

December 18, 2009

Dear Colleagues,

As I write this note, the situation with the budget and the state appropriation weigh heavily on my mind. As you are no doubt aware, the Governor has ordered a \$150 million reduction in the appropriation to Higher Education, and we will soon be told the value of our share. On Tuesday, it was announced that K-12 will suffer a \$300 million reduction. The condition of Indiana's finances is such that the \$1 billion surplus we had 6 months ago would be entirely spent by the end of the biennium, June 30, 2011, unless spending cuts match the loss of revenue. The State of Indiana as a whole is suffering, and the expectation is that we are in for several years of subpar revenue. It is highly unlikely that our appropriation will increase for the next biennium, and thus we must plan as if the money has been permanently removed from our budget.

Since my last message, I have met several times with the faculty senate leadership and outlined how I propose to develop our plan to address the current situation and how we will position ourselves to meet future challenges if and when they occur. First, let me say that my overarching goal will be to protect our ability to meet our mission. I believe that our strategic plan is one that gives us good guidance in how to proceed. We must continue to put student success first while knowing that maintaining the ability to attract and retain great employees is a requirement for that success. The burden of the changes required by our funding situation will impact all of us. Undoubtedly, we are headed toward elimination of some positions. It will not be possible to make everyone happy or to convince some that they have been treated fairly, but you have my word that I will listen to everyone's concerns and treat everyone with respect and dignity.

The amount of our reduction in state funding remains unclear, but our proportional share would be about \$9 million or \$4.5 million per year. Because most of our budget is dedicated to personnel, most of the cuts will need to come from the elimination of positions. Six months ago, the vice presidents were tasked with the responsibility of proposing reductions in the non-instructional budget (all of the operating budget with the exception of academic departments' S&E budgets and direct instructional costs) of \$10 million over the next five years as a method for funding the Strategic Plan. To meet the requirements of the current budget situation and identified priorities in the strategic plan, I have asked them to accelerate those cuts.

The time line we are working with is that beginning the first week in January, the vice presidents along with Faculty Senate Officers, the President of the Staff Council and an EAP representative will begin meeting to respond to and provide input on budget recommendations. Draft budget recommendations will be made available to the entire campus community by February 1 for discussion and comment prior to the February 19th meeting of the Board of Trustees. Further refinement will occur over the following weeks and final decisions about position elimination for the 2010-11 fiscal year will be made by April 1st.

The retirement incentive plan that has been presented to the Staff Council and the Faculty Senate for review is an important part of both the short- and long-term strategy. It will give us flexibility in the short term and minimize the need for involuntary job elimination. In addition to providing more equality in retirement benefits among our employees, this program in the longer term will make us better able to adjust to the vagaries of the state budgets while keeping the goals of our strategic plan at the forefront of our deliberations. It is designed for the benefit of Indiana State University, for its students and for its employees.

Those that accept the incentive retirement offer will also benefit, but that is not why it has been developed. It provides a structure that allows the institution to realign our labor cost structure and help us to reach our collective goals which include higher overall salaries and the ability to minimize layoffs. (Documents related to the retirement incentive plan can be obtained at www.indstate.edu/president/retirementletterandplan.pdf.)

This is a difficult time, but with these challenges come many opportunities. I am confident that ISU is on the right path. We are an institution that is improving, and one that will achieve its strategic goals. It is extremely important that we face these challenges head-on and continue to keep the long-term vision of our university in mind.

Despite the challenges we face, all of us should take pride in the many accomplishments of our students, faculty and staff. I would like to share just a small sampling of recent accomplishments:

- **Networks Financial Institute** has been awarded a \$6 million grant from the Lilly Endowment, Inc. NFI will utilize the funding to further develop programs in student professional development, financial literacy and research and public policy. In addition, most of the institute's operations will move to the ISU campus in the next two months. I would like to express my appreciation to the Lilly Endowment for its continued support of this important initiative and thank everyone who was involved in securing this significant grant.
- I would also like to thank **Drs. Nancy and Dale McKee**, two long-time ISU supporters and emeritus employees, for establishing the McKee Nursing Center which will be located in Sandison Hall. The center will provide nursing students with hands-on practice in areas related to their classroom studies from the convenience of their residence hall. When the renovated Sandison Hall opens next fall, it will house future health care professionals on five of its eight residential floors. The generosity of the McKees will provide a supportive environment for nursing students during their freshmen and sophomores years and will help advance our strategic goal of improving student success. For everyone who knows Dale and Nancy, this gift to the

March On! campaign is emblematic of the dedication to our students they have demonstrated throughout their lives.

