

FACULTY COUNCIL EXHIBIT I

(The letter reproduced below is complete except for one sentence and one chart designed to provide a visual picture of anticipated enrollment as contrasted with present enrollment.)

September 1, 1962

State Budget Agency
State House
Indianapolis 4, Indiana

Attention: Mr. John Hatchett, Budget Director

Gentlemen:

The appropriation requests now transmitted to you for study and consideration, later to be forwarded to the General Assembly together with your recommendations, have been prepared in accordance with the legislative mandate that the four state universities and colleges develop costs for students and from these studies prepare jointly agreed upon requests.

For the past decade these letters have emphasized that enrollments would increase greatly during the 1960's. The Post-High School Education Study Commission created by the 1961 General Assembly has confirmed this prospect. It stresses the fact that if the youth of the State are to continue to have the educational opportunities needed to meet the challenges facing them and to keep the State's own income and economic well-being from lagging, then the State-supported colleges and universities and the privately-supported schools of Indiana must all continue at least the expansion rate they have maintained the past ten years.

Enrollment estimates have consistently proved conservative. The current situation shows the enrollment challenge most vividly. The estimates submitted to the 1961 General Assembly showed expected student enrollment for 1962-1963 as 48,525. The estimate herein submitted to the 1963 Legislature for 1964-1965 is 62,524--an increase of 28.8%.

This enrollment increase accounts for most of the added dollars necessary to continue the quality programs established in Indiana's State-supported colleges and universities.

The enrollment estimate of 48,525 for 1962-1963 proved to be much too conservative for it actually is _____. (The exact data will be supplied after the October registration figures are available. Preliminary registration indicates that a minimum of 54,117 will be on the four campuses.) The estimate of 46,304 for 1961-1962 fell short of the 50,020 actual enrollment by 3,716. Thus the excess enrollment for the biennium will be at least 9,308.

In October a supplemental request will be filed to adjust the base appropriation for the excess students being educated during this biennium. This adjustment is required to prevent the dilution of the future quality level of education because of an excess

*Enrollments for this study are the fall enrollment decreased by one-half of the decrease in the second semester enrollment and increased by the equivalent work taken by summer school students. At Ball State Teachers College a different formula is used to convert from their quarterly enrollment pattern.

of students as compared to conservative enrollment forecasts. The success of Indiana's approach to budget making depends upon continual adjustments of estimates upward or downward as the actual facts become available. Otherwise, there would be a series of cumulative deficits that would result in a serious degradation of the quality of higher education.

Both Purdue and Indiana have inaugurated a policy of deferred admissions for students whose academic preparation for acceptable college work is insufficient--asking that the individual correct his deficiencies, then come to the campus the second semester, or the following fall as indicated. This policy goes a long way to insure that our facilities and faculties are for the education of serious students. Both universities are restricting out-of-state enrollment by accepting only students in the upper one-fourth of their class or those who through College Boards (or similar) examinations, convincingly demonstrate their ability successfully to complete their college work. For the fall of 1962 over 2,575 applicants have been requested to take additional work or in the case of out-of-state applicants have been denied entrance. Both Indiana State College and Ball State Teachers College continue to adhere to their scholastic standards which in effect restrict enrollment at the sophomore and upper levels.

The increases in enrollment figures which have been cited clearly demonstrate that Indiana's four State-supported higher educational institutions are meeting the increasing demand for admission of the State's deserving young men and women. These increases also reflect the fact that more of these college students are completing their undergraduate work. The retention percentage from class to class is higher every year at all schools. But this is only a part of the enrollment story--students today recognize as never before the desirability of graduate and advanced professional work. It must be recognized that this is the most expensive education yet is of tremendous importance. The research and the development of high level skills that are fundamental to advanced academic work insure the future of our nation and our State. For example, it is nationally recognized that Purdue and Indiana are producing in their graduate schools young scientists equal to those trained anywhere else in the world.

