

Edited Transcript
2005 State of the Campus Address
Presented to the IUPUI Faculty Council
By Chancellor Charles R. Bantz
October 6, 2005

INTRODUCTION

Thank you all for coming. I'm very impressed, frankly, with the size of the audience. I want to spend this time with you talking about the past, the present, and the future.

Each year as you face trying to describe the State of the Campus, it is actually an interesting challenge about how you frame this. In fact, there is an easy sort of glib way to say it, "The State of the Campus is Indiana." "The State of the Campus is good." "The State of the Campus is 'fill in the blank.'"

While that all can be accurate, it doesn't capture the nuance of what I know my colleagues on the campus to understand: This campus is a very special campus. Driving over, I was thinking, "The State of the Campus is under construction." All of us on this corner of our campus, in particular, are acutely aware of the remodeling and renovation of the hotel, which is literally, from bottom to top, a transformation.

There is also the construction of the Clarian/Indiana University Cancer Center Hospital across the street, which broke ground just two weeks ago, and the Campus Center, which we celebrated just a week ago. One of the characteristics of this campus is that it's always under construction. It's because the people here, I believe, continue to recreate it, day-to-day, year-to-year, decade-to-decade.

I think that is something we should reflect on ourselves as we start talking about the State of the Campus. That is, change is the character of this campus. I want to frame this discussion by saying where are we in terms of the goals that I challenged the campus with, in terms of doubling, almost two years ago, and to look at that first in terms of what are the goals specifically; to celebrate where we have made some progress; and, frankly, to be clear that there are some significant challenges that remain. Then there really is a fundamental question of what's next. How do we move from here?

The question I want to answer is, "How can we construct a set of mission-based priorities to move forward into the future?" It will not provide as much specifics as I want, but it will provide some specifics and challenge to us to make some decisions about how to move forward at a more rapid pace. It will also challenge us to deal with the fiscal realities that we face. We have had our budget cut this year. The base budget appropriation was effectively reduced 4.2 percent. Then there was some reallocation of money. We are going to get reduced again next year. That's already a done deal. We know how much our tuition can increase for undergraduates. That's a done deal. We know we are going to be short. So there are challenges that we have to face in going forward. At the same time, we must invest in the things that we say are the highest priority. That's the overall framework that I want to provide. Let me go on and present the details.

WHY DOUBLING?

I've been asked repeatedly about why I established the doubling goals. The questions have declined because I think people understand that the goals are built on the plan that the trustees approved in 2002 and which says our priorities are in teaching and learning, in research, and civic engagement, as well as collaboration, diversity, and best practices. That is what the board approved when they referred to IUPUI as an urban research campus. The goals that I set forward were ones that asked us to achieve an outcome at the end of this decade that reflected increasing success in each area.

It is also critical that we remember, as we make a commitment to double, that we are doing this because this campus is essential to the future of this state. That is a privilege, frankly, and an obligation. I've told people, when I'm elsewhere, that I have never been anywhere else where the community is as supportive of a campus as it is here. That's flat the truth. But it is also true those people who are supporting us need us to succeed. They understand how important we are. That is a benefit—and an obligation. People understand that education is essential to the success of this state.

As I'll show you in a minute, there are some reasons why that is particularly important and challenging here. People increasingly—the opinion leaders—understand that research is essential for new opportunities. It creates new opportunities for growth economically; new opportunities for individuals; new opportunities for our students—whether they are working on research or whether they later on, in fact, apply our research. [Executive Vice Chancellor] Bill Plater and [Chancellor Emeritus] Jerry Bepko, and many of you in this room, have been good spokespeople for our civic engagement in this community. It is a characteristic of this place, and this community, and this campus. That's one reason moving ahead is so important in all three of these areas.

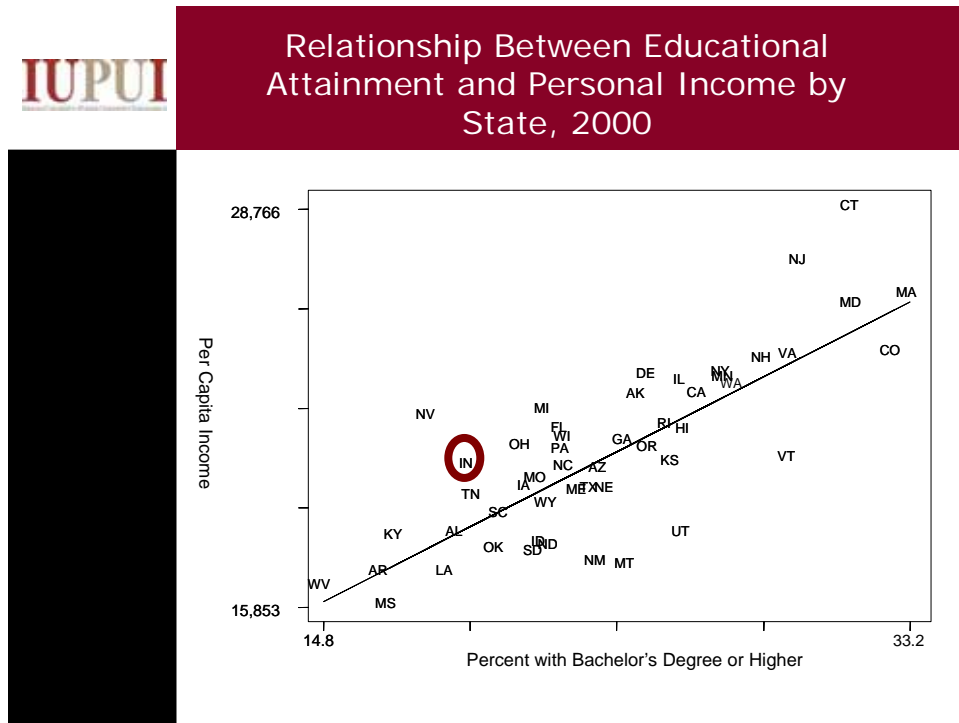
ECONOMIC DEVELOPMENT MEANS GRADUATES IN INDIANA

Mickey Maurer. I hope many of you have read some of the things he has written. He is an owner of the *Indianapolis Business Journal* (IBJ) and is currently on leave serving as president of the Indiana Economic Development Corporation. Mickey is an extremely straightforward individual, who is very, very insightful. When he took over this challenge of the Economic Development Commission, he asked, "How do we grow businesses in this state?" He came up with a very straightforward strategy that sounds like what we do at IUPUI. He said we should recruit businesses that have a tie to Indiana because they are graduates. We draw back companies who have somebody who came from here. That's a good strategy because of the attachment. That's like us here at IUPUI because so many of our graduates stay here. We can often draw them back after they leave. In addition, build on the economic clusters that are already here. Strategists always tell you to build on your strengths. The exception is when you are weak in an area where you simply have to serve your community. Otherwise they say build to your strengths. Why not recruit in the clusters we already have because people are aware of them? Also, a tie to existing companies. This sort of

thinking—strategic thinking—has all happened in less than a year. Mickey just took over this role. They've begun to bring people back.

