



INDIANA *for* COMMISSION  
HIGHER EDUCATION

## MEMORANDUM

**To:** Interested Parties  
**From:** Teresa Lubbers  
Commissioner  
**Date:** June 1, 2012  
**Subject:** Commission Meeting

Enclosed are agenda materials for the June Commission meeting. The meeting schedule is as follows:

### **Thursday, June 7, 2012**

Indiana State University  
Hulman Memorial Student Union  
501 N. Fifth Street  
Terre Haute, IN 47809

***(Eastern time)***

**4:00 – 5:30 p.m. Committee Meetings**  
**Academic Affairs, Room 314** *(public meeting)*  
**Student Success, Room 316** *(public meeting)*

**5:45 – 6:30 p.m. Reception, 9<sup>th</sup> Floor Lounge**

**\* 6:30 - 9:00 p.m. Dinner Working Session** *(public meeting)*,  
9th Floor Dining Room

**\*\*\* Parking Instructions** Parking Lot #11 *(see campus map)* on the north side of the building, accessible from Fifth Street.

**MEMORANDUM**

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**Friday, June 8, 2012**

Indiana State University  
Tirey Hall  
216 N. Seventh Street  
Terre Haute, IN 47809

***(Eastern time)***

**\* 7:45 - 8:45 a.m. Breakfast Working Session** *(public meeting)*  
Heritage Lounge, 1<sup>st</sup> floor

**\* 9:00 a.m. - 12:00 p.m. Commission Meeting** *(public meeting)*  
State Room, 1<sup>st</sup> floor

**12:00 p.m. Lunch**, Heritage Lounge, 1<sup>st</sup> floor

**\*\*\* Parking Instructions** Public parking garage (#7 on campus map) available on northeast corner of Cherry Street and Seventh Street, accessible from Cherry Street *(one-way west)*.

If you have questions, suggestions, or need a reasonable accommodation, please contact this office.

\* The Commission for Higher Education abides by the Indiana Open Door Law (Indiana Code 5-14-1.5). All business meetings are open to the public. (Meals will not be provided.)

*INDIANA COMMISSION FOR HIGHER EDUCATION  
101 West Ohio Street, Suite 550  
Indianapolis, Indiana 46204*

**DINNER WORKING SESSION AGENDA  
Thursday, June 7, 2012  
6:30 - 9:00 p.m. (Eastern Daylight Time)**

**Indiana State University**  
Hulman Memorial Student Union  
9<sup>th</sup> Floor Dining Room  
501 N. Fifth Street  
Terre Haute, IN 47809  
Phone: 1-812-237-2372

**DISCUSSION TOPICS**

1. President Daniel Bradley Presentation
2. Committee Report Outs
  - a. Budget and Fiscal Policy – Jason Dudich
    - Institution Defined Productivity Metric
  - b. Student Success – Jason Bearce
    - 21<sup>st</sup> Century Scholarships Scorecard
    - 21<sup>st</sup> Century
    - Communication Plan for Reaching Higher, Achieving More
  - c. Academic Affairs – Ken Sauer

**BREAKFAST WORKING SESSION AGENDA**

**Friday, June 8, 2012**

**7:45 – 8:45 a.m. (Eastern Daylight Time)**

**Indiana State University**

Tirey Hall

Heritage Lounge, 1<sup>st</sup> Floor

216 N. Seventh Street

Terre Haute, IN 47809

Phone: 1-812-237-2372

**DISCUSSION TOPICS**

1. Overview of Commission Roles and Key Decisions in SSACI Integration
2. Expedited Items
  - a. Human Resource Policy, Post July 1, 2012
  - b. Indiana/Ohio Reciprocity Agreement
  - c. Transfer Indiana Central Office
  - d. Improving Teacher Quality Partnership

# AGENDA

Commission for Higher Education

## COMMISSION MEETING

**Indiana State University**  
Tirey Hall, State Room, 1<sup>st</sup> Floor  
216 N. Seventh Street  
Terre Haute, IN 47807  
Phone: 812-237-2372

**Friday, June 8, 2012**

- I. CALL TO ORDER -- 9:00 a.m.**
- II. ROLL CALL OF MEMBERS AND DETERMINATION OF A QUORUM**
- III. CHAIR'S REMARKS**
- IV. COMMISSIONER'S REPORT**
- V. CONSIDERATION OF THE MINUTES OF THE MAY COMMISSION MEETING ..... 1**
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    - Bachelor of Arts in Medical Humanities and Health Sciences to be offered by Indiana University through Its IUPUI Campus



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	• Improving Teacher Quality Partnerships Program	

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**IX. OLD BUSINESS**

**X. NEW BUSINESS**

**XI. ADJOURNMENT --** Approximately 12:00 p.m.

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The next meeting of the Commission will be on August 10, 2012, in Muncie.



**State of Indiana  
Commission for Higher Education**

**Minutes of Meeting**

**Friday, May 11, 2012**

**I. CALL TO ORDER**

The Commission for Higher Education met in regular session starting at 9:00 a.m. at Vincennes University, Indiana Center for Advanced Technology (ICAT), Room 142, 1500 N. Chestnut St., Vincennes, IN 47591, with Chair Ken Sendelweck presiding.

**II. ROLL CALL OF MEMBERS AND DETERMINATION OF A QUORUM**

*Members Present:* Gerald Bepko (via conference call), Dennis Bland, Carol D'Amico, Susana Duarte de Suarez, Jud Fisher, Chris LaMothe, Marilyn Moran-Townsend, Eileen O'Neill Odum, George Rehnquist, Kent Scheller, Ken Sendelweck and Mike Smith (via conference call).

*Members Absent:* Keith Hansen, Chris Murphy.

**III. CHAIR'S REPORT**

Mr. Sendelweck invited Dr. Richard Helton, President, Vincennes University, to give welcoming remarks. Dr. Helton welcomed members of the Commission on campus.

Mr. Sendelweck introduced Dr. Gina DelSanto, Senior Associate Commissioner and Chief of Staff at the Commission for Higher Education. Mr. Sendelweck noted that Dr. DelSanto has a Ph.D. and M.A. from Indiana University and B.A. from the University of Rhode Island. Mr. Sendelweck asked Ms. Teresa Lubbers, Commissioner, to give a brief synopsis of Dr. DelSanto's role at the Commission.

Ms. Lubbers said that Dr. DelSanto has a deep commitment to workforce issues, and will be a valuable asset as the relationship between education and workforce is increasingly important. Ms. Lubbers added that Dr. DelSanto has very unique skills, which include a strong academic preparation, deep government understanding, and education policy experience at all levels. Ms. Lubbers said that the Commission is delighted to welcome Dr. DelSanto to the staff.

Mr. Sendelweck asked for a motion to vote on hiring Dr. DelSanto on the Commission.

**R-12-03.1      RESOLVED:** That the Commission for Higher Education hereby approves hiring Dr. Gina DelSanto as Senior Associate Commissioner and Chief of Staff of the Commission for Higher Education (Motion – Rehnquist, second – Bland, unanimously approved)

Mr. Sendelweck announced that the 2012 Student Nominating Committee met on March 23<sup>rd</sup>. They have presented a slate of four names to the Governor, who will appoint a new student representative on the Commission shortly.

Mr. Sendelweck mentioned that the Commission needs to appoint members to the Commission's Officers' Nominating Committee. The fiscal year ends on June 30<sup>th</sup>, and at the Commission meeting in June the Commission will have to present and vote on the new officers for the new fiscal year, which starts on July 1<sup>st</sup>. The Commission's Executive Committee has agreed to serve as proxy for the Nominating Committee in their roles and responsibilities. The Executive Committee is comprised of the Commission's current officers: Mr. Sendelweck as a Chair, Ms. Moran-Townsend as a Vice Chair, and Mr. Fisher as a Secretary; along with the Committee Chairs: Dr. Bepko, Mr. Bland, Ms. Odum, and Mr. Smith. The slate of the officers will be presented and voted on at the June Commission meeting. Mr. Sendelweck added that there will be open nominations, as well.

Next Mr. Sendelweck announced that Ms. Catisha Coates, Special Projects Manager, Commission for Higher Education, will be leaving the Commission at the end of June, returning to Merrillville to further her education. Mr. Bland read a resolution honoring Ms. Coates:

**R-12-3.2**        **WHEREAS** Catisha Coates has served as a dedicated staff member for the Indiana Commission for Higher Education since February, 2007, and currently serves as a Manager of Special Projects; and

**WHEREAS** Catisha has made invaluable contributions in furthering transfer of credit in Indiana through the work of STAC, including the Dual Credit Review Panels, CTL Subcommittee, and the Faculty Academic Panels, as well as her exemplary work in making the *Transfer Indiana* website student friendly; and

**WHEREAS** she has displayed exceptional leadership in getting high schools throughout the state to adopt and utilize *Indiana e-Transcript*; and

**WHEREAS** Catisha has capably managed the Improving Teaching Quality Partnership grant program and more recently, the reciprocity agreements with Ohio and Kentucky; and

**WHEREAS** she has served as a liaison to the Midwest Student Exchange Program and participated in the work of the MHEC e-Transcript Advisory Committee;

**NOW THEREFORE BE IT RESOLVED**, that the Commission for Higher Education expresses its heartfelt appreciation for Catisha's outstanding service to Indiana higher education, and to the Commission for Higher Education in particular; and

**THAT** the Commission for Higher Education wishes Catisha every success as she returns to her hometown of Gary, Indiana to pursue graduate studies at the Indiana University Northwest and community service work with the City of Gary (Motion – Bland, second – LaMothe, unanimously approved)

#### IV. COMMISSIONER'S REPORT

Ms. Lubbers thanked Catisha for the outstanding service she provided to the Commission. She said that Catisha has a strong passion to serve students in Northwest Indiana, and that the Commission is truly happy about Catisha's decision to continue her education.

Ms. Lubbers spoke about two major convenings, hosted by the Commission since the March meeting: the Weldon Conference on April 16<sup>th</sup> and the Core to College Convening on April 12<sup>th</sup>. At this year's Weldon Conference the Commission brought together faculty, students, trustees and other higher education leaders to focus on "*Reaching Higher, Achieving More,*" the Commission's newly adopted strategic plan. Kicking off the meeting, Charles Kolb, President of the Committee on Economic Development, offered remarks, challenging the attendees to see the attainment goals as a state imperative – much like his organization sees similar goals as a national imperative.

Ms. Lubbers talked about the Core to College convening, which hosted approximately 150 faculty members to begin the process of aligning K-12 common core standards with assessments that measure college readiness. Ms. Lubbers noted that Dr. Ken Sauer is working with the campuses on the General Education Core and learning outcomes and that this work will be beneficial to the Common Core Standards implementation.

Ms. Lubbers told the Commission that she serves as a member of the PARCC (Partnership for Assessment of Readiness for College and Careers) advisory committee and will represent Indiana in voting on the assessments that will be administered in the 2014-15 school year. She added that members of the faculty and campuses will be providing their input to her. Ms. Lubbers said that the responses to the survey regarding the Core to College meeting were generally very positive and indicated an agreement by higher education that a statewide definition of college readiness is needed, as well as a common assessment to show readiness.

Next Ms. Lubbers thanked the Commission's financial team – Mr. Jason Dudich, Mr. Shane Hatchett, and Ms. Jean Dugan. Due to their good work, the Commission received a clean audit, no findings for the last five years.

Ms. Lubbers mentioned that the Commission had a brief discussion this morning about the work following HB 1270, which brings the State Student Assistance Commission of Indiana (SSACI) and Commission on Proprietary Education under the ICHE umbrella. Ms. Lubbers acknowledged that this is a challenge; however, it is going to be worth the efforts to streamline this work and to be able to offer Hoosiers, and especially students and families, a more understandable system of higher education. The merger officially takes effect on July 1<sup>st</sup>.

Ms. Lubbers talked about College Readiness Reports issued by the Commission on April 16<sup>th</sup>. She said that Dr. Molly Chamberlin at the Commission was instrumental in issuing these reports. The reports provide information to both the K-12 system and higher education on the 2010 graduates and their preparedness for college. The reports include information on where graduates went to college; who needed remediation in English or math; what degrees were chosen; whether they attended full or part time; what the graduates' average GPA was; how many credit hours were earned, and other important data. This is one more way to talk about college readiness in a unified way.

Finally, Ms. Lubbers brought to everybody's attention a special screening of the documentary, "First Generation," which will take place on May 17<sup>th</sup> at 6:00 p.m. at Ivy Tech Indianapolis campus. Produced with the support of Lumina Foundation, the film tells the story of four high school students who pursue a college education as a way of breaking the cycle of poverty. The producers will be in attendance and provide some background information about their vision and commitment to the project. Following the film, there will be a discussion about the importance of reaching this population if the Commission is going to reach its attainment goals. Ms. Lubbers encouraged everybody to join the Commission at this screening.

**V. CONSIDERATION OF THE MINUTES OF THE MARCH 2012 COMMISSION MEETING**

**R-12-03.3 RESOLVED:** That the Commission for Higher Education hereby approves the Minutes of the March 2012 regular meeting (Motion – Smith, second – Scheller, unanimously approved)

**VI. DISCUSSION ITEMS**

**A. Master Capital Plan for Indiana University Regional Campuses**

Dr. Thomas Morrison, Vice President for Capital Planning and Facilities, presented this item. He stressed that these plans are land use plans. They were directed by the Board of Trustees to look at the future use of our campuses in terms of using the land. The Trustees reviewed these plans late last year, and they will adopt them next year. The plan that is being presented now is the draft.

Below is the link to Dr. Morrison's presentation.

<https://www.slashtmp.iu.edu/files/download?FILE=nakwilso%2F23574r7HXe3>

Password to download the file: may182012

Dr. Morrison first presented a slide showing the Indiana University's (IU) Historical Enrollment for the entire IU system. Between 2007-08 and 2011-12 the enrollment has grown by over 11,000 students system-wide. This entire enrollment has been accommodated at the campuses without adding a single new academic building. IU has figured out how to be more efficient with its space. Dr. Morrison said in his presentation he will show how the Universities have been utilizing their space and managing this enrollment growth.

Dr. Morrison presented the land use plans for each regional campus separately: IU East, IU Kokomo, IU Northwest, IU Southeast, and IU South Bend. He explained the locations of the existing buildings, as well as the sites for the future buildings. Dr. Morrison noted that system-wide the majority of the buildings are over 40 years old.

Ms. Odum asked what kind of a range exists among various regional campuses to measure the density of the buildings. Dr. Morrison responded that in terms of the square footage per student all the academic buildings are the same.

Ms. Moran-Townsend asked, as IU is working on the Master Plan for physical infrastructure, whether they are doing that in conjunction with the Master Plan for their virtual infrastructure. Dr. Morrison responded in the affirmative. He gave as an example IU East. A large part of their enrollment growth is through on-line learning; however, the learning is blended, which means that some of the classes are taken on-line, and some on campus. This creates a challenge when it comes to accommodating all these students when they do come to the campus.

Dr. Morrison added that another challenge is faculty space. At IU East they had to add thirty or forty faculty members to teach on-line classes, and the University wanted to make sure that these new faculty members can come to the campus and interact with their colleagues and students, even though they are teaching on-line classes. It was necessary to find space to house these faculty members, and the University was able to manage this by doing some floor restructuring, moving furniture, and using some storage spaces.

Mr. Bland asked what has motivated the enrollment growth on IU regional campuses. Dr. Morrison responded that the economy plays a role in that; if people are out of work, they tend to return to school, and this happens more on regional campuses than in Bloomington or at IUPUI. There are also students who are staying at home, and commuting to the campus, thus saving money on residence halls. The overall Indiana's college attendance rates are going up, and the IU system is benefitting from this.

Dr. D'Amico asked whether in the East region there are some satellite sites that should be on IU's map. Dr. Morrison responded in the affirmative, and added that they have the satellites in several locations, like in New Castle, Connersville, Elkhart, and Portage. The classes in these locations typically would be given either in a local school or in a mall.

