

Minutes
Indiana University
BLOOMINGTON FACULTY COUNCIL
October 31, 2006
Ballantine Hall Room 008
3:30 pm – 5:30 pm

Attendance

MEMBERS PRESENT: George Alter, Moya Andrews, Eric Arnold, Lisa Bingham, Julie Bobay, Marilynne Boyle-Baise, James Capshew, John Carini, Richard Carr, Keith Clay, Angela Courtney, Luis Davila, Paul Elliott, Robert Eno, Robert Hatten, Betsy Henke, Kevin Hunt, Laura M. Jezewski, Elizabeth Johnson, Owen V. Johnson, David MacKay, Eric MacPhail, Terrence Mason, Bryan McCormick, Murray McGibbon, Michael McRobbie, Theodore Miller, Lisa Pratt, Paul Rohwer, Elyce Rotella, Jeanne Sept, Robert Shakespeare, Sarita Soni, Herbert Terry, Neil Theobald, David Waterman, Maxine Watson, Cara Wellman, James Wimbush

MEMBERS ABSENT WITH ALTERNATES PRESENT: Lloyd Kolbe (Barbara Hawkins), Mehmet M Dalkilic (Dennis Groth)

MEMBERS ABSENT: Katy Borner, Maria Bucur-Deckard, Shawn Conner, Les Coyne, Aurelian Craiutu, Patrick Harbison, Amy Holtzworth- Munroe, Christina Kuzmych, Andrew Lauck, Grant McFann, Sara Pryor, Amy Reynolds, Jerrold Stern, Alex Tanford, Robert Terrill, Larry Thibos, William Wheeler

GUESTS: Adam Herbert (IU President), Bruce Jaffee (Faculty Athletics Representative to Big Ten), Rick Greenspan (Athletic Director), David Daleke (Graduate School), Kelly Kish (Faculty Council), Maynard Thompson, Grace Calhoun, Kevin Clark, Steve Hinnefeld, Julie Knost, Brad Wheeler, several Journalism students

Agenda

1. Approval of Minutes
October 17, 2006
<http://www.iub.edu/~bfc/docs/AY07/minutes/10.17.06.htm>
2. Agenda Committee Business (5 minutes)
(Professor Theodore Miller)
3. Presiding Officer's Business (5 minutes)
(Interim Provost Michael A. McRobbie)
4. Question / Comment Period* (10 minutes)
(Interim Provost Michael A. McRobbie and Professor Theodore Miller)
5. Report from President Adam W. Herbert (15 minutes)

6. Updates on Intercollegiate Athletics [DISCUSSION] (45 minutes) B12-2007

Report from Athletics Committee Chairperson Professor James Wimbush
Report from Faculty Athletics Representative to the Big Ten Professor Bruce Jaffee
Report from Athletic Director Rick Greenspan

7. Distributed Education Fees Structure at IUB [FIRST READING] (20 minutes)
(Associate Professor Bryan McCormick, past-chair, DE Committee)
<http://www.iub.edu/~bfc/docs/AY07/circulars/B8-2007.doc>

8. Faculty Views on Outsourcing [DISCUSSION] (10 minutes)
(Associate Professor Herbert Terry) B13-2007

9. National Research Council Doctoral Programs Survey [DISCUSSION] (5 minutes)
(Associate Dean of the Graduate School David Daleke)

10. Standing Committee Reports

11. Old Business

12. New Business

*Faculty who are not members of the Faculty Council and who wish to address questions to Interim Provost McRobbie or Professor Miller should submit their questions to the Faculty Council Office. Our documents are available at: <http://www.indiana.edu/~bfc/>. To send e-mail to the Faculty Council Office: bfcOFF@indiana.edu

AGENDA ITEM #1: APPROVAL OF MINUTES

MCROBBIE: Ladies and gentlemen, why don't we commence? I would like to welcome President Herbert who is joining us today for Agenda Item #5 in about 20 minutes so we will try to get through our business pretty quickly so President Herbert can discuss a number of matters with you, raise a number of matters, know he wants bring your attention as well.

Firstly Agenda Item #1, approval of the minutes. Can I have a motion to approve the minutes please of the last meeting? Can I have a motion to approve the minutes?

BINGHAM: Moved.

MCROBBIE: And second it?

ENO: Second.

MCROBBIE: Good, you have second it. Good. All in favor please say aye. [Aye] Those against? It is carried.

AGENDA ITEM #2: AGENDA COMMITTEE BUSINESS

MCROBBIE: Agenda Item #2, Agenda Committee business, Ted.

MILLER: Thank you, Michael I have three items today I would like to just speak about for a couple minutes each perhaps. One is the Review Policy for Chancellors, just reporting to you that the UFC at its meeting last week approved a revised version of the Review Policy for Chancellors. The text of that is available on the UFC website. The Trustees have this listed as an item on their agenda, the meeting will be on Thursday and Friday this week, later on this week. We will see exactly what they do with this policy. They are going to act on it one way or another and we will hear about it at an appropriate time. We will certainly know at our next meeting what the resolution of that was.

The second thing, I would like to recall for those of you who were here last year the Faculty Council approved a resolution. I am not sure that I remember the exact title of it at this point. It was something like raising the flagship or upgrading the flagship, something along those lines. This had to do with the admissions policy of the university and what our objectives might be in terms of improving the undergraduate profile of the campus. You may recall that the essential recommendation of that resolution was to over a 10 year period to raise the 25th percentile SAT score by 100 points. That score over the last few years has been in the vicinity of 1000 and basically the objective would be to raise it to about 1100 as a 25th percentile score. One year has gone by since then and I have some – we heard earlier this year some information about the SAT scores of the incoming freshman class and the data that were discussed really had to do with the mean value, the mean SAT score increased by 10% that was what was reported. As I indicated the interest of the Faculty Council last year was not on the mean value of the SAT score but rather on the 25th percentile score, Roger Thompson, who you know is our new Vice Provost for Enrollment Management, did provide me with a little bit of information, a little more information about the incoming undergraduates. I can report to you that the 25th percentile score also increased by 10 points with this incoming class. Now on the other end of the distribution the 75th percentile score there really was no change. So basically what happened over the last year was that the admissions office was working on the bottom end of the distribution with regard to SAT scores and managed to accomplish, as you know in the face of SAT scores which in general were going down with this new exam, managed to raise the SAT profile of the campus by an amount which on average will get us to our objective over 10 years. Now I wanted to tell you that we are going to invite Roger Thompson to come and talk to the Council, probably after Christmas, sometime between Christmas and Spring Break. After he has a chance to settle in and get a sense of where he thinks we are going with all of this, we will have him in for a discussion of these matters at some point. But I did want to report on this particular aspect of things because it is something that I hope that the Council will continue to follow, to support this general objective, and will continue to follow closely as the years go by.

Third thing, as you all know, this meeting of the Faculty Council is in some ways has kind of an athletic theme that is going to be a substantial part of our meeting. And Bob Eno, many of you know has been very active in a group called the Coalition on Intercollegiate Athletics. He is

continuing to serve as the Bloomington campus representative to that group and he wanted to say a few words about activities related to that today.

ENO: Just very briefly because we are going to be talking about athletics and this group joined as a member of the Coalition on Intercollegiate Athletics, COIA, a couple years ago and one of the premises of being a member of COIA - there are 53 faculty senates in Division I-A that are now members - is that the faculty Senates hopefully will be involved and track athletic matters with reasonable closeness and take a look at the way they line up with academic values and priorities of campuses, become educated about these things and work well with administrators, the athletic department administration, campus administration, and others nationally to try to deal with issues that are problematic for athletics right now. Today, a report was issued by the NCAA presidential task force, which was a year and half in the making was about 30 or so university presidents who spent all that time in putting together a diagnosis of some of the problems that are facing athletics right now and coming up with a program for solutions. The COIA was quite active in the formation of that report. We attended some of the task force meetings and we gave feedback on the early drafts. It is a coincidence that we are having our meeting on this today and I thought it would be a good idea to just alert everyone in the room that athletics is becoming more and more a matter of faculty concern and the task force report is called for increased faculty involvement, education of faculty members, and faculty members willingness to work with administration and athletic departments to try to address these problems so the work that we are going to be doing today is part of a long term effort that this body has committed itself to undertake and I thought it would be a good idea remind ourselves before we got going today that this is part of our charge.

MILLER: Thank you very much. That's it.

