

**State of Indiana
Commission for Higher Education**

Minutes of Meeting

**November 13, 2009
Friday**

I. CALL TO ORDER

The Commission for Higher Education met in regular session starting at 9:07 a.m. at University Place Conference Center, IUPUI Campus, Room 132, 850 W. Michigan St., Indianapolis, IN, with Chair Michael Smith presiding.

II. ROLL CALL OF MEMBERS AND DETERMINATION OF A QUORUM

Members Present: Cynthia Baker, Gerald Bepko, Dennis Bland, Jon Costas, Carol D’Amico, Jud Fisher, Gary Lehman, Marilyn Moran-Townsend, Chris Murphy, George Rehnquist, Ken Sendelweck, Clayton Slaughter, Michael Smith.

Dr. Daniel Bradley, President of the Indiana State University, and Mr. Richard Helton, President of Vincennes University, attended the meeting. Mr. Anthony Maidenberg, Interim President of Independent Colleges of Indiana, was also present.

III. CHAIR’S REPORT

Mr. Smith recognized Mr. Bland for receiving the prestigious Franciscan Values award for his community leadership work on behalf of Marian University.

Mr. Smith announced that on Tuesday, November 10th, the Indiana Chamber of Commerce presented Commissioner Jon Costas, Mayor of the City of Valparaiso, with the Community of the Year Award.

Mr. Smith also mentioned former Commissioner Stan Jones, who was recognized as the Government Leader of the Year by the Indiana State Chamber.

Mr. Smith briefly spoke about the Commission’s Thursday night working session. He said that Commissioner Teresa Lubbers talked to the Commission Members about the schedule of the Commission meetings, noting that monthly meetings impose challenges not only on the Commission members’ schedules, but on that of those attending the meetings. It was decided that in order to improve the working process, the Commission members will look more closely at the Commission meetings calendar, trying to decide when and where the Commission needs to meet.

Mr. Smith mentioned that, as a part of its “*Reaching Higher*” work, pertaining to the progress of Indiana’s major research universities, Commission members discussed the universities’ efforts at taking technology and intellectual property and converting it to commercialization applications. The first look at Indiana’s progress appears in the Agenda documents. The Commission is very pleased with the results, and it will be making a public release in the form of a statewide discussion with media to salute the work being done at three Indiana major research universities.

Finally, Mr. Smith announced that on November 9th Ms. Haley Glover, Associate Commissioner for Policy and Planning Studies, gave birth to a baby girl named Harper Stuart Matson. Both mother and a baby are doing fine.

IV. COMMISSIONER'S REPORT

Ms. Lubbers began her report by saying that Mr. Chris Ruhl, State Budget Director, will be speaking to the Commission about the state's fiscal condition. Ms. Lubbers said that there are serious implications for both K-12 and higher education, based on tax receipts and where the state stands financially at present. As a backdrop to that discussion, and as a part of the Commission's continuing discussion about affordability, she provided the members of the Commission with information on what the federal government is doing and what impact it might have on the Commission's actions.

Ms. Lubbers provided two documents to the Commission members: first, a letter that was sent to both Chairs of the Senate and House Education Committee in D.C., and second, information about the fiscal conditions in the states, put out by the National Governors' Association and the National Association of the State Budget Officers.

Ms. Lubbers said that much of the focus in D.C. in terms of higher education has been around HB3221, "The Student Aid and Fiscal Responsibility Act of the 2009." It passed the House, and similar provisions are being considered in the Senate, as well.

HB3221 includes a \$3 billion investment to bolster college access and completion support programs, in keeping with "*Reaching Higher*" and Indiana's efforts to improve completion rates.

Ms. Lubbers spoke about the impact of federal student aid on Hoosier students. While overall funding for SSACI grants has increased, there was an overall reduction in the size of the maximum award, because of the higher number of students who enrolled. There is some help coming to Hoosier students through \$45M investment to increase the Pell Grant. That means the maximum will increase to \$5,500 in 2010; and each year following the increase will be linked to the Consumer Price Index plus 1 percent. By 2019 the Pell Grant is scheduled to be at \$6,900.

