



HIGHER LEARNING COMMISSION

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January 30, 2018

VIA ELECTRONIC MAIL

Dr. Ronald L. Eisenbaumer, Chancellor
Indiana University-Purdue University Fort Wayne
2101 E. Coliseum Blvd.
Fort Wayne, IN 46805

Dear Chancellor Eisenbaumer:

Enclosed is the *Summary Report* (“the Report”) and accompanying *Fact-finding Visit Report* for the Change of Control, Structure or Organization review, as requested by Indiana University-Purdue University Fort Wayne (“the University” or “the institution”). Under Higher Learning Commission (“HLC” or “the Commission”) policy, the University should review the Report and prepare a written response, which should also clearly identify any errors of fact contained in the Report. The University must prepare and submit its response to the Commission, in accordance with the enclosed *Document and Submission Guidelines*, no later than **February 13, 2018**. A lack of response shall be interpreted as the University concurring with the findings presented in the Report.

The Commission’s Board of Trustees (“the Board”) makes the decision of whether to approve the extension of accreditation after the proposed transaction takes place. The institution’s application for Change of Control, Structure or Organization will be placed on the Board’s agenda for the February 2018 meeting. The Board will receive the following information in preparation for its decision: the *Summary Report*, the institution’s response to the Report (if any), and the University’s application for Change of Control, Structure or Organization. The University’s historical file with the Commission, including: any previous team reports, institutional responses, action letters, and other related documents will also be made available to the Board.

Please note that under Commission policy, the *Summary Report* does not contain a recommendation to the Board. The Board has the following decision options available, as it does with all applications for Change of Control, Structure or Organization: to approve the extension of accreditation following the consummation of the transaction; to approve the extension of accreditation subject to certain conditions, as determined necessary by the Board; to deny the extension of accreditation following the transaction; or to approve the extension of accreditation following the transaction subject to a period of candidacy. The University should take the Board’s options into consideration when preparing its response.

Thank you for your cooperation throughout this process. If you have additional questions, please contact your HLC Staff Liaison, Dr. Thomas Bordenkircher.

Sincerely,



Robert Rucker
Research and Advocacy Coordinator for Legal and Governmental Affairs

Enc: Document and Submission Guidelines
Summary Report
Fact-finding Visit Report

Cc: Kent Johnson, Director of Assessment, Indiana University-Purdue University Fort Wayne
Thomas Bordenkircher, Vice President for Accreditation Relations, Higher Learning
Commission
Karen Peterson, Executive Vice President for Legal and Governmental Affairs,
Higher Learning Commission



Document and Submission Guidelines

for Legal and Governmental Affairs

Document Guidelines

All documents must be submitted in PDF format. Unless otherwise instructed, all documents within the submission should be individually bookmarked and named. The submission should also be indexed, made searchable, and should include internal links across the individual documents, as needed.

Documents should not contain links to **external** websites or files.

Document Submission

Institutions should submit all materials electronically. Do not submit hard copies of materials or provide a separate email containing the materials to HLC unless directed to do so by HLC.

Upload the file to: <https://www.hightail.com/u/HLC-LGA>

In the subject line, please include the institution name and the subject of the item being uploaded (e.g., "Neverland University - Change of Control Application" or "Neverland University - Notice Report").

After selecting submit, allow the file to finish uploading before closing the browser window. The system will provide confirmation that the file uploaded and was sent to HLC. Staff will provide a separate acknowledgement of receipt of the file upon request.

**SUMMARY REPORT TO THE BOARD OF TRUSTEES FOR
CHANGE OF CONTROL, STRUCTURE OR ORGANIZATION
AS REQUESTED BY INDIANA UNIVERSITY – PURDUE UNIVERSITY FORT
WAYNE**

January 2, 2018

Explanation

Involved Parties

Party One: Indiana University – Purdue University Fort Wayne

Indiana University-Purdue University Fort Wayne (“IPFW” or “the University”) is a public institution located in Fort Wayne, IN. The University received initial accreditation from the Higher Learning Commission (“HLC”) in 1974. It is currently on the Open Pathway, with its comprehensive evaluation for reaffirmation of accreditation in 2020-21.

The University offers 41 Certificate, 12 Associate’s, 95 Baccalaureate, 27 Master’s, and one Doctoral program. It does not have an additional location or a branch campus. It is approved for distance education courses and programs; it is not approved for correspondence education. According to its most recent Institutional Update, the University reported a headcount of approximately 12,010 students.

Party Two: Indiana University System

Indiana University is a public university system based in Bloomington, IN, and includes the following institutional members, which are separately accredited by HLC: Indiana University Bloomington, Indiana University East, Indiana University Kokomo, Indiana University Northwest, Indiana University South Bend, and Indiana University Southeast. Each institution employs a chancellor, who reports to the Indiana University President, who in turn, reports to the nine-member Indiana University Board of Trustees. The member institutions of Indiana University are in good standing with HLC. Indiana University serves more than 76,000 students in the state of Indiana and maintains an annual operating budget of approximately \$3 billion.

Additionally, Indiana University participates in an operating agreement with Purdue University regarding Indiana University-Purdue University Indianapolis, which enrolls a combined 29,804 students at its main campus in Indianapolis, IN and a branch campus in Columbus, IN (referred to as “Indiana University-Purdue University Columbus”). The Indiana University Board of Trustees serves as the designated entity responsible for managing and operating Indiana University-Purdue University Indianapolis.

Party Three: Purdue University System

The Purdue University System (“the System”) is a public university system based in West Lafayette, IN and includes the following institutional members, which are separately accredited by HLC: Purdue University and Purdue University Northwest. Additionally, Purdue University maintains four regional branch campuses and Purdue University

Northwest maintains a branch campus in Westville, IN. The member institutions of the Purdue University system are in good standing with HLC. The Purdue University System serves more than 56,000 students in the state of Indiana and maintains an annual operating budget of approximately \$2 billion.

Additionally, Purdue University participates in an operating agreement with Indiana University regarding Indiana University-Purdue University Indianapolis, which enrolls a combined 29,804 students at its main campus in Indianapolis, IN, and branch campus in Columbus, IN (referred to as “Indiana University-Purdue University Columbus”). The Indiana University Board of Trustees serves as the designated entity responsible for managing and operating Indiana University-Purdue University Indianapolis.

