

January 8, 2013

Budgetary Affairs Committee

UL1116, 12:30 to 2

Attendees: Andrea Copeland, Jacqueline Blackwell, Stephan Randall, Michael Weaver, Jack Shaaf, Rebecca Porter, Beth Barnette, Reed Smith, Sarah Koskie, Thomas Fisher, Seth Patyon, Cathy Brown, Camy Brocker, Dawn Rhodes, Joyce Mac Kinnon, David Bivin.

Approve minutes from our December meeting.

Rebecca Porter & Beth Barnette presented information on undergraduate scholarships. Handout provided.

Rebecca: Developed recommendations related to aid. Aid to increase high ability students, diversity broadly defined, retention, and maintain competitive edge.

Chancellors scholarships for highest ability students. Diversity among highest ability students.

Lack of funds leads to lower retention rates.

More scholarships and at a higher level – not keeping pace at what other institutions are offering.

35,000 students by 2025, now at 28,000. Scholarships will facilitate the increase. We've been increasing criteria for admission – 4 increases thus far – more selective.

Ongoing deficit – will reach 1 million this year. Strategy to address deficit – is to trim scholarship programs. We do not offer comparable 21<sup>st</sup> century scholarships to Bloomington.

Scholarships have remained stable while tuition as increased.

Beth: The amount awarded and budgeted will continue to grow in deficit. We are in the bottom half of schools for average amount of scholarship funding per student. \$4,204 with 37 % receiving aid.

Member: how is it relevant to cost?

Beth: the cost of attendance is higher here than IUB.

Member: This does not seem reasonable given my experience with these schools.

Dawn: Our students pay for every credit hour whereas at IUB students don't pay beyond 12.

Rebecca: These figures are calculated using a standard formula and may not take into housing and transportation costs in the same way. We have to calculate the cost of attendance.

Member: The problem is it does not reflect reality. This calculation makes us look bad. Is the true cost of living calculated?

Rebecca: Both are considered - off and on campus.

Dawn: University of Toledo – comparable institution – has 3 times the amount of funds for undergraduate students. This is a problem.

Member: The data is obscuring the real problem. You can figure out how much aid a student is getting at IUPUI v IUB. Of the students getting aid, they are getting a lot more aid. And these figures do not make it obvious.

Member: Our distribution of aid is uneven.

Member: What proportion of the 1 million dollar is due to the structural – SAT over XYZ and they get a scholarship – harder to control and likely to increase over time.

Beth: Theoretically capped at 200. It is the scholarship driving us into debt. Fewer students should receive this year as we moved the deadline from Feb 1 to Dec 1. Not really cutting out as many as you think given the Nov 15 Honors program application deadline.

Dawn: We have put money into these scholarships – it's just that the numbers of students receiving them have grown.

Beth: We are seeing higher quality students being admitted and so more students will be admitted that are eligible for the awards.

Chancellors award – it is hard to know what we will look like in 2016. If not paying for Chancellors scholarships we would not be in the hole but we would be next year.

High Ability minority students are heavily recruited by multiple institutions – we cannot compete.

Increased funds could address this problem and it would be admissions based rather than criteria based

Nonresident scholarships have not changed with the pace of non-resident rates. Their retention is not as high as in-state students.

Rebecca – Our non-resident is increasing faster than our residence. We are pricing ourselves out of the non-resident market. We need to slow the acceleration of that.

Member: Do the non-residents provide a subsidy?

Dawn: Not true – we have so few.

Member: I can see 40k at IUB. We are not a 40k a year school.

Dawn: We are not even in double digits for non-residents

Rebecca: Non-residents for undergrads is 4.6%, total is 9.9%. These are growing. We have a ways to go to bring in undergraduate non-residents.

Beth: We have not provided grant based institutional aid (based on need) that is not connected to Pell or 21<sup>st</sup> Century Scholars Grants. Only for freshmen.

Rebecca: We are seeing the development of scholarships for students who've completed two years of study.

Beth: Most of our students with unmet need are just over the Pell grant mark. Some type of retention based grant program is needed.

We could establish the "JAG award," you could combine merit with need factor.

Dawn: How do you know this is going to work? Are there models to back this up?

Beth: It is a national trend.

Member: How many people with a 3.5 are not retained?

Rebecca: We did this to give you scenarios. I wish we had direct cause and effect. It is anecdotal. We they are not retained the highest reason cited is financial. The Cox program has been effective in increasing retention. We have limited data mining resources currently.

Member: many students take a nose dive because of financial strain and work demands. You need to offer this scholarship before this happens.

Member: There has to be studies that indicate what the most effective means of using scholarships to increase retention.

Dawn: Schools share up to a point because it is a competition.

The need for money to maintain the Chancellors Scholarship has increased over the past two years. I believe we need to invest more – we need to be smart about. How do we get the data that will let us know how to get the most out of our money? Don't want to fund with research to back up decisions.