Indiana has been a provider of many direct loans through many private companies that exist in Indiana. It is important to note that both the House and Senate Bills are moving toward the elimination of loans being provided by subsidized lenders, to be replaced by a direct loan program through the federal government. There is an intention to have a competitive bid process, so these companies that have been providing direct loan, would be allowed to service this loan, based on how well they provided services in the past and their ability to reduce the default rate on student loans.

Seven million dollars have been included to focus on competitive grant program for community colleges, to increase the degree certificate and industry related credentials, in keeping with "*Reaching Higher*." The bill also contains \$8M for Early Learning Challenge Fund, and funds for building modernization and repair.

The Senate version of the bill includes many of the same provisions. Similar to the House version, it includes efforts to simplify the FAFSA process of getting loans; and both bills contain the language on converting to a federal direct loan programs. They both focus on an increasing completion and community college efforts. The Senate version also focuses on strengthening a state longitudinal data system. In response to both bills, the National Conference of State

Legislatures (NCSL) and the SHEEOs have sent letters to appropriate individuals, indicating that it is important to have flexibility at the state level and involvement of the state in this process.

Ms. Lubbers was concerned that there were not more state representation at the table. The letter from NCSL cites the 21st Century Scholars Program in Indiana as “a program that should be considered when you look at the access and completion.” In addition, the letter cited the importance of flexibility, saying, “The first goal of any new federal postsecondary education policy should be to support current efforts, and not create competing funding streams; give the state the flexibility to select from a full array of postsecondary education reforms that provide the best opportunity for success.”

Ms. Lubbers mentioned that at the recent Midwestern Higher Education Compact (MHEC) meeting Indiana E-transcript program continues to be viewed as a model program in the country for electronic transmission of transcripts. It was launched in 2005, and since that time more than 120,000 transcripts have been sent through this initiative. It has been estimated that more than 80,000 transcripts will be sent this year. College Go! Week initiative highlighted the E-transcript program and greatly increased the number of participants.

Ms. Lubbers provided a brief update on the Making Opportunity Affordable grant. There are very encouraging indications that Indiana will be selected to participate in this multi-year, multi-million dollar productivity and efficiency program. An official announcement will be made on November 24th. If Indiana is selected, it will jump-start Indiana’s effort in productivity and efficiency.

V. CONSIDERATION OF THE MINUTES OF THE SEPTEMBER COMMISSION MEETING

R-09-09.1 RESOLVED: That the Commission for Higher Education hereby approves the Minutes of the October 2009 regular meeting.
(Motion – Costas, second – Moran-Townsend, unanimously approved)

VI. DISCUSSION ITEMS

A. State Budget Presentation

Mr. Christopher Ruhl, Director, Indiana State Budget Agency, presented the State Budget update. He showed the charts that showed that most of the state revenue comes from the sales tax and individual income tax; the rest – from a dozen or so other sources. Mr. Ruhl explained that larger part of expenses goes to K-12 and higher education, and Medicaid programs, and the rest of the expenses are being distributed among other sources, like teacher pensions, corrections, child welfare, etc.

Mr. Ruhl spoke about the actual revenue versus May forecast. Indiana is dramatically below the forecast in every category, except gaming. Mr. Ruhl presented carts for actual revenue versus prior year and monthly revenues versus May forecast, as well as CY 09 monthly revenues versus the forecast and CY 09 monthly revenues versus prior year. There were large drops in revenue each month. Indiana has misses in revenues every month, and these

were considerable misses, some of them in double-digit numbers (22 percent in April, 16 percent in July, etc.).

Mr. Ruhl noted that the 2009 revenues were worse than those during previous recessions, in 1970s, 1990s, and early 2000.

Mr. Ruhl presented a chart showing sales tax growth in Indiana and the neighboring states in 2009 versus prior year, and a chart showing personal income tax growth in Indiana and the neighboring states in 2009 versus prior year.

Mr. Ruhl was mostly concerned about the forecast for FY 2010. Indiana was dramatically below forecast revenue after first four months. He presented a chart that shows the monthly targets for the May forecast. The chart shows what revenue needs to be to hit the forecast, for example, in November of 2009 the revenue has to be nine percent higher this year than in was last year to hit the forecast. Indiana was about 12 percent below than last year in the first four months.

