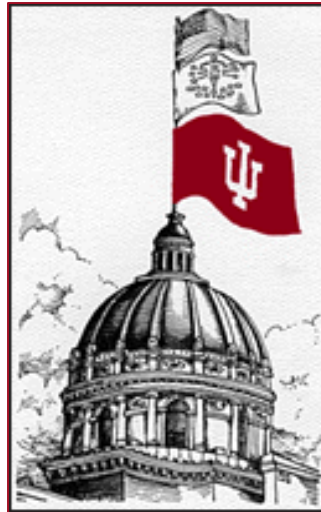


The Campaign for State Funding



University-wide External Relations Retreat

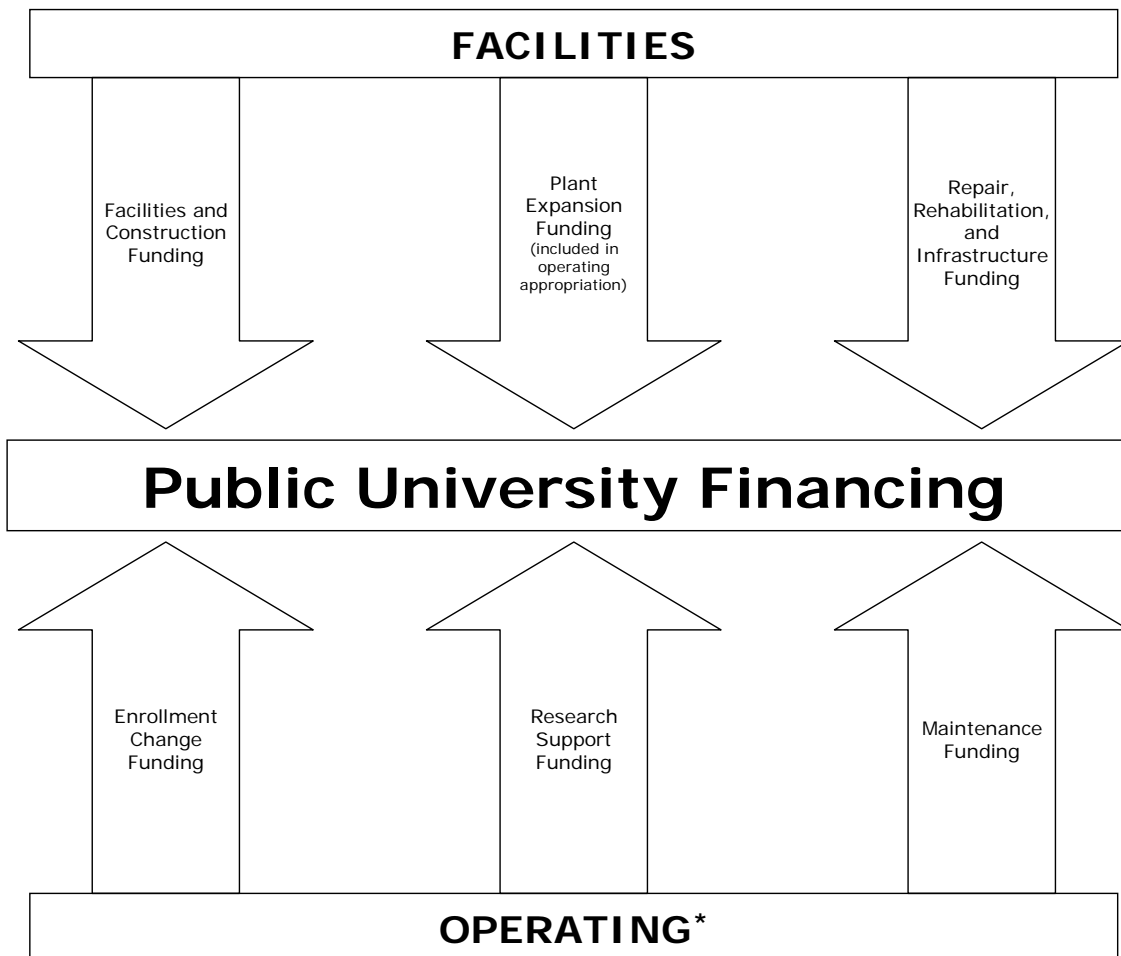
September 12, 2006

INDIANA UNIVERSITY

Presentation Overview

- How Indiana funds public universities
- What IU is requesting
- Challenges
- Our campaign