Members of the Staff Conducting the Review

HLC Staff

Dr. Thomas Bordenkircher, Vice President for Accreditation Relations

HLC Peer Reviewers

Dr. Ronald Ally, Executive Vice President – Finance and Administrative Services, Harper College

Dr. Rex Ramsier, Senior Vice President and Provost, University of Akron

Proposed Transaction

Overview

Indiana University-Purdue University Fort Wayne is seeking approval from the Higher Learning Commission for the implementation of a revised structure of the University. The parties to the transaction have executed a Program Transfer Agreement and related ancillary agreements; wherein management and control of certain programs of the University that are consistent with the academic mission of Indiana University shall be transferred to Indiana University, with Indiana University operating the programs as an additional location of Indiana University-Purdue University Indianapolis. As stipulated in the agreement, the program transfer pertains to certain health sciences programs; these programs include: Nursing, Radiography, Medical Imaging, and Dentistry. Management and control of remaining programs that are consistent with Purdue University’s academic mission will remain with the University. The agreement also states that the University shall be continued under the full authority of Purdue University, under its own name, and will no longer be an agent of Indiana University.

Additionally, the Purdue University Board of Trustees, at its April 2017 meeting, adopted a resolution changing the name of the University to “Purdue University Fort Wayne” effective upon the close of the transaction.

If the transaction is approved by HLC, Indiana University-Purdue University Indianapolis and the University will enter into a consortial arrangement; wherein students at the additional location of Indiana University-Purdue University can take general education and select service courses at the University.

History Leading to the Transaction

IPFW is currently operated and governed pursuant to an Amended Management and Academic Mission Agreement between Indiana University and Purdue University and awards both Indiana University and Purdue University degrees. Under the agreement, the Purdue University Board of Trustees serves as the designated entity responsible for managing and operating the University. The Indiana University Board of Trustees and Purdue University Board of Trustees adopted the most recent Management and Academic Mission Agreement regarding Indiana University-Purdue University Fort Wayne in 2008. In 2013, the parties agreed to an amended and reinstated agreement, which was subsequently amended and reinstated in 2014 and 2015. During this period, the parties were in discussions regarding review of IPFW's performance and its ability to meet the needs of its students and of the broader community. The Indiana General Assembly commissioned the Legislative Services Agency ("LSA") to study IPFW's governance in 2015.

In January 2016, the LSA produced a report on the role and governance of the University. In its report, the LSA recommended a realignment of IPFW's governance structure, wherein IPFW would be fully assumed by Purdue University. The LSA further recommended that the University focus on fewer academic mission items, principally those that aligned to Purdue University's academic mission. The recommendation also entailed that the programs currently offered by IPFW that align to Indiana University's academic mission be transferred to Indiana University. These programs were largely focused on healthcare.

Both Indiana University's administration and Purdue University's administration have expressed support for the transaction. The State of Indiana Senate ("the Senate") has also expressed support the transaction in a document approved in February 2016. The parties and State of Indiana believe the transaction "supports the development of a multisystem metropolitan university".

State/Federal Review of the Proposed Transaction

The Indiana Senate expressed its support for the transaction in February 2016, through a memo approved and sent to the parties. Formal legislative pre-approval of the transaction is not required. Similarly, the Indiana Commission for Higher Education does not require pre-approval of the transaction.

In the application, IPFW provided evidence that U.S. Department of Education review and approval of the transaction is not required. Following the transaction, the U.S. Department of Education will be notified by both the University and Indiana University-Purdue University Indianapolis through the addition of the consortial arrangement to the respective E-apps.

Commission Review of the Transaction

During the initial interaction review, HLC determined that the proposed transaction represents a change in structure under HLC's policy on Change of Control, Structure or Organization as the University will transfer a substantial portion of its programs (and related assets) to a different entity. Furthermore, this transaction involves dissolution of the management agreement between Indiana University and Purdue University that has governed the University since it first received initial accreditation from HLC.

Staff determined that a Fact-Finding Visit was necessary to verify the information and materials presented in the University's application for Change of Control, Structure or Organization and to assess the proposed transaction's impact on the broader University community. A fact-finding team consisting of the University's HLC Staff Liaison and two peer reviewers visited the University in September 2017. The report of the Fact-Finding Visit is enclosed with this Summary Report.

Analysis of the Approval Factors

1. Extension of the mission, educational programs, student body, and faculty that were in place when the Commission last conducted an on-site evaluation of the affiliated institution:

- **Mission:** IPFW currently has a mission that supports the work of a large public metropolitan university that provides a broad array of programs. The institution does not anticipate its mission changing after the realignment although that mission will no longer indicate that it serves more than one public university system in Indiana.
- **Educational Programs:** IPFW has seven colleges. These colleges focus on: Arts and Sciences; Education and Public Policy; Engineering, Technology and Computer Science; Business; Labor Studies; Visual and Performing Arts; and Health and Human Services. After the transaction and subject to the transition arrangements outlined in the application, Health Sciences programs (Dental, Nursing and Radiology) will be offered under the authority of Indiana University. Specifically, IUPUI will operate an additional location in Fort Wayne. All other programs at Fort Wayne will be offered under the authority of Purdue University. In the future, there may be some modifications in these programs as appropriate to support Purdue University's mission.
- **Student Body:** The University does not anticipate any major changes or fluctuations in enrollment or in the character of its student body as a result of this realignment. After July 1, 2018, students admitted or enrolled in health care programs will transition to IUPUI.
- **Faculty:** The Program Transfer Agreement provides that as of July 1, 2018, Indiana University will offer employment to all full-time faculty in one of the health care programs noted above. After that date, Purdue will retain all full-time faculty in the programs being offered by Purdue. The institution does not anticipate any major reduction in faculty member as a result of the realignment, and this anticipation assumes that there is no significant change in student enrollment.

2. The ongoing continuation and maintenance of the institution historically affiliated with the Commission with regard to its mission, objectives, outreach, scope, structure and related factors:

As previously noted, the mission of IPFW will not change as a result of the realignment. Indiana University and Purdue University anticipate some changes to their public information to explain the realignment and to ensure that current and future students have appropriate information about

how the changes may affect their program. There does not appear to be any changes anticipated in the scope of recruiting and admissions.

