Chapter 2

Criterion 2: Preparing for the Future

The organization's allocation of resources and its processes for evaluation and planning demonstrate its capacity to fulfill its mission, improve the quality of its education, and respond to future challenges and opportunities.

As IU East looks toward the future, the past history and current pressures drive many of the preparations. No longer a community college but still a commuter campus, IU East is poised as both a typical liberal arts college with professional programs and an access institution for degree completion (including online programs). Even identifying peer groups is a difficult enterprise given our mix of programs and the rural setting of the campus. Complicated by a limited and/or declining population density, commuting students, a bifurcated student population (traditional and online) and the advent of the community college system in Indiana, IU East has had to pay close attention to “next year” in order to remain viable.

Because IU East is in such a unique situation, constituents must recognize that we do things differently. In particular, we require that the full-time faculty work closely with a large contingent of part-time faculty to handle the enrollment growth while maintaining high standards of quality. We anticipate that what is happening at IU East may be a harbinger of what might happen to colleges across the country. That is, considerable downward pressure on tuition and increasing enrollments paired with significant decreases in state and perhaps federal funding. IU East is facing these challenges head-on. We view this as an opportunity to create a new model of higher education. Highlights of the IU East initiatives were presented to the Indiana Commission for Higher Education by Chancellor Paydar. (ICHE Presentation 2009)

In examining evidence for Criterion 2, we direct attention to the future we envision as part of our “Forty.Focused.Forward” anniversary celebration. With bold new leadership, Indiana University East has responded to both external and internal forces with a swiftness and determination uncharacteristic of most academic enterprises. With continuous evaluation of progress guiding our planning, IU East has established a path toward the creation of a future in which it can effectively carry out its mission.
Core Component 2a: The organization realistically prepares for a future shaped by multiple societal and economic trends.

Situational Overview

Many factors have influenced the direction of Indiana University East over the past 10 years. Richmond and the counties within the IU East recruitment area were seriously affected by the economic downturn. With the economic base of the area historically tied to manufacturing, the community faced severe job loss as companies closed or relocated. IU East faced its own economic hardships with declining enrollments, decreasing state appropriations and in 2006-07, an overall deficit for the campus.

Accompanying the economic downturn has been a decline in the population of Wayne County, Indiana (IU East’s home county) with a total population of approximately 69,000 in the 2010 census, a decline of 3% compared to the 2000 census. In addition to Wayne County, 10 other Indiana counties are in the IU East service area. (Service Area Map) The population in these counties is fluctuating with three counties losing 4-5% of their population, three counties (Ohio, Ripley and Dearborn) experiencing population increases of 8% and the remaining four counties increasing by 2-4% since the last census. The total population of the Indiana recruitment area is 327,555—an overall increase of 1.3% since the 2000 census. (Indiana and Ohio Counties Census)

Because the IU East service area borders several counties in Ohio, the ability to offer tuition reciprocity creates the potential for increasing enrollments while benefiting an underserved area of Ohio. Residents of six Ohio counties benefit from tuition reciprocity. The total population of these counties is approximately 582,000. Butler County experienced a population increase of more than 10% since the 2000 census and now has approximately 386,000 residents. This single county accounts for 63% of the total population in the area of reciprocity; however, because of its distance from Richmond and the presence of other public university campuses in the greater Cincinnati area, IU East enrolls very few students from Butler County. (2010 Freshmen by County) The overall population in the five remaining counties has remained relatively stable.

While the effect of reciprocity is still small, a growing number of Ohio students are exploring educational opportunities at IU East. The data below show the increasing numbers of new beginning students benefitting from the reciprocity agreement.

<table>
<thead>
<tr>
<th>Ohio Reciprocity Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006/2007 = 32</td>
</tr>
<tr>
<td>2007/2008 = 39</td>
</tr>
<tr>
<td>2008/2009 = 39</td>
</tr>
<tr>
<td>2009/2010 = 56</td>
</tr>
<tr>
<td>2010/2011 = 58</td>
</tr>
</tbody>
</table>
The National Center for Higher Education Management Systems (NCHEMS) provided an analysis of the educational attainment levels of residents of Wayne and the surrounding counties for the Education Summit in 2007. Data presented ranked Indiana as 38th among all states in the number of individuals age 18-24 with a high school diploma, and 44th in completion of a bachelor degree or higher among 25-64 year olds. While the manufacturing economy of the Wayne County region had once allowed residents to obtain good jobs with minimal education, the global shift away from manufacturing as an economic base suggested a need to adapt to the knowledge economy. (NCHEMS)

In 2007, ICHE created a statewide strategic plan (Reaching Higher: Strategic Directions for Higher Education in Indiana), setting a number of ambitious goals. Of particular relevance to IU East is the goal of producing 10,000 additional bachelor’s degrees by the year 2025, and increasing the number of students who transfer from two- to four-year institutions by 50 percent by 2015.

The data in the NCHEMS report and the goals of “Reaching Higher” provided a stimulus for increasing the emphasis on baccalaureate education, and mirrored conversations that are still continuing at the state and national levels. Once classified as a “drop-out factory,” Richmond High School implemented a variety of initiatives to increase completion rates. IU East reached out to the Richmond Community Schools to develop new partnerships. Because so many of the incoming freshmen graduate from Wayne County schools, IU East has a vested interest in the success of the K-12 system. It also became evident that since the area did not have a culture of higher education, the first generation college students would need additional support in order to be successful in attaining bachelor’s degrees.

Perhaps the factor that caused the greatest impact on IU East came from the establishment of a community college, with lower tuition and similar or identical degree programs, which provided direct competition for IU East. The growth of the Community College of Indiana in 2006-07, with a new facility located literally next door, coincided with a significant drop in enrollment at IU East. The Indiana Commission for Higher Education supported the community college mission by giving notice that the community college would become the provider of remedial education and associate degrees, as befits their mission. However, this meant that IU East would need to establish a new mission if the campus was going to survive.

IU East Confronts the Future

The forces outlined above were inextricably connected as campus leaders and others thought about the future of IU East. At the most basic level, these issues centered on the simple question, “Where are we going to get our students?” The answer led to an additional set of questions that now guide the future course of IU East:

- Who are our students now?
- On what demographic should we focus our recruitment efforts?
- How should we deliver our programs? What technologies are important to our future?
- What new bachelor’s and master’s programs make sense for our region?
• How should the campus improve or incorporate a greater degree of multicultural awareness in order to more effectively recruit and retain a diverse student population?
• Can we expand our service region through reciprocal agreements with counties in Ohio?

In exploring these questions, it became evident that the challenges carried with them significant opportunities. The key to the future would be to find the proper combination of opportunities that would promote growth and maintain and improve the quality of education. Given notice by the Indiana Commission for Higher Education (ICHE) that remedial education and associate degree education would become the purview of the community college system, IU East would need to adopt a different educational mission and find alternative sources of income to replace this significant loss of revenue. The time was now ripe to identify and act upon new avenues of growth. IU East squarely faced the future and redefined its identity.

**IU East Identifies New Niches**

**New Degree Programs**

With the change in IU East’s mission coinciding with state mandated changes that supported the newly created community college system, it became essential for IU East to re-evaluate and strengthen bachelor degree offerings and identify master’s degrees that would fit with the mission of the campus. To that end, IU East established new degrees and replaced broadly titled degrees (e.g. B.S. in Behavioral and Social Sciences) with more specific traditional degrees (e.g. B.S. in Psychology), easily recognized as discrete fields of study of interest to potential students.

**New Relationships with the Community College**

The 2002 HLC review noted that the relationship between IU East and Ivy Tech Community College would need to be re-examined and that additional collaborations and conversations would be essential to the continuing progress of IU East. Although this campus had a long history of cooperation with the Ivy Tech campuses in the area, that relationship took a giant leap forward in Fall 2008 when IU East discontinued the admission of students into associate degree programs and its last remedial courses were eliminated. IU East and Ivy Tech were no longer competing for the same students, instead, both institutions began collaborating to provide quality education while serving the diverse needs of all residents.

• At IU East, all new students complete the COMPASS test for math placement. Students who test below college level are now referred to the community college for remediation in this subject. Financial aid consortium agreements are in place with Ivy Tech regions 6, 9, and 11 to allow students to receive financial aid while taking courses at both institutions simultaneously.
• IU East designed an exclusive scholarship program for Ivy Tech students who have earned an associate degree from the Ivy Tech Richmond campus.
• To facilitate transfer, an Admissions representative from IU East is available at the Ivy Tech campus throughout the year to answer questions and make the transfer process as seamless as possible.
• Articulation agreements were created for every Ivy Tech associate degree for which there was an IU East counterpart. All courses taken for an associate degree at Ivy Tech will count toward the comparable bachelor’s degree at IU East.

Through these and other efforts, IU East has worked to increase the enrollment of students who began their college education at Ivy Tech Community College and who now want to continue working toward a bachelor’s degree. In Fall 2009, 87 Ivy Tech students enrolled at IU East. In Fall 2010, 126 Ivy Tech students enrolled, a 44% increase in transfer students.

**Graduate Education**

With the end of associate degrees on the horizon, conversations turned to graduate education. Although these faculty discussions had been occurring for years, the idea had never gained enough momentum to proceed. The time was now ripe to look for new avenues of growth. The Master of Science in Education welcomed its inaugural class in 2007, and the Master of Social Work did the same in 2008. A graduate certificate was developed in Composition Studies. The 20-Year Academic Plan identifies the timeline for establishing a graduate degree in each academic school. (20-Year Academic Plan) The Master of Science in Nursing and Master of Science in Management are in the final stages of approval by the Higher Learning Commission. A master’s degree in English has been prepared by the School of Humanities and Social Sciences. A master’s degree housed within the School of Natural Science and Math will eventually round out the offerings. These graduate programs will expand academic opportunities and meet employer needs in eastern Indiana and western Ohio.

IU East has prepared for the increase in graduate programs by forming the Graduate Affairs Committee, and a search has been initiated for a Dean of Research and Graduate Studies. (Principles of Graduate Education) The Principles of Graduate Education differentiate the learning goals for graduate students from those identified for undergraduate education. Policies and procedures are being developed to guide future program approvals, admission of students into the degree programs, the hiring and retention of graduate assistants, and the continuing assessment of the student learning outcomes for each program.

**Degree Completion Programs**

IU East maintains and cultivates excellent relationships with the local community. This enables the campus to be aware of and respond to local and regional needs as they arise. The continued development of the IU East relationship with Ivy Tech Community College created an opportunity to expand the off-campus sites to include a new location in Lawrenceburg, Indiana. Located in an Ivy Tech facility, this expansion enables IU East to offer degree completion programs for select degrees.

Currently, a student with appropriate transfer credit can attain a Bachelor of Science in Business Administration degree in three semesters by completing 42 credit hours of upper-level business courses in a Saturday cohort-based program. Approved by ICHE in March 2009, IU East enrolls a maximum of 24 students per cohort, with a new cohort beginning each semester. The educational offerings at the Lawrenceburg site have now been expanded to include an RN to
BSN program for practicing nurses, the B.S. in Elementary Education, B.S. in Communication Studies, and the M.S. in Education.

Because of a lack of higher education provider in southeastern Indiana, an additional location for expansion was identified in Madison, Indiana. Approved by HLC in Spring 2010, IU East has begun to offer the B.S. in Business Administration degree completion program in a cohort format at this location.

IU East has had additional locations in Connersville and New Castle, Indiana for more than a decade. A variety of courses have been offered through the years at these locations with a primary focus on general education. Beginning in Fall 2011, offerings at the New Castle site (Danielson Center) will become more cohesive with the implementation of two degree completion programs—the RN to BSN program and the B.S. in Criminal Justice. Plans are being developed to offer the B.S. in Business Administration at this location as well.

