

January 9, 2010

Dear colleagues,

Welcome back and best wishes to all of you for the coming year. I hope that Winter Recess provided some respite from the hectic activity of semester's end, and that you are returning refreshed and ready for the spring term. With the cold temperatures and snow we have been experiencing, I know that I am certainly ready for spring.

As we begin this term, I would like to thank all of you for the service you provide to our students and our state. We are and will continue to be a bright light in Indiana Higher Education. We are strong and getting stronger.

Work is underway on addressing the \$10.47 million cut in state appropriations we were informed about in late December. The group (Jack Maynard, Virgil Sheets, Steve Lamb, SAMy Anderson, Roxanne Torrence, Louise Jackson, Michael Scott, Diann McKee, Tom Ramey and John Beacon) that is developing the budget recommendation has met twice this week and has made good progress. Provost Maynard has also met with the deans on this issue. These meetings will continue through this month with the goal of having a draft of the budget changes out to the campus for comment by January 28. The final recommendation will go to the Board of Trustees at its February 19th meeting.

I appreciate the collegial attitude that everyone is bringing to these discussions. This *is* an extremely difficult task. These cuts are significant, and their impact will be felt throughout the university. As I indicated earlier, my overarching goal will be to protect our ability to meet our mission. The strategic planning that has taken place during the past year and the goals we have established will guide our efforts. As always, helping students succeed in achieving their educational goals will remain our top priority.

A brief presentation detailing our approach to this budget planning is available at: www.indstate.edu/president/Newsletters/budgetplanning.pdf. These slides include information on the factors that impacted the level of cuts each institution received as well as ISU-specific budget and staffing information.

Out of necessity, the budget reductions will be in personnel-related expenses. These costs make up approximately 82 percent of our discretionary budget (the total budget minus utilities and student aid). In addition, S&E budgets have already been reduced significantly to address previous budget issues. It is clear that our non-instructional personnel numbers have grown to unsustainable levels given the estimated state revenues for the next few years.

The reductions must amount to approximately \$5 million in base budget cuts to meet the appropriation change. It is estimated that 80 to 100 positions will need to be eliminated. The early retirement incentive program that is still in the development stage will help address this issue. I have also instituted a hiring freeze on positions classified at level 7 or below in the new classification system. This is being

done temporarily in order to provide more flexibility in shifting employees from one area to another. It is anticipated that decisions regarding involuntary separations will be made by the first week of April. The details of the severance package for those individuals involuntarily separated but not eligible for the early retirement program will be made available by February 1 .

The administrative structure of each of unit of the University will be reviewed and adjusted to ensure alignment with mission, strategic goals, and resources.

Reductions that occur in instructional staffing levels will overall be short-term and will be designed to strengthen our academic programs by shifting resources to programs of distinction and promise and others that are likely to experience enrollment growth. Tenure and tenure-track positions will not be eliminated as a result of the current budget shortfall.

The initial effort will be to distribute the reductions proportionately. However, decisions will be driven by our mission and the goals of the strategic plan. In the final analysis, it is unlikely that the reductions will end up being proportional by division or by employee group.

I realize this information will be viewed by many as unsettling, however, I believe it is important to communicate the seriousness of these challenges. Anxiety based on knowledge is better than that based on rumors and half truths. Specifics on individual positions that may be impacted will not be available until April. If you have any questions feel free to speak to me or one of the vice presidents.

This is a very important time in our institution's history. While working to address these cuts, the university will continue to move forward. I would like to thank everyone who is working to implement our strategic plan. I will be meeting with the Goal Chairs and Implementation Chairs next week to continue this process. Through careful planning, we will have sufficient resources to continue to make good progress on achieving our strategic goals as defined in The Pathway to Success. This is critical to our university's future and as a result is in the best interest of its students and employees.

Other items I would like to share:

- Our efforts to recruit more high-achieving students are having success. A record 453 students have been invited to interview for the President's Scholarship. These students have a cumulative high school grade point average of 3.9 or above on a 4.0 scale. To date, 239 students (another record) have accepted the invitation with several weeks still to go before the interviews. The majority of the students are from Indiana but other states represented include Illinois, Kentucky, Missouri, Nebraska, Ohio, South Dakota, Tennessee, Wisconsin and Utah. The Office of Admissions is seeking faculty members to participate in the interview process. If you are interested, please Sarah Wurtz.
- Last month, Teresa Exline received the Distinguished Service Award from District V of the Council for the Advancement and Support of Education. Teresa has served CASE V in numerous capacities including chairing the annual conference and chairing the district board. She completed her term as past chair of the board in December. This is the second time an Indiana

State administration has received the Distinguished Service Award. John Newton, who earned the accolade at the 2008 Conference, presented the award to Teresa. Newton is also a past chair of the CASE V Board of Directors.

- There is still time to submit your suggestions on ways the university could cut costs. 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.

Good luck with the start of a new semester. Thanks again for all that you do for our students.

Sincerely,

Daniel J. Bradley
President