## **B. Johnson A Residence Hall Renovation – Ball State University**

Ms. Gretchen Gutman, Associate Vice President for Government Relations, Ball State University, presented this item.

Ms. Gutman gave a brief history of the Ball State campus, showing a picture of an old building, which was closed in 1917, bought by Ball brothers at a public auction and donated to the state of Indiana. Today Ball State is a vibrant campus, with lots of activity and students.

Ms. Gutman spoke about Ball State housing, with most buildings erected in 1960s. She said that now students have higher expectations in housing and dining. Ms. Gretchen talked about the master plan study of the residential area, and the decision to renovate and expand the Johnson A building. Ms. Gutman described the project.

Ms. Moran-Townsend asked whether the building will be occupied during the renovation. Ms. Gretchen responded that the students will be moved out to another facility on campus.

Mr. Sendelweck reminded the Commission that this project will be brought as a decision item for the Commission's approval at the June's meeting.

Mr. LaMothe asked whether the comparables of the costs of similar projects on other campuses could be added to such presentations.

Mr. Jason Dudich, Associate Commissioner and Chief Financial Officer, Commission for Higher Education, responded that during the staff analysis these numbers are included as a part of a recommendation. Ms. Gutman added that the cost of the renovation of some other residence halls, recently completed on campus, are comparable with the cost of a renovation of the presented project.

## VII. DECISION ITEMS

### A. Academic Degree Programs

#### 1. Policy on Approving Distance Education Programs

**R-12-03.4 RESOLVED:** That the Commission for Higher Education approves with proposed amendments the *Policy on Approving Distance Education Programs* dated May 3, 2012

Dr. Kenneth Sauer, Senior Associate Commissioner for Research and Academic Affairs, presented a policy framework for approving distance education programs, noting the extensive discussion that had taken place to date regarding fees.

Dr. D'Amico expressed concern that the policy, whose original title made reference to the regional campuses specifically, might be construed to pertain solely to the regional campuses. Ms. Odum later concurred and suggested the title be amended for greater clarity. A motion to strike reference to the regional campuses was made.

Ms. Moran-Townsend noted that, while imperfect, the policy is a step forward. She expressed hope that this policy would encourage institutions to develop ways to compare student costs for on-site programs versus on-line programs. Ms. Moran-Townsend, with Ms. Odum's and Ms. Lubbers' concurrence, later noted the need to clarify the definition of on-line programs and to reconcile it with Higher Learning Commission (HLC) policy and current CHE practice.

Mr. LaMothe expressed concerns that on-line programs could cost as much as, or more than on-site programs, noting that such a possibility counters much of the commission's focus in reducing student cost. He noted his intention to support the policy as an important step forward, but indicated additional future discussion with the institutions is warranted to determine how their practices align with the strategic plan.

Ms. Odum stated her support for items three and four of the proposed policy, namely that instructional fees charged to Indiana residents should be lower than those charged to non-Indiana residents. However, she opposed item two of the proposed policy, disallowing higher instructional fees for on-line programs compared to on-site programs, noting that market forces and competition for students should determine instructional fees.

Ms. Duarte de Suarez expressed discomfort with the policy as written, noting that it should more closely reflect the values of student success as expressed in "*Reaching Higher, Achieving More*".

Ms. Lubbers expressed gratitude to the Commission members for their deep engagement in the issue and to Dr. Sauer for his extensive work with the universities over several months, noting that the issue and policy will continue to evolve. The current policy was set in 1998 and, just as it now needs revision, the proposed policy will have to be revisited at some future point. Ms. Lubbers noted that, since the policy allows institutions to justify increased instructional fees for on-line programs compared to on-site programs, the policy under consideration was a balance between allowing market forces to determine instructional fees and requiring comparable fees without recourse. Ms. Lubbers expressed hope that instructional fees for on-line programs would reflect a “student-centric” approach to affordability.

Mr. Smith asked for affirmation on the Commission’s authority to approve the programs on the basis of their costs, which Mr. Sendelweck provided. Based on the notion that the Commission can advise, respond and guide institutions on the matters of cost, while not setting costs, Mr. Smith indicated his support for the policy.

Mr. Rehnquist stated his support for the policy, noting that information provided by the institutions as they apply the policy will help guide the policy’s future.

Mr. Sendelweck suggested that the Commission support the policy in full, not as a temporary measure, and that it continue to monitor metrics pertaining to on-line study, calling for a comprehensive review after one year. Ms. Duarte de Suarez later suggested a six-month interim review.

Dr. Scheller stated his opposition, noting that in adopting the policy, the Commission assumed authority for setting or constraining tuition and fees, which by statute are the prerogatives of the Board of Trustees.

Mr. Bland stated his support of the policy, indicating that he believes it fits precisely within the role of the Commission.

Mr. Sendelweck summarized the two proposed amendments: the first eliminating reference to the Regional campuses within the title of the policy; the second changing item two to read, “Instructional fees (tuition and technology fees) for Indiana residents enrolled in a program offered through distance education should be the same or less than the instructional fees for Indiana residents enrolled in the same or similar program offered on campus, unless higher fees can be justified based on the actual cost of the program and benefits to students.”

The policy as amended was approved by roll call vote on a motion duly made (LaMothe) and seconded (D’Amico).

## **2. Degree Programs To Be Offered Statewide via Distance Education Technology on Which Staff Propose Expedited Action**

**R-12-03.5 RESOLVED:** That the Commission for Higher Education approves by consent the following degree programs to be offered statewide via distance education, in accordance with the background information provided in this agenda item:

- Master of Science in Technology Management to be offered by Indiana State University
- Bachelor of Science in Psychology to be offered by Indiana University East
- Master of Public Affairs to be offered by Indiana University Bloomington
- Master of Science in Computer Science to be offered by Purdue University West Lafayette
- Master of Social Work to be offered by Indiana University Indianapolis
- Masters in Educational Leadership to be offered by Indiana University Bloomington
- Bachelor of Science in Mathematics to be offered by Indiana University East
- Bachelor of Arts and Bachelor of Science in Business Administration to be offered by Ball State University
- Master of Science in Technology to be offered by Purdue University Calumet
- Bachelor of Science in Political Science to be offered by Indiana University East

Mr. Sendelweck read the list of the degree programs.

Ms. Odum asked for the definition of these programs. Dr. Sauer explained that these programs would be available totally on-line. Later, in response to Ms. Odum's question, Ms. Gutman confirmed that every credit hour of the Ball State University degree program would be available on-line.

Ms. Moran-Townsend asked whether these programs meet the criteria that have been just passed. Dr. Sauer responded that they do except for the fees part, because these programs pre-dated the conversations the Commission had about the fee policy.

Responding to a question from Ms. Moran-Townsend, Mr. Jeffrey Linder, Associate Vice President for State Government Relations, Indiana University, said that as the regional campuses develop programs, they are not to overlap, and as with other on-line programs, this would be just based on the regions.

Approved by the majority of votes with one opposed on a motion duly made (Scheller) and seconded (Bepko).

### 3. Academic Degree Programs on Which Staff Propose Expedited Action

Mr. Sendelweck read the list of the proposed degree programs.

Dr. D'Amico asked about the potential jobs in Westville for graduates from the Bachelor of Arts in History program at Purdue University (PU)-North Central at Westville. She later expressed her lack of support of this program, explaining that she does not see a close alignment of this program with the economic needs of the state and that region.

Dr. Karen Schmid, Vice Chancellor, Academic Affairs, Purdue University North Central, responded that graduates would have opportunities in a variety of fields and that the university has letters of support from local businesses.

Mr. LaMothe supported Dr. D'Amico's concerns.

Mr. Fisher expressed his support of this program, which has to do with the enlightenment of the Indiana population.

Ms. Moran-Townsend referred to the regional campus policy for approving a new program, which stipulates that the students should be able to stay in that region and be employed. She later suggested that the policy on expedited items be updated to include an alignment with the regional campus policy and the Commission's new online policy.

Dr. Scheller supported Mr. Fisher's comments regarding the importance of the breadth of education.

Ms. Odum suggested the data elements included in the Agenda booklet be reviewed and amended to provide better information to support the Commission decision making.

Ms. Moran-Townsend and Mr. LaMothe expressed similar concerns. In response, Dr. Sauer noted that the policy on expedited items, adopted in 2004, was included on page 37 of the Agenda booklet.

Mr. Sendelweck made a decision to unbundle the group of programs presented as expedited items, and vote on each program individually.

**R-12-03.6 RESOLVED:** That the Commission for Higher Education approves the *Bachelor of Science in Business Administration* to be offered by Indiana University East at New Castle, in accordance with the background information provided in this agenda item (Motion – Moran-Townsend, second – Fisher, unanimously approved)

**R-12-03.7 RESOLVED:** That the Commission for Higher Education approves the *Bachelor of Arts in History* to be offered by Purdue University-North Central at Westville, in accordance with the background information provided in this agenda item (Motion – Scheller, second – Duarte de Suarez, two opposed, approved by the majority of votes)

**R-12-03.8 RESOLVED:** That the Commission for Higher Education approves the *Associate of Fine Arts* to be offered by Ivy Tech Community

College-Bloomington at Bloomington, in accordance with the background information provided in this agenda item (Motion – Bepko, second – D’Amico, one opposed, approved by the majority of votes)

In response to Ms. Moran-Townsend’s question, Dr. Mary Ostrye, Senior Vice President and Provost, Ivy Tech Community College, explained the cost of the program, indicated in the program proposal.

**R-12-03.9 RESOLVED:** That the Commission for Higher Education approves the *Bachelor of Science in Psychology* to be offered by Purdue University-North Central at Westville, in accordance with the background information provided in this agenda item (Motion – Scheller, second – Rehnquist, unanimously approved)

**R-12-03.10 RESOLVED:** That the Commission for Higher Education approves the *Bachelor of Science in Psychology* to be offered by Indiana University East at Lawrenceburg, in accordance with the background information provided in this agenda item (Motion – Rehnquist, second – Fisher, unanimously approved)

Responding to previous comments, Ms. Lubbers requested some clarity from the Commission members on the nature of the information they need to assist their decision-making on future expedited decision items.

## **B. Capital Projects on Which Staff Propose Expedited Action**

Mr. Sendelweck presented a list of capital projects for expedited action.

**R-12-03.11 RESOLVED:** That the Commission for Higher Education approves by consent the following capital projects, in accordance with the background information provided in this agenda item:

- Indiana University – Kokomo Campus: Health and Wellness Center Renovation - \$4,000,000
- Vincennes University – Vincennes Campus: Art Center - \$3,800,000
- Vincennes University – Vincennes Campus: Vanderburgh Residence Hall Renovation - \$3,060,000
- Vincennes University – Vincennes Campus: Morris Residence Hall Renovation - \$4,250,000 (Motion – Fisher, second - Rehnquist, unanimously approved)

Mr. Dudich made the following correction: On p.41 of the Agenda booklet the second item in the last sentence should read “The Project is estimated to cost \$3,800,000 and will be funded through university reserves (\$900K) and endowment funds (\$2.9M)”.

Mr. Sendelweck pointed out that there are no state funds in any of these projects.

In response to a question from Ms. Duarte de Suarez, Mr. Dudich explained how the staff conducts analysis on projects. He explained that this information is included in the Agenda booklet for full decision items, while capital requests listed under “Expedited” or “Staff review” do not include this level of detail. However, staff can provide additional information upon Commission members’ request.

**C. Administrative Item on Which Staff Propose Expedited Action**

Mr. Sendelweck announced that there was one amendment to this item, on p. 48 under 2.2.4 Approval Authority the words “the Chief Financial Officer” have been deleted, and now it says “only the Commissioner or a designee”.

**R-12-03.12 RESOLVED:** That the Commission for Higher Education approves by consent the following administrative item in accordance with the background information provided in this agenda item:

- Procurement Policy and Guidelines (Motion – Scheller, second – Fisher, unanimously approved with an amendment)

**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

**IX. NEW BUSINESS**

There was none.

**X. OLD BUSINESS**

In response to a question from Mr. LaMothe, Ms. Lubbers responded that a list of degree programs by campus and the current enrollment is available and can be accessed.

**XI. ADJOURNMENT**

The meeting was adjourned at 11:25 a.m.

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Ken Sendelweck, Chair

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Jud Fisher, Secretary



## COMMISSION FOR HIGHER EDUCATION

Friday, June 8, 2012

### DISCUSSION ITEM A: Master Capital Plan for University of Southern Indiana

#### **Background**

At the request of several Commission members, staff has asked all of the public postsecondary institutions to provide an overview of their long term master capital plan. The goal is to provide Commission members with information regarding major capital projects that are planned for each campus in order to understand the impact of such projects as they are submitted to the Commission for review.

The University of Southern Indiana will present their long term master capital plan to the Commission during the June 2012 meeting.

The remaining institutions will be asked to present their long term master capital plans to the Commission during the August 2012 meeting.



**COMMISSION FOR HIGHER EDUCATION**

Friday, June 8, 2012

**DISCUSSION ITEM B:                    Overview of State Financial Aid Policy**

**Staff Recommendation**                    For discussion purposes only.

**Background**                                    As a result of HEA 1270, effective July 1, 2012, the Indiana Commission for Higher Education will become the public oversight body for the Division of Student Financial Aid, theretofore known as the State Student Assistance Commission of Indiana (SSACI). Mary Jane Michalak, executive director of SSACI, will provide an overview of current practices in financial aid allocation, the duties with which the Commission will be charged after July 1, and considerations the Commission will be asked to review in the months ahead.



**COMMISSION FOR HIGHER EDUCATION**

Friday, June 8, 2012

**DECISION ITEM A:**                    **Academic Degree Programs on Which Staff Propose Expedited Action**

**Staff Recommendation**

That the Commission for Higher Education approve by consent the following degree programs, in accordance with the background information provided in this agenda item:

- Bachelor of Science in Neuroscience to be offered by Purdue University through the IUPUI campus
- Bachelor of Arts in Medical Humanities and Health Studies to be offered by Indiana University through Its IUPUI campus

**Background**

At its August and September 2004 meetings, the Commission for Higher Education began implementing a new policy on new academic degree programs on which staff proposes expedited action. These programs meet the criteria identified in that policy and are hereby presented for action by consent, in accordance with the aforementioned policy and the information presented in the supporting documents.

**Supporting Documents**

- (1) *Background Information on Academic Degree Programs on Which Staff Propose Expedited Action, May 25, 2012*
- (2) *Policy for New Academic Degree Programs on Which Staff Propose Expedited Action, September 2, 2004*



## Background Information on Academic Degree Programs on Which Staff Propose Expedited Action

May 25, 2012

### **CHE 11-29 Bachelor of Science in Neuroscience to be offered by Purdue University through the IUPUI campus**

Proposal received on: July 15, 2011  
CIP Code: Federal – 261501; State – 261501  
Projected Annual Headcount: 88; FTEs: 74; Degrees: 18  
New State Funds Requested, Actual:  
Year 1: \$ 0  
Year 2: \$ 0  
Year 3: \$ 0  
Year 4: \$ 0  
Year 5: \$ 0

The B.S. Neuroscience was submitted with a curriculum that totaled 124 semester hours of credit. However, the curriculum has already been adjusted to 120 credits.

#### Similar Programs in the Public Sector:

There is only one degree program that is similar to the one proposed – the B.S. in Neuroscience at IU Bloomington, which the Commission approved in September 2006; enrollment and graduation data for this program appear below:

	<u>Headcount</u>	<u>FTE</u>	<u>Degrees Conferred</u>
FY2009	105	104	17
FY2010	173	172	34
FY2011	224	222	60

At Purdue University West Lafayette, students can earn a B.S. in Psychology with a concentration in Behavioral Neuroscience, but not a separate degree in this field.

