

**State of Indiana
Commission for Higher Education**

Minutes of Meeting

Thursday, August 14, 2014

I. CALL TO ORDER

The Commission for Higher Education met in regular session starting at 1:00 p.m. at Ball State University, 2800 West Bethel Avenue, Muncie, IN 47304, with Chair Jud Fisher presiding at the beginning, then passing the gavel onto Mr. Dennis Bland.

ROLL CALL OF MEMBERS AND DETERMINATION OF A QUORUM

Members Present: Gerry Bepko, Dennis Bland, Sarah Correll, Jon Costas, Susana Duarte De Suarez, Jud Fisher, Lisa Hershman, John Popp, and Caren Whitehouse.

Members Absent: Allan Hubbard, Chris Murphy, Dan Peterson.

CHAIR'S REPORT

Mr. Fisher invited President Raul Ferguson, Ball State University (BSU) to give welcoming remarks. Dr. Ferguson welcomed members of the Commission to the campus.

On behalf of the Commission, Mr. Fisher thanked President Ferguson and campus leadership for the guided tour of the BSU campus yesterday; for hosting a reception at the David Owsley Museum of Art last night, and for hosting the meeting today.

Mr. Fisher introduced a new Commission member, Ms. Lisa Hershman and invited her to talk about her and her company. Ms. Hershman said that she represents the Fourth Congressional District; she is the CEO of the DeNovo Group, a global consulting, training, and research firm focused on leadership and innovation through process management and redesign. Ms. Hershman said she is excited to be on the Commission.

Next, Mr. Fisher introduced Ms. Sarah Correll, the new Student Member on the Commission, and invited her to talk about herself. Ms. Correll said that she grew up in Miami County, north of Peru, Indiana, has a strong background in career technical education, and was involved with agricultural education. This year Ms. Correll will be a junior at Purdue University, double majoring at Agricultural Education and Agricultural Economics. Upon her graduation, she is looking forward to returning to Miami County.

Mr. Fisher mentioned that Mr. Mike Smith, former Commission Member, left the Commission to serve on Board of DePauw University. Mr. Fisher invited Mayor Costas to read a resolution for Mike Smith.

R-14-05.1 **WHEREAS**, Michael Smith served with distinction on the Indiana Commission for Higher Education since his appointment in July 2006 and reappointment in July 2010 to represent the Fifth Congressional District; and

WHEREAS, he always approached challenges facing higher education from a statewide perspective, with attention to how Indiana's system of higher education served the needs of students; and

WHEREAS, Mike generously devoted his time and talent to the Commission, taking an active interest in all aspects of the Commission activity and serving as Vice Chair of the Commission from 2008-2009 and as Chair from 2009-2011; and

WHEREAS, he has been a dedicated member of the Budget and Productivity Committee since that Committee was created in 2011, and served as Chair of the Committee since 2013; and

WHEREAS, Mike played a key role in the development of four biennial budget recommendations, most recently during crucial discussions of performance funding as part of the Commission's 2013-2015 Biennial Budget recommendation; and

WHEREAS, he has consistently advocated for a transparent, comprehensive understanding of university finances; and

WHEREAS, Mike helped shape the Commission's strategic vision, as expressed in *Reaching Higher* and *Reaching Higher, Achieving More*; and

WHEREAS, his passion for this work is reflected in his contributions to multiple organizations and causes that promote opportunity and excellence;

NOW THEREFORE BE IT RESOLVED, that the Indiana Commission for Higher Education expresses its deep appreciation to Michael Smith for his eight years of service to the State on behalf of Indiana Higher Education and wishes him every success as he continues his commitment to higher education as a member of the DePauw University Board of Trustees (Motion – Bepko, second – Duarte De Suarez, unanimously approved).

Commissioner Lubbers said that on Wednesday, November 12th, evening prior to the Commission meeting, the Commission is planning to have a reception honoring Mike Smith, and details will be announced later.

Mr. Fisher said that before his duties as a Chair are over, he would like to talk about what it meant to be a Chair, to talk more broadly about education in general, what he had learned as the Chair of the Commission, and what he was able to bring back to his role at Ball Brothers Foundation.

Mr. Fisher said that the last year has driven home the fact that this is the unprecedented time of reflecting and guarding every aspect of education. The things he is exposed to through the institutions in the state solidify the fact that it is important to tie many traditional and new methods of education together. Mr. Fisher pointed out that people talk about change, when a lot of efforts that need to be focused on are simply to bridge the continuum of life-long education together more smoothly.

Mr. Fisher said that many educational programs are far simpler than expected, yet extremely effective. We *as a society* need to prepare children to be ready for kindergarten, so they can read by the third grade, and then they are prepared to learn. *Then* it is imperative to prepare children to strive for career pathways through higher education and other options.