WHY EDUCATION MATTERS

This chart shows why education matters.



This is a table from a paper presented by Dennis Jones [president of the National Center for Higher Education Management Systems (NCHEMS)], at a conference I attended. Those of you who are data people know what this means. For those of you who aren't data people, we want to be Massachusetts. We want to be Connecticut. This means that your income and education are high. The higher you are to the right, the more education you have. The higher you are on the vertical axes, the higher your income. Connecticut's income is the highest of any state per capita, and their level of education is among the highest in the country. Massachusetts is the highest educated, but not as high on income as Connecticut and New Jersey.

Indiana is fortunately on the right side of the average line, which means our income is actually better than you would predict based on our education. All of you who know Indiana, I suspect, know why that's the case: the United Auto Workers. Notice the income level. There is no one, I suspect, at the Daimler Chrysler foundry that closed last week, who makes less money than the highest person on that chart. There are no jobs in a UAW plant that pay \$29,000 a year, and Indianapolis just lost 900 of those jobs. That will depress us towards this line. Every time we lay off somebody who makes \$50,000, \$60,000, \$70,000, or \$80,000 a year, we drop down towards that line. The only answer is to move up. We got a long way to go. That is why we are so important. We educate residents.

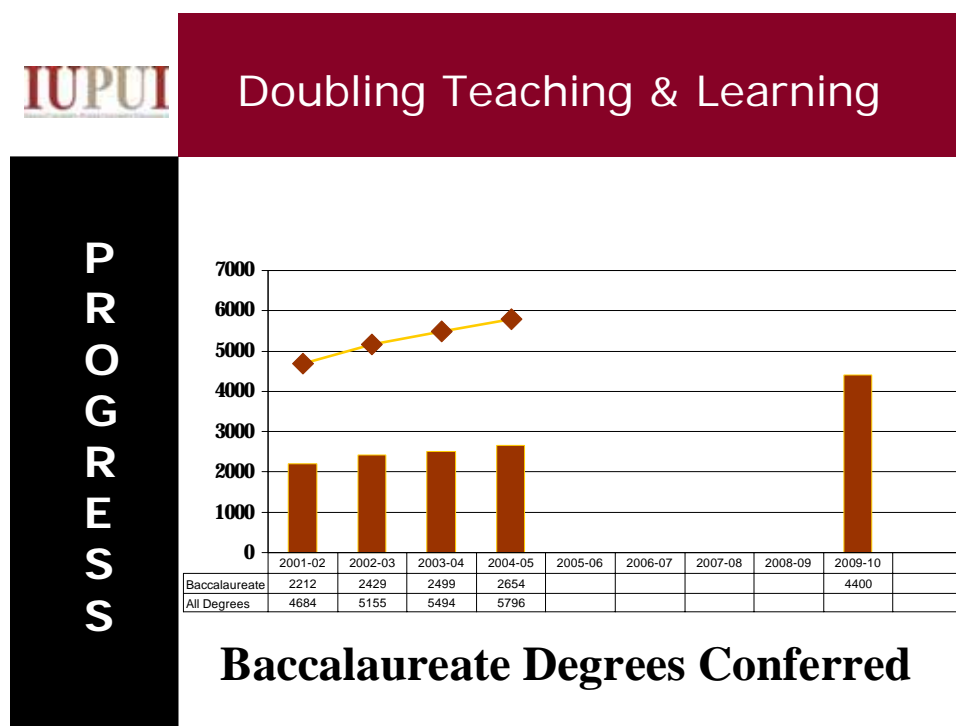
We have the opportunity to move up the level of educational achievement in our state.

DOUBLING TEACHING AND LEARNING

Goals, Progress, and Challenges

One of our responsibilities, of course, is to keep them here, which is a key piece. This is why the doubling goal of teaching and learning is so critical. Our colleagues have identified the steps involved. We want to double the number of baccalaureate degrees to 4,400. In order to do that, you have to increase the retention rate. We are currently at 65. We need to take it at least to 75 percent by 2008. We obviously have to increase the percentage of our students who graduate in six years. There is no way to sugarcoat the fact that we are the lowest in this measure of any research university. On the other hand, we are one of the few who ever had open admissions. That has changed, obviously, since the '98 cohort. This will be one of the things we'll start to see improve.

This shows you the bar chart that will become an old friend to all of us.



It shows where we started. It shows where we are this year. We had a slight increase—not a very big increase—in the number of our graduates. You'll see that we have a challenge to get to 4,400 on that bar chart. For those of you chart fans, the line at the top is the total number of degrees conferred. It helps you realize how many graduate professional degrees we give here, when you realize that that number is approximately equal to the other.

There are things to celebrate, even as we have goals before us. For the fourth year in a row, IUPUI is listed in *U.S. News & World Report* as one of the 20 best places to be for first-year experiences, learning communities, and service

learning. We owe a debt to all of those people who make that happen. This is one of the tough challenges. It is one of the things that Bill Plater, Jerry Bepko, [University College Dean] Scott Evenbeck, and a host of other people who are responsible for each of these units has done by setting a goal, building toward it, and investing in it over the last decade. This has built us a reputation nationally and, in fact, has made us a destination for people to come and see how well we do.

We've got hundreds of other things we can celebrate, but I can only sample a few. The Council on Adult and Experiential Learning, a national organization, used us as a case study to see why we were successful in certain areas. One of our strengths is use of technology (both for teaching and student support). Another is contact with the faculty. It is a treat to have a parent call up or hear someone at a reception say, "My son or daughter is on your campus and has been just thrilled, amazed, impressed with the contact and support that the faculty provided to him or her." That's what I hear. It's the work that you and your colleagues do that makes that difference. You go to extra lengths and that matters to our students. It does differentiate us.

