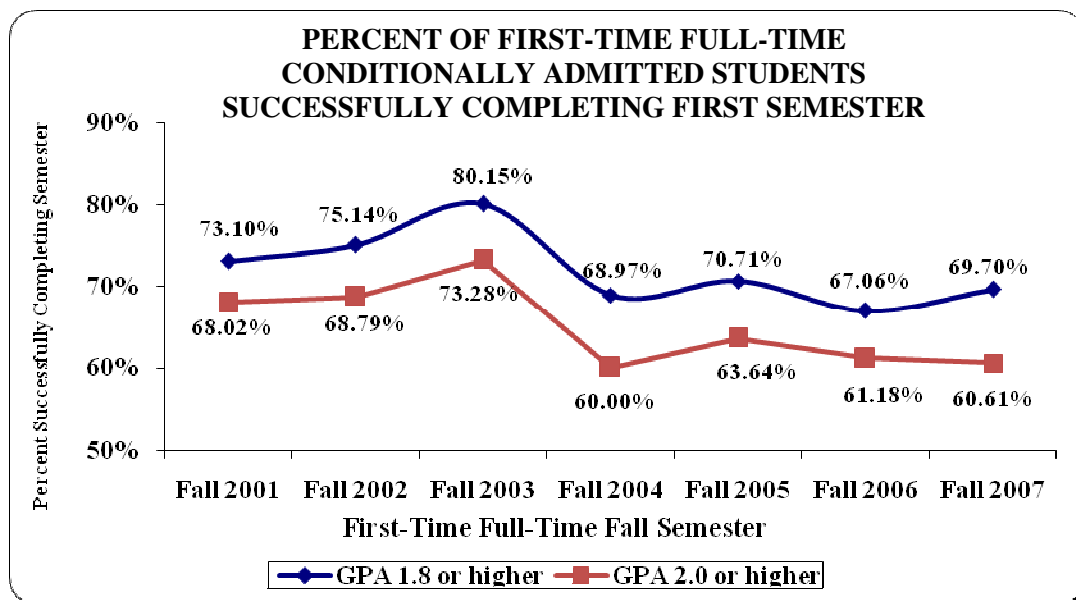
Even though many new students successfully complete a Core 40 or Academic Honors diploma, they often still need developmental coursework. Among fall 2007 entering freshmen who completed the Core 40 diploma, 72 percent still needed at least one developmental course. Of the students with Academic Honors diplomas, 28 percent needed some form of

developmental coursework, usually mathematics. For college freshmen, developmental coursework in mathematics is most frequently required of high school graduates. 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 2007, entering freshmen had a high school GPA of 2.99, an average ACT score of 20, and an average SAT composite score of 952.

### **Efforts to Support Conditionally Admitted Students**

In fall 2007, 148 students were conditionally admitted. These students face significant hurdles for retention and degree completion. Over 30 percent of conditionally-admitted students fail to complete their first semester on campus. Earning low grades during the first semester only increases the likelihood of attrition, as the data below indicate.



The University seeks to support academically under-prepared students through a series of recent initiatives:

- **Academic Coaching** - Students are paired with an Academic Skills Study Tutor who helps the student develop a specific study plan. In fall 2007, 34 students used the tutoring service and met with advisors for 65 appointments. In spring 2008, the

program grew to 54 students who met with advisors for 122 appointments. This pattern of increased contact is a signal that the service is needed. The next step is to assess if students who take advantage of the service are more academically successful.

- ***First Year Seminar*** - All conditionally admitted students are advised to take the First Year Seminar. Course topics include study skills, time management, and other topics designed to help a student succeed in college. In fall 2007, 13 sections of the course were offered. The University plans to offer 25 sections in fall 2008 and to include all undecided students. Beginning in 2008, all new student athletes will be required to take the First Year Seminar. Elements of the NCAA Champs/Lifeskills program will be included, as well as the traditional seminar topics.
- ***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 new reading placement rubric has been developed and all students will be placed in appropriate reading courses. A reading instructor position has been added for 2008-2009 and additional developmental reading sections have been added to the schedule. The University is considering requiring reading placements for new students during the fall semester.
- ***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.
- ***“Bridge” Program*** - Following an assessment of introductory mathematics courses in 2006, the University developed the “bridge” program specifically for students who tested into remedial mathematics. Students are enrolled in two classes, one in remedial mathematics and another in college success skills, for an intensive five-week period before the start of the fall semester. The academic performance of these students is tracked as they continue their college education to assess whether their

experience in the “bridge” program facilitates their success, particularly in a subsequent mathematics class.

### **College Achievement Program and Dual Credit Opportunities**

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.

USI offers a range of dual credit opportunities. USI’s current 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 and health professions. Thirty courses, a total of 95 sections, were offered at 18 high schools during the 2007-2008 academic year with approximately 742 students enrolled in one or more courses, generating 2,858 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 27 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.

USI recently benchmarked early college high schools (ECHS) in Ohio, Indiana, Kentucky, and Utah to explore expansion of dual credit options through the ECHS approach. The University is discussing a partnership with the Evansville Vanderburgh School Corporation to establish a STEM-education related ECHS as early as fall 2009.

### **International Baccalaureate Program**

The University has implemented a transfer articulation with the International Baccalaureate Program (IBP). This program is likely to draw increasing numbers of students after two Evansville high schools, Bosse and The Signature School, were recently approved to offer this rigorous curriculum. Apollo High School in nearby Owensboro, Kentucky, already offers the IBP curriculum. Fourteen IBP graduates have been admitted since the agreement was implemented in 2006.

### **Cooperative Institutional Research Program (CIRP)**

Preparation for college also includes a set of dispositions that help students adjust quickly to the rigors of college life. Data from the 2007 Cooperative Institutional Research Program (CIRP) give detail to the challenges students face beyond test scores. In comparison to peers at similar public institutions with lower levels of selectivity in admissions, USI freshmen are more likely to be “first generation” college students, work more hours per week at a job, and have lower levels of confidence in their academic ability. Dispositions are not destiny, but they can affect the eventual academic success of students with multiple demands on their time.

## **ADULT STUDENT**

In fall 2007, students 25 years of age or over represented 22.6 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-completing opportunities. Currently 14 undergraduate majors and 15 graduate degrees can be completed through part-time evening and off-campus coursework. The University now offers six 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 Whirlpool, ALCOA, American General Finance, Crane Naval 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 upperclass nontraditional students.

The University's Bachelor of General Studies (BGS) degree continues to meet the educational needs of adult learners, age 25 or over, who have delayed or interrupted their educational goals. Adult students work closely with the program advisor to optimize prior college coursework, military and professional training, and personal career goals to create an individualized plan for degree completion. Options for degree completion include day and evening courses offered by all USI colleges, USI Nearby (off-campus classes), distance education courses, CLEP testing, program credit awarded for professional training, an occupational internship, and a capstone (synthesis) course tailored for working adults. There are currently 45 students actively pursuing this degree option and approximately 10 to 15 complete the BGS degree each academic year.

Increased industrial development in the southwestern Indiana region continues to impact the need for workers with higher level skills and education. Currently, all of the University's graduate programs can be completed through part-time evening coursework, and the University provides extensive noncredit programming in the areas of professional and workforce development. The University anticipates that the needs of adult learners will be best met with expanded degree programs at the master's level, increased opportunities for articulation from associate and technical programs, and increased noncredit programming for employee development and skills training. Noncredit programs are offered at regional employers' locations to accommodate the needs of both employees and employers, such as existing programs with Bristol Myers-Squibb, Babcock & Wilcox, Kimball International, and Toyota Motor Manufacturing, Indiana.

## **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 9,939 students enrolled in fall 2007, 752 or 7.6 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 2007

Ethnicity	Percent
<b>African-American</b>	<b>4.9%</b>
<b>Hispanic</b>	<b>1.0%</b>
<b>American Indian/Alaskan</b>	<b>0.4%</b>
<b>Asian</b>	<b>1.2%</b>
<b>Pacific Islander</b>	<b>0.1%</b>
<b>White</b>	<b>91.6%</b>
<b>Other</b>	<b>0.9%</b>

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.

## 21<sup>ST</sup> CENTURY SCHOLARS

The 21<sup>st</sup> 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 21<sup>st</sup> 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 21<sup>st</sup> Century Scholars program since its inception in 1995-1996. The University corresponds directly with each 21<sup>st</sup> 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 the \$200 security deposit for on-campus housing. To encourage

retention, eligible 21<sup>st</sup> 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 21<sup>st</sup> Century Scholars and for providing high school counselors with up-to-date information on the special programs at USI. The number of 21<sup>st</sup> Century Scholars at USI has grown, from the first class of 87 students in fall 1995 to 591 scholars in fall 2007. Since the program began in 1995, 2,326 scholars have enrolled at USI and 329 have graduated. One of the University's 2009-2011 Quality Improvement Initiatives: ***ADAPT - Affordable Degree Attainment through Professional Training*** targets improving the retention and graduation rates of students participating in the 21<sup>st</sup> Century Scholars Program.

The University continues to lead efforts to ensure the success of the 21<sup>st</sup> Century Scholars program, making it possible for economically disadvantaged students to pursue higher education. As more and more students and their families are aware of this opportunity, it is likely that increasing numbers of students will take advantage of the program.

## **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 2,650 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 initial paragraph of the University's mission statement addresses the importance of student development:



*American education assumes a link between the truth of an idea and the good it promotes for individuals and society. An educated person can be expected not only to be knowledgeable and more financially secure, but also a better citizen, among whose virtues are tolerance, judgment, and belief in freedom for self and others. These values develop in an atmosphere of open inquiry and pursuit of truth. Therefore, as the University of Southern Indiana seeks to support education, social and economic growth, and civic and cultural awareness, it will be devoted primarily to preparing students to live wisely.*

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 90 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 50 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. Over 500 students are estimated to participate in these organizations each year.

- ***Activities Programming Board (APB)*** - USI's student-led programming organization provides out-of-classroom interaction, from educational programs to entertainment, for thousands of 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, *Evansville Courier and Press*, Mead Johnson Nutritionals, St. Mary's Medical Center, Fifth Third Bank, Vectren Corporation, ALCOA, Integra Bank, Deaconess Hospital, 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 126 students in spring 2007. 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 (38 in spring 2007) 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 will host seven students from three continents in this program in fall 2008.
- ***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. In fall 2007, the University of Southern Indiana Theatre Program and The New Harmony Theatre, USI's professional summer company, launched 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 1998 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 4,200 volunteers have donated 875,425 hours to benefit USI and its outreach programs. Calculated at the average national volunteer wage, volunteers have given over \$16 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.
- ***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.

- ***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 Affairs, 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. Currently there are seven living-learning communities: Emerging Leaders, Global Community, Honors, Education, Business, Nursing and Health Professions, and Science and Engineering.

Ample assistance for first-year students is essential, but ongoing support is needed to ensure that 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.
- ***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 Page Maintenance*** - The University maintains an updated and informative electronic portal through its web page. Students, parents, faculty, and community residents can find out quickly what is taking place on campus throughout the academic year.

## **CO-OPS AND INTERNSHIPS**

The Cooperative Professional Practice Program (co-op) offers a unique opportunity for students to integrate classroom learning with career-related work experience in both the public and private sector. Although most 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 Co-op Program can alternate semesters of full-time work with semesters of full-time study 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. Nearly 300 businesses, nonprofit organizations, governmental agencies, health care providers, and educational institutions provide co-op and internship opportunities to approximately 300 students on an annual basis.

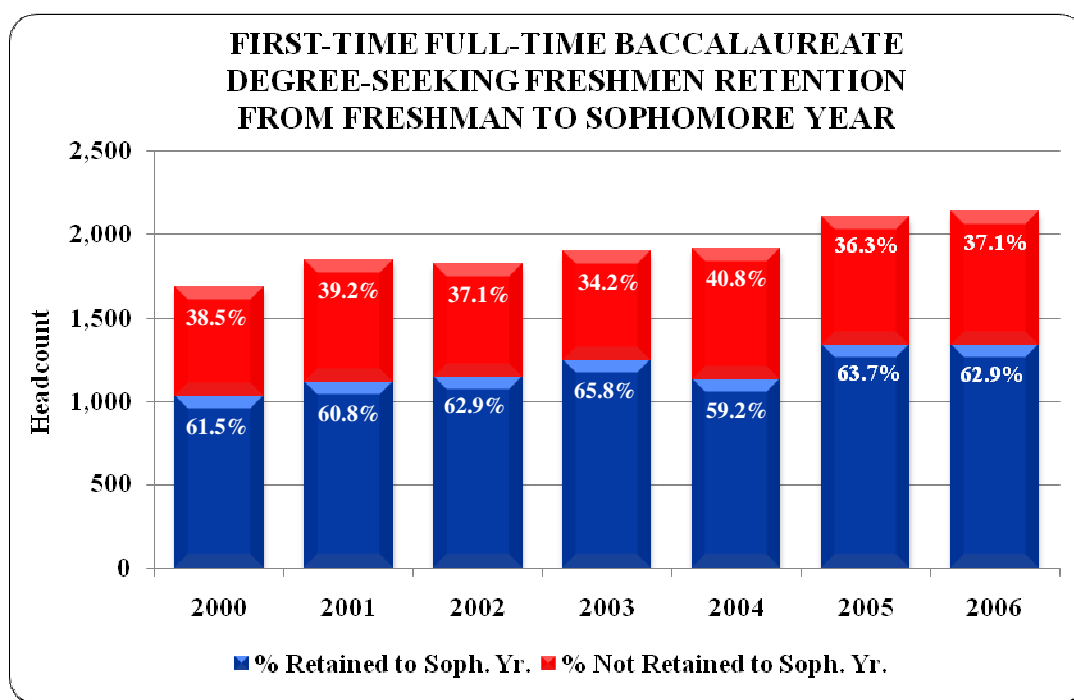


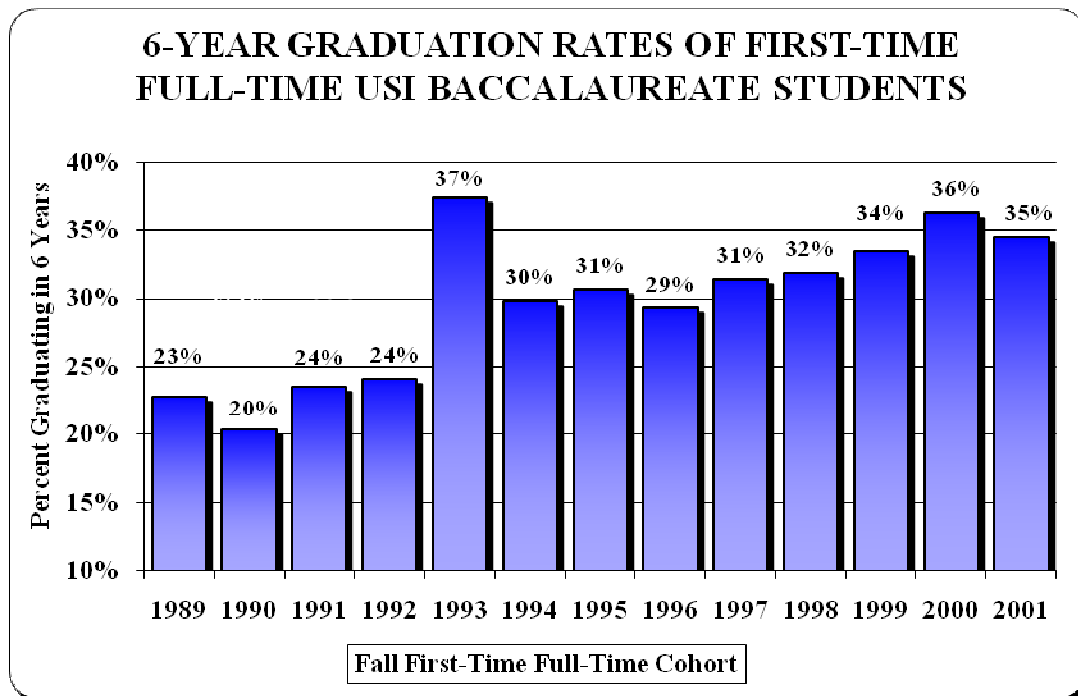
A generous grant of \$1 million in 2006 from Lilly Endowment, Inc. permitted an expansion of the co-op program through the engineering program. Shortly after establishing the program, nearly 60 regional employers are participating. Feedback from employers is uniformly positive about the quality of education evident in the work of co-op students. The University is developing a proposal to obtain a sustaining grant from Lilly Endowment for expansion of this program and to expand the model for co-op placement on USI's campus.

## RETENTION AND GRADUATION RATES

USI's freshmen to sophomore retention rates for first-time, full-time students are largely consistent in recent years. The University continues to retain 63 percent of freshmen to the following fall semester. Six-year graduation rates have improved significantly over the past ten years. Improved enrollment and retention remain a high priority for the University.

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.





From the fall 2007 Cooperative Institutional Research Program (CIRP) survey administered to first-year students nationwide, there are striking differences between USI students and peers at similar public institutions with lower selectivity in admissions. USI students had lower high school grades; far less confidence in their academic abilities, worked more hours at a job each week, and had lower educational aspirations. Combine the pattern of work and low confidence, and the challenge for USI is to find ways to connect, engage, and empower more students to succeed.

### **President's Task Force on Enrollment and Retention Management**

In 2004, the President commissioned a Task Force to analyze enrollment and retention patterns and to recommend changes to strengthen the academic climate for all students. The Task Force on Enrollment and Retention Management was charged with the review and assessment of the range of retention efforts on campus. The Task Force developed a series of recommendations and implementation on most of the recommendations has already begun.

One recommendation called for an increase in pre-professional student employment on campus. Research indicates that holding a part-time job on campus can enhance retention. Because USI students are more likely to work off campus and work longer hours than their peers

in Indiana and in similar institutions nationwide, this issue is one of particular importance for the University.

There were a series of proposals regarding developmental coursework, including mandatory placement for reading (following the model for mathematics). Supplemental Instruction, the use of student peers as tutors in classes with high withdrawal and failure rates, is also slated for expansion along with first year seminar offerings.

One highly successful retention program is the Living Learning Communities (LLC) initiative. 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. Students connected to these smaller communities within the larger community were more satisfied, more successful, and more likely to be retained. One year retention rates among LLC students are generally as much as 20 percentage points higher than among other students, reinforcing the importance of this initiative.

One of the primary challenges to improving graduation rates is the lack of reliable data, particularly on transfer students. Graduation rates are measured by tracking first-time, full-time students from the date they enter an institution, until they graduate. At least eight percent of USI's students enroll with the intention of transferring to another institution. Also, a number of students transfer to USI from other campuses in the region or state. At least 24 percent of the students at USI in 2007-2008 attended on a part-time basis. Students who transfer in and out of the University are left out of traditional graduation rate reports. One of the findings of the Task Force is that there needs to be a more systematic research protocol to better understand students as they enter USI, and to understand why they are leaving and where they are going, with or without a degree in hand.

The final report of the Task Force on Enrollment and Retention Management is on the USI web site at <http://www.usi.edu/acaffrs/LillyEndowment/TaskForce/FinalReport2007.pdf>.

### **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. A new website (<http://www.usi.edu/acaffrs/scholarships>) provides information, advice, and links to

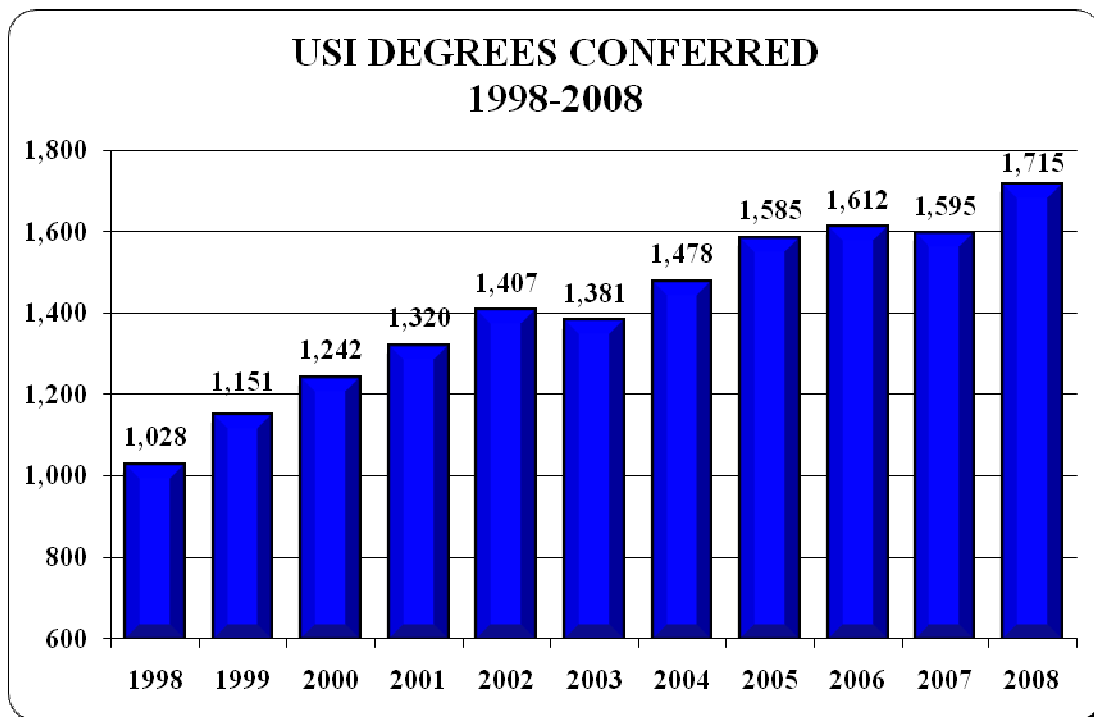
undergraduate, graduate, and study abroad opportunities for students. There already has been success with this effort, including USI's first Goldwater Scholar, a Department of State Critical Language Scholar, and a Freeman-Asia Award winner.