IU East has a continuing mission to provide educational offerings to the adult learner. However, prospective students diffused across the 17-county service area of Indiana and Ohio were becoming reluctant to commit to driving to the Richmond campus, noting inconvenience along with the high cost of commuting. The 20-Year Academic Plan describes the need to increase online opportunities in order to continue growth in student enrollments, given the static or declining local population.

IU East faculty responded to this need by implementing online degree completion programs. There are currently seven baccalaureate degrees and one graduate certificate available. The online programs as well as the wide array of online classes in a variety of subjects are expected to provide a large portion of IU East enrollment growth. IU East leads the IU system with regard to online teaching.

<table>
<thead>
<tr>
<th></th>
<th>Total Credit Hours</th>
<th>Total Online Credit Hours</th>
<th>% Online</th>
</tr>
</thead>
<tbody>
<tr>
<td>IU East</td>
<td>29,615</td>
<td>10,519</td>
<td>35.5%</td>
</tr>
<tr>
<td>IU Kokomo</td>
<td>28,014</td>
<td>1,008</td>
<td>3.6%</td>
</tr>
<tr>
<td>IU Northwest</td>
<td>57,898</td>
<td>1,048</td>
<td>1.8%</td>
</tr>
<tr>
<td>IU South Bend</td>
<td>75,638</td>
<td>4,028</td>
<td>5.3%</td>
</tr>
<tr>
<td>IU Southeast</td>
<td>67,680</td>
<td>1,919</td>
<td>2.8%</td>
</tr>
<tr>
<td>IUPUI</td>
<td>333,872</td>
<td>36,505</td>
<td>10.9%</td>
</tr>
<tr>
<td>IU Bloomington</td>
<td>529,730</td>
<td>29,019</td>
<td>5.4%</td>
</tr>
</tbody>
</table>

Approximately 79% of students taking online courses in Spring 2011 resided in the IU East service region. Most of these students also take courses on-site. The online courses offer these students a chance to take an extra course or two they would not otherwise be able to take due to commuting distance or work schedules.
IU East Achieves Financial Stability

In 2006-07, IU East was facing a financial challenge. The arrival of the interim chancellor in July 2007 brought with it significant change; actions began immediately that would shore up the eroding financial situation of the institution resulting from an enrollment decline. Administrative restructuring was initiated, most notably with the loss of two vice chancellor positions that yielded significant cost savings. The responsibilities of the Vice Chancellor for Enrollment Services/Dean of Students were divided among the remaining Vice Chancellors and an Associate Vice Chancellor. The responsibilities of the Vice Chancellor for Information Technology were also divided, with the strategic aspects transferring to the Executive Vice Chancellor for Academic Affairs and the day-to-day IT operations transferring to a Director of Information Technology. The web services were moved to the marketing department housed in the Office of External Affairs.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Budgeted Revenue</th>
<th>Actual Revenue</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>17,915,333</td>
<td>17,769,138</td>
<td>(146,195)</td>
</tr>
<tr>
<td>2007</td>
<td>18,665,894</td>
<td>17,922,380</td>
<td>(743,514)</td>
</tr>
<tr>
<td>2008</td>
<td>18,658,267</td>
<td>19,167,681</td>
<td>509,414</td>
</tr>
<tr>
<td>2009</td>
<td>20,255,818</td>
<td>20,894,316</td>
<td>638,498</td>
</tr>
<tr>
<td>2010</td>
<td>20,844,288</td>
<td>23,141,651</td>
<td>2,297,363</td>
</tr>
<tr>
<td>2011</td>
<td>22,951,253</td>
<td>25,511,783</td>
<td>2,560,530</td>
</tr>
</tbody>
</table>

Through 2007-2008, academic schools with deans were created, and over 100 staff and faculty offices were renovated and relocated. In addition to providing more convenient services for students, the faculty offices were relocated to group faculty in similar disciplines and to recognize school affiliations. With the growth in IU East’s traditional student population, the decision was made to close the Child Development Center in August 2009. The center required a significant annual subsidy from the university to operate; in the last full year of operation, this subsidy was $69,511, in addition to substantial work-study funds. The closing of the Child Development Center enabled IU East to concentrate more funding on the core mission of the campus. Money was invested in areas that directly relate to increased revenue—recruitment and retention.

Recruitment

Prior to 2007, the percentage of traditional-aged students hovered around 55%. The opportunity arose to reach out to more college-bound high school seniors and make IU East an attractive option for their academic futures. This was a demographic that had not been aggressively recruited prior to 2007 because the IU East mission and identity in the region had been different. However, with an open access community college now in place and with movement toward more selective admissions, IU East recognized the opportunity to establish itself as a destination campus for high school seniors. (Recruitment Plan 2008-2009; Recruitment Plan 2009-2010; Recruitment Plan 2010-2011)
Working with a consultant from Noel-Levitz, IU East developed a recruitment plan to target the direct-from-high-school demographic. Through the input of a recruitment planning committee and the development of annual recruitment plans, IU East has steadily increased the number of full-time freshmen who have matriculated to East within a year of high school graduation. To attract high school students, the Office of Admissions hosts multiple campus visitation events for high school students; offers a renewable scholarship program to attract top academic students; and uses a customer relationship management product to help organize more frequent communications with high school students. An Admission policy was approved by Faculty Senate that allowed the campus to become more selective, while still maintaining much needed access for the residents of the region.

Effectiveness of the recruiting efforts is evident in the table below.

<table>
<thead>
<tr>
<th>Year</th>
<th># Full-Time Beginners</th>
<th># Graduating from HS within the year</th>
<th>% Graduating from HS within the year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fall 2002</td>
<td>304</td>
<td>198</td>
<td>65.1%</td>
</tr>
<tr>
<td>Fall 2003</td>
<td>319</td>
<td>195</td>
<td>61.1%</td>
</tr>
<tr>
<td>Fall 2004</td>
<td>274</td>
<td>161</td>
<td>58.8%</td>
</tr>
<tr>
<td>Fall 2005</td>
<td>284</td>
<td>166</td>
<td>58.5%</td>
</tr>
<tr>
<td>Fall 2006</td>
<td>226</td>
<td>140</td>
<td>61.9%</td>
</tr>
<tr>
<td>Fall 2007</td>
<td>268</td>
<td>209</td>
<td>78.00%</td>
</tr>
<tr>
<td>Fall 2008</td>
<td>291</td>
<td>231</td>
<td>79.40%</td>
</tr>
<tr>
<td>Fall 2009</td>
<td>358</td>
<td>312</td>
<td>87.20%</td>
</tr>
<tr>
<td>Fall 2010</td>
<td>379</td>
<td>346</td>
<td>91.30%</td>
</tr>
</tbody>
</table>

**Retention**

IU East has struggled for more than a decade to increase its retention and graduation rates. In 2000, a new administrative position, Assistant Vice Chancellor for Student Success, was created to head the Office of Student Success. This Assistant Vice Chancellor coordinated the efforts of several units to form the Student Success Team. It was the responsibility of the Student Success Team to identify at-risk students, synchronize support services, and ensure prompt delivery of these services on an individual basis with the ultimate goal of increasing retention and graduation rates. No formal assessment of this office was performed. However, there is no evidence to suggest that the Office of Student Success was effective. The Assistant Vice Chancellor for Student Success retired in 2007 at which point this position was discontinued, and the various units restructured.

IU East participated in the Graduation Rate Outcomes Study 2005 that was a national partnership among the American Association of State Colleges and Universities, The Education Trust and the National Association of System Heads. As part of that process, IU East developed its first comprehensive study of student retention. (Retention Self-Study, AASCU Report)

The next phase of organized retention efforts occurred in 2008 when funds from the Degrees of Excellence Initiative were designated for a new position, Director of Retention Services. (Degrees of Excellence Plan and Budget) A Noel-Levitz consultant was hired to assist with a
revitalization of retention efforts. The creation of a Retention Task Force along with several large retention planning retreats created buy-in from faculty and staff across campus and focused prolonged attention on this critical area. These efforts led to the creation of IU East’s first retention plan. (Retention Plan 2008-2009) Plans are now created annually to track retention and persistence data, set goals, and develop targeted action plans, which are implemented throughout the year. (Retention Plan 2010; Retention Plan 2011) The IU Fact Book 2010-11 records that persistence to the second semester of fall full-time beginners at IU East was 88.7%, the highest rate among all of the IU regional campuses. Persistence to the Second Semester

| Retention of Full-Time Beginners by Regional Campus (Fall-to-Spring) |
|-------------------------------|---|---|---|---|---|---|
|                               | EA | KO | SE | NW | FW | SB |
| 2002                          | 79.9% | 81.1% | 86.2% | 83.3% | 83.5% | 86.3% |
| 2003                          | 81.8% | 80.2% | 86.4% | 82.0% | 84.6% | 83.7% |
| 2004                          | 78.1% | 82.1% | 84.2% | 80.5% | 85.2% | 83.0% |
| 2005                          | 84.9% | 82.2% | 81.5% | 78.0% | 79.3% | 81.8% |
| 2006                          | 84.5% | 77.9% | 82.6% | 74.2% | 82.5% | 79.8% |
| 2007                          | 83.1% | 80.3% | 82.8% | 81.3% | 84.2% | 81.0% |
| 2008                          | 81.1% | 84.2% | 85.1% | 88.6% | 86.4% | 85.2% |
| 2009                          | 87.2% | 85.2% | 84.5% | 85.9% | 84.6% | 83.5% |
| 2010                          | 88.7% | 84.1% | 88.3% | 84.2% | 85.5% | 85.2% |

The combined recruitment and retention initiatives are investments that have resulted in record enrollments for IU East. These efforts have significantly contributed to the positive financial condition of the university through the increase in revenue from tuition and fees. The recruitment and retention efforts remain in place and are being aggressively pursued.

**IU East Creates a New Identity**

With the financial position of the campus stabilizing, changes could be made to alter the perception of the campus. IU East needed to shed the community college/open admission image and become a traditional four-year college. The change in public image was a key component in the strategy to increase the effectiveness of recruitment efforts.

IU East began to create a different atmosphere on campus in order to attract the traditional-aged demographic. Academic Divisions became Schools, now headed by deans rather than division chairs. The Tutorial Services unit, which was historically funded by a Perkins Grant, was a remnant of the original community college mission; this unit was disbanded, and in its place a Writing Center, Math Center, and Reading Resource Room were created. An aggressive media campaign was created and continues to reinforce the positive experiences of younger students on campus. (Marketing Plan 2010-2011) YouTube videos highlighted the research and creative work of faculty. (Videos)
IU East joined the NAIA and established a number of sports teams to nurture community-building among students through identification with the Red Wolves brand. The number of on-campus activities increased, and student government was revamped to give students more control over student clubs and activities. Activities as simple as homecoming (with an annual homecoming court, pep rally, and bonfire) gave students reasons to stay on campus—a difficult task when the entire student population commutes. Since the transformation of the campus image, IU East has increased the overall percentage of students 25 years of age or younger on the campus to 60% as of Fall 2010. The percentage of traditional-aged students in the freshman class has steadily increased since 2006.

<table>
<thead>
<tr>
<th>Year</th>
<th>Traditional</th>
<th>Non-Traditional</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fall 2006</td>
<td>82.4%</td>
<td>17.6%</td>
</tr>
<tr>
<td>Fall 2007</td>
<td>84.5%</td>
<td>15.5%</td>
</tr>
<tr>
<td>Fall 2008</td>
<td>85.3%</td>
<td>14.7%</td>
</tr>
<tr>
<td>Fall 2009</td>
<td>91.8%</td>
<td>8.2%</td>
</tr>
<tr>
<td>Fall 2010</td>
<td>95.2%</td>
<td>4.8%</td>
</tr>
</tbody>
</table>

**Evaluation**

**Strengths**

- IU East is creating a new model for higher education in the state of Indiana.
- The termination of remedial education and associate degrees stimulated the development of new degree programs at the undergraduate and graduate levels.
- Degree completion programs have contributed significantly to the enrollment growth and have made IU East a leader in online education.
- Recruitment and retention planning efforts have resulted in record enrollments.
- A more traditional campus atmosphere has been created.
- Marketing strategies have been realigned to coincide with the new mission.
- The campus has pursued efficiencies in services and in personnel that help better support the core mission of the campus including quality academic programs and strategies to ensure student success.