Some of you have heard me tell the story of my first month here. [Then Dean of Science] David Stocum introduced me to one of his graduates in chemistry, who is now down in Bloomington at the optometry school. She had started college at another university that I won't name. She came here. She goes to the first class. It was a large lecture class. The professor had on the syllabus his home phone number. He said to the class, "Just don't call me after 10 p.m." She was stunned. She still remembers this five years later and is telling me this story, practically starts crying about the fact that this was a place that welcomed her. She was a good student! That kind of welcoming environment is reflected in this recognition.

Other work to celebrate is our national reputation in pedagogy. Barry Cournoyer and other faculty colleagues in social work have developed a piece of software to analyze curriculum. What a terrific idea! [Museum Studies Director] Liz Kryder-Reid, working with the [School of Library and Information Science] SLIS faculty, has developed a national online tutorial on library and museum outcomes-based evaluation. These are just two examples of the kind of things that continue to innovate in our curriculum work.

It's been a really good year for students. We've got these wonderful Bepko Scholars, such as Hazel Gomes, who is a native of Kuwait and studying in the biomedical engineering program. As I was driving home from a reception for the Bepko Scholars, I was talking with [my wife], Sandra [Petronio], and said, "This is just incredible. It's a high." You're trying to make sure you're not driving too fast because you're talking about the amazing students that we met that night.

The Women in Science House is a terrific idea of [Dean of Science] Carl Cowen and his colleagues. This, we hope, is going to help the success of those students. The School of Engineering and Technology awarded 325 BS degrees this year, exceeding its target of 306 toward the goal of doubling baccalaureates. We want to encourage that as they go forward.

The Sam Jones Community Service Scholars is another terrific idea of giving scholarships to students for their community involvement. They also have high retention rates (85 percent). The Nina Scholars—the Nina Mason Pulliam

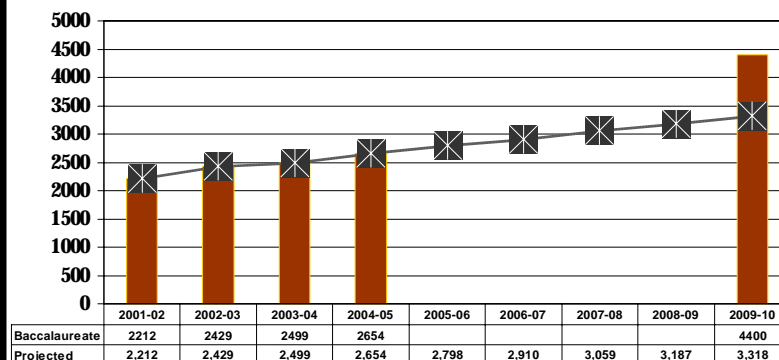
Trust funds this—are the most at-risk students you could ever see at a campus. Look at their retention rate (95 percent). We have built the program from the very beginning in partnership with Arizona State University, Maricopa Community College, and Ivy Tech. It is an incredible support system to try and move these students through successfully. It is one that we should be proud of.

I asked my colleagues in institutional analysis to run a projection about how we are doing and whether or not we are going to make the goal of doubling baccalaureate degrees. They ran four different models. This is the conservative one.



Doubling Teaching & Learning

CHALLENGE



This is a straight regression model, which predicts we will be 1,000 students short. The most liberal model left us 600 or 700 students short. That was based on the average percentage increase over the last two years. It's a little bit better outcome, but it's not a good enough outcome. So we are not on track in terms of graduating students. This is going to be one of the key challenges that we face going forward.

DOUBLING RESEARCH, SCHOLARSHIP, CREATIVE ACTIVITY Goals, Progress, and Challenges

Moving to research. The Doubling Research Committee recommended that we need to look at doubling funding, but we also have to look at opportunities for synergy and big opportunities across the campus. One of the points I've made fairly frequently is that, as [National Institutes of Health] funding gets tighter, we can't simply say, "NIH funding is tighter; therefore we aren't going to get grants." We actually have to come up with big ideas that are so compelling that NIH gives

us the money and doesn't give it to someone else. That's the deal. Johns Hopkins and Washington [universities] didn't become the highest funded by saying that I want to grow at the rate NIH grows. We want more grants in order to do the work. That's what this is all about. Funding is a measure of the work that's being done. That is the challenge. Some of the other issues are to invest selectively to enhance faculty and infrastructure support for research and to develop appropriate means beyond external funding to measure research.

We can celebrate our colleagues in nursing, who have moved from 21st to 17th in NIH funding. They had a very significant increase in awards that will bring their expenditures up in the next year. [The School of Public and Environmental Affairs] SPEA doubled its external awards in the last year with a \$2 million Lilly Endowment grant for "Building Indiana Communities One at a Time."

Another very nice project is the Indiana Health Information Exchange. Some of you know Indianapolis is the world's leader or certainly the U.S. leader in electronic health information. This project, coming out of the Regenstrief Institute, is one example of our leadership in this area.

Similarly, [Dean of Health and Rehabilitation Sciences] Mark Sothmann and a group of other faculty, in a partnership involving seven schools, the Rehabilitation Hospital of Indiana, and Roudebush VA Medical Center, pulled together a successful request to the U.S. Department of Defense, for a project to establish the Indiana Center for Rehabilitation Sciences and Engineering Research. It will study the rehabilitation needs of veterans who have lost limbs in war. With the increase in the violence in Iraq, there will be greater need for this. So, it is extremely timely. It's a partnership with Ohio State University, as well.

In addition, we need to celebrate the facilities under construction to advance research. The Medical Information Science Building at the head of the canal is moving along very rapidly. It will house the Division of Children's Health Services Research, Center for Bioethics, Division of Biostatistics (plus some of Department of Mathematical Sciences), Center for Computational Biology and Bioinformatics, Regenstrief Institute, and room to attract more researchers. These are going to be computer-based researchers, primarily. I'm very pleased that the School of Science has chosen to move some of the mathematical scientists in next to their friends in biostatistics and some other areas. We are hoping to build interaction among them to create opportunities.