## **GRADUATES FROM USI**

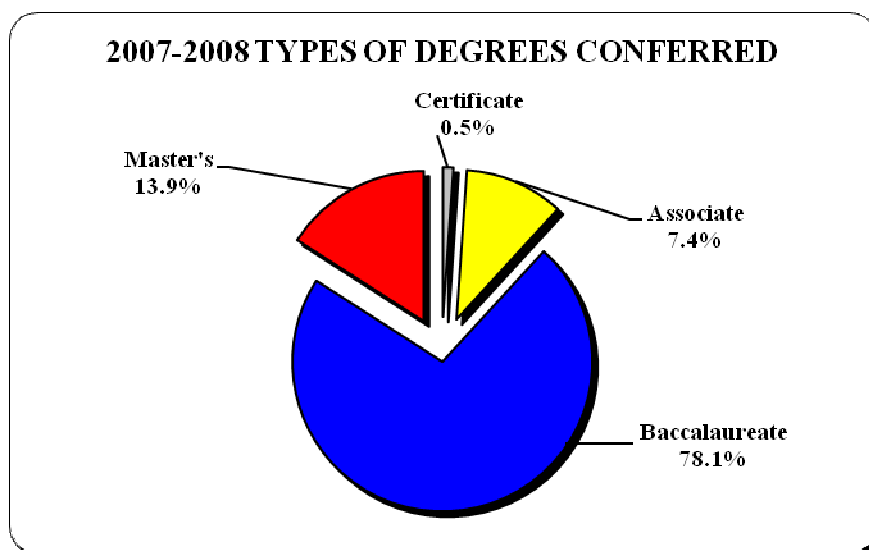
A record number of students graduated in 2008, exceeding 1,700 for the first time in USI's history. Since the establishment of the University of Southern Indiana in 1985, the college attendance rate of high school graduates in the 11 counties of southwestern Indiana has more than doubled from 1,645 to 3,799 in 2007. 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 2007, 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 was revised into a more flexible degree program.

During the ten-year period 1998 to 2008, the number of degrees conferred by the University of Southern Indiana has risen over 66.8 percent, from 1,028 in 1998 to 1,715 in 2008.



In 2008, of the 1,715 degrees conferred, 78 percent were at the baccalaureate level, 14 percent at the master's level, and 7.4 percent at the associate level.



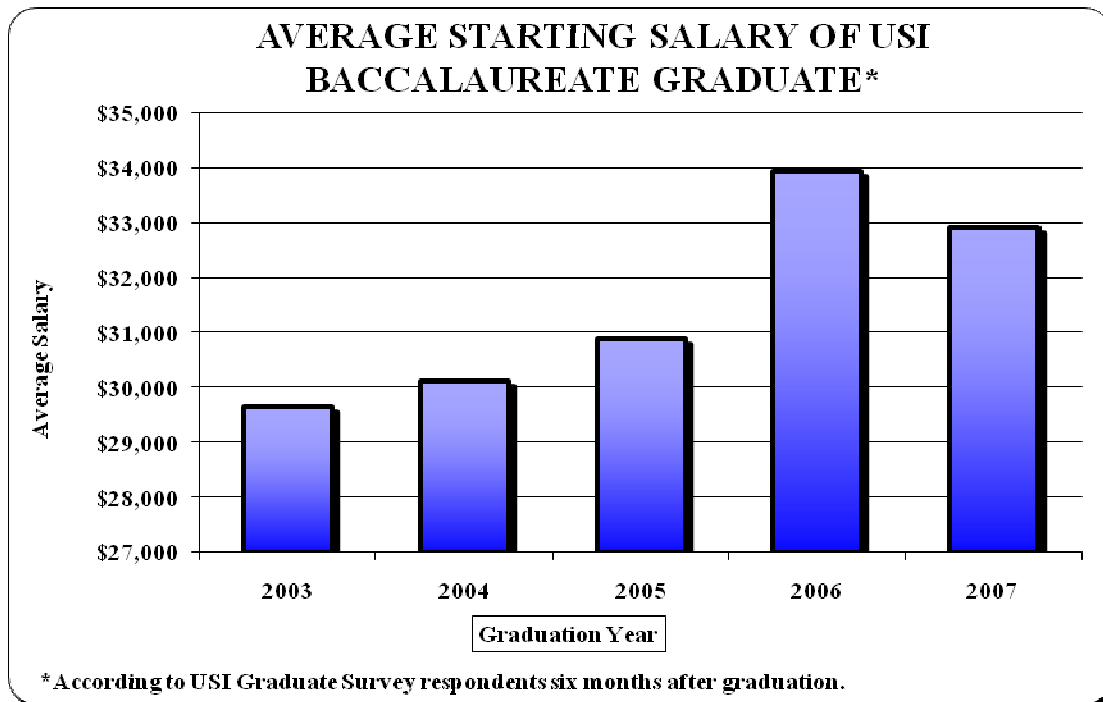
Since 1994, the Office of Career Services and Placement has conducted a six-month follow-up survey of the most recent graduating class. Information gathered in the survey includes employment information and salary statistics by discipline, the geographic location of

graduates, and postgraduate secondary enrollment. A formal report is prepared and presented annually to the University's Board of Trustees.

For the Class of 2007, nearly 80 percent live, work, and use services in Indiana and 71.1 percent accepted employment within a 60-mile radius of the University. For the graduating class of 2007, 85.2 percent of the degrees conferred by the University were awarded to Hoosier students. Nearly two-thirds (62.2 percent) of the degrees awarded were to students from the 11 counties comprising the southwestern Indiana region.

In 2007, graduation follow-up surveys were received from 55.5 percent of the graduates. Survey results included the following:

- 91.2 percent of the respondents were employed or actively seeking employment;
- approximately 71.1 percent of the employed graduates secured new positions as a result of their degree; 28.9 percent were employed in the same position held prior to graduation;
- more than 89.4 percent of the employed bachelor's degree recipients were employed in their field of study;
- of all employed graduates, 89.7 percent were employed in their field of study;
- 18.6 percent of the bachelor's degree recipients were attending graduate school or pursuing a professional degree;
- 27.4 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 \$32,907. There was a slight decrease in the starting salaries for the Class of 2007 due to an increased number of graduates in liberal arts.



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.
- Since 1990-1991, all candidates sitting for the National Dental Hygiene Board Examination have successfully completed the examination.
- Newly licensed teachers must complete Indiana's assessment program for beginning teachers, and records are maintained on these individuals. Reports from school districts show that USI graduates perform well as beginning teachers. Since the inception of the Beginning Teacher Internship Program (BTIP) in 1987, over 99 percent of USI graduates who were required to enroll in BTIP have successfully completed the program. Beginning in 2002, the state introduced a two-year assessment program - the Indiana Mentoring and Assessment Program (IMAP), and

18 USI graduates have entered IMAP. From 2004 through 2007, 98 percent of USI graduates successfully completed BTIP or IMAP. Moreover, USI graduates are now recruited regularly by school districts throughout the midwest, midsouth, and southwest.

## **GRADUATE EDUCATION AT USI**

Over seven percent of the students at USI - 714 students in fall 2007 - enrolled in graduate programs developed primarily in response to regional workforce needs. Approximately 65 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 will offer its first doctoral-level academic program, the Doctor of Nursing Practice. As a professional doctoral degree, the DNP was developed in response to a national initiative encouraging advanced practice nurses to obtain preparation at the professional doctoral level. The DNP degree at USI was developed in response to needs expressed by regional health care providers, graduates, and current students. The program was approved by the Indiana Commission for Higher Education in fall 2007. Implementation of the DNP program will increase the visibility and profile of the University and support the continued expectations of excellence in all USI graduate programs.

## **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

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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 *2008 Reaching Higher with Affordability* document, students are paying a greater share of the cost of higher education. Increased costs are a direct result of decreasing 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.

Over the past several biennia, 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, additional support from the state is necessary to:

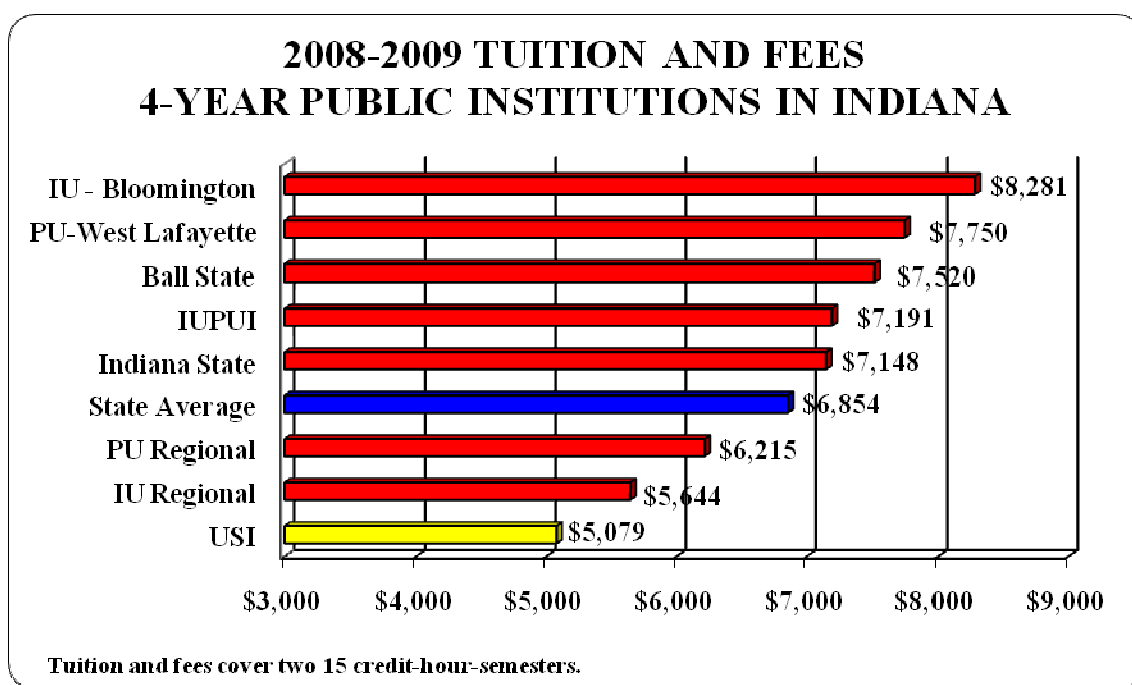
- *fund increases in enrollment;*
- *expand programs to meet the needs of a changing economy;*
- *maintain the quality of current programs;*
- *attract and retain quality faculty and personnel; and*
- *maintain the physical plant.*

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 to support the ongoing operation of the University and that efforts are made to address the 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 *Annual Survey of Colleges (ASC)*, the national average for undergraduate tuition and fees charged by public four-year colleges and universities in 2007-2008 was \$6,185. At the University of Southern Indiana, tuition and fees for full-time, in-state undergraduate students were \$4,791 in 2007-2008 while the average charge for four-year public institutions in Indiana was \$6,575. For the 2008-2009 academic year, tuition and fees at USI for full-time, in-state undergraduate students are \$5,079. These fees are \$1,775, or 26 percent, less than the average of the other four-year public universities in the state, and \$2,596, or 34 percent, less than the average of the other four-year residential campuses.

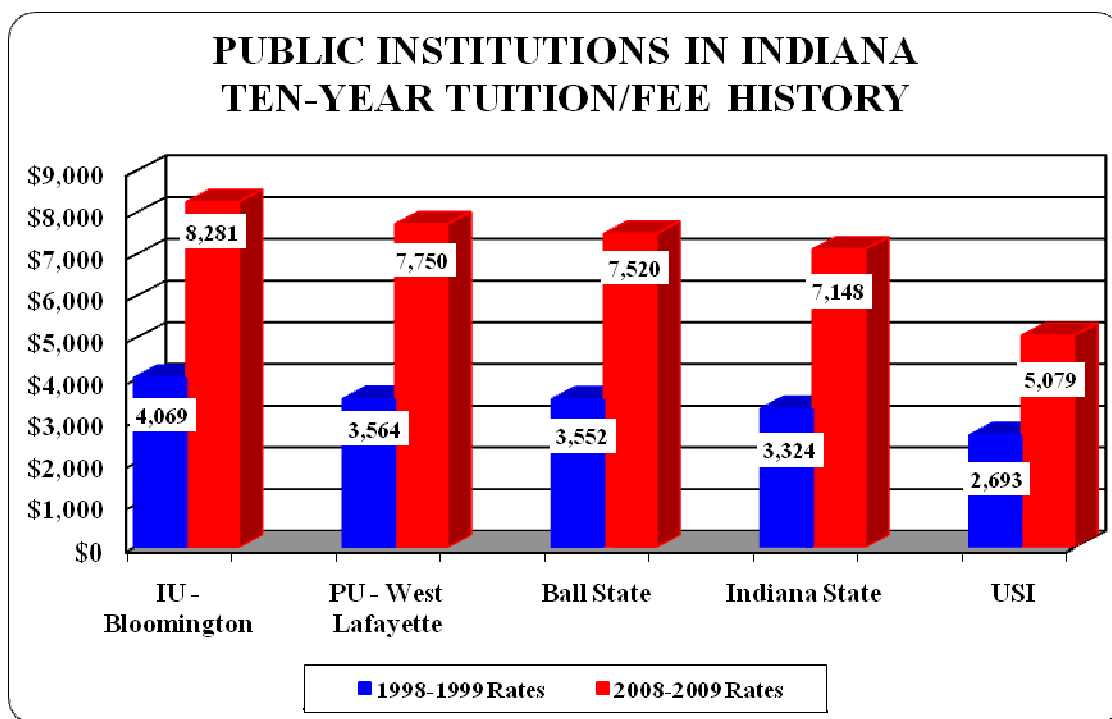
The following graph shows the 2008-2009 tuition and fees for a full-time, in-state undergraduate student attending one of the four-year public institutions in Indiana.



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 2007, the University of Southern Indiana held a public hearing on tuition and fees. In each year of the 2007-2009 biennium tuition and fees were increased by 6 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 \$287 increase in 2008-2009

for a full-time, in-state undergraduate student is the lowest dollar increase of the other 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 2009-2011 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 has seen a significant increase in the cost of energy with the cost of natural gas more than tripling since 2004. Even with policy changes to increase deductibles and assume more risk, the cost of property and casualty and liability coverage continues to increase. More than 80 percent of the University's expenditures are for personnel and benefits. In order to maintain and improve quality, it is critical to make the important investments in human capital.

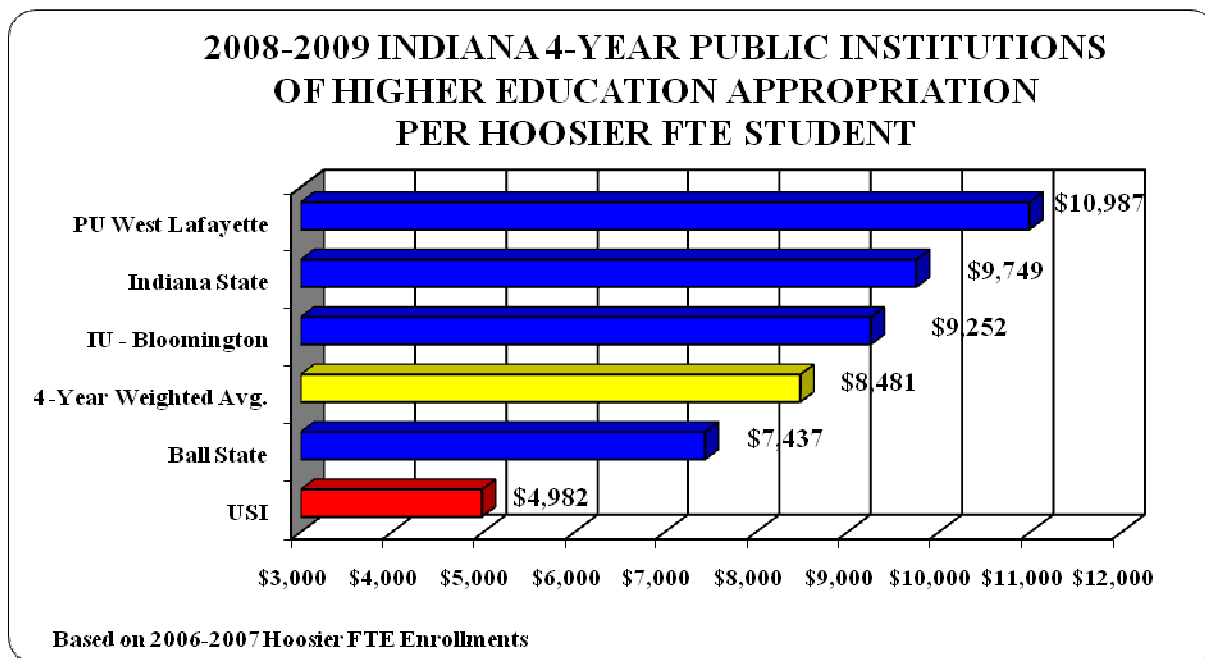
The University operates very efficiently, stretching every dollar to maximize the student's and the state's return on investment. For the past couple of biennia, the state has not funded plant expansion. Funding the operating costs is very important to a campus that is relatively new and does not retire existing facilities when a new facility is added. Without additional funding from the state, it is difficult to implement new programs, expand existing programs, or provide needed services for students. In the University's 2009-2011 Operating Budget Request, the University seeks funding to maintain current programs and implement new initiatives during the biennium.

## **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 had it been fully funded. The enrollment formula has been fully funded only twice in the past decade. Because of growth in enrollment and because the enrollment funding formula has not been fully funded, USI continues to lose ground.

The difference in appropriation per-FTE-Hoosier student is significant. USI receives 58.7 percent of the weighted 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 \$10,987 per-FTE-Hoosier student at Purdue to a low of \$4,982 at the University of Southern Indiana. The

increased appropriation is needed to support high demand and more costly programs in engineering and nursing and health professions and to better serve the needs of students.



Even with the special appropriations the University has received in past years, the magnitude of this amount has not changed significantly since the submission of the University's 2001-2003 operating budget request. 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 \$2,455 per-FTE-Hoosier student or about \$19.9 million.*
- *To bring USI's funding per-FTE-Hoosier student to the statewide average for the four-year residential campuses would require \$3,499 per-FTE-Hoosier student or about \$38.3 million.*

Additional special appropriation adjustments are needed for any significant progress to take place. Relying on the enrollment formula, the degree completion formula, or the on-time degree completion formula 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. There is even a significant difference in appropriation between Vincennes University, primarily a two-year institution, and USI. The 2008-2009 appropriation per-FTE-Hoosier student is \$6,410 at Vincennes compared to \$4,982 at USI. The following chart demonstrates the difference in appropriation levels.

### DIFFERENCE IN APPROPRIATION PER-FTE-HOOSIER STUDENT

	2006-2007 Hoosier FTE Enrollment	2008-2009 Operating Appropriation	2008-2009 Appropriation Per-FTE- Hoosier Student	2008-2009 Difference in Appropriation Per-FTE- Hoosier Student from USI	2008-2009 Total Difference in Appropriation Per-FTE- Hoosier Student
USI	8,106	\$40,387,429	\$4,982		
VU	6,079	\$38,967,141	\$6,410	\$1,428	\$11,575,368
ISU	7,889	\$76,911,131	\$9,749	\$4,767	\$38,641,302
BSU	17,667	\$131,381,244	\$7,437	\$2,455	\$19,900,230
IU	21,854	\$202,202,196	\$9,252	\$4,270	\$34,612,620
Purdue	23,849	\$262,033,737	\$10,987	\$6,005	\$48,676,530
4 Yr. Avg.			\$8,481	\$3,499	\$38,362,894

The gap in appropriations between students continues to widen. Addressing this problem requires a review of the differentials in funding. Included in the University's 2009-2011 Operating Budget Request is a request for a special appropriation adjustment in each year of the biennium to address the discrepancy in funding per-FTE-Hoosier student. The University requests an additional \$250 per-FTE-Hoosier student in 2009-2010 and an additional \$125 in 2010-2011. 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 \$52.2 million in 2006-2007, an increase of 10.8 percent or \$5.1 million over the prior year. Federal student aid programs increased at a rate of 4.8 percent while the State of Indiana's assistance increased by six percent. Institutional financial aid increased by one percent and funding from corporate and private sources was up 99.3 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. Although the distribution of federal student aid programs has increased, two new federal programs were added as supplements to the Pell Grant program. The Academic Competitiveness Grant rewards needy students for completion of a rigorous high school program. The National Smart Grant 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.

