University Faculty Council Minutes, February 18, 2025

The University Faculty Council held a Zoom and IU Broadcasat meeting on Tuesday afternoon, February 18, 2025. The presiding officer was University President Pamela Whitten, and the secretary was Professor Robert Yost. The meeting was convened at 1:30 pm. by President Whitten

1. Approval of the Minutes
Minutes from December 10, 2024, were approved.

2. Executive Committee Business

Phil Goff, IUI

Like others, we here in Indianapolis are concerned and I guess, worried about federal guidelines regarding the indirect cost recovery rates on any NIH grant. If this stands, of course, it will affect all of IU, and especially my campus. So much effort goes into making the research infrastructure work all the way from the Office of Vice President down to the departmental and center and individual lab levels. So, it's difficult to fathom exactly what the fallout could be yet, but I do want to express my appreciation to the administration for working behind the scenes at this critical moment. Another worry is the announcement of off-limit topics and words for virtually all federal funding. Not only is this an afront to academic freedom, but it's contrary to the very core of what education can do for society. So, from health to history, from medicine to math, we're all affected by this. We're in a strange moment, and that's why our work as representatives of the faculty at this moment is so important. I will say alongside all that angst, this is a moment of celebration in Indianapolis.

Last Thursday, the Carnegie ratings were released, and IU Indy was finally recognized as a research one university. It's not like we were doing much different than we did before, although I'd argue we are much better focused today. But it is the realization by those who create and monitor these ratings that IU's Indianapolis campus is a remarkable place for both the creation of knowledge and our research and sharing knowledge in our classrooms and labs. Long known for its excellent teaching, IU Indianapolis can now claim the highest research rating for an American university. And I really want to thank all my colleagues for their hard work in attaining this recognition.

And finally, we want to update you on the work of the IU Policy Task Force. It completed its work on February 1st and forwarded to President Whitten a new policy on policies along with a proposed approval map, and these are now in the hands of the Board of Trustees. We believe this will help bring us in line with most of our peers, and it will foster a better policy ecology generally at every level of the university. The next steps will take years to move through, and so we won't even think about that right now, but I want to thank the president for working with us, hearing our rationale for various moves, and keeping faith in us that we would produce something that builds on the shared governance of the university.

Daniel DeSawal, IUB

I would like to echo the concerns that Phil expressed. Those are similar sentiments, of course, on the IUB campus, and I think they are sentiments we share across higher education here in the United States currently as we try to figure out a path forward. One of the things that we understand in this moment is that not only are we responding to the external demands to change in higher education, but we're also working on rebuilding an internal confidence in higher education for the faculty, staff, and students as a result of the headwinds that we've been facing in our higher education environments. But that actually offers us some opportunity as well. And so, one of the things that I want to share, a few updates of things that are happening on the Bloomington campus as we figure out how to navigate forward. First, probably everyone is curious about the chancellor's search. The chancellor's search is progressing nicely on the IEB campus. The committee interviewed a talented slate of candidates and recommended finalists to President Whitten. We are pleased to announce that we have two amazing candidates coming to campus late February and early March, and an announcement went to the campus community today to announce our town halls. We will be having one town hall that is exclusive for faculty and another that is open to the IUB community for each one of those candidates.

In addition to that, with all that is happening both on the campus as well as externally, one of the things that we've done within the BFC is we've moved forward with this spring semester, looking at ways to connect with the elected BFC membership. So, I, Provost Shrivastav, and President-elect Bill Ramos have set up a series of small group meetings with BFC elected members, and the hope is that we will not only be able to have conversations about what we were facing as an institution, but also what it means to the individual members to meaningfully participate in helping address solutions that move the institution forward. One of the ways that we're thinking about moving the institution forward is I am happy to announce a transfer student working group. So last semester I had shared that the president had written to Provost Shrivastav and I in the fall to inquire about partnering on a focus initiative to address an issue on the campus. I'm excited to announce that our focus will be on transfer students and transfer students will be key in addressing the enrollment cliff as well as emerging concerns that we're starting to see with regards to fiscal constraints that we might face as we move forward. We recognize that this area has potential for growth on the IUB campus. So, this group will provide recommendations that can be implemented most likely in phases beginning in the 25-26 academic year. The group will meet throughout the spring semester on a bi-weekly basis to produce an initial set of recommendations by the end of the semester, to look at opportunities to bring in more transfer students both in and out of state, identify barriers to transfer students in ways to remove those barriers, as well as recommend changes to academic and co-curricular infrastructure, including things like orientation, financial aid, advising, course transfer, etc.

Additionally, we also have a budget redesign. So, the IUB campus budget redesign committee has provided recommendations for the new budget model on the IUB campus. We are currently in the feedback phase and our co-chairs are gathering information from multiple stakeholders throughout the campus community. The new budget model will be presented at the March 4th BFC meeting to gather additional feedback from the faculty council.

Finally, as you know, we've been in the search for a director for the faculty office since we've been without Lana since January. We will be conducting an initial round of interviews here in the next few weeks in order to hopefully have somebody join us maybe after the start of the spring break time frame.

Greg Dam, Regionals

Today I'd like to speak briefly about the topic of centralization of services at IU. And by centralization, I mean the process of shifting services that were traditionally housed on individual campuses with our own staff to centralized offices. I bring this topic up because I recently had a change of heart regarding centralization. My shift in perspective was influenced by something my esteemed colleague, Phil Goff, said to me. And by the way, having the opportunity and privilege to work with and learn from my colleagues, Danielle DeSawal, and Phil Goff, is part of the larger point I would like to make today. There's so much that I've learned from them during my term. Regarding centralization, Phil said to me, you know, Greg, I stopped calling it centralization, and I started calling it modernization because we are so behind our peers on this. And this statement fundamentally changed the way I view the issue. In my conversations with faculty at the regionals, I often hear two main concerns about centralization. First, there is a fear of loss of autonomy and control over the services. Second, there is in some cases a perception that the quality of services declines due to centralization. I believe the concern about autonomy is valid to some extent. However, the concern about service quality may stem from the challenges of a transitional period. In fact, there's significant evidence that centralization can lead to an improvement in service quality. For example, when I joined IU East, I had previously worked at a small private commuter college serving underserved students. An institution very similar to IU East, but private. I arrived at IU East eager to continue my research, which at the time involved human participants. At my previous institution, the institutional review board, the IRB, met only twice per term and did not convene during the summer. This meant that even an expedited minimal risk review could take over a month for approval, depending on when it was submitted. At IU East, however, upon my arrival, I sent my proposal to Bloomington for an expedited review, and it was approved that very same week. I felt like I'd stepped into an entirely different world, and in that moment, I understood what a privilege, what an advantage it is, to be part of the larger IU system, to be part of one IU. More efficient services and higher quality resources are just two of the many, benefits of centralization. But beyond that, and perhaps more critically, without being part of One IU, it would be incredibly difficult, if not impossible, for the regional campuses to offer the second most affordable four-year degree in the state of Indiana at the high-quality education that we are able to provide. In these challenging financial times, as regional campuses face budget constraints and are forced to adopt austerity measures what a remarkable tool what a privilege it is to have the option to lean into centralization to lean into modernization as a mean to help us recover our budgets and continue to thrive.

3. President Whitten's report

Let me begin with some good news about applications. The number of applications from first year beginner students for fall 2025 is up across IU as a whole, which is an indication that students and families in Indiana and beyond continue to recognize the quality and the value of an IU education.