AGENDA ITEM #3: PRESIDING OFFICER'S BUSINESS

MCROBBIE: I've got two things I want to mention which will take a couple minutes each. The first is I distributed my State of Academic Affairs speech to you all soon after I gave it and I know a number of you were at it. In that speech, I foreshadowed the formation of a number of committees, actually quite a few, and some task forces. I want to inform you that three of those are now fully formed and active and are about to start meeting. In order they are, the Arts and Humanities infrastructure committee that I formed to basically bring together the various units concerned with providing resources and infrastructure and so on to the Arts and Humanities and to some extent to function as Arts and Humanities cabinet. And that will have as members the directors or heads of quite a few units but I will read them quickly: the African American Arts Institute, the IU Art Museum, the Arts and Convocation committee, which is the new committee that will oversee scholarly programs in the Auditorium, the Black Film Archives, the Libraries, the College Arts and Humanities Institute, the department of Theatre and Drama, the Film and Media Studies program, the Hope School of Fine Arts, IU Press, Jacobs School of Music, the Kinsey Institute, the Lilly Library, and the Mathers Museum plus some additional faculty members as well and a couple other members. Susan Gubar from the department of English has agreed to chair that committee and everybody I believe has agreed to serve on it who has been asked and that committee will meet for the first time tomorrow morning at 9 am. I will be

attending, certainly, that first meeting. There seems to be some enthusiasm surrounding its formation because it will provide a forum for those groups to discuss collaboration, multi-disciplinary initiatives of a kind that really has not existed before. As well I have been able to find a small budget for Professor Gubar to use to seed initiatives between some of those groups as well and have given her a formal charge so I will distribute that or have Kelly distribute that membership list plus the formal charge to the members of the BFC over the next few days hopefully.

Secondly, I established, again this was foreshadowed in that speech. I established the Humanities and Classroom Building task force under Professor Tom Gieryn's leadership with a number, about a dozen, faculty as members some of whom I think are in this room and that will I believe have its first meeting on November 7th and again I have given that a formal charge and will circulate a membership of that and the formal charge to you as well. That committee will have among its members, the University Architect and number of people from his staff and remember its focus will be on looking at the suitability of Franklin Hall and the renovation of Franklin Hall into a Humanities and Classroom Building, following on the report of the Humanities Classroom Building, originally Tom Gieryn headed in the college a couple years ago. This was actually constituted by myself and David Zaret as interim-dean of the college so that will get underway fairly soon.

In parallel with that I have asked Roger Thompson to chair another task force looking at alternative accommodation for the student administration units presently housed in Franklin Hall. Again all of this, none of this is new, all of this is foreshadowed in that speech, but the task force has now been formed. Roger's task force will also meet on November 7th, have its first meeting on November 7th. So that's three of the major task forces and committees underway, there is two more to go and I hope to get them underway in the next week or so as well.

And while I am on committees, I mentioned last time that time Ted had very kindly agreed to serve as the co-chair of the Gen Ed Committee, since then David Nordloh has agreed to serve as the other co-chair of the Gen Ed Committee and a very long list of people have been invited to be members of that committee per the arrangements that were described in the Gen Ed document that you passed. I believe all of those, according to Kelly, has accepted that invitation so the first meeting of that rather large committee, 50 people, will be on November 10th so that one is underway as well to handle a very substantial tasks that they will need to deal with as well.

So there are four major new committees underway and I think in other places there is a number of others getting underway as well and I think they are all very helpful because they can enable us to move initiatives forward and provide more information that we need to do some of these initiatives to.

Secondly, I just wanted highlight last week was a really remarkable week for the Arts for IU Bloomington. There were a number of events that I want to mention. One was at the Lincoln Center in New York there was a preview of the film "The Beaux Arts Trio at Fifty" that Professor Menahem Pressler attended, the founder and I guess leader for fifty years of that remarkable trio and the Lincoln Center hosted that preview and Professor Pressler spoke most eloquently to the work of that trio over fifty years. Then later that afternoon Dr Heidi Gealt,

director of the IU Art Museum, her remarkable exhibition on the cycle of drawings by Domenico Tiepolo illustrations of about 400 scenes from the New Testament that opened up at the Frick Museum in New York as well. A wonderful opening and the combination which was a dinner hosted by the Director of the Frick in Heidi's honor and the honor of George Knox her co-author of the remarkable book that some of you may have seen that Heidi has published and it was published by the IU Press. A massive book weighing about 9 lbs or something. This is now also available and that exhibition of about 60 drawings is ongoing at the Frick until about the 7th of January and then one of our distinguished members of Heidi's advisory committee has purchased five of these drawings for the IU Art Museum, so there will be a residue of this great exhibition in perpetuity in the Art Museum as well. And then of course it culminated with the announcement of the appointment of Leonard Slatkin the very famous conductor to a faculty position in the School of Music so I thought it was a great week for the Arts and really worth highlighting in my report to you today and I think it speaks to the real intellectual depth in the arts on this campus. That is all that I have to say.

AGENDA ITEM #4: QUESTION/COMMENT PERIOD

MCROBBIE: Now we turn to the Question and Comment period before I open up. I received a question from Murray actually, it was about – if I can find the response – it was about the Integrated Image project that was described in the latest edition of HomePages and Murray asked about what faculty input that was into this. I think I got this about two hours ago and I endeavored to get you a response pretty quickly but there may be more to follow-up on this. The response we got from Lisa Townsend in that office was that they asked the UFC, BFC, and IUPUI-FC to recommend faculty to serve on the Integrated Image Policy Committee and she mentions a number of faculty members, Jim Baldwin, Chris Vice, Mary Fisher, and Barbara Wolf, were all invited to join the committee. Barbara Wolf apparently didn't participate but they were the faculty that participated in that group. Apparently, they gave a presentation to the UFC on this process and then according to Lisa, she has given a number of subsequent presentations on what the Integrated Image group was doing and those recommendations were eventually passed by the Trustees in their June meeting. Certainly, I think Vice President Sample would be happy to come and give a further presentation on the work of that task force to this group and I think he has actually spoken to you before. I think he would be perfectly delighted to do that and we could set that up if you would like us to do that. Unless there is some violent dissent I will assume that there is some interest in doing that at some point in the next few points so I will get Mike Sample to come and present to you. So that is the response to that question, Murray I will see if there is anymore to say about and can bring that to your attention if there is.

MILLER: If I could just add a bit to that. This committee that Michael talked about was one a committee that was engaged in the consideration of this so called Integrated Image idea. It is also true that there will be a committee that will be an ongoing committee advising the people who are involved in this and I do know that there will be at least one faculty representative on that committee on an ongoing basis.

MCROBBIE: Bearing in mind that President Herbert is waiting to speak to you. Are there any questions for Ted or myself? There being no questions.

AGENDA ITEM #5: REPORT FROM PRESIDENT ADAM W. HERBERT

MCROBBIE: We'll move to Agenda Item #5 and I'll hand it over to President Herbert.

HERBERT: Thank you very much, Michael. I appreciate the opportunity to be here with you. What I would like to do is to make a few comments touching on a wide array of topics and then if you have any questions or reactions, I will be very happy to respond or listen as the case might be. Let me first tell all of you how proud I am and I think I speak for the Board of Trustees as well for the actions you have taken relative to the establishment of a general education program for the Bloomington campus. This in my view is one of the truly significant things that has taken place in the university and on this campus over the course of the past four years and I appreciate all the hard work that you have engaged in to get us to this point. It clearly is the case that I think this going to significantly enhance the undergraduate experience here in Bloomington. I think our students are going to benefit significantly. I think it makes a very clear statement relative to what the faculty of this university regards as being essential for the award or the earning of an undergraduate on this campus. Thank you for a job well done on that.

Ted will be making a presentation to the Board, actually on behalf of the UFC, but I can tell you that there will be questions from what I have heard in my conversations with the Trustees there will be some questions about this. On the one hand they are very, very pleased. The one question that they have and Ted and I know I have told him that the issue has been raised on the timing on implementation. The Board, some Board members, is very hopeful that the process will not be delayed until 2011. I just wanted to give you that heads-up and I am sure that there will discussion about that.

MILLER: On that topic, Adam. Excuse me for interrupting, but I would just comment. Many of you may have read articles in the IDS about this. The IDS has consistently gotten the Faculty Council's position about this wrong. They have published on several occasions that the Gen Ed program will apply to students who begin next year. They may be talking to the Trustees before they publish, I don't know. Anyway I just wanted to say that those reports are incorrect at least from the faculty's point of view.

HERBERT: That is one issue, I just wanted you to have a heads-up on that. That they continue to be very interested in the timeline on all of this is that Ted will make a presentation with regard to what is happening on all of the campuses at the Board meeting this week and my assumption is that they will ask for a follow-up report again in December. This is an issue of considerable importance to them. I will be making a formal presentation to the Board in February summarizing what has been done overall. The Board essentially directed me to present to them the final plans for implementation across all of our campuses and recognize that each campus may do something a little different but what all of the campuses are doing with regard to Gen Ed, so that will occur in February.