### 2006-2007 STUDENT FINANCIAL ASSISTANCE BY TYPE

Type of Assistance	Number	Total Amount Awarded	Percent of Amount Awarded
Grants / Scholarships	9,507	\$19,062,028	36.5%
Loans	7,766	\$31,815,376	61.0%
Employment	1,471	\$1,284,871	2.5%
<b>Total</b>	<b>18,744</b>	<b>\$52,162,275</b>	<b>100.0%</b>

Aggregate borrowing for Stafford Student Loan recipients for the class of 2007 baccalaureate graduates averaged \$18,262. While this figure is up 16.9 percent from the 2006 class average of \$15,623, this is the first year in which prior college borrowing is included. Among 2007 graduate degree recipients, aggregate borrowing averaged \$30,292, including both graduate and undergraduate borrowing. This figure represents an increase of 11.2 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
2003	3.2%
2004	3.7%
2005	2.6%

For fiscal year 2005, the national average default rate is 4.6 percent with the Indiana rate at 3.7 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 are drawing increasing numbers of top 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 two most prestigious scholarship programs at USI are the Presidential Scholarship program and the Baccalaureate/Doctor of Medicine (B/MD) 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 \$49,000 over four years and provides a full scholarship for instructional fees, room, board, and books. Between 1991 and 2008, 222 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 2007-2008, 24 students were participating in the B/MD program.

## **PRIVATE SUPPORT**

The USI Foundation, through a Lilly Endowment initiative, established the Endowment for Academic Excellence. The endowment is focused on supporting academic areas with unmet need within the University. To date, the endowment has a balance in excess of \$5 million.

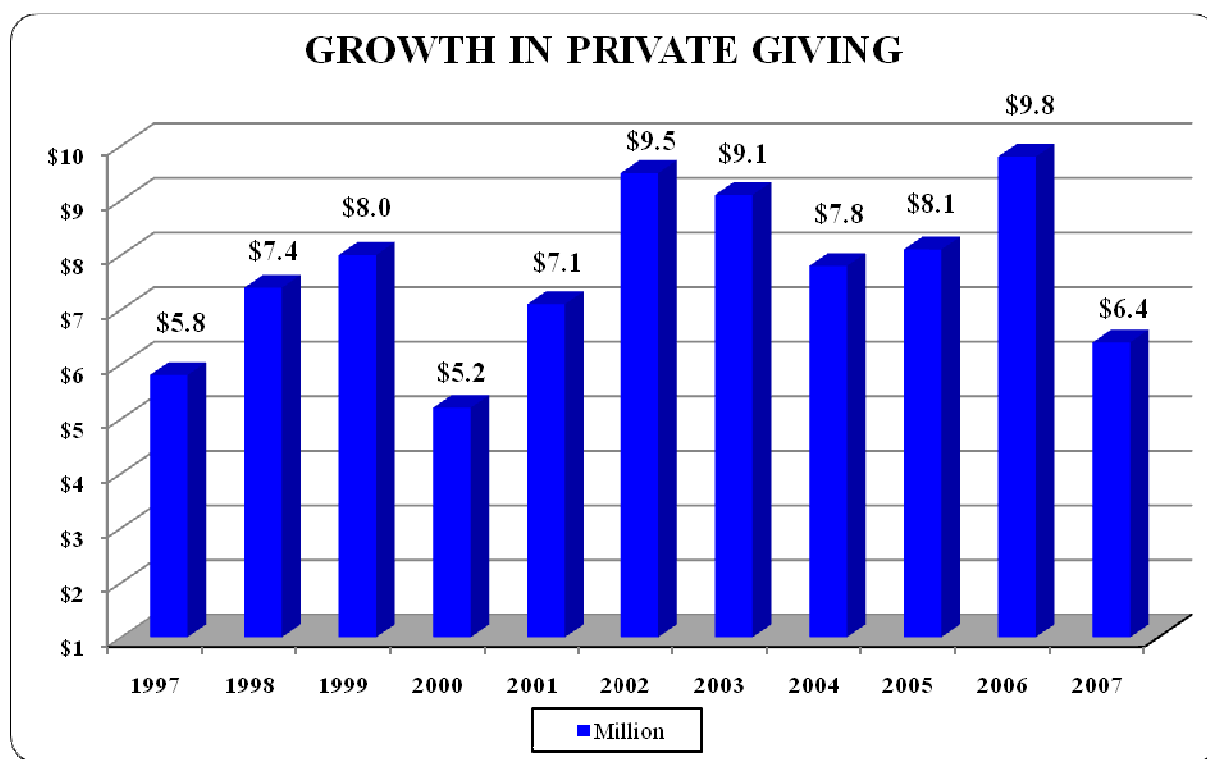
The University also qualified for a \$1 million Lilly Endowment grant under the Lilly Endowment's "Initiative to Promote Opportunity through Educational Collaborations." The grant enhances economic development and in-state employment opportunities for USI engineering students, the grant period ends December 31, 2008. The innovative grant directed funding to scholarships for students in the co-op program, created incentives for Indiana employers to offer co-op opportunities, and provided \$200,000 as a challenge for donors to build scholarship endowments to the \$1 million level. Over \$1 million has been raised for the engineering scholarship endowment fund.

The USI Foundation, through another Lilly Endowment initiative, attracted \$2 million in gifts to the endowment and the annual fund. The Lilly Endowment matched these gifts with \$2.5

million. This initiative raised a total of \$4.5 million, of which approximately \$3.5 million was used to create support for both new and on-going scholarship endowment funds.

More than \$961,000 annually is awarded in student scholarships by the USI Foundation. Another \$192,000 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 over \$6.3 million. It is clear from these figures that talented USI students earn the respect and financial support of businesses and individuals.

The growth in private giving is illustrated in the following chart. It is expected that 2008 giving will be over \$7.7 million.



# MEASURES OF EDUCATIONAL QUALITY: ASSESSMENT AND ACCOUNTABILITY

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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 which 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, formerly called the "Academic Profile"). Scores are compared to previous years as well as a national average.
- Assessment of content knowledge within a range of academic majors through ETS's Major Field Tests (MFT). Scores are compared to performance by earlier classes of majors, and to the averages generated by hundreds of other participating universities.
- The MAPP and MFTs are administered on "Assessment Day" (second Tuesday in November), when classes are cancelled and all first year students and rising juniors take the MAPP, and seniors take the MFT for their academic major. Participation rates among students exceed 90 percent each year.
- 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 which 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.

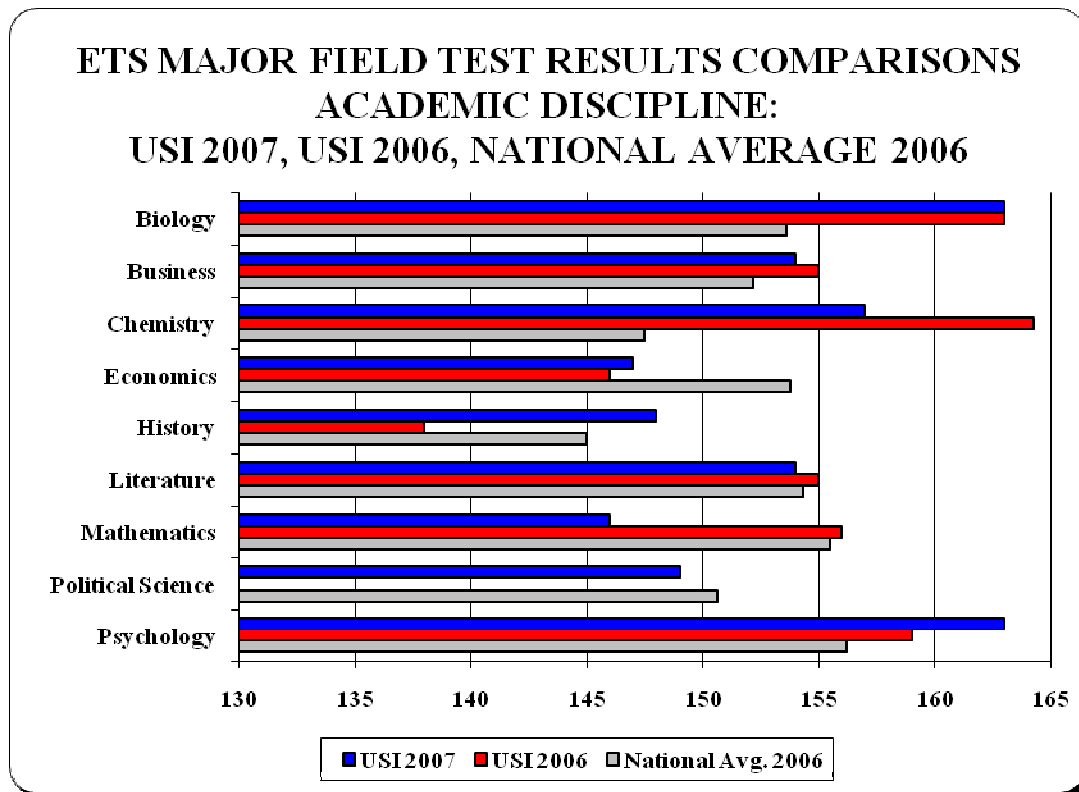
Other recent successes in accreditation include:

- Initial accreditation of the engineering program by ABET (Accreditation Board for Engineering and Technology) in 2006;
- College of Business programs by AACSB (Association to Advance Collegiate Schools of Business) in 2007;
- Accounting program by AACSB (Association to Advance Collegiate Schools of Business) in 2007;
- Occupational Therapy and Occupational Therapy Assisting programs by ACOTE (Accreditation Council for Occupational Therapy Education) in 2006; and
- College Achievement Program (dual credit) by NACEP (National Alliance of Concurrent Enrollment Partnerships) in 2006.

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.

## Use of Assessment Results

Assessment results are used in a variety of ways, but particularly in the identification of areas in need of strengthening. An example would be patterns of results in MFT scores in history and economics. In both instances there was follow-up in the Academic Program Review process, a requirement for a plan of improvement from the department, and recognition that both programs needed additional staffing to cover additional areas in the fields. The identification of those needs resulted in budgetary requests from the colleges for additional staffing. The requests were addressed by the allocation of two new full-time faculty positions in each program over a four-year period. The history positions were added first, and the results are evident in the MFT scores, shown below.



Even assessment processes are assessed, as happened with the Academic Program Review Process in 2005-2006, when revisions to the process were implemented to synchronize the internal review process with external accrediting processes.

## 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. Results from a 2007 Tri-State Area Employer survey reaffirm the immediate need for several programs, many of which are under consideration for further development.

Across all types of tri-state organizations, interest in USI graduates with a business economics or business/engineering combination degree is very high. Almost a third of the respondents indicated interest in hiring recent graduates of a business economics undergraduate program and 25 percent expressed interest in graduates of a combined business/engineering program. The table below provides a complete list of the undergraduate degree programs included in the survey and the percentage of employer respondents favoring the development of a specific program.

### SURVEY OF DEVELOPMENT OF NEW DEGREE PROGRAMS

Undergraduate Degree Programs	Percentage	N
Business Economics	31%	6
Business and Engineering (combined)	25%	51
Manufacturing Technology	18%	37
Health Informatics	13%	26
Advanced Manufacturing	14%	28
Environmental Sciences	12%	24
Logistics / Transportation	11%	22
Physical Therapist Assistant (Associates degree)	8%	17
Homeland Security / Public Safety Management	8%	17
Pharmacy Technician (Associates degree)	7%	15
Hospitality Management	7%	14
Materials / Plastics Science	7%	14
Culinary Arts	6%	12
Biochemistry	4%	9
Criminal Justice	3%	7
Arts and Heritage Management	1%	3
Forensic Science	1%	3
Geology	1%	2

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 year the Commission approved the Doctor of Nursing Practice degree, USI's first professional doctorate program, and the University is preparing for a focus visit from a Higher Learning Commission team to approve the University offering a degree at the doctoral level.

Consistent with recommendations by the Indiana Commission for Higher Education, USI now focuses more on the development of new academic programs at the baccalaureate and graduate levels than at the associate degree level. The newest baccalaureate degree program approved by the Commission in 2007 is in Advanced Manufacturing. This program was mentioned by several regional employers in a survey conducted by the 2007 President's Task Force on Workforce and Economic Development. The newest graduate program approved by the Commission fall 2007 is the Doctor of Nursing Practice, USI's first professional doctorate program. Included in the University's New Program Development Plan for 2009-2011 are ten baccalaureate degree programs and six graduate degree 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

\* 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**

The University was an early adopter of the Voluntary System of Accountability (VSA), developed through task forces supported by the American Association of State Colleges and Universities (AACSB) and the National Association of State Universities and Land Grant Colleges (NASULGC). The provost and vice president for Academic Affairs served on one of the task forces and is a member of the VSA Oversight Board, which will oversee the implementation of the program across the universities in both national organizations.

The VSA webpage template includes graphic data to describe the student and faculty populations on campus, and there is a "student success" graph that tracks four- and six-year graduation rates. This portion of the web template will present particular challenges for USI. The swirl of students between baccalaureate and community colleges will not be captured in these data because community colleges are not yet included in the VSA program. Furthermore, participation by all colleges and universities in the National Clearinghouse's Student Tracker™ system is necessary for consistency of reporting the paths of transfer students and, thus far, not all Indiana universities have signed on to participate in Student Tracker™.

The challenges for participation in the VSA program aside, USI strongly supports the intent of the VSA and before the program was introduced had undertaken to study ways of improving the retention and graduation rates of its students. The 2007 report of the Task Force for Enrollment and Retention Management outlines the study results and presents recommendations for future action. The University has already moved to implement curricular and other programming changes to support student success to degree completion.

## **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 new Doctor of Nursing Practice program is available online, making it more accessible to practicing nurses. The College of Nursing and Health Professions also has begun to "podcast" various classes, making it possible for students to "tune in" to the day's lesson at their own convenience.

### **DISTANCE EDUCATION HEADCOUNT ENROLLMENT**

<b>Year</b>	<b>Fall</b>	<b>Spring</b>	<b>Summer</b>	<b>Total</b>
<b>1999-2000</b>	<b>661</b>	<b>903</b>	<b>502</b>	<b>2,066</b>
<b>2000-2001</b>	<b>1,074</b>	<b>1,051</b>	<b>539</b>	<b>2,664</b>
<b>2001-2002</b>	<b>1,440</b>	<b>1,467</b>	<b>647</b>	<b>3,554</b>
<b>2002-2003</b>	<b>1,819</b>	<b>2,332</b>	<b>807</b>	<b>4,958</b>
<b>2003-2004</b>	<b>2,467</b>	<b>2,586</b>	<b>876</b>	<b>5,929</b>
<b>2004-2005</b>	<b>2,444</b>	<b>2,874</b>	<b>1,428</b>	<b>6,746</b>
<b>2005-2006</b>	<b>2,867</b>	<b>2,942</b>	<b>1,688</b>	<b>7,477</b>
<b>2006-2007</b>	<b>2,792</b>	<b>2,898</b>	<b>2,095</b>	<b>7,785</b>

Keeping in mind that time is valuable for students, the University offers day and evening classes at Castle High School in Newburgh and at the National Guard Armory on the east side of Evansville. 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 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. Approximately 30 VU student participants in the "One Admission. Two Universities" program are on track to make the transition to USI in summer or fall 2009. 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. 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.

Since 2006, a USI admissions representative has been housed on the Ivy Tech Community College (ITCC)-Evansville campus to connect ITCC 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 ITCC-Evansville, while several are statewide. Additional program agreements with ITCC are being negotiated and will be expanded to other ITCC campuses as it is determined that faculty preparation and program content levels meet University quality standards. The University is a member of the Statewide Transfer Articulation Committee which seeks to continually expand articulation programs between colleges and universities throughout the state.

## FACULTY PROFILE

USI has experienced rapid growth in the past decade, increasing student headcount by 20 percent and full-time enrollment increased by 34 percent in fall 2007. 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 570 faculty members in fall 2007. Of these, 321 (56.3 percent) were full-time and 249 (43.7 percent) were part-time. A profile of those faculty members by rank follows:

### FULL-TIME FACULTY PROFILE BY RANK: FALL 2007

Faculty by Rank	Fall 2007	
	n	%
<b>Professor</b>	<b>46</b>	<b>14.3%</b>
<b>Associate Professor</b>	<b>75</b>	<b>23.3%</b>
<b>Assistant Professor</b>	<b>93</b>	<b>28.9%</b>
<b>Instructor</b>	<b>107</b>	<b>33.5%</b>
<b>Total</b>	<b>321</b>	<b>100.0%</b>

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.

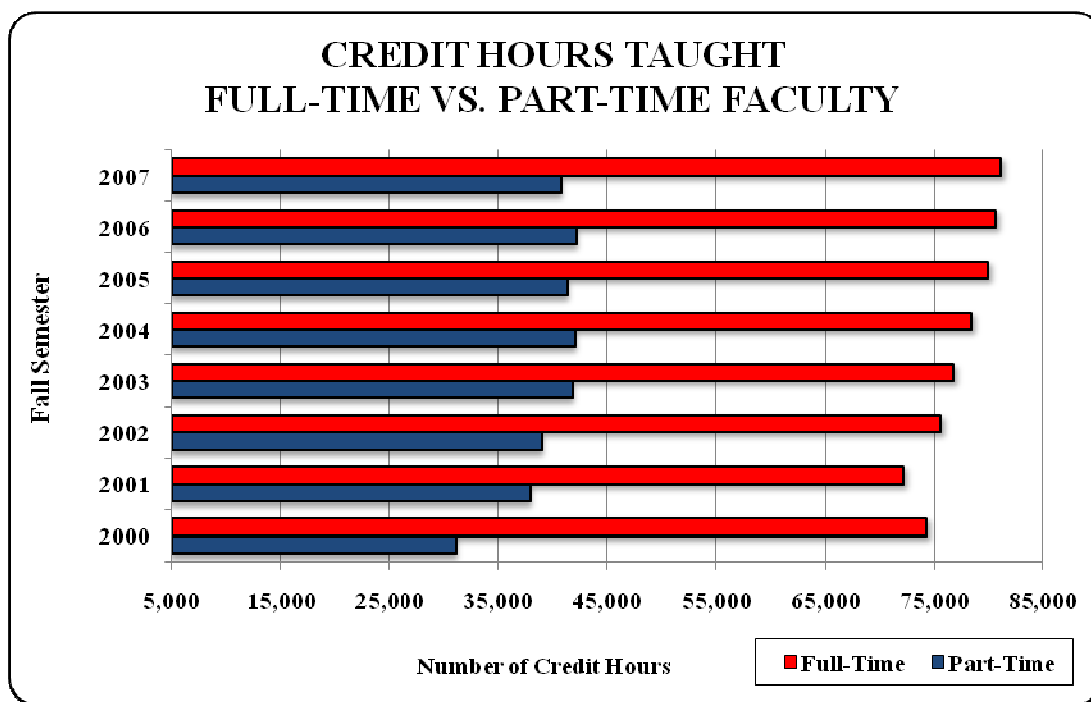
The highest number of part-time faculty is found in two colleges: Liberal Arts (39.6 percent of college faculty) and Education and Human Services (23.6 percent of college faculty). Teacher Education and Physical Education rely upon many K-12 teachers and physical education specialists, trainers, and 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 2007

College	Full-Time		Part-Time		Total
	N	%	N	%	N
Business	50	15.53%	15	5.21%	65
Education and Human Services	40	12.42%	68	23.61%	108
Liberal Arts	110	34.16%	114	39.58%	224
Nursing and Health Professions	47	14.60%	16	5.56%	63
Science and Engineering	74	22.98%	36	12.50%	110
<b>Total</b>	<b>321</b>	<b>56.30%</b>	<b>249</b>	<b>43.70%</b>	<b>570</b>

Even with USI's reliance upon part-time faculty, the bulk (67 percent in fall 2007) of credit hours taught is delivered by full-time faculty, as shown below.



Additional demographic analysis of the fall 2007 full-time faculty indicates that 53.2 percent were female and 6.5 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.

<b>Institution</b>	<b>Student to Faculty Ratio</b>
<b>University of Southern Indiana</b>	<b>22 to 1</b>
<b>Indiana University</b>	<b>18 to 1</b>
<b>Indiana State University</b>	<b>17 to 1</b>
<b>Ball State University</b>	<b>16 to 1</b>
<b>Purdue University</b>	<b>14 to 1</b>

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 Recognition**

- A team of accounting students won first place in the national 2008 Student Case Competition sponsored by the Institute of Management Accountants (IMA). The USI team was recognized at IMA's 2008 Academic and Student Awards Recognition Luncheon following the completion. This marks the third straight year for a USI student team to qualify for the national finals.
- Katie Funke, undergraduate Baccalaureate/Doctor of Medicine scholar and engineering major, was awarded an internship at the National Air and Space Administration (NASA) for the summer of 2008.
- Samuel C. Bowles, a double major in English and Secondary Education, was awarded the President's Medal at the 2008 May Commencement ceremony. A Presidential Scholar and officer in the University Honors Program, Sam is considering opportunities to serve in the ministry as well as attending graduate school or divinity school.
- A ten-member team from the USI nursing program competed in the annual Critical Care Challenge for the tri-state region and won first honors. Over the last dozen years USI's nursing students have taken home the top trophy seven times.
- Jamie Johnson, a junior chemistry major, was awarded a Barry M. Goldwater Scholarship for 2008. Jamie was selected from a field of 1,035 mathematics, science, and engineering students nationwide. She conducted research with chemistry USI faculty member Dr. Kenneth Walsh and presented those findings at a national meeting of the American Chemical Society. Jamie also serves as student member of USI's Board of Trustees.
- USI sophomore and International Studies major Jessie Kessler received a Freeman Award for Study in Asia, a nationally competitive scholarship. She used scholarship funds to study at Thammasat University in Bangkok, Thailand during spring 2008.

