The Board of Trustees of the University of Southern Indiana met on Thursday, November 1, 2012, in Carter Hall on the USI campus. Present were Chair Ted C. Ziemer Jr. and Trustees Ira G. Boots; W. Harold Calloway; John M. Dunn; Susan E. Ellsperman ’13; Jeffrey L. Knight; Amy MacDonell; and Ronald D. Romain ’73. Trustee Kenneth L. Sendelweck ’76 was absent. Mr. Knight left the meeting following the President’s Report. Also in attendance were President Linda L. M. Bennett; Provost Ronald S. Rochon; Vice President for Finance and Administration Mark Rozewski; Vice President for Government and University Relations Cynthia S. Brinker; Faculty Senate Chair Paul Parkison; and Student Government Association President Sarah Krampe.

Chair Ziemer called the meeting to order at 1:05 p.m.

SECTION 1 – GENERAL AND ACADEMIC MATTERS

A. APPROVAL OF MINUTES OF SEPTEMBER 6, 2012, MEETING

On a motion by Mr. Boots, seconded by Mr. Romain, the minutes of the September 6, 2012, meeting of the Board of Trustees were approved.

B. ESTABLISHMENT OF NEXT MEETING DATE, TIME, LOCATION

Mr. Ziemer called on Vice President Brinker, who reported the next meeting of the Board of Trustees is scheduled for Thursday, January 10, 2013, in Indianapolis. The southwestern Indiana legislative delegation will be invited to a reception with the Trustees on Wednesday, January 9, 2013.

C. REPORT OF THE LONG-RANGE PLANNING COMMITTEE

The Long-Range Planning Committee met prior to the Board of Trustees meeting on November 1, 2012. Mr. Ziemer called on Committee Chair Jeff Knight for a report. Mr. Knight reported the Committee heard a report about an ecological preserve established on land owned by the USI Foundation. The preserve, on property south of Broadway Avenue, will support and advance the scientific and educational purposes of USI. Provost Rochon added that the use of the land for a preserve was approved by the USI Foundation Board of Directors at its meeting in September 2012. The area includes 730 acres and two lakes, and will be available for study and research for students in biology, geology, and chemistry.

D. PRESIDENT’S REPORT

President Bennett began her report by noting today’s agenda includes approval of candidates for degrees to be conferred during commencement exercises on Saturday, December 8, 2012. She asked Vice President Brinker to review the schedule for Commencement. Ms. Brinker reported that approximately 600 students are eligible to participate in two ceremonies. The first ceremony will be held at 10 a.m., followed by lunch and the second ceremony at 1 p.m. She expressed appreciation for the Trustees’ participation in Commencement. President Bennett recognized the work required of various University departments to make Commencement a special and meaningful day for graduates and their families.

The president reported she recently attended the annual meeting of the American Association of State Colleges and Universities (AASCU), where student retention and student success were important topics, along with the message that success requires an intentional, structured, and pro-active approach. Dr. Bennett noted USI is involved in such an approach to improve retention and graduation rates. The AASCU meeting also
emphasized the importance of advising. USI’s advising initiative, begun in fall 2012, is designed to improve advising for first-year students. Another important theme was “inspect, don't just expect”. While it is good to raise expectations, an institution also must collect and review data to make successful decisions.

President Bennett referred the Trustees to a data dashboard titled Student Profile: Fall 2012. She noted slight improvement in freshman retention rates and the need for additional improvement. She reported approximately 30 percent of USI freshmen hope to be accepted into the highly selective nursing program, noting that some retention issues result from such selectivity. Related to graduation rates, the dashboard reveals another small uptick, which must continue. Dr. Bennett pointed out the number of degrees awarded is noteworthy because in fall 2012, the University enrolled over 1,800 freshmen, and also in 2012, it awarded 1,841 degrees. Thus, the number of incoming students equals the number of degrees awarded. She commented that when she recently spoke to the Indiana Commission for Higher Education about the University’s budget needs, she told the Commissioners USI needs formulas that measure how many degrees are awarded instead of relying only on traditional graduation rate measures. At USI, students transfer in, transfer out, stop out for a semester or more, or enroll in the middle of an academic year – all of which prevent their being counted as traditional first-time, full-time, degree seeking students. The formula that measures number of degrees awarded correctly identifies all successful students. Dr. Bennett referred the Trustees to additional information in the data dashboard, a document that continues the pattern of providing the Board with data related to important issues facing the University.

Dr. Bennett called on Provost Rochon, who introduced Dean Ann White and Assistant Dean Mayola Rowser of the College of Nursing and Health Professions for a report on the USI-Glenwood Community Health Center. Dr. White gave an overview of the project, which began with discussions of key stakeholders, the development of physical space for the Center through the Evansville Vanderburgh School Corporation, and a grant opportunity through Health Resource Services Administration (HERSA). Other partners were St. Mary’s Medical Center and Southwest Indiana Behavioral Health. USI was awarded a five-year, $1.3 million grant in July 2011 to support staff, supplies, and equipment for Health Centers. In July 2012, USI received second year funding of $268,000 as a result of reaching the year-one benchmarks established in the grant proposal. The grant also includes the implementation of an electronic medical record system.

Dr. Rowser described the services of the USI-Glenwood Community Health Center, housed at Glenwood Leadership Academy (GLA). The Center provides well-child visits, immunizations, and acute and chronic disease management. It has served 363 patients since opening in January 2012. Three objectives for the Center are:

- to provide additional access to health care in an underserved area;
- to provide health promotion and disease prevention education for students at GLA, the Glenwood neighborhood, and the community; and
- to give nursing and health professions students an opportunity to provide health care to a diverse population and engage in service learning activities.

Dr. White discussed the importance of identifying additional sources of revenue beyond the original grant. She noted revenue generation is a challenge when patients pay on a sliding scale and 84 percent are uninsured. Future sources of income include billing insurance providers when possible, partnering with managed care organizations, and identifying additional grants and new partners. Future plans include the opening of a second Community Health Center at Cedar Hall School in January 2013, interprofessional education and collaboration opportunities, and a new partnership with the Community Action Program of Evansville (CAPE). Dr. White concluded by saying the College of Nursing and Health Professions is dedicated to making the Community Health Center project a success for the community as well as for USI students and faculty. President Bennett noted the partnership between USI and Glenwood is mutually beneficial to the University and the community and an example of the positive impact of USI in the Evansville area.