Next topic outsourcing, I know that you have heard, maybe read about the Board's directives in that area. The Board has directed the administration to explore the possibility of privatizing or outsourcing several of our auxiliary operations. What they have indicated is that their intent is to

shift as many resources as possible to the academic enterprise here in Bloomington as well as on the other campuses and so that is the essential agenda to free up dollars either on a one-time basis or a recurring basis so that those can be shifted over to our academic enterprise. There are four areas that we will look at this year as possibilities for outsourcing. I would say possibilities because what we are going to do is submit or issue RFP's and we will see what emerges from that process. The first one will be the Motor Pool. The second will be the bookstore and let me tell you in regard to bookstore that will essentially provide for three options. One is the bid for the bookstore in Bloomington. Second option is Bloomington and Indianapolis. Third is all of our campuses. I don't know what is going to happen. I don't know what the interest levels will be but we have asked each of the campuses to respond to a series of questions so that we will be able to present a clear picture as to what we have, what our contractual obligations are, and most important what we are doing is asking the campuses to give us a sense to what their expectations would be with regard to a contract. That can deal with services provided, deal with renovations, whatever those things might be. As appropriate we will invite internal groups to bid for example with regard to the bookstore, if I current bookstore wants to bid it will be able to do so. Actually we did that in regard to the Varsity Shops, where we put that out for bid over a year ago and the university bookstore auxiliary won the bid over several that came from the private sector. We expect bids to begin coming in very shortly with regard to the motor pool and we will issue the RFP for the bookstore later this semester. Food service and printing services will be issued during the spring term.

Third area that I want to comment on is the Office of Research Compliance, as you know, this was other area that we focus a lot of attention on over the course of the past several months. We have now created a university Office of Research Compliance that has responsibility in this area for all of our campuses. Steve Martin is serving as interim director of that unit and what we have done is in Indianapolis we have an officer there that has responsibility for compliance with regard to all activities in Indianapolis. Ann Gellis continues to have responsibility for that function in Bloomington as well as our regional campuses. We are looking at right now at one other issue and that is, it is clear that the research development function has been shifted to the campuses both here and in Indianapolis. The remaining issue is where should pre- and post-award functions, the administration aspects of this be housed. We have hired a consultant group to help us look at all of this, the Huron group out of Chicago and their going through an in depth process now of sorting some of these things out so that we will have a clear sense as to what appears to be the most appropriate strategy. We will begin the search for the executive director as soon as we sort out where pre- and post-award functions are going to be located, because if those are part of this unit then there are one set of skills necessary and if not then there is yet another. As soon as we are able to reach closure on that then we will be in a position to go forward and conduct a national search. We are in the process now of creating an executive oversight committee and I directed Steve to contact both Ted and Bart asking for a nomination from the BFC and the Indianapolis Faculty Council to serve on that body, would then be composed of the faculty representative from Indianapolis and Bloomington and then the Vice Presidents and Provosts that have already been identified. This group will provide broad based oversight of the function and provide strategic guidance for it. The office reports to the President as well as to the Boards' Audit and Finance Committee and that just reinforces the importance that we attach to it.

Let me also as a fourth item tell you that we are initiating a quality benchmarking process that will have some implications for Bloomington as well as the entire university. What we are focusing on is accountability and documentation of quality performance. The academic part will begin here in Bloomington with regard to the non-academic we are looking at Bloomington, Indianapolis, and at University Administration, UA. What we are essentially going to do, I would just tell you that the non-academic process will focus on effectiveness, efficiency, creativity, responsiveness to those that they serve. Trudy Banta will be heading up this. It will have multiple representatives faculty and folks from the various units. We will be looking at admissions, financial aid, academic advising, purchasing, the full array of non-academic services. Again to get a sense as to how well we are doing, where are we falling down if at all. What can we do to enhance the quality of services that we are being provided to the university community as well as to those that are external in the case of students who are receiving, who are submitting applications for admission, what happens to them, are we doing the kind of quality job that we need to do in order to attract the kind of student bodies that we seek to bring to the campus. With regard to the academic side, this is something else that I think is important and as all of you know there have been questions raised about the quality of the campus, have we been going downhill, are there major problems that we are experiencing in terms of national reputation. One of the things that I think is clear is that we need to take a look at ourselves as well. We are going to be asking how good are we, do we have any weak links, where are they, how can we further enhance our academic programs and in that process enhance the reputation and quality of the overall academic experience on the campus. We will be engaging in this process. I think its something. I can tell you it is something that the Board of Trustees regards as being important. I think just in regards of ourselves, if we have questions about how good we are then we need to address that head on and determine whether or not there are problems that need to be fixed and if so we need to go about addressing them.

The next thing that I want to comment on just briefly is Research Intellectual Property and Technology Transfer. What I can tell you is that we are going to place growing emphasis on supporting faculty development of intellectual property. My hope is that this year the faculty and the Board of Trustees will finally approve the Intellectual Property Policy that is going through the UFC today. We need to get that done. I think it is extremely important given the goals that we have for enhancing research. What we want to do at the university-level and the Board is strongly supportive of this and our life sciences initiative is frankly reinforcing in a very significant way the university's commitment in this area. We simply must begin to increase the level of tech transfer that is coming from the university. We need more disclosures. We need to secure more patents. We want to be more actively engaged in commercialization of some of the intellectual property which our faculty are producing. In that regard then not only do we need that IP Policy but also I have hired a consultant to take a look at – we are couching this in the context of economic development obviously it goes beyond that but in the context of the environment in which we are operating today as we seek today additional support the utilization of those words because very important. But we are, I have asked the group to take a look in particular at what we are doing in this area and at the Board meeting on Friday, at the Board meeting, I am not sure if it is Thursday or Friday, we are going to talk about a report from the consultant related to our economic development activities and as part of that we will specifically discuss the IU Research Technology Corporation. We must focus that to a much greater extent on outreach efforts. We don't have a strong enough presence here in Bloomington where staff

from that unit are out talking with faculty, exploring ideas, sharing possibilities, and so our intent over the course of this next year is to identify the additional resources that are necessary to upgrade that significantly to focus it much more in this area of strategic importance. I will be able to share more with you more about that after following the Board meeting, but I do want you to know that is something that I think is extremely important.

Let me just say a little bit now also about another area that I think is important for me to share with you that is what has been happening as result of the administrative changes have taken place, structural changes that have taken place here on the campus. One of the things, I think we have been able to accomplish and I made references to some of this when I talked with you last year, is that we have gone through a process now of having overarching administrative responsibility for all aspects of the campus now under one person. As some of you will recall there was some functions that were addressed at the university administration-level and the campus chancellor had nothing really to say about what took place in those areas. I have now formed a Bloomington leadership team that is composed of all the senior officers that have anything to do with activities on this campus. It begins with the Provost. It includes the Vice President for Student Affairs Bloomington, the Vice President for Administration, Bloomington, my assistant for budgetary matters, Neil. It includes Charlie Nelms because he has some responsibilities on this campus as well. And what we are doing is systematically looking at ways in which we can streamline, enhance operations on campus, and assure greater responsiveness. And let me just give you a few examples of some of the things that we have been able to do. One of the things that concerned me a great deal and we have now addressed that is that we have expanded academic involvement in issues related to the physical plant of the campus. That seemed to me as extremely important. As we were dealing for example with the distribution of R&R funds, Vice President for Administration went and talked with the Deans about the distribution of those funds and we are going to continue to fine tune that process. There were issues related to utilities and we were able to shift some dollars from that operation over to the campus to ultimately, that coupled with my decision to impose a cut in the increase in the university's service charge. It was slated to be a 3 percent. I cut that to 1.5. The combination of those kind of things resulted in our ability to provide a 4 percent average faculty salary increase for faculty here in Bloomington. So I think these things are making a difference, we are streamlining. I had a meeting a few days ago. We are streamlining our financial aid process. Right now one of the things that we discovered is that there are multiple letters going out to prospective students that offer financial aid so a student could get five or six different letters indicating that they were getting financial aid from Indiana University. The problem is that we don't know in total amount, how much is being allocated, are we allocating too much, are we being strategic in regards to utilization of those resources and so we implemented or we announced a policy that beginning this fall there will be one letter that goes out that indicates what the financial award letters, exactly how much is going to be allocated to a student.

One other example of something that recently has occurred that I think is a good example also because of the enhance communication that is now occurring, there was a project as some of you are aware of for a teaching lab and office building on Third Street. It will provide teaching lab and classroom space for Nursing, Human Biology, Biotechnology programs that has been a lot going on with regard to that or not going on as the case may be so I am pleased to tell you that we have resolved all of that. Its now a \$4.3 million dollar project and I have signed off on the

paperwork to get that started so we've already undertaken the necessary steps to get that expedited. But these are just examples, I think the key thing is that we now have a – Michael and I continue to talk regularly about things that we need to do to enhance the enterprise. I want to thank Neil for his work. He has been extremely helpful in dealing with some of the numbers as we go through these processes. I think at least from my perspective this is working very well and we are able to get done some of the things that previously were a significant challenge.

Let me just mention two final things. One is that I have initiated a Presidential Fellow's program. I think all of you have heard about that. John Applegate is serving in that role. He is an associate dean in the School of Law. He will officially start in January. I am very much looking forward to his working with us in the President's Office.

Finally, I would just tell you that we are now going through our budget presentation process. I have testified before the State Budget Committee last week. We are meeting with legislatures around the state, individual meetings, small clusters of meetings with community leaders, essentially attempting to sell our agenda prior to going into the budget session. Once we are through the elections, we will start with the individual formal presentations to the senate and house committees. We have one more presentation. What we are doing is separating out our Life Sciences and Pathways to Success initiatives from our normal budget requests because those are big numbers and we don't want to mix those up. But I think in the governor's office as well as the legislature seems to be amenable to working with us on these things.