- Senior chemistry major and USI women's volleyball team member Stephanie Wilson was awarded the *ESPN The Magazine/CoSIDA Academic All-America* honors.
- Kathy Wood, who graduated from USI in May 2008, was the recipient of a prestigious NCAA Postgraduate Scholarship. A total of 29 men and 29 women representing spring sports from Division I, II, and III were selected for the honor. Ms. Wood was one of only three Division II softball student-athletes to be chosen.

### **Faculty Recognition**

- Dr. Scott Gordon, dean of the Pott College of Science and Engineering and professor of biology, will be the principal investigator for a \$1.2 million grant from the National Science Foundation to continue development of STEM (science, technology, engineering, and mathematics) activities in partnership with Ivy Tech Community College of Evansville. USI has been designated as a STEM Resource Center for southwestern Indiana.
- Assistant professor of music Daniel Craig led USI's Chamber Choir on a concert tour of Ireland in spring 2008. The choir performed in Dingle, Ennistymon, and Galway, including at the Galway Early Music Fest.
- Gary May, associate professor of social work, was presented with the 2007 National Association of Social Work (NASW) Indiana Social Worker of the Year Award at the state NASW conference in Indianapolis.
- Dr. Darrel Bigham, professor of history and director of Historic Southern Indiana, received the 2007 University Continuing Education Association (UCEA) Mid-America Region Excellence in Teaching and Faculty Service Award.
- The UCEA also recognized USI's regional leadership program, Connect with Southern Indiana, with the 2008 Program of Excellence Award for Innovations in Outreach and Engagement. The role of faculty as participants in the program was noted as the primary reason for the award.
- Wanda Douglas, instructor of nursing, was named to the board of directors for the American Nurse Credentialing Center and will chair the organization's Commission on Accreditation for 2007-2009.



- Assistant professor of economics, Dr. Sudesh Mujumdar, was a visiting scholar during spring 2007 at the Reserve Bank of India, the country's central bank.
- Three University Division advisors won national recognition at the National Academic Advising Association's (NACADA) 2007 competition. Amber Hughes, Renee Rowland, and Brian Hinterscher were recognized as outstanding advisors and Ms. Hughes was awarded a scholarship to NACADA's 2007 Academic Advising Summer Institute in Salt Lake City, Utah.
- Since 1998, USI employees have volunteered their time to mentor junior high school students in a Job Shadow program sponsored by Junior Achievement. The program allows eighth grade students to shadow professionals to see how skills learned in school relate to the workplace. The USI Job Shadow program was recognized in 2008 with the Bronze National Leadership Award from Junior Achievement.

## INITIATIVES

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

- ***Center for Academic Excellence*** - 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). Programming for CTLE was directed by a faculty member who received a course reassigned time, but was rarely able to take advantage of that release time because of his teaching load. With additional support from Lilly Endowment in 2004 through their "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. A Faculty Development Advisory Board, composed of full- and part-time faculty, along with a dean, two department chairs, and staff from the library and instructional technology services, will help to generate ideas for and implementation of development programming in teaching, research, engagement projects, and leadership roles. This broader effort will be housed in a renamed center: The Center for Academic Creativity. For the first time the faculty development center will have physical space for offices and meetings as part of the University Center expansion project. These changes have marked an evolution in

faculty development on campus and offer faculty more opportunities to learn and grow in their roles as teachers, mentors, advisors, leaders, and scholars.

- ***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 plan of implementation, program guidelines, goals, and objectives were identified by a faculty advisory committee and program director to officially implement the program in spring 2008. In a 2007-2008 inventory conducted by the Office, 1,698 students participated in 80 service learning courses offered by 62 faculty members. While many of these courses predate the formation of the Office of Service Learning, the resources provided by the Office have greatly expanded interest in community-based instruction projects. It is expected that the number will more than double in the next biennium. Beginning in summer 2008, Service Learning and the faculty development center sponsored what will become an annual Service Learning Institute to recruit and train faculty in service learning methodology.
- ***Expansion of Summer Sessions Offerings*** - 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. Through careful selection of courses to be offered, (including an increase in Core Curriculum classes) summer enrollments increased eight percent from 2005 to 2007. New students are encouraged during freshman orientation to take a class or two in the summer, before their first fall semester. This "jump start" can help them to regulate the number of classes they need to take in the fall. Helping more students begin their college careers with some college credit can make the first year less stressful, leading to greater chances of retention and eventually to degree attainment.

# CONTRIBUTING TO THE INDIANA ECONOMY

## THE ROLE OF THE UNIVERSITY IN REGIONAL ECONOMIC AND WORKFORCE DEVELOPMENT

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In the *2008 Strategic Directions for Higher Education* series, contributing to Indiana's economy was named as a key goal for public colleges and universities by the Indiana Commission for Higher Education. 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 21<sup>st</sup> 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 of 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), Southwest Indiana WIRED (Workforce Innovation through Regional Economic Development), and the Grow Southwest Indiana Workforce Board. USI is an active partner in most of these. A common goal is to improve general economic well being through diversification of the economic base. Achieving and sustaining a highly skilled workforce is a primary objective. An important understanding is 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 idea generation, knowledge creation and application, a highly skilled workforce, and increased entrepreneurial activity. Current initiatives in place to transform the economy center on developing an entrepreneurial culture, targeting innovation, and boosting science, mathematics, and technical skills. Important economic sectors for which initiatives are planned or in the implementation stage include advanced manufacturing, information technology, biosciences, and logistics, transportation, and distribution.

Over the past two decades, the southwest Indiana economy has witnessed stable growth in traditional business sectors and some noticeable change in economic structure; however, there is evidence that innovative and entrepreneurial activities have not kept pace. 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 27<sup>th</sup> 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. When combined with the STEM fields, (mathematics and science with technology and engineering), business and STEM fields 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. In fall 2010, the University's new Business and Engineering Center will be completed. The University anticipates that the collaboration between business and engineering will positively impact not only the region, but the state in 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 the region, its 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 continues to transition into a broadly engaged university that provides 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 issues. The funding is directed to support activities of the Center for Applied Research and to partially underwrite economic and workforce development projects and partnerships, including USI's partnership in Innovation Pointe, a state certified technology park. Significantly, in recognition of the University's need to increase the ranks of full-time faculty, a portion of these funds is targeted to recruitment of faculty and staff with expertise in areas critical to the regional economy. These include new or anticipated positions in polymer chemistry, econometrics and applied economics, entrepreneurship, advanced clinical nursing, health informatics, advanced manufacturing and industrial engineering, logistics, transportation and distribution, and service learning.

## **SIGNIFICANT UNIVERSITY INITIATIVES RELATED TO ECONOMIC AND WORKFORCE DEVELOPMENT**

### **President's Task Force on Workforce and Economic Development**

In 2007, the second President's Task Force on Workforce and Economic Development was commissioned 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.

As with the first study, USI will use the findings of the 2007 Task Force to plan program and service development to match expressed regional needs, as resources permit. USI made considerable progress in implementing recommendations from the 2000 report, adding 12 of the 13 academic programs identified, with steady development of co-op and internship opportunities,

increasing noncredit and workforce training offerings, developing a regional leadership program, and offering alternate delivery of programs through distance education.

Programs already implemented or in final planning stages as a result of the 2007 study are the Doctor of Nursing Practice (DNP), advanced manufacturing, criminal justice, and health informatics. Engineering, Nursing and Health Professions, Business, and Extended Services are expanding existing or developing new program components to meet specified needs. Faculty with specialty disciplinary training are being recruited to address regional needs in the plastics industry, logistics, transportation and distribution, advanced clinical nursing, econometrics and business economics, environmental science, and entrepreneurship. Many of these complement the strategic skill sets targeted by the regional workforce board.

USI's plans for new programs through 2011 match those for which regional employers expressed interest; for example, undergraduate level programs in physical therapy, a blended business/engineering degree, and specialties within the existing BS in Engineering. Graduate level programs in communications, food and nutrition (dietetics), and sales and maintenance management are being explored in response to the study.

Noteworthy is the realization that most of these regional initiatives and USI programs require high school graduates and adults learners with adequate preparation to enter high skill learning environments, especially in mathematics, science and technology areas. Greater University involvement to help improve P-12 education was 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 was felt to be essential to workforce skill development. Also, there was strong interest in USI assuming a regional leadership role in promoting STEM-related education. The University's STEM-related initiatives were expanded to include a broader regional approach through a series of grant-funded projects, becoming an I-STEM Resource Center, and assuming leadership of a major nine-county STEM effort for the Southwest Indiana WIRED Project.

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.

Work groups of faculty, staff, and community stakeholders will develop action plans to expand USI's outreach and engagement for each area of focus. Organizationally, these focus areas are supported by three Centers within Extended Services: the Centers for Applied Research, Human Resource Development, and Education Services and Partnerships.

All outreach and engagement support units in Extended Services are charged with addressing specific regional needs. These include Service Learning, Continuing Education, 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 high-tech business incubator located in downtown Evansville and is a division of Growth Alliance of Greater Evansville (GAGE), the Evansville-Vanderburgh County economic development agency. USI representatives serve on the Board and Executive Committee of GAGE. The University has an active presence in Innovation Pointe to provide credit and noncredit courses, 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.

### **Southwest Indiana WIRED**

The University is a partner in Southwest Indiana WIRED, a three-year grant project to provide workforce innovation through regional economic development initiatives. USI is actively engaged in implementing several of the five goals of the project. Most significantly, the Pott College of Science and Engineering is the lead institution in a nine-county STEM education initiative that focuses on improving teaching and learning in STEM-related disciplines, providing better curriculum alignment between middle, high school, and college curricula, providing a STEM-discipline resource van to deliver science and math experiments and laboratory modules to participating schools, and implementing Project Lead the Way (PLTW) in all school



corporations in the region. The University also is assisting in goal-related projects involving entrepreneurship development, establishing more focused logistics, transportation and distribution capabilities for the region, and expanding co-op and internship opportunities. Business faculty are engaged in a regional data collection and dissemination project involving partnerships with WIRED and private sector firms to identify economic drivers and linkages across key economic sectors in the region. As noted previously, USI is using some of the economic development appropriation provided by the 2007 General Assembly to hire faculty with disciplinary specialties to assist WIRED and other agencies with applied research and problem-solving in these target areas.

### **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 in place numerous academic assets that help 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**

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 Pott College of Science and Engineering provides leadership to the USI projects, with support from the Bower Suhrheinrich College of Education and Human Services and USI Extended Services. Projects include:

- **Southwestern Indiana STEM Initiative Partnership** - In 2006, USI convened a partnership of superintendents and other school officials from all public school corporations in Gibson, Posey, Vanderburgh, and Warrick Counties to improve STEM-related teaching and learning. Projects targeted in 2007-2008 included teaching improvement for middle school math teachers (8<sup>th</sup> grade algebra), aligning science curricula between high school and college, increasing opportunities for students to use dual credit courses in science and math to fulfill Core 40 requirements, creating an inventory of science and mathematics resources in all school corporations and at the University, and developing web-based resource materials for area teachers and schools. In fall 2008 this partnership will expand to include school districts across the entire nine-county southwest Indiana region. Vincennes University will partner with USI to provide services in the northern section of the region.
  
- **National Governor's Association (NGA) Planning Grant** - USI received a \$50,000 planning grant from the National Governor's Association to plan and implement curriculum alignment and development camps, develop online "notebooks" of best practices/models for inquiry-based teaching approaches, expand dual credit opportunities, and explore enhanced regional STEM education opportunities.
  
- **Indiana STEM (I-STEM) Network** - USI was selected as a 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 the nine counties within the region.
  
- **WIRED Grant** - The Southwest Indiana WIRED project is a three-year federally funded grant project aimed at regional workforce improvement. Improving STEM education, including implementation of Project Lead the Way (PLTW), throughout the nine-county region is a major focus of the project. USI is the lead institution in implementing the goals of the STEM initiative:
  1. Develop new STEM advancement alliances and partnerships (public and private);
  2. Focus on regional STEM education and workforce development;

3. Identify and support existing STEM programs;
  4. Develop a web-based clearinghouse of information for all constituents (parents, teachers, students, community, industry, etc.);
  5. Increase recruitment of middle, high school, and college students into STEM courses and programs;
  6. Communicate with constituents about the importance of STEM education and career path options;
  7. Expand Project Lead the Way (PLTW) opportunities into every school in the region;
  8. Develop closer PLTW ties between school districts and universities;
  9. Develop STEM summer camps, weekend workshops, and other alternative programming to encourage and recruit students into STEM disciplines;
  10. Develop traveling science laboratories with state-of-the-art equipment and high-tech instrumentation;
  11. 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
  12. Identify and remedy curriculum gaps in K-16 STEM education.
- **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:
    - Developing and implementing an *Early Undergraduate Research Program*;
    - Creating a *Pathways Leading to Undergraduate Success in the Sciences (PLUSS) Program*;
    - Increasing community and K-12 involvement through a formal *Outreach Program*; and
    - Improving pedagogical approaches through a formal *Professional Development Program* for K-16 teachers.

These components will 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 event, planned for summer 2009, will target female students entering 11<sup>th</sup> grade who have demonstrated an interest in continuing their education in one or more STEM areas. The program is being designed and presented by a team of female faculty from biology, chemistry, engineering, and mathematics. STEM topics, activities, and research projects of interest to young women will be explored.

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 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 positioned to help further develop USI's capacity to assist in regional economic and workforce development. CAR has been a successful outreach project which enables faculty, students, and staff to engage in applied research, problem-solving, and facilitation for regional and statewide organizations and businesses. Between January 2006 and June 2008, CAR activities included:

- 188 projects identified; 78 projects completed;
- 14 projects in process or approved;
- 95 faculty and staff engaged;
- 175+ students engaged; and
- approximately \$200,000 gross revenues; over \$70,000 CAR income.

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

- **Habitat for Humanity Impact Study**

Faculty and students from sociology, social work, education, and business completed five unique studies of quality of life issues, impact on neighborhoods, and the economic benefit of 300 Habitat homes built in Evansville over three decades. This is the first comprehensive impact study completed in the nation on and for Habitat. A number of applied research articles are expected. Some faculty members have already presented findings at conferences in their fields. This report will be presented to both the Habitat board and to a broader cross section of community stakeholders including the Mayor of Evansville, Department of Metropolitan Development, donors, and others. The initial project spawned a second opportunity as Habitat partners with other organizations on a comprehensive Glenwood neighborhood redevelopment. Two faculty members are already engaged in focus groups to measure resident perceptions and concerns to shape the redevelopment efforts.

- **ALCOA**

Since 2006, a USI geology faculty member has provided oversight to both ALCOA Warrick Power Plant management and their engineering firm as they consider environmentally sound storage methods. In addition, the faculty member has provided water and other geological testing methods to ensure the designed storage methods have no negative environmental impact. As a result of this project, the Power Plant management requested a student senior design project to consider the possibility of wind power generation along its extensive Ohio River Warrick property. The student's engineering project has become a model for ALCOA Corporate to identify potential sites worldwide allowing them to plug wind data from various plants assessing viability. ALCOA hired this student upon graduation based on the quality of his senior design work.

- **Luce Township Sewer Project**

Luce Township in southern Spencer County has poor soils, flood plains, and shallow water tables resulting in failing septic systems and a need for sanitary sewers. Though a preliminary engineering report was completed in 2002, the project is at a standstill because only about 50 percent of easements by homeowners (connections) have been signed; 80 percent need to commit before the project can move forward. The Spencer County Chamber of Commerce requested USI to help the community

understand the data, consider if other more affordable opportunities existed, and help the community move forward. An engineering faculty member and the CAR director are playing the roles of “subject matter expert” in environmental engineering and facilitator of the community process. Community forums were completed in June 2008 to answer citizens’ questions and to understand their remaining concerns. This project will continue as USI facilitates the Luce Township Regional Sewer District Board through development of specific action plans.

- **Vigo Coal R&D**

Vigo Coal discovered an “interesting” large vein of coal with properties that had the potential to be patented and produce a number of new products. They hired a PhD chemist, but the coal company did not have laboratory facilities. The company approached USI to “rent” University laboratory bench space and have access to analytical testing equipment which would allow them to understand the unique properties of this coal product. In addition, they have involved two USI undergraduate chemistry students as laboratory assistants. At least one patent has been filed to date with very promising new products being developed and considered. This project began in 2007 and continues.

- **I-69 Community Development**

The impending construction of I-69 has communities considering their options. The Mayors of Petersburg, Oakland City, and Washington contracted with USI to interview leaders in similar communities located in new construction highway corridors nationwide. Two College of Business economists completed a study identifying three comparable communities, identifying economic impact, interviewing community leaders, and identifying best practices and lessons learned. The information was presented in a series of community meetings to allow the public to learn, along with county and community leaders, how they could maximize the positive impact of I-69 on their communities.

- **Latino Banking**

A bank in southwest Indiana recognized the growing Latino population of the area and has struggled to find ways to support these potential customer’s beyond remittances. They requested assistance understanding how they could serve this

immigrant population effectively. USI finance and history faculty provided an applied research report which included quantitative findings and best practices, as well as qualitative findings from interviews with local Hispanic individuals and community leaders. This project was completed in spring 2007.

- **Spencer County Tourism Impact Study**

Holiday World is the largest tourism entity in southwest Indiana. Holiday World and Spencer County Visitor's Bureau were interested in knowing the economic impact of the tourism industry on the county, as well as the regional impact. A USI economist gathered the data, developed the report, and presented the findings at a large community gathering in June 2008. This information will be used to help educate local, state, and federal agencies on the impact and needs of a major industry in Spencer County and southwestern Indiana.

- **Evansville Mayor's Office**

The Mayor's Office identified a list of seven projects to increase efficiency in city operations to offset expected cuts from changes in the state property tax system. The city expected reduced revenues of approximately \$1 million. Faculty and students are engaged in several projects which include a study of downtown parking, ambulance service, and downtown lighting. Faculty members from accounting, political science, health administration, and engineering departments are working on the project. These projects will be completed during summer and fall 2008.

### **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, nonprofit 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 newly formed Center for Human Resource Development, a unit of Extended Services, works with area organizations to enhance workforce development by creating and analyzing surveys, leading strategic planning sessions, conducting workshops and training programs, and consulting on human resource issues.

Custom designed Contract Education and Training Programs include noncredit and degree programs for regional businesses and industries such as ALCOA, Azteca, Babcock & Wilcox, Berry Plastics, Best Home Furnishings, Bristol Myers-Squibb, Gibbs Die Casting, Graham Packaging, Guardian Automotive, Indiana Tube, Infinity Plastics, Koch Enterprises, Lucent Polymers, and SABIC-IP.

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, Bristol Myers-Squibb, DSM Engineering Plastics, Ferro Corporation, Indiana Furniture, Indianapolis Power and Light, Jasper Engine Exchange, Jasper Seating Company, Kimball International, MasterBrand Cabinets, PPG Industries, OFS Styline Industries, Rio Tinto Alcan Sebree Operations, SABIC-IP, Toyota Motor Manufacturing, Indiana, University of Southern Indiana, Vectren, Weyerhaeuser Hawesville Operation, and Whirlpool Corporation. 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.

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. USI provided Six Sigma green belt training for employees from both the Mount Vernon and Barberton, Ohio facilities. Currently, USI offers French culture training for Babcock & Wilcox employees, assisting with the diversification of their business from solely military to commercial. Recently, Babcock & Wilcox became the first U.S. corporation to receive certification to construct heavy nuclear components.

### **Center for Education Services and Partnerships**

This newly-formed Center 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 18 school high schools and enrolling more than 700 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. Also, staff are participating in on-going discussions with the Center of Excellence in Leadership of Learning (CELL), other postsecondary institutions, Indiana Commission for Higher Education staff, and school corporations to help address statewide issues related to dual credit, advanced placement, and early college high schools.

Other initiatives include 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 are the Regional STEM Partnership Initiative involving all public school districts in Gibson, Posey, Vanderburgh, and Warrick Counties, a variety of professional development workshops for teachers to incorporate the inductive approach to teaching into middle and high school STEM curricula, and a two-year \$274,000 Math Science Partnership grant funding USI activities with the Evansville-Vanderburgh and Warrick County School corporations.

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 2008 programs focused on science and mathematics. The Center also manages all the campus child care and early learning facilities.

### **Connect with Southern Indiana**

Among findings of the 2000 President's Task Force on Workforce and Economic development was strong interest in USI 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 is active in helping several Ohio River communities in planning 200<sup>th</sup> 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 is partnering 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.