Mr. Fisher spoke about some educational programs from his backyard in this community, such as the Muncie B-5 program, MP3, Project Leadership (ICE League), TeenWorks, ASAP, Virginia Ball Center (Circus in Winter), Honors College, the David Owsley Museum of Art, Immersive Learning Fund (seed program for faculty). Mr. Fisher briefly described each of these programs.

The aforementioned items, continued Mr. Fisher, are sometimes bold new ways to assist students in completing their education. Some are just common sense applications that are often overlooked in the *frenzied tumult of a million ideas competing against each other*.

Mr. Fisher wanted to say three things to make sure the Commission does not go off the deep end: 1) Don't change things just for the sake of changing things; 2) Continue to try to take items that work and try to apply them regardless of the credit; and 3) Evolve when necessary.

Mr. Fisher said that Commissioner Lubbers and staff made this past year extremely fulfilling and really easy due to their professionalism. He said he commends this agency for not being bureaucratic and

working with institutions in the name of student success. Mr. Fisher thanked Teresa, her staff, his fellow Commission members and former Governor Daniels for allowing him the pleasure to play a part in the State's education mission.

Mr. Fisher noted that his grandfather, John Fisher, never served on the Commission, but he assisted in its creation. It has been an honor to fill the Chair's position, and continues to be an honor to serve as a member of the CHE in the name of enlightenment, assess of skills and knowledge in the state and beyond.

Mr. Fisher proposed the Officer Slate for 2014-2015 to the Commission. This slate was created by the nominating committee consisting of one member per class. The slate includes: Mr. Dennis Bland, Chair; Mr. Dan Peterson, Vice Chair; and Ms. Susana Duarte De Suarez, Secretary.

R-14-05.2 RESOLVED: That the Commission for Higher Education approves the Officer Slate for 2014-2015 (Motion – Whitehouse, second – Costas, unanimously approved).

Mr. Fisher congratulated the new officers and passed the gavel to the new Chair, Mr. Dennis Bland.

Mr. Bland said he wanted to acknowledge this profound honor. First of all, he acknowledged and recognized Mr. Fisher for his quiet, excellent and exceptional leadership.

There are fourteen members that represent the Commission for Higher Education, continued Mr. Bland, and it is set in such a way that they provide different perspectives, backgrounds, and experiences. Mr. Bland wanted to share his background, experience and perspective, with the hope that will bring some contribution to the important public service that the Commission members provide.

Mr. Bland said that he is the son of share croppers. His parents lived on property that they didn't own. He was born in Pittsburgh near Mississippi, and by the time he was in the sixth grade, he had obtained more formal education that both his parents combined. Expression "first-generation student" means a lot to him, because he represents the first generation in his family who didn't work in the cotton field, and the first generation who was not precluded from obtaining an education because of the race. Mr. Bland said that he was the youngest of eight children. His mother passed due to cancer when he was five, and at the time, the oldest child was 13; and his father raised these children. It is from this perspective, said Mr. Bland, that he has the greatest sense of humility; and the greatest honor has been bestowed on him, as well as on his father and mother.

Mr. Bland said that he is here for one reason: to try to make a contribution, as everyone else has contributed to the advancement of the education in the State. He wanted to underline three main things:

1) He would like to give due credit to the individuals who have led before him by continuing this pursuit of our exceptional strategic plan of *Reaching Higher, Achieving More*; and he wants to make sure the Commission will continue with this plan. Mr. Bland noted that it is important to go back to see how well the Commission is doing and what can be done working in partnership with state colleges and universities.

2) Mr. Bland said he would like the Commission to continue its work to see the value of education in Indiana, and to continue developing the culture of education throughout the state.

3) Finally, Mr. Bland said that as a President of the Center of Leadership Development, he is often asked what keeps him up at night. Mr. Bland reminded the Commission members about Indiana University student Lauren Spierer. This accident happened in 2011, but Mr. Bland said he keeps thinking about it. He added that in his opinion, it would be important for the Commission made a statement or a resolution that would discuss these issues on campus, as the Commission is trying to push college success and completion. Mr. Bland also mentioned his concern for the issue of date rape and rape on our campuses. Mr. Bland said it is important from the leadership perspective to say that the Commission cares and stands in partnership with colleges and universities as they address these important issues.

In conclusion, Mr. Bland said that he is humble to serve and wants to do everything he can to help the State.

Mr. Bland invited Commissioner Lubbers to give her report.

COMMISSIONER'S REPORT

Ms. Teresa Lubbers, Commissioner, began her report by thanking Mr. Fisher for providing great leadership. She agreed with Mr. Bland's comments about Jud's quiet and effective leadership, and added that the staff is very grateful for the kind of volunteer leadership from every member of the Commission. Commissioner Lubbers expressed profound gratitude to all Commission members, and assured them that the staff never takes their work for granted.