Mr. Ruhl presented another chart, showing the reserve money being depleted in less than one year due to the revenue losses. Mr. Ruhl explained a chart that showed income tax rate increase and sales tax rate increase back in 1983; allowed for ten riverboats in 1993; and showed sales tax rate increase and cigarette tax increase in 2002. The first goal of the State Budget Agency is to avoid more tax increases. The second goal is to avoid the devastating cuts to education, both to schools and to universities, as well as public safety functions.

Mr. Ruhl spoke about the actions to address revenue shortfalls. He said that so far the Governor has kept every option on the table except a tax increase.

Mr. Ruhl concluded his presentation by saying that the economy is still a significant cause for concern for the State Budget Agency for a couple of respects. Mr. Ruhl briefly spoke about the private sector's obligation in debt service, as well as the allocation of resources. He spoke about an impact it has both on the state and potentially on students, which leads to higher tuition over the longer term. Mr. Ruhl also spoke about the focus the state puts on the stimulus funds. Indiana was fortunate to have a couple of hundred dollars left over, and it can be strategic about how to use this money; however, this money is going to be gone in less than two years.

Mr. Murphy asked what the Commission should do to get the legislature to understand that they need to make decisions on capital projects.

Mr. Ruhl said that this is a challenge for the legislators, because these are buildings that are going to their districts. The prospective the State Budget Agency has is that these are plum projects for legislators in their districts, and that's what they need to do to get the budget passed. The State Budget Agency had taken a different approach, trying to decide how to do these projects in the most cost effective ways. The SBA also is trying to put more rigors in the system of priorities.

Mr. Costas asked whether there was any comfort in the fact that October revenue miss was not as low as on the other months. Mr. Ruhl explained that there were a few factors that caused this to happen, but on the large scale it did not have a significant effect on the revenue numbers.

Mr. Smith said that last month the Commission had a conversation with one of the institutions, who reported that their surplus was “nearly a billion dollars”. The discussion was about so-called “off-balance sheet financing”. Mr. Smith noted that Mr. Ruhl has given the Commission a snapshot, but there wasn’t much talk about the persistence of the problem other than the Stimulus money going away at the end of biennium. Mr. Smith was concerned that the debt service on this billion dollars may become state obligation. Mr. Smith has requested Mr. Ruhl to share a longer look at the problem. He also encouraged Mr. Ruhl to continue to pursue more transparency in discussion on what the other sources are.

Mr. Bland asked Mr. Ruhl to share the solutions to existing problems that Mr. Ruhl might have on his mind. Mr. Ruhl said that there were no easy solutions. The state is different environment from fiscal and economic perspective, comparing to the past. This is going to take some time for the situation to improve.

B. Associate Degree Production Report

Dr. Kenneth Sauer, Senior Associate Commissioner for Research and Academic Affairs, stated that his is Part II of the discussion that started last month. Part I was presented to the Commission at the October Commission meeting.

Dr. Sauer emphasized that this was a draft report. He referred Commission members to a list of associate degree programs at Indiana public institutions, distributed at the meeting. All the programs on this list awarded at least one degree in the last five years. Some of these programs have already been eliminated and are no longer admitting new students. Because there are students in the pipe line, the degrees are still listed. One hundred and twenty one programs have been eliminated or are slated to be eliminated between now and FY2015.

Dr. Sauer said that there were about two dozen programs on which the decision has not been made. A year ago an agreement was reached between Indiana University and Ivy Tech regarding the Associate degree programs. This agreement stated that Indiana University will continue to offer the Associate degree programs until Ivy Tech is ready to implement similar programs.

Dr. Sauer went over campus-by-campus descriptions of the programs. Dr. Sauer said that Indiana University Bloomington’s program in Safety Management will be eliminated after Ivy Tech begins offering it. With the exception of their Allied Health programs, most of Indiana University’s campuses either have eliminated all or most of their two-year programs or will do so as soon as Ivy Tech is ready to offer them.