#### Evidence of Employer Demand for the Program:

This program is designed to prepare students to pursue graduate and professional degrees, many of which will be in health related fields. It is estimated that a substantial majority of the graduates will pursue these degrees. These estimates are consistent with evidence from IU Bloomington and from a Neuroscience concentration that the campus put in place several years ago.

Ten students are currently enrolled in this IUPUI concentration and seven have already completed it. Of the seven completers, all but one are currently enrolled in, have completed, or are applying to graduate school. One student is currently employed as a laboratory technician at the IU School of Medicine.

#### Articulation Agreements

IUPUI has developed an articulation agreement with Ivy Tech for its A.A. in Liberal Arts.

**CHE 12-06 Bachelor of Arts in Medical Humanities and Health Studies to be offered by Indiana University through its IUPUI campus**

Proposal received on: February 29, 2012  
CIP Code: Federal – 340199; State – 340199  
Projected Annual Headcount: 52; FTEs: 42; Degrees: 10  
New State Funds Requested, Actual:  
Year 1: \$ 0  
Year 2: \$ 0  
Year 3: \$ 0  
Year 4: \$ 0  
Year 5: \$ 0

The B.S. Medical Humanities and Health Studies was originally submitted with a curriculum that totaled 122 semester hours of credit. However, the University has guaranteed the Commission that the initial class of students admitted into the program will be admitted into a 120 semester-hour curriculum. The final decision about how to reduce the curriculum by two semester hours has not yet been made.

This interdisciplinary degree is consistent with and draws upon the unique mission and strengths of the IUPUI campus and its Medical Center.

Similar Programs in the Public Sector:

None

Evidence of Employer Demand for the Program:

This program is designed to prepare students to pursue graduate and professional degrees, many of which will be in social science and humanities fields that have health-related subfields, e.g. Medical Sociology, Medical Anthropology, Health Communications, and Bioethics. It is estimated that a substantial majority of the graduates will pursue these degrees.

Articulation Agreements

There is no closely related associate degree program for the proposed program. However, the IUPUI School of Liberal Arts, through which this program is offered, has eight articulation agreements that can be used as a basis for allowing a significant amount of transfer of credit.

## **Policy for New Academic Degree Programs on Which Staff Propose Expedited Action**

September 2, 2004

Pursuant to the Commission's desire to expedite action on new academic degree program requests whenever possible, the staff has identified a set of factors, which though not exhaustive, suggest when a request might be considered for expedited action by consent and when a request would require Commission consideration prior to action. With respect to the latter, the presence of one or more of the following factors might suggest a significant policy issue for which Commission attention is needed before action can be taken:

- Consistency with the mission of the campus or institution
- Transfer of credit
- New program area
- New degree level for a campus
- Accreditation
- Unnecessary duplication of resources
- Significant investment of state resources

In the absence of these factors or an objection from another institution, Commission staff will propose expedited action on new program requests. Examples of situations that pose no policy issues for the Commission include, but are not limited to:

- Adding a second degree designation to an existing program (e.g. A.S. to an A.A.S.)
- Delivering an on-campus program to an off-campus site through faculty available on-site or traveling to the site
- Adding a degree elsewhere in a multi-campus system to a new campus within the system.

All requests to offer new academic degree programs must continue to be accompanied by a full program proposal, unless otherwise specified in the guidelines. It is only after a proposal is received that a determination will be suggested as to how the request might be handled.



**COMMISSION FOR HIGHER EDUCATION**

Friday, June 8, 2012

**DISCUSSION ITEM B-1: Johnson A Residence Hall Renovation – Ball State University**

**Staff Recommendation**

That the Commission for Higher Education recommend approval to the State Budget Agency and the State Budget Committee the following project: *Johnson A Residence Hall Renovation – Ball State University*. Staff recommendations are noted in the staff analysis.

**Background**

By statute, the Commission for Higher Education must review all projects to construct buildings or facilities costing more than \$500,000, regardless of the source of funding. Each repair and rehabilitation project must be reviewed by the Commission for Higher Education and approved by the Governor, on recommendation of the Budget Agency, if the cost of the project exceeds seven hundred fifty thousand dollars (\$750,000) and if any part of the cost of the project is paid by state appropriated funds or by mandatory student fees assessed all students. Such review is required if no part of the project is paid by state appropriated funds or by mandatory student fees and the project cost exceeds one million five hundred thousand dollars (\$1,500,000). A project that has been approved or authorized by the General Assembly is subject to review by the Commission for Higher Education. The Commission for Higher Education shall review a project approved or authorized by the General Assembly for which a state appropriation will be used. All other non-state funded projects must be reviewed within ninety (90) days after the project is submitted to the Commission.

The Trustees of Ball State University seeks authorization to proceed with the renovation of Johnson A Residence Hall at the Muncie campus. The planned renovation will include upgrades to the exterior and interior of the building including: masonry work, roof and window replacement, lighting and electrical replacement, improved residential room layouts and a new multi-story structure to add additional housing space. The expected cost of the project is \$35,700,000. BSU is exploring the option of issuing revenue bonds or using cash reserves to fund the project depending upon market conditions.

**Supporting Document**

*Johnson A Residence Hall Renovation – Ball State University*, June 8, 2012.



# **JOHNSON A RESIDENCE HALL RENOVATION BALL STATE UNIVERSITY**

## **Project Description**

### DESCRIPTION OF THE PROJECT

During 2001 and 2002, a comprehensive study of residential and dining units was undertaken as part of a process that led to the creation of the overall residence hall and dining renovation plan. As part of this plan, major renewal of many of the halls as well as the construction of new residence halls has been recommended. The first new residence hall, Park Hall, opened for occupancy for the fall semester 2007, followed by the Thomas J. Kinghorn Residence Hall in the fall of 2010. The DeHority Complex also underwent a complete renovation and reopened in fall 2009. A complete renovation of Studebaker East Complex is now underway, with completion anticipated this summer.

The University recently completed a master plan study of the residential area on the north side of campus to determine the best approach towards improving existing residence halls in that area. Through this study, and subsequent discussions, it was determined that the Johnson A building should be renovated and expanded as the next step in the phased implementation of the University's comprehensive housing and dining replacement and renewal plan.

The four-story Johnson A building first opened to students in 1967 as a part of the Johnson Complex, which also includes the Johnson B and Carmichael buildings. Johnson A currently houses approximately 459 students in Botsford and Swinford Halls, situated in two residential towers. A one-story section of the building contains public spaces, residence hall director apartments and dual front desks.

Johnson A will require a complete renovation similar to the improvements made at Studebaker East. The existing building exterior at the two residential towers will be replaced with a more energy-efficient masonry wall assembly, roof and windows. Lighting, plumbing, mechanical and electrical systems will be replaced throughout the building which will add air conditioning, energy efficient equipment and lighting as well as compatibility with the University's geothermal system. The interior renovations will include improved residential layouts such as bathrooms with more privacy, social and study lounges, kitchenettes, meeting rooms, and other student amenities.

The existing one-story portion of the building will be replaced with a multi-story structure which will add approximately 130 beds to the facility and connect the upper floors. This addition will allow for the reorganization of first floor amenities such as a single, secure entry point, central front desk and administrative offices, wheelchair accessible lounges, meeting rooms, mechanical spaces and a loading dock. New passenger elevators and a freight elevator will be installed to improve vertical circulation through the building.

The project cost of \$35,700,000 will be funded by Housing and Dining Renewal and Replacement funds which are generated by residence hall and dining student charges. The University would also like to keep open the option to fund this project through the issue of Housing and Dining Student Revenue Bonds, the debt service for which would come from the Housing and Dining Renewal and Replacement funds. This decision will be driven by the interest rate environment at the time the funds are needed. It is anticipated that renovation of the complex will begin in December 2012 and be completed by June 2014.

## NEED AND EXPECTED CONTRIBUTION TO EDUCATIONAL SERVICES

The University's residence hall system has the capacity to house approximately 7,300 students when all halls are open. Currently, Studebaker East Complex is offline for renovation, leaving approximately 6,900 beds available for the current academic year. In addition, 533 university apartment units are also available for upper division students and students with families. One of the strong distinguishing characteristics of Ball State University is the strong residential experience that is offered. Roughly one-third of the student population resides in campus housing.

Most of the University's housing and dining facilities were constructed in the 1960's, when the student population was nearly tripling in size. After more than forty years of continuous use, major upgrading is necessary in spite of normal ongoing maintenance that has been a high priority for all these years. Most basic systems, finishes, furnishings, kitchen equipment, etc. have exceeded, reached, or are reaching the end of their expected life cycles, and must be upgraded. In the intervening years, building codes and student expectations have changed, thus requiring different approaches and requirements. Students and their parents have high expectations for both the housing and dining experience. With more than 2.6 million square feet of residence and dining facilities available on the campus, this renewal effort continues to be critical to the university.

In 2001, the University engaged the services of Anderson/Strickler, a firm that specializes in helping higher education institutions develop research-based and actionable plans for campus housing. This research involved student surveys about their expectations for housing/dining, a comprehensive review of the University's current housing/dining options, and an analysis of the off-campus rental market. From this research, a plan was developed which recommended the major renewal of many of the halls as well as the construction of new residence halls to provide the types of facilities desired by students attending college today. It was concluded that in some instances the level of remodeling necessary to meet all of the requirements is cost prohibitive, and funds would be better used by investing in new facilities that enhance the campus environment by creating more human-scale living conditions, and by improving the living/learning environment for students. In the last five years, the University has opened two new residence halls, Park Hall and Thomas J. Kinghorn Residence Hall, and renovated the Woodworth Commons dining facility, DeHority Complex and Studebaker East Complex (projected for completion summer 2012). The plan includes the eventual demolition of LaFollette Complex.

Each of these projects was funded by housing and dining renewal and replacement reserves that were set aside over time for these specific purposes. The renovation of Johnson A building will also be funded by housing and dining renewal and replacement reserves, either directly or by the issue of housing revenue bonds, the debt service for which will come from these reserves.

## EXPLANATION OF ANY UNIQUE FUNDING FEATURES

At the current time, the University's long-range plan calls for using cash from the Housing and Dining Renewal and Replacement Account to pay for this project. However, based on the then current interest rate environment, it may be more attractive to issue Housing and Dining Facility Student Revenue Bonds in an amount not to exceed \$36 million (the slight increase covers the transaction costs). In this case, the Housing and Dining Renewal and Replacement Account would serve as the source of funds for repaying the debt.

## STAFF ANALYSIS

As part of Ball State University's long-term student housing plan, the renovation and expansion of Johnson A Residence Hall facility will provide updated on-campus housing to students and allow for current residence hall facilities to be renovated and upgraded over several years. Overall, Ball State will increase on-campus housing from the current capacity of 6,900 beds to 7,500 beds (estimated) by 2014. Ball State is currently reviewing the future use of LaFollette Residence Hall facility, which consists of 1,900 beds. A renovation or demolition of LaFollette will bring the overall bed count down for Ball State over the next 5 years. The bed count figures are based on current growth trends for on-campus housing, overall enrollment trends and upgrades/renovations to on-campus housing facilities. The last time a new on-campus housing facility was built at Ball State was in the 1960's.

The overall renovation of space is 178,400 square feet (105,840 assignable square feet) and will house 590 beds for students living on campus (460 current beds and 130 new beds). Current occupancy rates for Ball State University on-campus housing is approximately 98% as of the fall of 2011. Roughly one-third of the overall student body resides in on-campus housing. Currently, the average room and board rate for students living on campus is \$8,800 as of academic year 2011-12. Students who choose to reside in the renovated Johnson A residence hall may see an increase in rates once the project is complete.

Funding for the new residence hall may be funded from either debt issued by Housing and Dining Services or through reserve funds held by Housing and Dining Services. Ball State is currently analyzing both financing options and will make a decision sometime in the summer or fall of 2012 based on economic conditions. Currently, Housing and Dining Services has a reserve balance of \$38.7 million. The cost per square foot for Johnson A renovation is \$200 per gross square foot. Operational costs of the new facility will be funded through revenues associated with housing services and will not impact the general fund operating budget of the university.

### **Other on-campus housing projects approved by the Commission:**

- Ball State North Hall – Approved in October 2006. \$40M building with 600 beds at a size of 187,500 gross square feet. (\$67K per bed, \$213 per gross square foot)
- Ball State DeHority Residence Hall – Approved in October 2007. \$30M renovation with 549 beds at a size of 155,000 gross square feet. (\$55K per bed, \$193 per gross square foot)
- Ball State Studebaker East Residence Hall – Approved in May 2010. \$24M renovation with 440 beds at a size of 97,000 gross square feet. (\$55K per bed, \$247 per gross square foot)
- Indiana State University – North Campus Residence Hall – Approved in March 2012. \$24M building with 352 beds at a size of 139,000 gross square feet. (\$68K per bed, \$172 per gross square foot)
- Indiana University Bloomington Ashton Complex – Approved in August of 2008. \$80M building (7 buildings) with 837 beds at a size of 411,000 gross square feet. (\$96K per bed, \$195 per gross square foot)
- Indiana University Bloomington Third Street Residence Hall – Approved May 2011. \$38M building with 450 beds at a size of 155,000 gross square feet. (\$84K per bed, \$245 per gross square foot)
- Vawter Field Housing – Approved in October 2011. \$40M building with 300 beds at a size of 128,400 gross square feet. (\$133K per bed, \$310 per gross square foot)

Staff recommends the Commission provide a favorable review of this proposed project.

# PROJECT SUMMARY

## REPAIR & REHABILITATION

### Johnson A Residence Hall Renovation

INSTITUTION: Ball State University CAMPUS: Muncie

PROJECT TITLE: Johnson A Residence Hall Renovation BUDGET AGENCY NO.: D-1-12-2-01  
INSTITUTION'S PRIORITY: \_\_\_\_\_

PROJECT SUMMARY DESCRIPTION (ATTACHMENT A)

SUMMARY OF NEED AND NET CHANGE IN CONTRIBUTION TO EDUCATIONAL SERVICES PROVIDED BY INSTITUTION (ATTACHMENT B)

SPACE DATA (ATTACHMENT C)

PROJECT SIZE: 178,401 GSF 105,840 ASF 59% ASF/GSF

NET CHANGE IN CAMPUS ACADEMIC/ADMINISTRATIVE SPACE: -0- ASF

TOTAL PROJECT BUDGET (ATTACHMENT D)

TOTAL ESTIMATED COST: \$ 35,700,000 \$/GSF \$200

ANTICIPATED DATE OF PROJECT COMPLETION: June 2014

ANTICIPATED SOURCES OF FUNDING (ATTACHMENT E)

<u>Housing and Dining Renewal &amp; Replacement Funds</u>	\$ <u>35,700,000</u>
TOTAL BUDGET	\$ <u>35,700,000</u>

ESTIMATED CHANGE IN ANNUAL OPERATING BUDGET AS A RESULT OF THIS PROJECT (ATTACHMENT F)

\$ N/A ( ) INCREASE ( ) DECREASE \_\_\_\_\_

NOTE: SEE ATTACHMENTS FOR SUPPORTING INFORMATION REQUEST TO BE SUBMITTED WITH PROJECT SUMMARY FORM.

**COMMISSION FOR HIGHER EDUCATION**

Friday, June 8, 2012

**DISCUSSION ITEM B-2: Wade Power Plant Production and Distribution Improvements – Purdue University West Lafayette**

**Staff Recommendation**

That the Commission for Higher Education recommend approval to the State Budget Agency and the State Budget Committee the following project: *Wade Power Plant Production and Distribution Improvements – Purdue University West Lafayette*. Staff recommendations are noted in the staff analysis.