President Bennett asked Sarah Krampe, president of the Student Government Association (SGA), for a report. Ms. Krampe reported SGA has and continues to actively recruit new members. The organization held a retreat in September, when individuals and committees established goals and initiatives. Some of the initiatives include improving functionality and reliability of bus shuttles, working toward the goal of becoming a 24 x 7 campus, and creating more community space in student housing. SGA travel grants are awarded to students who represent USI at national conferences and competitions. This year has seen an increase in grant applications and SGA encourages students to pursue these opportunities. In October, SGA was a partner in sponsoring National Collegiate Alcohol Awareness Week and sponsored a Council of Presidents meeting of student leaders of many campus organizations. Ms. Krampe concluded her report by stating the overall goal of SGA is to establish and maintain connections with USI students.
Dr. Bennett called on Dr. Paul Parkison, chair of Faculty Senate, for a report. Dr. Parkison reported the Senate facilitated a vote of the entire faculty to amend the Constitution of the Faculty, for which approval of the Board will be sought later in the agenda. The Senate forwarded proposed language related to nepotism to the President’s Council for review, and assisted the Promotions Taskforce by coordinating open forum sessions with each college to discuss issues regarding faculty promotion to full-professor. Recommendations have been sent to the provost related to summer pay and reimbursement; a semi-monthly pay schedule; providing overload compensation at 13 hours; language for inclusion in the University Handbook for clinical faculty appointment and promotion; and a recommendation from the Graduate Council to revise the graduate governance process and faculty review. Web sites have been developed to provide the Promotions Taskforce and the Core Implementation Taskforce with public forums for their work. The Senate’s standing committees have convened and were provided with charges from the Senate. Dr. Parkison concluded by reporting important charges before the Senate, including:

- Impact of the 120 credit hour graduation requirement on student academic standing and transfer articulation;
- Impact of administrative assignment for promotion of faculty to full-professor;
- Clarification of “Affiliate Faculty” status; and
- Clarification of “Conditional Faculty Reappointment” process.

President Bennett reported a very successful organizational meeting for the first USI collegiate Girl Scout troop was recently held for students and staff interested in a campus Girl Scout organization. A turnout of 44 students (24 others expressed interest but were unable to attend) and six USI staff members interested in advising or supporting the troop. Working with regional Girl Scout leadership, the goal is for the organization to engage women in the campus community in the values of Girl Scouting and to reach out to other young women in the area. Dr. Bennett noted the positive response was evidence of USI student interest in service opportunities.

The Board of Trustees, at its meeting in July 2012, previewed initial work on the University's "Get the Edge" marketing campaign, which is now visible in the community and beyond following a recent campaign launch. President Bennett noted the campaign is not about creating a catchy phrase or logo – it is about a way to communicate what USI already does. It is not about creating an image -- it is about clarifying the image and communicating it effectively. Dr. Bennett called on Vice President Brinker, who reviewed the internal and external launches, both of which were important to the success of the campaign. On October 23, 2012, the internal launch attracted 300 students and staff to Carter Hall for music, entertainment, a writing wall, and "Get the Edge" shirts, pennants, and cookies. The purpose of the internal launch was to share the message first with the University community. Three speakers – Matthew Rust ’14; Dr. Kent Scheller, associate professor of physics; and Tracy Zeller ’89 – shared their stories about how at USI they and others "Get the Edge". President Bennett and special guest Evansville Mayor Lloyd Winnecke shared remarks about what it means to "Get the Edge" at USI. The internal launch laid the groundwork for the external launch of boulevard banners, billboards, logo items, and a new look for ads, USI publications, and the University web site. Vice President Brinker played a "Get the Edge" video, prepared for use by the Office of Admission by Fire and Rain of Evansville, and gave each Trustee an assortment of "Get the Edge" logo items.

E. APPROVAL OF AMENDMENT TO THE CONSTITUTION OF THE FACULTY

Mr. Ziemer called on Provost Rochon to review an amendment to the Constitution of the Faculty. Provost Rochon reported the proposed amendment is required to reorganize the Faculty Senate as a result of the reorganization of USI’s academic colleges.

On a motion by Mr. Calloway, seconded by Ms. MacDonell, the proposed amendment to the Constitution of the Faculty in Exhibit I-A was approved.

F. APPROVAL OF CANDIDATES FOR DEGREES

Mr. Ziemer called on Provost Rochon, who recommended approval of the candidates for degrees listed in Exhibit I-B.

On a motion by Mr. Calloway, seconded by Ms. Ellisperman, the award of degrees presented in Exhibit I-B, subject to the completion of all requirements, was approved.
SECTION II – FINANCIAL MATTERS

A. REPORT OF THE FINANCE/AUDIT COMMITTEE

The Finance/Audit Committee met prior to the Board meeting on November 1, 2012. Mr. Ziemer called on Committee Chair Harold Calloway for a report. Mr. Calloway reported the Committee reviewed the audited Financial Statements for the fiscal year ending June 30, 2012, and received updates about the VEBA Trust and the Series K Bond Issue.

B. REPORT OF STUDENT FINANCIAL ASSISTANCE

Mr. Ziemer called on Vice President Rozewski, who introduced Director of Student Financial Assistance Mary Harper for a summary of the report in Exhibit II-A. Ms. Harper began by reporting the Student Financial Assistance office served 13,412 enrolled and prospective students in 2011-2012, and 8,867 students received a total of $80,548,149 in aid. She shared information about the sources of aid, including federal, state, institutional, USI Foundation, and USI Varsity Club. She reviewed changes in funding levels from 2010-2011 to 2011-2012, including a decrease in federal aid. She reported on changes in Pell Grants, Stafford Loans, and the Parent Plus program.

Ms. Harper compared the national average undergraduate debt of $26,600 to the average of USI's Class of 2011, which was $19,429. She reported USI has the lowest total average debt of any institution in Indiana, public or private. She shared default rates for 2008, 2009, and 2010, and noted the USI student default rate is well below the state and national rates.

C. REPORT OF HEALTH INSURANCE RENEWAL

Mr. Ziemer called on Vice President Rozewski, who reported the University faced a difficult health insurance renewal for 2013 with significant financial consequences for both the University and its employees. He introduced Director of Human Resources Donna Evinger for a briefing on the renewal. Ms. Evinger reviewed the goals of the 2013 renewal, which were to mitigate significant cost increases of health insurance (due to high claims) while preserving competitive benefits and to review and optimize the plan design for improved future cost control while maintaining employee choice.

She discussed key outcomes of the renewal, including a blended average increase of more than 25 percent with increases for employees varying contingent upon depending on plan choice, coverage tier, and pay level. She noted the exit of Welborn HMO from the market shifted 53 employees from Welborn to Anthem plans. There was continued growth of the consumer-driven high-deductible health plan and continued 100 percent preventive coverage in all health plans and enhanced wellness. There was a four percent decrease in dental insurance rates and no increase in life, vision, and disability insurance. The Flexible spending account administration contract was renewed with no increase.

Ms. Evinger reported on plan design and contribution changes for 2013 including:

- Retaining Anthem Blue Cross/Blue Shield with a Cost Plus funding arrangement;
- Allowing separate employee elections for dental and medical plans;
- Eliminating the portion of the employee premium attributable to post-retirement health;
- Increases in copayments, deductibles, and other charges;
- Increases in the University contribution from 75 percent to 80 percent; and
- Providing an additional University contribution for employees with salaries under $38,000.