How Public Higher Education is Funded



INDIANA UNIVERSITY

What IU is Requesting

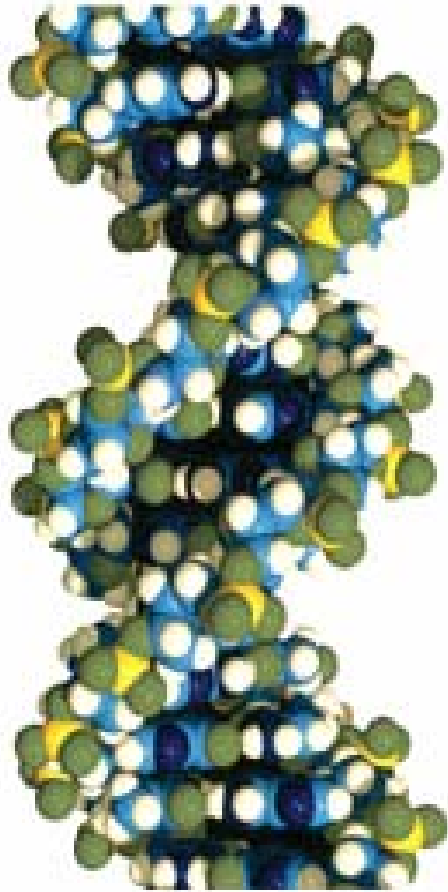
Operating

1. Life Sciences Initiative
2. *Pathways to Success*
3. Campus appropriations
4. Fee replacement

Capital

1. Repair and rehabilitation
2. Cyber Infrastructure Building
3. Neurosciences Building
4. Laboratory Renovations
5. Infrastructure Restoration
6. Associates Building
7. Systems Biology
8. Land acquisition

Indiana Life Sciences Initiative

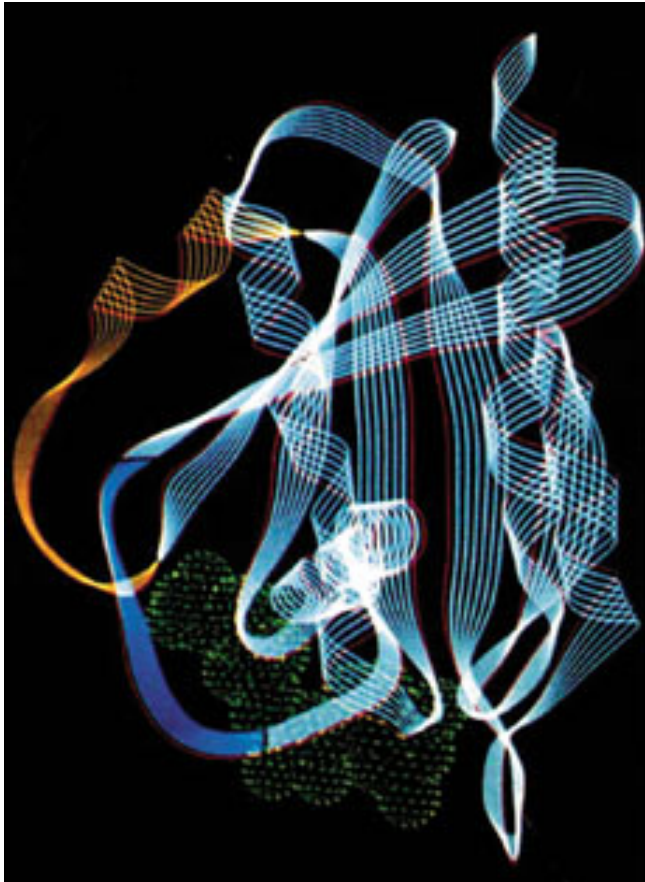


Outcomes by 2019:

- Bring \$2.4 billion in research dollars to Indiana
- Generate at least \$100 million in intellectual property revenue
- Stimulate 14,000 jobs
- Develop at least 100 new companies

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Indiana Life Sciences Initiative



The 12-Year Plan: Match state investment with institutional funds and private fund raising to:

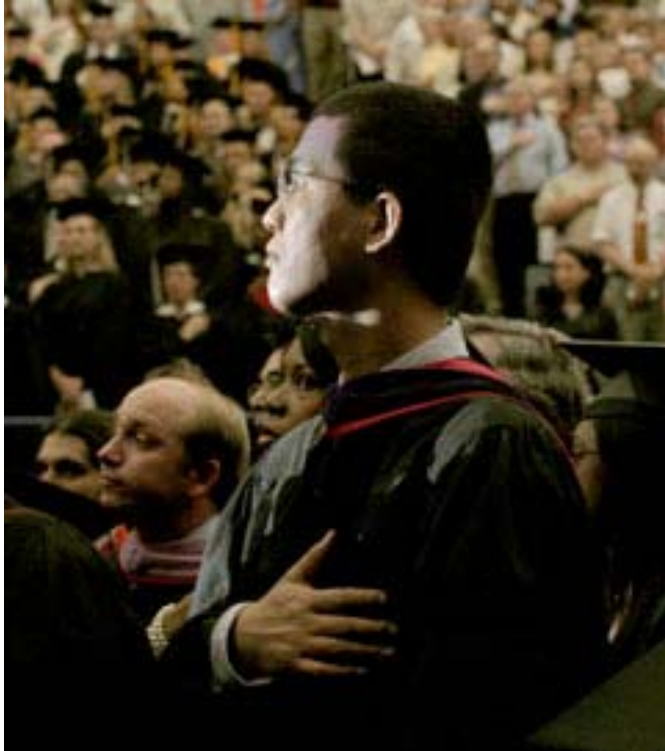
- Recruit ~500 top researchers
- Focus on 8 regional medical centers
- Partner with communities
- Bolster partnerships with Purdue, Notre Dame, and other institutions

2007-2009 Action Steps:

- Recruit the first 106 researchers
- Focus regional centers
- Launch community partnerships
- Hire more tech transfer staff

INDIANA UNIVERSITY

Pathways to Success Initiative



Features

- **Goal:** Increase graduation rates and matriculation rates in STEM disciplines*
- **Pilot:** Target middle- and high-schools in Lake, Marion, and St. Joseph counties
- **Focus:** People of color and chronically poor students – all of whom are underrepresented in STEM disciplines
- **Request:** \$5 million base appropriation in FY 2007

* Science, Technology, Engineering, and Mathematics

INDIANA UNIVERSITY

Indiana Life Sciences Initiative

2007-2009 Investment Plan

Operating Funding		Total Cost (in millions)	IU Investment (in millions)	State Funding (in millions)
<ul style="list-style-type: none"> •Recruit 106 new faculty • Align regional medical education centers •Increase commercialization and economic development 		\$ 126.4	\$ 46.4	\$ 80.0
Facilities (in order of overall institutional priority)				<i>Bonding Authority*</i>
1	Cyber Infrastructure Building* (Bloomington)	\$ 64.5	\$ 34.0	\$ 30.5
2	Neurosciences Building (Indianapolis)	\$ 50.0	\$ 15.0	\$ 35.0
3	Laboratory Renovations (Bloomington and Indianapolis)	\$ 35.0		\$ 35.0
6	Systems Biology (Bloomington)	\$ 40.0	\$ 10.0	\$ 30.0
Projected Fee Replacement (debt service)				\$11.1
TOTAL		\$ 315.9	\$ 105.4	\$ 91.5