**Background**

By statute, the Commission for Higher Education must review all projects to construct buildings or facilities costing more than \$500,000, regardless of the source of funding. Each repair and rehabilitation project must be reviewed by the Commission for Higher Education and approved by the Governor, on recommendation of the Budget Agency, if the cost of the project exceeds seven hundred fifty thousand dollars (\$750,000) and if any part of the cost of the project is paid by state appropriated funds or by mandatory student fees assessed all students. Such review is required if no part of the project is paid by state appropriated funds or by mandatory student fees and the project cost exceeds one million five hundred thousand dollars (\$1,500,000). A project that has been approved or authorized by the General Assembly is subject to review by the Commission for Higher Education. The Commission for Higher Education shall review a project approved or authorized by the General Assembly for which a state appropriation will be used. All other non-state funded projects must be reviewed within ninety (90) days after the project is submitted to the Commission.

The Trustees of Purdue University seeks authorization to proceed with improvements to the power plant production and distribution at the West Lafayette campus. The planned improvements will include. The expected cost of the project is \$33,100,000 and will be funded through student fee bonds issued by PUWL and authorized by the 2007 General Assembly.

**Supporting Document**

*Wade Power Plant Production and Distribution Improvements – Purdue University West Lafayette, June 8, 2012.*



**WADE POWER PLANT PRODCUTION AND DISTRIBUTION IMPROVEMENTS  
PURDUE UNIVERSITY WEST LAFAYETTE**

**Project Description**

DESCRIPTION OF THE PROJECT

As a result of the recommendations from the Comprehensive Energy Master Plan (CEMP), the following work is planned. Boiler No. 2 is currently a stoker coal boiler with the ability to co-fire natural gas for up to 20% of the fuel load. This boiler will be converted to run 100% natural gas and the project will include the removal of some of the coal and ash systems. Included in the scope is the demolition of Boiler No. 1 which was a portion of the original Boiler No.6 project and will now be removed to install the 6.5 MW Combined Heat and Power (CHP). In addition, the steam distribution system will be increased along Jischke Drive from Third Street to Tower Drive near the Permanent Apartment (PA) pit. The CEMP confirmed that the demand for steam on the north end of campus exceeds the capacity of the existing infrastructure to serve those spaces. This project will increase the line size or add an additional line.

RELATIONSHIP TO OTHER CAPITAL IMPROVEMENT PROJECTS

These projects are essential to support new construction on campus: Herrick Lab, Bindley Addition, Rec Sports, Health & Human Science, Drug Discovery, CSEL, and Vawter Field Housing plus the projects identified in the Capital Ten Year Plan.

RELATIONSHIP TO MISSION AND LONG-RANGE PLANNING

This project supports the Comprehensive Energy Master Plan (CEMP) developed for the West Lafayette campus. This plan was undertaken to identify and meet the long-term energy needs on the West Lafayette campus over the coming years, following the recognition of the environmental and financial costs of the previously-approved coal-fueled Boiler No. 6.

The resulting CEMP accommodates the current and planned growth in the campus physical plant. Additionally, the revised plan is cost efficient and has improved environmental and regulatory impacts.

ALTERNATIVES CONSIDERED

A traditional gas boiler or a combined heat and power (CHP) system are the most viable options to add steam capacity. A gas fired boiler is the lowest first cost. CHP has several benefits in the areas of efficiency, reliability and the environmental impact. Lower operating costs, reduced emissions of all pollutants, increased power quality, and better reliability over the 25 year economic analysis period

RELATIONSHIP TO LONG-RANGE FACILITY PLANS

The overarching goal of the CEMP was to assess the current status of Purdue's operations and develop a solid plan for the near-term that is aligned with future long-term campus energy requirements.

## STAFF ANALYSIS

During the 2007 General Assembly session (January through May), institutions sought authorization for major improvements and upgrades to power plant operations. This included Purdue University West Lafayette (PUWL) at an amount of \$53 million for a new coal fired boiler, known as Boiler Number 6. The General Assembly granted authorization for PUWL to issue student fee bonds for the boiler replacement project and fee replacement associated with the debt was included in the debt service appropriation. In addition, during the 2005 General Assembly session, PUWL was provided \$1.5 million for architecture and engineering services related to overall power plant renovations. Total state investment in the PUWL power plant renovations has been \$54.5 million

In November 2007, the Commission provided a favorable review of the \$53 million boiler project and was subsequently approved by the State Budget Committee in December of 2007. With PUWL receiving approval to move forward with the project, debt was issued for the boiler replacement initiative and funds were made available.

During the development stages of the project, PUWL spent \$5.4 million of the \$54.5 million on boiler replacement planning and design. Between 2008 and 2010, PUWL noticed significant changes in assumptions that were made for Boiler Number 6. Some of the changes included: environmental requirements, fluctuations in natural gas prices versus coal prices, cost comparisons of a coal fired boiler versus alternative options, etc.

Due to these significant changes in the scope of the boiler replacement project, PUWL began development of a Comprehensive Energy Master Plan (CEMP), which included alternate options for the Boiler Number 6 project. As a result of the CEMP, which was finalized in February 2011, PUWL chose a Combined Heat and Power (CHP) system which is better suited for the campus from an environmental and financial perspective.

The estimated cost of the project is \$33.1 million and would include four major components:

- Demolition of Boiler Number 1 (\$2.5 million)
- Installation of the Combined Heat and Power System (\$23.6 million)
- Converting Boiler Number 2 to 100% natural gas (\$2.5 million)
- Upgrade of steam distribution along Jischke Drive (\$4.5 million)

Of the \$54.5 million of authority granted to PUWL for the boiler replacement project, \$5.4 million was expended on designing and planning the project (including the CHP option) and \$16 million was reallocated by the General Assembly to fund the PUWL Health and Human Science Building. The remaining \$33.1 million will fund the Wade Power Plan Distribution and Improvement Project, in which funds to support the debt service are already included in PUWL's debt service appropriation. There is no impact to the state general fund.

Other major power plant projects authorized by the General Assembly and approved by the Commission include:

- IUB Cooling and Heating Renovation - \$34 million (2006)
- BSU Boiler Replacement - \$41.8 million (2007)

Staff recommends the Commission provide a favorable review of this proposed project.





**COMMISSION FOR HIGHER EDUCATION**

Friday, June 8, 2012

**DISCUSSION ITEM B-3: Wang Hall Lease –Purdue University West Lafayette**

**Staff Recommendation**

That the Commission for Higher Education recommend approval to the State Budget Agency and the State Budget Committee the following project: *Wang Hall Lease– Purdue University West Lafayette*. Staff recommendations are noted in the staff analysis.

**Background**

By statute, the Commission for Higher Education must review all projects to construct buildings or facilities costing more than \$500,000, regardless of the source of funding. Each repair and rehabilitation project must be reviewed by the Commission for Higher Education and approved by the Governor, on recommendation of the Budget Agency, if the cost of the project exceeds seven hundred fifty thousand dollars (\$750,000) and if any part of the cost of the project is paid by state appropriated funds or by mandatory student fees assessed all students. Such review is required if no part of the project is paid by state appropriated funds or by mandatory student fees and the project cost exceeds one million five hundred thousand dollars (\$1,500,000). A project that has been approved or authorized by the General Assembly is subject to review by the Commission for Higher Education. The Commission for Higher Education shall review a project approved or authorized by the General Assembly for which a state appropriation will be used. All other non-state funded projects must be reviewed within ninety (90) days after the project is submitted to the Commission.

The Trustees of Purdue University seeks authorization to proceed with a long-term lease at Wang Hall located on the West Lafayette campus. The lease of 30 years, with two 5 year renewal options will allow for the expansion of research space for the School of Electrical and Computer Engineering. The space will be dedicated to research activities only. The expected cost of the lease includes an \$18 million upfront payment, annual rent of \$1 per year, and annual operating costs estimated at \$373,000 per year.

**Supporting Document**

*Wang Hall Lease – Purdue University West Lafayette, June 8, 2012.  
Wang Hall Lease Agreement (DRAFT)*

**WANG HALL LEASE  
PURDUE UNIVERSITY WEST LAFAYETTE**

**Project Description**

DESCRIPTION OF THE PROJECT

Purdue University West Lafayette will sublease a portion of the "Seng-Liang Wang Hall ," part of the Hayes Triangle District Development, a mixed-use commercial development led by the Purdue Research Foundation along Northwestern Avenue in West Lafayette adjacent to the Purdue University campus. The university will sublease a portion of the facility to provide laboratories, offices, conference rooms, and support facilities for the Purdue School of Electrical and Computer Engineering.

The terms of the sublease include an initial period of 30 years to be followed by two extension periods of five years each, for approximately 41 ,047 square feet in the 139,217 gross square feet facility. Funding for the sublease will include a payment of \$18 million in the form of prepaid rent, with an additional annual rent payment in the amount of one dollar per year. The sources of funding for the sublease include \$14.8 million in gift funds, and \$3.2 million from the Capital Reserve for Buildings.

This facility will provide a significant upgrade to existing research laboratories, offices, conference rooms, and support facilities for the faculty, staff, and graduate students of the School of electrical and Computer Engineering.

<u>Program</u>	<u>Room Type</u>	<u>Assignable Square Feet</u>	<u>Percent of Total ASF</u>
Research	Office	7,738	24%
Research	Non-Class Labs	17,209	53%
Research	General Use	3,384	12%
Research	Support	3,391	11%

IMPACT ON EDUCATION SERVICES

The mission of the Purdue School of Electrical and Computer Engineering is "To serve and lead the state of Indiana, the nation, and the world-wide profession of electrical and computer engineering by educating the next generation of engineers, by discovery that advances fundamental knowledge and its applications, and by innovation and engagement that addresses global challenges of societal impact."

In keeping with its mission, the School of ECE has one of the largest undergraduate programs, and the largest graduate program, on the Purdue campus. The School of ECE at Purdue is among the top three EE/ECE departments nationally in the number of students it graduates each year. During the 2008/2009 academic year, 218 Bachelor Degrees, 86 Masters Degrees, and 58 PhD Degrees were awarded to Purdue ECE students. The School is consistently ranked in the top ten of the best national electrical engineering departments and receives even higher rankings by representatives of the corporations that hire engineering graduates. The School alumni excel worldwide as entrepreneurs, corporate leaders, researchers, inventors, and educators. The School of Electrical and Computer Engineering also has the largest research program on the Purdue campus. Research is being performed on the cutting edge of fields ranging from nanotechnology and photonics to communications and computing.

It is the vision of the Purdue School of ECE to simply "be recognized world-wide for field defining research, for leadership and excellence in education, and for our impact on society"- Key strategies supporting this vision include "multidisciplinary research with global reach" and "investing in infrastructure to facilitate success."

The construction of Wang Hall embodies the stated strategies by making available world-class facilities consisting of an Energy Sources and Systems Research Complex, a Fields and Optics Research Complex, and a VLSI Laboratory Complex. Inherently multi-investigator in nature, research afforded by the complexes will see utilization by a core group of some twelve ECE professors and their students.

### LONG TERM PLANS

Current long-term plans for the facility call for leasing the space for 25 years, followed by up to three 5-year extensions. There are no current plans to purchase the facility by Purdue University.

### COOLABORATION

As a mixed-use development, the owner/lessor intends to utilize the advantageous location to lease space to retail commercial entities that foster interaction with Purdue University staff and students who will occupy the leased space, and other Purdue related foot traffic in the area. While no specific entity exists currently, it is possible that some space in the facility will be leased to a company conducting private research that might be related to research being conducted by ECE staff in the facility.

### STAFF ANALYSIS

The proposed lease of space at the Wang Hall will allow PUWL and the School of Electrical and Computer Engineering to expand and improve research opportunities. Rather than build a free standing research facility owned and operated by PUWL, this collaborative effort will provide valuable research space at a much lower cost to build and operate.

The lease cost per square foot (assuming \$18 million for 40 years) is approximately \$11 per square foot. PUWL noted that leasing space in West Lafayette, especially for research purposes, are significantly higher than the lease cost associated with Wang Hall. In addition, PUWL notes to build a free standing structure with similar parameters as Wang Hall could cost between \$20 million to \$25 million. Expenses for operations and repair/rehabilitation would be incurred with a free standing building, whereas PUWL would only pay for operational costs of Wang Hall. Operational costs of \$373,000 annually (estimated) will be funded through the School of Electrical and Computer Engineering operating funds.

The leased space at Wang Hall will be focused solely on research activities. No classes or academic instruction will be provided in the space. However, graduate students conducting research will utilize the facility alongside faculty from the school. Other space located in Wang Hall will be used for retail purposes (1<sup>st</sup> floor); possible research conducted by private companies and other commercial purposes. The overall facility will not be owned by PUWL, however the land is owned by the Purdue Research Foundation.

The total cost of the lease, including operational costs estimated by PUWL, could reach \$33 million over the 40 year period. \$18 million will be financed up front by PUWL through gift funds (\$14.8 million) and Capital Reserve for Buildings (\$3.2 million) which include indirect cost recovery funds

from research support. This upfront payment will help finance the construction of Wang Hall. The total operating costs over the 40 year period could reach \$15 million depending on utilization by PUWL in the leased space. As noted earlier, research support related to the School of Electrical and Computer Engineering will cover all operational costs. If, for any reason, research funding is unavailable or ceases to exist, PUWL may vacate the leased space with no financial penalty.

Staff recommends the Commission provide a favorable review of this proposed lease agreement.

**SUBLEASE**

**by and between**

**PURDUE RESEARCH FOUNDATION**

**and**

**THE TRUSTEES OF PURDUE UNIVERSITY**

**for certain space in the building located at  
516 Northwestern Avenue (Seng-Liang Wang Hall), West Lafayette, Indiana**

\_\_\_\_\_, 20\_\_

## SUBLEASE

THIS SUBLEASE (the "Sublease") is entered into by and between PURDUE RESEARCH FOUNDATION (PRF) and THE TRUSTEES OF PURDUE UNIVERSITY ("TTPU").

## RECITALS

PRF, as Ground Lessor, entered into a Ground Lease with 516 Northwestern Associates, L.P. (the "Limited Partnership") for the lease of the Real Estate to the Limited Partnership. The Limited Partnership intends to construct the Building on the Real Estate and to make Improvements to the Subleased Premises and has leased-back to PRF the Subleased Premises. PRF desires to lease to TTPU the Subleased Premises pursuant to the terms and conditions contained in this Sublease.

TTPU desires to lease the Subleased Premises from PRF pursuant to the terms and conditions contained in this Sublease.

## BODY OF AGREEMENT

### ARTICLE 1 DEFINITIONS

The following terms shall have the following meanings when capitalized in the recitals or in the body of this Sublease:

"**Building**" means a four-story building to be constructed on the Real Estate containing approximately 139,217 gross square feet.

"**Casualty Damage**" has the meaning set forth in Section 9.1(a) of this Sublease.

"**Casualty Notice**" has the meaning set forth in Section 9.1(a) of this Sublease.

"**Common Areas**" means those areas in and around the Building designated by Limited Partnership from time to time as common areas, which shall include lobby, sidewalks, elevators, escalators, exits, entryways, alleys, interior drives, parking areas, parking spaces in a parking garage, landscaped and natural areas, and other like areas.