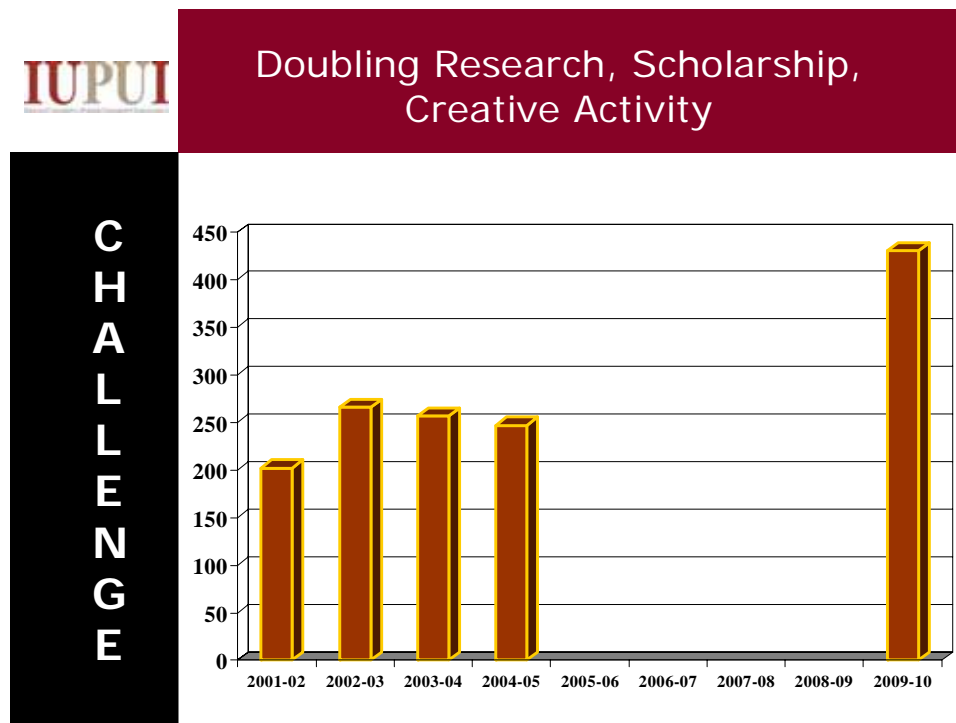
The Cancer Hospital is under way. It'll be just over two years for that project. This \$150 million project will truly transform the existing IU Hospital and add new space.

Not all our research is lab research and medical research. The new home for the Institute of American Thought is a terrific renovation of basement space. It's not only that it's beautifully done physically. The Pierce, Santayana, and Douglass Projects are such interesting work. This project may be IUPUI's best known around the world because editions, which is what they produce, go every where.

We've added facilities to help in creative activity. Eskenazi Hall, the new home for the Herron School of Art, of course, you've all heard about. If you haven't been in it, just walk through. Just take a walk at lunch and go through and see the galleries. See the students; see the art; see the sculptures outside.

The Informatics and Communications Technology Complex is full and operating and is an important addition to our research activity.

I hate to say this, but the bad news in research is that we declined in external funding.



Our colleagues in medicine, in particular, have been looking very carefully where this occurred, trying to identify whether it was just one of those big projects that weren't up for renewal. They are working on that because, obviously, if we are going to double our achievements, we need to go up, not down.

We do have things that are already under way. I want to mention that and celebrate that. [Former Vice Chancellor for Research] Mark Brenner ran a \$1 million fund to help new faculty members (assistant professors) in establishing research programs. He was the driver behind the notion of matching the NIH road map initiative, and he aligned our campus effort to the federal effort with \$300,000 in funding to develop interdisciplinary collaboration between schools. There's been a reorganization last year of the Research and Sponsored Programs Office. We have seen a significant decline in complaints. The investigators I've talked to have noticed the difference. If that's not true, please let me know because that is one of the ways we identify issues and try to deal with them. This is an extremely important office to our researchers.

DOUBLING CIVIC ENGAGEMENT Goals, Progress, and Challenges

Democracy Plaza is one of the campus successes in promoting civic engagement. The students cooked this idea up. It's tied to the American

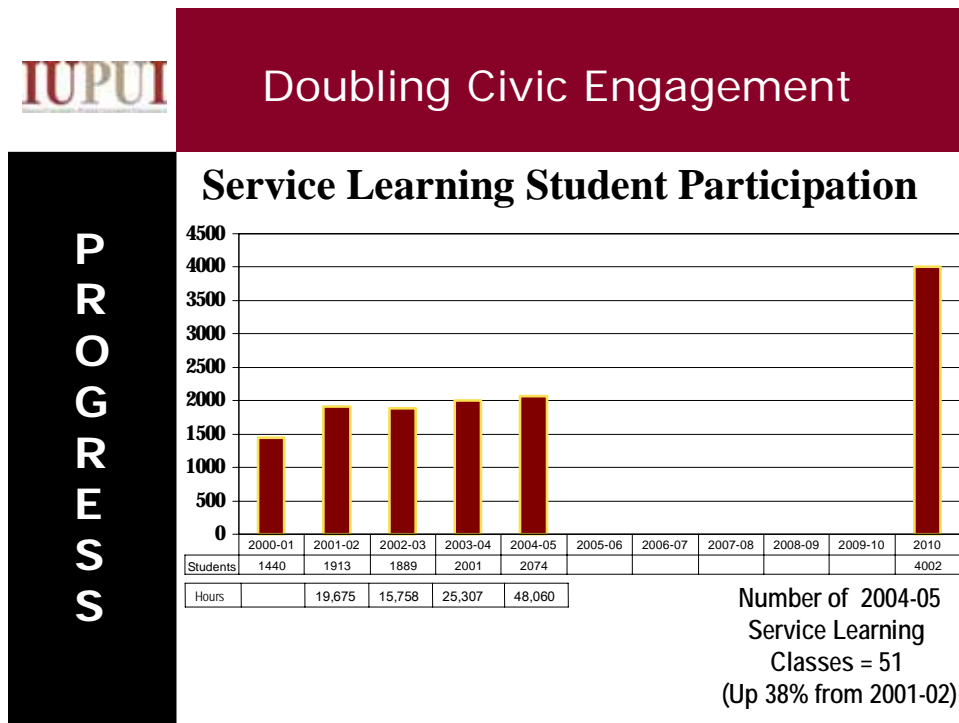
Democracy Project. It's become a venue on the campus. It's become something that we haven't had in that it draws students together.

The group that looked at doubling civic engagement identified these goals:

1. Define and systematically measure civic engagement
2. Double community-based learning by 2010
3. Document that by 2010 every graduate has completed a reflective experience that enhances their understanding of the responsibilities of citizenship

Systematically assessing how we are doing is a lot harder in this area than in some others. We don't have graduates, or credit hours, or different programs we offer to count. We don't have research dollars to count. The Doubling Civic Engagement Council is working to develop measures. I want to point out number 3, which is a really ambitious goal. We are saying that our graduates will all have a meaningful experience that's reflective of civic engagement by the time they graduate. I think that is an important goal which reflects who we are as a campus and the kind of degree programs we offer. It is a challenge.