University-wide, as a of the 17th of this month, we had received 101,882 applications. One year ago, at the same time, we had received 94,823 applications. So, this represents a 7.5% increase over a year ago applications as of 2-17-24, and it's an increase of more than 25% over the 81,000 applications that were received at the same time two years ago. So obviously we need to yield those students, but we can't yield them if they're not applying to come to IU as well. If we look specifically at Bloomington, at this point a year ago, the Bloomington campus had received 67,842 applications in Bloomington. And as of February 17th, Bloomington campus had received 74,169 applications, which is an increase of over 9% and for Bloomington this represents an increase of over almost 37% compared to the 54,000 plus applications that were received two years ago at this time. That's wonderful to see. Admissions in Bloomington are up 8.2% over this time last year as well. So, all good trends. We have over 15,000 applications at IU Indy an increase of 3% over a year ago and a 4.5% increase over two years ago. For the regional campuses combined, there are 10,800 applications, which represents almost a 3% increase over a year ago. And admissions to date, which are over 8,000 are up over 2% over one year ago. So again, in this interesting demographic time in terms of college and enrollment and applications across the country, some positive signs across all of Indiana University, which we're happy about.

If I can build on the comments that Phil made just a few minutes ago, last week we celebrated a historic milestone at IU Indianapolis. The campus proudly joins the ranks of R1 universities, which signifies our role as a leading institution in driving groundbreaking research that really addresses the most pressing challenges that we face in our state and in our country and really across the world. This prestigious designation reflects the hard, hard work and dedication and innovative spirit of the faculty, staff, and students on this campus in Indianapolis. The new R1 thresholds that are employed by the Carnegie classification are that an institution must spend at least 50 million a year on research and have at least 70 annual doctoral graduates. And I.U. Indianapolis comfortably meets those standards, and we're continuing, of course, to build the campus into an even greater research powerhouse. I want to make clear that the IU Indianapolis campus met those standards independently with just data from IU, Indianapolis. So, for example, the grant dollars and the research dollars that were applied only came from IU Indianapolis. Medical school dollars are still counted with and will continue to be counted with the Bloomington campus. So, this represents the research achievement that just occurred on the Indianapolis campus, and it occurred without Purdue research dollars. So again, just a tremendous accomplishment, and we look forward to the wonderful things that are going to happen on this campus. It's going to open doors for funding opportunities. It's certainly going to help the campus attract top tier faculty and students and foster important collaborations with industry and, of course, academic partners around the country. I think, you know, as an R1 university, IU Indy is poised to make even greater advancements to knowledge and the betterment of societies and really push boundaries. It's also kind of fun to be one of the few schools in the country, and I mean separate from very, very large statewide systems, where we see two R1 institutions that are part of the portfolio of Indiana University.

Meanwhile, in Indy, the Indy campus is expanding its seamless admissions initiative to more schools in Marion County, granting automatic admission to students with a three-point GPA or higher. The schools and the townships to join the seamless admission initiatives at IU-Indy include

Decatur Township, Irvington Prep Academy, James and Rosemary Phelan Leadership Academy, Lawrence Township, Pike Township, Rooted School Indianapolis at Eastern Star, Warren Online, and Warren Central High School. Qualifying seniors at these high schools will not need to complete a traditional application or pay the fee. Instead, they'll just fill out the short online form for automatic admission. This expansion is going to be effective for students applying for enrollment in fall 26. The initiative also includes a range of academic support programs like mentoring, advising, and tutoring to help students succeed academically and personally. Our goal with this, of course, is to reduce barriers to higher education for these students and increase college attendance in the state of Indiana, a really important goal for our state, and then support the future talent pipeline in central Indiana.

Transitioning now, on January 27th, we celebrated the launch of the IU Launch Accelerator for Biosciences, also known as IU Lab, to be located at the 16 Tech Innovation District that's in Indianapolis, Governor Mike Braun, the CEO of Lily Endowment Clay Robinson, Indianapolis Mayor Joe Hogsett, and Cook Group President Pete Yonkman, were all present and spoke at this event. This is a first of its kind academic-industry initiative, and it's supported by a $138 million Lilly Endowment Grant to IU. It's the largest grant we've ever received in support of research and development for the university. IU Lab is going to strengthen Indiana's life sciences ecosystem by really accelerating innovation and discovery. It's going to focus on human health, commercializing products, tracking new industries to Indiana and getting current ones to stay, developing talent, both at the level of getting local high school kids in to see what kind of careers they can have all the way to potentially new degrees that will be available, maybe even taught in the IU lab, and then connecting this talent with the opportunities in the city and state. IU lab initially is going to focus on research and innovation in five critical disease areas with the focuses being on diabetes and obesity, neuroscience, rare diseases, particularly in pediatrics, cancer, and bone engineering and regenerative medicine. We know that fostering partnerships with key bioscience organizations is certainly going to enable us to accelerate the development of new therapeutics and diagnostics and devices that are just going to improve people's lives. There are a number of key partners, including 16 Tech, CICP [Central Indiana Corporate Partnership], BioCrossroads, the Indiana Biosciences Research Institute, Regenstrief Institute, IU Health, School of Medicine is a key partner, Luddy School of Informatics, Computing, Engineering, amongst many, including external partners. In January where several people spoke, and one was Clay Robbins from the endowment, it was kind of fun because he said, to his knowledge, he did not remember the endowment ever receiving a proposal that had as many letters of support for people that wanted to partner in an initiative as this one had. And that is industry and health providers all over the state, et cetera. That was a wonderful compliment to the work that we're trying to do, which is to be inclusive for so many people around the state of Indiana to actually move this forward.

Of course, leadership matters, and we have named. an inaugural president and CEO of the IU Lab, David Rosenberg. He formerly served as the Secretary of Commerce for Indiana and the President and CEO of the Indiana Economic Development Corporation. I think his leadership is already unlocking massive potential for us and leadership in biosciences. I think we're going to hear more from David and from VP Russ Mumper at the end of our meeting today.

Here we go with this year's new U.S. News and World Report's best online program rankings Once again, we're proud attest to the quality of IU's faculty and the innovative approach that we're taking to online education. The online MBA program at the Kelly School of Business was ranked number one by U.S. News for the fourth consecutive year. It's really an exceptional online program, and it's wonderful to see other people recognizing what we know to be true. In the School of Education, the online master's degree ranked 20th nationally, and the school was in the top 10 in all four specialty categories, so we're proud of School of Education in Bloomington for that accomplishment. The online bachelor's degrees through IU Online actually ranked first in Indiana and ranked 19th nationally. So that's nice progress, particularly currently where you need to be in the game of online education and in serious and significant ways. So, we're seeing some nice advancement from IU in that area.

I got to give a shout out to Eduardo Brondizio. He is a distinguished professor in Bloomington. He's an environmental anthropologist in the College of Arts and Sciences, and he was recently named the winner of the 2025 Tyler Prize for Environmental Achievement. He is sharing the prize with Argentinian ecologist Sandra Diaz. The Tyler Prize is typically referred to as the Nobel Prize for the environment, and it includes a monetary award. His work is just exceptional. He focuses on human-environment interactions in the Amazon, and much of his work has highlighted the role of indigenous populations and local communities in conservation efforts. Stunning work, and congratulations to him, and we are so proud, of course, that he's part of the IU family.

We have four IU-Bloomington students that are going to compete in the Intercollegiate Ethics Bowl National Competition in Norfolk, Virginia this weekend, and given these interesting times, in our country, in our world, I find something sweet about the fact that IU students are going to be competing in an intercollegiate ethics bowl, a national competition in this area. Team members are Joe Conde, who's a dual major in philosophy and political science, Alex Denoese, a finance major, Jacob Lubarsky, who's a policy major, and then Griffin Chesebrough, who is a law and public policy major. They finished second in the regional tournament at the University of North Georgia, in Gainesville to qualify for the national competition sponsored by the nonprofit Association for Practical and Professional Ethics. The Ethics Bowl serves as a way for students nationwide to discuss relevant ethical and moral issues in an academic setting. Before a competition, teams are given about 15 or so cases about different ethical topics like education regulation or I think space weaponry maybe, it's but one in the past, that they get to think about and prepare for. Good luck to those students, and I'm proud that we're being represented at that national competition too.

