

August 30, 2024

Mr. Chris Lowery
Commissioner
Indiana Commission for Higher Education
101 West Ohio Street, Suite 300
Indianapolis, IN 46204

Dear Commissioner Lowery,

On behalf of Indiana State University students, faculty, and staff, I am pleased to submit our 2025-2027 operating and capital state appropriations request.

Indiana State University is dedicated to its mission of providing accessible, high-quality education that empowers students to achieve their full potential. Our commitment extends beyond classroom education; we strive to create opportunities for students to succeed, contribute to their communities, and positively impact the broader economy of the Wabash Valley and the state of Indiana.

A critical aspect of our mission is talent retention, as evidenced by our Class of 2023: 64% of graduates chose to remain in Indiana to enter the workforce, continue their education, or engage in volunteer service. This retention rate is even higher in specific disciplines, with 72% of graduates from the Scott College of Business and 83% of graduates from the Bayh College of Education choosing to live and work in Indiana.

As we move forward, retaining our students and graduates for Indiana's workforce will remain a key priority at Indiana State University. We are actively developing strategic initiatives to grow enrollment in undergraduate and graduate programs, ensuring that more students have the opportunity to complete their degrees and succeed.

Indiana State University's capital budget request focuses on projects essential to Indiana's workforce development, including the renovations of Holmstedt Hall and Root Hall. These renovations are critical to enhancing our capacity to enroll students, as most undergraduate students receive classroom or laboratory instruction in the two buildings. Upgrading both facilities will allow Indiana State to better educate students in support of key industry sectors such as healthcare, criminology and security, and STEM fields throughout Indiana.

Thank you to the Indiana Commission for Higher Education and the Indiana General Assembly for your continued support of Indiana State University and higher education.

Respectfully,



Mike Godard, PhD
President
Indiana State University



INDIANA STATE UNIVERSITY

2025-27 Budget Request

Indiana State University is bridging the gap between education and workforce success.

Founded by the Indiana General Assembly in 1865 as the State's Normal School to prepare teachers, Indiana State University has been a focused leader in serving the workforce needs of the State of Indiana. As it evolved into a college and then a university, Indiana State's academic programs have increased to meet the State's current and future employment needs to make Indiana competitive in the global economy. Alignment with Indiana's workforce demands has allowed the University to expand programs in key areas, including healthcare, education, engineering, aviation and unmanned systems, advanced manufacturing, construction management, automotive engineering technology, criminal justice and cyber-security, and other high-demand fields.

Indiana State prioritizes its goals to align with the Indiana Commission for Higher Education's 2023 HOPE agenda. The importance of post-high-school training, whether it be through credit for prior learning, the Indiana College Core, or 21st Century Scholars, to name a few, cannot be overstated. The University is proud to have the most 21st Century Scholars in Indiana per capita. It looks forward to continuing the work of the Commission and the General Assembly by leveraging the program's growth to help drive success for those students.

Indiana State accepts credit from regionally accredited colleges and universities within and, in some cases, outside the United States. Credit can also be granted for military training and experience. The University is working toward Collegiate Purple Star status by improving the service Indiana's military-affiliated students receive. Indiana State University offers opportunities for other nontraditional adult students to earn credit toward a degree for knowledge they have acquired outside of the college classroom that is equal to college-level learning. Through these opportunities, students can earn up to 52 percent of credit hours toward the baccalaureate degree and 25 percent of an undergraduate certificate.

The importance of affordability is echoed in a recent survey conducted by [Inside Higher Education](#), which found that students link academic success to the cost of college across all demographics and institution types. Indiana State has maintained its tradition of affordability and continues to offer the lowest tuition among the state-serving public universities (including IU, Purdue, and Ball State). It is more affordable than peer institutions in other nearby states (including Southern Illinois University, Illinois State, and Western Kentucky). The recently implemented Indiana State Advantage program is a new path for low-income students to pursue a college degree. The program offers four years' in-state tuition for qualified Pell-eligible students with at least a 2.75 high school GPA. Annual coverage is contingent on continued academic performance.

An important part of Indiana State's mission is to provide an excellent educational experience for low-income students. Research shows that socio-economic background is a driving force in determining student success and degree attainment regardless of academic preparedness. Nearly half of Indiana State students are Pell-eligible. Students from low-income households, even those with high SAT scores, are much less likely to graduate than those from the top-income quartile, even when the students from wealthier families have lower test scores. Obtaining a degree is especially transformational for low-income and first-generation students and their families. The University's commitment to improving economic outcomes for its students is reflected in the 2023 CollegeNET Social Mobility Index, where Indiana State ranked 70th out of 1,198 higher education institutions.

The overwhelming majority of Indiana State students are from Indiana and stay in the state upon graduation. Our

First Destination Survey of 2023 graduates shows a placement rate of 93% following graduation (employment, graduate school, or military service). The survey also showed an average starting salary of \$62,144. Nearly two-thirds of all graduates stay in Indiana to work, live, and raise a family. The retention rates for graduates from the Bayh College of Education and the Scott College of Business are even higher (83% and 72%, respectively).