The second greatest need for dollars results from increasing enrollments nationally, (even as in the State of Indiana)--for this has generated an accelerating demand in other states for fine faculty members such as are presently at Indiana's publicly supported colleges and universities. Just as our own State-supported educational institutions need additional faculty members--so do nearly all of the other colleges and universities in the United States. Today both industry and government also compete keenly for high caliber talent. Competition is especially strong from the West Coast and the East, where the tremendous economic benefits of having top flight, highly trained brainpower in laboratories and classrooms are being realized and fully appreciated. Therefore, demand is great, and obviously it will be greater in the years ahead. In our view, increased emphasis on research and recruiting "the best" is essential to the future of our own State and region. To obtain and retain the necessary quality of faculty our salaries must increase at least as much as those of other states; if we are to continue to improve we must increase salaries more!

The Appropriation Requests

These appropriation requests are not a pattern for the future distribution of the needed funds for the State's higher educational institutions. But, for this biennium, it is requested that the percentages hereby established be strictly followed:

	1963-64	1964-65
Indiana University	\$33,206,898	\$37,840,615
Purdue University	31,425,457	35,062,068
Indiana State College	5,497,391	6,619,951
Ball State Teachers' College	7,097,131	8,370,200

These requests are to meet the required basic needs. If inflation or enrollment should exceed these projections then this established desirable level of operation would not be maintained. To restore the proper level of operation a future adjustment to the universities and colleges would be necessary.

Basis of Appropriation Request

The requests for instructional funds are arrived at by using the results of the cost study times the anticipated enrollment. The costs per level for 1962-1963 are as follows:

Instructional Costs per Student

<u>Level of Instruction</u>	<u>Indiana</u>	<u>Purdue</u>	<u>Indiana State</u>	<u>Ball State</u>
Freshman	\$ 656	\$ 696	\$501	\$618
Sophomore	733	834	544	538
Junior	922	1,214	772	724
Senior	976	1,403	953	882
Graduate	1,568	1,693	363*	405*

The enrollment estimates are based upon the average enrollments for the basic semesters or quarters, plus the weighted summer enrollment (one-fourth of Summer School attendance at the Universities or one-sixth at the colleges).

Faculty Salary Increases

For several years the legislature, the budget officials and state leaders have shown concern about, and a genuine, sincere desire to help correct, the inequitable low faculty salary level that has existed in Indiana's state colleges and universities. While the State of Indiana had adjusted upward its faculties' salaries in an orderly continuing manner, other states have also raised their faculty salaries so that our relative position has remained about the same. Our pattern of some increase each year, based upon the individual's ability, has proved most desirable. This has been accomplished under a "catch-up--keep-up" formula developed as follows:

- a. A "catch-up" average percentage of 5% annually to restore faculty salaries to their 1939-1940 competitive position.
- b. A "keep-up" percentage, computed each biennium, to keep salaries even with nationally rising real incomes. This would be equal to the annual percentage gain in average personal income per employed person (during the two calendar years immediately preceding the legislative session) over the same average for the two previous years.

Many members of the General Assembly have accepted this as a desirable long range program, as evidenced by the passage of a House resolution endorsing the "catch-up--keep-up" concepts. The colleges and universities again are requesting funds adequate to permit, for the universities a 5% "catch-up" in salaries in each year, and 8% for the colleges the first year and 7% the second year. The variation is caused by the fact that the colleges have fallen further behind in their comparable institutions salary schedules than have the universities. The "keep-up" amount is calculated at

*These costs are relatively low because of the characteristically part-time studies at both colleges.

3% for the first year and 2% for the second. Thus the requested salary increases for the colleges are 11% the first year and 10% the second; for the universities the respective percentages are 8 and 7.

Staff Salaries and Wages

The present staff salaries and wages at our State-supported schools are approximately 10% below the level for business and industry operating in the same areas. It is important that these rates be as nearly equal as possible to assure an adequate supply of competent personnel. Present indications are that raises in industry will increase the differential by an estimated 3% the first year of the biennium and 2% the second. Therefore, this request is for funds to bring about an anticipated equality within the areas, or 8% for 1963-1964 and 7% for 1964-1965.

Supplies and Equipment

Costs of supplies and equipment have increased by at least 7% since the legislature has made any allowance for inflation in these expenses. This means that in these vital areas an amount equal to the 7% increase in the "Wholesale Price Index" from 93 in 1954 to 100 in 1962, has been removed from the budget--not by legislative enactment, but through inflation. Therefore, an increase of 7% is requested on the allocation to supplies and equipment. This would be of great value--especially in scientific areas. The State can ill afford a declining level of support for such studies in this period of intense technological development.