There has been some progress.



As you can see, in the bar chart, for the number of students involved in service learning, it's not a big enough increase. You can do the projection quickly enough to know that we are not growing fast enough on this one. Part of that may be measurement. We need to look at that. We have more classes, which will help.

We have been recognized, as I've already said, by *U.S. News* for service learning. *Princeton Review* named us, "A College With A Conscience," one of 81

in the country. I frankly am disturbed that there are only 81, but I'm extremely pleased that we are one of them. This is, I think, a really important mark. Our innovation in community engagement—civic engagement—led the Carnegie Foundation [for the Advancement of Teaching] to ask us to be 1 of 12 institutions to pilot the Carnegie Classification for Community Engagement. It's very clear that [Carnegie Foundation President] Lee Schulman and his colleagues basically said, "If we're going to get to a research one type institution, this is the one we need to be including."

The Sam H. Jones Community Service Scholarship Program, one of the largest service-based scholarship programs in the nation, is one of our accomplishments that we should celebrate. Since its inception in 1994, IUPUI has awarded more than one-half million dollars in service scholarships. Bill Plater and I were talking about the Bepko Scholars and the Jones Scholars. We've both had the same impression of these tremendous students, who really are going to make a difference in the lives not only of themselves and their peers, but also in our communities.

One of the great things about this speech is I learn about things that I didn't know about on the campus. I didn't know about the ASAP program—the Adolescent Substance Abuse Program—again, a collaboration across the campus, again, focused on our community, again, working with K-12 faculty leadership. Similarly, we have [Professor of Education] Charlie Barman's Indiana Commission for Higher Education, Title II Grant, a two-year project that will assist middle school science teachers with incorporating inquiry-based instruction in their current teaching practice.

Another example, three different schools (informatics, journalism, and nursing) are involved in Operation Walk, a project on hip and knee replacement. They go to countries, assist the surgeons, and make videos of the project to help train future practitioners.

[Executive Director] Gene Temple and our colleagues in the Center on Philanthropy have been leaders in looking at how we get people involved in terms of philanthropy, but with a special emphasis on people who have in the past not been focused on—women, minorities, youth. They had an amazing turnout at both the youth and black philanthropy symposium, which was the year before, and the Women in Philanthropy event earlier this year, when they actually had to close off attendance at 300 and turned people away. This is a good example of our reaching out in a very special way to our community and to our country.

The challenge, as I said, is measurement. If we are going to make civic engagement *demonstrably*, in our culture of evidence, a part of our identity, we actually have to be able to measure it the way we do other things. I believe, as do others, that this is actually an area where we can make a mark. I would suggest we've probably already made it. We need to make it indelibly.

DOUBLING DIVERSITY

Goals, Progress, Challenges

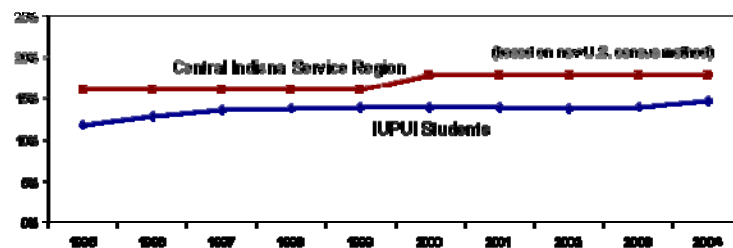
Diversity is a goal. It is a challenge, as well, but it is a goal. That is, we need to enhance the diversity of our students and our faculty. We need to spread diversity through the curriculum. We need to move forward in a way that reflects

not only our community's diversity but our national diversity. All of you know that, in fact, in a growing number of states, there is no ethnic group that's the majority. That's the world. That's the world our students will work in. It's the world we are already working in. That's not taking into account globalization. This is an area that is critical, I believe, to our future. We have made very slight progress.



Doubling Diversity

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You can see a slight lift at the end of that line, but we cannot, as you can see, claim that we are matching the diversity of our central Indiana service population, much less the diversity nationally.

There are some efforts and successes. Dentistry has diversified its first-year class. That's an important move in a profession that can so dramatically change individuals' lives and their community. With the 2005 Dr. Joseph T. Taylor Awards for Excellence in Diversity, we recognized several colleagues for their work (Jeffery Anderson, Nancy Chism, Angela Espada, Didier Gondola, and Robert D. Patterson).

The Center on Philanthropy's class this year showed both national and international diversity. That's important. We do see, however, the challenge before us, which is we have not made significant progress in the diversity of our graduates and our student body.

WHAT'S NEXT?

So what's next? How do we go forward?

First, I want to point out this slide.



(For those of you who haven't been through the SPEA corridor, this is part of the Learning Spaces Project—one of the really great innovations in the last year that was created with the help of a group of interior designers in the city, who volunteered their time and effort.)

MISSION-DRIVEN PRIORITIES

How do we get mission-driven priorities?

One of the things that's happened in the last several months, in repeated conversations with deans and faculty, is people asking me: "What are your priorities? What are the campus priorities?"

First, we must recognize the ones we've articulated. We have been given some, from a variety of places. Now we need to bring them together into a matrix that helps us keep focused on our mission. That is a challenge. It's too easy to say, "There's one more thing to do," because that one more thing is usually good. A tremendously difficult thing about academic administration is that you seldom get brought a bad idea. That doesn't happen in my job. But that's the challenge. How do we choose which good ideas to pursue?

We build it off our mission.

What has Indiana set as a priority that is remotely applicable to us? Indiana has done the study. Indiana is one of the states that can succeed in the life sciences. One of the complaints I hear is that there are 42 states trying to build in the life sciences. That's fine. Very few of them have a report that says virtually every part of the value chain in the life sciences we have.

One of the best conversations I had this year was with David Johnson, head of the Biocrossroads. He went with a group to San Diego. I know San Diego well because my mother wintered there for several years. I've watched La Jolla

build. There's no question that the University of California at San Diego is a great university. It turns out, however, that San Diego does not have, and cannot have, the full range of life science opportunities.

A specific example is pharmaceuticals. You'll love this because you all live in Indianapolis. In order to have a full range, you first have to be able to manufacture experimental drugs, and they have to be manufactured in an FDA-approved facility. San Diego does not have one. And they believe they will never have one, because it requires environmental waivers they would never be capable of getting. If you know San Diego, you know how environmentally sensitive it is. It also would be astonishingly expensive because of land.

