

November 16, 2015

Memo

From: Gregory Goode and Chip Rogers

Re: Progress/preliminary Report

What opportunities do we have to partner with other institutions, businesses and organizations to provide/leverage resources for our core mission?

We were charged with the formation of a key Question Committee that addresses the question above. In addition to ourselves, the committee is composed of the following individuals: Phil Ness, Stephanie Jefferson, Dawn Underwood, Joe Sanders, John Conant, Katie Butwin, Santhana Naidu, Daniel Pigg, and Kacey Blundell.

Indiana State University is a major economic engine with an impact on the state economy of over \$500 million a year and a regional economic impact of over \$400 million according to an externally measured study conducted by Thomas P. Miller and Associates in 2012. Using a conservative multiplier, these estimates took into account several key aspects and examples of value:

- The operating and auxiliary expenses of the University and the ISU Foundation and the spending power of more than 1,800 university employees as well as students, retirees and campus visitors.
- Capital projects by the university.
- ISU-related expenditures support a total of 5,020 jobs statewide, with about 4,200 of those jobs in the Terre Haute region.
- More than 1,700 Indiana State employees reside in Indiana, with more than 1,550 of them living in the Terre Haute area.
- Indiana State's commitment to community engagement valued at \$8 million.
- The impact of university events; Indiana State's Hulman Memorial Student Union, Hulman Center, Tirey Hall and University Hall Theater hosted 5,120 separate events.

Clearly the University is an important if not the most important organization in the Western Indiana region and its value to the state continues to only increase.

The Question Committee is fortunate in its timing in looking at this issue for a number reasons. First, the University is concluding implementation of its current strategic plan in which “Community Engagement” has been prominently featured and successfully executed as defined by measurable benchmarks. Second, the University has enjoyed unprecedented growth in its enrollment which has helped drive state support for facilities and campus footprint growth. Third, the Indiana State University Foundation has completed a strategic plan that has the potential to strengthen the alignment of the University and the Foundation.

Work completed thus far includes the Question Committee having met on October 14 and October 26, 2015. The Committee has also begun the work in identifying an understanding of how the University is already partnering with external entities, identifying existing assets and relationships that could potentially be leveraged, and projecting future opportunities. Truly a lot of great work in collaboration is well underway.

With regard to work ahead, this Committee will flush out those projected opportunities while closely examining the Foundation’s strategic plan. Ultimately we will be working to identify opportunities for closer alignment between the University and the Foundation. A potential challenge will be working through the several complex and potentially competing priorities. We believe that an approach to help cut through this challenge will be to address the following:

- How do we better imbed the Foundation into the life of the University?
- How do we evaluate the merit of ideas around collaboration including the return on investment?

The Committee will continue its work around these areas and develop some focus group discussions with key leaders on the campus.

2016 Strategic Plan Key Question Committee – Progress Report

Question(s): How must we change in order to excel in the future as the state appropriation fails to keep up with inflation and enrollment and tuition increases are limited?

Members:

Dan Bradley, Chair

Susan Frey

John Beacon

El-Houcine Chaqra

John Lentz

Laura David

Don Richards

Bo Turner

Jeff Jacso

Keri Yousif

Casey Craig

Background:

The rationale for asking this Key Question is that based on the record of the past decade of funding and the increasing complexity of the jobs available in our economy we should expect the following to be true for planning purposes:

1. Funding from the State of Indiana is likely to grow more slowly than inflation and may even decline over the next decade.
2. The demand/need for education will increase and the State of Indiana will expect us to increase both our enrollment and our persistence and graduation rates.
3. Support for students by the federal government will not likely grow faster than inflation.
4. The demographics of our state and region are changing, more slowly than the nation but changing still, and we should expect that a greater proportion of our students in the future will be “students of color” and that their average preparation and ability to pay the cost of their education will not improve relative to today’s students.

Given these general assumptions the Committee has embarked on a process that will result in a detailed picture of what the ISU of 2025 will need to look like if we are to “succeed”. We are viewing success as defined by the benchmarks in the current strategic plan: student persistence and graduation, faculty diversity and quality, distinctiveness of our programs. We are proceeding to develop a vision of ISU in 2025 along a number of vectors by dividing into subcommittees (finance, enrollment, demographics, Student Support, Student Faculty Ratio, Student Staff Ratio, Physical Plant). Once the vision is understood we will then develop a proposed set of tactics that help move us from where we are today

to that new place. At the next meeting each of the subcommittees will provide information on particular areas.

Subcommittees:

1. Don Richards & John Beacon -- Enrollment, Demographics and delivery method. They will assume an enrollment of 14,111 FTE and try to answer the question of who the students will be and whether they are likely to be traditional or distance students.
2. El Houcin Chaqra & Laura David – It is likely that an increasing number of our students will be low income and/or inadequately prepared to succeed in college without significant aid. What will that mean for us in terms of staff (student affairs and non-faculty academic affairs staff) and direct costs such as need based scholarships.
3. Bo Turner & Susan Frey – Given the assumptions in the financial analysis our enrollment will grow at least twice as fast as our faculty. The resulting larger student faculty ratio will lead to larger classes. How do we plan for that?
4. John Lentz and Jeff Jacso – Enrollment growth can lead to increased need for facilities. What will the increase in students mean for residence life, classroom number and size, parking etc.? What needs will the division of Financial Affairs and Facilities have for additional staff as a result?
5. Casey Craig, Keri Yousif & Dan Bradley -- The financial scenario shows a deficit of about \$20,000,000 in 2025 unless we can cut ongoing operations costs. What are some potential ways to cut costs without jeopardizing academic quality and enrollment?