Commissioner Lubbers thanked President Ferguson and staff for hosting the Commission. She said that the Commission members and staff especially appreciated hearing the success stories from former Ball State students.

Commissioner Lubbers said that the "lazy days" of summer have been anything but that for the Commission, as it is trying to move to address the significant issues in the state. Commissioner Lubbers said she would highlight a few of the Commission's efforts, including an update on some ongoing projects and an overview of some new initiatives. Commissioner Lubbers reminded the Commission members that Indiana was one of three states selected to receive a Guided Pathways of Success grant from Complete College America (CCA) and Lumina. Consultants have conducted a progress and needs assessment with each of the participating campuses, identifying common challenges and unique needs. In October, the Commission will host the first of three statewide planning meetings to craft their GPS implementation plan. Future meetings will focus on transfer pathways and math pathways.

Speaking of math pathways, continued Commissioner Lubbers, it is known that this is one of the reasons the students do not persist in college. Commissioner Lubbers said she is pleased to announce that Indiana has been selected for another CCA opportunity to develop a statewide approach to math that is properly aligned to degree programs. Ivy Tech is looking at the new math pathways; K-12 is doing this, as well, insuring academic rigor, but making sure that it is possible to redefine math, so that it is not a stumbling block or permanent barrier to college completion.

Commissioner Lubbers mentioned that she had the opportunity to testify before the U.S. Senate Committee on Health, Education, Labor and Pensions on July 24th. Deliberations are underway – and have been for quite a while – on the Higher Education Reauthorization Act, and the Commission was asked to share its perspective and recommendations. This meeting was designed to talk about the State's role in higher education. In particular, noted Commissioner Lubbers, she provided testimony on what the Commission is doing in Indiana to increase student success, including the performance funding formula, degree maps, credit creep legislation, the Commission's "15 to Finish" campaign and student financial aid reform. Commissioner Lubbers said that she recommended efforts to expand the IPEDS (Integrated Postsecondary Education Data System) to include reporting beyond first-time, full-time students. Other recommendations included the federal government providing "truth in lending" for student loans and changes to federal financial aid by defining full time as 15 rather than 12 credits a semester; paying for completed rather than attempted course; and funding summer Pell, so that summer could be used to either catch up or get ahead.

Commissioner Lubbers added that during her testimony she also highlighted IU's initiative to reduce borrowing by telling students annually before they take out loans for the next year what their monthly payments would be after graduation. Borrowing under the federal Stafford loan program dropped 11 percent, or \$31 million, in a nine-month period with this common-sense effort.

Earlier this week, continued Commissioner Lubbers, the Commission announced that nearly 2500 21st Century Scholars at IUPUI, Ivy Tech and Indiana State University will be connected with a trained coach, thanks to a \$2.4 million grant from USA funds. This new state initiative, Inside Track, is designed to increase graduation rates by up to 15 percent.

Commissioner Lubbers said that a complementary effort was announced by the newly created IU Office of Completion and Student Success, focused on providing advanced training and data resources; improving student progress monitoring and reporting; and developing and implementing new technologies that support student completion, including enhanced system-wide software platforms that use alerts and degree mapping to provide real-time feedback on students' academic performance. This initiative targets top priorities of increasing degree completion rates, reducing time to degree completion and reducing student debt – recognizable goals outlined in *Reaching Higher, Achieving More*.

Finally, Commissioner Lubbers wanted to highlight an announcement made by Purdue earlier this week. Students in their Brian Lamb School of Communications will have the option to earn their bachelor's degree in three years. The savings is estimated at \$9,290 per student, roughly the cost of one year of in-state tuition. President Daniels announced a competitive process and an accompanying **\$500,000** prize, and this money will be used to track student progress, build a support network and market the program. Great ideas are coming from every institution – all designed to increase student success and affordability.

Mr. Bland acknowledged an outstanding work of the Commission's staff.

CONSIDERATION OF THE MINUTES OF THE JUNE, 2014 COMMISSION MEETING

R-14-05.3 RESOLVED: That the Commission for Higher Education hereby approves the Minutes of the August, 2014 regular meeting (Motion – Costas, second – Fisher, unanimously approved)

II. DISCUSSION ITEM: The Public Square

A. Financial Barriers to Completion

In his introductory comments, Mr. Bland reminded the Commission members that at its May meeting the Commission began a conversation about “overcoming hurdles to completion.” The Commission continues this discussion with a Public Square focused on Financial Barriers to Completion.

Mr. Bland introduced four panelists joining the Commission meeting: Dr. John Laws, Vice Chancellor for Student Affairs, Ivy Tech Community College Lafayette; Mr. Paul McGuinness, Vice Chancellor for Enrollment Management and Student Services and Dr. Karen Schmid, Vice Chancellor for Academic Affairs, both from Purdue North Central (PNC); and Dr. Dave McFadden, new President of Manchester University. Ms. Sarah Ancel, Associate Commissioner for Policy and Legislation, was coordinating the panel discussion.