Dr. Sauer spoke about Purdue University campuses. Indiana University-Purdue University in Fort Wayne campus wants to continue all of their Associate Degree programs. Other Purdue campuses also want to continue some of their Associate Degree programs. Purdue University West Lafayette offers some of its two-year degree programs via Statewide Technology. Purdue University has proposed the B.S. in Engineering degree to be offered via Statewide Technology. In regards to this proposal, conversations are taking place that involve Purdue, Ivy Tech and the Commission staff. Commission staff would like to have an agreement in place similar to the Indiana University agreement that would pertain to Purdue Statewide Technology programs, before the Commission brings the B.S. in Technology program forward. Purdue University would like to have this program approved

at the December Commission Meeting, in order to allow time for the program to be offered in the fall, at least at some sites.

Dr. Sauer mentioned Ball State University's A.A. in Arts program that is being offered exclusively at the correctional facilities.

Dr. Sauer briefly spoke about Indiana State University programs, as well as University of Southern Indiana programs.

Dr. Sauer reiterated that this was a draft document, but he and the Commission staff were hoping to bring these discussions to a conclusion by the December meeting, to which this document will be brought in its final form.

Mr. Murphy mentioned the difference in the number of general reductions calculated without correctional programs.

Mr. Smith asked Dr. Sauer to share with the Commission members at the December Commission meeting more details about the issue of more than one third of the remaining admitting programs being offered on the IPFW campus.

Ms. D'Amico asked whether the four-year institutions are going to stop offering the two-year degree programs because Ivy Tech will start offering them. Dr. Sauer responded in affirmative. Ms. D'Amico pointed out that some of these programs were very important for the community: Engineering Technology, Computer Technology, Bio-Medical Technology, etc., so these programs ought to be offered by someone. Dr. Sauer responded that the Commission did not want to disadvantage the community by closing some programs in the university and not having it available at Ivy Tech.

Ms. Moran-Townsend asked whether Dr. Sauer could give the Commission members some data on the Certificate programs that some four-year colleges are still offering. Dr. Sauer answered that the data was unavailable because the Commission's program approval statutory authority references programs that are one-year in length or longer. Shorter term certificates do not come under the Commission's authority, and hence have not been a part of the Commission's data collection system.

Ms. D'Amico pointed out that the Department of Education's National Statistics will start collecting data on the Certificates, because President Obama's administration feels that this is a very important part of college completion.

Mr. Murphy asked whether a person, who is on-campus early in the year is being counted as a part of an enrollment. Dr. Sauer confirmed that the Student Information System covers the entire year, so any person who is on-campus between July 1st of one year through June 30th of the next year will be counted, if this person generates credits.

C. Budget Line Item Reports: Indiana State University

Mr. Bernard Hannon, Senior Associate Commissioner and Chief Financial Officer, spoke about this item. He explained that as part of the biennial budget process, the Commission is taking time during this off-budget year to take a closer look at the several line items in the budget than it is typically possible in the busy budget session. The first group of line items

to be reviewed by the Commission is three line items assigned to Indiana State University: Degree Link, College Cooperative Southeast, and South Central Educational Association.

1. Degree Link

Dr. Jack Maynard, Provost, introduced these three items. They were created back in the mid- to late 90s.

Dr. Maynard introduced Ms. Melissa Hughes, Director, Outreach and Distance Services on Degree Link, and invited her to speak about Degree Link.

Ms. Hughes gave a brief description of the Degree Link initiative. The Degree Link was designed to meet the educational needs of place- and time-bound Hoosier adults. To date, a total of eleven degree programs have been approved by the Commission for statewide-mediated delivery. Degree Link is considered one part of the broader Indiana State University distance learning delivery mechanism.

2. South Central Educational Association

Dr. Maynard introduced Mr. Bret Hawkins, Director of South Central Educational Association, and invited him to speak about South Central Educational Association (SCES).

Mr. Hawkins gave a brief description of the South Central Educational Association. SCES is a collaborative effort between the community, local civic leaders, and the SCES Alliance comprised of Ball State University, Indiana State University (Fiscal Agent and Site Manager), Indiana University, Ivy Tech Community College, Purdue University and Vincennes University, who have agreed to coordinate, collaborate, and articulate post-secondary course offerings at six Community Learning Center (CLCs). This collaborative structure has been a successful approach to marshal resources and apply them to the educational and workforce development needs in the area.