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Operating Overview



INDIANA UNIVERSITY

	2007-08	2008-09
	<u>Change</u>	<u>Change</u>
• Indiana Life Sciences Initiative	\$ 30.0M	\$ 20.0M
• <i>Pathways to Success</i> Initiative	\$ 5.0	\$ 0.0
• Campus Appropriations		
– Enrollment change	\$ 0.8	\$ 0.0
– Plant expansion	3.6	1.9
– Research	9.9	0.0
– Inflation	13.7	14.2
– Quality Improvement (Columbus)	1.9	0.0
• Fee Replacement	6.9	0.3
• Existing state appropriations	0.2	0.3
TOTAL	\$ 72.1	\$ 36.6

INDIANA UNIVERSITY

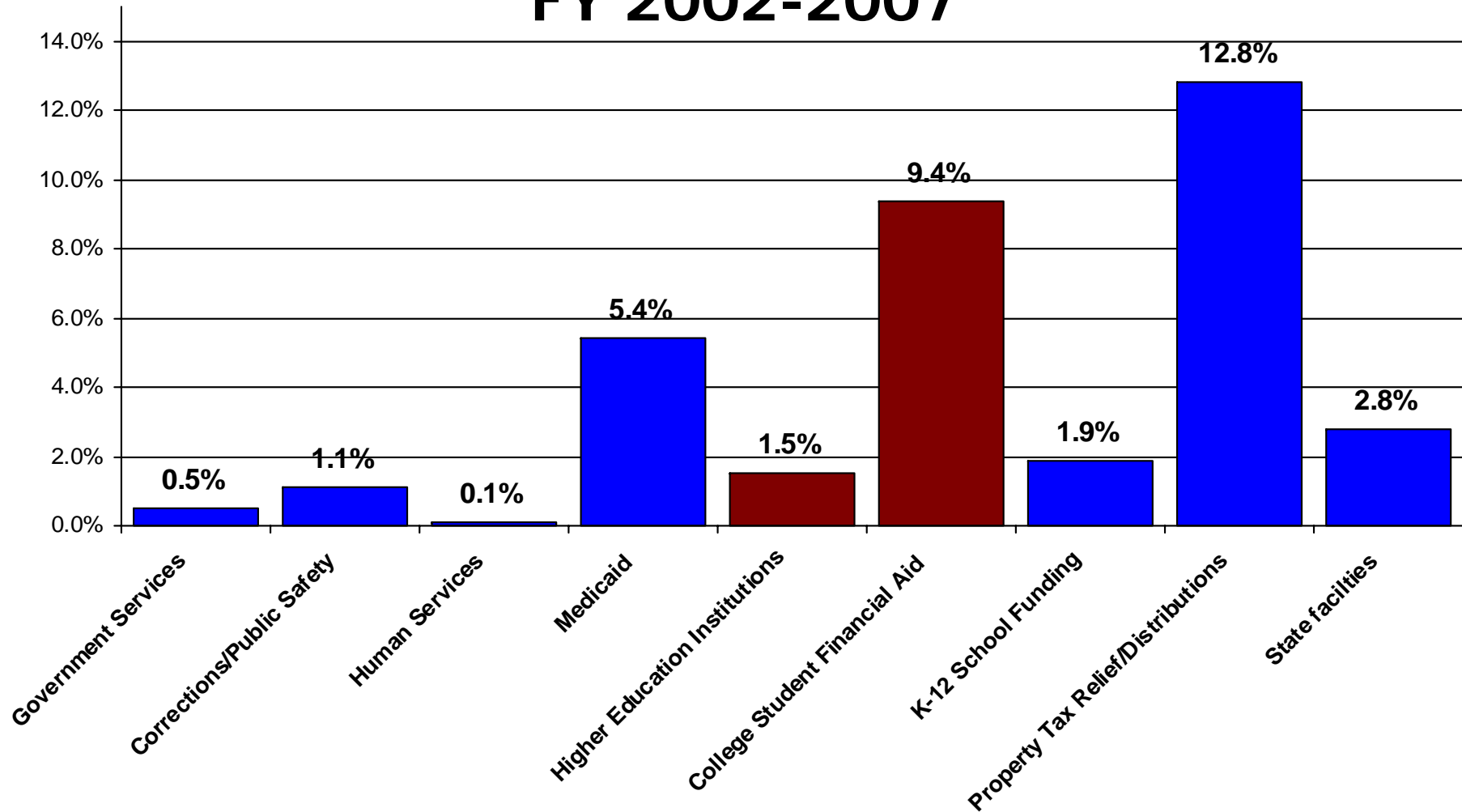
Summary of Operating Request

Dollar Change

	<u>Current Base</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2-Year</u>
Total Campus Appropriations*	\$ 522,337,102	\$ 36,838,846	\$ 16,387,042	\$ 53,225,888
Special State Appropriations	\$ 8,239,470	\$ 35,274,638	\$ 20,227,053	\$ 55,501,691
GRAND TOTAL	\$ 530,576,572	\$ 72,113,484	\$ 36,614,095	\$ 108,727,579

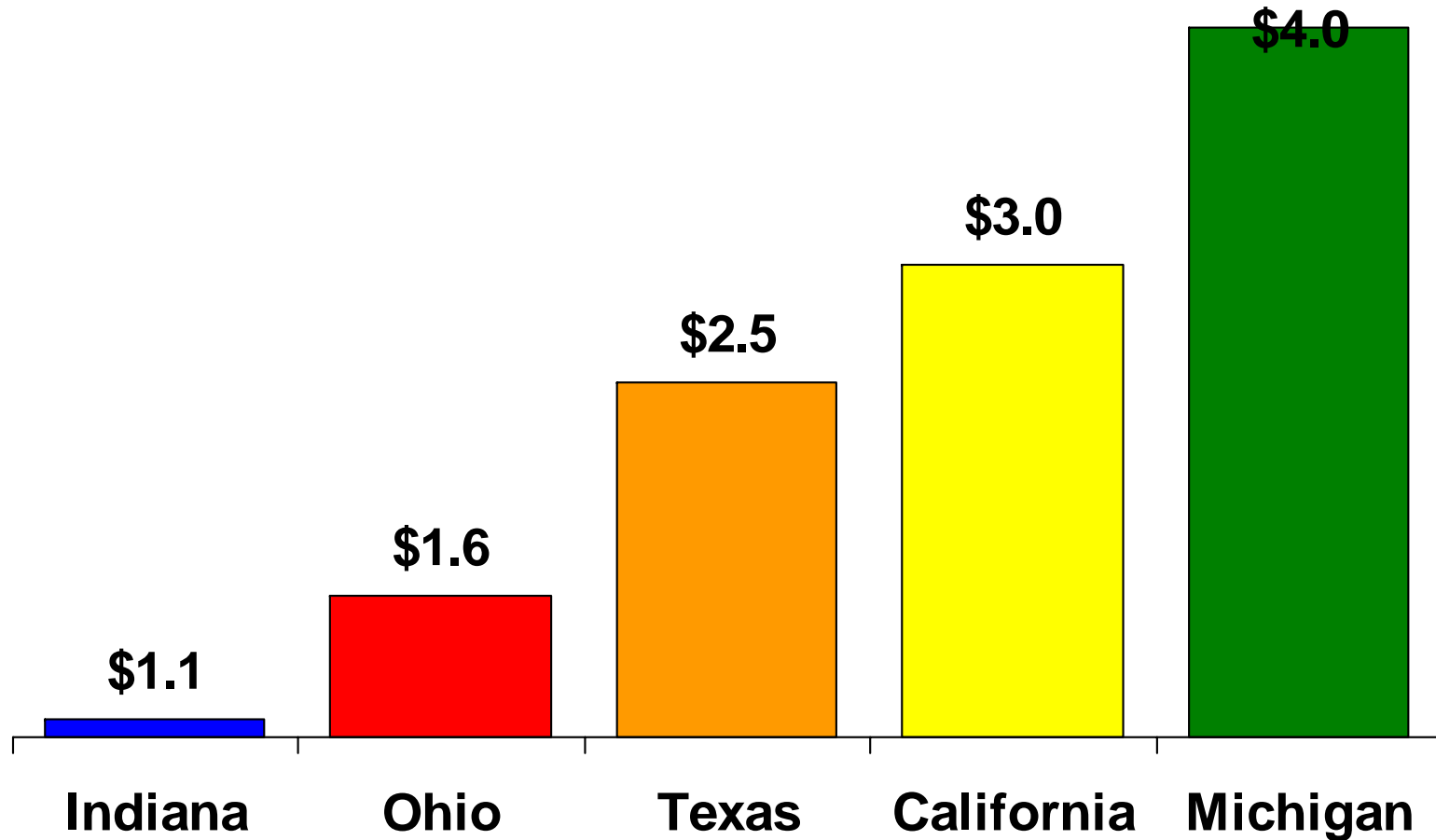
* Includes fee replacement for capital request