Agriculture Extension and Research

In this centennial year of the Land Grant Universities and Colleges of our nation it is particularly appropriate to review the magnificent accomplishments of the agricultural experiment stations and the agricultural extension service. These two agencies, combining with the Land Grant Colleges and the progressive farmers of the nation, have made ours the only great land in the world's history not to suffer from a food problem. It is most significant that the Soviet Union, despite its great progress in some scientific fields, still has more than 40% of its work force employed in farming compared with less than 10% in the United States. And the USSR still has a food problem.

To further strengthen the work at Purdue's Agricultural Experiment Station, a modest additional sum is requested for scientific equipment and supplies. The outstanding group of scientists at this Station, carrying out one of the nation's leading programs of agricultural research, must have adequate tools with which to work if they are to serve the State and nation most effectively. As always, the returns from such an investment will be many times the cost, and will accrue to the consumers of the nation in terms of better, lower-cost food products.

A small additional sum is also requested for the Division of Agricultural Extension. With the changes in the nation's agricultural economy, agricultural extension is undergoing a reorientation so that it may be even more effective in its work. Particular emphasis is being placed on community development, an area of great importance in Indiana's attempt to remain competitive in attracting new industry to the State.

Teacher Education

Two major problems confront teacher education in Indiana. One is the shortage of qualified personnel to meet the demand for teachers--because of the need created by the larger number of school age children this fall Indiana's public schools will open with an estimated 1,500 teachers who do not meet minimum professional standards in training.

The second is that teachers need help to up-date their training. The "satellite age" demands additional and more recent knowledge, especially in mathematics, the sciences, and foreign languages. In addition, the recently enacted requirement for the fifth year of professional education for Indiana's public school teachers has placed new and more pressing demands upon the resources of teacher training programs. The colleges and universities are committed to assist in the solution of each of these problems. This is a severe challenge, requiring strong resources.

Veterinary Science and Medicine

The School of Veterinary Science and Medicine at Purdue is still in the developmental stage, and will graduate its first professional class in 1963. Already, however, it holds promise of being one of the very best in the nation, and of inestimable value to the state's agricultural and general health. A small additional appropriation request is included to complete the staffing of the School so that it may be second to none.

Medicine, Dentistry and Nursing

In a major study of the medical schools operated in the Midwest the statistics for eight Western Conference schools and the University of Chicago were listed comparatively. These figures show that Indiana as a state ranked in the middle in the number of students enrolled in medicine but that it ranked last in the number of full-time faculty members. It is clear that the major consideration to be given the medical school in the immediate future must be for additional faculty members and their supporting staff. The sixty faculty members needed to make possible the appropriate staffing are however, deemed too many to be added at once. Rather, it is believed necessary and desirable to request the additions over a four year period, 15 each year. These doctors and their assistants will bring Indiana University Medical School to a proper level of staffing and will insure the continuance of the finest in medical instruction.

The School of Nursing, with its degree program, gives students the basic preparation necessary for advanced work in the profession, and hence is the source of teaching and the supervisory nursing personnel in the State. Seven additional faculty members are made necessary partly by advances in the field of nursing and partly to permit the enrollment of additional students.

In 1963-1965 the School of Dentistry will have its first full biennium in its enlarged facilities and with its increased enrollment. Several additional faculty members are needed to maintain an effective faculty-student ratio.

The combined facilities of the Medical Center, composed of the above schools, health science programs, three hospitals and many clinics, train doctors, dentists, and nurses for the citizens of Indiana. Further, the Medical Center is the principal supplier of technicians and research personnel in these fields. These schools also supply the post-graduate courses which keep the state's doctors, dentists, nurses, and technicians abreast of the rapid advances in the health sciences.

The Medical Center's hospitals, which are operated without direct state appropriations except as they provide student training, are being used more and more for highly specialized treatment and care of patients from all counties of the State. This is due to the Center's outstanding specialists and facilities in many fields--especially in heart, brain, and lung surgery, cancer, and children's diseases.

Since physical health is basic to the state's economy, the dividends from expert care and treatment of human ills are many, and are reflected in greater production on the farms and in factories, larger retail sales, better education, and the improved well-being of the State's entire population.