Beth: We cannot maintain what we have and that doesn't even compete with our peer institution.

Dawn – how much do we need and how do we allocated it effectively?

Rebecca- We are engaged in a project that will give us the ability to mine the data – we are hoping to have that in place soon. The profile of the undergrad population has not been the same in any year in the past 10 years. Usually when use data to make predictions, you assume that the data has been stable. We are not resistant to these thoughts. The IUPUI strategic plan plays a part in this – we need to define what it is we want to look like. If we want a larger percent of our students to fall in a high percentage profile and then we calculate from there.

Chancellors-- what was proposed and what actually happened led to our problem-- it went from a finite amount to an admissions based award. Projections were off.

No apparent reduction by moving up the deadline for the chancellors.

Member: Have you considered altering the criteria.

Rebecca: Yes, if you increase the criteria we are now competing for the elite of the elite of Indian. You will have better offers and you will have no African-American or Hispanics in the Honors College. Those students are going to east coast Ivy League schools. If we continue to increase the cutoffs we will move out of the market.

Member: must set priorities – you must set priorities as getting monies donated for scholarships.

Rebecca: We are recruiting donors but donors want specific parameters. Institutional imperatives may not match donors. Once a decision makes the decision to prioritize retention, then you can determine what scholarships you need.

Dawn: We need goals from them strategic planning committee and then we can make scholarship decisions from there.

Rebecca: we need to either change the criteria or increase funding for scholarships. Increase diversity, need based grants both ongoing concerns. Address retention numbers – it will impact our state funding if we don't improve here. We have to increase the baseline scholarship funds and the level of award per student.

Dawn: How long has the Passport scholarship been in existed?

Beth: Three years and the retention rate is higher among these Ivy Tech transfers than those do not receive the scholarship.

Member: We need to make sure that the Ivy tech students are graduating – make sure these students are a good fit.

Rebecca: Is it a good ROI? Would these students have come here anyway and graduated? Yes, so why did we do this. We did it to encourage our partnership with Ivy Tech, let them know we are interested in their students and their students staying at Ivy Tech for the completion of their two year degree.

We may want to limited the number of dollars and turn it into a merit based scholarship.

Member: How many have come to us because of this award? Before receiving their two year degree?

Beth: No specific available at this moment.

Rebecca: I will have to get back to you on that. Ivy Tech are an important source of transfers for IUPUI.

Dean and Budget Planning Conferences

Dawn: We are asking the schools to do a four year budgetary plan. Forces Deans to look forward more than just one year.

The vice-chancellors four years budget as well – two scenarios: 1) support units --salary increase funded by institution and schools 2) the support units have to fund increases 100%

Ask schools for internal trends – enrollment. What and why you are doing? How does this link to the strategic plan for the campus.

At the RPC, people were very receptive.

The BAC will not have to sit at an event all day.

How do we get information back to this committee? Perhaps a summary report or posting the narratives.

Member: Is there a Chancellors slush funds?

Dawn: It's limited. We are not at 2 million for the chancellors reallocation funds.

Member: Units reported in different ways making comparison impossible.

Dawn: templates have been created.

Member: the Deans will have substantial conversations that are longitudinal. We as a group can look across the landscape in a more global fashion.

Member: Will IUPUC treated as a school?

Dawn: Yes

Camy: UITS is one of our support centers – those are going to become a part of university tax. Not a change in dollars. It will move from campus assessments to a university tax effective July 1. They will all become university admin positions. I worry that they will review the tech fee funds. There will be an attempt to grab the graduate tech fee funds. Today, we do not have a tech fee for anyone it's a part of our tuition. It will change our consumption drivers. We were not consulted.

Dawn: Neil Theobald replacement Mary Frances McCourt – interim vice president and chief financial officer.

Member: Rebecca talked about deficit – is there a cap to deficits?

Camy: The deficit has not been carried forward – paid for with other funds.

Dawn: They have to manage their budgets. The model of “just do it” has been changed.

Member: Come up with ideas for reducing costs. This place has run on a shoestring for so long – I don't know where in the world we could cut. There are not slush funds. I am guessing we don't have a huge endowment to pull from. We don't have football money.

Camy: IUB just took their scholarship funding off the top and they have such a heavy piece that is non-resident.

Member: If you take the number of non-residence that actually pay – it will likely be less.

Dawn: Made a note to reduce our non-resident tuition in an effort to increase our volume.

Member: In the school of liberal arts – the students are going down. Our use of part-timers is going to fall off- FFT are now teaching much more. Since our pay is so low– I wish we could address pay over 12 months for 10 months. We are being told that it cannot be done administratively however faculty move to admin positions with little problem.

Chair: For next meeting-- Other agenda items? Thinks about other ways we could increase revenue.

Dawn: The classrooms in Heinz Hall are being used and many students are over there.

Meeting adjourned 1:56.