

December 4, 2009

Dear colleagues,

As the semester comes to a close, the state's financial situation has worsened, and our university is now facing new budgetary challenges.

Earlier today, Governor Daniels announced state revenues for November were \$144 million below projections resulting in a fiscal year-to-date revenue shortfall of \$475 million. This presents a serious financial picture for our state. In November, the Governor announced that state agencies would be required to reduce spending by at least 10 percent in addition to a 5 percent spending reduction ordered in July. It was also announced that state employees would not receive a pay increase in 2010 and would be offered voluntary unpaid leave to reduce costs.

At the press conference this morning, Governor Daniels announced further reductions that include higher education. The targeted reduction amount for the higher education system is \$150 million from Jan. 1, 2010 to June 30, 2011. The Commission for Higher Education is tasked to work collectively with the seven public institutions over the next 30 days to determine how each institution will contribute toward this target. While the final amount of the University's budget reduction over the next 18 months will not be clear for a few weeks, it is very likely to be greater than the cuts enacted in July for the 2009-11 biennium. Proportionally, our state appropriation is approximately 5.7 percent of the statewide higher education appropriation. (The Governor's news release is available at: http://www.in.gov/portal/news_events/44495.htm.)

In light of this announcement, I regret that we will be unable to provide a standard pay adjustment as originally planned effective January 1, 2010. As additional information is forthcoming from the Commission for Higher Education as to next steps I will share this news with the campus community.

This is without a doubt, a great disappointment to me and to all of you. Compensation remains a top priority. I am convinced that we can weather these hard times and emerge on the other side a stronger institution focused on our students' success and meeting needs of our employees.

On a brighter note, an upcoming change in the third-party administrator for our health insurance program allows us to reduce the proposed increase in both institutional and employees' costs. The increase will average 6 percent as opposed to the estimated 10 percent increase we were anticipating. You will be receiving new cards, details on the new provider, and the new rate schedule from Staff Benefits later this month.

Other items I would to share:

- Improving our enrollment and retention are critical to our University's future success, and there are many positive things happening in these areas. For example, progress is being made in improving our student housing. We recently had an outside review done by Capstone which has

resulted in a number of recommendations that we can begin implementing to help provide a better residential environment for first-year students. More information will be forthcoming as we continue to work on implementing the strategic plan.

- Congratulations to Dr. Nathan Schaumleffel and the ISU American Humanics Program for receiving the 2008-09 Outstanding Recruitment Benchmark Award from the national American Humanics alliance. The ISU program recruited 58 students during the 2008-09 school year, increasing its participation by 193 percent. Nathan and American Humanics students will receive the award at the American Humanics Management/Leadership Institute in January.
- Associate Professor of Nursing Veda Gregory is the 2009 recipient of the Georgia B. Nyland Public Policy Award from the Indiana State Nursing Association. Veda was recognized for more than 30 years of local and statewide work in developing health-related public policy. Congratulations!
- I would also like to recognize Dr. Arthur Halpern for being named an associate editor of the Journal of Chemical Education. The journal publishes peer-reviewed articles dealing with many aspects of chemical education.
- One of our doctoral students has also received a significant honor. John R. Patton, a Ph.D. student in construction management, received the Best Conference Paper at the national conference of the Association of Technology, Management and Applied Engineering. To earn the top honor, Patton competed against 257 fellow students, professors and professionals in the fields of technology, management and engineering.
- The Sycamore basketball season has gotten off to a great start. The ISU women's basketball team is now 6-0 for the regular season with Tuesday night's win over Detroit. The women travel to Edwardsville to take on Southern Illinois-Edwardsville tomorrow and return to Hulman Center on Wednesday night against Butler at 6 p.m. The men's team beat Arkansas State on Sunday to improve to 5-2 for the season. Wednesday, December 9, will be a doubleheader with the men taking on Ball State at 8:05 p.m. following the women's game. Come and join in the fun of cheering on our Sycamores!
- Miracle on Seventh Street, a downtown holiday festival, will take place this evening from 5 to 10 p.m. Businesses, museums, shops, restaurants and organizations will offer activities, special events and holiday shopping throughout the downtown area. I would like to thank the ISU chapter of the Art Education Association of Indiana and its president, Brittany Orman, for helping us participate in the event by painting the Federal Building's windows on the south side. We are excited to be a part of the downtown business district.

I have been seeing a lot of blue on Fridays and hope that even more of you will join in the spirit of displaying your campus pride. Even after 16 months on campus, I still discover new things on a daily basis about our campus, our programs and our people that make me proud to be a Sycamore.

Good luck to everyone with the end of the semester.

Sincerely,

Daniel J. Bradley
President