Ball State University
State Budget Request
2013-2015 Biennium
Commission for Higher Education Presentation
October 19, 2012
Ball State University: An increasingly selective institution, focused primarily on a high-quality undergraduate experience for Hoosiers
Why the Emphasis on Immersive Learning?

- **Hart Research Associates** – Employers top two emerging educational practices that prepare college students for success:
  - A significant project that demonstrates their depth of knowledge
  - An internship or community based field project to connect classroom learning with real world experience.

- **Battelle 2012 Study**
  - Indiana’s education issue is not quantity – Indiana places in the upper half of states both in college entry and completion and confers baccalaureate degrees at a rate higher than the national average.
  - Experience matters; internships and real world learning experiences create a better work-ready college graduate.
Quality Experience Impacts Indiana

- **Immersive Learning** cited by peers in national publications
  - Often leads to career decisions and employment offers
- An **Entrepreneurial Focus** for all students
  - Indiana’s dependency on entrepreneurial businesses
- Recognized as a national leader in **New and Emerging Media**
  - A growing part of the Indiana economy

**U.S. News & World Report** ranks Ball State 8th among "up-and-coming" colleges and universities for 2011
Deep Cuts to BSU Appropriations

- 2009-11 Biennium Cuts: $15.3M
- 2011-13 Biennium Cuts: $11.8M
- 2013-15 ICHE Proposed Biennium Cuts: $11.4M

- Ball State expenditures are already well below Indiana peers & national averages in areas like salaries, health care, administrative staffing, and energy consumption
- Lean organizations are harder to cut
State Operating Appropriations
FY 2008-09 to FY 2014-15

Cumulative Loss of $86.7M

FY 2014-15 appropriation would be lower than FY 1999-00 appropriation

Based on August 2012 ICHE recommendation
Cumulative Loss includes loss of ARRA appropriated funds
Funds Flowing to 2-Year Campuses

Cumulative Appropriation Increases for FY04-FY15

2-year Campuses: 53%
Growing Campuses: 8%
Statewide Average: 7%
Stable Campuses: -5%
Long-Term Improvement in Graduation Rates

Chronicle of Higher Education recently reported that Ball State had the 6th highest long-term improvement in 6-year graduation rates of any public, research university in the nation:

- San Diego State
- Georgia State
- Temple University
- University of Pittsburgh
- Ohio State University
- Ball State University

Ball State’s rate is 10% higher than the MAC and national average.
Change in 4-Year Graduation Rates

<table>
<thead>
<tr>
<th>BSU</th>
<th>Every Other Indiana 4-Year Institution of Higher Education</th>
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<tbody>
<tr>
<td>+14.4</td>
<td>+9.0 +6.5 +3.8 +3.2 +2.7 +1.3 +1.2 +0.4 -0.4 -1.1 -2.9 -2.9 -2.9</td>
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Average increase: 2.3 percentage points

#1 is Ball State: 14.4 percentage points
"Value" Initiatives From our 5-Year Strategic Plans

- Free tutoring to all students
- Removed scheduling impediments
- Reduced minimum credit hours for degree from 126 to 120
- Degree in Three program – graduate in three years
- Career counseling starting the freshman orientation
- Restructured tuition – students can take more hours for less money with Online and summer options
- Completion Scholarship for graduating in four or fewer years
- Financial penalty for credit hours over 144
- Think 15 initiative
BSU Expenditures in Context

General Fund expenditures per FTE

General Fund expenditures per FTE adjusted for inflation

state share 54%

state share 38%

$11,936

$14,214

2001-02
2003-04
2005-06
2007-08
2009-10
2011-12
Ball State Expenditures Compared to CPI and Hoosier Income

Hoosier per capita income grew 46% more than Ball State expenditures

Percentage Increase 2001-02 to 2011-12
Student Debt – Impact and Issues

- **What is the impact?**
  - Average Ball State student borrows $19,248
  - Approximately one-third of our students have no debt at graduation
  - Higher education is an investment not a purchase

- **What are the issues and what actions can be taken?**
  - Public policy actions to consider:
    - Percentage of tuition borne by student versus state
    - Share of state higher education dollars going to private versus public schools
  - Institutional actions to consider:
    - Continue to control and reduce expenses
    - Educate/inform students on the issue
Actions Taken to Reduce/Contain Costs