A new chancellor has been appointed for the IU South Bend Regional Campus to replace Susan Elrod, who retired in December. The campus selected Brian Pappas, who was served as the Dean of the Law School of the University of North Dakota. where he's had a lot of accomplishments like improving bar passage and student employment rights. He has served as the Associate Provost and Associate Vice President for Faculty Affaires at Eastern Michigan, and he was a law professor at Michigan State. He brings a wealth of academic, administrative, and professional experiences that really make him, I think, an exceptional fit to lead IU South Bend. He is known for a collaborative leadership style, a deep commitment to student success and experience in working to foster community partnerships. I think he's going to serve the campus well, and I look forward

to welcoming him to the IU community. He's beginning on the first of July. So, to everyone in IU South Bend, thank you for the active and rigorous search that you all did.

Let me just kind of go across the state to IU southeast. Last month I had the pleasure of joining Chancellor Debbie Ford and other colleagues from IU southeast and also community members that came in for a press conference announcing a new bachelor's degree program in medical lab science which is going to be fully offered at IU southeast beginning in fall of 25. The program isn't actually new, it was previously offered through a consortium with Bellarmine University, which is located in Louisville. When Bellarmine decided to sunset the program, U.S. Southeast was asked about potentially taking it over. The program is designed to train the next generation of medical technologists and clinical labs scientists. These are professionals who play such a vital and important role in the health care system by analyzing the biological samples to diagnose and treat diseases. Medical lab assistants/scientists provide essential data that informs more than 70% of medical diagnoses and their work is just crucial to hospitals and clinics and diagnostic labs and research facilities. So, these are these are folks in high demand. At this event at IU Southeast, we had multiple participants from Louisville-based hospital systems including University of Louisville Health that came over for the event and are very excited to be recruiting IU Southeast students.

Question and answer period

Submitted questions

> *It has come to my attention that the IU-LGB-Q-plus health care conference was canceled last week. It's not clear why the conference was canceled. If the cancellation occurred due to scheduling issues and has been postponed to a future date, then that's fine. If the health care conference was canceled due to recent state and federal mandates about LGBTQ-plus people, then I'm very concerned about how IU is training future physicians.*

Response

Mary Denkowski, Executive Associate Dean for Faculty Fairs and Professional Development in the IU School of Medicine

I'd like to start by just underscoring the mission of the School of Medicine, which really is to advance health in Indiana and beyond through education, research, and clinical care, and our vision is to make Indiana one of the nation's healthiest states. And so, we can't deliver on that mission and vision without really advancing health equity and improving care for all people. And that is truly what we are all about every day. that's enshrined in the Hippocratic Oath. And it's also really anchored in our accreditation requirements to teach our students to take care of all patients, to provide the highest quality of care for every single patient who walks through the door. And in fact, we have an accreditation site visit in three weeks. So, I mention all of that to just affirm that we've not walked back our commitment to advancing health care for all. We've not changed our curriculum regarding LGBTQ plus individuals. So, all of that curriculum remains. At the same time, we can't ignore the context within which we fulfill our mission and our vision.

And so,in considering the conference, which was open to the entire nation, registrants from all over, we thought the timing could be challenging, given that there is legislation currently under consideration at the State House that could have a direct impact on this specific work. So, the decision was made collectively by the School of Medicine leadership, including the Executive Associate Dean with oversight for the conference. So, the colleague of mine who directs the office that was hosting the conference was part of that decision. And so, we wanted to let the dust settle from this legislative session and then revisit the content and the delivery of that content so that we could assess the best way to move forward in the future and do this work. We do realize that the communication about the cancellation could have and should have been better. We own that. and we know that it triggered a lot of questions. It certainly triggered questions about academic freedom. And so, we, School of Medicine leadership, did meet with Phil Goff and other members of the IFC Faculty Affairs Subcommittee recently as well to address those questions. So, we certainly own that the communication could have been better and that really is the context for the cancellation.

Questions from UFC members

With regard to the continued advancement of artificial intelligence, and this being the year 2025 where AI agents are becoming a significant part of organizational life, where are we from a university perspective with our integration of AI into our work and also moving forward with the advancements of AI agents in our work?

Response
President Whitten

Just like so many things you see at this large, expanded, complicated university, we're kind of all over the place. If I oversimplify maybe three buckets to be thinking about AI and there's different groups that are attempting to think about each bucket and then there's individuals just charging ahead and everything in between, right? But if I think about the three buckets, one, of course, is from just an instructional perspective. How we can bring AI into the classroom or how our students are using it and how we feel about that in terms of how they're learning or demonstrating what they're learning. The second bucket is, of course, from the research and development perspective. We have a robust number of faculty who are engaged in discovery in the area of AI, some of which applies to higher ed, much of which applies to so many other contexts. The third bucket is the tools that we potentially could be using it as an institution to do things more effectively and more efficiently, in all levels, from people interacting or applying or decisions being made about things or, scraping through lots of data, et cetera. So, those are kind of the three buckets in play. Again, I can't give you a coherent answer because it's kind of work going on at all of those three buckets, and then lots of work I don't even know about that's happening in those three buckets, independently. So, is there anybody from the AI committee that wants to say anything? It doesn't look like it.

4. Update from the Office of the Vice President of University Relations, Michael Huber and Angie Smith-Jones, the Associate Vice President for State Relations

We're going to give a brief update, which was previously requested on state, and then we'll take a couple of minutes to give an update, which was not requested if there are questions about federal, which is obviously a day-to-day situation that we're monitoring. We just have a few slides to share.

Introduction
The major functions of the Office of State Relations are: We represent the interests of Indiana University with the General Assembly, executive offices, the Commission of Higher Ed, the state budget agency; we work closely with Jason Dutig, Chief Financial Officer of Indiana University and a former director of the state budget agency; we collaborate with our other state educational institutions and the private institutions within Indiana.

General map of the state legislature
We update this map to understand the balance of power in our state. Right now, it's 70 Republicans and 30 Democrats in the House, 40 Republicans and 10 Democrats in the Senate, and the state elected offices are held by Republicans, which is just to mean that relationship with whoever is governor at the time is incredibly important. And then when we are working to get Indiana University's state budget passed, when we're trying to help pass legislation, or when we're pushing back on legislation that's not in the best interest of Indiana University, we need enough votes. And that always means we need a significant number of Republican votes to advance the issues.

Reorganization of state government
Relevant to our work at IU, Governor Mike Braun, former U.S. Senator Mike Braun, essentially reorganized the cabinet and created what some people are calling a super cabinet. And the understanding is previous governors had had as many as 20 to 25, maybe more direct reports. Braun essentially consolidated some of those departments and reporting relationships. We want to show this briefly, though, because there are multiple relationships that are really important to IU. Two of them are David Adams, the Secretary of Commerce, who has been Chief Innovation Officer at multiple universities, served as a volunteer advised on the new IU Indianapolis, knows President Whitten and our team very well and Dr. Katie Jenner, the Secretary of Education and who was the Secretary of Education for the previous governor over K through 12. She also oversees new functions like the Commission on Higher Education. She also knows President Whitten very well. Those are two really important relationships for us as we work at the administration.

State legislative and budget session
In Indiana, the odd-numbered years [2025] are a budget session where they produce the biennial budget. We're ending the first quarter [of the legislative session]. Basically, this is the week that we're finishing second- and third-reading deadlines. So those are houses that are still viable, still alive, still being considered and voted on, and their house of origin will transition through this week. Next week is officially the break. And then when we come back after that the first week of

March, that's when we will be in the new house, and we start this process all over again. We still have a lot to do, but at least hopefully that kind of gives you a sense of where we are.