# QUALITY IMPROVEMENT INITIATIVES 2009-2011

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The University of Southern Indiana requests quality improvement funds to support the development of two new initiatives needed for the expansion of science, technology, engineering, and mathematics education (STEM), to increase degree attainment, and to serve regional workforce and economic development needs. The support provided will assist the University in planning and implementing new programs and strengthen the institution's commitment to service to the region and the state. Both initiatives support the Indiana Commission for Higher Education's *2008 Reaching Higher: Strategic Directions in Indiana* documents.

The funding received from the state's investment in quality improvement initiatives is critical to the University of Southern Indiana. The University's state appropriation per-FTE-Hoosier student is one of the lowest in the state. To develop new programs without start-up funding is a major challenge in light of the low institutional funding base. The investment of the state in specialized programs and initiatives allows the University of Southern Indiana to fulfill its mission to the region and the state.

The University requests quality improvement funding in 2009-2011 to support two new initiatives:

- *STEM Teaching Improvement Institute*
- *ADAPT - Affordable Degree Attainment through Professional Training*

Each of these initiatives responds directly to expressed needs for student preparedness, degree completion, and economic development and educational needs of the southwest Indiana region and the state. Quality improvement funding support for the initiatives will enable the University to develop needed programs and initiatives to respond to critical economic development and educational needs.

## **STEM TEACHING IMPROVEMENT INSTITUTE**

The University of Southern Indiana seeks funding to establish the *STEM Teaching Improvement Institute*. The Institute will provide pre-service and in-service training and professional development opportunities to increase the number of qualified teachers in science, mathematics, and technology disciplines in K-12 schools. It also will qualify these teachers for dual credit, concurrent enrollment, and Early College High School programs, thus expanding opportunities for students to earn college credit while in high school. While most participants will be teachers in southwest Indiana, the improvement in the cadre of STEM teachers will have a ripple effect throughout the state.

### **Statement of Need**

There is considerable research focusing on the lack of quality professional development/teacher education programs in science, technology, engineering, and mathematics disciplines for both pre-service and in-service teachers. The need to provide more in-depth STEM content and inquiry-based methodology at the elementary and middle school levels is often discussed. At the high school level, a lack of understanding of many STEM-based professions, as well as a lack of exposure to the application of STEM concepts to real-world situations, is often cited as a barrier to effective teaching and learning.

*A National Action Plan for Addressing the Critical Needs of the U.S. Science, Technology, Engineering, and Mathematics Education System*, published by the National Science Board (2007) begins, “The United States possesses the most innovative, technologically capable economy in the world, and yet its science, technology, engineering, and mathematics (STEM) education system is failing to ensure that all American students receive the skills and knowledge required for success in the 21<sup>st</sup> century workforce.” It stated that one of the main challenges facing the nation in constructing a strong, coordinated STEM education system is ensuring an adequate supply of well-prepared and highly effective STEM teachers.

To effectively assess the complexity of the STEM teacher shortage in America, it is important to look not only at the number of teachers, but also at teacher qualifications and effectiveness. Moreover, continuing professional development, especially in the rapidly changing fields of science, is critical for the on-going success of any STEM teacher.

## **Number of Teachers**

In *Understanding Supply and Demand Among Mathematics and Science Teachers* (2006), Ingersoll wrote that the demand for teachers has increased as student enrollments have grown and teacher retirements have increased. “More important...substantial numbers of those schools with teaching openings have experienced difficulty finding qualified candidates to fill their positions.”

In the 2006 Business-Higher Education Policy Brief, *The American Competitiveness Initiative: Addressing the STEM Teacher Shortage and Improving Student Academic Readiness*, it is asserted that, “The United States faces a critical shortage of highly qualified mathematics and science teachers that will require an additional 283,000 teachers in secondary school settings by 2015.”

Teaching, as a profession, has a high turnover rate, with mathematics and science having higher attrition than other subjects. In a study of Indiana teachers who began their career in 1994-1995, the Indiana University Center for Evaluation and Education Policy found 28 percent had left teaching after five years or less. Researchers often discuss the “graying” of today’s teacher workforce as another cause of teacher shortages. One third of Indiana teachers will be eligible to retire in five years. Forty-one percent of Indiana’s 73,000 K-12 teachers and administrators are age 50 and over; the “graying” of Indiana’s teachers is a real concern.

## **Qualifications/Licensure of Teachers**

Determining whether STEM teachers are “well-prepared” is the second component related to the supply of teachers. Nationally, it is estimated that about one-third of high school math students and two-thirds of those enrolled in physical science have teachers who did not major in the subject in college or who are not certified to teach the subject.

*No Child Left Behind (NCLB)* required states to ensure that 100 percent of all teachers teaching core academic subjects be “highly qualified” by the end of the 2006-2007 school year. Federal law states that a “highly qualified teacher” must hold at least a bachelor’s degree, obtain full state certification, and demonstrate subject-matter competency in each of the academic subjects taught.

According to Indiana’s *Revised State Extension Plan: Meeting the Highly Qualified Teacher (HQT) Goal*, submitted November 15, 2006, over 90 percent of all Indiana teachers are



“highly qualified” at the elementary, middle, and high school levels, regardless of whether or not the school achieved Adequate Yearly Progress (AYP), as mandated by NCLB. But, other reports indicate show that a significant number of Indiana science and math teachers are provisionally licensed to teach in a subject outside their major. According to the Indiana Department of Education Division of Professional Standards, more than 1,800 emergency teaching permits were issued in 2006-2007. Of the top ten subject areas for which emergency permits were issued, mathematics was third with 93 permits; life science was seventh with 50. The number of emergency permits issued in other STEM subjects were: Chemistry (29); Earth/Space Science (34), Physical Science (26), and Technical Education (11).

The National Assessment of Educational Progress (NAEP) is the “only uniform, representative, and continuous assessment of American students.” Since 1969, the National Center for Education Statistics has collected NAEP data on a sample of students in grades 4, 8, and 12. The NAEP data are reported by achievement levels, and these levels indicate the percentage of students who have reached certain levels of performance. Although Indiana often scores higher than the national average, or surrounding states, the percentage of students scoring at the “proficient” levels in mathematics and science is low. In mathematics for 2007, only 46 percent of Indiana fourth graders, and 35 percent of Indiana eighth graders performed at the proficient level. In science in 2005, only 27 percent of Indiana fourth graders and 29 percent of Indiana eighth graders were proficient. Proficient is defined as “when a student acquires competency over challenging subject matter and shows solid academic performance.”

### **Continued Professional Development/Effectiveness of Teachers**

Although there is universal agreement on the importance of quality teachers in every classroom, there is much debate about whether a “highly qualified” teacher is a highly effective or quality teacher. Jennifer Rice, in her 2008 Presidential Essay, *From Highly Qualified to High Quality: An Imperative for Policy and Research to Recast the Teacher Mold*, states, “...that having the highly qualified teacher designation is insufficient to be a high-quality teacher in some schools and in some teaching assignments.” Rice goes on to assert, “Appreciating this distinction between teacher qualifications and teacher quality is essential if we are serious about improving student performance in all schools.”

### **STEM TEACHING IMPROVEMENT INSTITUTE**

The University of Southern Indiana proposes to develop the *STEM Teaching Improvement Institute* to address factors involved in the supply of well-prepared, highly

effective STEM teachers. This multi-faceted approach will address the quantity and quality of teachers through quality improvement initiatives targeted at pre-service and in-service teachers. Significant to the state's desire to expand dual and concurrent credit courses for high school students, the Institute will provide opportunities for high school teachers to validate completion of curricula designed to provide competencies to teach college level courses. A major component of the program will target recruitment of science and mathematics undergraduate majors who may not have considered teaching as a profession.

By strengthening science and mathematics teaching skills for both pre-service and in-service teachers, the Institute ties directly to regional workforce and economic development strategies that recognize that high skill/high wage jobs demand better preparation of students in science, mathematics, and technology, in order to successfully compete in the workforce, or in postsecondary education. Current attempts at broader redesign of both STEM-related curricula and teaching strategies often fail because teachers have inadequate content preparation in science and mathematics. The ultimate goal is to produce better educated high school graduates with STEM-related skill sets and increase the number of students pursuing postsecondary degrees in one or more of the STEM disciplines. The immediate goal is to develop a program that will prepare teachers to deliver quality instruction to develop those skills.

The STEM Teaching Improvement Institute is a collaborative effort between the Pott College of Science and Engineering and the Bower-Suhrheinrich College of Education and Human Services, with strong support from the Provost and the division of Extended Services. This collaboration will ensure that both disciplinary and pedagogical factors are addressed in order to develop a strong, vibrant, and comprehensive *STEM Teaching Improvement Institute*.

### **Pre-Service Teachers**

Components of the Institute will be modeled after the highly successful UTEACH program developed by the University of Texas. At Texas, UTEACH resulted in an increase from 47 STEM teaching majors in 1997 to over 490 in 2007. Data from that ten-year period shows that UTEACH increased the quantity and quality of STEM teachers. Moreover, it showed that those who graduate from the program have increased longevity within the teaching field. As a result of this success, UTEACH has been replicated at 54 institutions around the country.

The USI program will expand on the UTEACH model. Through a specially-designed sequence of courses, undergraduate students will have the opportunity to gain early and intensive field experiences in schools, follow a newly-designed curriculum that provides increased

guidance in inquiry teaching methodologies, and interact closely with highly experienced master teachers and university faculty. The new curriculum will allow students to graduate with a degree and teacher certification within four years. The coursework, combined with excellent content knowledge and interaction with science, mathematics, and technology faculty, and instruction in STEM pedagogy will provide a solid foundation for teaching in the STEM disciplines.

This educational foundation will be enhanced with structured field experiences beginning during the students' freshman year. Master teachers, with assistance from USI faculty, will mentor the students during field experiences. Students will have increasing levels of teaching responsibility as they progress through the program.

USI STEM faculty will develop programs to engage all science and math undergraduate majors in discussions about teaching as a profession. Additionally, active recruitment of science and math majors will take place through two tuition-free one-hour courses. The intent of these courses is to attract students to STEM teaching careers. Master teachers will introduce undergraduate students to inquiry-based lessons while modeling the pedagogical concepts required to effectively teach such lessons. Undergraduate students also will have field experiences in local schools, instructing K-12 students under the guidance of Master Teachers. This will provide structured exposure to teaching, as well as enhance classroom experiences for regional K-12 students. A separate track will be developed for graduates in non-teaching science careers to "transition" into the teaching program.

### **In-Service Teachers**

USI is the lead higher education institution in regional STEM initiatives and is the southwest Indiana I-STEM Resource Center. USI has hosted workshops, conducted surveys, and coordinated professional development experiences for teachers throughout the region. Faculty and staff experience with regional school corporations makes clear the need for in-service teachers to expand content knowledge, comprehension, and application of inquiry-based learning in K-12 STEM classrooms. The second major component of the *STEM Teaching Improvement Institute* will target this need through graduate-level coursework and noncredit professional development programs in improving STEM teaching and learning.

Current graduate coursework will be redesigned to ensure that in-service teachers in STEM disciplines receive both comprehensive content knowledge and effective pedagogical methods in teaching science, mathematics, and technology in the K-12 classroom. An array of

noncredit professional development programs will be available to teachers who have already completed a graduate degree. These programs will offer Certification Renewal Units (CRUs) for license renewal. The professional development opportunities will be designed to improve subject matter knowledge, provide instruction in inquiry-based teaching strategies, assist K-12 teachers and administrators in curriculum redesign and alignment, and improve integration of technology in the classroom.

Professional development opportunities will be as accessible to in-service teachers as possible. Courses will be offered at intensive summer workshops, through distance education, and also more traditional methods. USI faculty will design courses to engage, interest, and stimulate in-service teachers with the primary objective of ensuring a high quality teacher in every classroom. Distance education tools will provide a powerful experience, allowing teachers to easily access the coursework while strengthening their technology skills and face-to-face activities will build community among teachers and Institute staff.

## **BUDGET REQUIREMENTS**

The *STEM Teaching Improvement Institute* will require the addition of six STEM teaching faculty members, one in each of these STEM disciplines: life science, earth/space science, chemistry, physical science, engineering (Project Lead the Way), and mathematics. One additional faculty member for elementary science education will be added in the second year. These faculty members will be experienced in teacher education as well as content experts in a STEM discipline. Other Institute staff assigned to the project on at least a part-time basis will include an Extended Services STEM coordinator, lab assistants, distance education instructional designers and producers, and administrative support personnel.

## **FUNDING REQUEST**

The total funding requested for the USI *STEM Teaching Improvement Institute* is \$700,000 in FY 2009-2010 and an additional \$700,000 in 2010-2011 for a total of \$1,400,000 in the second year of the biennium.

## **ADAPT**

### **Affordable Degree Attainment through Professional Training**

In the *2008 Reaching Higher with College Completion* working paper, the Indiana Commission for Higher Education charged institutions “to dramatically improve the number and timeliness of college graduates...particularly in graduating at-risk and underrepresented students in higher education.” To meet this goal, “institutions should be encouraged to be creative and experiment with piloting and implementing a variety of innovative and promising programs, practices, and processes designed to enhance and ensure a culture of college completion on campus.” Furthermore, in the *2008 Reaching Higher with Affordability* working paper, the Commission laments that “the cost of college has shifted to the student” in recent years noting that “In the 1970’s, students paid about one-third of the cost... [but] in 2005, they paid 50 percent of the cost.” Statewide, “students ... are working more than ever before” to meet the increasing costs of higher education. In Indiana, “80 percent of all students work and they work on average 30 hours per week.” The impact of increasing work hours for students is clearly stated: “While there is evidence that some work (less than 10 hours per week) does not harm a student’s academic success, evidence also suggests that students working more than 15 hours per week do not perform as well academically as others.”

The University of Southern Indiana is responsive to concerns about the affordability of higher education with a tuition level that is the lowest among four-year institutions in the four-state region of Indiana, Illinois, Kentucky, and Ohio. Even with USI’s attention to maintaining affordable tuition levels, the cost of attending is still a challenge for many students. Evidence from a 2007 National Survey of Student Engagement (NSSE) survey indicates that USI students are less likely than their peers at similar institutions (Carnegie classification) to work on campus and more likely to work more hours off campus than those same peers. Before USI students come to campus, they report working more hours while in high school than peers who attend similar institutions. Exit interviews with USI students who withdraw often take note of work-related issues for “stopping out,” which can lead to permanent withdrawal and failure to complete a degree.

USI faculty and administrative staff have been studying retention patterns for several years with the most recent effort represented by the 2007 President’s Task Force on Enrollment and Retention Management. The Task Force focused on scholarly evidence that work experience on campus is a factor that facilitates retention and degree completion. Furr and Elling

(2005) assert that “the more that students are engaged in off-campus employment, the less they are involved in critical learning experiences, such as interacting with faculty and participating in out-of-class activities. As students work more hours, they are more likely to report that their employment frequently interferes with their academic progress.” On campus employment “plugs” those students into campus networks of faculty and staff who focus on encouraging their academic success. For students who must work to help pay for their education, keeping them within the campus community helps to build stronger campus-based relationships and helps student employees develop vitally important skills for the workforce of the future.

A key finding of the 2007 President’s Task Force on Workforce and Economic Development indicates that USI should “increase its role of assisting with regional economic development through expanded leadership of economic and workforce development initiatives.” Regional employers demand graduates who are professionally prepared for the workforce, with strong written/verbal communication skills, team work/collaboration skills, analytical problem-solving and critical thinking abilities. This initiative is crucial to the further development, implementation, and long-term economic well being of the southwestern Indiana economy and a skilled workforce.

Bringing together the need to build a stronger connection with the campus community for students who must work, recognized as an ingredient for degree attainment, and the regional need to produce graduates who have the communications and other “soft” skills for the professional workplace, USI proposes the creation of a program that will help students acquire professional skills, make early progress on their degrees, and offer some substitute to long hours in off-campus employment. The mission of the ***ADAPT - Affordable Degree Attainment through Professional Training*** program will be to wrap intensive academic and career-preparatory services around those students most at-risk of failing to complete their degrees, either due to lower socio-economic status, lack of adequate academic preparation, or simply because their personal financial situation requires them to work too many hours to make adequate yearly progress toward their degree.

The specific objectives of the ***ADAPT*** program are to:

- improve the quality and quantity of on-campus work experiences;
- provide professional training for student workers;
- provide personalized academic coaching for at-risk students;
- successfully retain a larger share of working students;
- prepare a more desirable, professional workforce in the region;

- recruit and retain a larger number of 21<sup>st</sup> Century Scholars; and
- increase degree completion rates for working students.

The development of *ADAPT* will allow USI to play a leadership role in workforce development, as well as dramatically increase the success rates of this population of students.

Specific key projects will include:

- **Summer Professional Skills Academy**

Held during the third summer session, this five-week, intensive academy will provide incoming first-year students with job training and skills development. Students will be able to “jump start” their college degree, taking developmental or Core Curriculum courses during this term. Students will have programming aimed at career preparation and leadership development. They will be oriented to campus employment and paired with supervisors who will develop meaningful work experiences tailored to developing the skills and experiences needed after college in the workforce.

- **Academic Coaching Program**

Students can overcome challenges and accomplish scholastic goals with the strategies learned from a peer “academic coach.” During the academic year, intensive academic coaching will enable students to meet at least twice each month with their coach. Academic coaching puts the focus on the student, providing the skills, training, and support necessary to achieve better study habits while improving time management. By devising tailored pathways to graduation, these students will be encouraged to achieve the goal of degree completion.

- **Enhanced On-Campus Employment**

USI seeks to increase the number of students employed on campus by 20 percent each year of the 2009-2011 biennium. In addition, there will be training sessions with campus supervisors to increase the quality of on-campus employment so that student employees can develop the skills most desired by regional employers. By improving both the quality and quantity of student employment experiences, stronger ties with

the campus community are formed and those ties help students to complete their degrees.

- **21<sup>st</sup> Century Scholars Coordinator**

Based on success with GEAR UP mentors in recent years on USI's campus, there is evidence that 21<sup>st</sup> Century Scholars benefit from the additional attention mentors provide. A professional staff coordinator will make permanent the GEAR UP mentors program and permit the employment of junior and senior scholars to help mentor new scholars. By providing this opportunity for continued integration of upper-level undergraduate scholars into the academic and social fabric of the institution, the goal is to improve student learning outcomes, retention, and degree completion for this at-risk population.

## **FUNDING REQUEST**

The total funding request for *ADAPT - Affordable Degree Attainment through Professional Training* initiative is \$500,000 in FY 2009-2010 and an additional \$500,000 in FY 2010-2011 for a total of \$1,000,000 in the second year of the biennium.