"**Common Expenses**" mean those costs and expenses reasonably paid or incurred by Limited Partnership: (i) in managing, equipping, cleaning, repairing, refurbishing, and operating the Common Areas, including, without limitation, charges for utilities and services for the Common Areas, cost of maintaining or repairing (including capital repairs) systems and equipment in the Common Areas, replacement of floor and wall coverings, window treatments, furniture and decorative items in Common Areas; (ii) in maintaining, replacing, or repairing the foundations, exterior walls (including exterior windows), and roof of the Building, including capital repairs; (iii) costs of insuring the Project; and (iv) other costs and charges incurred in managing and

operating the Project for the mutual benefit of all tenants of the Building, including (but not limited to) management fees, either as charged to Limited Partnership by outside management companies or an amount not exceeding the amount typically charged by outside management companies if Limited Partnership manages the Project itself or through an affiliated entity; the fair rental value of any office space provided for a management office in the Building; the amortized portion of any capital expenditure for any capital improvement (based on the useful life of such improvement as reasonably determined by an independent certified public accountant engaged by Limited Partnership), together with interest on the unamortized balance thereof at a rate of interest reasonably determined by Limited Partnership; costs relating to financing essential capital improvements; and, legal accounting and consulting services incurred in connection with the management, operation, maintenance and repair of the Project (except as otherwise provided below). Common Expenses does ***not*** mean and shall ***not*** include the following: costs incurred by Limited Partnership in providing services or benefits to tenants outside of the Subleased Premises which are not also provided by Limited Partnership to PRF or to TTPU with respect to the Subleased Premises (including, but not limited to janitorial services, trash removal, window cleaning); taxes of any type, including, but not limited to, real estate taxes and personal property taxes; costs of utilities separately metered to portions of the Project other than to the Common Areas; services and other benefits directly charged to tenants or for which tenants are responsible; costs of special services rendered to tenants which are directly charged to such tenants; costs reimbursed by insurers or for which Limited Partnership is otherwise reimbursed in any manner other than by the proportionate payment of tenants of the Building; rent payable under the Ground Lease; capital expenditures (except as otherwise specifically provided above); leasing commissions, tenant improvement costs and other costs and expenses incurred in connection with the leasing of space in the Building; costs of workers' compensation insurance; legal expenses incurred in drafting leases or enforcing the terms of any lease or in connection with any tenant disputes; interest, principal, points and fees on any debt instrument encumbering all or any portion of the Project (except debt incurred in financing essential capital improvements as specifically provided above); Limited Partnership's general and administrative expenses.

***“Condemnation”*** has the meaning set forth in Section 9.2 of this Sublease.

***“Condemnation Proceeds”*** has the meaning set forth in Section 9.2 of this Sublease.

***“Delivery Date”*** means the date upon which PRF accepts delivery of the Subleased Premises from Limited Partnership in accordance with the Lease-Back Agreement.

***“Estimated LW Repair Cost”*** has the meaning set forth in Section 9.1(a) of this Sublease.

***“Extension Period(s)”*** means the periods during which this Sublease is extended past the Initial Term as described in Section 3.2 of this Sublease.

***“Event of Default”*** means PRF's or TTPU's failure to perform or observe any covenant, term, or condition of this Sublease to be performed or observed by PRF or TTPU, if the failure continues for ninety (90) days after written notice is given to the party who is alleged to have failed to perform; provided, however, that if a cure cannot be reasonably effected within such ninety (90)

day period, the party alleged to have failed to perform shall have such additional time as is necessary to effect such cure, so long as such party commences its efforts to cure within such ninety (90) day period and pursues such cure diligently to completion.

“**Ground Lease**” means that certain lease of the Real Estate by and between PRF, as Ground Lessor and Limited Partnership, as Ground Lessee, dated November 30, 2011, and all amendments made from time to time thereto. A copy of the Ground Lease is attached to this Sublease as **Exhibit A**.

“**Hazardous Material**” has the meaning set forth in Article I of the Ground Lease.

“**Improvements**” means the improvements described in subpart (b) of Section 4.1 of the Lease-Back Agreement.

“**Initial Term**” means the initial term of this Sublease as described in Section 3.1 of this Sublease.

“**Insubstantial Damage**” has the meaning set forth in Section 9.1(c) of this Sublease.

“**Lease-Back Agreement**” means that certain First Amended and Restated Lease-Back Agreement between PRF and the Limited Partnership for the lease of the Subleased Premises to PRF dated \_\_\_\_\_, 2012, and all amendments made from time to time thereto. A copy of the Lease-Back Agreement is attached to this Sublease as **Exhibit B**.

“**Lessor’s Work**” means Lessor’s Work as defined in Section 4.1 of the Lease-Back Agreement.

“**Limited Partnership**” means 516 Northwestern Associates, L.P., and Indiana limited partnership.

“**Limited Partnership’s Election Notice**” has the meaning set forth in Section 9.1(e) of this Sublease.

“**Mortgagee**” has the meaning set forth in Article I of the Ground Lease.

“**Party**” means PRF or TTPU and “**Parties**” means both of them.

“**PRF**” means Purdue Research Foundation, an Indiana corporation (formed and existing under the Indiana Foundation or Holding Companies Act, Acts of 1921, ch. 246).

“**PRF’s Share of Lessor’s Work**” has the meaning set forth in Section 5.2 of this Sublease.

“**Project**” means the Real Estate and all improvements located thereon, including the Building.

“**Real Estate**” means the real property located at 516 Northwestern Avenue, West Lafayette, Indiana, as more specifically described in the Ground Lease.

“**Reconciliation Statement**” has the meaning set forth in Section 5.3(b) of this Sublease.

“**Re-Delivery Date**” has the meaning set forth in Section 9.1(f) of this Sublease.

“**Re-estimate Notice**” has the meaning set forth in Section 5.3(a) of this Sublease.

“**Sublease Term**” means the Initial Term and subsequent Extension Periods.

“**Subleased Premises**” means approximately 41,047 gross square feet of the rentable portions of the Building, representing 33% of the total gross square footage of the rentable portions of the Building, as more fully described and situated on the floor plans attached to this Sublease as **Exhibit C**.

“**Substantial Damage**” has the meaning set forth in Section 9.1(d) of this Sublease.

“**Tax Expenses**” means the sum of the following: all currently due installments of ad valorem property taxes and assessments levied upon or with respect to the any portion of the Project, and all taxes, levies and charges that may be levied or imposed by any governmental authority in replacement of, in lieu of, or in addition to ad valorem property taxes, in whole or in part, including, without limitation, a state or local option tax designed for property tax relief purposes, or a license or franchise fee measured by rents received from the Building, or otherwise measured or based upon Limited Partnership’s interest in the Real Estate, Building or Subleased Premises; personal property taxes, assessments, fees and charges with respect to personal property and equipment owned by Limited Partnership and located on or used in connection with the management, operation, maintenance and repair of the Project. Tax Expenses shall not include any federal or state income, transfer, gift, or franchise taxes.

“**Termination Date**” means the last day of the month in which the Delivery Date occurred in the last year of the Sublease Term, as set forth in Article 3 of this Sublease, unless earlier terminated in accordance with this Sublease, in which case the Terminate Date means the day of the month in which Sublease is terminated.

“**TTPU**” means the The Trustees of Purdue University, a body corporate created and existing under the laws of the State of Indiana.

“**TTPU’s Pro Rata Share**” means PRF’s Pro Rata Share as set forth in the Lease-Back Agreement. TTPU’s Pro Rata Share is 33%, which represents a fraction: (i) the numerator of which is the rentable square footage of the Subleased Premises, which equals 41,047 square feet; and (ii) the denominator of which is the gross square footage of the rentable portions of the Building, which equals 125,402 gross square feet.

“**Utility Charges**” has the meaning set forth in Section 6.1 of this Sublease.

## **ARTICLE 2** **SUBLEASED PREMISES**

2.1 **Lease and Description of Premises**. Subject to the terms and conditions set forth in this Sublease, PRF leases to TTPU, and TTPU leases from PRF, the Subleased Premises.

2.2 **Common Areas.** TTPU shall have the right, in common with all other tenants in the Building, to use the Common Areas.

2.3 **Subordinate to the Ground Lease and Lease-Back Agreement.** This Sublease is and shall be subject and subordinate to the Ground Lease and to the Lease-Back Agreement.

2.4 **Incorporation by Reference.** The terms, covenants, and conditions of the Lease-Back Agreement are incorporated herein by reference (except to the extent that they are inapplicable to this Sublease). For the purpose of incorporation by reference, all the terms, conditions and covenants in the Lease-Back binding upon or inuring to the benefit of the Limited Partnership therein shall, in respect of this Sublease, bind or inure to the benefit of PRF, with the same force and effect as if such terms, covenants, and conditions were completely set forth in this Sublease. Further, each and every term, covenant, and condition of the Lease-Back binding upon or inuring to the benefit of PRF therein shall, in respect of this Sublease, bind or inure to the benefit of TTPU, with the same force and effect as if such terms, covenants, and conditions were completely set forth in this Sublease. In the event of a conflict between any provision in this Sublease and any provision in the Lease-Back Agreement, the provision in the Lease-Back Agreement shall control. Notwithstanding any other provision in this Sublease, this Sublease shall terminate when the Lease-Back Agreement terminates.

2.5 **Use of the Subleased Premises.** The Subleased Premises shall be used and occupied by TTPU for the purposes of carrying on the purposes consistent with the mission of Purdue University, an educational institution of Indiana, including, without limitation, carrying on the purposes of: (a) education, (b) scientific research, (c) public service programs, (d) statutory responsibilities of Purdue University, and (e) management, operation, or servicing of Purdue University, all on such terms and conditions as TTPU may approve from time to time, and for no other purpose or purposes without the PRF's prior written consent, which consent shall not be unreasonably withheld. No waste or damage shall be committed upon or to the Subleased Premises. The Subleased Premises shall not be used for any unlawful purpose, and no violations of law shall be committed on the Subleased Premises. TTPU shall at its own cost and expense promptly observe and keep all laws, rules, orders, ordinances and regulations of federal, state and local governments and any and all of their departments and bureaus and those of any other competent authority relating to the use of the Subleased Premises. Although TTPU has the right under this Sublease to occupy and use the Subleased Premises in any manner consistent with the purposes described in this Section, it is the intent of TTPU to use and occupy the Subleased Premises for the Purdue University School of Electrical and Computer Engineering (ECE).

2.6 **Quiet Enjoyment.** PRF agrees that if TTPU observes all of the terms and conditions of, and performs all of its obligations under, this Sublease, then, at all times during the Lease Term, subject to the terms of this Sublease, TTPU shall have the peaceable and quiet enjoyment of possession of the Subleased Premises, without any manner of hindrance from parties claiming under, by, or through PRF.

2.7 **Exclusives.** TTPU acknowledges that Limited Partnership may grant other tenants of the Building exclusive rights to use premises in the Building for a specific use or business, and PRF shall not conduct any use or business in or from the Subleased Premises which causes Limited Partnership to be in violation of any such exclusive rights. Limited Partnership has agreed to provide PRF and PRF's sublessee's with written notice of all such exclusive rights that have been granted by Limited Partnership and PRF agrees to provide such notice to TTPU.

### ARTICLE 3

#### TERM

3.1 **Initial Term.** The initial term of this Sublease shall begin on the Delivery Date and shall continue for a period of **Thirty (30) years** thereafter, unless sooner terminated as provided herein.

3.2 **Extension Periods.** TTPU has the option of extending the term of this Sublease for **Two (2)** extension periods of **Five (5) years** each. Unless sooner terminated as otherwise provided in this Sublease or unless TTPU provides written notice to PRF of TTPU's intent to terminate this Sublease at least one hundred eighty (180) days before the end of the Initial Term, the term of this Sublease shall automatically extend for an additional period of five (5) years. The term of this Sublease shall automatically extend at the end of each successive Extension Period, unless sooner terminated as otherwise provided in this Sublease or unless TTPU provides, at least one hundred eighty (180) days' prior written notice to PRF of TTPU's intention to terminate the Sublease at the end of the then-expiring Extension Period.

3.3 **Surrender and Holdover.** Upon the expiration of the Sublease Term, or sooner termination of this Sublease or of the Lease-Back Agreement, TTPU shall surrender the Subleased Premises to the PRF in the condition they were in on the date of the commencement of the Sublease Term, the effects of ordinary wear, acts of God, casualty, insurrection, riot, or public disorder excepted. TTPU shall, prior to the expiration of the Sublease Term, remove all of TTPU's fixtures, equipment, furniture, signs, personal property, and supplies from the Subleased Premises.

### ARTICLE 4

#### OCCUPANCY OF SUBLEASED PREMISES

On the Delivery Date, TTPU shall have full occupancy of the Subleased Premises, subject to all of the terms and conditions of this Sublease and the Lease-Back Agreement.

### ARTICLE 5

#### RENT

5.1 **Base Rent.** Beginning on the Delivery Date and continuing on the same date each year thereafter during the Sublease Term, TTPU shall pay to PRF annual rent in the amount of **One Dollar (\$1.00)**.

5.2 **Supplemental Rent or Modification of Lessor's Work.** As part of the consideration for this Sublease, TTPU provided to PRF \$18,000,000 to be used toward paying costs and expenses associated with planning and construction of the Project and improvements to the Subleased Premises as described in Section 4.1(b) of the Lease-Back Agreement. If, upon bidding Lessor's Work, PRF's Share of Lessor's Work is reasonably likely to exceed \$18,000,000, then, at TTPU's option: (i) TTPU shall, within 60 days after written request therefor, pay as supplemental rent, such payment being made to PRF or to Limited Partnership as PRF may direct, the amount of the difference between PRF's Share of Lessor's Work and \$18,000,000, or (ii) the improvements to the Leased Premises described in Section 4.1(b) of the Lease-Back Agreement shall be changed, modified, or reduced in a manner agreeable to PRF, Limited Partnership, and TTPU in their reasonable discretion to the extent necessary such that PRF's Share of Lessor's Work does not exceed \$18,000,000. Similarly, if PRF's Share of Lessor's Work is less than \$18,000,000, PRF shall pay to TTPU the amount of any refund of prepaid rent PRF receives from Limited Partnership pursuant to Section 5.1(B) of the Lease-Back Agreement.

"PRF's Share of Lessor's Work" shall be the sum of: (i) PRF's Pro Rata Share of the costs and expenses authorized by PRF to construct the Project less \$853,800, plus (ii) all of the costs and expenses authorized by PRF to construct the improvements to the Subleased Premises described in Section 4.1(b) of the Lease-Back Agreement, plus (iii) all of the costs and expenses to construct the Project authorized by PRF and incurred solely for the benefit of the Subleased Premises or constructed at the direction of PRF or TTPU and not otherwise required for the use and operation of the commercial space in the Building.

5.3 **Additional Rent.** Beginning on the Delivery Date and continuing thereafter during the Sublease Term, TTPU shall be obligated to pay to PRF or to Limited Partnership, as PRF may direct, as additional rent equal monthly installments of TTPU's Pro Rata Share of the Common Expenses and Tax Expenses, which share shall equal the sum of the amount of all Common Expenses and Tax Expenses multiplied by TTPU's Pro Rata Share. This additional rent is due on or before the first day of each month.

(a) **Estimation.** From time to time, Limited Partnership may reasonably estimate (or re-estimate) the amount of the Common Expenses and Tax Expenses payable by PRF or TTPU for any whole or partial calendar year during the Sublease Term. In the event that Limited Partnership or PRF provides TTPU with a re-estimate of the Common Expenses and Tax Expenses applicable to a given calendar year after January 1 of such calendar year (the "Re-estimate Notice"), TTPU shall, within thirty (30) days after the date of the Re-estimate Notice, pay, as additional rent, any increase specified in the Re-estimate Notice which shall be retroactively applied to the monthly installments preceding the Re-estimate Notice previously due in that same calendar year. By way of example only, if the Common Expenses and Tax Expenses were estimated to be One Dollar (\$1.00) per square foot, and PRF provides a Re-estimate Notice on April 1 indicating that the Common Expenses and Tax Expenses had been re-estimated to be One Dollar and Five Cents (\$1.05) per square foot, TTPU shall then pay to PRF (or to Limited Partnership) by April 30, the additional Five Cents (\$.05) per square foot for the months of January, February, and March of that calendar year, and shall continue to pay the additional amount for remainder of that year.

(b) Statement. Following the end of each calendar year during the Sublease Term, PRF shall deliver to TTPU a written statement that shows the computation of the actual Common Expenses and Tax Expenses payable by TTPU with respect to such calendar year (the "Reconciliation Statement"). If the total of the Common Expenses and Tax Expenses paid by TTPU for such calendar year is more than the actual Common Expenses and Tax Expenses payable by TTPU with respect to such calendar year, then PRF shall credit the excess: first, against any outstanding rent due from TTPU; and second, against future Common Expenses and Tax Expenses, to be paid by TTPU; provided that, if there are no future Common Expenses and Tax Expenses to be paid by TTPU, then PRF shall refund the excess to TTPU within forty-five (45) days of PRF providing the Reconciliation Statement. If the total of the Common Expenses and Tax Expenses paid by TTPU for such calendar year is less than the actual amount of the Common Expenses and Tax Expenses payable by TTPU with respect to such calendar year, then TTPU shall pay the amount of such deficiency within forty-five (45) days of PRF providing the Reconciliation Statement.