Mr. Murphy asked whether the students were enrolled in one institution or in multiple institutions. Mr. Hawkins responded that students were enrolled mainly in Ivy Tech, but some were enrolled in other institutions, as well. Most of the students are working on their Associate Degrees, but some are working toward their Bachelor Degrees.

Dr. Bepko asked where this fits in the Strategic Plan of the University. Dr. Maynard responded that Indiana State University does not see this Cooperative as a part of their Mission. They see it as a service that they perform for the community.

Mr. Smith asked whether the proceeds from this line item appropriation will run through the Indiana State University general fund. Dr. Maynard responded in affirmative. He pointed out that the University hires the coordinators, the resource officers; the university uses this budget to pay for the utilities, to pay the retirement, etc. Mr. Smith confirmed that the University was acting as a Fiscal Agent of the SCEA, not as an owner.

3. College Cooperative Southeast

Dr. Maynard introduced Ms. Lisa Deck, Director of the College Cooperative Southeast, and invited her to speak about the College Cooperative Southeast.

Ms. Deck gave a brief description of the College Cooperative Southeast (CCS). The CCS initiative is designed to promote and increase services that enable students to access and enroll in certificate, associate, bachelor, and graduate degree programs in a wide spectrum of academic areas that will provide postsecondary credit degree completion and workforce development opportunities. Ms. Deck spoke about their students, who come to the Learning Centers to either change their careers or to get skills that will make them more employable. She shared two success stories about their students, who were able to go to college and now are working on their degrees.

Ms. Moran-Townsend asked what the success rate in terms of college completions was among the Degree Link students compared to that rate in the institutions they were attending.

Ms. Hughes answered that since the establishing of Degree Link 1,072 students graduated from it. However, she did not have the exact number of retention rates, but she said she could do a research and get these numbers.

Ms. Lubbers asked whether the centers were based on CAPE funding. Dr. Maynard responded that South Central Educational Association was awarded a CAPE partnership grant in 2000 and used this grant as a base to expand from the four original sites to adding two more. The grant ended last year, and the University requested in their budget additional funds to replace this grant, but has not been successful so far.

Ms. Lubbers asked whether the University been successful in getting any funding from the community. Dr. Maynard responded that the University has not had much success getting additional funding.

Mr. Smith commended Dr. Maynard on the presentation of the University's Strategic Plan, given to the Commission Members in the morning. He also wanted to point out Dr. Maynard's role in these programs.

VII. DECISION ITEMS

A. Academic Degree Programs

1. Master of Arts and Master of Science in Recreation and Sport Management To Be Offered by Indiana State University-Statewide via Distance Education Technology

Dr. Maynard spoke to this proposal. This program is identical to one currently being offered on-campus. The same faculty will be teaching the classes. Residents of Indiana and non-residents, who would be pursuing the coursework via distance education technology, would pay the same amount, which would be \$50 less than the amount paid by residential students who were taking the courses in a traditional classroom setting.

Dr. Sauer gave the staff recommendation.

Ms. D'Amico asked what the successful transition to the workforce was. Dr. Maynard invited Dr. Richard Williams, Dean of Nursing, Health, and Human Services, to answer this question. Dr. Williams said that the University has had a long history of the undergraduate program in Parks and Recreation, and the graduates have been returning to the University to get their Master's degree for a number of years. This is a reason this program is being offered via distance education technology.

Ms. Moran-Townsend said that she presumed the University has looked at what the non-residents are paying for other distance education programs, and that is why the fees for a distance education at Indiana State University are higher than those for the classes taken in the classroom. Dr. Maynard responded that non-resident students pay 25 percent higher tuition for access to a distance education program than resident students. Ms. Moran-Townsend encouraged Indiana State University to keep tabs on these fees.

Mr. Slaughter asked why the University is offering two separate degrees. Dr. Williams responded that in the Master of Arts program the students are involved more in internship, while in the Master of Science program they are doing more research and study.

R-09-09.2 **RESOLVED:** That the Commission for Higher Education hereby approves the *Master of Arts and Master of Science in Recreation and Sport Management* to be offered by Indiana State University-Statewide via Distance Education Technology, in accordance with the background discussion in this agenda item and the *Abstract*, August 24, 2009; and

That the Commission recommends no new state funds, in accordance with the supporting document, *New Academic Degree Program Proposal Summary*, August 24, 2009. (Motion – Murphy, second – Fisher, unanimously approved)

2. Academic Degree Programs on Which Staff Propose Expedited Action

Staff presented a list of degree programs proposed for expedited action. There was no discussion of these items.