She shared the increased biweekly costs to employees, ranging from $7 to $73, depending on plan election and salary, and reported the increased cost to the University in 2013 will be $2,385,945.
D. APPROVAL OF REVISED SCHEDULE OF STUDENT FEES FOR SUMMER SESSION 2012-2013

Mr. Ziemer called on Vice President Rozewski for a recommendation to revise student fees for summer sessions. Mr. Rozewski recalled the Trustees’ approval of a discounted summer session fee program in summer 2012, which reduced summer fees by 20 percent. It was the University’s hope that more students would use summer class offerings to allow them to complete degrees in a timely manner. Instead, summer enrollment decreased by three percent. Mr. Rozewski reported the losses resulting from the underperforming discount strategy approached $1 million and are unsustainable in an environment where state operating appropriations are flat and other expenses are increasing. As a result, the University is reviewing the summer course schedule and the types of courses offered and is committed to finding summer discount strategies to help students shorten their time to degree.

He recommended the following revised schedule of student fees, which offers on-line courses in summer 2013 at a discount of 50 percent to students who also take one regularly priced site-based course. Students have confirmed that their need to work during summer months is a major obstacle to better utilization of summer sessions. On-line courses can provide the flexibility they are seeking.

On a motion by Mr. Romain, seconded by Mr. Calloway, the following undergraduate resident student fee for summer 2013 and the proposed undergraduate resident student distance learning course fee for summer 2013 were approved.

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<th>STUDENT FEES 2012-2013 (including summer) (per semester credit hour)</th>
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<tr>
<td>UNDERGRADUATE</td>
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<td>Resident</td>
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<tr>
<th>SUMMER STUDENT FEES 2012-2013 DISTANCE LEARNING COURSE FEE (per semester credit hour)</th>
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<tr>
<td>UNDERGRADUATE</td>
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<tr>
<td>Resident</td>
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* To qualify for this summer distance learning course fee rate, a student must complete and pass a summer site-based course for each distance learning course attempted.

E. UPDATE ON CURRENT CONSTRUCTION PROJECTS

Mr. Ziemer called on Vice President Rozewski, who introduced Director of Facilities Operations and Planning Steve Helfrich for a report on current construction projects. Exhibit II-C includes a summary of the cost and funding sources for each project.

Mr. Helfrich reported on one project recently completed, the painting and replacement of floor covering on the third floor of the Health Professions Center. Projects under construction include the Applied Engineering Center, which is scheduled for completion in time for the beginning of the spring semester. The Teaching Theatre project excavation has begun and will continue through the winter months. He reported the Orr Center Renovation Phase III project is nearly complete and Graduate Studies and the Honors Program will move to the newly renovated spaces in early December. Other projects under construction are Advising Centers for the Colleges of Nursing and Health Professions and Science, Engineering, and Education and improvements to the Varsity Athletic Field parking lot. Renovations to Wright Administration Building Office Suites 103 and 104, Liberal Arts Center Room 2031, and the Recreation, Fitness, and Wellness Center computer lab are continuing.
Projects in design include the Campus Loop Road Construction – Phase III, which will improve Bennett Lane in front of the Physical Activities Center. Plans are complete and bids have been received by the Indiana Department of Transportation. Construction will begin immediately following the spring commencement in May 2013. Plans continue on the design of the University Center Bookstore renovation. Mr. Helfrich reviewed additional projects in design which are listed in Exhibit II-C.

There being no further business, the meeting was adjourned at 2:34 p.m.

Respectfully submitted,

Amy MacDonell
Secretary
Proposed Amended Language to the Constitution of the Faculty

The Faculty Senate proposes the following changes to the Constitution of the Faculty to provide for the representation of the faculty following the reorganization of the colleges.

ARTICLE III: Organization of the Faculty Senate

Section 1. Membership

Each academic college will be represented by three members, the elected representatives or the alternates. Two members and their alternates will be elected from the faculty at large. In the absence of any representative, the elected alternate will be a voting member. Ex-officio, non-voting members will include the president and any other persons as designated by the president.

Section 2. Terms of Membership

Not less than one-third of the elected members of the Faculty Senate will be chosen by the faculty each year for two-year terms. No member who has served two consecutive terms of two-year duration, or served for five consecutive years, will be eligible for re-election until one academic year has elapsed. Terms of elected members will begin the first day of the fall semester.

Section 3. Formula for Representation

The elected members of the Faculty Senate will be chosen as follows:

A. College Representatives. Before the regular spring faculty meeting, the deans of the colleges with forthcoming vacancies on the Faculty Senate will conduct an election to fill the vacancies of representatives and their alternates and will report the result of the election at the spring faculty meeting. Each year, two of the colleges will have two Senators complete their terms and the other two Colleges will have one Senator complete his or her term. In this way, six of the twelve college representative seats will be replaced every year. If a seat filled by a college representative becomes vacant during the regular academic year, the college alternate will fill the seat. The alternate shall serve out the unexpired term of the person being replaced. The alternate shall then be eligible for election to a regular two-year term.

As soon as this article is approved, immediate elections should be made for the additional senators from each of the four colleges. Two senators should be elected for two-year terms and the other two senators should be elected for one-year terms. The determination of whose initial election is for two years and whose is for one year should be done in a fair and equitable manner, and the senators elected to one-year terms will be eligible to subsequently be elected to senate service for a total of not more than five consecutive years.
B. At-Large Representatives. At the spring faculty meeting, the chair of the Faculty Senate will call for nominations to fill the forthcoming vacancies for the faculty-at-large representatives and alternates to the Faculty Senate. The two At-Large representatives will serve alternating two year terms so that one seat is vacated each year.

The chair of the Faculty Senate will prepare ballots of those nominated and distribute them to the voting members of the faculty. Each voting member will be entitled to one vote for each vacancy to be filled. The ballots will be returned within one week to the place designated by the Faculty Senate. The nominee who receives the highest number of votes will be elected representative. The runner-up will be elected alternate. If two or more candidates are tied, the tie will be broken by the tied candidates' drawing lots.

A memorandum will be distributed by the chair of the Faculty Senate to each of the faculty members stating the names of those elected.

If a seat filled by an at-large representative becomes vacant, the seat will be filled by the alternate until the spring election. The alternate will serve the unexpired term if one exists. The alternate will then be eligible for election to a regular two-year term.