3. Substantial likelihood that the institution, including the revised governance and management structure of the institution, will continue to meet the Commission's Eligibility Requirements and Criteria for Accreditation:

Assessment of Compliance with Eligibility Requirements after the Transaction

1. Jurisdiction of the Commission

The institution falls within the Commission's jurisdiction as defined in the Commission's Bylaws (Article III). The Commission extends accreditation and candidacy for accreditation to higher education institutions that are 1) incorporated in Arizona, Arkansas, Colorado, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, New Mexico, North Dakota, Ohio, Oklahoma, South Dakota, West Virginia, Wisconsin, and Wyoming, or operating under federal authority within these states, and 2) have substantial presence, as defined in Commission policy, within these states.

The University's main campus will remain in Indiana following the merger and therefore, it conducts operations within the region of the Higher Learning Commission.

2. Legal Status

The institution is appropriately authorized in each of the states, sovereign nations, or jurisdictions in which it operates to award degrees, offer educational programs, or conduct activities as an institution of higher education. At least one of these jurisdictions must be in the HLC region.

The University is a public institution in the state of Indiana and thus abides by requirements established by the State of Indiana. This legal status will remain unchanged following the realignment.

3. Governing Board

The institution has an independent governing board that possesses and exercises the necessary legal power to establish and review the basic policies that govern the institution.

Subsequent to the realignment, the Purdue University Board will be the sole governing body of the University. This entity has appropriate legal authority, as defined by its governing and legal documents, to govern the institution.

4. Stability

The institution demonstrates a history of stable operations and consistent control during the two years preceding the submission of the PIF.

The University has no recent history of sanction with HLC and has been consistently governed by an independent board.

5. Mission Statement

The institution has a statement of mission approved by its governing board and appropriate for a degree-granting institution of higher education. The mission defines the nature and purpose of the higher learning provided by the institution and the students for whom it is intended.

The University's mission will essentially remain unchanged after the realignment. It will continue to have a mission appropriate for a metropolitan institution; however, it will no longer be part of multiple higher education systems in Indiana, and there will be some amendment to the mission to reflect that change.

6. Educational Programs

The institution has educational programs that are appropriate for an institution of higher education. The Commission may decline to evaluate an institution for status with the Commission if the institution's mission or educational programs fall outside areas in which the Commission has demonstrated expertise or lacks appropriate standards for meaningful review.

In appropriate proportion, the institution's programs are degree-granting and involve coursework provided by the institution, establishing the institution's commitment to degree-granting higher education.

The institution has clearly articulated learning goals for its academic programs and has strategies for assessment in place.

The institution:

- *maintains a minimum requirement for general education for all of its undergraduate programs whether through a traditional practice of distributed curricula (15 semester credits for AAS degrees, 24 for AS or AA degrees, and 30 for bachelor's degrees) or through integrated, embedded, interdisciplinary, or other accepted models that demonstrate a minimum requirement equivalent to the distributed model. Any exceptions are explained and justified.*
- *has a program of general education that is grounded in a philosophy or framework developed by the institution or adopted from an established framework. It imparts common knowledge and intellectual concepts to students and develops skills and attitudes that the institution believes every college-educated person should possess. The institution clearly and publicly articulates the purposes, content and intended learning outcomes of its general education program.*
- *conforms to commonly accepted minimum program length: 60 semester credits for associate's degrees, 120 semester credits for bachelor's degrees, and 30*

semester credits beyond the bachelor's for master's degrees. Any exception to these minima must be explained and justified.

- ***meets the federal requirements for credit ascription described in the Commission's Federal Compliance Program.***

The University's educational programs are appropriate for a large public institution. The length of its programs, its general education requirements, and its transcription of credit hours all comply with HLC and federal expectations and requirements. As previously noted, certain health care programs will be transferred to the sole authority of Indiana University, but the program requirements will essentially remain unchanged.

7. Information to the Public

The institution makes public its statements of mission, vision, and values; full descriptions of its program requirements; its requirements for admission both to the institution and to particular programs or majors; its policies on acceptance of transfer credit, including how credit is applied to degree requirements; clear and accurate information on all student costs, including tuition, fees, training and incidentals, and its policy on refunds; its policies regarding good standing, probation, and dismissal; all residency requirements; and grievance and complaint procedures.

The institution portrays clearly and accurately to the public its accreditation status with national, specialized, and professional accreditation agencies as well as with the Higher Learning Commission, including a clear distinction between Candidate or Accredited status and an intention to seek status.

The University appropriately discloses information about its course and programs, policies, tuition and fees, and its accredited status; in addition to other information referenced in this requirement. These disclosures will continue to be provided to students by Purdue and by Indiana after the realignment.

8. Financial Capacity

The institution has the financial base to support its operations and sustain them in the future. It demonstrates a record of responsible fiscal management, including appropriate debt levels.

The institution:

- ***has a prepared budget for the current year and the capacity to compare it with budgets and actual results of previous years; and***
- ***undergoes external financial audit by a certified public accountant or a public audit agency. For private institutions the audit is annual; for public institutions it is at least every two years. (Institutions under federal control are exempted provided that they have other reliable information to document the institution's fiscal resources and management.)***

The University ended 2015 with a Total Net Position of approximately \$4.3 million, which indicates its financial base is sufficiently resourced. It was historically audited as a part of Purdue University although it was operationally part of the both the Purdue and Indiana University systems. After the realignment, the University will be an operational part of the Purdue University System and will continue to be included in its audit. It will also continue to prepare budgets and conduct financial planning as appropriate. In general, the realignment will not affect its financial management. The Program Transfer Agreement outlines some provisions related to finances. For example, certain property will be transferred or subleased between Indiana University and Purdue University. In addition, title to the real property, except certain undeveloped property that will remain jointly owned, will be apportioned between the parties. However, the realignment does not appear to have any impact on ongoing financial capacity of the University.

9. Administration

The institution has a Chief Executive Officer appointed by its governing board.

The institution has governance and administrative structures that enable it to carry out its operations.

Prior to the realignment the University was part of the operations of both Purdue and Indiana Universities. Its Chancellor was its Chief Executive Officer and presumably had reporting obligations in both systems. After the realignment, the current Chancellor will remain in place but will be an officer in Purdue only. He will report to the President of Purdue University as well as the Purdue University Board of Trustees. If HLC approves the extension of accreditation after the realignment, the focused visit team should clarify that the Chief Executive Officer of the University reports directly to the Board and is hired/fired by the Board and the nature of the indirect reporting to the President of Purdue University.