R-09-09.3 **RESOLVED:** That the Commission for Higher Education hereby approves by consent the following degree program(s), in accordance with the background discussion in this agenda item:

- Master of Fine Arts in Visual Art to be offered by Ball State University at Muncie
- B.A./B.S. in Sport Administration to be offered by Ball State University at Muncie (Motion – Murphy, second - Sendelweck, unanimously approved)

B. Capital Projects

1. Purdue University-West Lafayette Student Fitness and Wellness Center Renovation and Addition

Mr. Kevin Green, Director of State Relations, introduced Mr. Nathan Welch, President of Mortar Board, and member of the Student Advisory Committee, and invited him to speak to this item.

Purdue University would like to renovate and add on to the Student Fitness and Recreation Center on the West Lafayette campus. This project will enhance the 1955 Recreational Sports Center to improve the quality and availability of space per student. Current standards suggest that there should be approximately 11-13 square feet of recreational space available per student. Purdue currently has less than 6.84 square feet of useable recreational space per student.

Mr. Welch told the Commission members that this is a student-initiated project. The new facility will promote healthy life style and will help Purdue University with recruitment and retention. It will also enhance student activities in Purdue.

Mr. Slaughter commended Purdue University for student involvement.

Ms. Moran-Township asked about the fees that students are currently paying per semester. Mr. Green responded that students are paying a fee of \$12 per semester to support sport and wellness activities. Purdue is setting a limit, so that students will not be paying more than \$125 per semester per student, or \$250 a year. Mr. Welsh added that these fees will not be in place until the building is completed, over the stage period of three years.

Mr. Murphy asked what the University will do if the student could not afford an additional fee. Mr. Green responded that Purdue has a significant financial aid program. Mr. Green added that this fee will be included first before other fees will be increased across the campus. Because this fee is dedicated to this purpose, looking into fee increases for the future, this is the first one percent for each of these three years that gets implemented.

Ms. Moran-Township noticed that in the staff analysis of this project it says the fee will be \$250 “per semester”, and it should be “per year”. Mr. Hannon agreed and made changes to the staff report.

Mr. Welsh said that the students were involved with the plans of the building: they met with the certified board members; they looked at the project and what the building will include in it.

Mr. Smith asked whether there are any other facilities on the campus that can be available for students’ recreation.

Mr. Green assured Mr. Smith that Purdue University looked at every alternative. The University will have some temporary facility for the students to use while the new construction will be going on. Mr. Welsh added that they did look at other facilities, but none of them worked out.

Mr. Hannon made the staff recommendation. He said that this project was authorized by the 2009 General Assembly. PU will issue the debt, and debt service will be collected through the student recreation fees. Total tuition and mandatory fees paid by the student this fall is a little over \$8600. Currently \$12 per student per semester is dedicated toward a recreation fee, but it is rolled into the tuition fee. Mr. Hannon confirmed that Purdue will not be charging students additional fees until the renovated portions of the facility are usable. This will be a mandatory fee. The staff will also be paying this fee to use the new facility. Mr. Hannon added that mandatory fee is eligible for the financial aid, so SSACI or 21st Century Scholars program can help with this fee.

Mr. Smith pointed out that though the research that was done to this project has been very thorough, one document was still missing, and that is a document of any alternative sources of financing for the project.

Mr. Hannon said that Purdue continues to look for some alternative funding for this project.

Twelve members of the Commission voted in favor of the staff recommendation to approve the project to the Governor; Chairman Mike Smith voted against the project, based on concerns over broader issues regarding university debt and the state's financial circumstances.