The Life Sciences initiative is \$80 million dollars is getting a lot of traction around the state. We are very, very pleased about that you can't tell what is going to happen once the state house is full but the fact that we are getting the kind of receptivity around the state that we are is very encouraging. Let me stop there.

You are going to be hearing a lot about athletics. I was pleased to note in the report that Bob mentioned that a number of the things, the steps that they have called for in there we are already doing. I was called by the Star yesterday and asked questions about the report and one of the issues raised was whether or not I agreed with the proposition that the President should be held accountable and provide the leadership with regard to holding down costs. And I told him that I definitely agree with that and the reality is that ultimately it does come down to individual campuses. I just want you to know that my commitment in this regard is very clear and simple. When I came here, the Board of Trustees said that it wanted a balanced budget and we made a presentation to the Board in the last meeting that in the next ten years and actually beyond, but we gave a ten-year plan that makes very clear that not only will athletics at IU be completely self-supporting but new facilities will be covered in the context of that budget. They will begin sitting aside appropriate reserves. They will begin funding depreciation and doing other things that we expect all of our units to do including paying off debt that is owned the institution. Rick has done an excellent job, I think a wonderful, vision for the campus. It is important for you to know that I hold him accountable. We talk about, as matter of fact I am sure the Faculty Athletics Rep will tell you. I ask a lot of tough questions in regards to academic standards, admissions policies, and practices. I think those questions have to begin coming from the president. We are going to as part of the renovation, I am very proud of the fact that in the football facility that we are going to have almost 30,000 square feet of space, at least gross

square feet of space, devoted to academic support services, which I think is a very powerful and important statement. Let me stop there. I know that I have gone on but I don't have a chance to talk to you as often as I would like so if you have any questions I would be happy to respond.

MCROBBIE: Questions for President Herbert?

TERRY: I have a very simple one at one point there was discussion of privatizing the Auditorium. You did not include that in your list is that off the table now.

HERBERT: We aren't looking at that at this point. What we have done is talked about a slightly modified model. We are expecting it to operate within the context of a budget and we are metering the facility. It is unreasonable to expect the academic enterprise of the university to subsidize the cost of hosting wedding receptions in that facility and other kinds of events. So what we are doing is treating this in a fashion that is consistent with the boards expectation that we do all that we can to maximize resources available to the academic enterprise simultaneously that we do all that we can to assure that the academic side is not subsidizing functions that are not appropriate. In that regard by the way, we took a look at residential, our residence halls, and what we discovered was that the university has been subsidizing utilities for residence halls that will not continue and so I guess was it three years, Neil? Over a three-year period we are removing that subsidy so that those dollars then come back to the university, back to the campus. So again this is part of a systematic process of looking at how we can utilize resources more effectively to zero in on our core mission.

WATERMAN: Has there been any discussion of privatization of physical plant services on the campus?

HERBERT: [End Tape 1 Side A, some comments lost] Yes and no. We dealt with some pieces of it already but that is not on the list for this current cycle, just the four areas that I mentioned. Other questions?

ENO: You mentioned the benchmarking project when you talked about having the non-academic and academic component; you mentioned that Trudy Banta was heading up the non-academic component. I think academic benchmarking is something that all faculty will find to be something that they are very informed on. How is that going to run and who's going to be...?

HERBERT: I'll be talking with Ted and with the Provost about that and we'll sort out how we're going to do it. The first project is already underway. It was tied back to what we're doing with regard to an examination of RCM. But this is one that I think we need to have broad-based participation in, coming from the Provost's office and from the BFC. We haven't started; I just want you to know that that's next in the queue in terms of an initiative we'll be undertaking. But it has to have a broad base both for credibility purposes and to assure that we're including the right kind of metrics in the process. It's critical that we have active faculty participation in that.

Thank you very much for giving me the time to share some of these developments with you and if you do have any questions about any of them, don't hesitate to send me a message. May be I

can just stay for a few minutes; I just want to hear what James Wimbush and the A.D. have to say, at least for a few minutes anyway.

MCROBBIE: Thank you, President Herbert.

AGENDA ITEM #6: UPDATES ON INTERCOLLEGIATE ATHLETICS

MCROBBIE: We've now got to move on to Agenda Item #6 and I think this is an order of a series of reports that James Wimbush as the chair of the Athletics Committee is going to give a report on. James?

WIMBUSH: Thank you Michael. I'll be joined by Bruce, the Faculty Athletics Rep, as well as Rick Greenspan, the Athletics Director. So I'll make my comments brief and speak specifically to the role of the Athletics Committee and its work over the past academic year.

We were busy, quite busy in part because Rick had several initiatives and there were several activities going on within the Athletics Department but also because of some of our own initiatives. We spent a lot of time at the beginning of the last academic year looking at the five-year financial plan for the department. We've spent a lot of time with our Athletics Committee Sub-Committee as well as the full committee looking at the details of the plan so that we can provide advice and consult with Rick regarding the initiatives that he had in mind. We were able to approve that plan and it was later approved by the Trustees.

Just recently as all of you know we also considered the facilities plan that Rick and his folks in the Athletics Department had devised. We wanted to look very carefully at the plan because we knew that this was something that not only needed and important but we also wanted to make sure that it was something that made sense. We wanted to be able to recommend it only if we were comfortable with it. Therefore, we discussed the plan in August during our regularly scheduled retreat. We had a special session September 12th to discuss the plan, to look at it more closely. We still weren't quite ready to sign-off on it so we had yet another special meeting. It was directed by our Finance Sub-Committee, and we were able to understand it fully enough to vote unanimously to approve the plan. As you all know, the Trustees later approved the plan and we feel very comfortable with the plan that is in place. We are excited about the academic services component that is part of that plan. We think that those support services are definitely needed, that the facilities will be in place so that we can enhance the support that we currently provide for our student-athletes.

As you know over the past year we've had several personnel changes, which is not odd or unusual, but it is somewhat unusual to have changes in the coaching for the men's basketball and we also had changes in the coaches for the women's basketball as well. It was fortunate that we had already put in place a mechanism to stay apprised of personnel issues going on within the department. For the first time over the past academic year we had three special meetings of the Personnel Sub-Committee along with Rick and key members of his staff so that we could stay informed as to issues, concerns that were going on, so that there wouldn't be any surprises. So as the personnel changes came about, there was one that was a bit of a surprise, I believe even to

Rick himself. But we were also informed and therefore we were not surprised at some of the other changes that came about. So this is a practice that we will continue. We found that those meetings were very useful for us and it also provided us with an opportunity to share our views as well as concerns regarding some of the personnel issues.

We've spent a lot of time with a lot of student welfare oriented issues; the sponsorship program, concerns about career placement amongst many other issues and so many of our subcommittees address some of these issues and we were pleased that some of the accomplishments we were able to make, yet we are continuing to work on student welfare types of issues because we want to make sure that our student-athletes, as is the case of all of our students, that they have a very good quality of student life while they're here at Indiana University.

If you recall last year I had mentioned that one of our goals was to enhance, to improve, our relationship with the BFC, to work more closely with you, to work more closely with your President. Back in February Ted joined us for an entire meeting. It was very useful for us because we were able to hear some of his concerns, which were essentially your concerns. We then in June had a meeting of the Agenda Committee of the BFC and the members of the faculty of the Athletics Committee. That meeting was a very helpful meeting I believe for both parties. We have pledged to continue to have Ted visit with us but we've also invited the Agenda Committee to visit with us during one of our regular scheduled meeting. So we are very pleased with the progress we've made in terms of working more closely with the BFC.

I should also mention that the President has helped us out tremendously as well. He came to one of our regularly scheduled meeting; helped us to understand his views regarding athletics and the role that he feels that we should be playing concerning some of the priorities that he has set. He also met with Bruce and I in August. We had a wonderful discussion about some of his concerns as well as his thinking regarding athletics here at Indiana University.

So, as I said the committee had a very busy year. We're looking forward to this year for we have a lot on our plate already and we are also very pleased that the working relationship that we have with the BFC and certainly hope to enhance it further. Bruce?

JAFFEE: Thank you, James. I'd like to just focus on may be four things. One, give you a feel of what I do as a Faculty Athletic Representative, and then focus on really three key issues which take a lot of my time and I think are of special interest to the BFC.

In simple terms, as the Faculty Athletic Representative, I have conversations and try to coordinate discussion of academic and athletic matters among the NCAA, the Big Ten, the BFC, the Athletics Department and ultimately with the President.