Of course, so one of our tracks of activity at the General Assembly is the state budget process, and that process begins in the late summer and fall of the previous year. So, while Indiana University develops its budget for the entire university, we also develop a budget for the portion of desired state funding. President Whitten appeared before the Commission on Higher Ed last fall. She's already appeared before the State House Ways and Means Committee. She has another meeting coming up in March to present to the Senate Appropriations Committee. This is a public meeting. We're always not only looking to see that Indiana University's priorities are making it in, but we're also watching this process like a hawk to see what other amendments or things like that get added to the budget. And the last slide, we're still in the second quarter of the ball game. So that first column that says first chamber, we are watching bills for their second and third readings in the House or Senate, where they originated.

Comments on state budget austerity
We know that Indiana University has had some good fortune in the past couple of budget sessions and a lot of that was based on the revenue forecast and the economy of the state. Since Governor Braun came in and with the legislative leadership, they have indicated that this is going to be a lean budget year. One of the factors is Medicaid. The Medicaid budget is putting tremendous downward pressure on the 2025 state budget. This is really the year, that they're committed to creating a sustainable Medicaid budget. There is also the desire by newly elected Governor Mike Braun for a property tax cut, and that is really a debate happening primarily within the Republican Party, but that's also putting downward pressure on state budgets. And then finally, the legislative leadership has been telling us, because we're in a time of great change with a new presidential administration, they're taking a conservative approach in case any kind of federal costs get passed down to the states. So those are three major factors I think that President Whitten wanted us to highlight. Angela, are there others? I was just going to remind everyone that the impact of the tariffs, because we're such a high manufacturing state, could impact Indiana's economy and therefore require our state legislature to do additional work, but it's giving them pressure to be much more conservative fiscally as we look at our budget.

Legislative bills
So okay want to mention a couple of bills that we're tracking which are important and then we'll take a couple of minutes again with just context not a lot of answers on the federal. The budget bill is the big one that we're tracking, and this is the process that it follows pretty much every time. You get the budget the governor's proposed budget usually in January which we received and that was essentially flat a little bit worse because they're flat for all public universities. We just received the proposal from the House of Representatives budget last Friday, which we're still working on our analysis. That shows IU at a little bit better than flat, but there are a couple of categories like capital that we're not seeing anything yet. And I don't know if we're going to get there. So, we had lower expectations. We've essentially got a flat budget that's a little bit better in a couple of cases. And so, you know, we're going to be working to make sure that we get some

modest increases in the Senate in the next six weeks or so. That's at least better news than what we had hoped from the budget.

Two bills we want to mention. One is Senate Bill 289 and Mary Dankowski I think was referencing this bill. It has passed out of the Senate, it originally was Senate Bill 235, and then it got combined with another bill. It does some different things, but the one thing that it does is it prohibits specific types of DEI training and programming for public institutions. It had some amendments, but it passed out of the Senate, so now the process starts over in the House. We are monitoring that closely, and we do anticipate there will be changes, mainly because the way that DEI is defined as very, very general in the bill. And so, it's going to be the subject of a lot of discussion. They already have the House sponsors and co-sponsors identified. The House does want to do a lot more clarifying. And we continue to work with members both on the Senate and the House side to reflect IU's interest specifically like Mary Dankowski indicated, how do we ensure we're able to still provide high value education for anyone who wants to attend IU? So the process starts all over in the House, and we're not going to speculate too much because we know it's going to get changed.

House Bill 1032 is another one that's gotten a lot of interest from IU because it would require universities to disclose relationships and contracts with virtually every international relationship. The intent of House Bill 1032 was to provide more transparency in terms of university's relationship with certain adversarial countries. But the reason that we're working on it with other universities is it's so vaguely worded that we believe that IU, for instance, would have to present a report with thousands of relationships. And so, we're watching to see if it gets passed out of the House, it passed House Ways and Means, then it would go to the Senate when it starts over again. We believe that will get amended a lot, and certainly Indiana University and other universities are weighing in on 1032. There are certainly others in the General Assembly, but those are really the two with the biggest implications and vagueness that we want to address.

We also have the federal team. Doug Wasitis, and then Molly Connor, who joined our team 18 months ago in the Washington, D.C. office, and they represent IU with federal agencies. It's always a team sport because we're always working with individuals from different schools, always working with the Vice President for Research as we try to compete for more federal money. With the new administration coming in, the executive orders and things like, and other changes that may be coming it has been a daily exercise to try to keep pace. And of course, remember the president has not been in office yet for one month, so it's still early in the game. A few weeks ago, the Office of Management and Budget announced a pause on all grant funding. That pause ended within a couple of business days. Dr. Phil Goff mentioned the NIH F&A rates and the indirects and a proposal that indirects would go to a flat 15%, which would have a huge impact on a large number of universities. including all the AAU institutions. After a few days, there was a temporary restraining order, so that change is not going through, but that's one that we need to monitor to better understand where the administration is moving. The Office of Research Administration under the VPR has established a site that they update regularly with possible impacts on different IU grants and things like that. We're working very closely with the Office of Research Administration as we try to understand these changes. And then finally, on Friday night, there

was a letter released by the Acting Assistant Secretary for the Department of Education Office for Civil Rights, a dear colleague letter which essentially provided a point of view that this individual has about DEI programs and about discrimination. It didn't have specific policy proposals in it, but it does provide a point of view that's at least got every university that has a relationship with the federal department administration in an anticipatory stance trying to better understand what this would mean. The problem is with a few of these communications and executive orders, we can't point to the exact result or effect on IU yet because the federal agencies now are tasked with implementing the executive orders. We hosted a webinar 10 days ago. We had over 1,100 unique visitors there, asked a lot of questions. We asked people, if you've got questions, definitely talk within your team and within your school. Call us if you have questions so we can direct you to information. And then certainly if you or anybody in your school receives communication from the federal government, make sure it's escalated within your school to your campus leader and to the president's office so that we can keep track of these.

Questions and answers

First off, thank you for all the work that you and your team are doing, advocating on behalf of IU and the community to the state and the federal government. Going back to the question that was raised earlier about the IU-LGBTQ Plus health conference, I wonder if you could comment on the perceived impact of that conference on the development of SEA 289.

I can't really point to a direct relationship because the discussions around 289 have been very broad and it's sometimes hard to sometimes figure out what result they're going for. And that is common sometimes among this type of legislation because sometimes you'll have sponsors who don't know an institution very well. So, it's hard for me to draw a straight-line relationship between that conference that was discussed earlier and the legislation. The big impact, though, that we're looking at is, it calls out certain types of programs and training that legislators have concern about, but we're really going to have to press on that as it moves the house and because part of the challenge is that is very generally and sometimes vaguely worded.

A question came up in a meeting yesterday with a colleague who was questioning whether or not she could still teach DEI knowledge and content knowledge in her class. I responded and said, as far as I knew, there were no restrictions on what we could teach in courses, but it sounds like maybe there will be.

We can only go by the exact wording in the legislation, but right now, training and programming are things that you offer the employees. And so, in terms of academic freedom issues and things like that, my understanding is so far this particular proposal has not gone that distance yet, Although it's something that we've got to watch out for. Angela. Yeah, what I typically share is that just be very cognizant of following current laws? So, currently, we are in the middle of the legislative process, and currently, this bill is not law. So as long as you are abiding by the current law, which is ideological and cultural diversity, which was the bill that just passed allowing every student to speak, whatever their mindset is in any courses that you teach, that would be compliant. And then we will just keep our eye on the ball, keeping in mind any possible executive

order or any other additional orders that come down right now at this time, make sure you're compliant with that, and then you will be able to teach within the tenets of the law.