R-09-09.4 RESOLVED: That the Commission for Higher Education hereby recommends approval to the State Budget Agency and the State Budget Committee of the project, *Purdue University-West Lafayette Student Fitness and Wellness Center Renovation and Addition*, as presented in the project description and staff analysis dated November 9, 2009. (Motion – Bepko, second – Slaughter, one against, Smith; approved)

2. Ivy Tech Community College of Indiana, Multi Modal Parking Facility at Indianapolis

Mr. Jeffrey Terp, Vice President, Policy Analysis and Engagement, presented this project. This is a parking facility at their main Fall Creek campus, and will have 466 parking spaces. This facility will also provide space for the main campus library, a computer lab and an assessment center. There will be an IndyGo Bus Transfer Center and community space located in this facility, as well. Funding for this project has been secured using Federal grants, donated funds and Central Indiana Region earned revenue. No student funds or student fees are being used to construct the facility.

Mr. Slaughter pointed out that there will still be a shortage of 1200 parking spaces at the peak time. Mr. Terp confirmed that was the case. Mr. Slaughter asked where the students will be parking. He said Ivy Tech is looking for a solution. Many of their students are using the bus service.

Mr. Hannon gave the staff recommendation.

R-09-09.5 RESOLVED: That the Commission for Higher Education hereby recommends approval of the new construction project, *Ivy Tech Community College of Indiana, Multi Modal Parking Facility at Indianapolis*, as presented in the project description and staff analysis dated November 13, 2009. (Motion – Costas, second – Moran-Townsend, unanimously approved)

C. Major Research University Indicators of Competitiveness and Success: Guiding Benchmarks

Mr. Hannon presented this item. He said that one of the focus areas of the “*Reaching Higher*” document was work to improve our major research universities. Commission staff and representatives from Indiana major research universities sat to work to put on paper their goals and metrics to measure achievement toward those goals. Mr. Hannon noted that Associate Commissioner Haley Glover was the author of the report.

Mr. Smith mentioned a draft of an article that would be released to the local press, and in this article there will be a mentioning of a grant received by IUPUI.

Mr. Smith stressed that this report is a work done in collaboration with the leadership of all three campuses. It is important to preserve the goodwill that was established when the Commission put the “*Reaching Higher*” document together. Mr. Hannon confirmed that the report is a joint effort of the Commission and the universities.

Ms. Lubbers asked Mr. Hannon to tell the Commission what the benchmarks of the report are. Mr. Hannon said that benchmarks are reported in three key areas: Research and Development; Technology Transfer, and Institutional Reputation. For the purposes of this report, Indiana’s Major Research Universities (MRUs) developed a set of peer states, which are similar to Indiana demographically, economically, and in terms of educational structure. Public MRUs within peer states will be utilized to gauge performance.

Mr. Hannon explained the data used in the report. He said that while Indiana’s peer states have been determined based on similar economic and educational characteristics, Indiana’s public MRUs are competing against MRU systems in states with a much larger population base. Indiana’s Public MRU’s will rank in the top half of peer states for total Research and Development (R&D) expenditures and expenditures per capita by 2015. Adjusted for state population, Indiana ranks in the middle of peer states.

Mr. Costas asked whether the expenditures mentioned in the report are funded by grants. Mr. Hannon responded that the data for the report is from National Science Foundation, and it reflects various sources of funding pertaining to the expenditures, not income.

Mr. Hannon continued to explain the data in the report. Indiana's Public MRU's will rank at the top of all peer states in Invention Disclosures and New Patent Applications, and in the top half of peer states for New Patents issues by 2015. Indiana's Public MRUs will rank at the top of all peer states in Licenses executed and start-ups by 2015. Indiana's Public MRU's will rank at the top of all peer states in Faculty Awards by 2015.

Mr. Murphy asked whether the Faculty Awards category included members of the Academy. Dr. Nancy Bulger, Assistant Provost, Purdue University, responded in affirmative.

Mr. Smith encouraged the Commission to continue working on metrics, in order to expand and enhance the set of metrics that were used in this report. Mr. Smith commended Ms. Haley and Mr. Hannon for the good work with university colleges in putting the report together.

Mr. Bland said it is important to explain to general population why this research is being done. People need to know what the universities are doing, and how it affects them. Mr. Bland encouraged the Commission not to lose the will to help students and citizens of Indiana counties, to continue serving real people, whose lives have been touched and changed because of the work the universities are doing.

Mr. Fisher said that as the Commission will be moving forward with this relevant and important information, it would be great to continue including the stories of real people being affected by the work Indiana Public Universities are doing. It helps the General Assembly to understand how it affects everybody in the real world.