Section 4. Officers

The Faculty Senate will select its own officers to include a chair, a chair-elect, and a secretary. Only the elected members of the Senate will be eligible to hold office. The chair of the Senate will be elected as chair-elect the year before taking office by the existing Faculty Senate. The chair will take office at the first meeting of the fall semester. The secretary and chair elect of the Faculty Senate will be elected at the first meeting of the Senate in the fall semester and will take office immediately. While the chair is serving as such, the chair-elect will assume the duties of a vice-chair for one year. In the following year the chair-elect will assume the duties of chair for the next academic year. At such time a new chair-elect will be elected to fill the vacancy. In the event of a vacancy in the office of chair, the current chair-elect will assume the office. In the event of an extended vacancy, the office of chair-elect will remain vacant.
CANDIDATES FOR DEGREES
UNIVERSITY OF SOUTHERN INDIANA
December 8, 2012

MASTER OF ARTS
IN COMMUNICATION
Samantha A. Fentress

MASTER OF ARTS
IN LIBERAL STUDIES
Kyle W. Kraft
Wynn E. Mitchell
Lauren A. Van Hook

MASTER OF BUSINESS
ADMINISTRATION
Ashley M. Babcock
Andrea A. Buescher
John F. Bush
Andrew S. Danhauer
Joshua Y. Ellard
Abhimanyu B. Kumbara
Erin M. Laur
Laura J. Schmitt
Rebecca S. Deeg
Michael J. Duckworth

MASTER OF SCIENCE
IN EDUCATION
Hallie E. Denstorff
Stacie L. Devine
Amy M. Freeman
Hannah I. Jines
Laura J. Kohlmeier
Michael C. Motta
Susan R. Pylant
Annette M. Scott
Paula E. Viner
Matthew J. Wagner
Amanda K. Woods

MASTER OF SCIENCE
IN NURSING
Tina R. Adams
Kirsten M. Emmons
Kelly R. Kramer

COLLEGE OF BUSINESS
BACHELOR OF ARTS
Joshua L. Beach
Nathaniel A. Burnett
Carrie L. Grochowski
Jeffrey M. Hughes
Duong H. Nguyen
Francis J. Ortiz
Jordan E. Reese
Jennifer L. Tempel

BACHELOR OF SCIENCE
Brooke E. Kinkade
Kathleen M. Kissel
Kevin S. Knepp
Jessica J. LaFoe
Natasha L. Landes
Melissa J. Lauderdale
Cory B. Like
Margaret R. Lueken
Daniel M. Marshall
Quentin C. Masterson
Diana K. McConnell
Joseph D. McElroy
Robert J. McMillan
Stacey L. Meredith
Josh A. Meyer
Taylor A. Miller
Jonathon A. Mitchell
Michael L. Mitchell
Robert C. Moog
Sara A. Nelson-Grubb
Martin A. Niswonger
Mohammed A. Omayrah
Matthew C. Otten
Spenser J. Parkes
Nathon J. Parsons
Pretesth A. Patel
Emmily A. Patterson
Tamara R. Payne
Caleh A. Perry
Danny R. Pratte
Vivian R. Purnell
Kelli D. Rainey
Adam J. Rasche
Emily B. Rastl
David J. Rees
Benjamin M. Roberts
Zachary T. Rogier

POST-BACCALAUREATE CERTIFICATE
John F. Bush

Caleb J. Holtz
Katie E. Houghland
Mervin R. Ice
Michelle E. Jobe
Benjamin M. Johnson
Alexandria M. Jones
Launora Jusufi
Cody A. Keith
Sara M. Khaja
Kyle L. Kiefer
Sunkyung Kim
Alex C. Kingston
Brooke E. Kinkade
Kathleen M. Kissel
Kevin S. Knepp
Jessica J. LaFoe
Natasha L. Landes
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Caleh A. Perry
Danny R. Pratte
Vivian R. Purnell
Kelli D. Rainey
Adam J. Rasche
Emily B. Rastl
David J. Rees
Benjamin M. Roberts
Zachary T. Rogier
Jacob C. Rosman
Adrienne N. Ruder
Brittany R. Ruffin
Nathan L. Sansing
Mary B. Schwambach
Zachary C. Scott
Cody S. Sharkey
James B. Shaw
Xiaomo Shi
Jennie M. Simpson
Patrick M. Stone
Thomas O. Strange
Ryan A. Strouse
Louis M. Tennis
Elizabeth R. Thomas
Brenna M. Tobin
Evan M. Tomes
James A. Trapp
Brandon W. Underhill
Katharyn D. Underhill
Luke A. Voegel
Ashley D. Ward
Evan M. Watts
Beth A. Wead
Joe A. Wehr
Joshua A. Weis
Christopher R. Whitman
Alex D. Wiley
Zachary L. Williams
Robert J. Wright
Kendra M. Zirkelbach
Jacob T. Kohlmeyer
Rachael A. Korte
Cory J. Lawrence
Keith A. Macaulay
Daniel Murphey
Trista S. Nelson
Amy L. Ofer
Morgan T. Opolski
Mauricio J. Paniagua
Dawn M. Paris
Andrea M. Parker
Lesley N. Payne
Constance L. Pilcher
Jennifer N. Pitt
Stephanie M. Reininga
Lacy G. Rhea
Camille J. Ruckriegel
Emily L. Schkeryantz
Aryn L. Schutzius
Robyn P. Scott
Veronica A. Shelton
Antoinette M. Small
Marissa L. Smith
Hollan A. Staker
Melissa A. Wagner
Zachary G. Watson
Taylor B. Weiss
Alexandrea C. Wells
Kristen M. Bickwermt
Staci L. Boardman
Reva S. Bourgasser
Krista L. Breitwieser
Andrew K. Brown
MaCabe T. Brown
Kayla L. Burns
Christina A. Butler
Kassidy R. Caldwell
Courtney E. Cantrell
Justin R. Carroll
Joy A. Cassitty
Charlie W. Cochran
Cromartie P. Connell
Renee D. Crowe
Darrick T. Curry
Kelsey M. Davis
Benjamin M. Dempsey
Shayna R. Dossett
Jerrica D. Dowling
Dustin R. Emerick
Samuel J. Eversole
Kyle J. Frederick
Mark A. Funke
Jaime L. Garner
James J. Gay
Richard T. Gentry
Jaeime C. Goebel
Mallory M. Goebel
Halley J. Gourley
Katie E. Grider
Tara L. Hasenour
Matthew B. Hawkins
Emilee E. Hayden
Lauren R. Hayes
Jamie A. Haynes
Wei Xin He
Amanda R. Healy
Raquel L. Heinsner
Nicholas J. Henderson
Jacob F. Hobbs
Lindsay M. Horn
John R. Hyndman
Kristen L. James
Michael A. Joest
Andrew R. Jones
Erika D. Jones
Ryan W. Jones
Natalie R. Kempf
Corey A. Kimball
Kandace N. Kinder
Andrew B. Kingston
Haleigh R. Kleine
Jordan E. Kleinheiter
Sean Little
Keith D. Loving
Michael Loy
Casie L. Mason
William B. McCareel
Lance L. McCarty
Lindsay E. Meadors
Dylan J. Melling
Sonata Miles
Zachary J. Miller
Erin L. Mooney
Shebly D. Morris
Jayme N. Moschner
Rachel A. Muhs
Melanie T. Mundy
Andrew T. Nalin
Megan N. Nanney
Kyle L. Ness
Morgan R. Neuhoff