Ms. Ancel said that this session is about overcoming financial obstacles to completion. While there are clearly a lot of these, the Commission will narrow its focus to one particular challenge. Many of the efforts at the Commission is to focus on trying to boost students from “full-time” at 12 credit hours to “on-time” at 15 hours. Ms. Ancel said that the staff has spoken with advisors about the reasons students do not take 15 credits. One seems straightforward: at most institutions, taking 15 credits costs more than taking 12 credits, and financial aid does not fill in that gap. In the long run, the most cost effective degree is an on-time degree, but on a semester by semester basis, on-time costs more.

Ms. Ancel said that the public square today will focus on a variety of strategies developed to alleviate the marginal cost of the fifth course. Ms. Ancel said that first she will talk about Oklahoma, which is approaching this on a very large scale. Oklahoma decided to convert to flat-rate tuition. They converted as a student success effort, encouraging students to graduate sooner and enter the workforce earlier. This allows student to earn one or two years of additional income during their careers; save them one or two years of room, board and other college related expenses; and reduce student loan debt. Also, students who finish faster are

more likely to complete college altogether, as they are more likely to avoid obstacles that could arise before graduation.

Ms. Ancel said that when converting from rate per hour tuition to a flat-rate, it is necessary to decide what rate to choose. Oklahoma students are charged rate equal to 15 credits for 12-18 credits. Some scholarships are available to already-enrolled students to offset tuition increase (based on need). They also implement appeals process for students, whose circumstances prevent 30 credit hours of enrollment. Also, students, who take fewer than 30 credits (in fall and spring semesters), can apply the “banked” tuition they paid to summer courses; this also applies to online courses.

The implementation started in fall of 2013 in the University of Oklahoma; in the fall 2014 this system will be implemented in Oklahoma State University, University of Science and Arts of Oklahoma, and in Langston University. Ms. Ancel noted that the Commission only has one year results of this change, from University of Oklahoma, but they are impressive: 1000 more students took 15 credits; an estimated increase in graduation rate is five percent; summer enrollment expected to go up 30 percent; and 280 of 300 appeals have been granted.

Ms. Ancel finished with the quote from Dr. Dex Marble, Vice President for Academic Affairs of Oklahoma State University: “This new flat tuition structure encourages students who might be tempted to enroll in the minimum hours to obtain full-time status to take that extra class because, frankly, they are paying for it anyway.”

Ms. Ancel invited panelists from Purdue North Central (PNC) to talk about their tuition discounts.

Dr. Karen Schmid said that their presentation fits in well with what Ms. Ancel has just talked about and with the discussion this morning on the “15 to Finish” initiative. Dr. Schmid gave a brief background of PNC. She said that around 70 percent of their students are first generation; most of them are of low and moderate income and tend to be debt averse; and many students and parents believe that working many hours and taking fewer credits is the way to succeed. Dr. Schmid said that typical enrollment at PNC is for 11 credits; and it has been at this level for years. Many students dropped courses due to work and family conflicts.

Dr. Schmidt explained that at PNC they charge by credit hours. It would be preferable to have flat-rate tuition; however, charging by the credit hour is common at campuses with many non-traditional students; flat-rate tuition is not an option for them. At the same time, there are changes in the PNC student population. They see more and more traditional students, average age 24, though some of them may have obligations of the non-traditional students. Dr. Schmidt said that at PNC they have more high achieving students due to a concurrent enrollment: 36 percent of entering students have concurrent enrollment, which requires minimum HS GPA of 3.0. At the same time, they still have many non-traditional students transferring from other institutions; as well as many re-entry and adult students.

Dr. Schmid said that PNC has goals for its students: to increase credit hours taken and completed; increase timely degree completion; decrease cost of attendance and loan debt; change the culture to support 15 or more credits; make sure that changes in the tuition structure will have no adverse effect on budget; make sure all these goals are beneficial for the students, university and the State.

Dr. Schmid said that they have come up with the solution to incentivize students to enroll in 13 or more credits. This program began this fall, and it means taking ten percent rate reduction for each credit hour taken beyond 12 hours per semester. Dr. Schmid explained that PNC considered tuition incentive plans, such as partial tuition rebates from on-time completions, at other institutions. PNC believes this encourages greater enrollment intensity from the first semester on will lead to greater student focus on education.

At this point Mr. McGuinness continued presentation. He said in most ways parents act as co-dependent, holding the credit hours down. PNC looked at the statistics, starting with the fall of 2012 cohort: 29 percent came with 12 credit hours and 29 percent – with 15 credit hours. Then, continued Mr. McGuinness, PNC looked at the number of students who dropped courses: 53 percent students with 12 credit hours versus 48 percent of students with 15 credits. For the full course withdrawals, the numbers are: 18 percent of students with 12 credit hours versus six percent of students with 15 credit hours.