Mr. Murphy continued along these lines, saying that the Commission needs to take another step to explain why it is going this research, and where it connects with the population, in terms of increasing business activities, starting new businesses, hiring people, etc. In many cases money from outside the state is coming in the state.

Mr. Smith brought Commission member's attention to the last paragraph of the draft release, which describes what is going on in Warsaw, Indiana. This is the product of that research that will continue in Indiana and Purdue Universities.

Ms. Lubbers added that the Commission also needs to be in contact not only with public in large, but with the Legislature, as well.

Dr. Bepko wanted to congratulate Ms. Glover on a very good job done in preparing the report. Mr. Smith added that the universities ought to be commended, as well.

R-09-09.6 RESOLVED: That the Commission for Higher Education hereby approve by consent the description of goals and indicators developed for the Major Research University Indicators of Competitiveness and Success:

Guiding Benchmarks, in accordance with the background information provided in this agenda item. (Motion – Murphy, second – Bepko, unanimously approved)

VIII. INFORMATION ITEMS

- A. Status of Active Requests for New Academic Degree Programs
- B. Capital Improvement Projects on Which Staff Have Acted
- C. Capital Improvement Projects Awaiting Action
- D. Minutes of the October Commission Working Sessions

There was no discussion of these items.

IX. OLD BUSINESS

There was none.

X. NEW BUSINESS

A. Report on REPA

Ms. Lubbers said that last night Commission members had a discussion focused on proposed Rules for Educator Preparation and Accountability (REPA) in the state. As of October 30th the public on-line comments period ended. Several schools of education and teachers approached the Commission within the last couple of months. There were discussions on what action to take, and the decision was made in keeping with “*Reaching Higher*” to offer a letter of support of the direction of the proposed changes in teacher preparation.

Ms. Lubbers quoted from the “*Reaching Higher*” document. “The quality of the teacher in the classroom is perhaps the most important factor in improving student achievement towards the college readiness. Study shows that students, who have several strong teachers in a row will thrive no matter what their family background. Conversely, students, who have just three consecutive weak teachers, will perform badly. Student learning is what matters most. Therefore, teacher preparation programs should be examined with accountabilities in place to measure and report the effects on student learning their respective teachers are producing. We should pay particular attention to redesign teacher education programs by strengthening course-content knowledge required of all teachers, implementing an accountability system, providing ongoing professional development, and streamlining alternative certification programs.”

Ms. Lubbers said that these words are taken straight out of “*Reaching Higher*” document on which the Commission members all worked so hard to develop.

R-09-09.7 RESOLVED: That the Commission for Higher Education hereby offer a letter in support of streamlined, rigorous standard for teacher preparation. (Motion – Murphy, second – Fisher, unanimously approved)

B. Report on Strategic Directions Committee

Ms. Moran-Townsend presented this report. Strategic Directions Committee has focused at the beginning of their work in terms on how they can support the goals of “Reaching Higher” document, looking in inside first on how they can improve the effectiveness of the Indiana Commission of Higher Education. They determined that the things they can do are largely in three areas: inspire, inform and innovate.

Specifically, in the area of inspiration, through the tools available to the Committee or those they may need to create, they will inspire the institutions for the purpose of creating a more effective system of higher education, that sheds redundancy, fosters institutional collaboration and bridges educational sectors.

To inform they will host the institution-level and system data and metrics on current performance in finance, productivity and other Reaching Higher roles. This information will be given to the useful form to the policy makers: the Governor, the State Budget Committee, the Legislators, the Indiana Finance Authority, as well as to the institutions of higher education and to the consumers of higher education.

As to innovation, the Committee will provide the forum of paradigm-shifting cost containment at the institutional and system level, and the Committee will offer useful tactical support to the institutions of higher education to achieve it.

R-09-09.8 RESOLVED: That the Commission for Higher Education hereby approve *Report on the Strategic Directions Committee*.
(Motion – Murphy, second – Lehman, unanimously approved)

XI. ADJOURNMENT

The meeting was adjourned at 11:45 a.m.

Mike Smith, Chair

Jud Fisher, Secretary