**Opportunities**

- Because IU East draws most of its students from Wayne County, continued population decline will need to be addressed through an increase in online programs.
- In order to complete the transformation of mission and identity, IU East should pursue opportunities for residential housing. This is an item in the 20-Year Academic Plan.
Core Component 2b: The organization’s resource base supports its educational programs and its plans for maintaining and strengthening their quality in the future.

Through careful management and planning, IU East utilizes its resources to maximize value while strengthening the quality of its educational programs and learning environments. The 2009 Strategic Plan includes “Excellence in Resource Development” as one of its four overarching themes, and presents goals and objectives for effective use of financial, physical, and human resources.

IU East is part of the larger Indiana University. To understand the resource base of the East campus, it is necessary to understand the financial management structures and finances of Indiana University. This section first addresses the processes and overall financial health of Indiana University, budgeting processes at IU and at IU East, and finally provides evidence of the resources of the IU East campus.

Financial Management at Indiana University

Indiana University Administration, in consultation with the President, establishes policies for administering financial matters in the following areas: accounting, budgeting, research administration, treasury, payroll, and purchasing. These policies form the framework for financial management in the Indiana University system. IU East has latitude in making financial decisions affecting the campus but must operate within the policy parameters established centrally.

The Office of the Vice President and Chief Financial Officer provides an array of financial management services for all campuses in the Indiana University system.

- Financial Management Services supports the Financial Information System (FIS), and the extension of that system known as Kuali, which are Indiana University’s primary financial management tools. Kuali is Indiana University’s FIS application developed as an open source web-based tool in partnership with a consortium of nine other institutions of higher education. Indiana University will complete the migration to Kuali by the end of fiscal 2012. Kuali has become the model for open source projects and is unique in that it functions as an electronic workflow system that features three major benefits—a system of internal controls, electronic authorization through workflow, and electronic documents that utilize a chart of accounts and automatically apply business rules. Financial Management Services also provides a variety of central accounting services for all University campuses including accounts payable, accounts receivable, auxiliary accounting, capital asset management, cash control, payroll, and tax reporting.

- The Treasurer has the primary responsibility for the management of the University’s financial assets and liabilities. These responsibilities include banking services, investment management, capital financing and debt management, and tax management.
• The University Budget Office guides the process of translating academic and administrative plans into the budget. The University Budget Office also assesses and monitors fiscal performance on each campus and provides decision support through a variety of reports, analysis, and research.
• University Purchasing operates as a central function serving each campus. The Department strives to negotiate contracts that provide the greatest value in quality products and services at the lowest costs. University Purchasing also works to foster business opportunities for minority, women-owned, and small business suppliers in order to achieve diversity goals established by the State of Indiana.
• The Office of Risk Management is responsible for purchasing and managing all of Indiana University’s insurance policies. Risk Management stresses loss prevention and control to minimize financial and human injury. If a loss does occur, Risk Management has the responsibility to investigate and adjust the claim.
• University Human Resource Services provides a broad range of services related to recruiting, retaining and developing employees on all Indiana University campuses. These services include designing employee benefit programs, developing staff personnel policies, creating salary and job classification systems, maintaining employee benefit records, and providing organizational development consulting and training for University leadership.
• University Management Advisory Service is an internal management consulting service designed to serve the needs of executive leadership on all campuses. The Management Advisory Service team uses a project approach to evaluate a unique problem and produce a positive set of outcomes for the campus.

The management of financial resources at IU East is based upon a system of account supervisors, account managers, and account fiscal officers who function to ensure fiscal control and integrity of University funds:

• The account supervisor is the unit leader responsible for the fiscal integrity of the organization. This role provides leadership, oversight and management philosophy to ensure that all funds are spent and managed according to the goals, objectives and mission of the organization and in accordance with University policies.
• The account manager has the responsibility for ensuring that funds are spent and managed according to the goals, objectives and mission of the organization, to ensure that funds are being spent according to a budgeted plan and that the allocation of expenditures is appropriate to the function identified for the account.
• The duties and responsibilities of the fiscal officer include providing daily oversight on how the funds are spent and managed. This oversight includes ensuring how funds are budgeted (where appropriate), that they are spent according to fiscal policy, that funds are spent in alignment with the account purpose, that processes and controls are in place, that assets are safeguarded, that transactions are recorded and reported properly, that the account is reconciled on a monthly basis, and that either the expenditures are in conformity with the budget, or appropriate budget changes have been made to reflect a change in the original budget. Signature authority on all financial transactions rests with the fiscal officer, and the fiscal officer is the only person who can delegate signature
authority on an account. On the IU East campus, signature authority has been delegated to account managers.

The Indiana University Internal Audit Department provides an independent appraisal of the University’s financial, operational, and control activities. Internal Audit reports on the adequacy of internal controls, the accuracy and propriety of transactions, the extent to which assets are accounted for and safeguarded, and the level of compliance with institutional policies and government laws and regulations. In addition, Internal Audit provides assistance and coordinates audit efforts with the Indiana State Board of Accounts and other external auditors. The Internal Audit Director reports to the Vice President and General Counsel with dotted line reporting to the Finance and Audit Committee of the Board of Trustees. Annually, the Director submits to the Board a written report on the internal audit activity during the preceding fiscal year.

The Financial Statements of Indiana University are subject to the annual external audit by the State of Indiana State Board of Accounts. The State Board of Accounts audits the financial statements of all governmental units within the State of Indiana, including cities, towns, schools, and state colleges and universities. The agency, as part of the audit process, renders opinions on the fairness of presentation of the various units’ financial statements in accordance with the same professional auditing standards required of all independent audit organizations. Investigatory audits are also performed to reveal fraud or noncompliance with local, state, and federal statutes. State Board of Accounts audits and reports are accepted by the federal government as the financial and compliance audit of the entity examined and of the federal funds it received.

**Indiana University’s Financial Health**

The concept of utilizing selected financial ratios to measure the overall health of an organization has been used in higher education for many years. There are four financial ratios calculated to answer the following key strategic questions:

1) **Primary Reserve Ratio** – Are resources sufficient and flexible enough to support the mission of the institution?
2) **Viability Ratio** – Are resources, including debt, managed strategically to advance the mission of the institution?
3) **Return on Net Assets Ratio** – Does asset performance and management support the strategic direction?
4) **Net Operating Revenues Ratio** – Do operating results indicate the institution is living within available resources?

Each year Indiana University reports data to the Higher Learning Commission to enable these ratios to be calculated and to demonstrate the financial condition of the IU system. The table below shows the ratio values between FY 05 and FY 10.
### Indiana University Strategic Financial Ratios

<table>
<thead>
<tr>
<th></th>
<th>FY 05</th>
<th>FY 06</th>
<th>FY 07</th>
<th>FY 08</th>
<th>FY 09</th>
<th>FY 10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary Reserve Ratio</td>
<td>0.560</td>
<td>0.620</td>
<td>0.730</td>
<td>0.700</td>
<td>0.560</td>
<td>0.627</td>
</tr>
<tr>
<td>Viability Ratio</td>
<td>2.200</td>
<td>2.410</td>
<td>2.490</td>
<td>2.460</td>
<td>2.020</td>
<td>1.920</td>
</tr>
<tr>
<td>Return on Net Assets</td>
<td>0.072</td>
<td>0.090</td>
<td>0.155</td>
<td>0.037</td>
<td>-0.047</td>
<td>0.114</td>
</tr>
<tr>
<td>Net Operating Revenues Ratio</td>
<td>0.047</td>
<td>0.044</td>
<td>0.069</td>
<td>0.040</td>
<td>0.029</td>
<td>0.082</td>
</tr>
<tr>
<td>Moody's Bond Rating</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Aa1</td>
<td></td>
</tr>
<tr>
<td>Standard and Poor's Bond Rating</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>AA</td>
<td></td>
</tr>
</tbody>
</table>

The Primary Reserve Ratio, a snapshot of financial strength and flexibility of Indiana University, was 0.627 in FY 10. For institutions of higher education, a ratio of 0.400 or above is advisable to give the institution the flexibility to support its mission. The median Primary Reserve Ratio for all public institutions, in a University system, for FY 10 was 0.48.

The Viability Ratio is one of the most basic determinants of clear financial health, as it measures the availability of expendable net assets to cover debt. The median Viability Ratio for public institutions, in a University system, for FY 10 was 1.20. Indiana University’s Viability Ratio for FY 10 was 1.920.

The Return on Net Assets Ratio determines whether the institution is financially better off than in previous years by furnishing a broad measure of the change in an institution’s total wealth over a single year. The median value for this ratio for public institutions, in a University system, for FY 10 was 10.87%. Indiana University’s Return on Net Assets Ratio for FY 10 was 11.4%. The significant improvement since FY 09 makes it apparent that Indiana University has increased its net assets and has the necessary financial resources to provide financial flexibility.

Finally, the Net Operating Revenues Ratio is a primary indicator explaining how the surplus from operating activities affects the behavior of the other three core ratios. The median Net Operating Revenues Ratio for public institutions, in a University system, for FY 10 was 3.56%. Indiana University’s Net Operating Revenues Ratio for FY 10 was 8.2%. The positive ratio indicates the presence of an operating surplus for the year and emphasizes the strong financial performance of Indiana University. (HLC Submission IU Financial Ratios)

### Indiana University Budget Planning Process

Upon the approval of the Board of Trustees, the University Budget Office prepares a biennial budget request for each campus. This request is submitted to the Indiana Commission for Higher Education (ICHE). The Commission reviews the request and forwards its own recommendation to the State Budget Agency. The State Budget Agency then submits the Governor’s recommendation to the General Assembly to start the legislative process to adopt the state budget. The legislature approves a biennial budget for the State of Indiana during odd-numbered years. Each campus of Indiana University is a separate line item in the appropriation. The Indiana University Board of Trustees is required by state law to set tuition fee rates and mandatory fees on the same two-year cycle as the state appropriation. The Trustees are also required to conduct a public hearing on these fee rates before the new rates are adopted for two years. Course-related and administrative fees are approved annually by the Vice President and
CFO. The tuition and mandatory fee rates and course-related fees combined with estimates of enrollment drive the campus estimate of fee income.

The Office of University Planning, Institutional Research, and Accountability conducts an annual fall enrollment study to estimate fall headcount and credit hour enrollment over the next ten year period. The projections are based on three year’s actual results and demographic data regarding the expected number of high school graduates in the campus service area.

The University Budget Office uses the fall enrollment study, as well as input from the campus, to develop credit hour and fee income projections for the next fiscal year. This data along with estimates concerning income from course-related fees and incidental or other income derived from the IU Foundation, miscellaneous sales, indirect cost recovery on grants, or transfers-in form the basis of an overall projection of revenue to be available in the campus operating budget.

As a regional campus, many aspects of IU East’s budget are prescribed by the President, Vice President, and Chief Financial Officer (VPCFO), or University Administration. As indicated, tuition and mandatory fee rates are approved by the Board of Trustees. Course-related and administrative fees are approved by the VPCFO. University Administration (UA) provides central administrative service to all campuses. Intercampus transfers in the form of university assessments or university tax paid by all campuses provide the funding for UA operations such as the president’s fund, pooled benefit fund, Microsoft Software Agreement, FACET funding, student loan collections, and the Student Enrollment Services Assessment. Each campus is also required to transfer funds to the IU Foundation to support development efforts undertaken by the Foundation. UA determines the assessment amount required each year.