Second, you can't have a full value chain in pharmaceuticals if you don't have a Fed Ex hub. This was the point where David Johnson really started getting happy. If you've ever flown into San Diego, you know why there'll never be a Fed Ex hub. If you haven't, think about landing on a postage stamp. You drop down into a valley. That's the San Diego airport.

You also can't do it if you don't have the sales force at the other end of the value chain to sell the stuff they make. And it turns out they don't.

We have sales people. We have the bench work. We have the clinical work. We have all the manufacturing pieces. We have an asset here. That's why [the] Battelle [Institute] said, "Go with life sciences first." You're not starting from scratch. You're building on your strengths, the way Mickey Maurer was arguing.

Information technology is strong, not as strong, but if we're talking about Indiana University, it's extremely strong. Advanced manufacturing is one where, at IUPUI, our job is reminding the rest of the state that we contribute to this. When people say, "But, Indiana University doesn't have engineering," Oner Yurtseven [dean of engineering and technology] tries not to flinch. We produce people in advanced manufacturing, and everyone in this room wants advanced manufacturing to succeed. Indiana has its highest percentage of the workforce in manufacturing. We have to support that transition. The state depends on it. Nonprofit management and philanthropy. All of us who drive around here know how many nonprofits there are. It's part of the city's commitment to development, as is arts, culture, and tourism. Indianapolis made a commitment over 40 years ago to build tourism, and now arts and culture, to add to the quality of life.

These are missions that are given from the state, from central Indiana, and in many ways are no-brainers for us. We need to embrace these. We have to keep focused on them.

MISSION DIFFERENTIATION AT IU

[IU] President Herbert, in his speech last week, outlined a series of goals:

- Mission Differentiation
- Accountability
- Life Sciences
- Arts & Humanities
- Faculty Compensation
- Leadership Development
- Advancing Indiana

The short answer is:

We are leaders in mission differentiation because our mission is more differentiated than any other campus. We are really clear about that, as we've discussed. Accountability? We're so focused on that, the president hired [former IUPUI Director of Information Management] Vic Borden away from us to head the university accountability office. And that's good, because we know it will be done well. Vic'll do a good job. Life sciences? You already know the answer to that. Arts and humanities? Of course! That's a key part of this campus in many, many different ways, including the Institute of American Thought, Herron School of Art, and others. Faculty compensation? I know you're interested in that. Leadership development? The president has made this a priority, and I believe he is absolutely right. This is an issue we do need to deal with, and I'll talk about that later. Advancing Indiana is the university's effort in economic development. All that we do is critical to that. Some very specifically.

The president's priorities align with our direction and our mission.



Mission

Indiana University-Purdue University Indianapolis (IUPUI), a partnership between Indiana and Purdue Universities, is Indiana's urban research and academic health sciences campus. IUPUI's mission is to advance the State of Indiana and the intellectual growth of its citizens to the highest levels nationally and internationally through research and creative activity, teaching and learning, and civic engagement. By offering a distinctive range of bachelor's, master's, professional, and Ph.D. degrees, IUPUI promotes the educational, cultural, and economic development of central Indiana and beyond through innovative collaborations, external partnerships, and a strong commitment to diversity.

Bart Ng (IUPUI faculty president) referred to the mission statement. It's going to the [IU] Board [of Trustees]. The mission statement *is* focused. And one of the things I'm truly proud of is that I was able to go that board discussion and say, "We have a *clear* focus." This doesn't say we're going to do everything. It doesn't say we're going to offer every conceivable bachelor's, master's, and doctoral degree. It says we're going to be distinctive. We already are distinctive. The degrees are focused in certain areas. We say we're interested in supporting economic development. We said this years ago. It didn't show up yesterday. It

reflects very much the clinical practice character of this campus. I do believe that this is distinctive as a mission.

THE MATRIX: MISSION-DRIVEN PRIORITIES

The way I've tried to move this along . . . and this is where I want you to engage and give me your thoughts. We'll post this on the web, and I'll look for your feedback on it.



People say, “How do the doubling goals relate to these others?” I laid it out in a matrix. If life science is, and I believe it is, our highest content, our highest academic priority, the upper left cell, and the ones next to it—teaching and learning; research, scholarship, and creative activity—there’s no way we can be a university and these not be our highest priorities. We have to ask ourselves, “What can we do to continually enhance our success in each of these cells?” And we need to think this through. We need to talk about it. There may be times we say, “This doesn’t work” or “We need to rethink it.”

But let me give you an example of where I’ve gotten with this.

One of the characteristics of this campus is we give more health sciences degrees than all but six or seven universities in this country. And that’s more than my alma mater, which is 60 percent larger and has three health science schools we don’t have (veterinary medicine, pharmacy, and a huge public health program). We rank that high. However, almost all of them are graduate/professional degrees (medicine, dentistry, most of nursing, all the new health and rehabilitation sciences, the new doctorate in physical therapy, for example).

Yet, we know that many of our students come here interested in going into health professional programs. Every one of those programs depends on students being well educated in the life sciences, even if they don't major in it. Can we build "destination" programs, as I call them, in the life and health sciences, so that we become known as the place where students all over the state, all over the country, aspire to come because we're so good with our undergraduates?

Now all of you with graduate programs will benefit because we get 'em here. We trick 'em to stay. They go into your program, and they become our physicians after they go through your residence program. We get a brain gain that way. We also build on the faculty we know we have. It's not without a challenge, but universities have done this.

Also, you should know, it tends to bring us better students. The best example of that is the Bepko Scholars. At the reception I attended, three of the Bepko Scholars raised their hands to indicate they were majoring in biomedical engineering. I would bet that they are here because we added that program. That's a one-year old program. Outstanding students look for these kinds of programs. They read the same papers that we do. They know that the life sciences is important. Why wouldn't they pursue that? So it gives us a comparative advantage. It strengthens our undergraduate offerings.

We can do this kind of focused development in other cells of the matrix. I'm not going to be the one who cooks all these up. That's what faculty do incredibly well. But I think this matrix may help provide a template for thinking about where those opportunities are, where connections can be made.

So I want you to start thinking about that. I mean that. I'll ask some groups to start thinking about that and pushing this and seeing what opportunities we can pursue in this area.