(c) Audit Rights. At TTPU's sole cost and expense, TTPU shall have the right to inspect and audit PRF's books and records to verify and determine the reasonableness and accuracy of the TTPU's Pro Rata Share of the Common Expenses and Tax Expenses. TTPU shall also have the right to request PRF to inspect and audit Limited Partnership's books and records to verify and determine the reasonableness and accuracy of TTPU's Pro Rata Share of the Common Expenses and Tax Expenses.

(d) Property Tax Exemption; Credit. TTPU, a State Educational Institution, is exempt from all taxation in the State of Indiana pursuant to I.C. 21-34-8-3. PRF and TTPU acknowledge that they anticipate that the Subleased Premises will be exempt from property taxes during the Sublease Term upon the timely filing of a property tax exemption application by TTPU on PRF's and/or Limited Partnership's behalf commencing with the property tax exemption application required to be filed on or before May 15<sup>th</sup> of the applicable tax year. TTPU, at its sole cost and expense, may take all necessary steps to secure the property tax exemption on the Subleased Premises. PRF shall cooperate with TTPU in securing the property tax exemption. TTPU shall furnish to PRF for its review and approval the annual property tax exemption application for the Subleased Premises not less than 15 days prior to the required filing date for the property tax exemption application. Within 10 days of TTPU's request, PRF agrees to execute the appropriate Power of Attorney form prescribed by the Indiana Department of Local Government Finance or its successor delegating authority to TTPU and to cooperate with TTPU in obtaining such an executed Power of Attorney from Limited Partnership, in necessary, to file the property tax exemption application on behalf of PRF and Limited Partnership to the extent permitted by law. TTPU, at its sole expense, may appeal, in the name of, and on behalf of PRF, a denial of the property tax exemption for the Subleased Premises. PRF, at TTPU's sole cost and expense, shall fully cooperate with and assist TTPU in any appeal of the denial of the property tax exemption for the Subleased Premises. PRF and TTPU agree that TTPU shall be entitled to a credit against the Tax Expenses payable by TTPU under this Sublease in the full amount of the benefit to PRF resulting from the property tax exemption, which credit shall be applied against TTPU's Pro Rata Share of the Tax Expenses, provided that TTPU shall remain obligated for TTPU's Pro Rata Share of the Tax Expenses attributable to Common Areas.

**ARTICLE 6**  
**UTILITIES**

6.1 **Utilities Charges Other Than Gas.** Beginning on the Delivery Date and continuing throughout the Sublease Term, TTPU shall: (a) promptly pay all charges for sewer, water, electricity, telephone, and other utility services separately metered in, on, at, or from the Subleased Premises (the "Utility Charges"); and (b) deliver to PRF upon demand receipts or other satisfactory evidence of payment of the Utility Charges. TTPU shall not, without PRF's prior written approval, have any utility service discontinued prior to the expiration or termination of the Sublease Term.

6.2 **Gas Service.** TTPU shall pay all charges for gas service provided to the Building which is separately metered to the Subleased Premises by Limited Partnership within ten (10) days after receipt of a statement from Limited Partnership or PRF setting forth the amount of such gas service charges allocated to the Subleased Premises.

**ARTICLE 7**  
**MAINTENANCE AND REPAIR**

7.1 **Limited Partnership Repairs.** Pursuant to the Lease-Back Agreement, Limited Partnership has the duty to keep the foundations, exterior walls, and roof of the Subleased Premises, the heating, ventilating, and cooling equipment and systems (the "HVAC Systems") serving the Leased Premises, and all other portions of the Building except the Subleased Premises in good order, repair and condition, ordinary wear and tear excepted. TTPU agrees to look solely to Limited Partnership in connection with the obligation to repair and maintain these portions of the Subleased Premises and other portions of the Building in accordance with the Lease-Back Agreement.

In the event that the Subleased Premises or Project should become in need of repairs required to be made by Limited Partnership in accordance with the Lease-Back Agreement, TTPU shall give prompt written notice thereof to Limited Partnership and Limited Partnership shall not be responsible in any way for failure to make any such repairs until a reasonable time shall have elapsed after receipt by Limited Partnership of such written notice. Notwithstanding the foregoing, Limited Partnership shall not be obligated to make repairs, replacements or improvements of any kind: (i) to or for any trade fixtures contained in the Subleased Premises; (ii) to glass, doors, or any improvements to the Subleased Premises made by or on behalf of TTPU, including, without limitation, the TTPU Alterations; or (iii) that are the result of any damages to the Building, including the roof, or Subleased Premises caused by any act or omission of PRF or TTPU or their employees, agents, contractors, invitees, or licensees. TTPU shall have the sole responsibility all repairs, replacements, or improvements to the Subleased Premises that are not specified in this Section 7.1 to be the responsibility of Limited Partnership and that are not caused by PRF's acts or omissions.

TTPU understands and agrees that Limited Partnership shall have the right (and TTPU shall permit Limited Partnership or its employees, agents or contractors reasonable access to the Subleased Premises for the purpose of exercising such rights), to install, maintain, repair and replace in the ceiling space and/or under the concrete slab in the Subleased Premises, all such electrical, plumbing, HVAC Systems, as defined hereafter, and other system components that may be required to service the Common Areas or other tenants in the Project. Limited Partnership has agreed to use its best efforts to minimize any disruption of PRF's or TTPU's business resulting from the exercise of such right and shall be responsible for any damage to PRF or TTPU or their respective merchandise, inventory, fixtures and equipment resulting therefrom.

7.2 **TTPU's Repairs.** TTPU shall be responsible for performing the obligations of PRF contained in Section 7.2 of the Lease-Back Agreement. Specifically, except for repairs to be performed by Limited Partnership pursuant to Section 7.1 of the Lease-Back Agreement, TTPU shall: (a) keep the Subleased Premises clean, neat, and safe, and in good order, repair and condition, including, without limitation, that TTPU shall make all repairs, alterations, additions, or replacements to the Subleased Premises as may be required by any applicable law, ordinance, rule or regulation, or by fire underwriters or underwriters' fire prevention engineers; (b) keep all glass in windows, doors, fixtures, skylights, and other locations clean and in good order, repair, and condition, and replace glass that may be damaged or broken with glass of the same quality; and (c) paint and decorate the Subleased Premises as necessary or appropriate to comply with the terms and conditions of this Section 7.2. TTPU shall be responsible for the maintenance, and replacement of all system components serving the Subleased Premises for which Limited Partnership is not responsible.

7.3 **TTPU Alterations.** TTPU, at its sole cost and expense, may install in the Subleased Premises such fixtures, equipment and furnishing as TTPU determines to be necessary or appropriate. TTPU, at its cost and expense, also may make non-structural alterations or improvements to the interior of the Subleased Premises. Without the prior written consent of Limited Partnership, which consent shall not be unreasonably withheld, TTPU shall not make any: (A) alterations, improvements, or additions of or to the exterior of the Subleased Premises; or (B) structural alterations, improvements, or additions of or to any part of the Subleased Premises; or (C) alterations, improvements or additions that adversely affect the use, operation or enjoyment of the Common Areas or other portions of the Building or Project, including, without limitation, the installation of any equipment or facilities that affect the use, operation or enjoyment of the Common Areas or other portions of the Building or Project; or (D) alterations, improvements or additions that overburden the structural components of the Building or the Building utility or other systems. In no event shall (a) any penetrations be made to the roof of the Project, whether pursuant to this Section or any other Section, without the prior written permission of Limited Partnership, (b) the undertaking of any alterations or improvements to the Subleased Premises cause or result in any nuisance or disruption to any other tenant or occupant of the Building. To the extent any alterations, improvements, or additions installed by or on behalf of TTPU cause damage, including extraordinary wear and tear, to the foundation, exterior walls, or roof of the Building, the costs incurred by Limited Partnership to repair such damage shall be reimbursed by TTPU.

(b) Permits. Before making any alterations, improvements, or additions, TTPU shall: (i) obtain all permits, licenses, and approvals necessary for the completion of the improvements, alterations, or additions; and (ii) deliver to Limited Partnership: (A) copies of such permits, licenses, and approvals; and (B) evidence reasonably satisfactory to Limited Partnership that TTPU and/or TTPU's contractor has procured workers' compensation, general liability, and personal and property damage insurance as Limited Partnership reasonably may require. TTPU shall: (1) complete the construction of any alterations, improvements, or additions in a good and workmanlike manner, and in compliance with all applicable laws, ordinances, rules and regulations; and (2) assure that all contractors, subcontractors, laborers, and suppliers performing work or supplying materials are paid in full; and (3) provide Limited Partnership with copies of all plans, drawings and specifications for all alterations, additions and improvements made by or for TTPU to the Subleased Premises, regardless of whether Limited Partnership's consent is required therefor.

(c) Liens. TTPU shall not suffer or cause the filing of any mechanic's or other lien against the Subleased Premises or the Project. If any mechanic's or other lien is filed against the Subleased Premises, the Project, or any part thereof for work claimed to have been done for, or materials claimed to have been furnished to, TTPU, other than for the performance of Lessor's Work, then TTPU shall: (i) cause such lien to be discharged of record within sixty (60) days after notice of the filing by bonding or as provided or required by law; or (ii) provide evidence that the lien is being contested by proceedings adequate to prevent foreclosure of the lien, together with satisfactory indemnity (in an amount equal to at least one hundred fifty percent [150%] of the claimed lien) to Limited Partnership within sixty (60) days after notice of the filing thereof. All liens suffered or caused by TTPU shall attach to TTPU's interest only. Nothing in this Sublease shall be deemed or construed to: (A) constitute consent to, or request of, any party for the performance of any work for, or the furnishing of any materials to, TTPU; or (B) give TTPU the right or authority to contract for, authorize, or permit the performance of any work or the furnishing of any materials that would permit the attaching of a mechanic's lien to Limited Partnership's interest.

## **ARTICLE 8** **INSURANCE**

8.1 **Limited Partnership Insurance**. Pursuant to Article 8 of the Lease-Back Agreement, Limited Partnership is responsible to maintain fire, casualty, and extended insurance coverage as Limited Partnership reasonably determines are appropriate and acceptable to PRF, on the Building in an amount at least equal to the replacement costs. Limited Partnership also is obligated to maintain commercial general liability insurance covering any and all claims for injuries to, or death of persons and damage to, or loss of, property occurring in, on, or about the Common Areas and portions of the Building other than the Subleased Premises, in amounts Limited Partnership reasonably determines appropriate and acceptable to PRF, provided that the amounts of such insurance shall, at a minimum, be sufficient to reimburse PRF for the Unearned Prepaid Rent. PRF and TTPU are to be named on such policies as additional insureds. TTPU agrees to look solely to Limited Partnership in connection with the obligation to insure the Building, Common Areas and portions of the Building other than the Subleased Premises in accordance with the Lease-Back Agreement.

8.2 **TTPU's Insurance.** TTPU, at its expense, shall maintain or cause to be maintained property insurance, specifically including windstorm coverage, with coverage for one hundred percent (100%) of the replacement cost on improvements to the Subleased Premises, including improvements made by Limited Partnership and any subsequent improvements to the Subleased Premises made by TTPU; and (b) any trade fixtures, equipment, inventory, and other personal property located on, in or about the Subleased Premises in which TTPU has an insurable interest. TTPU shall also maintain, at its expense, commercial general liability insurance on the Subleased Premises with limits of not less than Three Million Dollars (\$3,000,000) for bodily injury, including death resulting therefrom, and personal injury for any one (1) occurrence, One Million Dollars (\$1,000,000) property damage insurance, or a combined single limit in the amount of Three Million Dollars (\$3,000,000). TTPU shall comply with the provisions of applicable worker's compensation laws, and shall insure its liability thereunder. TTPU shall, at its expense, maintain plate glass insurance covering all exterior plate glass in the Subleased Premises.

## ARTICLE 9 CASUALTY AND CONDEMNATION

### 9.1 **Casualty.**

(a) **Event of Casualty and Casualty Notice.** "Casualty Damage" means an event in which the Subleased Premises or the Building is damaged or destroyed by fire or other casualty. Within three (3) days after an event of Casualty Damage occurs, TTPU shall: (i) inform Limited Partnership's designated property management contact via telephone; and (ii) give Limited Partnership written notice via overnight mail ("Casualty Notice") which describes the Casualty Damage in detail, includes photographs of the Casualty Damage sufficient to reasonably convey to Limited Partnership the scope and extent of the damage, and, if applicable, states the extent to which TTPU reasonably believes that the Subleased Premises have been rendered untenable due to the Casualty Damages. Limited Partnership will evaluate the Casualty Damage and prepare an estimate of the cost to repair Lessor's Work (the "Estimated LW Repair Cost").

(b) **Limited Partnership's Obligations.** TTPU acknowledges and agrees that following an event of Substantial Damage, as hereinafter defined, which Limited Partnership elects to repair pursuant to the terms of Section 9.1 of the Lease-Back Agreement, or an event of Insubstantial Damage, as hereinafter defined, then Limited Partnership's only obligation shall be to restore Lessor's Work to the extent insurance proceeds are available therefor. In no event shall Limited Partnership be required to repair or replace: (i) improvements or any alterations to the Subleased Premises made by PRF or TTPU; or (ii) any trade fixtures, equipment, or inventory of PRF or TTPU located on, in, or about the Subleased Premises.

(c) **Insubstantial Damage.** Casualty Damage shall be considered to be "Insubstantial Damage" if: (i) the cost of repair and restoration of the Project is less than thirty percent (30%) of the amount it would cost to replace the Project in its entirety at the time such damage or destruction took place; (ii) the Estimated LW Repair Cost is less than fifty percent (50%) of Lessor's estimated cost to completely restore Lessor's Work (the "Estimated LW Replacement").

Cost”); and (ii) on the date of the event of Casualty Damage, 365 days or more remain in PRF’s then-current Lease Term.

(d) Substantial Damage. Casualty Damage shall be considered to be “Substantial Damage” if it does not meet the criteria for Insubstantial Damage.

(e) Limited Partnership’s Election Notice. After Limited Partnership determines whether an event of Casualty Damage, as set forth in the Casualty Notice, constitutes Insubstantial Damage or Substantial Damage, Limited Partnership will provide written notice of its findings to PRF and PRF shall provide a copy of such notice to TTPU. If PRF or TTPU alleged in the Casualty Notice that the Subleased Premises were rendered untenable by the Casualty Damage, but Limited Partnership determines that the Subleased Premises are not untenable, then Limited Partnership will give PRF written notice of such finding and PRF shall provide a copy of such finding to TTPU. If Limited Partnership determines that the Casualty Damage is Substantial Damage, Limited Partnership will give PRF written notice of its election to either: (i) repair or restore Lessor’s Work; or (ii) terminate the Lease-Back Agreement effective fifteen (15) days after the dispatch of such notice. Limited Partnership’s written notice to PRF pursuant to this Section 9.1(e) shall be referred to herein as “Limited Partnership’s Election Notice.” If Limited Partnership elects to terminate the Lease-Back Agreement, then this Sublease shall terminate.

(f) The Re-Delivery Date. The “Re-Delivery Date” shall be the date upon which the repair of Lessor’s Work is substantially completed, subject to delineated “punch-list” items that do not materially affect TTPU’s ability to use the Subleased Premises for TTPU’s intended purposes. On the Re-Delivery Date, TTPU shall have occupancy of the Subleased Premises, subject to all of the terms and conditions of this Sublease and the Lease-Back Agreement. Limited Partnership shall endeavor to correct any “punch-list” items within sixty (60) days after the Re-Delivery Date.