The President in consultation with the Board of Trustees determines the salary policy for the upcoming fiscal year. This information is communicated by the University Budget Office in a budget guideline that includes the approved salary policy and lists instructions and items required to be included in every campus budget. The salary policy is an important factor in determining the campus budget because approximately 64% of the IU East operating budget in FY11 is for compensation. The budget guideline includes the new projected revenue from tuition and fees and the state appropriation funding assumption. On the expenditure side, the budget guideline sets forth new fringe benefit rates, new travel reimbursement rates, amounts required to be budgeted for property and casualty insurance, desktop computer replacement for faculty and staff, and intercampus transfers.

**IU East Budget Planning Process**

Within the university budget guideline, each campus is responsible for developing its own budget planning process that will support and strengthen the quality of education offered on the campus while being flexible enough to respond to unanticipated needs.

IU East adopted the University’s Responsibility Center Management (RCM) model for financial management and budgeting starting with the 2008-09 fiscal year. At the present, IU East is the only regional IU campus to make the decision to fully implement RCM.
Responsibility Center Management is a decentralized approach to budget allocation that assigns greater control over resource decisions to academic units. In RCM, budget authority is aligned with operational responsibility that leads to an integration of academic planning and budget planning, more informed decision-making and better results or outcomes for the University as a whole. The underlying premise of this budget approach is that the decentralized nature of the model entrusts academic leaders with more control of financial resources so that budget planning follows academic priorities. By allowing academic units to control the revenues they generate, Deans are better able to understand both the academic and financial impacts of their decisions. Academic planning and resource decisions are more transparent within the unit and throughout the institution. Armed with improved information and the potential to retain increased financial resources, Deans may leverage even limited resources more effectively, improving University accomplishments and outcomes. In the final analysis, RCM supports the mission of IU East by aligning academic priorities with financial resource allocation decisions. Although efforts to link strategic planning for the campus with budget preparation have always been a goal of the IU East campus, RCM has made this a reality.

Because RCM marked such a drastic change in planning and budgeting, this system was phased in gradually, accompanied by clear guidance and instruction from the Chancellor and Vice Chancellor for Administration and Finance. (RCM 2010) Limitations are imposed on the budget proforma to ensure that Deans stay within a defined set of parameters for projecting credit hour enrollments, faculty salaries, capital equipment, etc. There are additional limitations in place with regard to adjustments in the base budget.

The IU East budget planning process is based on a philosophy of disclosure, transparency, and inclusion. The Faculty Senate’s Budgetary Affairs Committee reviews the overall campus budget proforma and fiscal analyses. This Committee advises and makes recommendations to the Chancellor on allocations of resources among competing demands, including campus facilities, faculty salaries, new programs or any other item. The Chancellor and campus administration keep this Committee fully informed about financial and budgetary matters, and provide materials for review at each step of the budget process.

As a result of the RCM budget process, Deans of the academic schools work closely with campus administrators to develop the annual operating budget.

- October – Deans Council reviews the fall fiscal analysis. This analysis details actual current year revenue and expenditure data for summer 2 and fall and projections for spring and summer 1. The fall fiscal analysis accomplishes two tasks; it examines current year operations but also helps establish the context for next year’s budget planning.
- November – Deans prepare their requests for new or increased course-related fees in their schools. These requests are forwarded to the VPCFO for consideration and approval.
- January – Deans are presented with a budget proforma for their school based on a set of preliminary assumptions for fee rate increases, operating appropriation levels, other income amounts, campus assessments, compensation adjustments, and increases in general expenses. The proforma is created in a spreadsheet that allows the Deans to construct ‘what if’ scenarios based on their own assumptions.
• February – Deans review the spring fiscal analysis that contains actual results for the current year for summer 2, fall, and spring. Only summer 1 revenue and expenditures are projected. Deans receive income projections for course related fees and other income and submit their estimate of school credit hours for the next fiscal year.

• March – Deans receive fee income estimates based on next year’s credit hour estimates. At this stage in the budget process, the revenue side of the budget is virtually established at the estimated final level. Deans receive a second draft of their school’s budget proforma with the revenue firmly established. The budget proforma in the spreadsheet format allows Deans to test assumptions for reallocation or new expenditures. The budget guideline with the salary policy generally has not been issued at this point in the budget schedule. However, assumptions concerning salary and benefit rates can be tested.

• April/May – Deans are sent the IU East Budget Guideline that has been developed from the University Budget Office’s Budget Guideline. In addition to the Guideline, each Dean receives the school’s final budget proforma. Deans review the proforma and submit any revisions to the Vice Chancellor for Administration and Finance. Deans in schools with projected budget surpluses have the flexibility to budget these surpluses in consultation with the Executive Vice Chancellor for Academic Affairs. Deans in schools with projected budget deficits are required to consult with the Executive Vice Chancellor for Academic Affairs to develop a plan to bring the school's budget into balance.

• June – the IU East Office of Administration and Finance inputs the campus budget into IU’s electronic format and submits the budget to the University Budget Office. The Indiana University Board of Trustees approves the Official Indiana University Budget.

• July – the approved budget for the new fiscal year is distributed to schools and departments.

Financial Resources of IU East

Overcoming Financial Challenges

The IU East response to several financial threats during the last seven years has demonstrated the ability to be flexible and deal with unanticipated events while maintaining the commitment to support and grow the quality of its academic programs. During fiscal year 2003-04, the State of Indiana began the practice of delaying payment of the operating appropriation by one month. This created an accounts receivable for each campus equaling 1/12 of the amount of the annual state operating appropriation. In fiscal 2006-07, the State legislature decided to use this receivable to satisfy part of the State’s obligation for the Repair and Rehabilitation appropriation. This switch required each campus to write-off the receivable on the general fund balance sheet—for IU East this amount was $633,214. In spite of this reduction in reserves, no academic programs or faculty positions were eliminated.

During 2006-07, IU East faced budget challenges due to an enrollment shortfall of approximately 2,700 credit hours or approximately $750,000 in tuition revenue. This circumstance halted the search for a new Chancellor and resulted in the appointment of an Interim Chancellor and special task force to review the campus. (IU East Review Committee, Final Report) In spite of this uncertainty, the campus budget process produced a budget with a reduced base of almost
$800,000. The reduced budget was implemented without sacrificing academic programs and academic quality.

Current economic conditions have required new budget adjustments. The IU East state appropriation also was reduced by approximately $425,000 during the 2009-2011 biennium. Reductions were identified and achieved on the IU East campus while new degree programs are being added and new faculty positions are being filled.

The current cash position of IU East is quite favorable with strong fund balances and reserves. IU East’s general fund reserve totaled $1,935,198 on June 30, 2010. The University Budget Office requires that each regional campus maintain an uncommitted general fund year-end reserve equal to at least 3% of budgeted general fund income. The IU East reserve is well above the required 3% guideline reserve, which was $610,920 in FY 2010.

Operating Budget

The current operating budget of Indiana University is shown in Table 2b-1 and provides a snapshot of the IU campuses. IU East experienced a 12% increase in total budget along with a 9% increase in unrestricted funds, the largest among all the IU campuses. These increases were predominantly driven by enrollment growth. The total 2010-2011 operating budget for IU East is $32,851,398 while the 2002-2003 operating budget for this campus was $22,247,853. It is apparent that IU East has made significant strides in the last decade with regard to expanding its financial situation with an increase of more than $10.6M in total budget from 2002-03 to 2010-11.

IU East Expenditures and Revenue

In the 2002 HLC Report, one area that was identified as requiring institutional attention was the percentage of the budget allocated to instruction and faculty support, as this was potentially jeopardizing the ability to attract and retain faculty and to maintain quality instructional programs.

Peer institution comparison data is contained in Table 2b-2. This data is for the most recent period in which all of the peer information is available (fiscal year 2008) and is taken from IPEDS Data Feedback Report 2009. IU East has the smallest total operating expenditure budget among its peer group. IU East has a lower expenditure per FTE than most peer institutions as well as a high percentage of total resources spent on instruction, research, and service. The operating expenditures per full-time enrollment of an undergraduate student were $14,497 in fiscal 2008. Collectively, these data reveal that despite declining state support IU East has used resources wisely to accomplish the campus mission by spending more on the core mission activities of instruction, research, and service than 10 other peer institutions. The NCHEMS Productivity Report indicates that IU East is among the institutions that perform better than its peers on average (on retention, graduation, and degree production) relative to their education and related expenditures.

The comparison of General Educational Funds for all of the Indiana University campuses exemplifies the IU East commitment to education. (Table 2b-3) The General Educational
Fund of Indiana University increased by 2.6% from FY10 to FY11, while in the same period, IU East experienced a 9.7% increase in this category, far surpassing the other IU campuses.

Table 2b-4 shows the IU East General Fund Budget categorized by Responsibility Centers. The overall percentage of the budget allocated to instruction was 52.82% in 2002 and was 56.01% in 2010. This represents an increase of more than $3.8M during this time period.

There are multiple ways in which to examine the General Fund. The chart below highlights the allocation of IU East General Fund resources by percentage.

As with most public state institutions, the revenue of IU East comes primarily from three sources: state appropriations, tuition and fees, and other income sources. These components of the General Fund are detailed in Table 2b-5. State appropriations to IU East increased by approximately $820,000 between FY 2005 and FY 2010. While this was an increase in actual dollars, it represents a decline in inflation-adjusted dollars and a 5% decline in the percentage of the overall campus revenue—a reduction from 54.35% to 49.03%. The total appropriation in FY 2011 was decreased by nearly $1M from the FY 2010 level, a -9% change in a single year. (Table 2b-6) The state appropriation per resident FTE was $4323 in 2010-11, a -21% change in a single year. Since state appropriation as a percent of total revenue is declining, the funds are replaced by increased revenue from student fees. (Table 2b-7)

The pair of charts below provides a visual representation of the IU East General Fund Budgeted Income for FY 2002 and FY 2012. The total state appropriation discussed above is composed of two components—operations and fee replacement. Two things are immediately evident—state appropriation has decreased from 48% to 34%, and student fees have increased from 37% to 58%.
The category of Other Income (Table 2b-5) is composed of revenue resulting from grants and gifts, fees paid by Ivy Tech and Purdue University for facility usage, and other items. Of these, grants and gifts generate most of the funds for this category and are described below.

Grants and Gifts

The Indiana University Foundation is dedicated to maximizing charitable giving to Indiana University. The table below is an excerpt from the IU Foundation report of 5-year giving trends. This report lists total annual contributions and number of donors to the IU Foundation for IU East by calendar year.

<table>
<thead>
<tr>
<th>IU East – Charitable Donations to Indiana University Foundation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Year</strong></td>
</tr>
<tr>
<td>---------</td>
</tr>
<tr>
<td>2005</td>
</tr>
<tr>
<td>2006</td>
</tr>
<tr>
<td>2007</td>
</tr>
<tr>
<td>2008</td>
</tr>
<tr>
<td>2009</td>
</tr>
<tr>
<td>2010</td>
</tr>
</tbody>
</table>

The total gift amount in 2005 of $813,506 reflects a major fund raising campaign (Campaign for Community) launched in Spring 2005 with a goal of raising $2,000,000. The Campaign concluded in December 2006 achieving over $2.1 million in contributions and pledges. The table below summarizes the Campaign for Community total amount raised and pledged and the amount designated for various purposes.
IU East Office of External Affairs was reorganized in 2008, with a Director of Gift Development reporting to an Executive Director (now Vice Chancellor) for External Affairs. This reorganization has had a positive effect on charitable giving to support IU East. In 2006-07, only 26% of campus employees contributed to the annual campaign. With a focused vision and mission, and a renewed enthusiasm on campus, over 85% of campus employees contributed to the 2010-11 annual campaign to support campus initiatives. In addition, IU East in 2009 received the largest single gift from a donor totaling approximately $2.2M resulting in the renaming of Middle Fork Hall to Tom Raper Hall. Indiana University East will be the beneficiary of this irrevocable gift at a future date as directed by the donor.

