



August 15, 2016

Mr. Brian Bailey  
Director  
State Budget Agency  
Room 212, State House  
Indianapolis, Indiana 46204

**Re: Agency Overview for 2017-19 Biennial Budget Process**

Dear Brian:

As part of the 2017-19 biennial budget submission process, the Commission for Higher Education (“Commission”) is pleased to submit our agency overview in addition to other materials as requested via the budget instructions memo. Included with this letter is the Commission’s organizational chart and fund narrative for all funds operating under the oversight of the Commission.

The mission of the Commission for Higher Education as established by law (IC 21-18-6) is to plan and coordinate Indiana’s system of postsecondary education, review appropriation requests of the state education institutions, make recommendations to the Governor, Budget Agency, and the General Assembly concerning postsecondary education, administer financial aid programs, staff the Board for Proprietary Education, and perform other functions assigned by the Governor or the General Assembly. These statutory obligations are supplemented by the Commission’s Strategic Plan *Reaching Higher, Delivering Value* which outlines a vision to provide every Hoosier with clearer and more direct paths to timely college completion, quality competency-based credentials that deliver the learning outcomes students need and employers expect, and purposeful career preparation that equips graduates for fulfilling employment and lifelong learning. Through these activities, the Commission brings a comprehensive and long range view to the state’s involvement in and support of postsecondary educational opportunities. For more information about the Commission’s third strategic plan, please visit the “Strategic Plan” tab on the Commission’s website ([www.in.gov/che](http://www.in.gov/che)).

In the upcoming biennium, the Commission plans to continue with the following objectives:

- Continue its commitment to performance funding through the outcomes-based model.
- Expand the *You Can. Go Back.* campaign aimed to help the 750,000+ Hoosier adults with some college, but no degree, finish what they started. With \$7.5 million in state grants available for adult students, the Commission is reaching out to Hoosiers directly and connecting them with Indiana colleges that are committed to eliminating barriers for returning adults.
- Implement the Next Generation Hoosier Educator scholarship program. The scholarship aims to encourage more students to choose teaching as a career.
- Report indicators of quality through a dashboard on our Return on Investment reports to present a transparent, multi-faceted view of each institution to students and families.
- Implement the Commission’s third strategic plan, *Reaching Higher, Delivering Value*. With clear goals and aligned metrics reflecting past progress and new realities, this strategic plan charts a bold course between now and 2020 toward Indiana’s goals of closing the college completion achievement gap and increasing the number of Hoosiers with quality education and training beyond high school to 60 percent of the state’s population by 2025.



During the 2015-17 budget cycle, the Commission was able to offset 9% of General Fund appropriations by using federal grant funds, and private grant funds to support a portion of the Commission's operations. Alternative funding is key to the Commission's operations. Absent external funding, the Commission would not have exceeded the reversion targets established by the State Budget Agency.

Compared to many other states, Indiana's higher education coordinating board is small but effective. Indiana is consistently recognized as a state that is doing much to move the needle on completion rates and other key performance metrics while operating with a staff significantly smaller than many of our counterparts. Our engaged board of gubernatorial appointees, which actively manages our activities with a constant eye toward efficiency, is also to be credited with our lean administrative costs. It is also important to note that nearly all of the funds appropriated to the Commission (in excess of 98%) are distributed directly to students to improve college access and success through state financial aid.

Lastly, please note that the Commission's operating budget is part of the overall higher education funding recommendation made by the Commission. In order for the Budget Agency to have all the information it needs to begin analysis on the state's budget, the Commission will provide the Budget Agency with an unofficial draft budget request for the 2017-19 biennial budget. The figures in the unofficial draft budget request do not represent the Commission's official funding recommendation to the state. Once the Commission votes on the overall higher education funding recommendation in November 2016, we will provide the Budget Agency with the official Commission office budget request information.

I am happy to discuss the role of the Commission and our operating budget with you further at any time and look forward to working with you during the upcoming budget session.

Sincerely,

Teresa Lubbers  
Commissioner

Enclosures (Agency Organization Chart; Reaching Higher, Delivering Value; and Fund Narratives)