Indiana State serves a special mission in Indiana’s higher education system—one that is critical to the State’s goals related to degree attainment and the development of a skilled workforce. The University provides a high rate of return to the State of Indiana by fulfilling its mission through its value proposition: accessibility, opportunity, quality, and affordability.

Outcomes-Based Performance Funding

The outcomes-based performance funding metric data has previously been submitted to the Commission and verified by the University.

Line-Item Appropriations

The University is responsible for three line-item appropriations: Degree Link, Nursing Program, and the Indiana Principal Leadership Institute. However, it is requested that the line-item appropriation for Degree Link and the Nursing Program be rolled into the base operating appropriation for the University. The annual appropriations for Degree Link and the Nursing Program are \$466,438 and \$204,000, respectively. These two line items have been in place for several budget cycles and have been operationalized in the university’s student success programs. More detailed information about all three line items can be found in the 2025-2027 Line-Item Requests document.

Indiana Principal Leadership Institute -- \$600,000: Senate Bill 402 was passed by the Indiana General Assembly during the 2013 legislative session, creating the Indiana Principal Leadership Institute (IPLI). Housed at Indiana State University’s Bayh College of Education, IPLI is a two-year experience designed to meet the professional needs of Indiana public school principals with an emphasis on student success. The institute’s first year focuses on increasing a principal’s capacity to address the current needs of their school, such as teacher evaluation models, student performance, community involvement, and shaping a strong school culture. In year two, each principal and two members of their school improvement team work together to increase the school’s capacity.

The Principal’s Leadership Academy line-item appropriation ensures principals in the State of Indiana receive professional growth opportunities to better serve their communities and students within their respective school corporations. This funding supports the Indiana Commission for Higher Education HOPE agenda by retaining leadership and talent within the State.

Dual Credit

The Dual Credit appropriation is based on a State formula rather than a flat appropriated amount and, therefore, is not included in the above-proposed request.

Capital Project Requests

Indiana State’s two Capital Project Requests for 2025-2027 are for the renovations of two academic buildings, Holmstedt Hall and Root Hall. The 2016 and 2022 Campus Master Plans and recent deferred maintenance studies identify both buildings as existing academic facilities in dire need of renovation to modernize the structures to meet current energy standards and address the needs of today’s students. Both projects are renovations of existing space. No new assignable space would be added to either building. There will be no financial impact on the cost of attendance for students. Both projects provide for an updated design of classrooms and technology, which will improve student learning outcomes and completion in support of the HOPE agenda.

Holmstedt Hall

Constructed in 1966 of primarily cast-in-place concrete frame and masonry, Holmstedt Hall is the subject of this project proposal. It is home to several academic departments in the College of Arts and Science and the Terre Haute campus of Indiana University's School of Medicine.

Despite regular and routine maintenance, many systems and components have reached the end of their useful life. Several building components are original to the building since its construction almost 60 years ago and do not meet current standards established for campus buildings. In some cases, the building represents physical barriers to universal access.

The project includes insulation of exterior walls and replacement of glazing systems, restoration of exterior masonry, installation of access control and video surveillance cameras, and replacement of branch circuit electrical panelboard, lighting, and mechanical systems. Modernization of entrances to the building will improve public accessibility, particularly for persons with disabilities. Work will also include updating the primary north-south corridors on each floor to support this collaborative learning environment and improve instructional spaces to promote active learning and small group collaboration. The total project cost is estimated at \$47 million, including inflationary escalation to the bid date in 2026.

Root Hall

Constructed in 1989, the building is 35 years old. Many of its systems have a life expectancy of 25-30 years. It has a steel-frame construction with brick and limestone veneer exterior walls. Like Holmstedt Hall, Root Hall houses several academic departments in the College of Arts and Sciences.

The project includes improving inadequate thermal performance, including replacing exterior entrance systems, windows, storefronts, fire alarm and security systems. Heating, cooling, and ventilation systems will also be replaced, as well as electrical power and lighting systems and elevators. The layout of classroom and laboratory spaces will be improved to enhance collaborative learning and other student/faculty interactions. The total project cost is estimated at \$47.5 million, including inflationary escalation to the bid date in 2026.

Conclusion

Indiana State University is a vital institution in Indiana's higher education landscape, deeply committed to addressing the state's workforce needs and enhancing economic mobility for its students. Our focus on affordability, accessibility, and high-quality education aligns with the state's goals and the Indiana Commission for Higher Education's 2023 HOPE agenda. With a proven track record of success, as evidenced by our graduates' strong placement rates and the high percentage of students who remain in Indiana, we are dedicated to furthering our mission in the years ahead.

Our 2025-27 budget request reflects this commitment, ensuring we can continue providing affordable, high-impact education and modernizing our facilities to support today's learners. By supporting this request, the State will be investing in the continued success of Indiana's workforce and economic development. Indiana State University is looking forward to your continued partnership in support of student success and advancing the needs of Indiana. We thank you for your support of Indiana State University.