THE CURRENT ECONOMIC CONTEXT

The economic context for that planning, however, is part of the reality to be dealt with that I alluded to in the beginning. With apologies to my friends in economics, I don't know how we can manage to not have a recession and be in a recession. The official reports say we are not in a recession. Tax revenues are not growing. Jobs are declining. This is part of our context. I have no expectation as an amateur that suddenly we are going to see the economy dramatically improve. I thought that before [Hurricane] Katrina. I am concerned.

Similarly, there is structural change in the Indiana economy. We've already talked about the manufacturing changes. We've got a governor who is determined that, in fact, the budget will balance. That's going to affect things. He is a brilliant budget person, so nobody is going to pull the wool over his eyes about what the budget is. That is going to be a factor.

Indiana has benefited by being behind the national pattern in declining state support for higher education. Every time—I assume it happens to you—when you go to a conference, someone looks at you and says, "How are things?" I try to say, quietly, "Well, we had a cut of 4 percent of our state appropriation." They look at me in the eye and say, as Jim Stukel [president emeritus, University of Illinois at Chicago] did, "We had a 22 percent cut in the state appropriation."

My friends in Michigan are citing the same numbers. The University of Colorado at Boulder is down to 8 percent of their budget from the state. Somebody had a new line that I've not heard before. I heard the joke about state support: the state-assisted, the state-located. Now the newest term is state-tolerated. I'd never heard that one before this weekend.

This is a fact. It may go up a little. It may go down a little. But, fundamentally, this country has disinvested in a way that means that we are going to have to be captains of our own budget. That is our context.

As a result, we need to begin immediately a series of actions to implement mission-based priorities. The first is something the deans asked for last spring. A group of them looked at the FPAC [Financial Planning Advisory Committee] analysis that was done about two years ago, to update it, and see where we stood. It was truly depressing. It turned out that the assumptions made in that project about what our state funding would be, about what tuition would be, which we all thought were really, really pessimistic, turned out to be slightly rosy. We are actually below what we had projected. The deans got with our colleague James Johnson [economic model analyst]. They ran the numbers. It turns out that we are going to have a shortfall again in 2006-07 on the scale of \$10 million. We know that, as I said, because we've already got our budget. So, we are looking at another problem.

So the question is, "How do we advance a discussion about a series of issues?" The suggestion that I have is to propose a Fiscal Futures Team. We need strategies in response to the budget. We really are going to have to start to look and anticipate about how we can react. What if they do this again? What if in '07-08 we go down 5 percent? We need to be in a position to succeed in spite of that. We cannot simply be cut, nicked to death as an institution. Our role is too important to the state.

We need some advice on priorities for investment. Working with that grid is one possibility for that. We also need to think about how we can succeed in doubling. This is part of the feedback from you and your colleagues in the last year. You are expecting us to produce more graduates. People will say, bluntly in private, "Why would I do that?" They won't say it usually in public, but they will privately. Maybe we need to develop some incentives. To graduate more students, we find a way to reward that in other ways. Maybe that's what we should start to do. That's a question that I think we need to think through carefully because incentives must not disrupt the other parts of the system. We need to think about that as a possibility. The same thing could be true in engagement, in research, and so forth. This area, I think, is one we simply must deal with.

I think some people would argue, I don't know if I would, that we as an institution tend to be in a slight denial about the seriousness of the budget, because we are so well managed that people have been able to adapt. There have been jobs lost. There is a lot of coverage about the 36 positions in medicine, but there was not much coverage about the other 90-plus vacancies and unfilled positions that were eliminated in other schools. We have had reductions. We will need to continue having them. How do we do that in a way that is effective and doesn't bleed us to death?

One of the sobering conversations that we had at the deans' retreat this summer was with Marilyn Neff from the University of Michigan. She has run their budget since the '80s. I want you to know that the university is wealthy, but the state has cut their appropriation dramatically in some years. She talked to us about how you make a great university continue to improve even as the state is withdrawing \$50 million from their budget. Sometimes, at the end of the year they take out \$5 million, just to make it really challenging to manage. So that kind of thing can be done, but it does require strategy. That's why we need a group like this.

COMMITMENT TO EXCELLENCE

We also need to begin to implement specifically. Here is where I want to talk about some things that I want to put into effect immediately. The Commitment to Excellence funding—some of you in this room, many of you on campus, devoted a lot of effort in putting together proposals and submitting them just in time for all of this information that has come to me in thinking through how we should focus on mission. So as I read through the proposals, I read the vast majority, good ideas, really interesting in some cases, but I asked myself, "Did I put out a call in a way that made sure we were really mission-based, that really were driving to the highest priorities?" Frankly, I said to myself, "You failed at that." It did not work.

So what we are going to do is issue a new call that makes clear what we are looking at. Certain proposals that are good ideas, we'll direct to other potential funding sources. Some, we'll say to resubmit. We'll invite additional ones. The idea will be how to focus and enhance the areas which we see as highest priorities. The way we are going to do this is to make clear what the highest priorities are. Something which I didn't do in the call, and I've gotten clearer about, is that we're going to say just over half of the funding, \$1.8 million, will be designed for developing health and life science undergraduate initiatives.

Commitment to Excellence, you need to remember, is undergraduate tuition money. It is the \$800 fee that was added beginning in '03. It will be directed towards undergraduates. The board is clear about that. It could include, for example, faculty in those areas building on excellence to create excellence. It could be an idea that I described earlier. How can we make ourselves a destination of national excellence for undergraduate health life science programs that would draw students? That kind of focus.

So, think of the grid. Think of the areas of excellence that you have and apply for faculty. This is an opportunity for new faculty hires..

And we need to have at least a half million dollars' support for excellence in students and the services that are proven excellence in helping students. So, it's both support for students in the financial aid area, but also support for the way in which we help get them through. The Nina Scholars Program is a good example of that. The numbers that we are working with are roughly \$3.3 million. We are being reasonably conservative. As the numbers come in, we may be able to do better than that. There will be some cash in addition to the base funding.. But I'm trying to provide a clearer framework for what we're doing.

REALLOCATION FUNDING

In addition, we received, I say “new state research funding,” but the truth is that this was a reallocation of our own money, but we’ll not go into that. That funding is going to go specifically: \$2 million to life sciences faculty startup. The first wave of this is being directed in the School of Medicine to a new addition in biochemistry. As most of you know, that is one of our really strong departments. They have hired a new chair. That’s going to continue to move that program forward. We’re going to put the remainder of that, a small amount, into research support, including some work in compliance. That’s a key part in making sure that we’re doing our job in research infrastructure.

