

PROPOSED FY16 BUDGET

DEPARTMENT OF ECONOMICS

4 February 2015

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Mission Statement

The mission of the Department of Economics is to expand knowledge about Economics and its application to our understanding of society, institutions, and the challenges economic actors face. To this end, we provide our undergraduate and graduate students with solid training in applied economics and we promote an active research environment. The Department also values service, both internally to the College and University, and externally to the public, professional associations, government, businesses, and non-profit enterprises. At the undergraduate level, we provide a learning experience that attracts external recognition for its high-quality curriculum and instruction and emphasizes the application of economic principles to real-world problems. At the graduate level, we provide a program in applied economics which meets or exceeds current professional standards and is recognized externally for its unique and valuable contributions. To fulfill these goals, we continue to refine our program of study and engage in faculty professional development to best meet the needs of our students.

Vision

In light of the University's Strategic Plan, *Educating Illinois*, and the College of Arts and Sciences Strategic Plan, the vision of the Department of Economics is to provide a high quality undergraduate program as well as a unique applied terminal master's degree program developed and delivered by nationally and internationally recognized faculty.

Values

Consistent with the University-wide Strategic Plan, Educating Illinois, the University's Strategic Research Plan, and the College of Arts and Sciences Strategic Plan, we in the Department of Economics value

- the development of student skills necessary for lifelong learning, critical thinking, and engaged citizenship within a global society;
- the active pursuit of learning and scholarship through research and its dissemination through publication and teaching;
- the recruitment, professional development, and retention of a high quality faculty engaged in teaching, research, and service;
- the collaboration of faculty and students in teaching, learning, and research;
- shared governance, the diversity of ideas, academic freedom, cooperation and collegiality among faculty members.
- an exceptionally high, and continually improving, level of faculty and student satisfaction with the University.

1. Narrative

1.1 *Accomplishments and Productivity for FY15*

a. Goals, as listed in our Strategic Plan, with matching Goals and Strategies from *Educating Illinois*

Strategic Focus One: Facilitate Academic Excellence

Economics Goal 1.1 *Develop and maintain rigorous academic curricula (Educating Illinois Goals 1, 2, 3)*

Actions

- Maintain an enrollment strategy for undergraduate and graduate programs. (*EI Strategy 1.4*)
- Continue surveys of undergraduate and graduate students to identify their perceptions of the major and solicit suggestions on how to improve the quality of the major. Use the results of the assessment surveys and solicited suggestions to redesign the curriculum in areas where scope for improvement is identified. (*EI Strategy 3.2*)
- Review the selection of electives offered and whether specific tracks or concentrations within the major should be offered and should appear on student transcripts. (*EI Strategy 1.5*)
- Identify opportunities to pursue disciplinary and interdisciplinary curricular innovation in emerging areas where faculty strengths align with student and societal needs. (*EI Strategy 1.5*)
- Support growth of student involvement in and enhancement of international curricular programs, such as student exchange and study abroad programs. (*EI Strategy 1.6*)
- Continue to pursue increased stipends for graduate students. (*EI Strategy 2.2*)
- Continue to recruit and retain quality faculty who are active participants in the Department's teaching and service responsibilities. (*EI Strategy 2.1*)

Economics Goal 1.2 *Pursue support for faculty research and creative activity. (Educating Illinois Goal 2)*

Actions

- Continue to recruit and retain quality faculty who contribute to the Department's research reputation and productivity. (*EI Strategy 2.1*)
- Encourage and continue to reward high-quality journal publications. (*EI Strategy 2.1*)
- Seek funding for faculty travel to conduct and present research findings. (*EI Strategy 2.2*)
- Maintain equity, transparency, and accountability in Department policies on teaching, research, and administrative assignments aligned with faculty professional development needs and productivity levels. (*EI Strategy 2.1*)
- Encourage faculty participation in department workshops and seminars as well as in regional university department seminars. (*EI Strategy 2.2*)

Economics Goal 1.3 *Pursue support for student research and creative activity. (Educating Illinois Goals 1, 2, 4)*

Actions

- Seek ways to increase support for graduate assistantships. (*EI Strategy 2.2*)
- Encourage participation in Illinois State University undergraduate/graduate research symposium. (*EI Strategy 1.5*)
- Encourage graduate student participation in department workshops and seminars. (*EI Strategy 2.2*)
- Subject to available funds, provide travel support for student travel to conduct and present research. (*EI Strategies 2.2, 4.3*)
- Support the development of collaborative student research teams. (*EI Strategy 2.2*)

Strategic Focus Two: Enhance the systems and infrastructure supporting academic excellence

Economics Goal 2.1 *Maintain technology infrastructure and professional staff to support scholarship and student learning. (Educating Illinois Goals 1, 2, 3, 4)*

Actions

- Seek funding for A/P staff to advise undergraduate students. (*EI Strategy 2.2, 4.3*)
- Seek funding for a systematic program of desktop and laboratory computer recapitalization. (*EI Strategy 2.2, 4.1, 4.3*)
- Subject to available funds, support faculty and student needs for computer hardware, software, and databases. Increase cooperative efforts with Milner Library in this regard. (*EI Strategy 1.5, 2.2*)
- Encourage faculty participation in and attendance at Department seminars and workshops as well as in regional university department seminars.. (*EI Strategy 1.2*)
- Maintain computer lab availability and usage. (*EI Strategy 1.5, 2.2, 4.3*)
- Improve department web page functionality in serving as resource for faculty, staff, and students. (*EI Strategy 1.5, 2.2, 3.4, 3.5*)

Strategic Focus Three: Seek diversified financial support for the Department.