9.2 Condemnation. If: (a) all or a substantial part of the Subleased Premises is taken or condemned for public or quasi-public use under any statute or by the right of eminent domain; or (b) all or a substantial part of the Subleased Premises is conveyed to a public or quasi-public body under threat of condemnation (collectively, the “Condemnation”); and the Condemnation renders the Subleased Premises unsuitable for PRF’s or TTPU’s use, then, at the option of either Limited Partnership or PRF exercised within thirty (30) days after the Condemnation occur: (i) this Sublease shall terminate effective on the date when PRF or TTPU is deprived of possession of the Subleased Premises; and (ii) all obligations hereunder, except those due or mature, shall cease and terminate. If there is a Condemnation with respect to: (A) more than twenty five percent (25%) of the square footage of the building of which the Subleased Premises is a part; or (B) more than twenty five percent (25%) of the aggregate square footage of the Project; then Limited Partnership, at its option, exercised within thirty (30) days after the Condemnation occurs, may elect to terminate the Lease-Back Agreement as of the date possession of such square footage is taken by, or conveyed to, the condemning authority. In the event the Lease-Back Agreement is terminated, this Sublease shall terminate and all obligations hereunder, except those due or mature, shall cease and terminate. All compensation awarded or paid for the

Condemnation (the “Condemnation Proceeds”) shall belong to and be the sole property of Limited Partnership; provided that Limited Partnership shall not be entitled to the amount of any Condemnation Proceeds awarded or paid solely to TTPU for loss of business or costs and expenses of relocation and removing trade fixtures and equipment. If neither Limited Partnership nor PRF elects to terminate the Lease-Back Agreement pursuant to Section 9.2 of the Lease-Back Agreement, then Limited Partnership shall be responsible for the performance of Lessor’s Work to the extent Condemnation Proceeds are made available therefor and TTPU agrees to look solely to Limited Partnership to perform Lessor’s Work; provided that Limited Partnership shall not be obligated to incur costs for such work in excess of the Condemnation Proceeds awarded or paid to Limited Partnership and remaining after: (aa) Limited Partnership’s mortgagee has withheld any amount of the proceeds to which it is entitled, if any; and (bb) deduction for any expenses incurred in collecting the Condemnation Proceeds. Notwithstanding anything to the contrary set forth herein, in no event shall Limited Partnership or PRF be required to repair or replace: (A) alterations or improvements to the Subleased Premises made by TTPU; or (B) any trade fixtures, equipment, or inventory of TTPU located on, in, or about the Subleased Premises.

**ARTICLE 10**  
**SURRENDER**

10.1 **Surrender of Premises.** Except as herein otherwise expressly provided in this Article, TTPU shall surrender and deliver up the Subleased Premises, together with all property affixed to the Subleased Premises, to PRF at the expiration or other termination of this Sublease or of TTPU’s right to possession hereunder, without fraud or delay, in good order, condition and repair except for reasonable wear and tear after the last necessary repair, replacement, or restoration is made by TTPU, free and clear of all liens and encumbrances, and without any payment or allowance whatsoever by PRF on account of any improvements made by TTPU.

10.2 **Removal of Certain Property.** All furniture, trade fixtures, inventory and personal property furnished by or at the expense of TTPU shall remain the property of TTPU and shall be removed by or on behalf of TTPU at or prior to the expiration or other termination of this Sublease or of TTPU’s right of possession.

**ARTICLE 11**  
**DEFAULT**

11.1 **Event of Default; Remedies.** Upon the occurrence of an Event of Default, the non-defaulting Party may, at its option, pursue any and all rights and remedies it has at law or in equity, including, but not limited to, termination of this Sublease, provided such Party has completed the following dispute resolution procedure:

(a) **Mediation.** Before either Party files a lawsuit or seeks other legal or equitable remedies against the other Party, the Parties agree to use best efforts in good faith to settle the dispute or to agree on a remedy of the default by participating in non-binding mediation to be conducted by a mutually agreeable mediator to be selected jointly by the Parties. Mediation

hearings shall be held in West Lafayette, Indiana, unless the Parties agree otherwise, and shall be governed by the Indiana Rules for Alternative Dispute Resolution. Mediation shall take place as soon as reasonably practicable, but in no event more than thirty (30) days after the Event of Default, unless the Parties otherwise agree. If either Party determines after a day of mediation that the dispute is not likely to be settled in a mutually acceptable manner or that agreement on a remedy is not likely to be reached, such Party may then commence litigation or pursue other legal or equitable remedies.

## **ARTICLE 12**

### **ESTOPPEL AND SECURITY INTERESTS**

12.1 **Estoppel Certificates.** TTPU and PRF agree to execute and deliver, within ten (10) days after request by the other party, a statement, in writing, certifying to PRF and/or any party designated by PRF, or TTPU and/or any party designated by TTPU, as the case may be, that: (a) this Sublease is in full force and effect; (b) the Commencement Date; (c) that Rent is paid currently without any off-set or defense; (d) the amount of Rent paid in advance; (e) that there are no known uncured defaults by PRF or TTPU, or stating those known and claimed, provided that, in fact, such facts are accurate and ascertainable; and (f) any other information reasonably requested.

12.2 **Security Interests.** PRF shall have the right at any time and from time-to-time to create security interests in the form of a mortgage, deed of trust or other similar lien or encumbrance (a "Mortgage") upon or affecting PRF's estate in the Subleased Premises, or any part thereof; provided, however, that in the event of any foreclosure or sale under any such Mortgage or the delivery by PRF of any deed in lieu of foreclosure to the holder of any such Mortgage, then the holder of any such Mortgage agrees not to disturb TTPU's possession so long as TTPU is not in default under the terms of this Sublease beyond any notice and/or cure periods provided for in this Sublease.

## **ARTICLE 13**

### **MISCELLANEOUS**

13.1 **Governing Law.** This Sublease is entered into in Indiana and shall be governed by and construed in accordance with the substantive law (and not the law of conflicts) of the State of Indiana.

13.2 **Jurisdiction and Venue.** Subject to Article 11 of this Sublease, any legal action or proceeding commenced by either Party relating to this Sublease shall be resolved in a court of competent jurisdiction in, or which includes, Tippecanoe County, Indiana.

13.3 **Attorneys' Fees.** In any action, proceeding, or suit brought by either Party to enforce its rights hereunder, the prevailing Party shall be entitled to recover such Party's reasonable attorneys' fees and costs in such action or suit in addition to all other relief to which such party may be entitled.

13.4 **Memorandum of Lease**. At the request of either party, the parties agree to execute and record a memorandum of this Sublease.

13.5 **Assignment**. This Sublease may not be assigned by either party without the prior written consent of the other party; such consent shall not be unreasonably withheld.

13.6 **Counterparts**. This Sublease may be executed in separate counterparts, each of which when so executed shall be an original, but all of which together shall constitute but one and the same instrument. All prior representations, undertakings, and agreements by or between the parties hereto with respect to the subject matter of this Sublease are merged into, and expressed in, this Sublease, and any and all prior representations, undertakings, and agreements by and between such parties with respect thereto hereby are canceled. This Sublease shall not be amended, modified, or supplemented, except by a written agreement duly executed by both PRF and TTPU.

13.7 **Notices**. All notices and demands which may be or are required to be given by either party to the other shall be in writing and shall be hand delivered or sent by United States mail, first class postage prepaid, addressed to the PRF or TTPU at the following addresses or to such other person or to such other place as either party may from time to time designate in writing to the other.

PRF: Purdue Research Foundation  
Kurz Purdue Technology Center  
1281 Win Henschel Blvd  
West Lafayette, IN 47906

TTPU: The Trustees of Purdue University  
610 Purdue Mall  
1031 Hovde Hall, Room 230  
West Lafayette, IN 47907-2040

13.8 **Subordination to Mortgages and Attornment**. If requested by PRF, TTPU shall execute and deliver to a Mortgagee an instrument in form and substance satisfactory to such Mortgagee and to PRF subordinating this Sublease to the lien of such Mortgagee. Such subordination shall be subject to the limitation that TTPU's use and occupancy of the Subleased Premises shall not be disturbed so long as TTPU is not in default of its obligations under this Sublease.

13.9 **Compliance with Project Rules**. TTPU agrees to comply with reasonable rules and regulations established by Limited Partnership for the Project.

13.10 **Hazardous Materials**. TTPU agrees to comply with all federal, state or local law, ordinance, order, rule, or regulation regarding the use, storage, or presence of Hazardous Materials applicable to the Subleased Premises and shall be responsible for all costs and expenses necessitated by or reasonably incurred as a result of TTPU's misuse of Hazardous Materials on the Subleased Premises or the contamination by Hazardous Materials of the

Subleased Premises, the Building, the Project, or elsewhere which came or otherwise emanated from TTPU or the Subleased Premises during the Sublease Term. For purposes of this Section, costs and expenses include, but are not limited to, those costs and expenses reasonably incurred in connection with any investigation of site conditions or any cleanup, remediation, removal, fines, monitoring or restoration work required or imposed by any federal, state or local governmental agency or political subdivision because of the presence of Hazardous Materials.

IN WITNESS WHEREOF, the PRF and TTPU have executed this Sublease as of the date first above written.

PRF:

PURDUE RESEARCH FOUNDATION

By:

\_\_\_\_\_  
Joseph B. Hornett  
Sr. Vice President, Treasurer, COO

TTPU:

THE TRUSTEES OF PURDUE  
UNIVERSITY

By:

\_\_\_\_\_  
A.V. Diaz  
Treasurer

594899.10/13/11

**COMMISSION FOR HIGHER EDUCATION**

Friday, June 8, 2012

**DECISION ITEM B-4:                    Capital Projects for Which Staff Proposes Expedited Action**

**Staff Recommendation**

That the Commission for Higher Education approve by consent the following capital project(s), in accordance with the background information provided in this agenda item:

- Ivy Tech Community College of Indiana – South Bend Campus:  
Building Addition and Renovation- \$4,667,000

**Background**

Staff recommends the following capital project be recommended for approval in accordance with the expedited action category originated by the Commission for Higher Education in May 2006. Institutional staff will be available to answer questions about these projects, but the staff does not envision formal presentations. If there are questions or issues requiring research or further discussion, the item could be deferred until a future Commission meeting.

**Supporting Document**

*Background Information on Capital Projects on Which Staff Propose Expedited Action, June 8, 2012*



**Background Information on Capital Projects on Which Staff Proposed Expedited Action**  
June 8, 2012

**F-0-12-1-03 Ivy Tech Community College of Indiana – South Bend Campus: Building Addition and Renovation**  
**Project Cost: \$4,667,000**

The Trustees of Ivy Tech Community College of Indiana request authorization to proceed with the construction of new space and renovation of current space located on the South Bend campus. The project will construct approximately 17,000 GSF of new space and renovate approximately 5,400 GSF of current space. New space will include an expanded bookstore, new student gathering space and a cafeteria/kitchen for student use and instruction. Renovated space will address common areas, support space and auxiliary space located in the current facility. With the new construction, current underutilized space will be available to expand overall instructional hours and provide additional resources to students on campus. The project is estimated to cost \$4,667,000 will be funded through bookstore reserve funds (\$2.5M) and a loan from the Ivy Tech Foundation (\$2.2M). The loan will be repaid through bookstore revenues realized by Ivy Tech South Bend campus.



**COMMISSION FOR HIGHER EDUCATION**

Friday, June 8, 2012

**DECISION ITEM C:**

**Resolution to Outline Employee Retirement Benefits**

**Staff Recommendation**

That the Commission for Higher Education approve by consent the a resolution outlining that the default employee retirement benefit plan is administered through the Teachers' Insurance and Annuity Association – College Retirement Equities Fund (TIAA-CREF) except where grandfathered employees have made an irrevocable election to maintain a Public Employee Retirement Fund (PERF) plan administered by the Indiana Public Retirement System.

**Background**

House Enrolled Act 1270-2012 abolishes the State Student Assistance Commission (SSACI) and Commission on Proprietary Education (COPE) and transfers their employees to the Commission for Higher Education. SSACI and COPE employees are currently covered by PERF while Commission staff, by prior resolutions, receive contributions to a TIAA-CREF plan. To maintain TIAA-CREF as the default employee retirement benefit, an updated resolution is necessary.

**Supporting Document**

Draft of the Resolution to be approved; final resolution to be distributed at the meeting.





## **Draft Resolution**

### ***Commission for Higher Education Employee Retirement Benefits***

**WHEREAS** the Commission for Higher Education (Commission) has the authority to fix the compensation and terms of employment for the executive officer and staff per IC 21-18-5-4; and,

**WHEREAS** the Commission for Higher Education by this resolution, outlines its coverage of employees under the Teachers' Insurance and Annuity Association – College Retirement Equities Fund (TIAA-CREF) or the Indiana Public Employees' Retirement Fund (PERF), as follows:

#### 1. Participation

All full-time employees of the Commission occupy positions covered by the Teachers' Insurance and Annuity Association – College Retirement Equities Fund (TIAA-CREF), which is maintained in whole or in part by appropriations of the state, except:

- a. \_\_\_\_\_, which such position will be transferred to the Commission from the board of the [SSACI/COPE] which board shall cease to exist on June 30, 2012, and which such position shall remain a position covered by the Indiana Public Employees' Retirement Fund, except as indicated in Section 2 below; and,
- b. \_\_\_\_\_, which such position will be transferred to the Commission from the board of the [SSACI/COPE] which board shall cease to exist on June 30, 2012, and which such position shall remain a position covered by the Indiana Public Employees' Retirement Fund, except as indicated in Section 2 below; and,
- c. \_\_\_\_\_, which such position will be transferred to the Commission from the board of the [SSACI/COPE] which board shall cease to exist on June 30, 2012, and which such position shall remain a position covered by the Indiana Public Employees' Retirement Fund, except as indicated in Section 2 below; and,
- d. \_\_\_\_\_, which such position will be transferred to the Commission from the board of the [SSACI/COPE] which board shall cease to exist on June 30, 2012, and which such position shall remain a position covered by the Indiana Public Employees' Retirement Fund, except as indicated in Section 2 below.

Further, Commission staff that are not full-time employees (e.g. interns, part-time employees, independent contractors) are not covered by either retirement plan.

2. Such positions described in Sections a. - d. shall become positions covered by TIAA-CREF upon the departure of the individual holding such position on July 1, 2012. Therefore all new full-time employees hired after July 1, 2012 and all new full-time employee positions created after July 1, 2012, shall be positions covered by TIAA-CREF.
3. The Commission acknowledges its obligation to appropriate sufficient funds each year to pay the prior service liability of such positions and fund the current cost accruing annually in accordance with Indiana Public Retirement System reporting and payment requirements.

**NOW THEREFORE BE IT RESOLVED**, that the Commission for Higher Education shall participate in the Public Employees' Retirement Fund retirement plan to the extent outlined above.

**COMMISSION FOR HIGHER EDUCATION**

Friday, June 8, 2012

**DECISION ITEM D: Other Items on Which Staff Propose Expedited Action**

**Staff Recommendation**

That the Commission for Higher Education approve by consent the following items, in accordance with the background information provided in this agenda item:

- Human Resource Policy, Post July 1, 2012
- Indiana/Ohio Reciprocity Agreement
- Transfer Indiana Central Office Contract
- Improving Teacher Quality Partnerships Program

**Background**

Human Resource Policy

Pursuant to House Enrolled Act 1270-2012, the State Student Assistance Commission (SSACI) and the Commission on Proprietary Education (COPE) are abolished and the Commission for Higher Education (CHE) is to receive staff, assets, and budget authority. The employees of SSACI and COPE currently follow the state’s policies and guidelines. CHE has different paid-time off accruals, holidays, and work hours. The following changes will be implemented to bring CHE’s policies and benefits into compliance with state law and reconcile the remaining differences.

