

UNIVERSITY OF SOUTHERN INDIANA

SUMMARY OF 2013-2015 BIENNIAL BUDGET

The Indiana General Assembly passed a two-year \$30 billion state budget on Friday, April 26, 2013. The House of Representatives approved the new state spending plan in House Bill 1001 for 2013-2015 by a margin of 70-30 while the Senate voted in favor of the plan by a margin of 39-11.

A total of \$66.6 million, six percent of the FY13 operating base, was appropriated through new state dollars and reallocated university operating appropriations to fund the Performance Funding Formulas. Total operating appropriations increased by \$45.9 million per year or 3.8% from FY13 levels.

The state's two-year budget used the six performance funding metrics recommended by the Commission for Higher Education in the appropriations process. Below is the allocation of the funding for the formulas used in the biennial budget process:

• Overall Degree Completion*	\$19,971,440	30.00%
• On-Time Graduation Rate*	\$16,644,610	25.00%
• At Risk Degree Completion*	\$ 9,992,709	15.01%
• Student Persistence Incentive*	\$ 9,984,386	15.00%
• Institution-Defined Productivity Metric*	\$ 3,322,952	4.99%
• High Impact Degree Completion Metric	\$ 6,655,593	10.00%

The University of Southern Indiana was eligible to receive funding through the formulas in five of the six categories. Those formulas are noted with an asterisk. USI was one of only two institutions to receive funding in each of the categories within the metrics.

Other University line items increased by 0% to 3.5% in FY14. The budget provides a new separate appropriation to each institution for funding priority dual credit courses offered in high schools based on a funding level of \$50 per credit hour based on successfully completed credit hours in 2010-2011. The General Assembly added a new line item for USI for full-time faculty support.

Nineteen capital projects were funded by the 2013 Indiana General Assembly. A total of \$215 million in cash for 11 projects and \$14.7 million in fee replacement for eight projects was appropriated in FY14 and FY15. The General Repair and Rehabilitation formula was funded at 25% of the investment target for a total of \$28.5 million.

Funding for the State Student Assistance Program (SSACI) will increase by \$44 million to \$325 million in FY14 and by \$31 million to \$311 million in FY15. Funding was increased for the Statutory Fee Remission Program for Children of Disabled Veterans, the National Guard Program, the Frank O'Bannon Program, and the 21st Century Scholars Program.

The following is a summary of the 2013-2015 Biennial Budget for the University of Southern Indiana.

2013-2015 BIENNIAL BUDGET HIGHLIGHTS

OPERATING APPROPRIATION

Reduction of Operating Base – 2.2%	(\$ 882,409)
<ul style="list-style-type: none">• 6% of FY13 base to fund Performance Funding Formulas	
Overall Degree Completion	\$1,078,959
<ul style="list-style-type: none">• Funds increase in number of degrees granted	
On-Time Degree Completion	\$1,153,700
<ul style="list-style-type: none">• Funds increase in number of degrees conferred in four years	
At Risk Degree Completion	\$ 469,612
<ul style="list-style-type: none">• Funds increase in number of low income degrees granted	
Student Persistence Incentive	\$ 157,335
<ul style="list-style-type: none">• Funds increase in students who complete 30 and 60 credit hours at USI	
Institution-Defined Productivity Metric	\$ 60,164
<ul style="list-style-type: none">• Funds initiatives that focus on reducing the cost of attendance to students	
Total Performance Funding for the University of Southern Indiana	\$2,919,770
Appropriation Increase Net of Base Reductions	\$2,037,361

The University of Southern Indiana received 4.4% of the \$66.6 million allocated to fund the Performance Funding Formulas.

The University was not eligible to receive funding for the High Impact Degree Completion Metric.

The total funding for the Performance Funding Formulas was generated through the 2.2% reduction in each institution's base. New state dollars were allocated to higher education operating budgets in FY14 and FY15.

CAPITAL APPROPRIATION

Facilities

- The Indiana General Assembly authorized \$18 million in cash over the biennium for the USI Classroom Renovation and Expansion Project

General Repair and Rehabilitation

- USI's General Repair and Rehabilitation appropriation for 2013-2015 is \$1,367,926

LINE ITEM APPROPRIATIONS

Dual Credit

- New line item appropriation of \$274,100 in FY14 and FY15 to fund dual credit priority courses taught in high schools

Full-Time Faculty Support

- New line item appropriation of \$2 million in FY14 and FY15 to fund full-time faculty support

Historic New Harmony

- Operating base appropriation for Historic New Harmony increased by 3.5% from \$470,414 in FY13 to \$486,878 for FY14 and FY15

SUMMARY

Operating and Capital Appropriations for 2013-2015

- University's operating appropriation will increase by approximately 5.1% from \$40,109,493 in FY13 to \$42,146,854 in FY14 and will remain flat in FY15
- Two new line items were included in the University's budget with \$274,000 appropriated in FY14 and FY15 for dual credit priority courses and \$2 million appropriated in FY14 and FY15 for full-time faculty support
- \$1,367,926 was appropriated through the General Repair and Rehabilitation formula
- \$18 million in cash was appropriated over the biennium for the USI Classroom Renovation and Expansion project

April 30, 2013