This is a little bit different question, and it has to do with is there any conversation at all in the legislature about the impact of the building of data centers on the electrical grid, the increased need for power, and the subsequent resulting cost increase, which could even affect us as a university. Is there any thought beyond the stuff they seem to focus on towards some things that might impact us with, water, power, et cetera. I mean, they're building one in Monrovia, for example, and they're building them throughout the state. And this is going to be a draw in power. Now, yes, I'm on the other end of it in the sense of being one to advocates for AI, but has our legislature thought anything about the implications of, again, things like increasing numbers of data centers and power usage, et cetera?

I can't point to a single piece of legislation, not one and not one that we're tracking on behalf of IU may exist. There is a debate right now, though, and it's worth tracking. And some of this has been in the public about how the new governor is viewing these data centers and high-tech operations. He's kind of signaling that he wants to pull back from those type of high resource intensive operations. He's talked about the LEAP district in Lebanon in particular. I expect that this is going to be less of a legislative issue and more of a within the executive branch issue and how he builds his IEDC. So less of a legislative issue, but more of a governor's priority issue. It looks like the Braun administration will not be as aggressive in pursuing those kinds of large operations.

I'm wondering if you have had much interaction with the Attorney General's office on the Texas versus Becerra case that's asking to have Section 504 declared unconstitutional. And if so, if you could tell us what the university's position has been on that.

I must be careful here because we're not the general counsel's department, but on legislation we have not had the occasion to have a lot of direct dialogue with the attorney general. And when we are we have to be very disciplined, Angela. Yes, I'm not privy to any information. So, whether or not that case is relevant to another, but in terms of our state or federal priorities to date, we haven't had dialogue to that end.

My question was more about kind of state legislation versus the federal executive orders. So for example, with the SB 289 coming through and going into the house, would the federal executive orders supersede or trump some of those state legislative powers? Because I know with the executive orders, we have more of like ending radical and wasteful government, DEI programming and preferencing and illegal discrimination and kind of that kind of terminology. But the state legislative stuff is more about illegal discrimination also, but in a different kind of manner of formatting. So I just don't know how, which one will supersede what.

So far and we're not going to speculate because we're early in the game. So far, a state bill like 289 and so far, the executive orders that we've read would do different things. Since IU as a state institution, the state can pass laws that put parameters around how you can use the state's

monies. And one possibility we have to be watching out for is that 289 could say as a state institution you can't provide these types of training or programming, or possibly that you can't use state dollars to do these types of things. So far with the executive orders, the effect would be on grant funding that goes to all different grantees in terms of universities and how and for what activities you can use federal grant funds. Now I'm speculating a little bit, but it's something that we have to keep an eye out for if there are going to be targeted federal program reductions or eliminations that impact grants that IU has to do various types of federal work. So far what we're seeing is not so much an issue of one supersede the other, but if passed, they would do different things and have different effects. Angela? Yeah, I would also say that there's no specificity in some of the executive orders. They're extremely vague, and therefore would be extremely difficult for the state and or an institution of higher education to implement because of how broadly the terms are written in the executive order. And as Michael indicated, should an executive order be specific then our state legislature could craft language that was more specific or more targeted than the executive order, but we could not exceed, nor could they give us permissions that are broader than the executive order. So, we're kind of in uncertain times just still trying to make sure we're gleaning as much information as possible, boiling it down to as much specificity as we can, but also recognizing that there's more to come, as indicated by the directing of the federal agencies to give more specificity. And I'll end where the president started, and that is we're going to be in this situation with the state until the end of April, and I'm guessing with the new federal administration a little bit longer.

We were told to anticipate potential changes to or updates to SCA 202 the past last year. Is there any word on that?

Angela? At this time, again, recognizing it's just moving to the other. chambers. But right now, there hasn't been anything additional regarding refining SEA 202 from last year.

5. Update from Hannah Buxbaum, VP of International Affairs

Colleagues, always happy to meet with you and give a quick update on international affairs, and I have organized my talk into just a couple of pieces. One is a quick update on core priorities, and the second one actually follows pretty well on the presentation that VP Huber just gave because it deals with some of the changes in the legislative environment around international.

So, an update on one of our core priorities, which is education abroad [ed-abroad]. As you all know, we have been focused for many years on accelerating participation in ed-abroad across all our campuses. You're seeing the chart on ed abroad right now. You can see the dip, that is COVID. We are very gratified that we have now emerged. from that. Last year, 23-24, we actually got back to the pre-COVID participation levels in ed-abroad, and we are projecting to exceed that this year. I will just say a couple of words in particular. One is we are always striving to increase the accessibility and affordability of these programs, and we have been working hard on developing some additional direct enrollment programs, faculty-led programs, that lower the cost of participation for our students. The other thing we're working on is the career relevance of the ed-abroad experience, and so we have been focusing on developing internship opportunities in

conjunction with study abroad. We're very happy that last year, about 10% of our ed-abroad students had an internship experience at the same time, and we're looking to increase that number.

international student enrollment is a more mixed picture. President Whitten already talked about the increase in applications across the board at IU. We are seeing that in international as well. Applications are up. What is not up is enrollments. Those have been going down. There are a lot of reasons for that, some to do with geopolitical situation, some to do with patterns in the applications. from students from particular countries. But suffice it to say we are going to be focusing very hard on yield this cycle and the changes in the immigration environment, which I will get to in a moment, are likely to be a suppressing factor, I think. So, this is going to be a somewhat challenging season for international enrollment.

Global presence, I just wanted to flag that this past year. year, we opened a gateway office in Accra, Ghana, which is the first on the African continent, and we are very excited to begin accelerating activity there. We have a number of very active research collaborations in Africa. It's also an area that we would like to increase study abroad destinations out and recruitment of international students in. So, I'm happy that that has come to fruition. Last point before I get to the to the regulatory issues is to say that we appreciate that all of you on all campuses are working on creating additional high impact experiential learning opportunities for our students and we have been working in the at-abroad portfolio and also the internationalization at home portfolio to create international learning opportunities that are specifically constructed to be career relevant for our students. We're starting to see good uptake of those curricular programs as well.

So let me turn to the regulatory climate. Again, this will follow a bit on VP Hoover's presentation. I will mention a couple of particular bills, but I've grouped our concerns into a few different areas. and one of them relates to adversarial foreign interests. This is primarily but not only about the U.S.-China relationship, and we are seeing significant efforts on two fronts. One is, as VP Hoover already mentioned, to impose increased reporting and disclosure requirements on universities regarding foreign source grants, foreign source income, et cetera, from adversarial nations. The second would restrict certain forms of activity with partners in adversarial nations. Now, I want to emphasize the point President Whittin made at the beginning, which is so far what we are seeing is draft legislation, and this legislation is going to be refined over the course of the legislative sessions, both at the state level and at the federal level. But I think it is fair to say that the indicators are some form of legislation in these areas is going to be coming, and it may have an impact on our ability to collaborate in certain types of research or with research institutions, especially in China.

The other thing I want to mention is there was an executive order of late January that is designed to address the threat of anti-terrorism. And it requested several agencies to develop a report that would identify specific countries where heightened vetting and heightened scrutiny of individuals coming from those countries to the United States is warranted. This executive order is already in place, and the report is due 60 days from January 20, which is going to fall right around spring break. The reason this is of concern is that it will form the foundation probably for some travel

bans of the kind that we saw in the first Trump administration. We are keeping an eye on that so that we can effectively advise our international students regarding their own potential international travel plans.

The second set of concerns is really around funding for international activity. I think the highest visibility development so far is the dismantling of USAID and the larger realignment of the U.S. foreign aid portfolio that is ongoing. Part of our work in international engagement is to conduct international development, and the university did have in some places some USAID grants, and so that has had already an impact on our work. We are tracking possible impacts on funding for other forms of international programs and international support. One I will flag along that line is on February 13, the State Department put a pause on all grant disbursements for State Department funding, and that hit the Fulbright Program and the Gilman Program and other programs that support study abroad for U.S. students. We are not sure that was an intended effect, and it may be unpaused, but that, again, is the kind of just fast-moving action that is impacting some of our students and also scholars who have funding for their international activity.