Mr. McGuinness spoke about the credit hours and students remaining full-time, and there was a very obvious difference here: 47 percent of students with 12 credit hours versus 78 percent of students with 15 credit hours. 76 percent of PNC students are enrolled full-time; of these full-time students in the fall of 2014 41 percent of students were taking 13 or more credits, and in the fall of 2014 this number was 54 percent.

Mr. McGuinness said that four years ago students were enrolled on average in almost 11 credit hours. In the fall of 2014 students are enrolled in average of 12.3. It may not seem like a big difference, but there is a possibility of graduating in nine semesters with 12.3 credits versus graduating in almost six years. Roughly, if a student earns 15 credit hours each semester, he will get back \$500 directly, and nearly 54 percent of PNC students who are registered for fall are taking advantage of the tuition discount and taking 13 or more credit hours. As of August 11, PNC students have saved \$102,214.53 in tuition for the fall semester alone.

Mr. McGuinness stated that there is great synergy going on is with the conjunction with “15 to Finish” initiative, the performance funding model and changes in the financial aid at the State level. PNC is doing a lot more proactive, intrusive advising, and it is going well, just as the supplemental instruction, when students can get an extra lecture per week.

Dr. Schmidt continued the presentation by expressing some concerns. One of them is a potential impact on student performance, whether more students will be dropping classes. The counselors will be working with students and monitoring the grades, as well. They will also be looking at success in subsequent courses, when students are taking more classes. Dr. Schmidt also pointed out that they understand that taking 15 credits is not appropriate for everybody, especially for non-traditional working students. Dr. Schmidt said that they are following other data to track on impact of tuition discount: retention; demographics of students taking advantage of the discount; grade point average of those enrolled in 13 or more credits versus those enrolled in 12 credits or fewer; course withdrawals, and transfer rate. Some of the next steps Dr. Schmidt spoke about include continuing to track student academic progress and achievement; marketing the tuition discount program in connection with “15 to Finish”; and considering flat tuition as an additional tool.

Mr. McGuinness added that some of the tools they are providing on their website are links to admissions and financial aid offices; communications with students and parents on regular basis; using new student orientation, advising, faculty involvement and the Bursar’s office.

In conclusion, Mr. McGuinness read a quote from PNC Chancellor Dr. James B. Dworkin: “I am encouraged to see that our PNC students are taking advantage of this tremendous opportunity. Our students realize that by completing just one additional three-hour class each semester, they will not only save a significant sum of money, but they will graduate earlier and start earning the income that comes with earning at Purdue University degree.”

In response to a question from Mr. Popp whether PNC managed not to spend any extra money on additional faculty, Dr. Schmidt said that they haven’t hired any additional faculty, but it was important that the faculty understand the benefit of this program, because many of them still believe that 12 credits is enough. Mr. McGuinness added that it is important that the student takes 15 credit hours. He confirmed that there has not been any additional cost so far.

Mayor Costas said that the culture is being created through various means, but it is great to see the results. Dr. Schmidt said that though they are seeing a lot of progress, it will take time.

Ms. Ancel invited Dr. John Laws to talk about Ivy Tech's "15 to Succeed" program.

Dr. Laws began by saying that this program was developed by him for the Ivy Tech Lafayette region only. Dr. Laws said that he started this program before he found out what the Commission was promoting that "15 to Finish" initiative, but he knew that some of the States were moving in this direction. Dr. Laws said he thought it would be a good idea to add it to our menu of opportunities that are provided to their students.

Dr. Laws explained that they came with a two phase approach: general awareness about having publicity on campus through different ways in the first phase, and selection and invitation to participate in the second phase.

The second phase started last December for enrollment for spring semester. At first, explained Dr. Laws, he looked at currently enrolled degree seeking students; those who were enrolled in exactly 12 hours; had completed 30 credit hours or more; had GPA 3.0 or higher, and have not previously been offered this program.

Dr. Laws said he identified 102 students by the above criteria and invited them to participate. 32 of these expressed interest, and 31 participated. He said that the initial invitation explained that this is a good opportunity, and if they agree to take an additional course, he will pay the tuition and fees, but the students will have to pay for the books and some additional expenses. Approximate cost paid by the college out of discretionary fund was \$9,500. It was not a discount for tuition, but foundation money that Dr. Laws was able to use for these students.

Dr. Laws showed a slide with the results. Over all, out of 31 students enrolled 27 completed this semester. The program continues in Lafayette; it is being reviewed by other regions in college. So far, 94 additional students in Lafayette have been invited to participate for fall 2014. Registration continues until August 25.