There are really three things that I tend to focus on. One thing is graduation and academic progress rates. At various times of the year there's information that comes up about our graduation rate for student-athletes and how they relate to the general student body. There's now a much better method called the Graduation Success Rate that deals with students who transfer to another institution when they're in good academic standing. It also deals with transfer students. That's not a big deal here at IU but it is in other places. Then a more contemporaneous measure

that's been around for just the last few years, that is academic progress rates; a measure of movement toward graduation currently by our student-athletes. I guess I want to indicate without going through the numbers, although as an economist it's always probably enticing to throw out a lot of numbers, but in general terms I would say our graduation and academic progress rates are okay. They're roughly in the middle of the Big Ten. We don't see any significant problems. We certainly have areas of improvement, both by teams and by individuals. Grace Calhoun, the director of our academic services department, certainly is working with coaches, teams, the admissions process and not only student-athletes, to make it better. But I'm happy to say that the numbers are good. The Big Ten is certainly well above the national average and we're solidly in the rankings among the Big Ten.

A second issue, an issue that gets a lot of attention nationally is issues of integrity and compliance. That is basically doing things the right way, and following the rules. The Rule Book from the NCAA is close to 500 pages long. The list of rules from the Big Ten is maybe 200 pages long, and we occasionally do have violations. But the good news is that those are typically relatively minor, often administrative errors and our processes are compliance, and we follow a practice of self-reporting these violations. We spend a lot of time in education on the rules and creating an atmosphere where you do follow the rules. There are monthly sessions with all coaches, we're going to have one tomorrow. We spend every semester, efforts with each team talking about rules and requirement to do things ethically and professionally. We have staff meetings with everybody within the athletics department. There's education that you as ticket holders or simply as faculty members or staff members get in terms of what to do and what to report on student-athletes. Coming in February, we'll have a special session to our Trustees. Not that our Trustees are a problem but that the education process ought to extend to the Trustees as well.

This year I'm serving as the head of the Big Ten Audit Committee and the Program and Budget Review Committee. That gives me an insight into the financial condition of the Big Ten and there's an important development that Rick will talk to that has some implications for the facility enhancement and renovation that has gotten a lot of publicity. The Big Ten is an interesting financial organization. Basically it's an organization which all the revenue that flows into the Big Ten either from it's own operations or through the NCAA is shared equally, whether it comes from bowls or television contracts or a variety of other things. The basic model is sharing that revenue eleven different ways, and in this case we're talking about well over a hundred million dollars that basically flows through the Big Ten.

The interesting new development is that the Big Ten starting this coming August in a partnership with the Fox Network, with the Big Ten being the dominant owner, is developing a Big Ten Network. It will start operations as I mentioned in August of 2007. This has three implications. One is that this will be a 24/7 channel focusing obviously on sports. But an important opportunity is that each of the Big Ten schools will have 60 hours that will be its hours to showcase whatever it wants. It can be operas, it can be test patterns, it can be BFC meetings or whatever we as a campus, we as a university want to do with those 60 hours we can do. The most important implication of this is that this is a significant amount of revenue enhancement, a long term arrangement is there on this Big Ten Network that will generate significant extra money for the Big Ten and more importantly I guess for each of the member institutions, and it provides us

with a little flexibility as we balance the budget in fiscal 2006 to continue to do that in the future and enhance facilities in the future.

With that introduction I'll let Rick talk about the facility and expansion opportunities.

GREENSPAN: Thank you, Bruce. Michael, how long do you want me to speak or not speak?

MCROBBIE: I think you've got probably 10 minutes.

GREENSPAN: It's nice to be back here with you. This is my second trip to the podium. It wasn't until a couple of weeks ago that I realized that this group had subpoena powers. But I think I said last time that I would be happy to come in here at least once a year and more if so desired to give a little bit of a state of the state and a summary of our activities you've heard from our President, faculty rep and chair of the Athletic Committee. I'll try not to be redundant but I'll get into a little bit more detail.

The athletic plan that we put together was one that required a great deal of thought and collaboration perhaps as important as the development of that plan I think was the support that it received. When I say support, the Athletic Committee, I see Betsy Henke back there as our student government association representative, all the way up, certainly with the President's guidance and through our Trustees. Most recently we had a chance to make a presentation; I think I've got this right Neil, to the BFC Facilities Sub-Committee.

THEOBALD: Campus Priorities Committee.

GREENSPAN: That's what I said... but we had a chance to make a presentation to that group and so I think as we move forward with what we project to be \$55 million dollars of projects, it was very helpful to have that kind of collaborative effort.

What we presented was an estimate of these projects. One was the enclosure of our end zone on the north side in football. It's space that we have. When I say space that we have, we don't feel that we will take away from other campus priorities, parking etc. In that End Zone of approximately 102,000sq. feet, we're in the preliminary design stages. We'll relocate our football offices, we'll move most of our athletics administration staff out of Assembly Hall to that area, we'll create strength and development of center of some note that has really become an important part of our recruiting and development process, about 25,000-26,000 sq. ft. for all of our sports; obviously not just football but all of our sports, and on the upper level, something I'm particularly excited about, and that's a hall of fame room that will double for a variety of function with pre-game and post-game and university events and team banquets etc., where we can have a living history of our 24 national championships, which is a tremendous number and one that we hope to grow upon.

We'll build a basketball, men's and women's mirror images practice facility. Right now we have one basketball court that we use, it's Assembly Hall. It's very problematic for us in terms of academic scheduling for both our teams, it's also problematic for us because Assembly Hall is used on occasion for other groups. When that gets closed down we're really without a sufficient

backup. We had a couple of instances this fall where that will and our men's team I believe will go practice at Bloomington South. For a program of our stature and history that's insufficient. So that facility will be built just south of Assembly Hall in the parking lot across from Devault Center; about 37,000 sq. feet, as I said, mirror images and the plan as we designed it is that it will have a gerbil tube below grade to the Assembly Hall court so that we can use those amenities in the locker room, in the coaches office etc., not just during the week but on game days. So that facility again is being designed by HOK out of Kansas City.

Last year we started a project which we'll complete this spring, and that is a field hockey field. It was not part of our presentation at this point to the Trustees but it was at an earlier Trustee meeting. That's a commitment that we made a long time ago and we're fulfilling both to that team as well as to our gender equity plan as well as to OCR. That will be located next to our soccer field and we will build a men's soccer practice field next to it; really renovate what is out there.

We will relocate our baseball and our softball stadiums and that land will be turned back over to the campus for reprioritization, whatever that might be. We'll locate our baseball and softball stadiums out behind Mellencamp Pavillion, just south of the bypass. It will serve as a nice more formal entry to that part of campus. Then we've talked a little bit about the academic center, which will be somewhere between 15,000-20,000 assignable but about 30,000 gross square fee. It will be a very important part of growing the space needed to provide the services that are expected. 630 student athletes, give or take 24 in a collegiate sport. Right now we are operating on 2500 sq. feet. We have a deficiency in technology, our computerization etc., office space. The expectation anymore, both from the public; from the parents and student-athletes, is that we provide a greater and greater service. Everything from some form of disability education and training to academic advising etc. We're just way behind the times. At one point Indiana was a trend setter in terms of academic support for student-athletes. We've been passed and passed very quickly and so this will get us back at a very competitive level. That space is good space. We will modernize it, we'll probably do some non-weight bearing wall shifting in technology, but it will be good space.

The campaign for the athletic facilities will be part of the bigger campaign that we have worked in the development, both with the President as well as getting some sanity checks from our Foundation. Our goal is to raise over \$25 million dollars over a five year period for the athletic endowment. The athletic endowment right now is the biggest in the Big Ten, generates a little less than \$2 million dollars towards our annual scholarship bill which is approaching \$8 million dollars. As tuition and fees go up, we become a bigger bill payer versus a beneficiary of that. So we need to try and budget reasonably as well as invest in the long time.

We've talked about the capital plan. What we've expecting is \$55 million dollars in these projects, \$45 million will be bonded. We think we've been very conservative in bonding this debt service to fulfill that bond which would leave us a delta there of \$10 million dollars to get to the \$55 million. Our goal is to raise \$30 million for the capital part of it, and either mitigate the extent of the bond to do some additional catch-up on projects that I thin are needed, whether that's crew, whether that's other sports that in many cases inadequately spaced. To date, we have not announced our campaign and certainly we didn't want to be too aggressive until various

constituency groups are weighed in but we have over \$7 million dollars of that \$10 million in pledged commitments and we're very pleased with the response we're getting from our alumni and friends and donors.

James talked about our budget plan. I think last year we had a lot of discussion about budget or I shared many thoughts about the budget. I felt at that time and I continue to feel that the athletic budget should not be a front page story. We need to do a good job of managing our resources. We need to be a good corporate citizens in terms of reinvesting in aging plant, building a reserve for the obvious business cycles that we face; be it rainy weather or be it a team itself suffers through a poor season and our attendance goes down or some of the other challenges that we face. We're well ahead of our pace for that five year plan. That enables us at the end of last fiscal year to do some additional reinvestment. One of those was a new court, a wooden court for the U-School where our volleyball plays. That floor was probably 60 years old and was a source of great consternation for athletes who suffered regularly from shin splints and some other ailments as a result. So that floor was replaced and then we did some other, what I would call touch-ups, some paint, some carpeting and nothing of a major investment but things that I think and hope helped improve morale.