Finally, we have what I would characterize as just a watch list on immigration issues. This is informed by actions that were taken in the first Trump administration. Again, as mentioned, we do not know yet exactly what will happen in this administration, but it is important given the size of our international student and scholar community that we actively track these issues and try to prepare for any future action. Some restrictions may affect H-1B visas. That is the skilled worker category with which we hire international faculty and staff, at IU, same for permanent residency status. We are concerned about potential restrictions on optional practical training for our international graduates who currently receive visa extensions to stay in the United States and get work experience, potentially also curricular practical training, which permits them to get some work experience while they are still enrolled. And finally, we are, almost certainly going to experience visa processing delays simply because of changes in the workforce, changes in the State Department, that will make it potentially more difficult to support faculty and student mobility. I just want to flag, in light of the uncertainties here, we are trying very hard not to respond to hypothetical situations. We are trying not to talk about outcomes that have not yet developed. So, what we have done is create a space on our website. This is the landing page for IU Global. We have a link where we will put actual updates relevant to immigration and visa policies as they happen. The goal here is to have a definitive and authoritative source of information for our international students and scholars to look to, so that they do not get their information from social media and other places where they might have less accurate information.

Questions and answers

It's not a question, it's a compliment. I really appreciate the work that you're doing in the midst of this continuous dynamic change because what you're doing is essential for the university, for the country, for other people. So, keep up the work. Don't get down in what you're doing. You're doing the right things. And I really appreciate that website. So, thank you.

That is very kind of you, and I will pass that along to my team. I think they will appreciate the words of encouragement.

6. Update on the budget redesign process - VP for Finance and CFO, Jason Dudich

Thank you, Madam President, members of the UFC. I wanted to provide two updates on the budget redesign. Phase one, which is focused on the University Administration portion, which we talked a little bit about last time we met and then also phase two, which is happening at the campus level, and I have asked Rahul, Latha, and Ken to take a few minutes to talk about what's going on at each of their campuses, a lot of good momentum forward in terms of engaging the campus on what their budget redesign will look like and narrowing down some of the metrics and methodology that the campuses will be focused on for their redesign. Before I do that, just a quick note adding on to Vice President Huber's note about budget process. Just internally, we are continuing to work on our overall IU budget heading into the June Board of Trustees meeting where that will be voted on. In addition to that, there will also be a vote on tuition and mandatory fee setting for the next two years. That happens every two years during the budget cycle. We will get recommendations from the Commission for Higher Education in May, which will tell us what they're thinking resident tuition and mandatory fees should go up. We then have 30 days to review that and decide as an institution where our tuition and mandatory fees will end up. By June, we'll have a lot of things going on in terms of budget presentation, tuition, and fees, and then also what the final budget from the state of Indiana is in terms of funding. So, a little bit there just to kind of give you an idea of where we are internally. in the budget process.

I'll share my screen to show you some information with regard to the first phase of the budget redesign. It's the last time we spoke, we talked about really putting together a working group that I had mentioned with campus leadership at the financial level, as well as individuals from my team working on what potentially the new UA assessment model would look like moving forward. Just a reminder, the current assessment model that we've been using is outdated, not data driven, very little understanding of how it was built in the past. So, we're taking that approach of let's start new and figure out what our new redesign will look like for the UA assessment portion of the overall redesign project. I mentioned we created a task working group or a task force to work on the redesign on phase one. Our objectives were to review the current model to understand it as well as we could and determine a proposed UA assessment amount for fiscal year 26 as early as possible.

As I noted last time, we would be about right now in the budget process when we would determine a UA assessment that we would then allocate out to the campuses. We wanted to get that number identified in some proposed state earlier in the process to share with campus leaders and campus financial leadership so that they could have a better planning opportunity as they're building their budget for what will be presented in June. We were able to come up with a number that we felt confident about that represents what the UA assessment will be in fiscal year 26, but understanding that that could change a little bit, but not to the degree that what we saw back in fiscal year 25 budget development. We also agreed that a new allocation methodology would be

necessary in fiscal year 26. The working group consisted of all the campus financial leaders, my office, and it started meeting in June, as I mentioned back in September, but we have made progress since then. One of the things I mentioned was we didn't have a data-driven approach to the first phase of our budget redesign in terms of how the UA assessment was allocated. We couldn't find any background or information. It was very much percentages that were just assigned to each campus, and that is what was allocated out of the assessment. We got the feeling that it was more based on historical spending trends than it was on actual data that impacts how the UA units provide services to the campuses. So, we identified six specific data sets that we felt we could link to each UA unit that would then drive the assessment to that campus based on how that campus fell in terms of those data points. We looked at things like campus spending, the overall campus spending compared to the entire institution, the number of employees, faculty and staff at each campus, student enrollment at each campus, research proposals at each campus, space, and then a combination of both employee and student, students because we knew that there were UA units that served both employees and students on the campuses. We looked at these metrics a lot of different ways. We looked at one year, two year and three years of data. We looked at three-year averages. We looked at different pieces of data, full-time equivalence versus headcount. But we really came down to six data metrics that we felt were replicable, could be explained relatively easily, could tie back to each of the UA units, and all the campuses had data related to those metrics. The final thing that we looked at was some type of equity adjustment for campuses that have less revenue diversification than others. And regional campuses, as we know, don't have that other income that comes in around indirect cost recovery or maybe even grant opportunities. And so what we did as we created an equity adjustment that softened the hit of this new methodology for the regional campuses - Indianapolis, looking at the tuition, resident tuition from Bloomington compared to Indianapolis and Bloomington compared to the regional campuses - and adjusted some of the allocation methodology to benefit the regional campuses again because of the difference in tuition and two the difference in how revenue is generated on each of the campuses. This is just a chart of where each of those metrics fell and in terms of what UA units were allocated to each of those metrics. For example, I like to use human resources. Human resources obviously serves the employees, the staff and faculty of Indiana University. It is really driven by the number of employees that we have on our institution. So, we felt that the all-employee count, the FTE count, would be allocated based on the number of employees at each campus. Bloomington has 50%, 50% of the HR UA assessment would be allocated to Bloomington. Research, for example, we looked at total research proposals submitted to the Office of Research Administration. How many research proposals, percentage wise, were submitted by each campus, is how we allocated the UA portion for research to those campuses. Again, this is really data driven. This is backed by three years of average data that we use to apply that UA assessment number moving forward. This is an iterative process. We'll go over this again as we go through the budget process next year. But this is certainly a big step away from just an old methodology that had no data-driven, no data behind it, no real reasoning. It was just percentages that we could not defend. So, we're starting new with this UA assessment methodology as part of that phase one budget redesign for the campuses.