- Implemented hiring freeze/delays
- **Limited salary increases**
- Reduced pension contributions
- **Restructured health care benefits**
- Reduced overtime costs
- Decreased maintenance costs
- Reduced funding for travel
- **Delayed repair/rehabilitation projects**
- Implemented geothermal project
- Joined several purchasing consortiums
- **Educated more students without adding additional space**
- Increased space utilization
- Generated additional external resources
- **Restructured tuition**
- **Reduced minimum credit hours for most degrees**
- Conducted academic program reviews
- Implemented print management policy
- Renegotiated labor contract
- Accelerated wellness initiative
- **Increased summer usage of campus**
- Reduced hardware and software licensing expenses
- **Reduced energy expenses through conservation and operations**
Actions Saved Significant Resources

FY 2011-12 Expenditures Per FTE (Actual and Without Savings)

Actions result in $2,648 in tuition savings for every student

- Without staffing savings
- Without salary savings
- Without healthcare savings
- Without energy savings
- Actual expenditures per FTE
Alignment

- ICHE’s August 10 meeting at BSU
  - Highlighted significant alignment between Ball State’s and the Commission’s current strategic plans

- Ball State’s new 2012-17 strategic plan will soon be finalized
  - Over 100 measurable performance indicators
  - Most are directly aligned with "Reaching Higher Achieving More"
Preparation

- **Ensure high-quality dual credit courses are available**
  - Achieve *50% growth in dual credit*

- **Improve the feedback loop between colleges and employers**
  - Administer annual **employer survey regarding readiness of graduates**

- **Reform educator preparation programs**
  - Work with current and future K-12 educators to strengthen their ability to **attract and prepare students for STEM degrees** and careers
  - Attract **higher quality teachers** by increasing academic requirements

- **Share relevant data with K-12**
  - Improve charter school success and **cross-pollinate best practices**
Smarter Pathways

- **Promote on-time degree maps**
  - Every student will be provided an *on-time graduation map* supported by mobile technology alerts

- **Limit total credit requirements**
  - Most programs reduced credit hours from 126 to 120 (approximately 85% of students)

- **Institute early and ongoing career advising**
  - Advising *starts in freshman summer orientation*
  - Fall workshop to help undecided students choose careers
Student Incentives

- **Promote on-time graduation**
  - Increase four-year graduation rate to 50%
    - $500 Completion Scholarship
    - Reduced cost/free on-line courses
    - Reduced Summer tuition
    - Penalties for excessive hours

- **Promote completion**
  - Increase graduate students by 20%
  - Increase six-year graduation rate to 65%

- **Emphasize student preparation and completion**
  - Increase the number of at-risk students that graduate by 20%
Continuous Efficiency

- Ensure optimal efficiency in employee health care
  - Increase average participation in **substantive wellness initiatives** to 18%
- Prioritize and reallocate resources to high-demand academic programs
  - Increase science, technology, engineering, and math (STEM) **degree offerings**
  - Increase the total number of graduates with **high-impact degrees** by 50%
  - Create a well researched academic plan; **invest in strategic academic offerings**
- Relentlessly pursue opportunities to create efficiencies
  - **Reduce costs** by maintaining and improving efficiencies in critical budget areas like health care, energy, and administrative staffing (Institutionally Defined Productivity Metric)
  - **Complete the geothermal project**
Innovative Models

- **Increase opportunities for flexible and accelerated learning**
  - Increase fully on-line student enrollment by 35%
  - Introduce two new bachelor’s degree programs and four new graduate degree programs for fully on-line delivery
  - Have 50% of on-campus students take at least one on-line course by graduation
  - Complete two new 2+2 agreements with community colleges where the last two years would be offered on-line

- **Promote research-based instructional practices**
  - All departments will implement assessment processes that utilize technology to collect and analyze data
  - Redesign courses with high D/F/W rates to promote student achievement
Return on Investment

- Seamless transfer between the state’s two-year and four-year campuses
  - Increase number of transfer students by 50%
  - Increase the number of 2+2 articulation agreements from 11 to 17

- Ensure that quality is pervasive
  - Provide every undergraduate student with an opportunity to participate in an immersive learning project
  - Conduct alumni and employer surveys to aid in curriculum development
  - Achieve 55 nationally ranked or recognized programs
Key Points

- Aligned with the Indiana Commission for Higher Education strategic plan
- Achieved significant long-term improvement in 4-year graduation rates
- Focused on college affordability by controlling growth in expenses and operating efficiently
- Current performance funding primarily rewards quantity - Ball State’s: 1) differentiation towards quality; and 2) size/degree offerings relative to our peers, makes it impossible to earn meaningful funding

Caught in the middle and need your help