The IU East Strategic Plan outlines several objectives to be achieved by the Office of Gift Development over the next five years, with action items supporting efforts to significantly increase annual giving, develop an active program of planned giving, and increase opportunities for major gifts. (IU East Strategic Plan November 2009)

IU East also receives significant revenue from federal and state grants and contracts. Table 2b-8 compares the percent of total revenue in the operating budget from contracts and grants for IU East and its peer institutions. The data is taken from IPEDS Data Feedback Report 2009. IU East’s reported revenue includes an Area 9 contract. Area 9 administers state grants from the state of Indiana’s Family & Social Services Administration.

The Human Resources of IU East

The Indiana University Fact Book 2010-2011 and the Indiana University Information Environment provide details related to the human resources of the campus. In Fall 2010, IU East had a total of 233 appointed employees, divided into three broad categories as follows: 93 faculty members, 69 professional staff, 40 secretary/clerical staff, and 23 service/maintenance/technical positions.

The 93 faculty members at IU East include 89 full-time faculty and four librarians. Forty-five of the instructional faculty members were tenured or tenure-track, 37 were non-tenure track (clinical rank, lecturer, or visiting). The remaining faculty members are assigned to administrative positions. The IU Fact Book for 2010-11 indicates that 24% of IU East’s tenured/tenure-track faculty are minorities and 53% are females. There are 3% minorities among the non-tenure track faculty and 73% of this group are females. Collectively, 14% of the full-time faculty self-identify as minorities, which surpasses the demographics of the region. For
comparison purposes, the IU Fact Book 2002-2003 indicates that IU East had 77 full-time faculty members, 11 of whom (14%) were minorities. Although the percentage of minority faculty has remained constant, IU East recognizes that diverse faculty and staff are representative of the multicultural world that students should appreciate and has worked to create that environment through its hiring practices.

The Indiana University Office of Affirmative Action makes efforts on behalf of each campus to increase the hiring of qualified female and minority candidates. This office calculates placement goals for these groups based upon availability of candidates and current utilization. This information is used to identify targeted groups for hiring purposes. For example, the 2010 Faculty Utilization Analysis for IU East has a placement goal of 1.2 black and 2.1 Hispanic tenure-eligible faculty. (IUE Hiring Targets) Goals are also generated for non-tenure track faculty.

In 2003, 65% of IU East faculty were tenured. The percentage of full-time faculty who are tenured at IU East has been declining, reaching a low of 43% in 2009, primarily due to retirements. As new tenure-track faculty continue to be hired and retained, IU East expects to realize an increase in the percentage of tenured faculty.

The IU East Office of Human Resources supports the process of recruiting and hiring qualified professional and support staff employees. All professional positions require the appointment of a search committee to review applications and make hiring recommendations. The campus Affirmative Action Officer serves on the search committee as an ex-officio member to ensure that proper procedures are followed. Professional staff positions involve a national or regional search with the expectation of a master’s degree. Support staff positions are usually filled through a local search. In 2010, 9% of the professional staff were minorities, as were 17% of the service/maintenance/technical positions. Sixty-five percent of all support staff were female. Although IU East has seen a recent upswing in the hiring of minorities into staff positions, the low level of diversity in the region affords a limited pool of qualified candidates.

**Salaries and Benefits**

**Faculty Salaries**

Faculty compensation has been an issue at IU East. One of the strategic goals for Indiana University is to ensure that faculty salaries on all IU campuses are at least equal to the median of the campus peer group. During fiscal years 2003-04 and 2004-05, the salary pools on each IU campus were approved for a 3% increase. However, the IU Trustees granted IU East an exception to this University-wide salary policy to allow IU East to increase the faculty salary pool to 5.5%. This was granted in order for IU East to improve over time the ranking of IU East faculty salaries within its peer group to the 60th percentile by applying equity adjustments to low individual salaries over a four-year period, using a plan developed by the IU East Budgetary Affairs Committee. Because the Trustees did not approve salary policy exceptions for 2005-06 and 2006-07, IU East was only able to achieve adjustments in two years. Nevertheless, approximately $230,000 was added to overall faculty compensation as a result of the plan. These equity adjustments did improve IU East’s ranking in the peer group.
### Faculty and Staff Raises

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003/04</td>
<td>3% (5.5% for faculty)</td>
</tr>
<tr>
<td>2004/05</td>
<td>3% (5.5% for faculty)</td>
</tr>
<tr>
<td>2005/06</td>
<td>3%</td>
</tr>
<tr>
<td>2006/07</td>
<td>3%</td>
</tr>
<tr>
<td>2007/08</td>
<td>3%</td>
</tr>
<tr>
<td>2008/09</td>
<td>4%</td>
</tr>
<tr>
<td>2009/10</td>
<td>none</td>
</tr>
<tr>
<td>2010/11</td>
<td>3%</td>
</tr>
<tr>
<td>2011/12</td>
<td>1.5%</td>
</tr>
</tbody>
</table>

In 2008, the Executive Vice Chancellor for Academic Affairs appointed a committee to study faculty salaries by rank and discipline. The Committee compared IU East faculty salaries to the other IU regional campuses and to data provided by CUPA (College and University Professional Association for Human Resources) for institutions in IU East’s category across the country. The committee recommended that no IU East faculty salary should be lower than 85% of the CUPA mean for the discipline and rank. As a result of this study, nine faculty were identified as having salaries that qualified for an equity adjustment in 2008-09. The Committee also recommended that faculty salaries should be evaluated in comparison to the CUPA data for discipline and rank at the beginning of each biennium with required equity adjustments made at that time. Unfortunately, economic conditions forced the Trustees to approve a salary policy for 2009-10, and initially in 2010-11 that provided for no salary increases and no equity adjustments.

The salary policy is an important factor in the budget process because compensation is the largest component of the budget. Since the implementation of RCM, faculty increases are determined by the Deans in consultation with the Executive Vice Chancellor for Academic Affairs. The percentage increases for faculty salaries could vary by School based on the Deans determination of the School’s available resources.

Since the development of the plan above, the IU East peer group has changed. IU East faculty salaries are listed by rank in comparison with its new peer group in the table below:
Indiana University East and Peer Institutions—AAUP Average Salaries by Rank
2009 – 10 (Dollars in Thousands)

<table>
<thead>
<tr>
<th>Institution</th>
<th>PROF</th>
<th>ASSOC</th>
<th>ASST</th>
<th>INSTRUC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auburn University-Montgomery</td>
<td>80.4</td>
<td>67.5</td>
<td>52.2</td>
<td>42.0</td>
</tr>
<tr>
<td>Eastern Oregon University</td>
<td>65.1</td>
<td>54.6</td>
<td>50.9</td>
<td>36.2</td>
</tr>
<tr>
<td><strong>Indiana University-East</strong></td>
<td>72.7</td>
<td>57.3</td>
<td>53.8</td>
<td></td>
</tr>
<tr>
<td>Indiana University-Kokomo</td>
<td>80.2</td>
<td>55.9</td>
<td>52.5</td>
<td></td>
</tr>
<tr>
<td>Indiana University-Southeast</td>
<td>80.7</td>
<td>62.6</td>
<td>58.3</td>
<td></td>
</tr>
<tr>
<td>Louisiana State University-Shreveport</td>
<td>65.1</td>
<td>58.3</td>
<td>52.7</td>
<td>41.8</td>
</tr>
<tr>
<td>Minot State University</td>
<td>75.2</td>
<td>58.2</td>
<td>53.1</td>
<td>38.6</td>
</tr>
<tr>
<td>Missouri Southern State University</td>
<td>72.7</td>
<td>56.7</td>
<td>45.1</td>
<td>38.8</td>
</tr>
<tr>
<td>Montana State University-Billings</td>
<td>66.0</td>
<td>58.3</td>
<td>52.6</td>
<td>35.4</td>
</tr>
<tr>
<td>Purdue University-North Central Campus</td>
<td>82.8</td>
<td>60.6</td>
<td>52.0</td>
<td></td>
</tr>
<tr>
<td>University of Michigan-Flint</td>
<td>90.5</td>
<td>69.4</td>
<td>63.7</td>
<td>54.7</td>
</tr>
<tr>
<td>University of South Carolina-Aiken</td>
<td>73.8</td>
<td>59.0</td>
<td>52.0</td>
<td>42.9</td>
</tr>
<tr>
<td>University of Wisconsin-Parkside</td>
<td>75.1</td>
<td>64.3</td>
<td>56.2</td>
<td></td>
</tr>
</tbody>
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Number of Institutions = 13
IU East Rank in Each Category 9.0 10.0 4.0 N/A

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<thead>
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<tbody>
<tr>
<td>Median</td>
<td>75.1</td>
<td>58.3</td>
<td>52.6</td>
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<tr>
<td>IU East</td>
<td>72.7</td>
<td>57.3</td>
<td>53.8</td>
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<tr>
<td>Difference</td>
<td>2.4</td>
<td>1.0</td>
<td>(1.2)</td>
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These numbers vary substantially from year to year, particularly at the smaller institutions. As faculty move from one rank to the next, the lower rank loses a higher paid faculty member and the higher rank acquires a lower paid faculty member, altering the averages in both ranks. In 2008-09, the amount of salary increase provided for promotion from lecturer to senior lecturer was increased from $1,000 to $2,000, assistant to associate professor was increased from $2,000 to $3,000 and from associate to full professor was increased from $3,000 to $5,000. This has helped the campus increase faculty salaries at those ranks.

Staff Salaries

The IU East Office of Human Resources is responsible for classifying all professional and support staff positions. The Position Analysis Questionnaire details job functions, knowledge, skills, and job accountability for each professional and staff position. (Position Analysis Questionnaire) The information in this document is used to classify each position by rank and grade. Staff increases are determined by supervisors and conform to the increases in the salary pool as for the faculty.

In 2006, Indiana University Human Resource Services reviewed professional staff positions on all eight campuses. The University developed a Compensation Strategic Initiative with the intention of working toward a fair and rational compensation system for exempt staff jobs across
Indiana University East

Chapter 2: Preparing for the Future

all eight Indiana University campuses. Professional staff on the campus have been assigned classifications based on the new system. During 2007-08, the campus made adjustments to professional salaries to bring every individual to a salary at or within the market range for his or her classification. All IU East staff positions have received the same percentage increases as the faculty positions, in recent years.

The campus has begun work with Indiana University Human Resource Services on a study of wage levels for biweekly staff. As with faculty and professional salaries, there is concern that IU East has not kept biweekly wages competitive with market levels. The campus is prepared to make equity adjustments for support staff as soon as the IU salary policy permits and campus resources allow.

Benefits

Indiana University-sponsored benefit plans are a significant part of IU’s total compensation package and exemplify the commitment of the university to protecting and maintaining the health and welfare of its full-time employees. Examples of plans funded fully or in part by Indiana University include medical and dental care, employee assistance program, basic life insurance, basic accidental death and dismemberment insurance, retirement plan, paid holidays and time off, tuition benefits, and FICA. Examples of additional benefits that are available to employees at competitive costs include supplemental life insurance, personal accident insurance, tax saver benefits, etc. In Fall 2011, the percentage of fringe benefits supplied by Indiana University is 42% for faculty and professional staff, and 37.23% for clerical staff. These are sizable contributions that supplement the direct salary earned by employees. (2011-2012 Benefit Rates)

The Physical Resources of IU East

Capital Appropriation Request

Each biennium, the Office of the Vice President for Capital Projects and Facilities completes a Capital Appropriation Request for Indiana University. The request contains a Ten Year Capital Improvement Plan for each campus based on input from campus administration. The Plan contains building projects on the campus expressed as near, medium, and long-term projects. The Capital Appropriation requested is approved by the Board of Trustees and then submitted to the Indiana Commission for Higher Education for review. Similar to the Operating Appropriation Request, the Commission reviews the request and forwards its own recommendation to the State Budget Agency. The State Budget Agency then submits the Governor’s recommendation to the General Assembly to start the legislative process to adopt the State budget.