**SUMMARY I**  
**SUMMARY OF 2009-11 OPERATING REQUEST**  
**UNIVERSITY OF SOUTHERN INDIANA**

<u>EXPENDITURE BUDGET CHANGES</u>	2008-09	2009-10 REQUEST			2010-11 REQUEST			TOTAL BIENNIUM
	BUDGET TOTAL (\$)	CHANGE (\$)	(%)	TOTAL (\$)	CHANGE (\$)	(%)	TOTAL (\$)	
<b>I. BASE ADJUSTMENTS</b>								
A. Enrollment Change		542,500		542,500	0		542,500	1,085,000
B. Degree Completion		486,000		486,000	0		486,000	972,000
C. On-Time Degree Completion		358,835		358,835	0		358,835	717,670
D. Appropriation Adjustment		2,000,000		2,000,000	1,000,000		3,000,000	5,000,000
SUBTOTAL		3,387,335		3,387,335	1,000,000		4,387,335	7,774,670
<b>II. PRICE INFLATION</b>								
A. Personal Services	61,567,182	0	0.0%	61,567,182	0	0.0%	61,567,182	123,134,364
B. Supplies and Expense	16,387,263	0	0.0%	16,387,263	0	0.0%	16,387,263	32,774,526
C. Student Assistance	2,878,398	0	0.0%	2,878,398	0	0.0%	2,878,398	5,756,796
SUBTOTAL	80,832,843	0		80,832,843	0		80,832,843	161,665,686
<b>III. QUALITY IMPROVEMENTS</b>								
A. STEM Teaching Improvement Institute		700,000		700,000	700,000		1,400,000	2,100,000
B. ADAPT - Affordable Degree Attainment		500,000		500,000	500,000		1,000,000	1,500,000
SUBTOTAL		1,200,000	1.5%	1,200,000	1,200,000	1.4%	2,400,000	3,600,000
<b>TOTAL EXPENDITURE BUDGET</b>	<b>80,832,843</b>	<b>4,587,335</b>	<b>5.7%</b>	<b>85,420,178</b>	<b>2,200,000</b>	<b>2.6%</b>	<b>87,620,178</b>	<b>173,040,356</b>
<b><u>INCOME BUDGET</u></b>								
<b>I. STUDENT FEES</b>								
A. Rate Change								
1. Gross Fee Base	46,665,489	0	0.0%	46,665,489	0	0.0%	46,665,489	93,330,978
2. Academic Facility Fees	(10,996,853)	(923,616)	8.4%	(11,920,469)	360,950	-3.0%	(11,559,519)	(23,479,988)
3. Other Dedicated/Restricted Fees	(6,220,075)	0	0.0%	(6,220,075)	0	0.0%	(6,220,075)	(12,440,150)
SUBTOTAL (= Net Unrestricted Fees)	29,448,561	(923,616)	-3.1%	28,524,945	360,950	1.3%	28,885,895	57,410,840
<b>II. FEDERAL FUNDS</b>								
<b>III. STATE APPROPRIATIONS</b>								
A. Operating Expense	40,387,429	4,587,335	11.4%	44,974,764	2,200,000	4.9%	47,174,764	92,149,528
B. Fee Replacement Base	10,996,853	923,616	8.4%	11,920,469	(360,950)	-3.0%	11,559,519	23,479,988
SUBTOTAL	51,384,282	5,510,951	10.7%	56,895,233	1,839,050	3.2%	58,734,283	115,629,516
<b>TOTAL INCOME BUDGET</b>	<b>80,832,843</b>	<b>4,587,335</b>	<b>5.7%</b>	<b>85,420,178</b>	<b>2,200,000</b>	<b>2.6%</b>	<b>87,620,178</b>	<b>173,040,356</b>

**SERVICES I**  
**SUMMARY OF EDUCATIONAL SERVICES FOR 2009-11 BIENNIUM**  
**UNIVERSITY OF SOUTHERN INDIANA**

	<u>2006-07 ACTUAL</u>			<u>2007-08 ESTIMATED</u>			<u>2008-09 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>
<b>EDUCATIONAL SERVICES</b>									
<b>INSTRUCTION</b>									
<b>A. On-Campus for Credit Instruction</b>									
1. Vocational/Technical	2,429,914	302	8,046	2,292,847	276	8,307	2,388,827	280	8,532
2. Baccalaureate	61,997,518	7,853	7,895	66,344,649	7,848	8,454	69,121,852	7,966	8,677
3. Graduate	4,998,680	521	9,594	5,325,323	508	10,483	5,548,242	516	10,752
<b>SUBTOTAL CREDIT INSTRUCTION</b>	<u>69,426,112</u>	<u>8,676</u>		<u>73,962,819</u>	<u>8,632</u>		<u>77,058,921</u>	<u>8,762</u>	
<b>B. On/Off Campus Non-Credit</b>	<u>797,355</u>			<u>961,278</u>			<u>895,524</u>		
<b>SUBTOTAL ALL INSTRUCTION</b>	<u>70,223,467</u>	<u>8,676</u>		<u>74,924,097</u>	<u>8,632</u>		<u>77,954,445</u>	<u>8,762</u>	
Of the above, total FTE generated by off-campus for-credit instruction									
1. Distance Education		836			867			880	
<b>RESEARCH</b>									
<b>PUBLIC SERVICE</b>									
<b>STUDENT ASSISTANCE</b>									
<b>A. Fee Remissions</b>	<u>2,258,717</u>			<u>2,444,908</u>			<u>2,878,398</u>		
<b>TOTAL EDUCATIONAL SERVICE BUDGET</b>	<u><u>72,482,184</u></u>			<u><u>77,369,005</u></u>			<u><u>80,832,843</u></u>		

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

	2008-09 Base Budget Expenditures	2009-10		2010-11	
		Projected Change \$	Total Budget	Projected Change \$	Total Budget
<b>A. <u>PERSONAL SERVICES</u></b>					
1. Salaries & Wages	45,055,934	0	45,055,934	0	45,055,934
2. Staff Benefits					
a. Retirement Programs					
(1) PERF	624,277	0	624,277	0	624,277
(2) TRF	11,854	0	11,854	0	11,854
(3) TIAA/CREF	4,791,051	0	4,791,051	0	4,791,051
b. Social Security	3,428,072	0	3,428,072	0	3,428,072
c. Life Insurance	139,803	0	139,803	0	139,803
d. Health Insurance	7,150,017	0	7,150,017	0	7,150,017
e. Employee Remitted Fees	366,174	0	366,174	0	366,174
SUBTOTAL STAFF BENEFITS	16,511,248	0	16,511,248	0	16,511,248
 TOTAL PERSONAL SERVICES	 61,567,182	 0	 61,567,182	 0	 61,567,182
<b>B. <u>SUPPLIES &amp; EXPENSES</u></b>					
1. General S & E	11,489,308	0	11,489,308	0	11,489,308
2. Energy					
a. Electricity	2,616,558	0	2,616,558	0	2,616,558
b. Natural Gas	995,372	0	995,372	0	995,372
SUBTOTAL ENERGY	3,611,930	0	3,611,930	0	3,611,930
3. Utilities					
a. Water	102,036	0	102,036	0	102,036
b. Sewer	266,083	0	266,083	0	266,083
SUBTOTAL UTILITIES	368,119	0	368,119	0	368,119
4. Property & Liability Insurance	917,906	0	917,906	0	917,906
 TOTAL SUPPLIES & EXPENSES	 16,387,263	 0	 16,387,263	 0	 16,387,263
 SUBTOTAL	 77,954,445	 0	 77,954,445	 0	 77,954,445
<b>C. <u>STUDENT ASSISTANCE</u></b>	<b>2,878,398</b>	<b>0</b>	<b>2,878,398</b>	<b>0</b>	<b>2,878,398</b>
 GRAND TOTAL BASE BUDGET	 80,832,843	 0	 80,832,843	 0	 80,832,843

**EXPENDITURES II-A  
FACULTY INSTRUCTIONAL WORKLOAD AND COMPENSATION TABLE - FALL 2007  
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	203	53.70%	187.86	705.30	2,067.70	49,655.00
2. Non-Tenure-Track, Full-Time Faculty	110	n.a.	127.91	395.10	1,252.10	31,267.00
3. Part-Time Faculty						
a. Adjunct Faculty	258	n.a.	129.58	519.60	1,411.60	38,264.00
b. Graduate Assistants	0	n.a.	0.00	0.00	0.00	0.00
<b>SUBTOTAL -- Part-Time Faculty</b>	<b>258</b>	<b>n.a.</b>	<b>129.58</b>	<b>519.60</b>	<b>1,411.60</b>	<b>38,264.00</b>
<b>SUBTOTAL -- Faculty</b>	<b>571</b>	<b>n.a.</b>	<b>445.35</b>	<b>1,620.00</b>	<b>4,731.40</b>	<b>119,186.00</b>
4. Other Instructors	36	n.a.	n.a.	101.10	167.10	3,242.00
<b>TOTAL -- Faculty and Other Instructors</b>	<b>607</b>	<b>n.a.</b>	<b>445.35</b>	<b>1,721.10</b>	<b>4,898.50</b>	<b>122,428.00</b>

**EXPENDITURES II-B  
BREAKDOWN OF SECTIONS BY INSTRUCTIONAL FORMAT - FALL 2007  
UNIVERSITY OF SOUTHERN INDIANA**

Sections taught by Means of Group Instruction	1,661.00
Equivalent Sections Generated through Individualized Instruction	60.10
Equivalent Sections Generated by Theses and Dissertations	0.00
<b>Total Number of Sections and Equivalent Sections</b>	<b>1,721.10</b>

**EXPENDITURES V  
 PRIORITIZED QUALITY IMPROVEMENT INITIATIVES  
 UNIVERSITY OF SOUTHERN INDIANA**

<b>Priority</b>	<b>Initiative</b>	<b>2009-10 Projected Changes Total Dollars</b>	<b>2010-11 Projected Changes Total Dollars</b>
1. STEM Teaching Improvement Institute	Provide training and professional development opportunities to increase the number of qualified teachers in science, mathematics, and technology disciplines in K-12 schools.	700,000	700,000
2. ADAPT - Affordable Degree Attainment Through Professional Training	Increase degree attainment through intensive academic and career-preparatory services for at-risk students.	500,000	500,000
	<b>Total</b>	<b>1,200,000</b>	<b>1,200,000</b>

EXPENDITURES V (A)  
 QUALITY IMPROVEMENT INITIATIVE PERFORMANCE MEASUREMENT  
 UNIVERSITY OF SOUTHERN INDIANA

1. STEM Teaching Improvement Institute

The University of Southern Indiana seeks funding to establish the STEM Teaching Improvement Institute. Teaching as a profession, has a high turnover rate, with mathematics and science having higher attrition than other subjects. In a study of Indiana teachers who began their career in 1994-1995, the Indiana University Center for Evaluation and Education Policy found 28 percent had left teaching after five years or less and one third of Indiana teachers will be eligible to retire in five years. Forty-one percent of Indiana's 73,000 K-12 teachers and administrators are age 50 and over.

The STEM Teaching Improvement Institute will provide pre-service and in-service training and professional development opportunities to increase the number of qualified teachers in science, mathematics, and technology disciplines in K-12 schools. The Institute also will address the factors involved in the supply of well-prepared, highly effective STEM teachers. A major component of the program will target recruitment of science and mathematics majors who may not have considered teaching as a profession. With the quality improvement funds requested, the University plans to:

Provide training and professional development opportunities to increase the number of qualified teachers in science, mathematics, and technology disciplines in K-12 schools. The Institute will provide opportunities for high school teachers to validate completion of curricula to teach dual credit, concurrent enrollment, and Early College High School Programs.

Increase the supply of well-prepared, highly qualified effective STEM teachers through participation in the STEM Teaching Improvement Institute.

Develop programs to engage and actively recruit science and mathematics undergraduate majors to consider teaching in the STEM disciplines as a profession.

The STEM Teaching Improvement Institute will increase the number of qualified teachers in STEM disciplines in K-12 schools and the number undergraduates majoring in teaching in STEM disciplines. The following funds are requested:

	<u>2009-2010 Projected Change</u>	<u>2010-2011 Projected Change</u>
<i>Funding Request for 2009-2011:</i>	\$700,000	\$700,000

EXPENDITURES V (A)  
QUALITY IMPROVEMENT INITIATIVE PERFORMANCE MEASUREMENT  
UNIVERSITY OF SOUTHERN INDIANA

2. ADAPT - Affordable Degree Attainment through Professional Training

The University of Southern Indiana requests funding to develop the ADAPT - Affordable Degree Attainment through Professional Training program. In the *2008 Reaching Higher with College Completion* working paper, the Indiana Commission for Higher Education charged institutions “to dramatically improve the number and timeliness of college graduates...particularly in graduating at-risk and underrepresented students in higher education.” To meet this goal, “institutions should be encouraged to be creative and experiment with piloting and implementing a variety of innovative and promising programs, practices, and processes designed to enhance and ensure a culture of college completion on campus.”

The mission of the ADAPT - Affordable Degree Attainment through Professional Training program is to wrap intensive academic and career-preparatory services around those students most at-risk of failing to complete their degrees, either due to lower socio-economic status, lack of adequate academic preparation, or simply because their personal financial situation requires them to work too many hours to make adequate yearly progress toward their degree.

The specific objectives of the ADAPT program are to:

- improve the quality and quantity of on-campus work experiences;
- provide professional training for student workers;
- provide personalized academic coaching for at-risk students;
- successfully retain a larger share of working students;
- prepare a more desirable, professional workforce in the region;
- recruit and retain a larger number of 21<sup>st</sup> Century Scholars; and
- increase degree completion rates for working students.

The development of the ADAPT - Affordable Degree Attainment through Professional Training program will allow the University to play a leadership role in workforce development, as well as dramatically increase the success rates of students most at-risk of failing to complete their degrees. The following funds are requested:

	<u>2009-2010 Projected Change</u>	<u>2010-2011 Projected Change</u>
<i>Funding Request for 2009-2011:</i>	\$500,000	\$500,000





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

a. Resident											
b. Non-Resident											
	SUBTOTAL	0	0	0	0	0	0	0	0	0	0
<b>**TOTAL STUDENT AID**</b>		1,568	2,258,717	1,598	2,444,908	1,594	2,878,398	1,594	2,878,398	1,594	2,878,398
<b><u>RECAP</u></b>											
	Resident Student Aid	1,213	1,422,676	1,217	1,471,923	1,213	1,811,810	1,213	1,811,810	1,213	1,811,810
	Non-Resident Student Aid	355	836,041	381	972,985	381	1,066,588	381	1,066,588	381	1,066,588
<b>**TOTAL STUDENT AID**</b>		1,568	2,258,717	1,598	2,444,908	1,594	2,878,398	1,594	2,878,398	1,594	2,878,398

**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 2009-10 and 2010-11.**

**EXPENDITURES X-A  
 CHANGING CAMPUS EXPENDITURE ADJUSTMENT  
 FOR ENROLLMENT CHANGE  
 2009-11 BIENNIUM  
 UNIVERSITY OF SOUTHERN INDIANA**

	<u>4 Year Average 2004-08</u>	<u>Actual 2006-07</u>	<u>Estimated 2007-08 (1)</u>	<u>Budgeted 2008-09 (2)</u>	<u>Projected 2009-10 (2)</u>	<u>4 Year Average 2006-10</u>
<b>A. Indiana Resident FTE Enrollment</b>						
1. Undergraduate		7,404	7,394	7,505	7,618	
2. Graduate/Professional		376	377	383	389	
<b>B. Reciprocity Non-Resident FTE Enrollment</b>						
1. Undergraduate		286	283	287	291	
2. Graduate/Professional		40	37	38	39	
<b>C. Total Eligible FTE Enrollment (A+B)</b>	8,032	8,106	8,091	8,213	8,337	8,187
<b>D. FTE Enrollment Change</b>						
1. Line C: 2006-10 4-Year Average FTE	8,187					
2. Line C: 2004-08 4-Year Average FTE	8,032					
3. Enrollment Change	155					
4. Adjustment Amount Per FTE	\$3,500					
5. Adjustment	\$542,500					

Note (1): The data for 2007-08 is preliminary. The data submitted on the SIS tape will vary slightly from the data presented on this schedule.

Note (2): The projected FTE enrollment for 2008-09 and 2009-10 is based on a 1.5% 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**

	Contract Year	Number of Employees Enrolled in FY 2007 or Most Recent Contract Year	Total Covered Lives in FY 2007 or Most Recent Contract Year	Premium Cost	University Contribution	
					\$	%
<b><u>HEALTH CARE PLANS</u></b>						
Per plan						
Per type of plan (I.e., single, employee and spouse, family)						
<b><u>Anthem Blue Access 200</u></b>	1/1/07 - 12/31/07	560	1,105			
Employee				409.00	306.75	75%
Employee + Child				779.00	584.25	75%
Employee + Spouse				1,033.16	774.87	75%
Family				1,137.74	853.31	75%
<b><u>Anthem Blue Access 500</u></b>	1/1/07 - 12/31/07	241	533			
Employee				349.44	306.46	87.7%
Employee + Child				668.54	586.31	87.7%
Employee + Spouse				886.32	777.30	87.7%
Family				976.26	856.18	87.7%
<b><u>Welborn HMO</u></b>	1/1/07 - 12/31/07	142	269			
Employee				312.10	234.08	75%
Employee + Child				602.66	452.00	75%
Employee + Spouse				669.26	501.95	75%
Family				938.86	704.15	75%
<b><u>DENTAL PLANS</u></b>						
<b><u>Health Resources, Inc.</u></b>	1/1/07 - 12/31/07	943	1,907			
Employee				22.18	16.64	75%
Employee + Child				54.98	41.24	75%
Employee + Spouse				46.58	34.94	75%
Family				80.34	60.26	75%
<b><u>VISION PLANS</u></b>						
<b><u>Spectera</u></b>	1/1/07 - 12/31/07					
Employee		268	N/A	7.70	0.00	0%
Employee + Child				15.20	0.00	0%
Employee + Spouse				14.50	0.00	0%
Family				22.85	0.00	0%
<b><u>Other Pharmaceutical/Benefit Managers*</u></b>						
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 both Blue Access Plans.

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

	Total Institutional Expenditures <sup>1</sup>					2007-08
	2002-03	2003-04	2004-05	2005-06	2006-07	
<b>Total Medical Paid Claims</b>	1,586,904	2,224,538	2,161,077	668,376 <sup>4</sup>	901,636 <sup>4</sup>	Data not available until
<b>Hospital Inpatient</b>	594,429	1,065,186 <sup>3</sup>	1,338,551 <sup>3</sup>	986,091 <sup>3</sup>	1,092,151 <sup>3</sup>	October 2008.
<b>Hospital Outpatient</b>	883,934	711,231 <sup>3</sup>	992,864 <sup>3</sup>	996,613 <sup>3</sup>	1,173,250 <sup>3</sup>	
<b>Professional Services</b>				1,644,361 <sup>3</sup>	1,755,445 <sup>3</sup>	
<b>Physician Services - Non-Surgery</b>						
<b>Physician Services - Surgery</b>						
<b>Home Health Services</b>						
<b>Mental Health Services</b>						
<b>Dental</b>	324,068	414,318	511,762	409,411	416,704	
<b>Vision</b>						
<b>LTC/Nursing Home</b>						
<b>Prescription Drugs/Pharmaceuticals</b>	859,654	982,717	1,029,592	1,190,884	1,460,964	
<b>Totals</b>	4,248,989 <sup>2</sup>	5,397,990 <sup>2</sup>	6,033,846 <sup>2</sup>	5,895,736 <sup>2</sup>	6,800,150 <sup>2</sup>	

**Note:**

<sup>1</sup> Total plan expenditures for fiscal year or plan year. If plan year, please indicate beginning and ending dates. Total institutional expenditures includes university share of expenditures, excludes employee copays and deductibles. Multicampus institutions may submit one schedule covering all institutional expenditures.

<sup>2</sup> Items not covered for fully insured plans: Administrative costs and plan rider for Human Organ Transplant coverage.

<sup>3</sup> Anthem plans only, information cannot be reported separately for Welborn HMO.

<sup>4</sup> Anthem now breaks out professional services. This number only reflects Welborn medical claims.

Plan Year: Reported expenditures are for each plan's experience year - August through July.

**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: 1/1/2008 - 12/31/2008  
Renewal date: 1/1/2009

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  
UNIVERSITY OF SOUTHERN INDIANA**

<u>Campus</u>	<u>Year</u>	<u>Baccalaureates Conferred (Resident, Unduplicated)</u>	<u>Average Baccalaureates Conferred 2001-02 to 2002-03 2005-06 to 2006-07</u>	<u>Change in Average Baccalaureates Conferred</u>	<u>Change x \$4,000</u>
USI	2001-02	900	879		
	2002-03	858			
	2005-06	952	1,001	122	486,000
	2006-07	1,049			

<u>Campus</u>	<u>Year</u>	<u>Associates Conferred (Resident, Unduplicated)</u>	<u>Average Associates Conferred 2001-02 to 2002-03 2005-06 to 2006-07</u>	<u>Change in Average Associates Conferred</u>	<u>Change x \$3,500</u>
USI	2001-02				
	2002-03				
	2005-06				
	2006-07				

**EXPENDITURES XIV  
ON-TIME DEGREES DETAIL  
BACCALAUREATE AND ASSOCIATE DEGREES  
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	2001-02	1,577	211	13.4%		
	2002-03				4.3%	358,835
	2003-04	1,669	296	17.7%		

<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 \$2,500</u>
USI	2001-02					
	2002-03					
	2003-04					

**INCOME I**  
**GROSS STUDENT FEE REVENUE ANALYSIS**  
**UNIVERSITY OF SOUTHERN INDIANA**

	2006-07 (Actual)		2007-08 (Estimated)		Base Year 2008-09 (Budgeted)		2009-10 (Projected)		2010-11 (Projected)	
	Unrestricted	Restricted/ Auxiliary	Unrestricted	Restricted/ Auxiliary	Unrestricted	Restricted/ Auxiliary	Unrestricted	Restricted/ Auxiliary	Unrestricted	Restricted/ Auxiliary
<b>I. BUDGET INFORMATION</b>										
<b>A. Instructional and Academic Facilities Fee Revenue</b>										
1. Resident										
a. Undergraduate	28,856,048		30,124,553		30,845,074		30,845,074		30,845,074	
b. Graduate	2,277,349		2,566,816		2,628,210		2,628,210		2,628,210	
2. Non-Resident										
a. Undergraduate	4,783,174		5,538,418		5,670,885		5,670,885		5,670,885	
b. Graduate	151,778		211,496		216,555		216,555		216,555	
<b>SUBTOTAL</b>	<b>36,068,349</b>		<b>38,441,283</b>		<b>39,360,724</b>		<b>39,360,724</b>		<b>39,360,724</b>	
<b>B. Other Fees</b>										
1. Continuing Education	148,163		157,610		137,100		137,100		137,100	
2. Special Course Fees (Lab)	806,365		846,212		730,040		730,040		730,040	
3. Incidental Student Fees	172,318		170,472		153,300		153,300		153,300	
4. Medical Education Students	73,966		77,929		64,250		64,250		64,250	
<b>SUBTOTAL</b>	<b>1,200,812</b>		<b>1,252,223</b>		<b>1,084,690</b>		<b>1,084,690</b>		<b>1,084,690</b>	
<b>C. Gross Unrestricted Fees</b>	<b>37,269,161</b>		<b>39,693,506</b>		<b>40,445,414</b>		<b>40,445,414</b>		<b>40,445,414</b>	
<b>D. Academic Facilities Fees Contained in (A)</b>										
1. Debt Service	5,901,601		9,173,076		10,996,853		11,920,469		11,559,519	
2. Coverage or Reserve Requirements										
<b>SUBTOTAL</b>	<b>5,901,601</b>		<b>9,173,076</b>		<b>10,996,853</b>		<b>11,920,469</b>		<b>11,559,519</b>	
<b>E. Net Unrestricted Fees</b>	<b>31,367,560</b>		<b>30,520,430</b>		<b>29,448,561</b>		<b>28,524,945</b>		<b>28,885,895</b>	
<b>F. Other Dedicated Fee Revenue</b>										
1. Student Activities										
a. Student Programs		1,265,987		1,245,413		1,298,104		1,298,104		1,298,104
b. Student Publications		14,365		14,365		14,365		14,365		14,365
c. Intercollegiate Athletics		1,005,167		1,072,975		1,225,220		1,225,220		1,225,220
d. Student Service Fee		49,603		51,916		68,070		68,070		68,070
2. Performance Facilities										
a. University Center		1,152,627		1,556,438		1,831,373		1,831,373		1,831,373
b. Fitness Center Financing Reserve		572,674		579,916		552,943		552,943		552,943
3. Technology Fee		1,304,044		1,265,778		1,230,000		1,230,000		1,230,000
<b>SUBTOTAL</b>		<b>5,364,467</b>		<b>5,786,801</b>		<b>6,220,075</b>		<b>6,220,075</b>		<b>6,220,075</b>
<b>G. GROSS FEE BASE</b>		<b>42,633,628</b>		<b>45,480,307</b>		<b>46,665,489</b>		<b>46,665,489</b>		<b>46,665,489</b>