In conclusion, Dr. Laws said that giving an opportunity that might be available for students can drive success for the State goals, as well as to help students to be successful. Even though Ivy Tech serves a lot of part-time students, there are students who have time and resources to attend full-time, and they could be made aware that full-time means not 12, but 15 hours.

Ms. Ancel invited Dr. McFadden to speak about the efforts at Manchester University.

Dr. McFadden said that even though he has been a President for six weeks, he has been with the University for 21 years. He said that he has been working with the idea of on-time completion for his entire career. At first, the idea of the block tuition versus credit hour tuition reminded him of "a college cafeteria line", where students used to pay separately for every item they took. Now at Manchester they have a "buffet"; it is "all you could eat", and they try to teach students to make good choices.

Dr. McFadden explained that at Manchester University they have had block tuition since the 30s. With current block tuition structure students can take 12 to 16 credit hours. The University has "Three–One–Three Calendar" with three courses in the fall, one course in January, and three courses in spring. A student who enrolls full-time in fall using block tuition can take 12 hours in fall plus three or four in January for free; or if the student goes full-time in spring, he can take free classes in January, as well. Some students, who take 18 credit hours and have some dual credits, could finish in three years.

Dr. McFadden said that this system gives families, especially those of first year students, better understanding what their tuition is going to be. Having a clear tuition rate helps

eliminate one of the biggest hurdles for students: not knowing what their tuition will cost. Full-time students could add or drop a class, and this will not change their bill. That is very important, but even more important academically is those students having much more flexibility. They make academic choices for academic reasons, rather than for budgetary reasons. Students can take extra classes and double- or triple-major at no extra cost; they can change their major and take extra classes they need to complete on-time. Dr. McFadden said they found that the advantages of this program apply both to strong and weaker students. Stronger students are able to accelerate to their graduation or enhance their curriculum; weaker students are able to mix lighter and heavier load based on their readiness for those semesters, and they all are able to finish at the same time.

Speaking of creating a culture of education, continued Dr. McFadden, with block tuition, students assume that they are going to be full-time. A full-time student is on path to graduate in four years, and this is on-time completion. In Manchester on average 79 percent of graduates finish their degree in four years. At IU the number is 73 percent, at Purdue and Ball State, 67 percent graduate in four years. This metric can be used to talk about progress of four year completion. Manchester is deeply invested in its students' success; by using block tuition it has invested in a number of things to help many of our students to finish on-time.

Dr. McFadden said that almost a decade ago they have introduced a program called "Triple Guarantee." It guarantees that every full-time student will receive financial aid from Manchester; that they can graduate in four years as full-time students, and if they don't, the University will give them free tuition for credits they need to graduate; and that they will be in a job or in a graduate school within six months of graduating, and if not, they can return tuition-free for the fifth year to make themselves more marketable.

Every student takes advantage of financial aid; very few students came back to because they needed more time to finish or become more marketable. This is a part of their culture of success, and at Manchester the students have a guarantee that they will succeed. Dr. McFadden added that in 2008 they started a program called "Fast Forward," which allows students at any major in Manchester to finish in three years at a regular load plus two summers, or if they take additional load they can finish in three years plus one summer. They get into the job market sooner, and it could save them around \$40 or \$50 thousand in tuition.

Mr. Fisher said Ivy Tech in Muncie has just received its first cohort of 21 students into the ASAP program. With this program students can get their Associate Degree within one year, and the completion rate with this program is ten times higher than with the rest of the programs at Ivy Tech. Mr. Fisher asked Dr. Laws' opinion on this program. Dr. Laws said that there has to be a choice to meet the needs of students with different skill sets. There are strong criteria in the ASAP program, and the students who meet these criteria are invited to participate and succeed. But this program is not for all students, just like "15 to Finish" is not for all students.

Dr. Schmidt added that at PNC there is the "One Plus Three" program, where the students are taking dual credits in one of the seven local school corporations. With this program, students could complete a year of PNC courses and come to PNC as sophomores in three majors: biology, business, or human resources. They could also complete the general education program via concurrent enrollment. The students are not paying for these programs.

Ms. Duarte De Suarez asked for an explanation of the difference between "flat-rate" and "banded" tuition. She also asked about the cultural acceptance of the flat-rate. Mr. McGuinness responded that Purdue West Lafayette has been doing flat-rate tuition for a long time. It is the same cost of attendance, whether you take 12 or 18 credit hours; however, once a student hits the threshold of credit hours, no matter how many more he takes, it's the same cost. Dr. Schmidt explained that "banded" rate refers to credits between 12 and 18; if you take 21, there is an additional charge. Ms. Ancel added that typical a "banded tuition" is

going to be within a certain range, so it most often between 12 and 18. Flat-rate would be exactly the same for anything from one credit to 12.