COLLEGE OF LIBERAL ARTS
BACHELOR OF ARTS
Kidan S. Asgedom
Stephen W. Barker
Megan L. Belcher
Heath A. Bowen
Krista L. Breitwieser
Kasey E. Burns
Roxanne E. Burton
Jesse W. Bush
Mary J. Cashel-Cordo
Morgan E. Cochren
Tara L. Creighton
Catherine A. Decker-Ryan
Annette N. Delaney
Vitalino R. Domingo
Morgane R. Embree
Zachary A. Feistead
Emily S. Fox
Zachary S. Goldbach-Hall
Gabriel Grady
Elizabeth E. Herrenbruck
Amanda L. Hilger
Travis L. Hillenbrand
Charfcia D. Allen
Jack N. Ashley
Christina M. Baxter
Raul A. Baylon
Brittany N. Bess
Aaron R. Bickwermt
Kristen M. Bickwermt
Staci L. Boardman
Reva S. Bourgasser
Krista L. Breitwieser
Andrew K. Brown
MaCabe T. Brown
Kayla L. Burns
Christina A. Butler
Kassidy R. Caldwell
Courtney E. Cantrell
Justin R. Carroll
Joy A. Cassitty
Charlie W. Cochran
Cromartie P. Connell
Renee D. Crowe
Darrick T. Curry
Kelsey M. Davis
Tracey E. Orner
Jonah M. Otto
Melissa F. Padavic
Wendy R. Painter
Jodie M. Petty
Andrew L. Peyronnin
Kristen E. Peyton
Jordan D. Phelps
Mark R. Phillips
Ashley D. Polen
Miles J. Quiroz
Ethan W. Roark
Kristian L. Robertson
Hannah L. Satterthwaite
Austin C. Schall
Eric B. Schnur
Joseph R. Schu
Leyna M. Seaton
Ronald L. Shelton
Sohi Sheth
KaSandra J. Shirley
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Weston J. Smith
Kandice M. Spurlock
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Rachelle J. Stump
Kyle B. Tharp
Robert J. Tincau
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Kathryn M. Clark
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Lana J. Glaser
Allison R. Ganselman
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Jaclynn N. Pantell
Katelin J. Parsley
Logan G. Quinn
El'Toro L. Rankin
Samantha J. Roach
Melissa S. Rothergerber
Jill K. Schmitt
Sara E. Steffe
Kathryn E. Stuckwisch
Allison R. Sturgill
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Jasmine N. Ussery
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Myisha L. Williams
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Donald Conner
Lacy A. Conner
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Thao P. Do
Stuart R. Dooley
Nicole A. Durbin
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Samantha J. Ellington
Jami M. Englert
Emari T. Faith
Alicia M. Farney
Aaron J. Fehrenbacher
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Craig A. Heinz
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Lauren D. Jackson
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Chauncy M. Kery
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Ashley A. Kinsey
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Adam S. Kron
Stephanie L. Later
John A. Latta
Kyle D. Lemond
Kelsea J. Lytle
Brittany L. Martin
Rachel D. Martin
Allyce M. McDowell
Kristina M. McDowell
Colleen P. McGovern
Benjamin M. McNett
Tanya M. Merkel
Nicholas A. Messier
Laura M. Messmer
Andrew M. Miller
Justin T. Miller
Paige R. Miller
Rachel A. Miller
Danielle N. Monks
Brian L. Nelson
Rhenda A. Newton
Stephanie K. Orsburn
Amanda M. Pearl
Alexander M. Peaugh
Ashley J. Pedigo
Anna L. Plassmann
Britni N. Purdue
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Cori M. Stanley
Jacqueline E. Taylor
Emily R. Tenbarge
Lynsey J. Thaxton
Derrick R. Thomas
Kayla D. Thomas
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Mary J. Tindle
Shealy R. Todd
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Emilie P. Villain
Todd E. Waddell
Allen D. Waller
Melody R. Weiler
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Mallorie K. Wilhite
Caryn L. Yochum

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Executive Summary

This final report of student financial aid activity in 2011-2012 contains summary and program-specific data of all student aid programs administered by the offices of Student Financial Assistance, Veterans’ Affairs, and Career Services and Placement. Key indicators contained in the 2011-2012 report are:

Service Profiles
Student Financial Assistance served 13,412 students, which includes processing 13,332 Free Applications for Federal Student Aid (FAFSA) for need-based assistance. Of the 13,412 students, 9,175 enrolled. Student Financial Assistance provided some type of aid to 8,867 enrolled students, and 22,325 awards totaling $80,548,149 were administered by various offices of the University, down $565,258 (0.7 percent) from 2010-2011.

Trends in Funding by Source (compared to 2010-2011)

<table>
<thead>
<tr>
<th>Source</th>
<th>Change</th>
<th>Percent of Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal student aid</td>
<td>$ (1,900,879)</td>
<td>-3.2%</td>
</tr>
<tr>
<td>Indiana student aid</td>
<td>578,534</td>
<td>7.6%</td>
</tr>
<tr>
<td>University student aid</td>
<td>317,391</td>
<td>3.5%</td>
</tr>
<tr>
<td>USI Foundation student aid</td>
<td>23,858</td>
<td>1.7%</td>
</tr>
<tr>
<td>USI Varsity Club funding</td>
<td>(20,000)</td>
<td>-10.3%</td>
</tr>
<tr>
<td>Corporate/private funding</td>
<td>435,837</td>
<td>10.6%</td>
</tr>
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</table>

Distribution of Aid by Source

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
<th>Percent of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal aid</td>
<td>$ 56,778,164</td>
<td>70.5%</td>
</tr>
<tr>
<td>State of Indiana</td>
<td>8,162,856</td>
<td>10.1%</td>
</tr>
<tr>
<td>USI aid</td>
<td>9,488,372</td>
<td>11.8%</td>
</tr>
<tr>
<td>USI Foundation</td>
<td>1,398,753</td>
<td>1.7%</td>
</tr>
<tr>
<td>USI Varsity Club</td>
<td>175,000</td>
<td>.2%</td>
</tr>
<tr>
<td>Private sources</td>
<td>4,545,004</td>
<td>5.7%</td>
</tr>
</tbody>
</table>

Trends in Funding by Type (compared to 2010-2011)

<table>
<thead>
<tr>
<th>Type</th>
<th>Change</th>
<th>Percent of Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gift aid: grants/scholarships</td>
<td>$ (365,435)</td>
<td>-1.1%</td>
</tr>
<tr>
<td>Self-help: loans</td>
<td>(32,051)</td>
<td>-0.1%</td>
</tr>
<tr>
<td>Self-help: on-campus employment</td>
<td>(167,772)</td>
<td>-7.8%</td>
</tr>
</tbody>
</table>

Distribution of Aid by Type

<table>
<thead>
<tr>
<th>Type</th>
<th>Amount</th>
<th>Percent of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gift aid: grants/scholarships</td>
<td>$ 32,803,587</td>
<td>40.7%</td>
</tr>
<tr>
<td>Self-help: loans</td>
<td>45,758,589</td>
<td>56.8%</td>
</tr>
<tr>
<td>Self-help: on-campus employment</td>
<td>1,985,973</td>
<td>2.5%</td>
</tr>
</tbody>
</table>
2011-2012 Student Financial Aid Programs Final Report
University of Southern Indiana

November 1, 2012

Introduction
This report contains both summary and program-specific information for all student financial assistance programs administered by the University. Data used in compiling this report was obtained from the University’s Banner administrative system on October 10, 2012. Student employment data was provided by Human Resources, Varsity Club expenditures were provided by the Business Office, and veterans’ educational benefit information was provided by the Registrar’s Office/Veterans’ Affairs Office.