The IU East Capital Request for the 2009-11 biennium included in the Near Term, a Health and Wellness Facility to support programming in health and wellness, physical education, recreation, and athletics. (2011-2013 Capital Improvement Request) IU East shares its campus with Ivy Tech Community College Richmond. The proposed facility was to be designed and used to
serve the joint student body of both institutions, which currently numbers approximately 7,000 students.

Requested in the Medium Term for the East campus was a new academic building that will house the Schools of Nursing, Education, and Natural Science and Math, accompanied by associated renovations, infrastructure and road improvements. This additional building was proposed to accommodate program expansion at both the undergraduate and graduate levels, which is essential to meet community needs for qualified individuals in these areas. The building was also planned in light of the needs and opportunities offered by the relocation of Reid Hospital on property next to the campus. Vacated space would allow for the expansion of services in Humanities, Fine Arts, Behavioral and Social Sciences, Business, and Social Work.

Repair and Rehabilitation (R&R) is also included in the Capital Appropriation Request and has, until recently, been funded by appropriation of the legislature. The amount of the request is based on a formula involving building age and square feet. R&R funding is allocated to the campuses based on enrollment; the University approves the campus projects that will be supported with these funds. Between the years 2000-2005, the State did not provide R&R funding because of declining State revenues. The campus did receive R&R funding in 2006-07 as a result of converting the withheld 1/12 operating appropriation to R&R funding. The lack of R&R funding support has resulted in a backlog of projects on the campus through deferred maintenance. Critical repair and rehabilitation projects have been funded through the use of campus reserves. The availability of R&R funding continues to be a problem. The state legislature failed to fund R&R for the 2011-2013 biennium. Beginning with the Fall 2011 semester, students will be charged a facility fee ($2.50 per credit hour); this is a temporary fee that has been approved for the biennium. These monies can only be applied to supplement R&R funds. (Temporary Fee for R&R)

Facilities Management and Planning

IU East is committed to the efficient use of academic space. Decisions regarding space utilization are made by the Executive Vice Chancellor for Academic Affairs in consultation with Deans. Significant effort is devoted to understanding changes in classroom technology and utilization. As a result, 13 of IU East’s existing classrooms were recently upgraded to ensure they meet the technology needs of students and faculty. In response to changes in student learning patterns, an Information Commons adjacent to the library was also created for students.

IU East has invested resources in renovations across nearly all areas of campus beginning in 2007, and these still continue. Over 100 faculty and staff offices were moved and renovated; the Writing Center, Math Center, and Honor’s Program have been relocated and renovated to serve students with better facilities and more faculty involvement. The Graf Center has been updated and remodeled to encourage student use and a greater connection to the campus; this renovation included the creation of space for a coffee shop. The Nursing learning lab also went through major renovation.

Other efforts have taken place to upgrade and renovate interior space to improve administrative functions. The Office of Admissions was relocated to a more prominent space as a part of the
strategy to recruit more students. The Office of Financial Aid and Scholarships and Student Support Services were both relocated to make these offices more accessible to students. University College was created as part of the campus student retention strategy and located in renovated offices to better serve students.

One of the action items in the 2009 Strategic Plan (page 7) was “Create campus food services to meet the needs and desires of students.” In response, a major renovation to the campus café occurred in the summer of 2010. This project upgraded the kitchen equipment and dining facilities to provide a more varied menu and higher level of food service to the campus. The creation of The Den ensures that students do not have to leave campus for meals, increasing their engagement with the campus.

IU East has completed extensive renovations to the nursing labs, science labs, and fine arts venues to accommodate growth and student needs. These projects were funded largely from private donations received through the Campaign for Community.

During the last seven years, IU East has taken advantage of R&R funding when available and has also sought partners to undertake campus improvements. A connector road was constructed linking the IU East campus to the new Reid Hospital campus. This was accomplished with funding from Ivy Tech Community College, the City of Richmond, and Reid Hospital. A new monument entrance sign was constructed at the main entrance from Chester Boulevard with funding support from Ivy Tech and Purdue Programs. A flag array and monument sign were also erected on Ivy Tech property adjacent to I-70 with funding participation from Ivy Tech, Purdue, and Reid Hospital.

R&R funding became available and was used to replace a chiller and to install stand-alone emergency generators at Whitewater Hall and Hayes Hall. All IU East buildings are now served by an emergency back-up generator instead of by battery back-up. R&R funding was also used to reconstruct the patio adjacent to Whitewater Hall. This project had long been on IU East’s renovation list because of the poor condition of the facility. This project also included the repair of several campus sidewalks that had deteriorated to the point of being a safety hazard.

All IU East energy needs are supplied by electricity. IU East and South Bend are the last IU campuses to undergo a complete energy audit. An outside contractor should be selected in 2011 to evaluate IU East’s energy usage and to make recommendations for projects to save energy.

The IU East campus has received significant private donations to beautify the campus and to create a sculpture garden. A private campus planning and landscape consultant has been engaged to assist IU East in this project and to update the Campus Master Plan. All of these projects and proposed future projects clearly demonstrate a forward-looking concern for ensuring educational quality.
Evaluation

Strengths

- IU East is financially stable and has a record of sound financial management with ample monetary reserves.
- Responsibility Centered Management provides Schools with greater direct control of their budgets.
- IU East supports its faculty and staff through competitive wages and generous benefit packages.
- Faculty salaries have improved in comparison to peer institutions.
- Extensive campus renovations support effective teaching and learning experiences.
- A new campus facilities Master Plan is in progress and will anticipate future needs of students and faculty.

Opportunities

- IU East needs to continue to develop new sources of revenue.
- RCM must be continually monitored for effectiveness, especially during times when budgeted enrollment projections are not attained.
- State funding for campuses continues to diminish while costs continue to rise, so it will be imperative for IU East to pursue creative strategies to keep tuition costs down.
Core Component 2c: The organization’s ongoing evaluation and assessment processes provide reliable evidence of institutional effectiveness that clearly informs strategies for continuous improvement.

Evaluation and assessment are keys to the growth and development of any enterprise. It is through these processes and the accompanying analyses, that the campus is able to understand and address the areas of strengths and weaknesses, the needs of our constituents, and the opportunities for growth and expansion. Collectively, these processes launch internal and external initiatives, the combination of which addresses our mission documents and frames our actions for improvement.

Evaluation of the Institution, Its Leadership and Programs

Evaluation of the Institution

Like all public colleges and universities in the state of Indiana, this campus is guided by the Indiana Commission for Higher Education (ICHE). This regulatory body provides the final approval for all new degrees after they have received approval at various levels in the IU system including the IU Board of Trustees. ICHE also monitors existing degree programs and provided the original mandates regarding the phase-out of associate degrees and remedial education across the state to support the development of the community college system. IU East was the first campus to terminate the admission into associate degrees and suspend remedial education. IU East awarded its final associate degrees at the May 2011 commencement ceremony.

The Indiana University Board of Trustees meets seven times during the academic year with campus chancellors, chief academic officers, and others to review the financial status of each campus. This body also approves all future plans for each campus including new buildings. Fiscal year audits report such items as operating revenues used for instruction, changes in net assets, net operating revenues and debt burden.

Evaluation of Campus Leadership

The Chancellor of IU East is reviewed annually by the President of Indiana University. An extensive campus review process is enacted early in the fifth year in office (and at recurring five-year intervals) and evaluates items such as financial performance of the campus, academic performance of the campus and other issues key to the success of this leadership position.

The Executive Vice Chancellor for Academic Affairs (EVCAA) is reviewed annually by the Chancellor of IU East. A review by campus constituents occurs early in the fifth year in office and at recurring intervals of five years thereafter with the process determined and approved by the IU East Faculty Senate. Data is collected on items such as leadership in achieving campus goals, effective support of School and Library initiatives, and the effective implementation of University policies. (EVCAA Review Policy)
The Vice Chancellor for Administration and Finance and the Vice Chancellor for External Affairs are evaluated annually by the Chancellor. The Associate Vice Chancellors are evaluated annually by the EVCAA.

The School Deans are reviewed annually by the EVCAA. The IU East Faculty Senate has established a three-year review cycle for the Deans with data being collected from faculty and staff on items such as general leadership, management, and outreach. (Review of School Deans; Dean Review Instrument)

**Program Review**

Degree programs are evaluated on a periodic basis. The results serve as a means to improve the delivery of a quality education to students. Through these evaluations and feedback from external reviewers, IU East leaders are better able to identify opportunities to serve students better at the program as well as at the campus level. (School and Program Review process)

The School of Humanities and Social Sciences and the School of Natural Science and Math undergo five-year program reviews to ensure that they are creating effective teaching and learning environments for faculty and students in the arts and sciences. This is particularly crucial to meeting the needs of the campus, because these Schools offer the majority of general education courses in addition to delivering their degree programs.

The other Schools at IU East undergo periodic reviews conducted by discipline specific accrediting bodies. The School of Education is accredited by the National Council of Accreditation for Teacher Education (NCATE) [reaffirmation date 2013]; the School of Nursing’s BSN and RN to BSN mobility option are accredited by the Indiana State Board of Nursing and the National League for Nursing Accrediting Commission (NLNAC) [reaffirmation date 2017]; the School of Business and Economics is accredited by the Association of Collegiate Business Schools and Programs (ACBSP) [reaffirmation date 2017]; and the School of Social Work’s BSW degree program is accredited by the Council on Social Work Education (CSWE) [reaffirmation date 2011-12]. All of the accrediting organizations provide reviews and assessments of the programs in each school. The schools then use this evaluation to develop plans to improve and enhance their programs to ensure continual accreditation and a higher level of quality and student and stakeholder satisfaction.

Some Schools engage in their own periodic evaluations as a source of information for continuous improvement. An exemplar is the annual report produced by the School of Education which investigates the outcomes of their programs through review of standardized testing of their students (i.e., Praxis I and II), student teacher performance through both portfolio evaluation and field experience evaluation, and employment of graduates. These evaluations demonstrate high quality along with the identification of areas for improvement.
Institutional Research

In 2009, IU East created the position of Institutional Research Analyst. The analyst works closely with University Institutional Research and Reporting (UIRR) to describe and parse trends in enrollment, retention, and graduation rates. Data is gathered, organized, and disseminated upon request to offices across campus and at the University level for use in evaluation and improvement. This position has enabled the campus to improve its ability to collect strategic data that can be used for informed decision-making and planning. Each semester an analysis is done regarding class size and full-time vs. part-time instruction. (FT-PT Teaching Analysis) Additional efforts have provided useful information regarding D, F, W rates in classes each semester and that has allowed Deans to make critical decisions about the effectiveness of classroom instruction; that same information is used to determine the positioning of supplemental instructors in the classes with the greatest need. (D, F, W rates Fall 2010)

The IR analyst is also a member of the Institutional Research Council of Indiana University. The IR Council’s primary objective is to promote and align the development of IR capabilities across all IU campuses and to ensure that institutional research at IU is effective at all levels. The IR Council supports the needs of individual campuses but also takes the lead regarding University-wide initiatives that require significant IR analysis and support. For example, the IR Council provides direction and monitoring of various published reports that are produced by UIRR such as annual enrollment, retention, degree completion, financial aid snapshot data, and graduation reports, all of which are used to support campus efforts in these areas.

The regional campuses of Indiana University can access assistance in data gathering and analysis from the rich resources available through Indiana University. For example, the PeopleSoft program contains the Indiana University Information Environment (IUIE), which allows users to develop various reports about the student body such as enrollment trends in degree programs. Schools and units use these data to identify the need for additional faculty, reallocation of resources, etc.