As to cultural acceptance, Dr. Schmidt said that faculty would be in favor of flat-rate; they do not want to encourage students to take too many credits. Any institution will have to do this carefully to make it work both for the institution and for the students.

On behalf of the Commission, Mr. Bland thanked the panelists for their remarks and participation in this discussion.

III. BUSINESS ITEMS

A. Resolution Encouraging Use of Banded Tuition as a Strategy for Student Success and Completion

Mr. Bland said that as the panelists have clearly articulated the importance of removing financial barriers to completion, the Commission now has an opportunity to adopt a resolution to encourage Indiana public institutions to use banded tuition as a strategy for student success and completion.

- R-14-05.4** **WHEREAS**, only three in ten Hoosiers finish a 4-year degree on time and only one in ten finishes a 2-year degree on time;
- WHEREAS**, an additional year of college costs an estimated \$50,000 or more in tuition, lost wages and related costs;
- WHEREAS**, state financial aid changes make it critical that students complete 30 credits each academic year to continue receiving the maximum state funding;
- WHEREAS**, long-term costs of extended time to degree are not always apparent to students but short-term tuition charges are;
- WHEREAS**, tuition charged by the credit hour creates financial disincentives for students to take more courses in a particular semester;
- WHEREAS**, some students elect to take 12 credits instead of 15 when they are charged additional tuition for the fifth course despite the long-term costs;
- WHEREAS**, seven in ten students at Indiana public institutions that charge banded tuition take 15 credits in a semester compared to two in ten at institutions that charge by the credit hour;
- WHEREAS**, experience in Indiana and in other states suggests that converting to banded tuition is a promising strategy for increasing student success and on-time completion;

NOW THEREFORE BE IT RESOLVED:

- I. That the Commission designates banded tuition as a critical component of Indiana’s on-time completion agenda.
- II. The Commission encourages Indiana’s public institutions that currently charge tuition by the credit hour to consider a banded tuition structure.
- II. The Commission urges institutions that convert to banded tuition to select a tuition rate that does not unnecessarily raise tuition for students currently taking 12 credits (Motion – Bepko, second – Duarte De Suarez, unanimously approved)

B. Indiana Chamber of Commerce Employer Survey Results

Mr. Bland said that as the Commission continues to have discussions about alignment between higher education and the labor market, it has the opportunity to hear about the Indiana Chamber of Commerce Employer Survey. Mr. Bland invited Ms. Amy Marsh, Director of College and Career Readiness Initiatives for the Indiana Chamber of Commerce, to present these results.

Ms. Marsh presented this item.

Commissioner Lubbers said that both she and Ms. Marsh attended the meeting at the Chamber yesterday, to look at the topic of work-based education and how, throughout college, students have an opportunity to be in an employment situation. Commissioner Lubbers said that in her opinion, it is a much better environment than it used to be; but there are still differences in approaches.

Commissioner Lubbers mentioned several studies that have come out recently, talking about higher education institutions' belief that they are preparing people for the job market, and employers' insistence that they are getting people not prepared for the job market. Commissioner Lubbers said that in her opinion, the survey indicates that while employers want people to come in with certain skills sets, overwhelming majority of them have not been involved in high schools very much. Some employers say that high school or college graduates come to the workforce not prepared for the career and learn while they are at the job.

Commissioner Lubbers said that the lesson for both parties, the employers and the institutions is how to communicate better; to understand what the needs of the workforce are, and to have our students experience real life work-based experience before they either go to their senior year in college and realize that they have the wrong major, or before they realize that they are not prepared for a job that they really want. USA Funds is interested in funding some work around this area and especially making Indiana an example of work-based education and what that might mean.

Ms. Marsh said that a really encouraging part for her is that this is happening today in so many different conversations through the Career Council; this idea of better connecting, working and learning new systems was reflected through the strategic plan.

In response to Mr. Bland's request to summarize some areas that seem to be most important for her and could be informative for the Commission, Ms. Marsh said that it was the headline that 39 percent of employers left the job unfilled. The same employers expand the workforce, which means additional jobs to fill, and these are middle- and high-skilled jobs. The question is how to find the right match for students to find these jobs, and how to make sure they have opportunity to be successful once they are at these jobs. This success would be defined from the employer side as having those soft skills.

Ms. Duarte De Suarez asked whether Ms. Marsh found in her research and survey whether there were any questions or any information given regarding continuing education or augmented skill education within the modern workforce. Ms. Marsh responded that they did ask about tuition reimbursement policies and opportunities with employers, and when they shared this with Chamber members, they heard that the employers would pay for the continuing education experiences, would offer various tuition reimbursement policies, because the employees need that.

Ms. Duarte De Suarez said that in her company they need to offer almost custom made training of some basic skills, which their employees should have had, but do not. Ms. Marsh said that some employers spent \$3.6 million on such training.