The Student Financial Assistance Office, the Veterans’ Affairs Office, and the Career Services and Placement Office provide assistance to students in obtaining the types of financial aid included in this report.

Narrative
Students and prospective students submitted 13,332 Free Applications for Federal Student Aid (FAFSA) for “need-based” assistance. Of this number, 8,668 enrolled in 2011-2012 and 8,360 students received Title IV aid. Total FAFSA applications increased 1.1 percent over the prior year.

The University administered 22,325 awards for a total of $80,548,149 in student financial assistance. The distribution of awards by funding source is given below.

<table>
<thead>
<tr>
<th>Source</th>
<th>Awards</th>
<th>Subtotals</th>
<th>% of Total Dollars</th>
<th>Prior Year Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Government</td>
<td>10,598</td>
<td>$56,778,164</td>
<td>70.5</td>
<td>72.3</td>
</tr>
<tr>
<td>State of Indiana</td>
<td>3,208</td>
<td>8,162,856</td>
<td>10.1</td>
<td>9.4</td>
</tr>
<tr>
<td>USI</td>
<td>5,129</td>
<td>9,488,372</td>
<td>11.8</td>
<td>11.3</td>
</tr>
<tr>
<td>USI Foundation</td>
<td>1,074</td>
<td>1,398,753</td>
<td>1.7</td>
<td>1.7</td>
</tr>
<tr>
<td>USI Varsity Club</td>
<td>100</td>
<td>175,000</td>
<td>.2</td>
<td>.2</td>
</tr>
<tr>
<td>Private Sources</td>
<td>2,216</td>
<td>4,545,004</td>
<td>5.7</td>
<td>5.1</td>
</tr>
<tr>
<td>Totals</td>
<td>22,325</td>
<td>$80,548,149</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Student financial assistance may be categorized by aid type: grants/scholarships; loans; and employment. In 2011-2012, spending was distributed as follows:

<table>
<thead>
<tr>
<th>Categories</th>
<th># of Awards</th>
<th>Award Totals</th>
<th>% of Total Dollars</th>
<th>Prior Year Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants / Scholarships</td>
<td>13,349</td>
<td>$32,803,587</td>
<td>40.7</td>
<td>40.9</td>
</tr>
<tr>
<td>Loans</td>
<td>7,846</td>
<td>45,758,589</td>
<td>56.8</td>
<td>56.4</td>
</tr>
<tr>
<td>Employment</td>
<td>1,130</td>
<td>1,985,973</td>
<td>2.5</td>
<td>2.7</td>
</tr>
<tr>
<td>Totals</td>
<td>22,325</td>
<td>$80,548,149</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>
Federal Pell Grant Program
The Federal Pell Grant Program is the cornerstone of aid packages for exceptionally needy students. To assist students with early graduation, the Department of Education expanded upon the existing Pell Grant Program to include summer awards beginning in the 2009-2010 award year. The program proved to be too costly. The end result was a transition back to the original structure of the program beginning in the 2011-2012 award years. Pell Grant revenue experienced significant inflated funding levels for two years.

The number of Pell Grant recipients decreased 1.3 percent following a 22.5 percent increase in 2010-2011. Total Pell dollars decreased 4.7 percent following a 20.6 percent increase in the prior year.

State Funds
Total Indiana funding was up 7.6 percent in 2011-2012 following a 7.6 percent increase in 2010-2011. Indiana Higher Education Award funding was up 0.3 percent compared to a 1.6 percent increase in the prior year.

Changes in funding levels are summarized by source below

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Government</td>
<td>+21.0</td>
<td>+22.2</td>
<td>+6.2</td>
<td>-3.2</td>
</tr>
<tr>
<td>State of Indiana</td>
<td>+10.5</td>
<td>+10.9</td>
<td>+7.6</td>
<td>+7.6</td>
</tr>
<tr>
<td>USI</td>
<td>+23.7</td>
<td>+13.7</td>
<td>+16.5</td>
<td>+3.5</td>
</tr>
<tr>
<td>USI Foundation</td>
<td>+14.2</td>
<td>+4.9</td>
<td>+5.4</td>
<td>+1.7</td>
</tr>
<tr>
<td>USI Varsity Club</td>
<td>+10.8</td>
<td>-7.3</td>
<td>-1.0</td>
<td>-10.3</td>
</tr>
<tr>
<td>Private Sources</td>
<td>+16.4</td>
<td>-22.9</td>
<td>-7.0</td>
<td>+10.6</td>
</tr>
<tr>
<td>Aggregate Change</td>
<td>+15.5%</td>
<td>+15.9%</td>
<td>+6.6%</td>
<td>-0.7%</td>
</tr>
</tbody>
</table>

Federal Stafford Loan Program
Aggregate borrowing for Stafford Student Loan recipients among the Class of 2012 baccalaureate graduates averaged $20,546. Among 2012 masters’ degree recipients, aggregate borrowing averaged $30,793, including both graduate and undergraduate borrowing. These figures are based on total borrowing while enrolled at USI.

For FY 2010, the national student loan cohort default rate increased to 9.1 percent, up from the FY 2009 rate of 8.8 percent primarily due to the economic downturn. The state of Indiana rate is 8.6 percent, up 0.2 percent over the prior year.

A three-year summary of USI’s Stafford Loan default rates appears below.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Stafford Loan Default Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>5.2%</td>
</tr>
<tr>
<td>2009</td>
<td>6.0%</td>
</tr>
<tr>
<td>2010</td>
<td>6.2%</td>
</tr>
</tbody>
</table>
Student Financial Assistance Mission
As part of the Division of Business Affairs, team members in the Student Financial Assistance Office are committed to supporting the University’s goals of enrolling and graduating a highly talented and diverse student body.

Our student-focused team works to help 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. We aim to 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, team members coordinate the administration of all student financial assistance awarded to ensure equity and consistency in the delivery of funds to students. We are dedicated to providing for the proper stewardship of all University, government, and private funds that are utilized by our students to finance their education.

We aspire to minimize the procedural barriers that sometimes frustrate financial aid applicants and work to ensure that our students learn to handle their financial affairs in a responsible manner. The Student Financial Assistance team provides student advocacy on issues relevant to student success.
REPORT ON INSURANCE CHANGES AND RENEWALS EFFECTIVE JANUARY 1, 2013

1. ANTHEM BLUE CROSS/BLUE SHIELD GROUP HEALTH INSURANCE PLAN AND PREMIUM RATES

The University of Southern Indiana currently offers three health insurance plans through Anthem Blue Cross/Blue Shield: Blue Access Buy Up Plan (Preferred Provider Organization – PPO); Blue Access Core Plan (Preferred Provider Organization – PPO); and Lumenos Consumer-Driven Health Plan with Health Savings Account (CDHP/HSA).