As we move forward in this 10-year plan, and it was shared publicly and I'd be happy to send copies out or talk later about it, we were charged by the President, not just in terms of developing a balanced budget but hitting some other marks. Those marks were to create a bonded indebtedness that we would be comfortable and capable of funding, that we would begin to do some depreciation funding also, that we would adequately plan for increased costs and tuition and fees and that along with our annual fund which at this point is at it's all time high, continue to meet that very very important need, to be realistic about the facilities that are coming on board and assess what a square footage cost of these new facilities will be in both maintenance and utilities and estimate that and plan for it and budget for it, to meet a debt repayment plan of accumulated debt over probably a decade or more, to assist the campus in terms of subsidizing some Big Ten programming as was discussed. The availability of the time is there. It will be national broadcast but there's a production cost to that. So we will help to subsidize that. And as I said, to build a reserve that meets the business cycle ebbs and flows.

We will continue to try and be collaborative in our approach, to be accessible in our approach, to be forthright and candid as we've indicated and at the same time there are what I would call executive decision making rights that the President has afforded me and I will continue to make those as I feel appropriate with his guidance.

We've made some staff changes; some senior staff changes. I really am very enthusiastic about our what I call our senior staff, which is our associate athletic directors and senior associate athletic directors. Some of those folks are here today. I think you're generally familiar with Dr. Grace Calhoun. Grace has been with us for a little over a year and oversees our academic services, our compliance and also serves as our senior women's administrator which is a representative position to both the Big Ten and NCAA. Grace has her PhD from Florida and she went to an undergraduate diploma at Brown. I say that only to tease Bruce a bit but Grace is doing a wonderful job for us. We also added Dr. Janet Kittell. Janet served at Syracuse for a long time, very successfully has her earned doctorate from the University of Michigan and has sports

administration responsibilities as well as supervision of our medical and athletic training and strength conditioning. The medical part of that continues to be a major expense for us, not like any other entity, it's growing at a pace well above inflation. So we're looking for ways of creating our own, effectively, our own PPO. We've been working on that for a long time, some preferred providers and some negotiated fees with our specialists, in particular our hospitals, radiologist. That expense continues to grow and we're working hard to mitigate it. About a year ago Dr. Jack Garrett joined us. Jack has his PhD from Texas A. & M. He's responsible for all of our facility development, maintenance as well as some sport administrator responsibilities. Kevin Clark is here with us. Kevin is an old timer. He's been with us for a number of years but he has worked very very effectively with Judy Palmer and other entities on campus to make sure that we have transparency in what we are doing financially.

I continue to meet with our President as well as with our CFO on a quarterly basis. We look at budget projections and budget accruals, we make course corrections as necessary. There are four major revenue streams that I look at with a great deal of interest because they represent probably 99% of our revenue. That's football revenue, that's basketball revenue, that's Big Ten distribution from bowls and television contracts and some licensing etc, and our annual giving program. We are on pace or ahead of pace to exceed our football revenue, our basketball revenue, our Big Ten distribution. Right now our annual giving is running at about 11.5% ahead of last year's number. So those are important for us now. It's going to be critical for us to also look at the other side of our budget and make sure that we have some appetite suppressant so that we come in with a good healthy budget at the end of the year.

Bruce talked a little bit where we stand academically. I'll throw some numbers out at you. GSR, it's a new term, NCAA is very much like the federal government. There are more acronyms than you can figure out but Graduation Success Rates for those of us that are old enough is effective what is the adjusted graduation rate. As the NCAA has stated most recently, they think that's the most honest appraisal of graduation when you take some of the factors out, student-athletes transfer in good standing. Our GSR across the board for our 24 sports is 81 percent. Another number that the NCAA uses, publishes and we are required to share is what they call the NCAA graduation rates of those that exhaust their athletic eligibility, and that's at 92 percent. Those places are about the top three in the Big Ten in those factors. The other one is the number of student-athletes that are on a 3.0 on a academic term or above and right now we're at about 50 percent of our roughly 630 student-athletes that are there. We'll have academic successes, we'll have some academic failures, not unlike other students on the campus. What we will do is try to provide the services and the discipline so that those student athletes come in prepared and leave with a degree.

We have a lot of challenges as I'm sure everybody does ahead of us. I'll touch on just a couple very briefly for you. One of the areas that's near and dear to my heart and is what I would call aberrant behavior of students in general and student-athletes, define it for yourself. Some of this is a function of large campus with students that come from multiple countries, multiple states and enjoy their freedoms perhaps sometimes too much. We've had a lot of discussions within the Big Ten about social networking specifically on the internet; MySpace and a couple others like that. I believe the statistics that we were quoted is that there are 42,000 accounts on this campus for that particular social network [FaceBook]. It is now the most hit website in the world. I think it has

surpassed Google. The average student spends 16 minutes a day on that and we are working both with legal counsel as well as others internally to figure out the best way to monitor that for proper decorum and representation.

The second one, we have some Journalism students in here I think. The second one that's a significant challenge for us is what I would deem an aggressive and many cases irresponsible media. There's a thirst to know beyond a reasonableness and beyond verification and there's been again, in my mind, some dumbing down as a result of what's happened with the Internet and how we manage and monitor that is a real challenge for us. We've talked a little bit about our budgets; we've talked a little bit about some unfunded mandates—unfunded mandates specifically in Title IX in terms of proportionality of facilities. So we have, as I've shared with this group, 24 sports, 22 loss leaders. It's not a good economic model but it's the one that we're committed to in terms of a broad-based program that's equitable. We're also seeing more and more litigation on almost every subject possible within athletics from scholarships to student-athlete compensation for play, and like maybe some of you we're dealing with this generation of what I would refer to as helicopter parents. They tend to hover above us with great frequency and have tremendous involvement in almost every activity of their student-athlete, which is in some cases healthy and in some cases probably less healthy.

And then the last major challenge that I'll address is this catch-up that we're doing in terms of decades of deferred maintenance and an aging physical plant. Our two most significant facilities—Assembly Hall and our football stadium—going on or have surpassed 40 years of very minimal infrastructure modernization and it's something we're going to have to walk up to in the near future. We are looking at an assessment right now to report back to the President on Assembly Hall. Specifically, what will be the best options in the short and long term for that facility. It was probably outdated when it was built and it's more outdated now and yet there's a significant cost involved in that.

That's a quick report. I'd be happy to answer or avoid any questions that you have and if not thank you for the opportunity, I appreciate that.

MCROBBIE: Questions?

OWEN JOHNSON: Two questions related to financial issues. One to what degree would the Athletic Department consider what are euphemistically called “naming opportunities” such as something like McDonald's Memorial Stadium as a way of getting revenue. And the second thing which is on the other side of the ledger, under what situations would you consider cutting sports in order to handle budget issues?

GREENSPAN: Well, in regards to the first one, we will be very aggressive in seeking naming opportunities. We've had discussion with, again I'll probably butcher the committee but I think there's a campus naming committee, I've had discussions with Vice President Clapacs as well as Curt Simic about how do we bring those opportunities forward for whatever the approval process might be. I think they are appropriate if they are done in good taste and are consistent with whatever guidelines the institution wants. I think the history of education in general shows that not only major facilities but in many cases some of the private universities are named after

people so I don't know that it's necessarily a new trend. I think the corporate involvement in naming is a little newer but I think we would probably be even more discriminating in that area. In terms of your second question, dropping sports, I foresee very little other than a catastrophic financial problem that would lead us to drop sports. If we were to drop sports we would struggle in determining what sports we would drop that would allow us to maintain our guidelines in terms of OCR, specifically the area of proportionality. Certainly it would not be a woman's sport. And as it relates to the men's ledger I don't know that it would be significant savings versus what I think would be a long term decision to recoup those dollars. So I don't see a change in our sport sponsorship. We are at 24 sports and Purdue is at 19 and part of the reason Purdue is at 19 is they have a more significant number of male undergraduates and so their proportionality is flipped a little bit from ours.

HERBERT: Can I just make one other observation? In terms of naming we're also going to focus on the values of the institution. So you aren't going to see a Coors Assembly Hall or something like that.

MCROBBIE: Bob?

ENO: I thought that the three reports were very positive and very informative and I wanted to mention three things in particular. One the personnel subcommittees' functioning which James reported on was extremely encouraging; it was hard to get that subcommittee set-up so that faculty and others on the Athletics Committee could have meaningful interaction with the administration at difficult times with personnel decisions so we didn't have miscommunications which have undermined relationships on this campus...

GREENSPAN: Bob, let me just cut you off for one quick second. I think it's important to note that that personnel subcommittee is made up only of faculty.