10. Faculty and Other Academic Personnel

The institution employs faculty and other academic personnel appropriately qualified and sufficient in number to support its academic programs.

As previously noted under Approval Factor #1, full-time faculty members will be apportioned between the two institutions based on their discipline. These faculty members appear to be appropriately qualified with terminal credentials in their discipline based on policies and procedures identified by the institution. The anticipated realignment will not be changing these practices.

11. Learning Resources

The institution owns or has secured access to the learning resources and support services necessary to support the learning expected of its students (research laboratories, libraries, performance spaces, clinical practice sites, museum collections, etc.).

The University has facilities that are up-to-date, well maintained, and appropriately equipped. These facilities include libraries, labs, and other spaces supporting the programs being retained by the University. These resources will remain available following the proposed realignment. Healthcare-related facilities at the University will come under the control of Indiana as outlined in the terms of the Program Transfer Agreement.

12. Student Support Services

The institution makes available to its students support services appropriate for its mission, such as advising, academic records, financial aid, and placement.

The University provides appropriate core services to support students related to advising, career preparation, registrar and financial aid. These services will continue after the realignment. Students who will become Indiana students after the realignment will receive their services from Indiana as appropriate for an additional location.

13. Planning

The institution demonstrates that it engages in planning with regard to its current and future business and academic operations.

The University recently completed a Strategic Plan. This plan was adopted by the College's Board of Trustees in June and includes all of the customary elements beginning with a review of the College's mission and vision statements. The plan's development included numerous stakeholders with contributions from board members and community leaders. The plan is aligned to the Criteria for Accreditation and includes measureable outcomes and timelines intended to help the University determine its progress in accomplishing the plan. The plan will remain in place after the merger occurs.

14. Policies and Procedures

The institution has appropriate policies and procedures for its students, administrators, faculty, and staff.

The University has appropriate policies for faculty, students and other constituencies that are disseminated through its website and other appropriate vehicles. These practices will continue after the proposed realignment. Students who are registered to Indiana after the realignment will have access to information disseminated by Indiana to its students.

15. Current Activity

The institution has students enrolled in its degree programs. (To be granted initial accreditation, an institution must have graduated students from at least one degree program.)

The University continues to enroll students and anticipates no interruption either in providing academics or student support services throughout the planning or execution of the realignment.

16. Integrity of Business and Academic Operations

The institution has no record of inappropriate, unethical, and untruthful dealings with its students, with the business community, or with agencies of government. The institution complies with all legal requirements (in addition to authorization of academic programs) wherever it does business.

The University has no record of inappropriate or unethical dealings with students, the business community, or government. HLC is aware of no pending state or federal investigations or major litigation related to either the University or the two Systems of Purdue or Indiana.

17. Consistency of Description Among Agencies

The institution describes itself consistently to all accrediting and governmental agencies with regard to its mission, programs, governance, and finances.

The University appears to describe itself consistently to HLC, other accreditors, the U.S. Department of Education, and the state of Indiana. The University has kept each entity informed as to the details surrounding this realignment.

18. Accreditation Record

The institution has not had its accreditation revoked and has not voluntarily withdrawn under a show-cause order or been under a sanction with another accrediting agency recognized by CHEA or USDE within the five years preceding the initiation of the Eligibility Process.

The University is in good standing with the Commission as well as other agencies.

19. Good Faith and Planning to Achieve Accreditation

The board has authorized the institution to seek affiliation with the Commission and indicated its intention, if affiliated with the Commission, to accept the Obligations of Affiliation.

The institution has a realistic plan for achieving accreditation with the Commission within the period of time set by Commission policy.

- *If the institution offers programs that require specialized accreditation or recognition in order for its students to be certified or sit for licensing examinations, it either has the appropriate accreditation or discloses publicly and clearly the consequences of the lack thereof. The institution always makes clear to students the distinction between regional and specialized or program accreditation and the relationships between licensure and the various types of accreditation.*
- *If the institution is predominantly or solely a single-purpose institution in fields that require licensure for practice, it demonstrates that it is also accredited by or*

is actively in the process of applying to a recognized specialized accrediting agency for each field, if such agency exists.

This requirement does not apply in this context as the University is already accredited by HLC.

Assessment of Compliance with the Criteria for Accreditation after the Transaction

Criterion One. Mission

The institution's mission is clear and articulated publicly; it guides the institution's operations.

Core Components

1.A. The institution's mission is broadly understood within the institution and guides its operations.

1.B. The mission is articulated publicly.

1.C. The institution understands the relationship between its mission and the diversity of society.

1.D. The institution's mission demonstrates commitment to the public good.

The mission of IPFW will largely remain the same under the proposed change. IPFW will continue as a comprehensive university that provides local access to globally recognized programs for the citizens of northwest Indiana and beyond. The mission is clearly articulated in all publications and is broadly understood by faculty, students and staff. In addition, the campus provided evidence that it lives its vision of creating an environment that celebrates the inherent worth of all individuals.

The evidence available to the Commission demonstrates that the University will remain in compliance with Criterion One after the transaction.

Criterion Two. Integrity: Ethical and Responsible Conduct

The institution acts with integrity; its conduct is ethical and responsible.

Core Components

2.A. The institution operates with integrity in its financial, academic, personnel, and auxiliary functions; it establishes and follows policies and processes for fair and ethical behavior on the part of its governing board, administration, faculty, and staff.

2.B. The institution presents itself clearly and completely to its students and to the public with regard to its programs, requirements, faculty and staff, costs to students, control, and accreditation relationships.

2.C. The governing board of the institution is sufficiently autonomous to make decisions in the best interest of the institution and to assure its integrity.

2.D. The institution is committed to freedom of expression and the pursuit of truth in teaching

and learning.

- 2.E. The institution's policies and procedures call for responsible acquisition, discovery and application of knowledge by its faculty, students, and staff.