A comprehensive review of claims from Anthem health plans indicates
- Medical and drug claims totaled 102.9 percent of paid premiums from August 2011 through July 2012.
- No claims exceeded the specific stop loss during the experience period.
- Welborn, a current provider of an HMO benefit plan to some University employees, has decided to exit the healthcare market as of January 1, 2013. Therefore, Anthem’s projected plan enrollment and claims have been adjusted to account for this additional membership.
- Anthem projects an increase of almost $3.17 million in claims in 2013 compared to projections for total claims (Anthem plus Welborn) for 2012 and after adjusting for enrollment increases in the plan beyond the increase due to Welborn participants. Primary cause of the Anthem claims increase is the high claims experience of the year ending June 30, 2012, which exceeded premium funding by about $1.3 million. Other expense and claims increase factors include a trend factor of 13 percent for medical and prescription drug costs, a small increase due to health care reform changes, and changes in various demographic factors.

A review of the insured population from September 2011, to September 2012, indicates
- An increase in active employees with health insurance of +1.3 percent.
- About 16 percent of eligible employees waiving health insurance, unchanged from one year ago.
- An increase in retired employees with health insurance of +11.4 percent.

For 2013, the University will continue its same funding arrangements with Anthem including
- Cost Plus financial arrangement in which Anthem pays claims, the University is billed for actual claims paid plus administrative services, and the University determines the level of reserves and holds the reserves.
- Specific Stop Loss coverage of $225,000 with a $100,000 aggregating corridor.

Because of the significant increase to health costs for 2013, the University will modify several aspects of its health program including
- Making several plan design changes to the Blue Access Core Plan and modest changes to the Blue Access Buy Up Plan as described below.
- Continuing the flat contribution method for the University’s employer contribution for active employees, but adjusting the basis for the employer contribution from the current level of 75 percent of the Buy Up Plan premium to 80 percent of the Core Plan premium.
- Introducing a higher level of employer contribution to employees with salaries below $38,000 per year, equal to 83 percent of the Core Plan premium.
- Ending the portion of the medical premium attributable to post-retirement benefit funding.
- “Unbundling” medical from dental coverage. To date, employees and retirees electing health coverage received medical and dental coverage. Beginning in 2013, employees and retirees will make separate elections of medical coverage and dental coverage.
- Beginning in 2013, increasing the University contribution to the dental plan for active employees from 75 percent to 80 percent of the premium.

In 2013, the University will continue with other changes previously incorporated due to health care reform and to take advantage of available subsidies including
- Continued incorporation of previously required changes due to health care reform under the Patient Protection and Affordable Care Act (“Affordable Care Act”) including coverage of dependents to age 26, no pre-existing conditions for children up to age 19, and no lifetime maximum.
- Continued offering of 100 percent coverage of preventative services as defined by the Affordable Care Act.
- Through its Blue Access Buy Up Plan, continued provision of creditable prescription drug coverage to
retirees under Medicare Part D based on an actuarial attestation and receiving a Retiree Drug Subsidy (RDS) from Medicare. In addition, beginning in 2013, the Blue Access Core Plan also will be attested and receive a Retiree Drug Subsidy (RDS) from Medicare.

The following items include 2013 plan renewal design information and monthly medical premium rates effective for a 12-month period beginning January 1, 2013.

**BLUE ACCESS CORE PLAN – (PREFERRED PROVIDER ORGANIZATION: PPO)**

Effective in 2013, plan design changes for the Core Plan include

- Annual deductible increase to $600 individual/$1,200 family.
- Office visit copayment increase to $30.
- Urgent care and emergency room copayment increase to $75 and $150 respectively.
- Annual out-of-pocket maximum increase to $3,000 individual/ $6,000 family.

Medical premium rates for the Blue Access Core Plan for 2013 reflect the most modest increases, and the greatest number of plan design changes, available to both active employees and retirees. Currently, this plan covers 388 active employees and 12 retirees. Effective January 1, 2013, the University contribution to the Blue Access Core Plan for medical coverage for active employees will be 80 percent of the total premium.

**BLUE ACCESS BUY UP PLAN – (PREFERRED PROVIDER ORGANIZATION: PPO)**

Effective in 2013, the plan design change for the Buy Up Plan includes

- Urgent care and emergency room copayment increase to $50 and $100 respectively.

Medical premium rates for the Blue Access 300 Buy Up Plan for 2013 reflect the highest increases of the three plans and offers the highest benefits, available to both active employees and retirees. Currently, this plan covers 243 active employees and 242 retirees. Effective January 1, 2013, the University contribution for medical coverage for active employees will be equal to the amount contributed to the Blue Access Core Plan.

**LUMENOS CONSUMER-DRIVEN HEALTH PLAN WITH HEALTH SAVINGS ACCOUNT (CDHP/HSA)**

This plan has no plan design changes in 2013. Medical premium rates for the Lumenos Consumer-Driven Health Plan with Health Savings Account (CDHP/HSA) for 2013 reflect a high percent increase; however, this plan remains the most affordable plan for active employees. Due to IRS limitations on Health Savings Accounts, once retirement age is reached, the CDHP/HSA Plan is not available to retirees. This plan, which began in January 2011 now covers 153 active employees. Effective January 1, 2013, the University contribution to the Lumenos CDHP/HSA Plan for medical coverage for active employees will be equal to the amount contributed to the Blue Access Core Plan.

In 2013, the University will continue to provide employer contributions to the Health Savings Accounts (HSA) of the Lumenos CDHP/HSA participants as follows: for single members, annual funding of $700, with $250 on the first paycheck after plan enrollment and the balance paid in equal amounts over the plan year; for all levels of family membership, annual funding of $1,400, with $450 on the first paycheck after plan enrollment and the balance paid in equal amounts over the plan year.

### 2013 MONTHLY PREMIUM RATES

**ANTHEM BLUE CROSS/BLUE SHIELD**

<table>
<thead>
<tr>
<th>Plan Type</th>
<th>2013</th>
<th>2012</th>
<th>2013</th>
<th>2012</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>$705.00</td>
<td>$553.42</td>
<td>$621.06</td>
<td>$499.32</td>
<td>$587.52</td>
<td>$458.94</td>
</tr>
<tr>
<td>Employee + Child(ren)</td>
<td>$1,169.56</td>
<td>$918.10</td>
<td>$1,030.58</td>
<td>$828.58</td>
<td>$979.16</td>
<td>$764.88</td>
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<tr>
<td>Employee + Spouse</td>
<td>$1,552.60</td>
<td>$1,218.80</td>
<td>$1,368.20</td>
<td>$1,100.02</td>
<td>$1,302.10</td>
<td>$1,017.14</td>
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<tr>
<td>Family</td>
<td>$1,933.84</td>
<td>$1,518.06</td>
<td>$1,704.20</td>
<td>$1,370.16</td>
<td>$1,623.50</td>
<td>$1,268.20</td>
</tr>
<tr>
<td>Over 65 (Retired)</td>
<td>$520.11</td>
<td>$408.29</td>
<td>$458.17</td>
<td>$368.36</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>
The University has renewed the master policies effective January 1, 2013, with Anthem Blue Cross/Blue Shield – Blue Access Buy Up Plan, Core Plan, and Lumenos Consumer-Driven Health Plan with Health Savings Account with the above rate schedules.