ENO: That was the original idea but I didn't know if that was still the case. It's wonderful to hear that that is working because we really shot ourselves in the foot many times in the past by not having a mechanism. The report that Ted and the Agenda Committee members have been meeting with the Athletics Committee is also very encouraging. That's not part of the structure that we built in before but since it's working it might be time to consider whether or not it would be good to institutionalize that. Right now, I think we're in a very good place in terms of athletic management and I have nothing but high regard for the way that you've managed these financial and on-the-field issues. Times like that when we can take the opportunity of people in a cooperative mode to try to set up institutional structures that otherwise are very hard to get in place and those structures will serve you very well when times turn bad—and certainly sometime in the future they will. In that regard, the third thing I think it might be a really good time to start thinking about is a way to get more interaction between the academic, faculty and academic administration side of budget review, and the budget formation of the athletics department. This is something we could not have achieved during the time when the athletic department was under tremendous fire because the budget deficits and because of problems that were brought on by previous athletic administrations. But right now might be a very good time to think about how we can design an ongoing process which would have no strain or damage at this time because things are

under good management. We could get it in place and it could help us in the future if things do get strained.

GREENSPAN: Bob I appreciate those comments. I think, in regards to the third one, I think in a general way, whether its specific enough I'm not sure but I think the finance subcommittee of the athletic committee serves in that role where they will meet with staff, with myself, pretty regularly and we will look at a variety of issues—it's not just are you in the black or are you in the red but seating policies, ticket price approval, and others. If there's a need to grow that group or meet with more regularity I think we can do that.

MCCORMICK: I would add as co-chair of the Budgetary Affairs Committee, as a representative of the BFC that the communication actually between that group and the BAC really has been non-existent and so there is a concern about the level of communication from the financial aspects of the athletics department really through the existing structures of the BFC. And even at the level of communication I think that would reduce concerns about lack of transparency.

GREENSPAN: Well, again, I'm speaking for James, I probably shouldn't, as chair of the committee, but I think if I recall, Kurt Zorn is chairing that committee. I assume if it's so desired Kurt could make a report in whatever format as the BFC's rep and a chair of the subcommittee I think.

MCROBBIE: Bob?

ENO: I'm thinking back a few years. There are times when athletics won't meet its goal of breaking even, and in fact if all subsidies are counted in for overwhelmingly Division IA athletics programs—if you counted in all the hidden campus subsidies athletics very rarely breaks even. I don't think that's necessarily a bad thing. We think there's value-added by athletics when we do it right, there's a price that's appropriate to pay for it that enhances the academic mission. When times get bad if you have academic and athletic administrators in an ongoing discussion and ongoing communication when it comes to budget formation and it is necessary to have subsidies that pass from the academic side to the athletic side because of specific circumstances you are going to be able to achieve that without slight of hand that can backfire on you if you've got an institutionalized communication, which would have to be much more robust than the finance committee of the athletics committee. It might have to include some academic administrators as well as faculty. And I'm sure this was something that was a campus understanding that was reached by due process.

GREENSPAN: I appreciate that. Let me just put this in context I think I've shared this with this group before. This year we'll have a budget that's approximately \$40 million—24 sports, 630 student-athletes, about 175 employees. We will be either the tenth or eleventh in total budget in our conference topped by Ohio State which will approach \$110 million. So when the NCAA or COIA or some of these other organizations talk about perhaps some mitigation or downsizing of expenses if it's a mutual disarmament we would probably be the beneficiaries to a large degree because we're considerably high, both in personnel and a variety of other things. We will never catch the top of our league, the economics just aren't there. The size of our football stadium. We

seat 52,000 in football, the average attendance in the Big Ten right now is about 70,000. So even if we were averaging 100 percent capacity we're still 20,000 below that. So it's not realistic for us to be in any way an economic leader in our league. We just need to be as efficient as we can and give people a fighting chance, both our student-athletes and our coaches, etc. And that's really what our goal is in terms of creating positive energy and a morale and a little bit of a chip on our shoulder, quite honestly, and I hope we go up to Minnesota this Saturday with a good chip on the shoulder. It worked pretty well for us last week. I appreciate that. Michael, I'm sorry if I took too long but...

MCROBBIE: Are there any last questions? We are a little behind schedule but if there are any...[End of Tape 1 Side B, some comments lost]

AGENDA ITEM #7: DISTRIBUTED EDUCATION FEES STRUCTURE

MCROBBIE: Let's move to Agenda Item #7. Bryan are you going to introduce this item?

MCCORMICK: Good afternoon. I'm presenting this proposal on behalf of the BFC Distributed Education Committee, Co-chair last year of the Distributed Education Committee and this years co-chairs Jim Capshew is here with us and Joe's not here with us today is that right. Joe Farley is the other co-chair. The proposal that you have before you is just a slightly modified version from that which was originally distributed. There was a last minute modification to update the proposal to include the identification of the distributed education program in the masters' degree in Chemical Informatics which came to our attention recently. At the time that we developed and did the work on this that program was just in its development and implementation and so it was not included.

To give some background on this issue the concern about the fee structure associated with distributed education on this campus became problematic for a number of schools engaged in distributed education and so during the fall semester of 2005 the Distributed Education Committee engaged in a series of activities to try and get a picture of the fee structure on the Bloomington campus related to distributed education. One of the findings was that there is no consistent policy that is either identified or followed. Second, finding information about what is offered in terms of distributed education is quite difficult if it's approached from the level of the unit—that is the school or College. Frequently the budgetary officers in those units really don't have any accurate information on the ways that fees are assessed. That in some instances there interpretations are based on, quite frankly, oral tradition as opposed to any identifiable policy.

And so given those findings what we did was to survey who is engaged in distributed education. As a result of the information that we collected you'll see on page two a basic structure of those units that are predominantly involved in continuing education and notice this includes the School of Continuing Studies at the undergraduate level and the master's in Adult Education at the graduate level, the School of Education, and the School of HPER. And in addition to this there is the Master's in Chemical Informatics. As you can see the fee structures vary quite a bit depending on who's offering it and also what program is being offered.

So one of the challenges we ran into in trying to get this picture was there was a decision by the Trustees approximately in the late-1990s. Up until the late 1990s the Trustees actually assigned a distributed education fee based on specific units within the university. For example the School of HPER would actually have a DE tuition set by the Trustees. In the late 1990s the Trustees stopped that policy. There is no record in the minutes of any meeting of a discussion or a decision but the policy ceases in the late 1990s. What happened in the late 1990s was a moratorium then of any development of any distributed education. The interpretation, right now, based on the Trustees policy is that distributed education is now assessed as resident/non-resident rate regardless of the program. However, within the School of HPER an existing program was in fact grandfathered in and still uses the resident tuition rate applied to non-residents enrolled in the program. But any new distributed education offerings are assigned at the resident/non-resident rate depending on students' residents. In the School of Education, the School of Education works with what they call a third-party contract with the bursar's office in which the students pay a set fee whether they are resident or non-resident. The School of Education pays the difference against the resident/non-resident rate and then gets that fund back in tuition. So they are basically paying it in and getting it back at a discounted rate. It is in fact a loss of funds but it allows them to offer these programs at a consistent rate regardless of whether the student is resident or non-resident.

The challenge posed by these policies as they currently are interpreted is that any distributed education offerings generated on the Bloomington campus will require a student who is a resident of Indiana to pay resident rates and a student who is a non-resident of the state of Indiana, not living in Indiana, not receiving the class in Indiana, to pay basically triple that fee which is basically how our out-of-state/in-state tuition relate to one another. The problem is one essentially where the growth of any distributed education offerings on this campus essentially have been frozen for the last six years as a result of the fee structure. The idea of trying to offer a distributed education course to a student living outside the state of Indiana and charging them triple the resident tuition rate makes us not at all competitive for other distributed education offerings or local offerings.

As a result of these situations we are proposing a number of recommendations. Before getting to the recommendations themselves I did want to mention that some of you may have seen a document circulated earlier this semester. That document was, what we refer to as the "Plater document". This document was generated by William Plater who most recently was the Executive Vice Chancellor at IUPUI and proposed a number of related types of concepts. Well we examined the Plater document in the development of our proposal. There are a number of things within that document that we found that were either inaccurate—there were some inaccuracies in the tuition—or that they didn't really apply well to the Bloomington campus. This document really identifies the issue of online learning. Our contention was that distributed education is broader than online learning alone.

Our recommendations are then that as a matter of policy that distributed education be permitted to set a single rate for DE courses assuming that rate is not below resident tuition rates. In other words we are proposing that DE programs can be set for a flat rate and that there is a floor to that rate. That rate can be set above resident tuition as long as Indian residents are not charged more

than non-residents. In other words that there may be costs associated with distributed education and so its possible that the unit may set a distributed education fee above the resident rate to accommodate that cost and they may charge Indiana residents at that higher than resident rate as long as that's a consistent rate. Probably more controversial is the idea that distributed education fees be set at the academic unit with approval of the campus chief academic and budget officers. In fact at present we have that position where the School of Education's distributed education rate and the School of HPER's distributed education rate and the School of Continuing Studies' distributed education rate are in fact different rates. Subsequently we do recommend that academic units develop policies to address application of DE fees to non-resident students enrolled in the DE campus. This is a particularly problematic issue. We have students who come to the Bloomington campus, they are non-residents, and they enroll in DE courses as a way to get around non-resident fees. So this is an issue that we recommend that the policies be developed at the unit level.