I'll turn it over to Rahul, Latha, and Ken to talk about what's going on on their campuses with regard to phase two budget redesign. I'll kick it to Rahul first. Thank you, Jason, and appreciate

all that you've done with the new budget model that's been discussed internally quite a bit, and it's had a very good response. The Bloomington campus budget committee has been working hard, too. It's co-chaired by Dean Ash Soni from Kelly School of Business and Amy Heater was the campus Vice Provost for Finance. A few weeks ago, they sort of brought the new budget model fully to life, I guess, for further discussion. It has three main arms to it. There is an RCM like arm, so there's a portion of the revenue that is still based on credit hour generation, but it is a ratio of number of majors and credit hours. The philosophy there is that serving students in the majors has additional costs beyond just what goes into teaching. So that's one part of it. The second part is an arm for strategic initiatives that are very, again, data-driven, metric-driven. It could be research. It could be student success. Other things that could change over time. And then there's a third category that is largely related to things that are currently delegated to units and create all kind of inconsistencies that the committee is recommending that be done centrally. So those are things like classroom renovations or security related needs on campus. Those should not vary building by building, school by school, unit by unit. So, the recommendation is to merge it into a single arm. There is also funding for sort of central units, the Vice Provost for Graduate School or Enrollment Management. For those kind of units, they have largely taken the framework that Jason and team has done, the metrics, the same data, the same metrics that are being applied to UA in some version would be applied to central services on campus as well. So that's sort of the big picture framework. It was shared with the deans about a week ago. It will be presented at the BFC meeting early March. The committee wants to have multiple town halls for data gathering. They've asked deans and departments to invite them to their faculty committees as needed to discuss that. And that should be done throughout the rest of the semester, followed by more modeling and sort of dashboard building over the summer. to see where there might be some challenges as we transition to the new budget model. So that's where we are. I'm excited to see it, and it's been a lot of work by a number of people - several deans are on it., BFCs is engaged, the Budgetary Affairs Committee, which is a subgroup of the Bloomington Faculty Council, has been part of these conversations. So, it's good to see that year-long work come to some fruition. Let me pass it on to Latha.

Thank you, Rahul, and thank you, Jason, for that overview of what's happening. Somewhat similar at IU, Indianapolis, in terms of what Rahul just shared. The process has been very encouraging in terms of people understand the need for a change. We have a committee that was formed in 2024. that created a first set of recommendations that were shared with the deans in extensive conversations, several meetings with the deans, and then one-on-ones with fiscal officers. We took all that input, gave it back to the committee. They came up with a second set of recommendations that is now being shared again. That was shared yesterday, and we had a good discussion with our IFC Budgetary Affairs Committee, good momentum in terms of the speed at which they want to go, which is faster than what I anticipated, which was very encouraging. And we hope to have the final version shared with IFC as well as more broadly for comments, which we will then take and finalize the model. So, in a couple of months, or at least by April, I'm hoping that we finalize it so we can start the what if scenarios for this year as well as for next year. In terms of the principles that are guiding this model, it's somewhat similar to what Rahul said. There will still be a route for allocation that is based on enrollment, credit hours, and then in addition to that, there is going to be a secondary route that is meant to incentivize the kinds of

outcomes we want as described in our strategic plan, but also outcomes that are related to our mission, our values, collaboration, student success initiatives, those kinds of things that we would like to incentivize that don't automatically come out of enrollment growth. So that's really the big picture on the model. And of course, the goal is to make it simple, to make sure that it allows for transparency and that it is something that we can explain to each other and that the cost drivers, just like the UA model, that we don't deviate too much from that. So, it's not one set of drivers for the UA costs and another set of drivers for the university for the campus cost. So really the goal is to simplify the cost drivers as well. So so far, really good momentum on these conversations and it's moving in the right direction. Happy to answer questions, but I'll hand it over to Kenny.

Thank you, Latha. All five of our regional campuses had our campus budget meetings from January 29th to February 5th, and the central aspect of our discussions was actually the budget redesign. Part of that discussion was re-identifying all areas the university administration and services provided to the regional campuses. And I say re-identifying because people forget, or things change. And so that was a healthy discussion. And discussing the new assessment model based on data and metrics tied to campus spending on plenty of FT, student NFT, research activity and space as applied to each UA unit. As expected, when you create a new model syncing to potentially correct imbalances developed over time, that that initial effort may lead to varied outcomes, and certainly that may be anticipated for the regionals. And so much of a discussion at the campuses, for those campuses who may be experiencing greater increases based upon the model, you know, we're going to be working with Jason and his team and his office to mitigate the maybe potential impacts of that new model, at least initially, as we move forward. But the work is ongoing and we're doing much of the same things that my colleagues are doing. I think the key for us is identification through this process. Again, the factors so we can make better projections so we can strategize better and make rational and collective investments that everyone on our campuses can come together and decide together. And so really the theme at the end of the day, for me, my takeaway is increased transparency, which this process is helping us design and expand as we move forward. So, I appreciate Jason. I know how difficult this was, trust me, and trying to reset is extremely difficult given historical maybe difficulties in trying to find out how these originated. So, I appreciate the team and I appreciate everyone from the regional campus, my colleagues here as we move forward to 2.0 of this process. Great. Thank you.

Questions and answers [Jason Rahul, Latha, Kenny]

It's really just a question about the implementation of this. I know that's sort of the next phase, but I know on the Bloomington campus there have been some discussion at various points about running two budget models simultaneously for the purpose of seeing how the behavior deviates. You know, when you're implementing, when you're kind of reorganizing on this scale, I think you can make reasonable predictions about how things are going to behave, but there are going to be things at the very fine-grained level that are going to hit certain units very significantly. And so inevitably. So, the question is how do you mitigate kind of at the grassroots level the impact of something that at the level of a $4 billion organization it makes sense, but may hit certain people initiatives and other things in a way that they're

Jason's response

From the UA point, it's a new model and we know it's creating some shifts in where the UA assessment is allocated. We've talked to all the financial leaders and the campus leaders there and they understand that this shift represents where it's going, but they may need to prioritize and look at different resources available to make that work for next fiscal year. So that is going to be implemented July 1st, but it's something that I think all of them are prepared for already because we did that very early in the process. The other thing I would say is that because we want to review this every year, if there was new data that we want to consider, if there were unintended consequences that doesn't move the model in a major shift in direction up or down, we want to continue that dialogue. And so in the summer, once all budgets are done, we'll bring that working group back together. We'll review the data points. We'll look at some potential numbers for fiscal year 27. and start that process and dialogue. And was there anything that we didn't anticipate from the UA side and the change in the assessment methodology that we need to consider as part of this. But again, I want to get away from these big swings and more predictable numbers. And I think Rahul, Latha and Ken would all say, if it's more predictable, if it's something we can plan for, it makes life easier. So that's been my key North Star, is keeping this model predictable, but also being able to adjust it if there's anything that we realize, created unintended consequence. And then I'll refer to it Rahul, Latha, and Ken on the implementation on their side.

Rahul's response

No, that's perfect. A similar story at the campus level. The whole point of running two models in parallel for a year is to catch as much of this as we can. Even with that, there will be some gaps, I'm sure there will be some changes. We'll have to tackle that on a case-by-case basis. I mean, some changes, honestly, we want the budget model to enhance some changes, so those we'll sort of handle one way and others that are detrimental to institutional goals, we'll have to address through it. But a transition of this magnitude, there will be some bumps, and we'll just have to handle those as they come. So a lot of emails, a lot of communications. I know Jason's team and our team and the unit level, finance teams are all going to be working collectively. You may or may not know, but over the last three years we've changed how finances work behind the scenes. Pretty much every academic unit finance lead is actually a joint report with the central team. So that allows communication to be quicker and more effective. And some of the dashboards that will generate over the summer and into the next year should help us forecast things that we can't do today. So, we're preparing for those situations.

Latha's response

I agree with what Rahul said. We have a year and some to think about the new model. It won't be perfect, but we'll recalibrate and give people time to adjust. The question is how long? How long should that adjustment phase be? One thing we have made it clear to all our deans is no one's going to be left high and dry to manage it on their own. We're not even going to use the D

word, the deficit word. We're calling it a temporary misalignment. Now, do you take one year to grow out of a temporary misalignment, or do you take 25 years? As our faculty council representatives, so what's the right word, strategically reminded me yesterday. We have seen this before, and we want to make sure units are held accountable. And so, we don't want this to be a never-ending process, which was really encouraging to me to hear that. So, we'll have to work with each unit based on where the misalignment is coming from. If it's coming from the fact that we have duplicate programs on campus, then it's a price that we're all paying for certain behaviors. So how do we minimize that? So, we'll have to look at this carefully. But again, the goal is not to leave colleges to manage their problems on their own. That will not work.