2. ANTHEM WELLNESS PROGRAMS AND RATES

In 2013, the University will continue with its wellness programs through Anthem including: Future Moms; Condition Care; 24/7 NurseLine; and MyHealthAdvantage and, for the Lumenos CDHP/HSA Plan only, ComplexCare; MyHealthCoach; Tobacco-Free program; and Healthy Weight program. The University continues to pay the total monthly cost for wellness initiatives. The administrative fee for these programs will remain the same in 2013 as in 2012 except for the Lumenos-only programs as follows:

- For the Blue Access Buy Up and Core Plans, per-employee per month fee of $3.14 for the first three programs and $1.63 for MyHealthAdvantage.
- For the Lumenos CDHP/HSA plan, additional per employee per month fees are $7.33 for wellness and HSA administration and $3.70 for bank fees.

3. WELBORN HMO GROUP HEALTH INSURANCE

The University currently offers Welborn HMO as an alternative health plan option. This contract and plan will cease on December 31, 2012, due to Welborn’s decision to exit the group health insurance market.

4. HEALTH RESOURCES, INC. – HRI DENTAL PLAN

Effective January 1, 2013, dental will be unbundled from medical, allowing employees and retirees to make a separate election decision for dental coverage. For experience year July 2011 through June 2012, dental claims totaled 70.1 percent of paid premiums. Dental premium rates for 2013 for Health Resources, Inc. dental insurance reflect a rate decrease of approximately four percent based on a two-year contract extending through December 31, 2014.

The University has renewed the master policy for two years effective January 1, 2013, with Health Resources, Inc., with the following rate schedule.

<table>
<thead>
<tr>
<th>2013 MONTHLY PREMIUM RATES</th>
<th>HEALTH RESOURCES, INC. – HRI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>$23.90</td>
</tr>
<tr>
<td>Employee + Child(ren)</td>
<td>$58.50</td>
</tr>
<tr>
<td>Employee + Spouse</td>
<td>$49.60</td>
</tr>
<tr>
<td>Family</td>
<td>$85.50</td>
</tr>
</tbody>
</table>

5. ANTHEM VOLUNTARY VISION PLAN AND SHORT-TERM DISABILITY PLAN

Premiums for the Anthem Blue Vision Plan and the Standard Short-Term Disability Plan are voluntary benefits paid in full by employees. Currently, 420 or 42 percent of eligible employees participate in the vision plan. 157 employees are currently enrolled in the short-term disability benefit. The rates for both plans were fixed for a three-year term effective January 1, 2011, and will remain the same in 2013.

6. RENEWAL OF SECTION 125 FLEXIBLE BENEFIT PLAN ADMINISTRATION ARRANGEMENT

The Section 125 Flexible Benefit Plan allows enrolled employees to pay medical insurance premiums, dependent care expenses, and uninsured medical expenses with pre-tax dollars. Beginning in 2011, this plan also provides for the Health Savings Account option for those enrolled in the Lumenos CDHP/HSA plan.
Approximately 27.1 percent of eligible employees participate in the medical and dependent care flexible spending accounts, 18.3 percent of eligible insured employees participate in the health savings accounts, and 99.5 percent of employees with medical insurance are enrolled in the premium-only portion of the plan. During the 2011 plan year, University savings were $197,526 due to reduced FICA tax (Social Security and Medicare).

The University has renewed the contract with Nyhart for 2013 for administration of the Section 125 Flexible Benefit Plans with no increase to its administrative fee of $5.00 per participant per month.

7. LIFE INSURANCE

The University offers two group-term life insurance programs through Prudential Insurance Company of America. There are 22 employees and 81 retirees enrolled in the original program and 965 employees and 123 retirees enrolled in the revised program in effect since 1988. The University also offers supplemental life insurance through Prudential to eligible employees with 382 employees currently enrolled. Effective January 1, 2011, the University renewed the Prudential life contract with a 36-month rate guarantee. Therefore, for 2013, the basic life rate remains at $.17/$1,000 and Accidental Death and Dismemberment (AD&D) rate remains at $.02/$1,000.
Summary
Current Construction Projects
November 1, 2012

Projects Recently Completed

Health Professions Center Third Floor Painting and Floor Covering Replacement
Project Cost $100,000
Funding Sources:
  IU School of Medicine $35,000
  Special Projects Reserve $65,000

Projects Under Construction

Applied Engineering Center Construction
Project Cost $3,300,000
Funding Source: Special Projects Reserve

Teaching Theatre Construction
Project Cost $17,250,000
Funding Sources:
  Bond Issue (Repaid with Student Fees) $13,000,000
  Special Projects Reserve $2,250,000
  USI Foundation $2,000,000

Orr Center Renovation Phase II
Project Cost $400,000
Funding Source: Special Projects Reserve

Health Professions and Education Advising Centers Construction
Project Cost $400,000
Funding Source: Special Projects Reserve

Varsity Athletic Field Area Parking Lot Improvement
Project Cost $350,000
Funding Source: Transportation Reserve
Wright Administration Building Office Suite 103 and 104 Renovation

Project Cost $ 400,000
Funding Source: Special Projects Reserve

Liberal Arts Center Room 2031 and Recreation and Fitness Center Computer Lab Construction

Project Cost $ 225,000
Funding Source: Special Projects Reserve

Projects in Design

Campus Loop Road Construction - Phase III

Project Cost $ 760,000
Funding Sources:
- Transportation Reserve $ 271,000
- Federal Direct Appropriation FY 2009 $ 489,000

University Center Bookstore Renovation - Phase II

Project Cost $ 725,000
Funding Source: Bookstore Reserve

Technology Center Air Handling Unit Replacement

Project Cost $ 250,000
Funding Source: Special Projects Reserve

Science Center - Lower Level Renovation

Project Cost $ 750,000
Funding Source: General Repair and Rehabilitation Appropriation

Atheneum Building - New Harmony Exterior Metal Painting

Project Cost $ 250,000
Funding Source: Special Projects Reserve

University Center Roof Replacement

Project Cost $ 125,000
Funding Source: University Center Reserve
**Student Housing Apartment Buildings Renovation - 2013**

Project Cost  $ 1,300,000

Funding Source: Housing Reserve

**Starbuck's Renovation**

Project Cost  $ 110,000

Funding Source: Dining Reserve