Economics Goal 3.1 *Encourage faculty participation in seeking and obtaining external research grants and contracts. (Educating Illinois Goals 2, 3)*

Actions

- Encourage continued participation in cross-Department collaborations. (*EI Strategy 3.3*)
- Maintain incentive and reward structure for acquisition of external grant funding. (*EI Strategy 2.4*)

Economics Goal 3.2 *Seek contributions from alumni, friends, and benefactors. (Educating Illinois Goals 1, 3)*

Actions

- Continue working with development officer on alumni fundraising. (*EI Strategy 3.2*)

- Continue working with Department Advisory Board to network with alumni. (*EI Strategy 3.2*)
- Encourage positive faculty interactions with students (in and out of the classroom) to foster healthy long-term relationships with alumni. (*EI Strategy 1.6, 3.2*)
- Continue to develop opportunities for alumni, friends, and benefactors to interact directly with students and faculty, including bringing alumni to campus. (*EI Strategy 3.2*)
- Continue strengthening ties with alumni, particularly in the development of internship opportunities. (*EI Strategy 3.2*)

Strategic Focus Four: Share and promote our academic excellence

Economics Goal 4.1 *Encourage mission-consistent outreach and partnerships with our on-campus and community constituencies. (Educating Illinois Goal 3)*

Actions

- Explore service learning/civic engagement opportunities consistent with the Department mission. (*EI Strategy 3.1*)
- Support faculty in civic engagement and community development activities that are consistent with the Department mission. (*EI Strategy 3.1*)

Economics Goal 4.2 *Promote the local, national, and international visibility of our programs, student successes, and faculty and staff accomplishments. (Educating Illinois Goals 2, 3)*

Actions

- Distribute annual newsletter to alumni and other constituencies. (*EI Strategy 3.2*)
- Nominate alumni for various Illinois State University alumni awards. (*EI Strategy 3.2*)
- Regularly update the Department website with news items. (*EI Strategy 3.4*)
- Maintain international exchange agreements and develop additional agreements. (*EI Strategy 2.5*)
- Disseminate faculty/student accomplishments to CAS News, ISU Media Relations, and local media outlets. (*EI Strategy 3.4*)
- Promote faculty expertise to outside constituencies. (*EI Strategy 3.4*)
- Distribute annual advertisement of Applied Master's program to feeder schools. (*EI Strategy 3.5*)
- Use appropriate social media to interact with students, alumni, and the community. (*EI Strategy 3.5*)
- Encourage participation of faculty in research and grant activity with industry, non-profit, and government agencies. (*EI Strategy 3.3*)

b. Major Accomplishments for Each Goal

Economics Goal 1.1 *Develop and maintain rigorous academic curricula*

- We have maintained course enrollments, majors, and minors at consistent levels, even as we have increased the rigor in our program to better prepare students for their future careers.
- We have increased enrollment in the graduate program (and graduate courses) despite limited funding for assistantships.

- We have gathered data from Economics majors, using the Select Survey application available to us from CAS-IT/CTLT.
- We have added new elective courses to reflect important areas such as public sector economics, financial economics, and game theory.
- We have studied the problematic organizational structure of our primary introductory course ECO 105, which is a four-credit introduction to both microeconomics and macroeconomics. To improve coverage, better prepare students for more advanced courses, and make the principles-level offering consistent with the I-Transfer system of all other two-year and four-year public institutions of higher education in Illinois the department will move forward with plans to reinstitute ECO 101 and ECO 102 (Introduction to Microeconomics and Macroeconomics respectively). Can't currently staff.
- We have improved options for students to pursue cross-disciplinary work. Two prominent examples include our Managerial and Financial Economics sequences and graduate program requirements incorporating a variety of math and statistics courses.