The University currently operates with integrity in its financial, academic, personnel, and auxiliary functions, with both Indiana University and Purdue University. This should continue after completion of the proposed change. The University presents itself clearly and completely to its students and to the public with regard to its programs, requirements, faculty and staff, costs to students, and accreditation requirements. This should become even clearer after completion of the proposed change since Indiana University and Purdue University programming and other information will be separate and distinct, rather than combined as they are now. The governing boards are currently and will remain sufficiently autonomous to operate appropriately. Both Indiana University and Purdue University are committed to freedom of expression and the pursuit of truth in teaching and learning, and their policies and procedures call for the responsible acquisition, discovery, and application of knowledge by its faculty, students, and staff, and it is anticipated that will continue after the proposed change.

The evidence available to the Commission indicates that Criterion Two will be Met following the transaction.

Criterion Three. Teaching and Learning: Quality, Resources, and Support

The institution provides high quality education, wherever and however its offerings are delivered.

Core Components

- 3.A. The institution's degree programs are appropriate to higher education.
- 3.B. The institution demonstrates that the exercise of intellectual inquiry and the acquisition, application, and integration of broad learning and skills are integral to its educational programs.
- 3.C. The institution has the faculty and staff needed for effective, high-quality programs and student services.
- 3.D. The institution provides support for student learning and effective teaching.
- 3.E. The institution fulfills the claims it makes for an enriched educational environment.

The University currently provides students a high-quality experience through the Indiana University and Purdue University degree programs it offers. The transaction will not adversely affect this situation, as the same programs, staff and faculty will be available to students, albeit within a different administrative structure. Indiana University will offer only healthcare-related programs in Fort Wayne after the transaction, and Purdue University will offer all of the other currently existing programs. The support for teaching and learning will not diminish as a result of the transaction, and the educational

environment will continue to flourish. After the transaction, a stronger alignment with the Purdue University system is anticipated to help improve the brand and reputation of the campus, and Indiana University will be able to concentrate its efforts in Fort Wayne on the health care fields which in turn will strengthen these offerings as well.

Evidence available to the Commission demonstrates that this Criterion will continue to be Met following the transaction.

Criterion Four. Teaching and Learning: Evaluation and Improvement

The institution demonstrates responsibility for the quality of its educational programs, learning environments, and support services, and it evaluates their effectiveness for student learning through processes designed to promote continuous improvement.

Core Components

4.A. The institution demonstrates responsibility for the quality of its educational programs.

4.B. The institution demonstrates a commitment to educational achievement and improvement through ongoing assessment of student learning.

4.C. The institution demonstrates a commitment to educational improvement through ongoing attention to retention, persistence, and completion rates in its degree and certificate programs.

The University currently takes responsibility for continuous improvement of the quality of its educational programs and offerings, which will continue after the transaction. The transfer of curriculum, tenure/promotion guidelines, and faculty/staff have all been carefully planned and agreed upon, so there should be little disruption in terms of the quality of teaching and learning. Most of the degree programs offered at the institution will be housed within the Purdue University System, and it is anticipated that many of these programs will be enhanced as a result, particularly in the STEM areas. Indiana University will focus its attention on health care programs, many of which have licensure exam passage rates and other metrics whereby educational attainment can be monitored and improved.

Evidence available to the Commission demonstrates that this Criterion will continue to be Met following the transaction.

Criterion Five. Resources, Planning, and Institutional Effectiveness

The institution's resources, structures, and processes are sufficient to fulfill its mission, improve the quality of its educational offerings, and respond to future challenges and opportunities. The institution plans for the future.

Core Components

5.A. The institution's resource base supports its current educational programs and its plans for maintaining and strengthening their quality in the future.

5.B. The institution's governance and administrative structures promote effective leadership and

support collaborative processes that enable the institution to fulfill its mission.

5.C. The institution engages in systematic and integrated planning.

5.D. The institution works systematically to improve its performance.

The University currently has the resources, structures, and processes in place to sufficiently fulfill its mission, improve the quality of its educational offerings, respond to future challenges and opportunities, and plan for the future. This should continue after the completion of the proposed change. The University currently has a resource base that supports the educational programs, and plans for maintaining and strengthening their quality in the future. This should continue for both at the Fort Wayne location after the proposed change. Similarly, the University currently engages in systematic and integrated planning, and works systematically to improve its performance. It is also anticipated this should continue after the proposed change.

It was noted during this review that the reporting relationship remains unclear at IPFW, given that the Chancellor reports to the Board and to the President of Purdue University (Core Component 5.B). If the transaction is approved, the focused visit team should review the Chancellor's reporting relationships and ensure the Chancellor reports directly to the Board and is hired/fired by the Board and should clarify the nature of the reporting relationship between the Chancellor and the President of Purdue University.

Overall, it appears that the institution will meet all of the Core Components of Criterion Five, and therefore Criterion Five itself, following the transaction.

4. Sufficiency of financial support for the transaction.

The Program Transfer Agreement and related agreements do not involve cash payments at the time of closing. Under the terms of the Program Transfer Agreement, the parties have agreed to cooperate in good faith to determine what assets, if any, shall be transferred to Indiana University following consummation of the agreement. As set forth in the agreements, such assets include: real property, endowment funds, gifts, research grants. Those assets currently maintained by the University to support programs related to Indiana University's academic mission will be transferred to Indiana University following consummation of the transaction.

5. Previous experience in higher education, qualifications, and resources of the new owners, Board members or other individuals who play a key role in the institution or related entities subsequent to the transaction.

The current Chancellor of IPFW, Dr. Ronald Elsenbaumer, will continue in his role following the transaction. Dr. Elsenbaumer was named Chancellor following Dr. Vicky Carwein's retirement in October 2017. Dr. Elsenbaumer has significant experience in higher education.

At the University level, following the transaction, Health and Human Services will no longer be an area offered by the University, and thus, the position of Dean for Health and Human Services will be closed. The University will maintain the six other dean positions and its senior level administrators following the transaction.

Conclusion

Evidence available to HLC indicates that the transaction meets the expectations outlined in the HLC's Change of Control factors. There will be sufficient continuity of mission, educational programs, faculty and students as well as marketing, recruiting and other external activities. IPFW will continue to meet the Eligibility Requirements and Criteria for Accreditation after the transaction. Finally, individuals experienced in higher education will continue to oversee the University.

If the HLC Board of Trustees approves the extension of accreditation after the transaction, the subsequent focused evaluation, required by Commission policy in six months after the transaction closing, should review the appropriateness of the approval and the University's compliance with the Criteria for Accreditation, with specific focus on Core Component 5.B.