Dr. Bepko asked whether this survey shows what percentage of employees or applicants would have likely been college graduates. Ms. March responded that 30 percent of respondents left jobs in high-skills areas, so it is not all on Bachelor's level. Dr. Bepko pointed out that if an employee does not have communications skills and problem solving skills while he is in college, this creates a significant problem for institutions, and it is something that the institutions should be informed about. Ms. Marsh

said that she will try to find those respondents who said they were missing these skills at their jobs, and see how they responded to these specific questions. She said she will share this data with the CHE.

Mr. Bland thanked Ms. Marsh for her presentation.

C. Academic Degree Programs for Expedited Action

R-14-05.5 **RESOLVED:** That the Commission for Higher Education approves by consent the following degree program, in accordance with the background information provided in this agenda item:

- Bachelor of Art in Sustainability to be offered by Indiana University South Bend (Motion – Costas, second – Bepko, one against, approved by the majority of votes)

Mr. Popp said that in reviewing this program, he noticed that the term “sustainability” generally refers to global warming caused by fossil fuel, assuming that carbon is the main pollutant that is causing the global warming. Mr. Popp expressed concern that this country is in difficult position because it has not worked on developing its natural resources and is becoming energy independent.

Ms. Duarte De Suarez agreed with Mr. Popp’s statement, but wanted to give a different definition of sustainability. She said that the way the term “sustainability” is being used and applied in corporate world is based on the behavior of corporation within the community in which it does business. Part of it includes its mission, its carbon footprint and many other definitions that may or may not be applicable. The company subscribes to the sustainability index that tracks the behavior of corporations in sustainability practices. So, the term “sustainability” has expanded to include much more appropriate behavior than just environmental performance, and that’s just one portion of it.

Mr. Popp insisted that it is clear that carbon footprint is probably a very prominent part of this. He said that he supports preserving the natural resources, but at some point it is necessary to decide whether or not this country is going to become energy independent.

Dr. Bepko pointed out that this is not directed at any kind of social or political movement; it is directed as a practical issue for businesses, for communities to obey the laws, and also to be inventive in creating access to sources of energy. Sustainability is a neutral word; there are lots of people in the area where the Indiana University is located, who would like to have someone help them navigate their businesses with the emerging regulations.

D. Academic Degree Programs for Full Discussion

R-14-05.6 **RESOLVED:** That the Commission for Higher Education approves the Doctor of Occupational Therapy to be offered by Indiana University at Indiana University – Purdue University Indianapolis in accordance with the background discussion in this agenda item and the Program Description (Motion – Bepko, second – Whitehouse, unanimously approved).

Mr. Bland invited Ms. Margie Ferguson, Assistant Vice President for Statewide Academic Relations, Indiana University, to present this item.

Ms. Ferguson presented this program.

In response to Mr. Popp’s question whether there is more work at present with returning veterans, Dr. Jeffrey Crabtree, Associate Professor, Department of Occupational Therapy, School of Health and Rehabilitation Sciences, Indiana University, said that as more and more veterans are returning from wars, many of them have serious diseases, post-traumatic stress syndrome, and lots of other problems due to their experiences. There is much better understanding now of the neuro system. Throughout

the life cycle the neuro system is able to change, so this opens up a lot of opportunities for health care professionals to provide services that were not available or not understood in the past. An occupational therapist works with people in terms of their daily activities, to be able to dress, groom, etc., and to be able to seek work and to work. The changes in health care are creating more opportunities for occupational therapist, and this is one of the reasons why this post-professional degree is needed. This will encourage occupational therapist to require strong leadership skills and some new technics.

Ms. Whitehouse made a positive comment speaking from personal experience. Her husband had an accident a year ago, and it truly was the occupational therapist helping with his daily activities that enhanced his life greatly. She believes that a few years ago her husband might have been bed-ridden and unable to do many of his daily activities.

In response to Ms. Duarte De Suarez whether the purpose of the Doctorate would be more “train the trainer,” so that doctors and professors could train the students rather than go to the hospitals, Dr. Crabtree said that they would be doing both.

Dr. Ken Sauer, Senior Associate Commissioner, Academic Affairs, gave the staff recommendation.

IV. INFORMATION ITEMS

- A. Proposals for New Degree Programs, Schools, or Colleges Awaiting Commission Action
- B. Requests for Degree Program Related Changes on Which Staff Have Taken Routine Staff Action
- C. Capital Improvement Projects on Which Staff Have Acted
- D. Capital Improvement Projects Awaiting Action
- E. Media Coverage

VI. NEW BUSINESS

There was none.

VII. OLD BUSINESS

There was none.

VIII. ADJOURNMENT

The meeting was adjourned at 3:25 P.M.

Dennis Bland, Chair

Susana Duarte De Suarez, Secretary