

**USI PRESIDENT RESPONDS
TO BUDGET CUT PROPOSALS**



**FOR IMMEDIATE RELEASE:
January 16, 1991**

NEWS RELEASE

**CONTACT: Kathy W. Funke
News and Information Services
812/465-7050**

Higher Education officials throughout the state are reacting to the Bayh administration's proposed budget cuts, calling the plan disastrous for a state which needs to strengthen higher education. Dr. David Rice, president of the University of Southern Indiana, says the state's plan could cause serious setbacks for higher education and for USI, which has been working to bring the southern Indiana region's educational attainment level up to state averages, and the state's averages up to the national norm.

"The budget proposal made by the Governor, according to State Budget Agency figures, will underfund higher education's adjusted base budget by \$135 million during the 1991-93 biennium. Cuts of this magnitude will seriously impede the public universities' ability to develop the state's human resources and assist with badly-needed economic development activities." said Dr. Rice.

"We are mindful of the revenue constraints facing the State as officials attempt to arrive at an equitable budget, but we hope the administration will take another look at its priorities. Education can provide solutions to the state's financial problems, and the state's higher education institutions want to be full partners in that process. This is why the seven public higher education institutions have been working collectively to achieve the Commitment to Quality goals — goals we hope the State of Indiana also embraces. We can not wait any longer to act affirmatively to assure that Hoosiers have access to quality postsecondary programs and that they are successful in preparing for new demands of the workplace, " he said.

MORE....

In the last three years, the University of Southern Indiana enrollment has grown by 40 percent, and Rice thinks this is an example of the escalating consumer demand for higher education. "Enrollment here, and in Indiana generally, is increasing as people realize that there are changing demands in the workplace. The new global economy and economic competition combined with new technological skills for employees have driven home the necessity for postsecondary education," Dr. Rice noted.

Rice also pointed out that USI will be adversely affected because its enrollment increases have not been fully funded in State budgets. He said USI's enrollment increase was funded on a marginal cost basis that is only 50 percent of the average appropriation per full-time student. Rice said that the funding USI has received has been targeted for instructional costs alone and has left little funds for support services. "At an open admissions institution, support services are important to assure that students succeed in their efforts to become productive members of Indiana's workforce. We are making progress in positively affecting the educational attainment level in southern Indiana, where eight of the ten lowest per capita income counties are located. Budget cuts would seriously affect our ability to continue this progress," he said.

Rice said the University will continue to work with the other public postsecondary institutions to raise awareness of the administration and the legislature to important higher education issues. "As we work with legislators and the State Budget Agency this spring, we are confident that we will find ways for higher education to work in partnership with the State to confront key educational and economic development issues to move Indiana forward. We must close the higher education gap which affects Indiana's progress," Rice concluded.