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



**INCOME II**  
**DEBT SERVICE ON CAPITAL PROJECTS, 2009-11 BIENNIUM**  
**UNIVERSITY OF SOUTHERN INDIANA**

	<u>2006-07</u> Actual	<u>2007-08</u> Actual	<u>2008-09</u> Budget	<u>2009-10</u> Requested	<u>2010-11</u> Requested
<b>I. <u>Projects Eligible for Fee Replacement</u></b>					
<b>Acts of 1953 or 1965</b>					
<b>Existing Debt Service: Permanently Scheduled</b>					
A. Series D (1)	835,000	835,000	835,000	835,000	835,000
B. Series F (1)	1,318,970	1,315,493	1,318,970	1,315,575	1,319,938
C. Series H (1)	2,061,738	2,062,638	2,060,431	2,060,063	2,063,275
D. Series I (1)	1,636,393	4,692,431	4,694,519	4,688,081	3,878,956
<b>Existing Debt Service: Interim &amp; Variable Rate</b>					
A. Interim Financing: Gen Classroom Bldg (2)	49,500	267,514	582,660		
<b>New Debt Service:</b>					
A. College of Business/Gen Classroom Bldg (3)			1,505,273	3,021,750	3,022,350
B. Teaching Theatre - Replacement Project (4)					440,000
<b>SUBTOTAL</b>	<b>5,901,601</b>	<b>9,173,076</b>	<b>10,996,853</b>	<b>11,920,469</b>	<b>11,559,519</b>
<b>Acts of 1927 or 1929</b>					
<b>Existing Debt Service: Permanently Scheduled</b>					
<b>Existing Debt Service: Interim &amp; Variable Rate</b>					
<b>New Debt Service:</b>					
<b>SUBTOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL DEBT SERVICE</b>	<b>5,901,601</b>	<b>9,173,076</b>	<b>10,996,853</b>	<b>11,920,469</b>	<b>11,559,519</b>

- (1) The permanently scheduled projects eligible for fee replacement represents 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; and the David L Rice Library Student Fee Bonds, Series I of 2004.
- (2) 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.
- (3) Budget Agency Number G-0-05-1-01-P. The College of Business/General Classroom Building project received an additional \$29,900,000 in bonding authorization in the 2007-2009 Biennial Budget. The University anticipates issuing debt totaling \$36,375,000 in January 2009 to refund the interim financing issued in fiscal year 2007 and to finance the construction of the College of Business/General Classroom Building. Assumes a 20-year debt at 5.50%.
- (4) Budget Agency Number G-0-09-1-01. Bonding authorization for \$8,000,000 for the Teaching Theatre - Replacement Project is requested in the 2009-2011 Capital Improvement Budget Request. Assumes a 20-year debt at 5.50%.

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

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

II. **TOTAL AMOUNT OF SERIES D BONDS ISSUED AS OF 6/30/2008:**     \$2,362,432

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		4,669,652	4,669,652
1995	0	10-01-94	923,899	923,899	24,678,101		894,805	894,805
1996	210,000	10-01-95	920,224	1,130,224	24,468,101		1,507	1,507
1997	775,000	10-01-96	902,018	1,677,018	23,693,101		1,003	1,003
1998	800,000	10-01-97	871,486	1,671,486	22,893,101		874	874
1999	840,000	10-01-98	838,161	1,678,161	22,053,101		864	864
2000	860,000	10-01-99	802,131	1,662,131	21,193,101		1,115	1,115
2001	1,070,000	10-01-00	759,084	1,829,084	20,123,101		899	899
2002	1,491,824	10-01-01	986,527	2,478,351	18,631,277		5,736	5,736
2003	1,505,030	10-01-02	973,893	2,478,923	17,126,247		105	105
2004	13,044,042	10-01-03	956,981	14,001,023	4,082,205		575	575
2005	473,920	10-01-04	366,080	840,000	3,608,285		584	584
2006	444,738	10-01-05	395,262	840,000	3,163,547		1,500	1,500
2007	414,060	10-01-06	420,940	835,000	2,749,488		1,570	1,570
2008	387,056	10-01-07	447,944	835,000	2,362,432		4,700	4,700
2009	363,768	10-01-08	471,232	835,000	1,998,664			
2010	341,540	10-01-09	493,460	835,000	1,657,124			
2011	320,364	10-01-10	514,636	835,000	1,336,759			
2012	300,216	10-01-11	534,784	835,000	1,036,544			
2013	283,666	10-01-12	551,334	835,000	752,877			
2014	265,438	10-01-13	569,562	835,000	487,439			
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 6/30/2008: \$6,020,000

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		1,334,261	1,334,261	
1999	635,000	10-01-98	682,868	7,338	1,325,206		618	618	
2000	690,000	10-01-99	628,108	0	1,318,108		815	815	
2001	715,000	10-01-00	600,174	0	1,315,174		656	656	
2002	745,000	10-01-01	570,423	0	1,315,423		2,031	2,031	
2003	780,000	10-01-02	538,770	0	1,318,770		85	85	
2004	815,000	10-01-03	504,868	0	1,319,868		310	310	
2005	850,000	10-01-04	468,645	0	1,318,645		1,011	1,011	
2006	890,000	10-01-05	429,920	0	1,319,920		2,230	2,230	
2007	930,000	10-01-06	388,970	0	1,318,970		4,655	4,655	
2008	970,000	10-01-07	345,493	0	1,315,493		6,675	6,675	
2009	1,020,000	10-01-08	298,970	0	1,318,970				
2010	1,070,000	10-01-09	245,575	0	1,315,575				
2011	1,135,000	10-01-10	184,938	0	1,319,938				
2012	1,195,000	10-01-11	120,863	0	1,315,863				
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 6/30/2008: \$20,645,000**

**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		1,533,705	1,533,705
2003	0	10-01-02	1,221,238	1,221,238	25,260,000		122,391	122,391
2004	855,000	10-01-03	1,206,275	2,061,275	24,405,000		477	477
2005	885,000	10-01-04	1,175,825	2,060,825	23,520,000		1,694	1,694
2006	920,000	10-01-05	1,143,088	2,063,088	22,600,000		3,350	3,350
2007	955,000	10-01-06	1,106,738	2,061,738	21,645,000		3,760	3,760
2008	1,000,000	10-01-07	1,062,638	2,062,638	20,645,000		2,570	2,570
2009	1,045,000	10-01-08	1,015,431	2,060,431	19,600,000			
2010	1,090,000	10-01-09	970,063	2,060,063	18,510,000			
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 6/30/2008: \$40,290,000

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
2004	0	0	0	0	0	46,265,000		4,953,100	4,953,100
2005	950,000	10-01-04	1,837,381	(1,449,925)	1,337,456	45,315,000		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		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		232,210	232,210
2008	2,605,000	10-01-07	2,087,431		4,692,431	40,290,000		1,900	1,900
2009	2,710,000	10-01-08	1,984,519		4,694,519	37,580,000			
2010	2,825,000	10-01-09	1,863,081		4,688,081	34,755,000			
2011	2,140,000	10-01-10	1,738,956		3,878,956	32,615,000			
2012	2,250,000	10-01-11	1,629,206		3,879,206	30,365,000			
2013	2,365,000	10-01-12	1,513,831		3,878,831	28,000,000			
2014	2,485,000	10-01-13	1,387,922		3,872,922	25,515,000			
2015	2,620,000	10-01-14	1,250,725		3,870,725	22,895,000			
2016	2,765,000	10-01-15	1,106,003		3,871,003	20,130,000			
2017	2,085,000	10-01-16	975,659		3,060,659	18,045,000			
2018	2,195,000	10-01-17	862,006		3,057,006	15,850,000			
2019	2,315,000	10-01-18	743,619		3,058,619	13,535,000			
2020	2,440,000	10-01-19	618,800		3,058,800	11,095,000			
2021	2,570,000	10-01-20	490,500		3,060,500	8,525,000			
2022	2,700,000	10-01-21	358,750		3,058,750	5,825,000			
2023	2,840,000	10-01-22	220,250		3,060,250	2,985,000			
2024	2,985,000	10-01-23	74,625		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 is \$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 was 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 were 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: College of Business/General Classroom Building and Related Physical Plant Expansion

II. TOTAL PROJECTED AMOUNT OF BONDS ISSUED AS OF 6/30/2008: \$6,475,000

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
2007	0	06-30-07	49,500	49,500	6,600,000			
2008	125,000	10-01-07	142,514	267,514	6,475,000			
2009	0	10-01-08	1,125,478	1,125,478	36,375,000			
2010	1,050,000	10-01-09	1,971,750	3,021,750	35,325,000			
2011	1,110,000	10-01-10	1,912,350	3,022,350	34,215,000			
2012	1,170,000	10-01-11	1,849,650	3,019,650	33,045,000			
2013	1,235,000	10-01-12	1,783,513	3,018,513	31,810,000			
2014	1,310,000	10-01-13	1,713,525	3,023,525	30,500,000			
2015	1,385,000	10-01-14	1,639,413	3,024,413	29,115,000			
2016	1,460,000	10-01-15	1,561,175	3,021,175	27,655,000			
2017	1,540,000	10-01-16	1,478,675	3,018,675	26,115,000			
2018	1,630,000	10-01-17	1,391,500	3,021,500	24,485,000			
2019	1,720,000	10-01-18	1,299,375	3,019,375	22,765,000			
2020	1,820,000	10-01-19	1,202,025	3,022,025	20,945,000			
2021	1,925,000	10-01-20	1,099,038	3,024,038	19,020,000			
2022	2,030,000	10-01-21	990,275	3,020,275	16,990,000			
2023	2,145,000	10-01-22	875,463	3,020,463	14,845,000			
2024	2,265,000	10-01-23	754,188	3,019,188	12,580,000			
2025	2,395,000	10-01-24	626,038	3,021,038	10,185,000			
2026	2,530,000	10-01-25	490,600	3,020,600	7,655,000			
2027	2,675,000	10-01-26	347,463	3,022,463	4,980,000			
2028	2,825,000	10-01-27	196,213	3,021,213	2,155,000			
2029	2,155,000	10-01-28	59,263	2,214,263	0			

The University received bonding authorization for \$6,600,000 in the 2005-2007 Biennial Budget for architectural planning and design of the College of Business/General Classroom Building project, as well as expansion of the Physical Plant and completion of the lower level of the Education Center. An additional \$29,900,000 in bonding authorization was received in the 2007-2009 Biennial Budget. The University anticipates issuing debt totalling \$36,375,000 in January 2009 to refund the interim financing issued in fiscal year 2007 and to finance the construction of the College of Business/General Classroom Building. The amortization schedule above assumes a 20-year debt at 5.50% beginning in January 2009.

**BACKGROUND I-A  
OVERVIEW OF SOURCES OF REVENUE & EXPENDITURES BY CATEGORY  
2007-08 BUDGETED DATA  
UNIVERSITY OF SOUTHERN INDIANA**

	Legislative Budget <u>(1)</u>	Reconciliation <u>(2)</u>	General Fund Budget <u>(3)=(1)+(2)</u>	Designated & Restricted Funds <u>(4)</u>	Auxiliary Enterprises <u>(5)</u>	TOTAL ALL FUNDS <u>(6)=(3)+(4)+(5)</u>
<b><u>REVENUE</u></b>						
Student Tuition/Fees: Gross Fee Base	28,612,527		28,612,527	15,059,986		43,672,513
State Appropriation - Operating	37,675,499		37,675,499			37,675,499
State Appropriation - Debt Service	9,488,222		9,488,222			9,488,222
State Appropriation - Line Item Appropriation					565,184	565,184
Administrative and Indirect Cost Recovery		480,685	480,685			480,685
Sales and Service		1,378,850	1,378,850	1,974,358	21,259,793	24,613,001
Investment, Endowment, and Other Income		500,000	500,000	74,000		574,000
Other Revenue				3,609,156	6,913,682	10,522,838
<b>TOTAL REVENUE</b>	<b>75,776,248</b>	<b>2,359,535</b>	<b>78,135,783</b>	<b>20,717,500</b>	<b>28,738,659</b>	<b>127,591,942</b>
<b><u>EXPENDITURES</u></b>						
<b>PERSONAL SERVICES</b>						
Salaries & Wages	41,914,753	1,792,021	43,706,774			
Retirement - PERF Program	600,870		600,870			
Retirement - TRF Program	12,150		12,150			
Retirement - TIAA Program	4,419,753		4,419,753			
Social Security	3,184,836		3,184,836			
Life Insurance	132,750		132,750			
Health/Medical Insurance	6,910,635		6,910,635			
Employee Remitted Fees	374,833		374,833			
<b>Total Personal Services</b>	<b>57,550,580</b>	<b>1,792,021</b>	<b>59,342,601</b>	<b>1,806,675</b>	<b>4,677,001</b>	<b>65,826,277</b>
<b>SUPPLIES &amp; EXPENSES</b>						
General S & E	11,212,659	567,514	11,780,173			
Energy	3,228,703		3,228,703			
Utilities	351,346		351,346			
Property & Liability Insurance	917,906		917,906			
<b>Total Supplies &amp; Expenses</b>	<b>15,710,614</b>	<b>567,514</b>	<b>16,278,128</b>	<b>18,675,579</b>	<b>23,405,717</b>	<b>58,359,424</b>
<b>STUDENT ASSISTANCE</b>	<b>2,515,054</b>		<b>2,515,054</b>	<b>84,417</b>		<b>2,599,471</b>
<b>TOTAL EXPENDITURES</b>	<b>75,776,248</b>	<b>2,359,535</b>	<b>78,135,783</b>	<b>20,566,671</b>	<b>28,082,718</b>	<b>126,785,172</b>

**BACKGROUND I-B  
OVERVIEW OF SOURCES OF REVENUE & EXPENDITURES BY CATEGORY  
2008-09 BUDGETED DATA  
UNIVERSITY OF SOUTHERN INDIANA**

	Legislative Budget <u>(1)</u>	Reconciliation <u>(2)</u>	General Fund Budget <u>(3)=(1)+(2)</u>	Designated & Restricted Funds <u>(4)</u>	Auxiliary Enterprises <u>(5)</u>	TOTAL ALL FUNDS <u>(6)=(3)+(4)+(5)</u>
<b><u>REVENUE</u></b>						
Student Tuition/Fees: Gross Fee Base	29,448,561		29,448,561	17,216,928		46,665,489
State Appropriation - Operating	40,387,429		40,387,429			40,387,429
State Appropriation - Debt Service	10,996,853		10,996,853			10,996,853
State Appropriation - Line Item Appropriation					576,488	576,488
Administrative and Indirect Cost Recovery		693,300	693,300			693,300
Sales and Service		1,380,124	1,380,124	2,288,773	21,472,387	25,141,284
Investment, Endowment, and Other Income		350,000	350,000	74,000		424,000
Other Revenue				3,881,619	7,255,868	11,137,487
<b>TOTAL REVENUE</b>	<b>80,832,843</b>	<b>2,423,424</b>	<b>83,256,267</b>	<b>23,461,320</b>	<b>29,304,743</b>	<b>136,022,330</b>
<b><u>EXPENDITURES</u></b>						
<b>PERSONAL SERVICES</b>						
Salaries & Wages	45,055,934	1,845,826	46,901,760			
Retirement - PERF Program	624,277		624,277			
Retirement - TRF Program	11,854		11,854			
Retirement - TIAA Program	4,791,051		4,791,051			
Social Security	3,428,072		3,428,072			
Life Insurance	139,803		139,803			
Health/Medical Insurance	7,150,017		7,150,017			
Employee Remitted Fees	366,174		366,174			
<b>Total Personal Services</b>	<b>61,567,182</b>	<b>1,845,826</b>	<b>63,413,008</b>	<b>1,968,833</b>	<b>5,170,376</b>	<b>70,552,217</b>
<b>SUPPLIES &amp; EXPENSES</b>						
General S & E	11,489,308	577,598	12,066,906			
Energy	3,611,930		3,611,930			
Utilities	368,119		368,119			
Property & Liability Insurance	917,906		917,906			
<b>Total Supplies &amp; Expenses</b>	<b>16,387,263</b>	<b>577,598</b>	<b>16,964,861</b>	<b>21,190,706</b>	<b>23,516,617</b>	<b>61,672,184</b>
<b>STUDENT ASSISTANCE</b>	<b>2,878,398</b>		<b>2,878,398</b>	<b>93,134</b>		<b>2,971,532</b>
<b>TOTAL EXPENDITURES</b>	<b>80,832,843</b>	<b>2,423,424</b>	<b>83,256,267</b>	<b>23,252,673</b>	<b>28,686,993</b>	<b>135,195,933</b>



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

	<u>Outstanding Principal June 30, 2007</u>	<u>Outstanding Principal June 30, 2008</u>	<u>Outstanding Principal June 30, 2009</u>	<u>Estimated Outstanding Principal June 30, 2010</u>	<u>Estimated Outstanding Principal June 30, 2011</u>
<b>I. <u>Projects Eligible for Fee Replacement</u></b>					
<b>ACTS OF 1953 OR 1965</b>					
Existing Debt: Permanently Scheduled (1)	74,279,488	69,317,432	64,178,664	58,852,124	54,111,760
Existing Debt: Interim & Variable Rate (2)	1,600,000	6,475,000			
<b>SUBTOTAL</b>	<b>75,879,488</b>	<b>75,792,432</b>	<b>64,178,664</b>	<b>58,852,124</b>	<b>54,111,760</b>
<b>New Debt:</b>					
A. College of Business/Gen Classroom Bldg (3)			36,375,000	35,325,000	34,215,000
B. Teaching Theatre - Replacement Project (4)					8,000,000
<b>SUBTOTAL</b>	<b>0</b>	<b>0</b>	<b>36,375,000</b>	<b>35,325,000</b>	<b>42,215,000</b>
<b>ACTS OF 1927 OR 1929</b>					
Existing Debt: Permanently Scheduled					
Existing Debt: Interim & Variable Rate					
<b>SUBTOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL</b>	<b>75,879,488</b>	<b>75,792,432</b>	<b>100,553,664</b>	<b>94,177,124</b>	<b>96,326,760</b>

- (1) Permanently scheduled existing debt includes Series D capital appreciation bonds, Series F, Series H, and Series I.
- (2) 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.
- (3) Budget Agency Number G-0-05-1-01-P. The College of Business/General Classroom Building project received an additional \$29,900,000 in bonding authorization in the 2007-2009 Biennial Budget. The University anticipates issuing debt totaling \$36,375,000 in January 2009 to refund the interim financing issued in fiscal year 2007 and to finance the construction of the College of Business/General Classroom Building.
- (4) Budget Agency Number G-0-09-1-01. Bonding authorization for \$8,000,000 for the Teaching Theatre - Replacement Project is requested in the 2009-2011 Capital Improvement Budget Request. The total project is estimated to cost \$15,000,000 in both fee replacement and non-fee replacement funds.