Specifically, also that fee structures for continuing professional education including those offered via DE remain within the jurisdiction of the academic units. As an aside I believe that part of the moratorium on distributed education has really harmed our ability to provide continuing professional education because basically our distributed education development has essentially been frozen. And this is a potential avenue to address a constituency, particularly for those of us in the professional schools. Finally there is a recommendation that from time to time units may have legitimate reasons for offering courses below the in-state tuition. An example that was recently raised in the School of Education was to identify and offer courses at a lower-than-resident tuition rates, essentially as a loss leader, to try to develop programs, and that these such exceptions be considered on a case-by-case basis with compelling evidence.

The last page simply offers some definitions. As I indicated the real impetus behind this policy and recommendation has been, for all intents and purposes, has been a moratorium on distributed education development for the last six years largely deriving from the fee structure that is at this point one of the principle obstacles to developing distribution education, unless of course we see distributed education as only serving the contiguous boundaries of this state.

MCROBBIE: Bearing in mind the time...

MCCORMICK: I'll be brief.

MCROBBIE: I'm sorry, are you still?

MCCORMICK: No, I'll be brief with answers if there are questions.

MCROBBIE: I was thinking since this is a first reading and there will be a second reading that we could, unless anyone has a burning question, defer discussion for the next reading and have this as an introduction to this. Bob has a question.

ENO: I just have a small question. On the fourth bullet point it says the academic units will develop policy, do you mean that individually or do you mean that the campus would develop a policy?

MCCORMICK: As the fees right now are designed as a per unit fee.

ENO: I mean the fourth one...

MCCORMICK: I'm giving some rationale. Since the policy is advocating that fees are set at the unit level this policy is also being advocated as being set at the unit level.

MCROBBIE: Ok, we'll come back to a fuller discussion.

AGENDA ITEM #8: FACULTY VIEWS ON OUTSOURCING

MCROBBIE: Herb has reduced the amount of time he needs by an order of magnitude so he only requires one minute.

TERRY: I have a homework assignment for you for tonight. As the President indicated, the Trustees are interested in outsourcing and they are interested in moving forward in a hurry. In November they are putting out an RFP on outsourcing of the bookstores. Neil asked Bryan and I, as co-chairs of the Budgetary Affairs Committee, to gather faculty sentiment about issues that might be important in outsourcing the bookstore. I've done what I can on the memo before you, labeled at the moment B9-2007 but it will ultimately become B13, is about what I am prepared to send Neil tomorrow. What I would ask you to do tonight is to look it over and send me any comments you have and I will do my best to incorporate them.

MCROBBIE: Masterful.

AGENDA ITEM #9: NATIONAL RESEARCH COUNCIL GRADUATE PROGRAMS SURVEY

MCROBBIE: David is here to speak on the NRC survey. This is actually a very important matter that we may want to come back to at some point too.

DALEKE: I appreciate the time to be able to give you a brief, a very brief update on where we stand on the NRC survey and then also to, I have a bit of a request to help spread some of the word. I hope most of you are aware that this year the NRC, the National Research Council, is performing a survey of research doctoral programs. They do this every ten years and once those surveys are completed the ratings and rankings are on the books and they last for quite some time and are regarded as one of the more prestigious rankings that are performed so that it is imperative that we make sure that we cast Indiana University in the best light. We can do that by participating fully in the survey.

We are actually in the midst of the survey right now. I would have called up to this point the silent phase because it has not really involved faculty directly but in the next few weeks faculty

surveys will go out and that will then directly affect most of the faculty on this campus. You have in front of you a green sheet that gives you a very brief summary of the survey, an extremely brief summary. At the bottom of that page are contacts for more information. There are some website links that will give you complete information about the survey and also I can be at your disposal for answering any questions you might have.

Right now we have, according to the NRC survey guidelines, reported 51 of our 75 PhD programs including three other programs that will be listed as emerging fields. So those 51 programs will be fully surveyed and reported and on Monday we will submit lists of all the faculty affiliated with those programs to the NRC and then within two or three weeks the survey of the faculty, the faculty will be contacted to fill out a questionnaire which is the white document also in your package. Really the point of my being here is to raise some awareness of that faculty survey, have you take a look at it, and spread the word amongst your faculty, and then get any answers that you can from the people that are listed on the bottom. Most importantly, besides myself, your chairs, the directors of graduate studies, and the graduate administrative assistants.

MCROBBIE: Any questions for David?

ALTER: Just looking at this briefly I see here that this is the faculty survey.

DALEKE: That's correct.

ALTER: And it says here your participation is voluntary.

DALEKE: That's correct.

ALTER: Are there consequences for the institution if faculty refuse to participate.

DALEKE: If the overall faculty participation rate is low that program will not be included in the survey. However, most people anticipate that our levels will go above that mark. The NRC hasn't published what that mark will be yet but it would probably have to be fairly low. If we can get more than 50 or 60 percent participation I think we're in the range of being included. The NRC will contact all of these invitees at least three times by email if they have not yet responded.

ALTER: Now is everyone invited or is it a sample?

DALEKE: It will be all of the faculty who are affiliated with the programs that have been reported. And so we have approximately 1000 faculty who will be included in the survey. So it's not everyone because not all of the research doctoral programs will be reported.

MCROBBIE: And we wish to encourage everybody to fill those out.

DALEKE: Yes, absolutely. And what we will be told is what percentage of faculty in our programs have responded. And we will be beating the bushes and maybe advertising a bit more

ourselves if the numbers end up being low. But it's extremely important in the regard that all faculty productivity, research productivity, scholarly productivity be recorded in the NRC survey because that is what the ratings and rankings will be based upon. So in fact the faculty questionnaire is probably the most important questionnaire of the entire survey in that regard.

MCROBBIE: This obviously as people realize is an extremely important exercise and will be a lot more credible than many of the other rankings out there that are used so the greater the participation the better.

KOLBE: David, could there be done some marketing beforehand? We all get so many surveys and sometimes we don't look at the implications of them are...a letter from a senior official of the university saying that this is going to be important please respond to it might generate a better response rate from the beginning rather than trying to have to do it at the end.

DALEKE: Yes, and in fact we have a memo prepared that will go to all faculty before they receive the survey. It describes the survey and has additional details in places where they have questions. And Provost McRobbie has volunteered to sign off on such a memo. We will probably do it in two ways—one by regular mail and also by email. We're trying not to over-saturate faculty because they are very quick with the delete button if they see something suspicious.

MILLER: Is there some way to describe the programs that are going to be included in this versus not?

DALEKE: Yes, the programs to be included were determined by the NRC methodology study in 2005 and that set a taxonomy of fields that were to be included. You can get access to that information at the Graduate School website, the link is at the bottom of the page. If you follow the first link to the Graduate School webpage on the NRC survey you'll find a link to the taxonomy. And then also a listing of all of the IU programs that are going to be included and those that are not going to be included as well. And the ones that are not included are not included because they don't meet the NRC criteria, that's the only reason.

ROTELLA: One small suggestion which is that I know everybody loves to get email from Michael or from you if you could impress department chairs about this, getting department chairs to encourage their members to participate, I think would be most effective.

DALEKE: That's a very good idea and in fact Dean Sept invited me to speak to department chairs a few weeks ago and we've already spread information to them as well.

ROTELLA: And then a quick question because my department is listed here the questions that go to the PhD candidates, what will that information be used for and how important is that?

DALEKE: The student survey will only include four fields for our campus—that's English, Economics, Physics, and Neurobiology/Neurosciences—and it will only be for students who have been admitted to candidacy. Primarily the goal of that is to find out what type of experiences those students have had, most importantly including inter-disciplinary experiences as well as their sources of funding. So that is probably the most significant part of that is how

their graduate education has been funded. All these questionnaires are available and can be viewed online at the NRC site from that link that's on the bottom if you'd like to see the details.

DAWKILIC: It's going to seem like a strange question I'm sure but is there a validation of this data when it's received?

DALEKE: Yes, the NRC has hired a company, a survey company of mathematic and policy research to do this. All of the data we have submitted we can internally validate what we've given them, in other words to make sure they haven't misshapen the information. But then in the spring all of the information that has been submitted for all of the questionnaires will be available to us for review and so we'll be able to check. The survey started about a year ago in full force and will continue officially through this academic year at which time the data will start to become analyzed and then in 2007-2008 the results will be published in a series of meetings and other venues. The data will be available on the web through the NRC so you will be able to create your own ratings and rankings according to whatever criteria you wish to choose for your program and other programs as well. So there will be a lot of flexibility in the analysis in the end.

MCROBBIE: Time for one more question before we have to close.

WATSON: How did you determine which departments graduate students would be included from?

DALEKE: I didn't do that, it was the NRC. The NRC decided that through the methodology study and there was a lot of debate because we saw at least three or four different lists and the final list didn't come out until September. It was entirely done by the NRC and it's only meant to be a sampling, that was not meant to be a comprehensive analysis or survey of graduate students.

MCROBBIE: Ok, we have reached 5:30pm by my watch. We are adjourned. Thank you, David.

Meeting adjourned at 5:30pm