REPORT OF A FACT-FINDING VISIT TO
INDIANA UNIVERSITY – PURDUE UNIVERSITY FORT WAYNE

September 5-6, 2017

Fact-Finding Team

HLC Peer Reviewers

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Fact-Finding Report

The Fact-Finding Team Report records the information and observations provided to the team by various constituencies that met with the team. The Report does not attempt to analyze the factual basis for these statements or, in most cases, to provide commentary. The Summary Report will analyze the information in this report and in other documents related to the Change of Control and make findings where appropriate with regard to the Change of Control approval factors. This report will be attached as part of the Summary Report prior to distribution of the latter to the institution for its response.

Overview

Indiana University – Purdue University Fort Wayne (“IPFW”) currently offers degree programs of both Indiana University and Purdue University through its own independent accreditation relationship with HLC and its own distinct OPE ID number with the federal government. In 2015, the Indiana General Assembly legislatively empowered the Legislative Services Agency (LSA) to conduct a study of potential new options for the governance of IPFW and for its future role in the State of Indiana. The LSA report, issued on January 15, 2016, recommends that IPFW become a campus in the Purdue University system and that the role of Indiana University at the Fort Wayne location be limited primarily to health-related programs.

Both the Indiana University and Purdue University Boards of Trustees agreed to the realignment plan outlined by the LSA on December 1 and 16, 2016, respectively. During the course of the next six months, numerous working groups developed Program Transfer Agreements and Ancillary Agreements, all of which were approved by the respective Boards of Trustees by June 16, 2017. An application for Change of Control, Structure or Organization was then filed with HLC on June 30, 2017. In summary, the request is to make IPFW an independently-accredited

institution, controlled by Purdue University (“PU”), with Indiana University (“IU”) delivering health-related programs at the site as one of its additional locations. The change would take effect, if approved by HLC, on July 1, 2018.

FACT-FINDING VISIT: DAY ONE

IPFW Executive Leadership:

Attendees described the realignment process as presenting opportunities as well as challenges, indicating that some IPFW employees and faculty in particular are opposed to the change. Reasons given were that IPFW had worked for approximately fifty years to make students’ experiences seamless regardless of whether they were pursuing PU or IU degrees, and that the proposed change seemed to be moving in the opposite direction. In addition, the realignment is seen as being driven by IU wanting to separate itself from the IPFW heritage.

IU plans to focus on its strengths in the health care area, and is turning over all of its non-health IPFW programs to PU. PU plans to focus on its strengths in STEM, leaving the liberal arts faculty particularly concerned that the post-transaction institution will lose its ability to offer a comprehensive education to residents of the region. The post-transaction institution will be inheriting music for the first time, and there is optimism that this program will have local support and success. Legislative support for the realignment has come from the State in that the biennial budget for IPFW was held harmless, however there is no guarantee this funding will continue beyond this budget, or that PU will invest in Fort Wayne programs in the future. IU on the other hand seems dedicated to investing in health-related education in the region, and will probably expand offerings into fields such as Occupational Therapy and Physical Therapy.

Significant time and effort has already been expended in preparing for the proposed realignment, including planning for a rebranding campaign for IPFW as Purdue Fort Wayne. The inevitable loss of enrollment of Nursing students to IU will be difficult to recover at PFW (“PFW”), and a new student recruiting plan is being developed which will extend much farther geographically than in the past. Due to the nature of the realignment agreement, IU students will take their general education courses from PFW for the next five years, but it is possible that this agreement would not persist in the future and PFW would experience further declines in credit hour production and therefore revenue.

Senior Administrators:

Attendees reported that operationalizing the realignment has been challenging, and many issues have yet to be resolved (although they have been discussed at length). Nursing was particularly difficult early on, being that the PU and IU curriculum differ and that faculty have to move, but it appears that this transition will be successful. Information technology (IT) faces many challenges with the realignment. Major vendor contracts may need to be modified, and since PU and IU use different IT platforms and learning management systems, IU students will have two different logins while taking both IU major and PFW general education courses. From an accounting perspective, the realignment poses few issues. The manner in which budgeting is currently done

makes it easy to parse the revenues and expenses to IU and PU. Institutional research, on the other hand, will now have additional data to track and analyze in the context of State performance-based funding metrics such as four and six year graduation rates.

Areas of concern and potential confusion exist in admissions and student support services. Under the realignment plan, PFW would be paid to provide the latter to IU students, but then the IU students would be receiving PFW t-shirts, for example. This attempt to treat all students the same is contrary to another part of the plan which anticipates that IU students will have their own sections of certain PFW courses (as long as enrollment meets a minimum of fifteen students). Situations could arise that require PFW to offer multiple sections of the same course (some for PU students and some for IU students) which would otherwise be combined to minimize cost and increase the student learning experience. Student organizations will also be challenged in new ways, since IU students will not be able to participate in PFW-based clubs, honoraries and governance structures. Once again, this is contrary to the concept of making the realignment “seamless” with respect to the student experience.

Frustration with the realignment process was expressed, in particular the lack of consultation and the “leaking” of the LSA report around November 2015 causing unnecessary anxiety and concern. The LSA report and subsequent approval of the plan by both IU and PU Boards of Trustees is interpreted at this being a “done deal” and that employees have no say in this matter. In addition, IU is aggressively advertising Indiana University Fort Wayne, but PFW is hampered by the long change of structure process and cannot advertise as Purdue Fort Wayne. Enrollments are therefore down, causing additional concern. Although the realignment and rebranding processes are stressful, there is hope that the campus and region will emerge with new opportunities on the horizon.

Deans/Associate Deans:

Attendees expressed concern that they had no say in the LSA process, and although they have accepted the realignment and are able to move forward, they were not able to support their staff and faculty during the uncertain times when they had no answers to the numerous questions which arose. Nevertheless, the transfer of curriculum and tenure/promotion guidelines has proceeded smoothly where necessary. The teach-out plan for Nursing is of utmost importance, as six cohorts of students are affected.

The realignment brings Music into the PU system for the first time. There is substantial support from donors with respect to this program, and Music Technology is seen as a potential growth area due to the presence of Sweetwater (a large vendor of musical instruments and devices) in Fort Wayne. Other potential opportunities are envisioned with the strong STEM brand of PU, which should help with recruiting students to the Purdue Fort Wayne campus from throughout Indiana (in particular those who are not directly admitted to West Lafayette), in neighboring states, and overseas. Systems Engineering is one area where Fort Wayne can provide something unique to the PU system.