In addition, we’ve made a commitment to providing research space for science and engineering from enrollment growth money that is from a previous year. This is an important area, yet most of the lab space in science and engineering was actually not designed for funded research. We need to help them create functional space in order to grow. I have very significant expectations for increases in science and engineering’s external funding. They cannot do it in the kind of laboratory that I learned chemistry in. We need to provide better space for them.

This is an example of what we can do right away, but this is the direction that I want to suggest we go to focus on mission-based priorities. Every one of those is on the high end of that matrix. It is driving towards that. It doesn’t narrow it down to a specific cell, but it does move in that direction. That’s the direction that we need to go.

LEADERSHIP PLANNING

In addition to folks in our mission-based priorities, we have to have leadership. This is an issue the IU President has focused on. I have been focused on this ever since I realized how [the] 18-20 [retirement plan] worked. I quickly realized that this meant that people would retire at a specific age. Then I learned that Indiana University has mandatory executive retirement at 65 for people with certain titles. I have one of those titles. Bill Plater has one of those titles. Oner Yurtseven has one of those titles. So, immediately I said to myself, “We’re going to have a raft of retirements.” Then I also realized, as President Herbert has, that Indiana University—I say this as a university-wide observation, this is not just the campus—does not have a tradition of building significant succession. I told Bill [Plater] this in private. I woke up in a cold sweat one night when I realized I would be in deep trouble if Bill decided to go with Gale to Tahiti the next day and not come back. That is, we didn’t have a tradition of having a group of people who could take over. It’s not that there are not good people, but there is not that tradition. In some offices, there is no one there to take over.

So, we’ve had excellent leadership, but we haven’t had depth. This has been a matter that has been on my mind. And it’s happened. [former Vice Chancellor for External Affairs] Cheryl Sullivan got a call from [U.S. Senator]

Evan Bayh, after I earlier had gotten the call from the previous governor [Joe Kernan] who asked to borrow her for a special assignment. Then Evan asked her to come to work in his office on policy issues. As some of you know, Cheryl worked on [Al] Gore's presidential campaign on policy. So, she's really interested in this. She's left us.

Mark Brenner chose to go to Reno, Nevada, to be vice president for research. I teased him about going for the mountains and about trying to get near Tahoe, but Mark, as you know, built our research office significantly and has performed extremely well in helping us through some very difficult times that we've had in research compliance issues. Instead of several years out, I suddenly had two positions to fill.

Then Bill Plater announced that he was stepping down as executive vice chancellor to lead a workshop on international community development and is partnering with the Center on Philanthropy and the Center on Urban Policy and the Environment on that project beginning next summer.

So those are the first of a wave. We've had significant changes. We need to look at that and we need to plan for that.

As a result, I had commissioned before Mark was leaving a review of the administration on the campus. I invited the former president of the University of Illinois, Jim Stukel, and the former president of Washington State University, Sam Smith, and asked them to review the administration and provide me advice about how I might structure it for the future. That, I think, was a key step as we begin to initiate searches.

Just today, I am announcing the search committee for the executive vice chancellor. There will be 15 members. I won't give you all the names, but we'll post it. I appreciate the work the Executive Committee of the Faculty Council did—very promptly—in getting me names to move that along. It will be chaired by Vice Chancellor [for Planning and Institutional Improvement] Trudy Banta. I was interested in having someone who is in a senior level of administration, someone who is a widely recognized scholar, and who is someone I know can move a process. All of you who have been through program reviews know that Trudy is, with great grace, unflinching in meeting deadlines. I was very interested in that because this search is so important to the campus. It needs to move very, very well. That will be critical. Trudy suggested, and I thought it was a terrific idea, that we involve a faculty member from Purdue West Lafayette. As some of you know in the dean search in science, we had someone who was very helpful in a variety of ways. They very graciously have found a full professor of chemistry [Joseph S. Francisco], who has agreed to join us on that search, as well as a truly terrific group of individuals. I want to thank you. I will thank you more than once for this effort as we go forward.

The plan is to launch the search for the vice chancellor for research about a month behind this one for the executive vice chancellor. After that, we will begin a search for vice chancellor for external affairs. I'm trying to phase them in part because I hope that the executive vice chancellor designee would be able to at least talk with these individuals before we finalize them. We have to do it in a way we can fit them in. Having just been involved in some searches, part of the problem is just getting everybody in town at an appropriate time. You should

know that Sherrée Wilson, [a special assistant] in my office has taken over the scheduling of this, working in a support capacity. We have a schedule that lays out the entire process. I am asking Trudy to meet that schedule, which will provide several months of transition for Bill's successor to be able to work with him and get a sense of what needs to be done next.

As a result, I think we've got the searches going to get the people because that's critical. I will begin to articulate the job description for the executive vice chancellor and then other areas where they'll be some alignment as I talk with people about the suggestions that I receive from the outside reviewers. The goal is to help the campus be more and more successful going forward, recognizing we have depended so much on the incredible talent that we've had in these positions. It just happened because we have had amazingly good people in these positions who have worked absurd hours to get everything done. We have to be in a position where we have the positions and the people that persist in moving ahead in spite of changes that will happen in this campus administration. So, this is a key part of what's next because the leadership matters so much to our success.

CONCLUSION

I want to end with this, again, to remind you and ask you to think about the matrix. Some of you who think in different ways may have another way to array this. I'd like to see that. I'm not wedded to it, as the phrase goes, but I am wedded to the fundamental notion that we have to set priorities by our mission and invest as a reflection of that, because I think that is the way we will continue to move ahead at the rate that IUPUI has done for four decades.

I think one of the things this opportunity to talk about this campus does for me is that I continually come back to the notion that this is truly a very special place in the way in which it was created. The commitment and obligation that both the faculty feels for what needs to get done, and the community feels for what we do on this campus. It is amazing to work in an institution where—when I talk to people off campus—what they tell me is the good things you are doing. This is just wonderful. I don't get people from the legislature calling up and saying, "You've got somebody who is squandering money"—the type of things that are the focus elsewhere. Here people recognize that the work matters. It's because you, the leadership over the decades, have shown that you deliver and make a difference in the lives of students and the lives of this community.

So I really do say that the State of the Campus is very good because you have made it that. I want to thank you for doing that, and I want to once again, as I hope I do frequently, say, "When you have good news, tell us about it!" The best part of my job is telling other people about the work you do.

Thank you.