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

	<u>Outstanding Principal June 30, 2007</u>	<u>Outstanding Principal June 30, 2008</u>	<u>Outstanding Principal June 30, 2009</u>	<u>Estimated Outstanding Principal June 30, 2010</u>	<u>Estimated Outstanding Principal June 30, 2011</u>
<b>II. <u>Projects Not Eligible for Fee Replacement</u></b>					
<b>ACTS OF 1927 OR 1929</b>					
<b>Existing Debt: Permanently Scheduled</b>					
A. Auxiliary System Revenue Bonds (Series 2001A) (1)	17,685,000	16,575,000	15,410,000	14,185,000	12,900,000
B. Auxiliary System Revenue Bonds (Series 2001B) (1)	10,000,000				
C. Auxiliary System Revenue Bonds (Series 2003) (1)	7,435,000	7,135,000	6,825,000	6,510,000	6,185,000
D. Auxiliary System Revenue Bonds (Series 2008A) (2)		9,800,000	9,600,000	9,400,000	9,200,000
E. Recreation and Fitness Center Bonds (Series G) (3)	3,900,000	3,700,000	3,500,000	3,200,000	2,900,000
F. Series I (Refunded Series E) (4)	2,695,000	2,450,000	2,190,000	1,920,000	1,640,000
G. Recreation and Fitness Center Expansion - Phase II (5)	2,275,000	7,250,000	6,963,872	6,723,702	6,472,291
<b>SUBTOTAL</b>	<b>43,990,000</b>	<b>46,910,000</b>	<b>44,488,872</b>	<b>41,938,702</b>	<b>39,297,291</b>
<b>New Debt:</b>					
A. University Center Expansion (6)			13,750,000	13,350,000	12,930,000
B. Teaching Theatre - Replacement Project (7)					7,000,000
<b>SUBTOTAL</b>	<b>0</b>	<b>0</b>	<b>13,750,000</b>	<b>13,350,000</b>	<b>19,930,000</b>
<b>TOTAL</b>	<b>43,990,000</b>	<b>46,910,000</b>	<b>58,238,872</b>	<b>55,288,702</b>	<b>59,227,291</b>

(1) Auxiliary System Revenue Bonds, Series 2001A and 2001B, were issued 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 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 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 to refund outstanding Series E bonds issued in 1995 for the first University Center Expansion project.

(5) Budget Agency Number G-0-05-1-02.

(6) Budget Agency Number G-0-03-2-01.

(7) Budget Agency Number G-0-09-1-01. Bonding authorization for the Teaching Theatre - Replacement Project is requested in the 2009-2011 Capital Improvement Budget Request. The total project is estimated to cost \$15,000,000, of which \$7,000,000 will be non-fee replacement funds.

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

	2006-07		2007-08		2008-09		2009-10		2010-11	
	Actual		Actual		Base Budget		Projected		Projected	
	Awards	\$	Awards	\$	Awards	\$	Awards	\$	Awards	\$
<b>I. BUDGET INFORMATION</b>										
<b>A. <u>Undergraduate Fee Remissions</u></b>										
a. Resident										
b. Non-Resident										
**Total Undergraduate Fee Remissions**	0	0	0	0	0	0	0	0	0	0
<b>B. <u>Graduate Fee Remissions</u></b>										
a. Resident	6	25,389	5	31,379	5	43,748	5	43,748	5	43,748
b. Non-Resident	1	17,997	1	13,801						
**Total Graduate Fee Remissions**	7	43,386	6	45,180	5	43,748	5	43,748	5	43,748
<b>C. <u>Faculty and Staff Courtesy Fee Remissions</u></b>										
1. Employed Faculty or Staff	183	147,216	157	142,033	157	157,630	157	157,630	157	157,630
2. Spouses	24	18,273	29	26,577	29	28,660	29	28,660	29	28,660
3. Dependents of Faculty and Staff	100	130,664	103	124,451	103	136,136	103	136,136	103	136,136
**Total Courtesy Fee Remissions**	307	296,153	289	293,061	289	322,426	289	322,426	289	322,426
<b>D. <u>Other Special Fee Remissions</u></b>										
***TOTAL SPECIAL FEE REMISSIONS***	314	339,539	295	338,241	294	366,174	294	366,174	294	366,174

**II. EXPLANATIONS**

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

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

	<u>2005-06 Actual</u>	<u>2006-07 Actual</u>	<u>2007-08 Estimated</u>	<u>2008-09 Projected</u>	<u>2009-10 Projected</u>	<u>2010-11 Projected</u>
<b>I. ANNUAL HEADCOUNT</b>						
<b>A. Undergraduate</b>						
1. Indiana Resident	9,837	9,889	9,955	10,104	10,256	10,410
2. Non-Resident	652	668	643	653	663	673
3. Reciprocity Non-Resident	413	432	428	434	441	448
<b>B. Graduate/Professional</b>						
1. Indiana Resident	786	816	825	837	850	863
2. Non-Resident	194	201	188	191	194	197
3. Reciprocity Non-Resident	75	73	78	79	80	81
<b>TOTAL</b>	<b>11,957</b>	<b>12,079</b>	<b>12,117</b>	<b>12,298</b>	<b>12,484</b>	<b>12,672</b>
<b>II. ANNUAL FULL-TIME EQUIVALENT (FTE) STUDENTS</b>						
<b>A. Undergraduate</b>						
1. Indiana Resident	7,269	7,404	7,394	7,505	7,618	7,732
2. Non-Resident	485	465	447	454	461	468
3. Reciprocity Non-Resident	267	286	283	287	291	295
<b>B. Graduate/Professional</b>						
1. Indiana Resident	367	376	377	383	389	395
2. Non-Resident	109	105	94	95	96	97
3. Reciprocity Non-Resident	45	40	37	38	39	40
<b>TOTAL</b>	<b>8,542</b>	<b>8,676</b>	<b>8,632</b>	<b>8,762</b>	<b>8,894</b>	<b>9,027</b>
<b>III. ANNUAL DISTANCE EDUCATION/CORRESPONDENCE FTE</b>						
<b>A. Undergraduate Resident and Reciprocity</b>	534	563	579	588	597	606
<b>B. Graduate/Professional Resident and Reciprocity</b>	144	154	166	168	171	174
<b>C. Undergraduate Nonresident</b>	49	42	45	46	47	48
<b>D. Graduate/Professional Nonresident</b>	80	77	77	78	79	80
<b>Memo: FTE attributable to dual credit instruction included above</b>	56	65	93	94	95	96

Note: The data for 2007-08 is preliminary. The data submitted on the SIS tape may vary from the data presented on this schedule.  
The projected data for 2008-09, 2009-10, and 2010-11 is based on a 1.5% enrollment increase assumption.

**BACKGROUND VII**  
**COMPETITIVELY AWARDED SPONSORED RESEARCH EXPENDITURES AND UNIVERSITY GENERAL FUND SUPPORT OF THAT RESEARCH**  
**UNIVERSITY OF SOUTHERN INDIANA**

	2003-2004 Actual	2004-2005 Actual	2005-2006 Actual	2006-2007 Actual	2007-2008 Projected	2008-2009 Estimated	2009-2010 Estimated
<b>I. Competitively Awarded Sponsored Research Expenditures<sup>1</sup></b>							
<b>A. Federal</b>	24,128	28,328	1,471	392	-	-	-
<b>B. Industry</b>							
<b>C. Private Foundation (not affiliated with the institution)</b>	868		6,436	7,749	-	-	-
<b>D. Other</b>	185,283	138,248	310,659	212,484	241,034	250,000	260,000
<b>E. Total</b>	210,279	166,576	318,566	220,624	241,034	250,000	260,000
<b>Increase in Competitively Awarded Sponsored Research Expenditures</b>		(43,703)	151,990	(97,942)	20,409	8,966	10,000

**Notes:**

1. Provide a complete list of all competitively awarded sponsored research expenditures by category for fiscal years 2006 and 2007. Each grant listed should specify grantor, identification number, descriptive title, and amount expended during the appropriate fiscal year.

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

	2008-09 Budget Total	2009-10 Request			2010-11 Request		
		Increase	%	Total	Increase	%	Total
<b><u>HISTORIC NEW HARMONY</u></b>							
State General Funds	576,488	38,048	6.6%	614,536	38,716	6.3%	653,252
Other Revenues							
New Harmony Operations	211,391	0	0.0%	211,391	0	0.0%	211,391
Gifts and Grants	196,871	0	0.0%	196,871	0	0.0%	196,871
University Support	273,776	(292)	-0.1%	273,484	172	0.1%	273,656
Subtotal Other Revenues	682,038	(292)	0.0%	681,746	172	0.0%	681,918
<b>TOTAL</b>	<b>1,258,526</b>	<b>37,756</b>	<b>3.0%</b>	<b>1,296,282</b>	<b>38,888</b>	<b>3.0%</b>	<b>1,335,170</b>

# **LINE ITEM REQUEST HISTORIC NEW HARMONY**

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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.

As a National Historic Landmark District, designated 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 which would 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 inactivity for 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 recent 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.

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 which was founded in 1974 to develop an organizational and financial base. With the support of the Lilly Endowment, Historic New Harmony, Inc. was able to purchase and restore 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 over 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, which is *"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 that 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. Over the years the Unified Program has worked well. The increased number of educational programs attracts many additional tourists and scholars to this important living museum. The approximately 40,000 people who visit New Harmony annually include nearly 8,000 school children from Indiana, Kentucky, and Illinois schools. New programs are continually being developed to attract new audiences. In 2009, New Harmony's role in the establishment of the Smithsonian Institution will be 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. August 18, 2007, was the third year for



*Wabash Heritage Paddlefest*, an event geared toward families that celebrates the Wabash River and regional history. In addition to the educational programming, the New Harmony Gallery of Contemporary Art 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, is Indiana's only Actors Equity theatre outside of Indianapolis, and 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 upkeep 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 Fauntleroy 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 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. 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, and 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 as well. 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 many 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, 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 2007-2009. The University requests continued funding of the line item appropriation for Historic New Harmony in the 2009-2011 biennium to support the preservation, education, and interpretive programs of this state and national treasure.

	<b>2009-2010</b>	<b>2010-2011</b>
	<b><u>Request</u></b>	<b><u>Request</u></b>
<b>Base Appropriation</b>	\$614,536	\$653,252

Funding the University's 2009-2011 Line Item Budget Request will allow the University to continue to provide the programming and ongoing maintenance of Historic New Harmony.



CONSOLIDATION OF BUDGET REQUEST

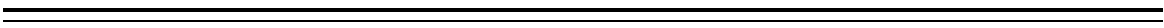
State Form 21707(R) Rev. 6-86

Budget Agency Form B-13

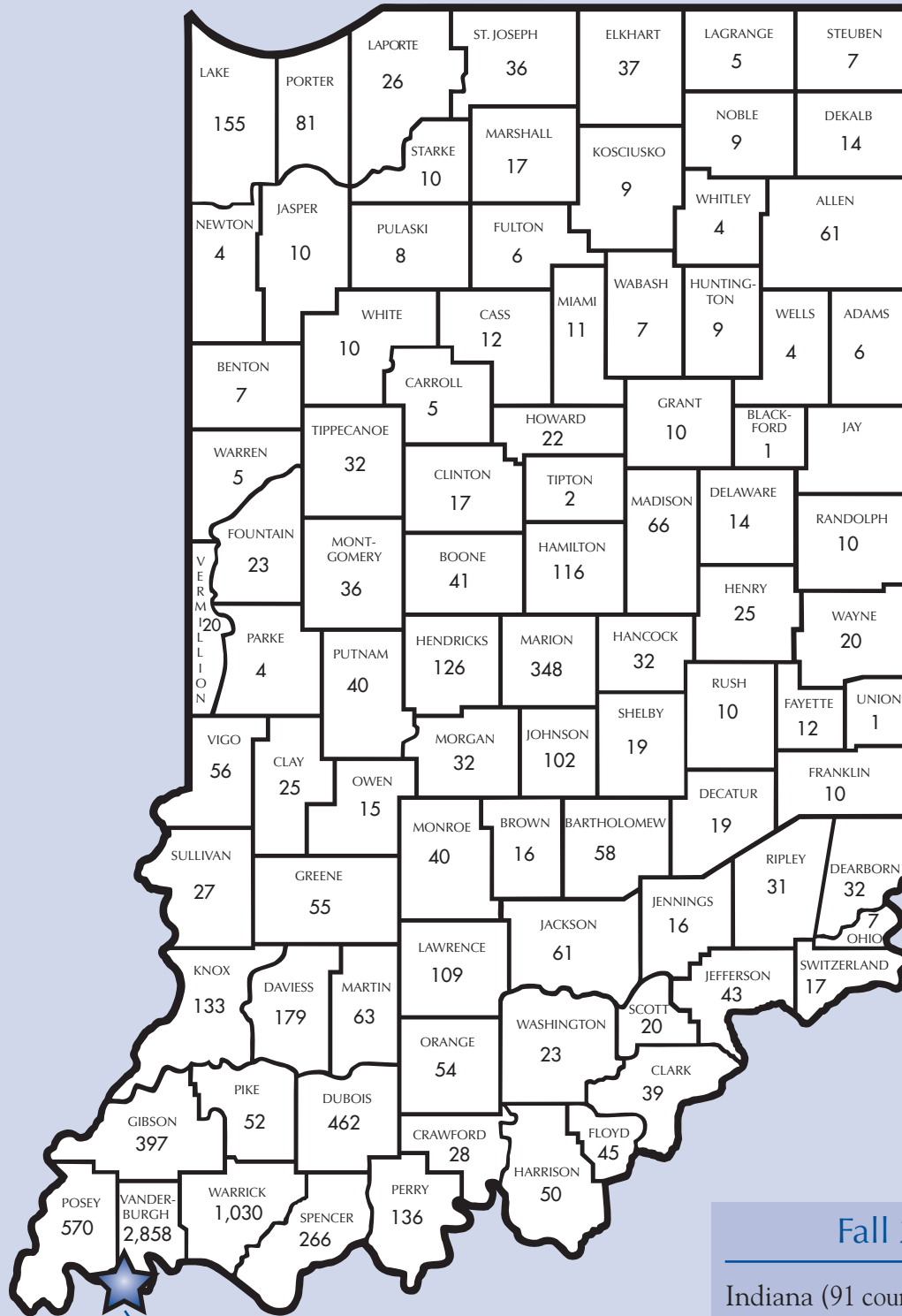
Agency Name	UNIVERSITY OF SOUTHERN INDIANA	Page 1 of 1
Unit Name	Historic New Harmony	
Acct. Number		Historic New Harmony

(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 06-07	FY 07-08	FY 08-09	FY 08-09	FY 09-10	FY 10-11	FY 09-10	FY 10-11
<b>.1 Personal Services</b>								
Base Budget (Forward to B-6)	557,101	593,951	640,130		640,130	659,334		
Increases:								
2009-10					19,204			
2010-11						19,780		
<b>.4 Supplies/Materials/Parts</b>								
Base Budget (Forward to B-6)	515,521	576,556	495,796		495,796	510,670		
Increases:								
2009-10					14,874			
2010-11						15,320		
<b>.5 Equipment</b>								
Base Budget (Forward to B-6)	111,781	141,385	105,300		105,300	108,459		
Increases:								
2009-10					3,159			
2010-11						3,254		
<b>.8 Travel</b>								
Base Budget (Forward to B-6)	16,905	19,048	17,300		17,300	17,819		
Increases:								
2009-10					519			
2010-11						534		
<b>GRAND TOTAL</b>	<b>1,201,308</b>	<b>1,330,940</b>	<b>1,258,526</b>		<b>1,296,282</b>	<b>1,335,170</b>		

# **STUDENT PROFILE**



# HOME COUNTIES OF USI STUDENTS (FALL 2007)

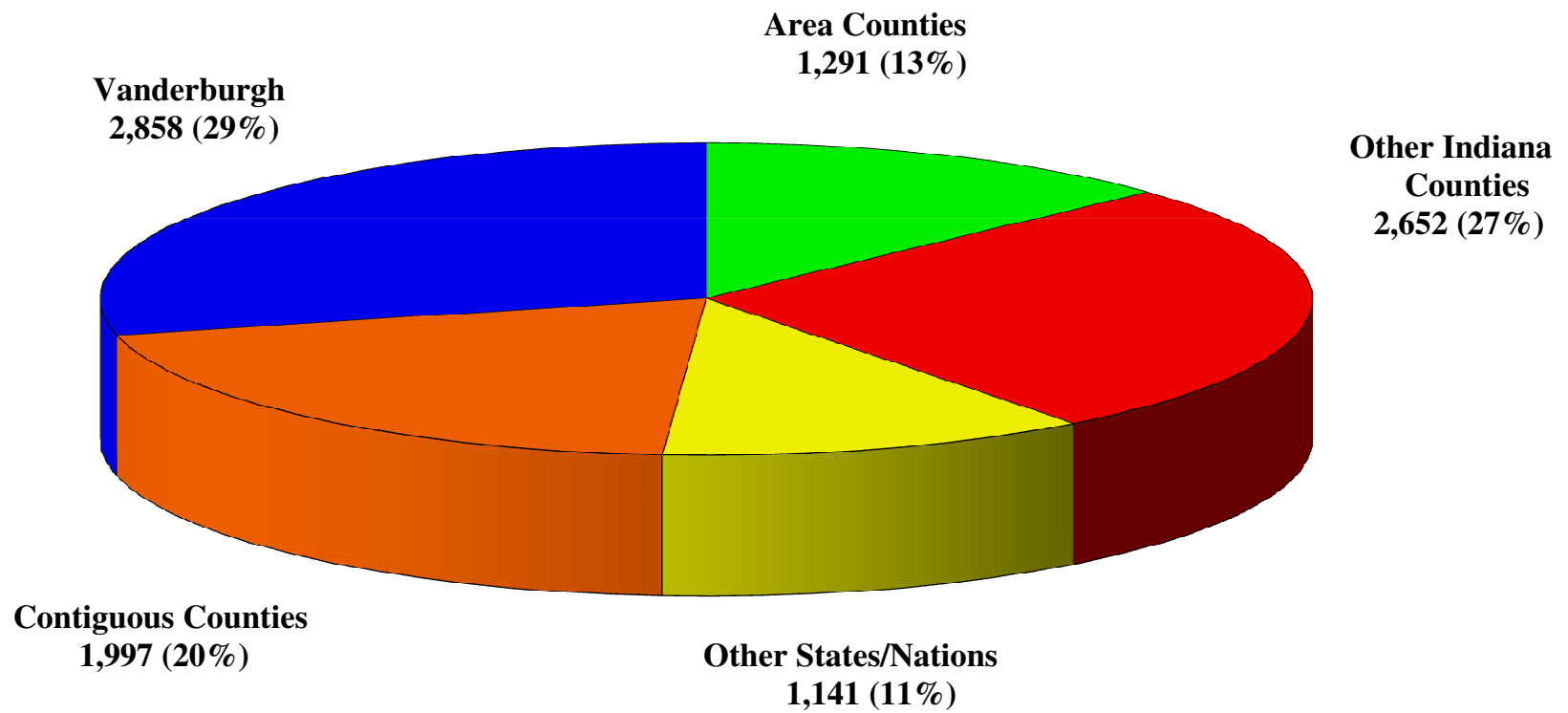


University of Southern Indiana

## Fall 2007

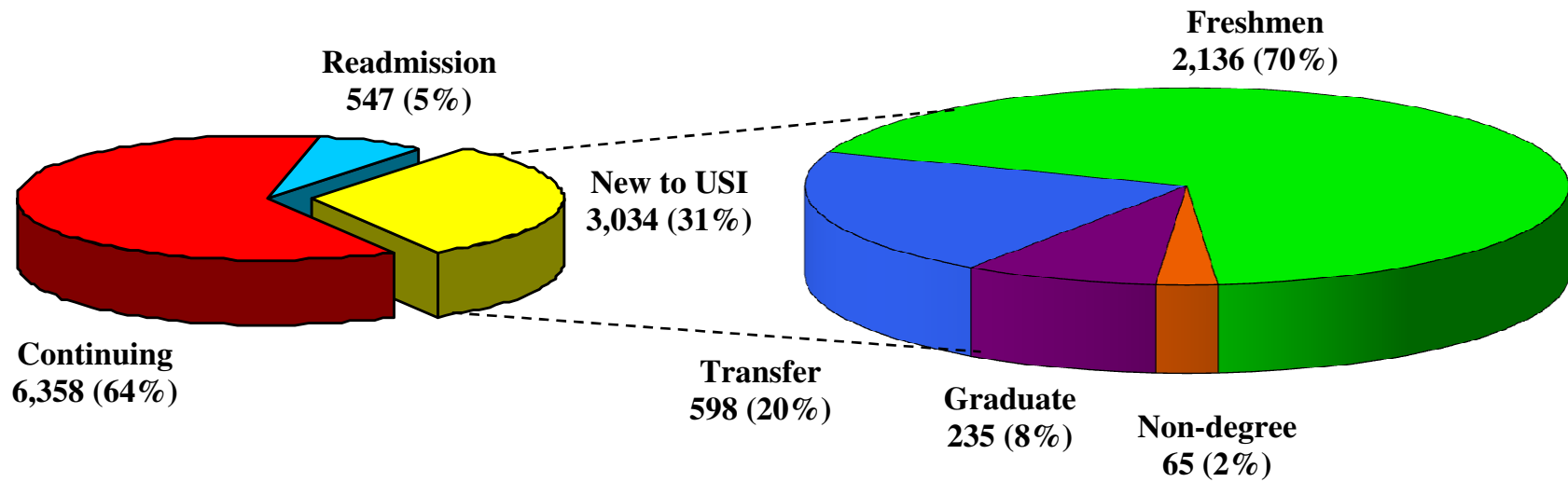
Indiana (91 counties)	8,798
Out-of-State (35 states)	1,026
International (44 countries)	115
<b>Total Enrollment</b>	<b>9,939</b>

**UNIVERSITY OF SOUTHERN INDIANA  
GEOGRAPHICAL AREA  
ENROLLMENT FALL 2007**





# UNIVERSITY OF SOUTHERN INDIANA REGISTRATION TYPES FALL ENROLLMENT 2007



**UNIVERSITY OF SOUTHERN INDIANA  
STUDENT MAJORS BY COLLEGES  
FALL SEMESTER 2007**