Work completed:

We have a relatively detailed set of financial and enrollment assumptions that we have investigated.

ASSUMPTIONS

2015-16			2025-26

Enrollment HC	13584	16558???
Enrollment FTE	11576	14111
Faculty	543	606
Staff	926	1033
Student Faculty Ratio	21.3	23.3
Student Staff Ratio	12.5	13.7
Revenue per FY FTE	14741	15319
% Change in Revenue per FTE		0.54%
Base cost of new Faculty	65000	79235
Base Cost of new Staff	45000	54855

Base Cost of new Benefits

16500

24424

Assumptions

1. State Appropriation	0.0%	
2. Enrollment Increase	2.0%	
3. Student Tuition	2.0%	
4 Faculty & Staff Growth	1.0%	
5. Supplies & Expense	2.0%	
6. Utilities	2.5%	
7. Salary	2.0%	plus \$100K for fac/SS, \$65K EAP
8. Health Insurance	5.00%	
9. Student Financial Aid	2.0%	
10. Fringe Benefits	2.5%	
11. Strategic Plan	\$ 1,000,000	
12. Capital Projects	\$250,000	
13. Fee Replacement assume no new state funded projects.		
14. Utility Transfer Res Life	5%	

These assumptions result in an annual deficit of \$20,000,000 at the end of ten years.

Work planned:

In the time until the final report is due in January the Committee will complete its development of the “picture” of ISU2025 and will develop a set of goals and initiatives that will need to be investigated further. We do not feel that we have the time or mandate to fully vet any of the ideas that might be proposed.

Challenges:

We have been attempting to obtain outside advice and the Chair has discussed our needs with Sal Rinella. Sal has provided some assistance. The biggest challenge is the level of uncertainty in the assumptions. The saving features are that we will have an opportunity at least annual to make adjustments. We view the challenges of the future to be chronic in nature as opposed to acute.

2016 Strategic Plan Key Question Committee – Progress Report

Question(s): Review of Pathway to Success

Members: Josh Powers; Mike Snyder; Linda Behrendt; Denise Collins; Dom Nepote; Crystal Baker; SAMy Anderson; Vernon Cheeks; Cory Burger

Background:

The Strategic Plan is in its 6 year and many of its initiatives have been either closed or baselined. However, there are still 17 initiatives that remain active and are needing review. For these remaining initiatives, our charge as a committee was to examine benchmarks and actual achievements relative to current priorities and determine what goals and initiatives should be carried forward in the new plan. What initiatives should be “institutionalized” into regular operations? What initiatives should be dropped or altered?

To accomplish this, we broke into teams of two people and each took 3-4 initiatives to review. The assignments were as follows:

Goal 1	
Init 1 - Increase Retention/Grad for Transfer Students	SAMy; Mike
Init 2 - Math Intervention	SAMy; Mike
Init 5 - Enhance Grad Education	SAMy; Mike
Init 6 - Gathering and Use of Information	Linda and Vernon
Init 7 - Wellness	Linda and Vernon
Init 8 - Retention for African American	Linda and Vernon
Init 10 - SGA	Denise; Dom
Init 11d - Persistence to Completion	Linda and Vernon
Init 12 - Co-Curricular Life	Crystal; Josh
Goal 2	
Init 1B - Student Research/Creativity	Darby; Cory
Init 2 - SENCER	Crystal; Josh
Init 5 - Energize Downtown	Crystal; Josh
Goal 3	
Init 3 - American Democracy	Crystal; Josh
Goal 5	
Init 1 - Enhance Grant and Contract Activity	Darby; Cory
Init 2 - Engagement of Alumni	Darby; Cory
Init 3 - Open Education Resources	Denise; Dom
Goal 6	
Init 1 - Enhance Life for Faculty/Staff	Denise; Dom

Each group is examining the initiatives within the following framework:

- 1) *Did it achieve its goals and how much is there left to do?*
 - a. *How much remaining potential impact exists?*
- 2) *How mature is the initiative?*
- 3) *How relevant is the initiative to the University's strategic direction at this time?*
- 4) *How cross functional is it? Is it one department or many that are involved?*
- 5) *How great is the WOW FACTOR? How COOL is it?*

To close the review, a recommendation is being given from the following possibilities:

- *Continue in new plan as is?*
- *Modify and continue in new plan?*
- *Add to department(s) operational budget (base line)?*
- *Retire initiative as either goal is met or initiative is no longer relevant?*

Work completed:

Each group of two has completed evaluations and recommendation for two of their assigned initiatives as planned for the November 16th progress reports.

Work planned:

Each group will complete their remaining evaluations. The chairs will then review each and write a summative statement for the final report. All evaluations will be submitted.

Challenges:

No major obstacles. Finding meeting times and work time has been challenging, but the groups have been getting their work done. One member, Darby Scism, had to remove herself due to workload.