Strategic Plan Review

The implementation of the IU East Strategic Plan (November 2009) brings with it a new phase of on-going improvement from the overall enhancement of the University to a culture that fosters excellence. (IU East Strategic Plan November 2009) The four key areas of the Strategic Plan identify goals, objectives, and action items necessary to achieve the stated goals. Personnel have been assigned who have the responsibility of championing the action steps toward completion. (IU East Strategic Plan with Responsibilities) The Strategic Plan is reviewed at least once per semester by the Office of Academic Affairs. The IR analyst has developed a spreadsheet that separates each objective into action items, responsibility, progress, completion, etc. The spreadsheet is updated each time the Plan is reviewed. (Strategic Plan Review) The items of measure for every objective identify data that is or will be tracked on a term-by-term basis. Some items have been tracked consistently (i.e. retention and graduation rates) while others represent opportunities to develop new data sets that can be used to guide informed decision-making by the institution.
Assessments

**Program Assessment**

Assessment of degree programs has increased markedly through better identification of learning outcomes and extensive curriculum mapping. Throughout the academic year, faculty use a variety of formative and summative approaches to collect and analyze data about student progress toward the learning outcomes that have been identified for each degree program. This information is used to strengthen the opportunities that students have to achieve the learning goals. Additional details are described in Criterion 3.

IU East joined and remains a member of the Academy for Assessment of Student Learning sponsored by the HLC. Through this affiliation, projects were initiated to assess general education and the co-curricular units. Although still in progress, this investment has definitely helped the campus advance in these efforts. Assessment and evaluation at Indiana University East is spreading from a tightly focused effort in academics to broad campus participation. Offices across campus are in the process of evaluating their services to maximize student success and satisfaction.

**National Surveys and Reports**

IU East has participated in National Survey of Student Engagement every year since 2001, with the exception of 2005, and will continue to participate. The Faculty Survey of Student Engagement was administered in 2004, 2006, and 2007. Although it is interesting to compare the faculty responses with those of the students on the corresponding NSSE questions, the report did not appear to yield data that was relevant to improving student learning. The administration of this survey will be considered in future years.

The Student Satisfaction Inventory was administered in 2007. (Student Satisfaction Inventory, 2007) This Noel-Levitz instrument yielded usable information about a number of student services. Faculty and staff of IU East completed the Institutional Priorities Survey to gather corresponding information. The data from both of these surveys was compiled and presented by the Noel-Levitz consultant on retention at a campus-wide meeting. (Institutional Priorities Survey, 2008)

IU East participation in the Voluntary System of Accountability will begin in Fall 2012 with the implementation of the ETS Proficiency Profile. The baseline assessment will be administered in all sections of the First Year Seminar course, which is required of new freshmen.

**Internal Surveys and Studies**

The campus collects information from a wide variety of student, staff, and faculty surveys. Some of these instruments are used regularly; others are used occasionally, and some may be used only once to gather a specific set of information. For example, new incoming freshmen are asked questions about their experiences at the New Student Orientation and this input has resulted in several key changes in the programming. (NSO 2010 Survey) Sometimes these
students are asked to complete a marketing survey in order to determine what sources the students are accessing to discover information about the campus. (Class of 2013, Marketing Survey) The Office of Information Technology assesses the computing services on a regular basis through an all-campus survey and changes are made in response to this feedback. In addition to surveys, information about the campus is also gathered informally through focus groups, suggestion boxes, Chats with the Chancellor, and comments on the National Survey of Student Engagement.

The Center for Teaching and Learning has developed and administered a variety of surveys to solicit feedback about workshops, retreats and services provided to faculty and staff across campus. This information is used to determine satisfaction with current services as well as to guide new directions for this unit. (CTL campus survey 2006; NFO feedback, 2008; CTL DE Instructor Retreat Feedback 2008; CTL Workshop Feedback 2008)

University College created a Student Satisfaction Survey to address satisfaction of several key services. (UCOL 2009 Survey; UCOL 2010 Survey; UCOL Workshop Survey Summary)

The library asks students to complete an online assessment survey at the conclusion of information literacy instruction. (Library Student Evaluation Form, 2010)

In the fall of 2010, Chancellor Paydar formed three task forces to study a set of problems that impact the campus. These are student preparedness for college, graduation rates, and productivity and efficiency. Working groups of faculty and staff gathered data through interviews and other mechanisms. The analysis regarding productivity and efficiency is still underway. The reports and recommendations from the other groups are being used for planning purposes. (Graduation Rate Task Force Report, 2011; Student Preparedness Task Force Report)

**Assessment of Online Learning**

Assessment of online learning is still in its developmental phase. For several years, at the beginning and end of each semester, surveys of student demographics and satisfaction have been posted by the CTL in every online course. Though completion of these student surveys is voluntary, there has been a return rate of nearly 50%. Information from these surveys has helped the CTL to design professional development opportunities for faculty, based on areas in which students would like to see improvement. Data have also provided information about patterns of enrollments and ever-increasing levels of comfort with this mode of delivery. Forms for student evaluation of courses and faculty are generally not different for online and on-site courses within each school. A menu of items that specifically addresses online aspects of courses has been developed. Online instruction rubrics from Quality Matters and University of California, Chico have been distributed to Deans for discussion.

In Spring 2010, a survey about online teaching developed by the Distance Education Faculty Advisory Committee was distributed to full-time faculty. (Faculty Survey on Online Teaching) The purpose of the survey was to determine if there were issues that needed to be addressed through administrative action or professional development. Fifty-two faculty responded, and feedback from these respondents has been utilized in planning activities in the Center for
Teaching and Learning (Workshops, Teacher-2-Teacher Discussions) and in making technology purchases. A frequent concern about dealing with large-enrollment courses was addressed by the development of a Course Assistant program that has received an enthusiastic response from faculty.

Input from the faculty survey was also used by the Advisory Committee in preparation of a draft report on Priorities for Distance Education at IU East, to be finalized in Fall 2011. This report will contain recommendations for actions that support the Strategic Plan objective of strengthening the campus position within Indiana University as the leader in online programming. Two important themes that are expected to emerge in the final recommendations are the need for increased professional development opportunities for faculty, and the need for increased training and support for students. In anticipation of recommendations in these areas, IU East has joined the Sloan Consortium, making their community and resources available to the campus. In order to examine the overall quality of programs, IU East will participate in the Sloan Consortium Quality Scorecard project during Summer and Fall 2011. To address needs for student training and support, a Student Technology Trainer/Support Specialist will be hired in Summer 2011. In addition, a comprehensive online orientation for students who are new to online learning at IU East is being prepared for a Fall 2011 pilot.

Additional Evaluations

Noel-Levitz Consultants

IU East has invested in resources to assist with the evaluation of several of our key processes. Noel-Levitz consultants were hired to assist with planning for recruitment and retention initiatives as well as for a review of the Office of Financial Aid and Scholarships. Recruitment and retention plans are now created annually, with the establishment of target goals and action plans that are monitored regularly. The revision of recruitment practices has significantly increased the size of the freshman classes as well as retention rates of full-time beginners.

Benchmarking Process

Indiana University has undertaken an institution-wide, inclusive benchmarking project to assess activities in human resources, payroll, student services, marketing, and other areas. The benchmarking effort involves collecting data on the staff mix, transaction volumes, quality indicators, and cost drivers for these areas. As part of the process, the University’s performance relative to peers and world-class performers is being compared in an effort to evaluate the current operational processes and assess their efficiency and effectiveness.
Data was collected from October 2010 through Spring 2011 using a combination of interviews with leaders across IU and an online survey. The process was guided by the Hackett Group, a global leader in benchmarking, and supported by Accenture, a management consulting firm. The benchmarking study was implemented to help IU increase process standardization and automation and prioritize improvement initiatives.

The process was not just designed to identify cost savings and problems. It also identified or validated areas of high efficiency. Areas across IU identified for potential cost savings are payroll, marketing, and student services. However, IU East is generally regarded as a high efficiency campus.

**Evaluation**

**Strengths**

- IU East has systems of evaluation and assessment in place that guide improvements at all levels of the campus.
- The institutional research analyst has increased our ability to use data to promote informed decision-making.
- IU East has invested resources in the Academy for Assessment of Student Learning and in Noel-Levitz consultants; both have resulted in significant benefits for the institution.

**Opportunities**

- An evaluation of the data from broader based campus surveys in comparison to the data and results of degree assessment and program reviews may offer opportunities to see causal and correlative relationships among the data. This could suggest opportunities for improvement that may otherwise be missed.
- IU East needs to continue to monitor the effectiveness of the instruments and processes used for gathering data and analyzing data.
- A master plan for the administration of various surveys could make data collection more efficient and potentially eliminate overlap in questions and duplication of effort.
- A repository for special types of data needs to be developed so that the campus can access more information from a central location.
Core Component 2d: All levels of planning align with the organization’s mission, thereby enhancing its capacity to fulfill its mission.

Strategic Planning

The report of the last team visit in 2002 records concern about the institutional planning process that was in place at that time. The Strategic Management Process (SMP) had been designed to provide a foundation and framework for future planning efforts. However, the objectives and action plans were not linked to specific individuals or units for accountability, and the allocation of budget to these purposes was not adequate. Although there was an annual SMP retreat, it did not sufficiently audit this document for progress and implementation.

In 2004, Chancellor David Fulton charged the new Vice Chancellor for Academic Affairs (now Executive Vice Chancellor) to develop a strategic plan for the campus that could be reviewed and revised by constituent groups. In 2004, that plan became the Institutional Action Plan and helped guide campus efforts until Chancellor Fulton retired in 2007. (Institutional Action Plan)

When Chancellor Paydar arrived at IU East in 2007, many decisions needed to be made almost immediately in order to ensure the continuing viability of the campus. The Chancellor set the stage for these changes at his initial address to the faculty at the Faculty Senate Retreat, 2007. (Fall 2007, Faculty Retreat Presentation) A Strategic Plan for Academic Affairs was created; although this document did not evolve out of the draft phase, its contents did provide a framework for many of the academic changes that were to come. (Academic Strategic Plan 2007-2012)

By 2009, with the campus in a more stable situation and with eyes on the future, it was time for the campus to increase planning efforts through the development of a campus-wide strategic plan. Approximately two dozen faculty and staff were chosen to serve on the Strategic Planning Committee. Direction was provided by the Chancellor as to the broad goals that the group should consider. Working groups were formed and each began their efforts on a specific topic (i.e. teaching, research, community, and resources). (Campus Strategic Plan Timeline) Each group developed a working document, all of which were eventually consolidated into the draft of the strategic plan. The Chancellor sought input on this draft from all constituencies. Once final modifications were in place, the document was endorsed by the IU East Faculty Senate, Professional Staff Council, and Staff Council, and presented to the IU East Board of Advisors for discussion. The IU East Strategic Plan (2009) is used by the Chancellor and others as a guide for the campus and a reference for the strategic priorities necessary to advance planning. (IU East Strategic Plan November 2009)

As stated in the IU East Strategic Plan, 2009:

“Over this one-year period, the progress made by Indiana University East toward achieving its vision as a growing and stable four-year baccalaureate and master’s degree institution was substantial. By increasing revenue and controlling costs, we were able to
improve the campus budget condition, plan for the addition of 13 new faculty positions, and even build significant reserves” (p. 2).

The IU East Strategic Plan outlines the numerous changes that the campus has undertaken in the last five years. Through Mission Transformation and Mission Enhancement, the campus is now focused on Mission Excellence to prepare for the future. The Strategic Plan focuses on four distinct and critical areas: excellence in teaching and learning, excellence in research, scholarship and creative activity, excellence in civic engagement and community involvement, and excellence in resource development. Each of these four key areas of the Strategic Plan delineate clear and measureable goals, objectives, and action items and embed a University-wide culture of assessment and process improvement through the development of tactical plans at the unit level to achieve the stated goals.

Allocation of budget resources was integral to the success of Mission Transformation and Mission Enhancement, evidenced by increased staff in Admissions, and the creation of multiple programs and units dedicated to student retention. The allocation of funds to support initiatives in the current Strategic Plan is evidenced by the progress being made toward full implementation and completion of the plan.