However, the viewpoint from the Humanities and Liberal Arts perspectives differ significantly from those of the STEM and Music areas. A deep sense of loss and of having this realignment

forced onto faculty (e.g. “done to us”) was expressed. Some faculty in these areas have strong ties to IU through peer networks, and opportunities for grant funding from IU will no longer be available after the realignment. The emotion surrounding the closing of IPFW academic programs (e.g. German, French, Philosophy, Geosciences, etc.) still persists, making the realignment that much more difficult to accept.

Purdue University Board of Trustees (phone conference):

Conference attendees indicated that the current IPFW structure was viewed as dysfunctional, and that many studies of possible options have been performed in recent years. The goal of the realignment is to clarify the role and managerial oversight of the IPFW campus, to enable both institutions to leverage their unique strengths and grow enrollments. This goal is in the best interests of the Fort Wayne community and region. Success will be measured by the growth in enrollment and addition of new programs at Purdue Fort Wayne, possibly in the areas of Biomedical Engineering, Materials Science, Industrial Engineering, etc. PFW will become an independent part of the PU system (similar to Purdue Northwest) with its own mission.

It was proffered that the ancillary agreements containing details about how the realignment might be implemented involved significant effort on behalf of employees “on the ground” at IPFW, but there was limited input requested prior to the LSA report. As far as finances, at least at the initial stages of the realignment plan, PU will hand off the revenues and expenses associated with the IU programs, so in essence the transaction is a financial “wash”. However, with a pattern of declining enrollments, the financial viability of PFW needs careful planning.

Indiana University Board of Trustees (phone conference):

Conference attendees indicated that the realignment is not nearly as big of a change for IU as it is for PU. The community and region have struggled with the IPFW identity, and the change will enable each institution to do what they do best for Fort Wayne. Inter-professional training in the health care disciplines is the goal, in order to produce graduates who are ready to excel in the employment sector. IU will measure the success of the realignment by tracking four and six year graduation rates, progress toward a goal to increase the enrollment in Nursing by 20%, and offering more family nurse practitioner, doctor of nursing practice and medical imaging programs.

In addition, IU is very confident in the future financial viability of the offerings at Fort Wayne, not just from the enrollment standpoint but also from a philanthropic perspective. In addition, the legislation provided \$8 million in capital funds for IU’s health programs at this location, demonstrating significant support for the realignment at the State level.

Department Chairs:

Attendees indicated that the campus community has mixed emotions about the proposed realignment, ranging from sadness and a feeling of loss to one of seeing new opportunities for

the future. On the negative side, many people feel that since the Boards of Trustees of both institutions approved the plan, the outcome is pre-determined and it is time to move on. Concerns exist about becoming a less comprehensive institution, with uncertainty as to whether PU will support PFW, or more programs (primarily non-STEM) will be slated for closure. The fact that IU and PU students will be taking separate sections of the same courses will also adversely affect the classroom environment which thrives on discussion involving students with different perspectives. Shared governance, in particular lack thereof, is a concern. Program closures, and the process through which the realignment was devised and is being implemented, leaves faculty and chairs feeling that they have no voice. Finally, there is concern about the “non-compete” language in the ancillary agreements which may limit the ability of PFW to offer new programs at this location.

On the positive side, IPFW finances are more transparent than in the past, and some feel that the PU brand will attract more STEM students to campus. The medical programs see this move as positive, since they will be more directly connected to IU and receiving additional financial and marketing support.

Faculty Open Forum #1:

Attendees indicated that the low turnout of faculty was not due to a lack of interest, but that many faculty were teaching at this day/time and, regardless, most believed the realignment would happen whether they expressed their opinions/concerns or not. Faculty expressed that they have not been given a good reason as to why the realignment needs to happen, and there is a pending sense of loss of the IPFW identity. The elimination of programs weighs heavily on many faculty, and there is distrust and lack of confidence in the current IPFW administration and the PU system. Faculty have not been involved in meaningful discussions on realignment decisions, and have serious concerns about the future of PFW as a comprehensive university.

Faculty have not been told that they will need to develop new programs in order to stabilize and grow enrollments once IU absorbs all of the health-related credit hours. New programs that have recently been developed have received little to no support in terms of new faculty (e.g. respectively, Organizational Leadership and Actuarial Science/Data Science and Applied Statistics), and faculty have no reason to believe that PU will support any program growth at Fort Wayne after the realignment. Faculty do hear words like “hope” and “opportunity” but there is no consensus or meaningful cooperation with respect to a plan for what PFW will become after the realignment. However, there is cautious optimism that a new Chancellor (interviews concluded two weeks before this fact-finding visit) may improve the situation.

Academic Advisors:

Attendees reported that the realignment does not pose a significant change to the work in advising. There are some areas which give rise to potential confusion (e.g. course numbering in business) and questions such as how to handle exploratory/undecided students who have yet to pick a major and also how to consider transfer credits for students who move back/forth from IU to PFW. The major area of concern is how to advise incoming students during this transition time, especially in the health-sciences, and it is understood that clear and consistent

communication is the key. For example, English 233 was applicable to the PU Nursing curriculum, but does not fit within the IU Nursing curriculum, which can be confusing to students.

Some attendees see potential benefits to being affiliated with the strong brand of PU, but there are also unanswered questions about what this will mean in terms of support for the non-STEM areas. Finally, IPFW has worked hard over the years to make the student experience across two institutions as seamless as possible, which would not be case after this proposed change.

Finances:

It was reported that IPFW has about a \$180 million operating budget, with its primary revenue sources being tuition and fees at approximately 55% and State subsidy at 45%. The realignment poses no concerns in the short-term from a financial standpoint, since the legislation held the IPFW budget harmless in this biennium. Changes in housing policies, banded tuition and credit card utilization are being made, in addition to the fact that IU will be paying rent and overhead to PFW. Finally, the loss of enrollment from health sciences students is coupled to the move of 31 faculty and 20 staff to the payroll of IU, making the financial impact on PFW a “wash”. There has been a lack of investment in new programs at IPFW, however music technology and engineering have potential for growth.