Average Annual Appropriations Growth FY 2002-2007



Indiana in National Context

Projected State Decennial Spending on Life Sciences Initiatives
(in billions)



INDIANA UNIVERSITY

What IU is requesting

University Capital Request

(in millions)

Repair and Rehabilitation (all campuses)

\$52.8

New Capital Projects/Special R&R

**Project
Total**

**State
Request**

1	Cyber Infrastructure Building (Bloomington)	\$64.5	\$30.5*
2	Neurosciences Research (Indianapolis)	\$50.0	\$35.0
3	Laboratory Renovations (Multiple campuses)	\$35.0	\$35.0
4	Infrastructure Restoration (University-wide)	\$28.5	\$28.5
5	Associates Building Renovation (South Bend)	\$27.8	\$27.8
6	IUB Systems Biology Building (Bloomington)	\$40.0	\$30.0
7	Land Acquisition (IUB, IUPUI, IUK, IUN, IUSB, IUS)	\$20.4	\$20.4

* \$10.5 million will be transferred from the previously appropriated Bloomington Business School Renovation Project authorized by the General Assembly in 1999

INDIANA UNIVERSITY

Challenges

- *“It’s all about the economy...”*
- *“We’ve always done it this way...”*

Our Campaign

Goals

- Secure funding of IU's capital and operating priorities
- Recruit and engage Hoosier opinion leaders and beneficiary groups in the campaign

Target audiences

- Elected officials and those who influence them
- Hoosier opinion leaders and groups that will benefit
- Members of the IU community: students, alumni, etc.

Messages

- "It's all about Hoosier job and income growth"
- "IU is achieving and delivering on state priorities"
- "IU stretches state dollars"

INDIANA UNIVERSITY

Key elements

True “total team effort,” driven by local input and impact

- **Targeted approach to legislative effort**
- **Public and media relations effort focused on IU’s plans for:**
 - Building a knowledge-based workforce
 - Leveraging Indiana’s life sciences advantage
 - Boosting the Science Technology Engineering and Math Performance of Hoosier kids
- **“Casting” to make the most of our time and talent**
 - Small group to handle Statehouse and provide continuity to statewide events
 - Group to build local support and/or illustrate the potential of the effort
- **Grass-roots efforts**
 - Guides, tools, and resources that can be customized for local needs/groups
 - Statehouse receptions/events during legislative session
 - Local teams working both Statehouse and home districts
- **Other ideas?**