<u>Policy/Benefit</u>	<u>Change</u>
<b>Leave Accruals</b>	18 vacation days, 9 sick days, 3 personal days based on a 37.5 hour work week.
<b>Holidays</b>	12 days plus 2 election days per State law (IC 1-1-9-2)
<b>Hours of Work</b>	37.5 hours per week per State law and Indiana Supreme Court ruling (IC 4-1-2-1; <i>Brattain vs. Richmond State Hospital</i> )

Indiana/Ohio Reciprocity Agreement

The reciprocity agreement with Ohio started in 2004-05 and during the first five years of operation (2004-05 through 2008-09) the ratio of Ohio to Indiana students who took advantage of the program greatly favored Ohio, meaning that more Ohio residents were attending Indiana institutions at in-state rates than vice versa. More specifically, the ratio of Ohio residents enrolled in Indiana

institutions to Indiana residents enrolled in Ohio institutions ranged between 9.1 to 1 and 20.5 to 1.

However, due to changes that were made starting in Fall 2009 – most notably, the addition of Cincinnati State Technical and Community College and the University of Cincinnati main campus to the list of eligible institutions – the ratio has significantly and steadily fallen, and is moving toward parity, a desired goal of the Commission. Between Fall 2009 and Fall 2011, the ratio of Ohio to Indiana residents participating in the program has gone from 4.0 to 1 to 2.2 to 1. In Fall 2011, 1,166 Ohio residents attended Indiana institutions through the agreement and 524 Indiana residents have attended Ohio institutions.

#### Transfer Indiana Central Office Contract

The \$1 M appropriation to the Commission in FY2013 for its *Transfer Indiana* initiative supports the Transfer Indiana Central Office (TICO), licenses for transfer-related software, and *Indiana e-Transcript*, along with Commission staffing related to these areas.

TICO is operated by Ball State University and since 2005, the Commission has contracted with the University to provide a variety of transfer-related support services. The contract is renewable on an annual basis, beginning on July 1. The proposed contract for FY2013 is for \$208,596, more than \$4,000 lower than the contract for FY2012.

TICO provides critical technical support to *TransferIN* in a number of areas, such as: assisting institutions with implementing course equivalency guides and degree audits; and helping to develop interfaces between institutional student information systems and the transfer hub *u.select* software. TICO also assists in developing – and marketing – material to be placed on the *TransferIN* web site, including information on institutional transfer policies, the Core Transfer Library (CTL), dual credit courses, and translating AP scores and military training/occupational experience into college credit. Finally, TICO provides essential staff support for the work of the Statewide Transfer and Articulation Committee (STAC) in a variety of areas.

#### Improving Teacher Quality Partnerships Program

The Indiana Commission for Higher Education under the Title II, Part A, Teacher and Principal Training and Recruitment Fund provided by the United States Department of Education, is responsible for conducting a competitive Improving Teacher Quality state grant process to fund partnerships.

The program funds partnerships comprised at a minimum of a post secondary school of education, a post secondary school of arts and sciences and one or more “high need” schools and school corporations. The partnership must use the funds to conduct professional development activities in core academic subjects in

order to ensure highly qualified teachers, paraprofessionals, and principals have subject matter knowledge in the academic subjects they teach.

It is estimated that the Commission will receive \$1.2 M to fund partnerships for FY 2012. The FY 2012 Request for Proposals has an anticipated release date of June 2012, pending federal notification. The deadline for proposals to be received by the Commission is October 5, 2012.



# COMMISSION FOR HIGHER EDUCATION

Friday, June 8, 2012

## INFORMATION ITEM A: Status of Active Requests for New Academic Degree Programs

<u>Institution and Site</u>	<u>Program Title</u>	<u>Date Received</u>	<u>Status</u>
1. ISU	Ph.D. in Health Sciences	05/12/2011	Under CHE review.
2. IU South Bend	M.A. in Teaching/Elementary Education	06/29/2011	Under CHE review.
3. Purdue @ IUPUI	B.S. in Neuroscience	07/13/2011	On June agenda for action.
4. IU-Northwest	B.S. in Dental Hygiene	01/04/2012	Under CHE review.
5. IU through its IUPUI campus	B.A. in Medical Humanities and Health Studies	02/29/2012	On June agenda for action.
6. IU Kokomo	Bachelor of Applied Science	02/29/2012	Under CHE review.
7. IU East	Bachelor of Applied Science	02/29/2012	Under CHE review.
8. IU East	M.A. in English	02/29/2012	Under CHE review.
9. ITCCI-Valparaiso, South Bend, Ft. Wayne, Lafayette, Terre Haute, Columbus, Evansville, Bloomington, and Statewide via Distance Education Technology	A.S. in Computer Science	05/23/2012	Under CHE review.



## COMMISSION FOR HIGHER EDUCATION

Friday, June 8, 2012

### **INFORMATION ITEM B: Capital Improvement Projects on Which Staff Have Acted**

In accordance with existing legislation, the Commission is expected to review and make a recommendation to the State Budget Committee for:

- (1) each project to construct buildings or facilities that has a cost greater than \$500,000;
- (2) each project to purchase or lease-purchase land, buildings, or facilities the principal value of which exceeds \$250,000;
- (3) each project to lease, other than lease-purchase, a building or facility, if the annual cost exceeds \$150,000; and
- (4) each repair and rehabilitation project if the cost of the project exceeds (a) \$750,000, if any part of the cost of the project is paid by state appropriated funds or by mandatory student fees assessed all students, and (b) \$1,000,000 if no part of the cost of the project is paid by state appropriated funds or by mandatory student fees assessed all students.

Projects of several types generally are acted upon by the staff and forwarded to the Director of the State Budget Agency with a recommendation of approval; these projects include most allotments of appropriated General Repair and Rehabilitation funds, most projects conducted with non-State funding, most leases, and requests for project cost increase. The Commission is informed of such actions at its next regular meeting. During the previous month, the following projects were recommended by the Commission staff for approval by the State Budget Committee.

#### I. REPAIR AND REHABILITATION

*B-1-12-2-14 Purdue University West Lafayette  
Civil Engineering Building Fire Alarm Replacement  
Project Cost: \$1,700,000*

*The Trustees of Purdue University requests authority to proceed with the replacement of the fire alarm system for the Civil Engineering Building at the PU West Lafayette campus. Based on standards set by the National Fire Protection Association, the project will replace the current fire alarm system and bring the new system up to occupant life safety standards. A portion of the current structure built 40 years ago was grandfathered in and did not require upgrades to the fire alarm system. The estimated cost of the project is \$1,700,000 and will be funded through University Repair and Rehabilitation funds and student fees.*

*B-1-12-2-16 Purdue University West Lafayette  
Civil Engineering Building Roof Replacement & Green Roof  
Project Cost: \$890,000*

*The Trustees of Purdue University requests authority to proceed with the renovation and construction of a Green Room for the Civil Engineering Building at the PU West Lafayette campus. The project will repair the current roof of the Civil Engineering Building and prepare it for the construction of a new Green Roof. The Green Roof will allow for new energy efficiency technologies to be installed and for students to participate in research related to energy reducing technologies. The estimated cost of*

*the project is \$890,000 and will be funded through gift funds (\$486,295), Departmental Funds (\$118,705) and University Repair and Rehabilitation funds and student fees (\$285,000).*

*B-1-12-2-17 Purdue University West Lafayette  
Terry House Primary and Secondary Electrical Renovation  
Project Cost: \$1,300,000*

*The Trustees of Purdue University requests authority to proceed with the renovation and replacement of electrical components at the Terry House located on the PU West Lafayette campus. Current electrical components at the Terry House are outdated and do not provide enough capacity to operate the facility. The Purdue University Police Department operates out of the Terry House and having proper electrical components are necessary to allow operations to run smoothly. The estimated cost of the project is \$1,300,000 and will be funded through University Repair and Rehabilitation funds and student fees.*

II. NEW CONSTRUCTION

None.

III. LEASES

None.

IV. LAND ACQUISITION

None.

## COMMISSION FOR HIGHER EDUCATION

Friday, June 8, 2012

### INFORMATION ITEM C: Capital Improvement Projects Awaiting Action

Staff is currently reviewing the following capital projects. Relevant comments from the Commission or others will be helpful in completing this review. Three forms of action may be taken.

- (1) Staff Action. Staff action may be taken on the following types of projects: most projects funded from General Repair and Rehabilitation funding, most lease agreements, most projects which have been reviewed previously by the Commission, and many projects funded from non-state sources.
- (2) Expedited Action. A project may be placed on the Commission Agenda for review in an abbreviated form. No presentation of the project is made by the requesting institution or Commission staff. If no issues are presented on the project at the meeting, the project is recommended. If there are questions about the project, the project may be removed from the agenda and placed on a future agenda for future action.
- (3) Commission Action. The Commission will review new capital requests for construction and major renovation, for lease-purchase arrangements, and for other projects which either departs from previous discussions or which pose significant state policy issues.

#### I. NEW CONSTRUCTION

A-7-09-1-09      Indiana University Northwest  
Tamarack Hall Replacement and Ivy Tech Community College – Northwest  
Project Cost: \$45,000,000  
Submitted the Commission on January 21, 2011

The Trustees of Indiana University request authorization to replace Tamarack Hall with a new 106,065 assignable square foot facility in a unique building plan incorporating programs from Tamarack Hall at Indiana University Northwest and Ivy Tech Community College – Northwest under one structure. The expected cost of the project is \$45,000,000 and would be funded from 2009 General Assembly bonding authority. This project was not recommended by the Commission as part of the biennial budget recommendation.

**STATUS:** The project is being held by the Commission until funds are identified to support the project.

A-9-09-1-12      Indiana University Southeast  
New Construction of Education and Technology Building  
Project Cost: \$22,000,000  
Submitted the Commission on January 19, 2010

The Trustees of Indiana University requests authority to proceed with the new construction of the Education and Technology Building on the Indiana University Southeast campus. The new building would be a 90,500 GSF facility and provide expanded space for the IU School of Education and Purdue University College of Technology. The expected cost of the project is \$22,000,000 and would be funded from 2009 General Assembly bonding authority. This project was not recommended by the Commission as part of the biennial budget recommendation.

**STATUS:** The project is being held by the Commission until funds are identified to support the project.

B-1-08-1-02

Purdue University  
Animal Disease Diagnostic Laboratory BSL-3 Facility  
Project Cost: \$30,000,000  
Submitted to the Commission on July 9, 2007

Purdue University seeks authorization to proceed with the construction of the Animal Disease Diagnostic Laboratory BSL-3 Facility on the West Lafayette campus. The expected cost of the project is \$30,000,000 and would be funded from 2007 General Assembly bonding authority. This project was not recommended by the Commission as part of the biennial budget recommendation.

**STATUS:** The project is being held by the Commission until funds are identified to support the project.

B-2-09-1-10

Purdue University Calumet Campus  
Gyte Annex Demolition and Science Addition (Emerging Technology Bldg)  
Project Cost: \$2,400,000  
Submitted to the Commission on August 21, 2008

The Trustees of Purdue University seeks authorization to proceed with planning of the project Gyte Annex Demolition and Science Addition (Emerging Technology Bldg) on the Calumet campus. The expected cost of the planning of the project is \$2,400,000 and would be funded from 2007 General Assembly bonding authority. This project was not recommended by the Commission as part of the biennial budget recommendation.

**STATUS:** The project is being held by the Commission until funds are identified to support the project.

B-4-09-1-21

Purdue University North Central  
Student Services and Activities Complex A&E  
Project Cost: \$1,000,000  
Submitted to the Commission on October 29, 2008

The Trustees of Purdue University seeks authorization to proceed with planning of the project Student Services and Activities Complex. The expected cost of the planning of the project is \$1,000,000 and would be funded from 2007 General Assembly bonding authority. This project was

recommended by the Commission as part of the biennial budget recommendation.

**STATUS:** The project is being held by the Commission until funds are identified to support the project.

C-1-07-2-01

Indiana State University  
Renovation of Life Science/Chemistry Lab Phase II  
Project Cost: \$4,500,000  
Submitted to the Commission on March 22, 2012

The Trustees of Indiana State University seek authorization to proceed with renovation of lab space located at the Terre Haute campus. The renovation would complete the overall renovation of the Life Science/Chemistry Labs in the Science building to provide for current instructional technologies, meet laboratory safety guidelines and meet ADA standards. The expected cost of the project is \$4,500,000 and would be funded from 2007 General Assembly bonding authority. This project was not recommended by the Commission as part of the biennial budget recommendation.

**STATUS:** The project is currently under review by Commission staff.

D-1-05-1-02

Ball State University  
Boiler Plant Project (Revised)  
Project Cost: \$3,100,000  
Submitted to the Commission on February 1, 2011

The Trustees of Ball State University seeks authorization to proceed with the continuation of the Boiler Plant Project (Geothermal Project) by beginning Phase II. Original General Assembly authorization (2005) for the project was \$48 million and thus far \$44.9 million has been approved by CHE and the State Budget Committee. The expected cost of the project is \$3,100,000 and would be funded from 2005 General Assembly bonding authority.

**STATUS:** The project is being held by the Commission until funds are identified to support the project.

F-0-08-1-03

Ivy Tech Community College of Indiana  
Bloomington New Construction A&E  
Project Cost: \$20,350,000  
Submitted to the Commission on February 12, 2011

Ivy Tech Community College of Indiana seeks authorization to proceed with the expenditure of Architectural and Engineering (A&E) planning funds for a New Construction project at the ITCCI Bloomington campus. The expected cost of the project is \$20,350,000 and would be funded from 2009 General Assembly (\$20,000,000) and 2007 General Assembly (\$350,000) bonding authority. This project was not recommended by the Commission as part of the biennial budget recommendation.

**STATUS:** The project is being held by the Commission until funds are identified to support the project.

F-0-12-1-02

Ivy Tech Community College of Indiana  
Indianapolis Fall Creek Expansion – Phase III (Final Phase)  
Project Cost: \$23,098,100  
Submitted to the Commission on March 21, 2012

The Trustees of Ivy Tech Community College of Indiana seeks authorization to proceed with the final phase of the Indianapolis Fall Creek Expansion project. The final phase of the project will include: upgrade to infrastructure (HVAC, plumbing, electrical, safety and code compliance); the build out of three floors of the Ivy Tech Corporate College and Conference Center for a Center for Instructional Technology; and additional classrooms, labs, offices and student support. The expected cost of the project is \$23,980,100 and would be funded from 2007 General Assembly bonding authorization. This project was not recommended by the Commission as part of the biennial budget recommendation.

**STATUS:** The project is being held by the Commission until funds are identified to support the project.

## II. REPAIR AND REHABILITATION

## III. LEASES

None.

# COMMISSION FOR HIGHER EDUCATION

Friday, June 8, 2012

## **INFORMATION ITEM D: Calendar of Upcoming Meetings of the Commission**

### **Staff Recommendation**

For information only.

### **Background**

The Commission presents its schedule of meetings twice a year. As it considers the upcoming calendar each six months, the previous calendar is presented and an additional six months is added. This semiannual process permits publication well in advance of the meeting dates as a convenience to all interested parties. (*Meeting dates are customarily scheduled based on the second Friday of the month, but are subject to revision if conditions exist which make a change necessary.*)

This item reaffirms this portion of the schedule presented last December:

July 2012	<i>(No regular meeting)</i>
August 9-10, 2012	Ball State University, Muncie
September 13-14, 2012	Indiana University, Bloomington
October 18-19, 2012 *	Purdue University, West Lafayette
November 8-9, 2012	Indianapolis
December 13-14, 2012	Indianapolis

- ❖ Commission meeting will be held one week later than normal due to scheduling conflicts.

The following six-month schedule has been added:

January 2013	<i>(No regular meeting)</i>
February 7-8, 2013	Indianapolis
March 7-8, 2013	Indianapolis
April <i>(Date TBD)</i> , 2013	Indianapolis <i>(Weldon Conf.)</i>
May 9-10, 2013	TBD
June 13-14, 2013	TBD