Ken's response
Nothing to add, great.

7. Report from Russ Mumper, Vice President of Research
   Introduction of David Rosenberg

Good afternoon, everyone, and thank you, President Whitten. It's really a pleasure to be here to talk to you about the IU Lab. You've heard a little bit about it from President Whitten. Hopefully you've seen the news release. And, it's my pleasure to introduce David Rosenberg, our inaugural president and CEO of the IU Lab. I do have three or four slides that David and I just wanted to present for the ease of presenting the IU Lab. Hopefully you've seen the news release of a $138 million grant from the Lilly Endowment. This came out in December. I'll make two comments about the process. The Lilly Endowment is a wonderful organization. The state of Indiana is really in a great position to have the Lilly Endowment in the state. This was a highly iterative process. Really it took a small group of us led by President Whitten. in most of 2024, working in a very iterative process with the Lilly Endowment, presenting a concept that then became something of substance, with constant feedback from the Lilly Endowment. In the end, we think it was a much, much improved proposal because of the active role of the Lilly Endowment. And I also have to say, just because I experienced it, that this was made possible by the leadership of President Whitten. The Lilly Endowment was very in tune to the fact that they wanted this big potential award to IU to be a big priority for the university, university-wide, and it wouldn't have happened without President Whitten's leadership and vision to bring this home. And as the news says it is the largest grant ever to support research and development. And, in many ways, it was a grand proposal in that it was not only an idea, a vision of IU, but as President Whitten said, we identified five key partners and then many other affiliated partners.

This was the actual diagram that we put in the proposal. It is the diagram, the scheme as we called it for the launch accelerator for biosciences with the mission, as you see at the top, to partner and drive bioscience innovation and talent development. On the right side of the slide are the other stated goals, grow the state's economy, accelerate innovation, commercialized products, really be the anchor, the academic anchor in the 16 Tech Innovation District. So, there was a lot of excitement about IU's intent and vision to plant and become a major academic anchor in the 16 Tech Innovation District. It was really a very strategic location next to a number of hospital partners, IU School of Medicine, 16 Tech. You can see the partners at the bottom of the slide. We

call them the key partners. Three of the five are physically located in the 16 Tech Innovation District. So, the presence at the 16 Tech Innovation District, very close to IU Indianapolis's campus, the school of medicine and major hospitals was also very strategic. So then driving this was really commensurate with a university-wide effort, what we call the SCITECH research institutes in IU, Indianapolis, to convey that this is really a state investment too because I think you all know that the state in terms of the launch of IU Indianapolis invested heavily and in the ability to create these institutes and new faculty hires that will align with academic degree programs but also industry is a really important partner and David will go into more detail And then obviously the School of Medicine, Bloomington and Luddy, for the purposes of the proposal and what we're trying to do by driving bioscience were really integral. But we have begun a process, David can articulate that, with each of the chief academic officers at the campuses, we are now beginning a process to really ask the question, how can we truly execute this vision of the IU lab and have it be a university-wide asset working with key partners.

There's a stacking in the middle of the slide that I think I just want to spend a minute and just describe to you because it was very intentional. The IU lab was really meant to align the tripartite mission of IU from the academic teaching mission to research to service, including economic development. And so it was intentionally designed as six floors, 150,000 square feet, where the bottom floor is what we call the academic gateway. This would bring in current IU students across the university, but also current workforce. And this would be where we would have educational and credentialing, kind of that foundation for a student or new learner engagement. That's why we called it the academic gateway. But it's also an academic gateway for the IU Lab, that it's really the front door to bring in hundreds of learners. And then as they transition from that foundational experience, the next floor up, walk up the stairs or take the elevator, is the Future Center, hands-on exploration and discovery. We have a series of research cores, but also what we call studios that would be able to put forward with our partners to have hands-on experiences for learners, again, whether they be students or current workforce. And then the third floor, halfway up the building is the IU Innovates Bio Startup Center, really spearheaded and driven by Julie Heath and IU Innovates to have as many faculty and startup and research startups in this area of life science and bioscience as possible. And including or in addition to the incubator where we'll have IU startups, we will have an accelerator in partnership with companies and organizations that we would be in partnership with, that would bring in existing companies with the ultimate goal to have them land in 16 Tech permanently and really build out that, that 16 Tech Innovation District, again, with IU being the academic anchor. The fourth floor up is the Public, Private Partnership Center. This is really IUs attempt through pillar two of IU 2030 strategic plan for IU to partner with industry, whether they're pharma, biotech, medical device companies in a way that we never have. So really taking it to the next level, but importantly, have the learner's part of that process. So again, it's applied experiential, but it's IU in partnership with industry partners. And then the next floor is the Joint Center of Excellence. You may have seen the news release last November, kind of a first of its kind in the country, Center of Excellence on Point of Care Precision Medicine. That's in partnership with I.U. Health, School of Medicine, Indiana Bioscience Research Institute. And then the top floor is the translational bio center, a place for kind of validation of potential commercial products. We spent a lot of time on trying to focus on those five areas, and President

Witton mentioned those. These were very strategic and arguably incredibly important to the state in terms of industry partnerships, but also on the welfare of our citizens.

And the last thing I want to say, and as I introduce David Rosenberg, is I hope you can appreciate that this is IU working with key partners, working with industry, the state, other organizations in a way that IU has not done certainly at this level. And we were thrilled to be able to bring in to run IU Lab as the inaugural president and CEO, David Rosenberg. Hopefully many of you know him already. If not, it's my pleasure to introduce you to him. David is a very proud IU alumnus, and as President Whitten said, Secretary of Commerce and President of the Indiana Economic Development Corporation, really the ideal person to come and run and really effectuate the vision of IU Lab. I'm going to ask David to say hello and tell you what he's been up to.

Great to be with you all, as Russ said, David Rosenberg. I want to first give huge congratulations and kudos to President Witton's vision, but also Russ's and Phaedra Corso's hard work on the grant throughout the process, the Lilly Endowment is an incredible partner, and the city and state would not look the same without them. Thrilled to be with IU, we're about five weeks in. And what we've been really trying to do is cast a wide net and go on a listening tour, both internally and externally, to see all the incredible things that are going on throughout the university, very much in a multidisciplinary fashion, but also working with those external partners to see where industry is headed over the next 10, 15, 20 years and how we can marry those two, the great work that's going on internally to IU, plus where our external partners want to be, to really create that next innovation, commercialize the next product. And as Russ mentioned, very importantly, train the life science leaders of the future, including those entrepreneurs, CEOs, and others that will be doing the research. We've had great industry outreach and excitement about IU taking the step. There's also been great reception internally as we've gone around and met with the various schools both on the Indianapolis and Bloomington campuses. So, we've been very excited about that. Part of that is going into how we start to do the space planning and design of the facility. We were working with capital planning and expect to have an architect on board by mid-March. And we'll continue to work with them with the academic gateway and faculty planning, the kind of startup entrepreneur space with Julie Heath, but also industry on what they would want to see in terms of this structure in this building as well. So, we're well on our way with that. Importantly, though, that the facility will be built and is scheduled to open in fall 27, but the lab is open for business now. We're looking for any and all partnerships as we look to find space in the immediate term to start to launch some of these partnerships that we can get off the ground, create those relationships inside and outside the university, and then pick those up and move into the lab once we have the facility built. But again, we are not waiting for that to happen. We are off and running now and would love to hear from all of you offline on ways we can engage and opportunities to work with you and your colleagues.

Questions and answers
President Whitten
Great. Thank you, Russ and David.

Motion and second to adjourn. Our next meeting is in person on April 22nd