Note:

Due to the low turnout of faculty at the open forum, a second open forum was agreed upon for day two.

FACT-FINDING VISIT: DAY TWO

Admissions and Financial Aid:

Attendees indicated that one of the major challenges of the realignment is the Nursing students. Those who began in Fall 2017 are still in the PU program but are taking courses (e.g. English) that are part of the IU program with the expectation of the transition occurring. Beginning Fall 2018, all pre-health science majors will apply to IU directly, and if admitted will be taking both IU and PU courses under the terms of the ancillary agreements. These students will be required to use two different learning management systems with two logins. Since Nursing in particular is highly competitive (about a 20% acceptance rate into the program), it is likely that many of these students will eventually transfer to PFW for a liberal arts or other non-health degree. The seamless nature of the current IPFW processes will be lost in the realignment, and students will face more frustration in the future with the possibility of having to access two different advising and financial aid offices.

It is clear that PFW will face a “head-to-head” competition with IU to attract students, and will be changing its recruiting strategy going forward. This includes: more aggressive recruiting strategies in the standard IPFW eleven county region; a larger presence in other parts of Indiana and neighboring states; leading with aid and scholarship packages; tracking contact with prospective students; redistributing recruiters in ways other than geographically; and hiring more recruiters and enrollment counselors.

In addition, more attention will be paid to attracting well-prepared students who do not gain admission to PU. This is particularly important given that one of the reasons the legislation wants the realignment is that the current IPFW average six-year graduation rate is low. Since health science students graduate at a rate higher than the average, their loss to IU implies that the PFW rate will drop unless other well-prepared students can be recruited. Significant thought has been put into these issues, but it is clear that there is still more work to be done to find solutions. PFW may actually continue to decrease in size (i.e. enrollment) and, if so, living within one’s means and eliminating non-mission centric activities may be necessary.

Student Affairs and Academic Support:

Attendees indicated that IU students will be paying fees in order to have access to student support such as career services, counseling and tutoring. There is some question as to how to handle tutoring in the health sciences areas, as often times peer mentors (students who are in the major and have taken the classes) are hired to tutor newer cohorts and participate in the classrooms. Since federal work study funds cannot be co-mingled between IU and PU, there may be issues with continuing this practice. Tutor tracking software will be challenged to help the health science students since they will be enrolled in IU courses.

It is anticipated that IU will be present on campus certain days of the week using a “one-stop-shop” approach to support its students. This is likely to lead to some confusion and sense of “run-around”, since IU students will have two choices for assistance depending on the day, but PU students only one. Student organizations will need to revise their charters due to the

realignment, and there will be issues with fundraising (due to tax-IDs), insurance and risk management (e.g. for student organization trips). Some IU students may not be able to participate in the student organization of their choice if it is a PU chapter. Either IU or PU will have to control processes involving Title IX, Veterans' Affairs, and student conduct issues, depending on the parties involved and the specifics of each situation.

It is clear that IU will become a direct competitor for delivering general education and recruiting majors after the five year “non-compete” part of the ancillary agreements passes. PFW will have to give the best support to IU students as possible, so that if they are not successful pursuing a health sciences degree they will transfer over to PFW rather than leaving. Students who have not yet decided on a major currently have to choose among seven pathways, and there is likely to be a competition to get these students to commit to either IU or PU if the realignment takes place.

A positive result of the realignment planning and discussions is that IPFW has taken a hard look at how it operates, resulting in improvements. Clarity of focus and mission was cited as the most important outcome, since it has been a struggle to explain the current IPFW structure to parents and prospective students.

Clerical and Service Staff Advisory Committee (CSSAC) and Administrative and Professional Staff Advisory Committee (APSAC):

Attendees indicated that there are many unanswered questions and uncertainty about the realignment, particularly in the context of whether or not PU is going to provide more resources to PFW to establish/grow programs needed in the Fort Wayne region. Significant distrust and ambiguity exists, with current students and recent graduates questioning the value of their degree. Questions with respect to what the school colors and mascot will be are still unanswered, and more information is learned from the local newspaper than from the administration. A sense of loss and period of mourning has occurred, and employees have taken on additional work due to the realignment planning without any new hires or compensation adjustments.

However, there is hope that a new Chancellor might be able to get support from the PU system. Employees care about IPFW and the Fort Wayne region, and are thankful that they still have jobs and that the institution still has its accreditation. The PU brand is strong, and there is hope that new students and degree programs will emerge after the transition.

Faculty Open Forum #2:

Attendees expressed serious concerns about the lack of shared governance and transparency (i.e. “cloaked in secrecy”) in the closing of programs and the realignment process which are undeniably linked. IPFW faculty care about the institution, its students, and its role in the region. The realignment is viewed as an erosion of the comprehensive nature of the campus, which might inevitably lead to a “polytechnic” approach to job training rather than education.

Questions that remain unanswered include but are not limited to: how is PFW supposed to grow and add new programs when there is no indication that additional resources will be provided; how will PFW enrollments recover after the public (media) display of anxiety and turmoil

surrounding the realignment; how will the humanities programs continue to thrive having lost their long-standing connections to IU and the grant funding that is available; how will the business programs compete when the IU brand/ranking is stronger than that of PU in these disciplines; why were the LSA recommendations acted on instead of those of previous studies which concluded radically different directions for IPFW should be pursued; and, how will PFW continue to support athletics at current levels with the loss of students that is inevitable in the realignment – will PU student fees need to increase?

Concern was also expressed about the plan to offer separate sections of general education courses to IU students and PU students. The diversity of student perspectives and richness of discussion will be compromised by having, for example, a section of only health sciences students with no humanities or STEM students in the room. Other courses may be adversely affected as well, such as medical ethics, history of medicine and health communication. Finally, it was reported that there are only five new faculty lines that have been authorized, four in engineering and one in the performing arts. This reinforces the fears of faculty in the humanities and social sciences, and in the STEM disciplines which support engineering, that their programs are not going to be supported. Students are reportedly concerned that their intended majors may not be available in four years, and it is believed that declining enrollments are connected to this sense of uncertainty and ambiguity.

Finally, although some faculty hope that the new Chancellor will advocate for new resources for PFW within the PU system, there is no faith in the process being used to select this person, and no trust.

IPFW Executive Leadership:

Attendees thanked the HLC team for its efforts, and were informed of the next steps in the process.