Regional Campuses

The 1960 request for an appropriation for increases for faculty salaries at the then "extension centers" of the universities prophetically states: "The State of Indiana has been unique in its development on the part of the two universities of extension centers in the areas of the state not otherwise adequately served by public or private institutions. This program has been carried on at a minimum expense to the taxpayers, since the students have paid high enough fees to cover the direct teaching costs. These extension centers have made an expensive junior college development unnecessary in Indiana and are able to offer students university credit acceptable at other institutions. It should also be pointed out that in the future an increasing degree of support will be needed for the extension centers, as they serve more and more to relieve the main campuses of the pressures of mounting enrollments." The recommendations of the Indiana Post High School Education Study Commission state that the four State-supported colleges and universities and their extension centers and regional campuses are to serve as the publicly supported institutions which are to educate the increased enrollments of the immediate future. The Commission has further recommended that additional state appropriations be made toward the support of these regional campuses. The universities have included in their requests an amount that will enable more rapid expansion of the educational program on these campuses. This will, in turn, permit the adjustment to the greater demand as it is presently anticipated. Fees already have risen so that further increase would work hardship upon many students and limit equality of educational opportunity. The need for higher faculty salaries, the need for further expansion to meet increased enrollment, and inflation have combined to create the need for added support of the regional campuses.

Modernization of Courses and Expansion of Libraries

In 1957, the legislature authorized an appropriation to modernize courses. It was not large enough to meet the then existing needs, but it did permit some curricular reconstruction and the updating of some of the courses whose need for revision was most pressing. Four years ago no money was appropriated; two years ago the colleges and universities deferred this request in the face of more pressing needs. Today it is essential that money be made available for modernization of courses now being offered and for the addition of courses in subjects which are now highly important, but unheard of only a few years ago. Science is progressing more rapidly than ever before--each new development calls for new supplies, new equipment, and the best in library services.

The anticipated enrollment increases documented in earlier sections of this request not only include a large number of increases at the upper levels where greater demands are placed upon library facilities, but the increase in enrollment in itself tends to demand more work on the part of the student. Competition is keener, and the amount of reference work and collateral reading needed to master course work increases. These factors throw an additional load on already over-taxed facilities. Add the rapid growth of published materials, and the great need for additional support of each institutions' library system becomes evident. New knowledge is accumulating at an explosive rate on a world-wide basis--it must be made available to scholars and students in Indiana.

Research and Development

If the State of Indiana is to regain its position as one of the leading "growth" states--both in population and industry--monies must be expended for research. In an age of rapidly expanding knowledge and technology, the richest economic harvests are reaped by those on the leading edges of research and development. Research is a central interest and a primary interest of all major American universities and those

which have invested most in it have typically not only attracted the strongest faculties but have seen the greatest growth of new industry in their vicinity. Much of the current requests of Indiana's two universities is research directed.

In the first place a key purpose of the money requested for salary increases is to help retain researchers in this State and to attract needed replacements--unfortunately the Midwest has become known as an area lacking in retention ability for its own fine graduates who have made great contributions to the defense activities of our coasts. To correct this and to meet competition effectively it is essential that our salaries be raised so as to be comparable with the best. The research that will place Indiana in front will be done by the most talented scientists. They cost more on the surface--but in terms of basic economic and educational values, second-rate people are far more expensive because they are less productive. Additionally, it is now well known that high caliber scientists and scholars (unlike mediocrities) can attract, from the outside, substantial augmenting grants and contracts for research and for developmental projects, and thus directly multiply the State's investment. Indirectly, but very importantly, the net economic result will be to bolster the expansion of present industry and also to attract new industry to Indiana.

Second, the portion of the request for modernization of curricula will contribute toward getting more research into Indiana. As courses are updated and revised, new faculty would be added--they would teach and do research in fields necessary to meet changing conditions and would add importantly to the present staff of researchers. Both universities have plans for new programs in the fields with special promise of translating research into economic growth.

One of the presently used "selling points" for obtaining industry for Indiana, by the Governor and Lieutenant-Governor, is our availability of consultants. This is a strength that must be increased. The college and university appropriations presently account for much of this resource--the requested increases are to strengthen Indiana's position in the struggle for added industries.

Respectfully submitted,

Elvis J. Stahr, jr.
President