- The new **Indiana State University Master Plan** was presented to the Board of Trustees today. Despite the budget challenges we face, it is important that we keep a high-level vision of our institution's future at the forefront of all we do. The Master Plan will guide the physical direction of our campus and its impact on Terre Haute for the next 15 to 20 years. The plan is conceptual in nature, and I am sure that all elements of it may not be implemented as changes occur throughout our institution. However, the tenets used to develop the plan are not likely to change and can help build a better understanding of how physical developments on our campus can benefit our academic and extra-curricular programs, contribute to student success and help drive downtown and riverfront development. The plan is available to download at www.indstate.edu/strategic_plan/masterplan.pdf and the presentation provided to the trustees is available at www.indstate.edu/strategic_plan/masterplanpowerpoint.pdf.
- "Nights Our House Comes to Life," a poem by ISU English **Professor Matthew Brennan**, was featured on the Dec. 12 broadcast of "The Writer's Almanac with Garrison Keillor" on National Public Radio. The poem is from Dr. Brennan's book, "The House with the Mansard Roof," published this summer. To listen to Garrison Keillor read Dr. Brennan's work, go to: <http://writersalmanac.publicradio.org/index.php?date=2009/12/12>
- Seven Indiana State University music majors have been selected by audition to participate in the 2010 Intercollegiate Band. This ensemble, drawn from 11 colleges and universities around the state, has 70 members. Congratulations to these students for showcasing their talents and bringing attention to Indiana State, our Department of Music and its wind division. The students are: **Amy Chandler**, flute; **Elizabeth Ratcliff**, oboe; **Kelly Ferguson**, clarinet; **Raneigh Prall**, clarinet; **Codie Snyder**, tenor saxophone; **Lisa Wallyn**, horn; and **John Huber**, euphonium.
- **Dr. Brendan Corcoran**, associate professor of English, has been selected by the Keats-Shelley Association of American for writing the best essay on second-generation romanticism published in 2009. The KSSA commended Dr. Corcoran's essay, "Keats' Death: Towards a Posthumous Poetics," as a "broad and imaginative study of something we all though we knew well but see fresh, here." His excellent contribution to scholarship in this field will be recognized during the KSAA's annual

awards dinner during the Modern Language Association's convention in Philadelphia later this month.

- **Ashlee Hull**, a student majoring in marketing, is the only Indiana recipient of the 2009-2010 SAP North American Scholarship. The \$5,000 award recognizes students in business, computer science, mathematics or engineering. In addition to her academic success, Ashlee has contributed more than 200 hours to organizations such as the March of Dimes and the American Marketing Association.
- Six of our Music Business students have received word that they have been awarded travel grants from the National Association of Music Merchants foundation to attend the January show in Anaheim. The students are: **Alissa Miller, Laura Brassie, Annika Bugge, Tyler Lemen, Stephanie Hinkle**, and **Chelsea Whittington**. In addition, Chelsea Whittington, received a \$5000 scholarship from NAMM based on the strength of her application.
- **Dr. Jim Speer**, associate professor of geography and geology, has been named an Associate Editor of the *Canadian Journal of Forest Research* published by the National Research Council of Canada. The monthly journal features articles, reviews, notes and commentaries on all aspects of forest science contributed by internationally respected scientists. The journal can be accessed at: <http://pubs.nrc-cnrc.gc.ca/rp-ps/journalDetail.jsp?jcode=cjfr&lang=eng>
- I am sure that many of you have constructive ideas on ways the university could cut costs. To provide a mechanism for you to present those ideas, I am launching a contest that will recognize the best ones. **Good Ideas** is a University-wide program designed to encourage all members of the Indiana State University community (students, faculty, and staff) to contribute innovative suggestions that can facilitate cost savings. Suggestions must be realistic, cite a specific area for improvement, include a brief analysis of the intended results, and recommendations for potential implementation strategies. Suggestions in any area or of any scale are welcome. Any University community member may submit a suggestion at any time before the January 29, 2010, deadline. Suggestions should be submitted on-line at <http://www.indstate.edu/goodideas/>. The ideas will be reviewed by a small group, and the three most promising suggestions will be recognized with cash awards. The first place suggestion will receive \$1,000; the second place suggestion will be recognized with a cash award of \$500; and the third place suggestion will earn \$300. Winners will be announced by Monday, February 15, 2010. I look forward to seeing what ideas you have.

- **Winter Commencement** will take place tomorrow, and I hope to see you there. We will be awarding an honorary doctor of laws degree to **Congressman Brad Ellsworth** who will deliver the alumni address. The student speaker will be **Robert Tichy** who is graduating with a double major in business administration and marketing. **Analyssa Noe** is the recipient of the President's Medal for Leadership, Scholarship and Service, and **Terry Telschow** is the recipient of the Hines Memorial Medal for having the highest honors classification cumulative grade point average. Thanks to everyone who works to make commencement a very special celebration of our students' success.

As we close another semester, Cheri and I would like to wish all of you a wonderful holiday season. Enjoy your break, and we look forward to seeing you in 2010. (Don't forget to cheer on the Sycamore men's and women's basketball teams during the break!)

Sincerely,

Daniel J. Bradley
President