The implementation of the IU East Strategic Plan brought with it a new phase of on-going improvement from the overall enhancement of IU East to a culture that fosters excellence. The campus’ transformation is an excellent example of the planning and mission alignment that has enhanced the capacity to fulfill the University’s mission. Had the University failed to transform the campus, enrollment would have suffered as fewer students made IU East their college of choice, and the community would have continued to confuse the mission of this institution with that of IVY Tech Community College.

Significant progress has been made by IU East in achieving its vision as a growing and stable four-year baccalaureate and master’s degree institution. Through increased revenue and cost control, the campus budget condition improved. Significant financial reserves were developed; increased investments were made for new faculty and new programs; and IU East became the leader in online programming for the Indiana University system. The continuity of IU East is no longer in question.

With the implementation of the School structure, responsibility-centered management (RCM) was phased-in. This has prompted the Schools to become much more proactive in their own budget planning processes. Now with the “bottom up” approach, faculty can directly connect enhancement of teaching quality with increased revenue for their School.

The increased planning at the School level leads to increased fulfillment of their own missions, while simultaneously contributing to the fulfillment of the mission and vision of the campus as a whole. For example, one action item in the Strategic Plan “Build international programs and opportunities for students both on campus and abroad” has also been advocated at the School level. “Study Abroad” funds are distributed to students as scholarships to help offset the cost of travel. In Spring 2010, $11,000 was provided to students in the form of $500 scholarships to support travel to Spain and Costa Rica. In Spring 2011, the Study Abroad funds were more than doubled and $25,000 in scholarships ($1,000 each) were awarded to students traveling to France.
and Belize. Twenty-five thousand dollars will also be available in Spring 2012 for this initiative. Although RCM might still be in its infancy, as it matures it will have an even greater impact in strategic planning at the campus level.

Long-range planning is also occurring in many academic units as well as in the Library. These strategic plans partner with and enhance the IU East Strategic Plan. Brief descriptions of these planning efforts are below.

The IU East 20-Year Academic Plan was developed in 2009 and revised in 2011. (20-year Academic Plan) This document functions as a long-range plan and estimates enrollment growth as well as new and anticipated academic programs. The expansion of the academic mission is accompanied by a recognized need to increase full-time faculty as well as the need for additional teaching and research facilities.

The School of Education has a long-term master plan for program development. (School of Education Master Plan) This unit also creates annual action plans which are typically developed each fall semester and reviewed twice in each spring semester for updates, determination of success and completion, on-going issues, etc. (School of Education Fall 2010 Action Plan; other years are available.)

The School of Humanities and Social Sciences has developed a strategic plan as well as a long-range plan that projects academic degree programs, new faculty, and facility needs through 2030. (HSS Strategic Plan-2010); (HSS Long-Range Plan 2010-2030) Of particular interest is the situational analysis that identifies the current strengths and limitations of the School. The HSS Strategic Plan mirrors that of the institution with well-defined goals and objectives for three broad areas. Action plans are linked to specific individuals who are accountable for their completion.

The strategic plan developed by the School of Natural Science and Mathematics contains goals for student recruitment and retention, faculty professional development, community outreach programs, and assessment. (NSM Strategic Plan) Additional information is provided about future degree programs and new online courses that are under development or in planning stages.

The School of Nursing sets program goals annually. An internal Faculty Council links these goals to the IU East Strategic Plan. (Nursing Faculty Council, Goals 2011)

The Campus Library Strategic Plan reinforces its mission to "provide resources and services that support the academic engagement and research of diverse participants in our teaching and learning community.” As the physical collection transitions from 60% to 80% electronic in the next two years, the Library will meet its goal to enhance service to online students. For virtual reference and research assistance the Library will continue to proactively market the iueref@iue.edu email service and highlight useful academic resources on its regularly updated Facebook presence. Within the 2012-13 academic year, the in-person reference service will shift to a concierge model, using an individualized relationship focus. Also, re-configured staffing during those semesters will increase the number of faculty in a collaborative working mode with their library liaisons. These actions will accomplish the goals set forth in the campus Strategic
Additional Planning Efforts at IU East

- The Strategic Diversity Plan was created in 2008 to guide our planning efforts in this realm. (Strategic Diversity Plan) A revision of this plan includes the Diversity Statement and an outline of projects for 2011/2012. (Diversity Plan Framework 2011-2012) The Commission on Diversity and Equity developed this plan to inform and guide the campus with regard to multicultural and diversity initiatives.
- The IU East Comprehensive Emergency Management Plan is an extensive document that guides the campus responders in the event of a wide variety of emergencies. IU East is currently working on a major revision of the plan, including constituents from Ivy Tech Community College and Reid Hospital, both of which are contiguous to the IU East campus.
- IU East Alumni Association Strategic Plan (Alumni Association Strategic Plan)
- IU East Recruitment Plans (Recruitment Plan 2008-2009; Recruitment Plan 2009-2010; Recruitment Plan 2010-2011)
- IU East Retention Plans (Retention Plan 2008-2009; Retention Plan 2010; Retention Plan 2011)
- University College (University College Plan)
- The 10-year capital improvement plan addresses the proposed new buildings and infrastructure improvements approved by the University. (2011-13 Capital Improvement Request)
- The IU East Campus Master Plan provides an overall vision for the campus and describes the location of new buildings, landscaping, the anticipated sculpture garden, as well as parking lots and roadways. (Masterplan)
- IU East will soon develop a new Affirmative Action Plan that addresses the needs of this campus.

Planning at Indiana University

New administrative structures have been created recently within Indiana University that will have a direct impact on all of the regional campuses including IU East. The new structures have been implemented for a variety of reasons, but primarily to provide a coordination for the regional campuses that has been lacking. These efforts may also provide additional advocacy and a ‘seat at the table’ with regard to access to IU resources.

Indiana University began to address the need for increased planning in 2008 with the establishment of the first vice president for planning and policy. By 2011, the duties of that position had expanded and the Office of the Executive Vice President for University Regional Affairs, Planning, and Policy was established to lead the development of a shared identity and mission for all of IU’s regional campuses that complements each campus's individual identity and mission. The office ensures coordination of the strategic plans, external academic relations, and
policies that enable the university to most effectively bring its rich intellectual resources to bear in serving the citizens of the state and nation.

In order to address the opportunities and challenges at the regional campuses, Indiana University recognized that it was time for the development of longer-range strategic plans. Priorities included improving degree completion rates, expanding collaborative programs, reviewing expenditures, expanding quality distance education, coordinating general education, and facilitating transfer. An extensive planning process began involving constituents from each campus, led by the Executive Vice President for University Regional Affairs, Planning and Policy. IU East had several representatives participating in each working group. Throughout the process, the IU East Chancellor met regularly with these individuals in order to keep apprised of their progress and to contribute input related to IU East priorities. The final document was presented to the IU Board of Trustees at the June 2011 meeting.

The **Blueprint** functions as a strategic plan for the regional campuses and builds on three related priorities:

- **Collaboration**, including collaborative and cross-campus programming, partnerships with other campuses and institutions, and the sharing of information and best practices
- **Engagement** of students in learning and of campuses with their communities and regions
- **Excellence** in faculty scholarship, student-focused education, and improving efficiency.

The **Blueprint** reflects a vision of the regional campuses as providers of accessible, first-choice education for prepared students. It also advances the IU **Principles of Excellence**, including the commitment to academic excellence, responsible stewardship of resources and engagement with state needs.

The plan builds on the strengths of the regional campuses, which educate approximately one-third of Indiana University students. The plan includes strategic initiatives and actions that the campuses will undertake to achieve their goals, along with metrics for tracking success, such as student progress rates, degrees awarded, and measures of student engagement in learning. Regional campus chancellors will each be championing a specific set of implementation efforts, which will begin in Fall 2011 across all regional campuses.

The second significant change was the creation of two regional Chief Information Officer (CIO) positions at Indiana University. Each CIO has responsibility for three of the regional campuses. Each Regional CIO reports to the Vice President and CIO of University Information Technology Services (UITS) at Indiana University. Responsibilities include all aspects of technology at each campus, overseeing the annual operating budgets for technology as well as all personnel. The reporting structure to UITS assists with the implementation and coordination of the overall vision and mission for technology at Indiana University. Formerly, each campus developed a strategic plan for technology; with the creation of the new structure, all IU campuses are guided by a single technology plan.

Indiana University’s **Strategic Plan for Information Technology** “Empowering People” is a planning document that reflects a sound understanding of IU East’s current capacity and also demonstrates that attention is being paid to emerging factors such as new technology,
demographic shifts, and globalization. The Strategic Plan addresses the ever-changing landscape of technology and provides for varied and continuing education and training opportunities for students, faculty, and staff. The work of creating “Empowering People” was shared by four task forces. Staff from IU East had significant input into the development of this Plan by serving on two of these groups. However, all four task forces solicited input from the entire campus community in multiple venues.

Technology has evolved into a critical component of a student’s learning process. The Strategic Plan ensures that technology is available to students to aid them in the pursuit of their education. It also ensures that Indiana University remains a leader in technology. Engagement is as much a priority as education and the plan notes that “Indiana University should work within its missions as a public institution to deepen its technology-supported engagement with institutions and communities beyond IU that advance public health, education, research, economic development, and culture in the State of Indiana.” Faculty are provided with funding opportunities to create or enhance online courses, and the Center for Teaching and Learning staff are available to assist with integrating technology to meet the learning styles and goals of our students. Training and support in an ever-expanding IT environment includes Oncourse CL training and support and IT Training online through Lynda.com for video-based training on Adobe applications, open source software, Macintosh applications, multimedia and web programming technologies, and more.

Another Indiana University initiative is a project termed the “Academic Roadmap.” Indiana University is in the planning phase to create a vivid, easy-to-find, easy-to-use online explanation of the opportunities and possibilities available for all undergraduates through its academic and co-curricular programs. This system will be a single portal for campus services (simpler than OneStart) that will assist students in navigating their undergraduate college experience—a roadmap for success. (IU Roadmap Regional Campuses)

Evaluation

Strengths

- IU East has a clear identity and a clearly defined role among the regional campuses of Indiana University. This makes it possible to effectively plan for the future.
- An inclusive revision of campus mission and focused strategic planning occurred in 2009.
- Strategic planning is occurring at the campus and school levels.
- Shifting to Responsibility Centered Management has given Schools greater autonomy to meet the campus mission and their own responsibilities with regard to the Strategic Plan.
- IU East utilizes a number of planning documents to guide the institution.
- IU East is making progress in meeting its measurable outcomes detailed in the Strategic Plan.
Opportunities

- The Responsibility Centered Management process should be continually evaluated to determine its effectiveness in advancing the mission of the campus.
- The campus needs to identify clearly how specific action items within the Strategic Plan are linked to the budget.

Criterion 2 Conclusion

Information presented in this chapter demonstrates that Indiana University East meets and exceeds the expectations of Criterion 2 through its significantly improved planning processes.

During the 2002 re-accreditation process, the visiting team indicated that a number of key processes that inform institutional planning and support decision-making do not exist. Since that time, considerable effort has been made to address this issue. From the Strategic Management Planning Process, which began in 2000, through the creation and implementation of our current Strategic Plan, IU East has positioned the financial, technological, physical and human resources for the delivery of quality educational programs. IU East is investing in a variety of collaborative efforts to ensure that institutional resources are supporting and enhancing the mission of the campus and that the campus is well-positioned for the future.

IU East embraces the challenge to continually improve while growing the University on other fronts. The campus has increased the variety of data-collection tools and continues to discover ways to use the data for moving the mission forward and accomplishing the goals within the Strategic Plan. In planning for the future, the institution’s primary challenge is to continue to expand the use of assessment measures to support the budget process.

As the state and nation have experienced an extreme economic downturn since 2008, IU East has enjoyed its largest growth and greatest stability, and has substantially improved its planning and decision-making processes. In short, IU East is a vastly improved institution focused on the future. The institution will continue to thrive because of its on-going strategic planning process and its commitment to creating a student-centered environment.