Economics Goal 1.2 *Pursue support for faculty research and creative activity.*

- We have established a policy that any faculty course buyouts will require a 25% salary commitment, ensuring variance funds that the department can use to support research activities.
- Our annual evaluation system differentially rewards quality journal publications and quality external grant awards.
- To enhance transparency and clear information, all important department documents are readily available to faculty in a shared folder on the network.
- As a department, we have been very successful with outcomes from the Scott Elliott Cross-Disciplinary Grant Program. Teams have subsequently been awarded external funding that totaling \$300,000. An we currently have a new proposal to evaluate

Economics Goal 1.3 *Pursue support for student research and creative activity.*

- We continue to seek new funding for graduate assistantships. All current external grant programs (involving Economics faculty members) generate graduate assistantships and student research opportunities.
- We continue to support student involvement in research symposia. This includes more closely integrating the ECO 300 undergraduate capstone experience with 300-level applied course offerings. We are also working more closely with Milner Library to prepare research guides and give in-class presentations for our 300-level courses.
- We include graduate students in all department seminars and workshops. In addition, some graduate students have presented their work in our applied econometrics workshop series.
- The Department has taken advantage of the University's new enhanced membership in the Council on Undergraduate Research (CUR) as a resource in planning for increased undergraduate research activities. The Chair currently serves as a Councilor for the Social Science Division of CUR.
- Whenever students present their research at conferences, our department pays for all of their travel expenses.

Economics Goal 2.1 *Maintain technology infrastructure and professional staff to support scholarship and student learning.*

- As our top priority, we continue to seek funding for an A/P position needed to improve the services we offer in advising our undergraduate students.
- Since computer hardware and software is very important to our research and teaching, we continue to seek funding for consistent updates, as appropriate. We have secured some tech tuition funding, and supplemented this with variance dollars and external grant funds in order to update old and slow computers in faculty offices and our computer labs. We also updated the statistical and mathematical modeling software in our computer labs. The Department now consults and works collaboratively with Milner Library staff to coordinate data acquisition efforts.
- We have added new security procedures so that we are able to provide more open computer lab time.

Economics Goal 3.1 *Encourage faculty participation in seeking and obtaining external research grants and contracts.*

- We updated our department's evaluation policies to clarify the rewards associated with external grant proposals and awards, including an option to negotiate multi-year carryovers. We also clarified which elements (e.g., indirect cost recovery and graduate assistantships) are particularly valued in the Department.
- We continue promoting the effectiveness of the Scott Elliott Cross-Disciplinary Grant Program and have received a new application for FY16.

Economics Goal 3.2 *Seek contributions from alumni, friends, and benefactors.*

- We have been fortunate to receive new \$20,000 endowment support for the Ron Ulmer Scholarship Fund from generous alumni. Other major scholarship funding is expected.
- We continue our annual meeting with our Department Advisory Board and have focused on organizational restructuring and membership changes in the composition of the Board. New bylaws are in place and we will continue to schedule meetings on a semi-annual basis.
- We continue working to reinvigorate our Economics Student Association and our chapter of the Omicron Delta Epsilon honorary society, in order to strengthen long-term ties with students and alumni.

Economics Goal 4.1 *Encourage mission-consistent outreach and partnerships with our on-campus and community constituencies.*

- Several of our courses have included civic engagement assignments.
- We continue to encourage faculty service to on-campus and community constituencies. Faculty involvement in this area has recently increased substantially. The affiliated Institute for Regulatory Policy Studies and the Center for Renewable Energy are important leaders in this regard, especially in leading efforts to improve our interaction with secondary education institutions across the State of Illinois. The graduate program's affiliation with the Stevenson Center has strengthened the ties of our students and supervising faculty members to a variety of organizations and agencies in the community development arena.

Economics Goal 4.2 *Promote the local, national, and international visibility of our programs, student successes, and faculty and staff accomplishments.*

- We continue to distribute an annual newsletter about the department’s accomplishments.
- We continue to disseminate our accomplishments to media outlets. Faculty have been quoted and featured in local and Illinois media, primarily via newspapers, radio, and television outlets.
- We continue to refine and improve our ability to better connect with students and alumni through our Facebook page.

c. Measures of productivity that illustrate Economics’ success

The majority of the undergraduate courses we provide are targeted for our majors and minors. We have limited pre-requisites, and transfer students are generally easily able to complete degree requirements in a timely fashion. We offer two General Education courses: Economic Reasoning Using Statistics (ECO 138) and Individual and Social Choice (ECO 103). In the 2014-15 academic year, this will be difficult as the Economics Department has received minimal funding under the categories of Instructional Capacity and General Education. Our past unfunded generosity has been stretched to the limit in the face of negative effective growth in faculty size while attempting to staff broadening undergraduate and graduate programs.

As part of their requirements majors from the College of Business are enrolled in Principles of Economics (ECO 105). In order to allow more complete coverage of the recommended topics in the Principles course and to better prepare students for additional coursework in economics, we are expecting to align our curriculum with that found at nearly all other public institutions of higher education in the State of Illinois by beginning to offer a two-course introductory sequence. This will result in the design of separate introductory level courses on microeconomics and macroeconomics. These efforts will result in a closer match between our principles courses and those found within the Illinois Articulation Initiative and greatly ease the entry of transfer students to ISU.

Undergraduate Statistics

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Fall Enrollment	72	97	117	130	124	133	124	123	101	93	77	75	98	109
B.A./B.S. Degrees	31	26	45	45	57	58	72	62	57	43	51	32	34	

Undergraduate enrollment has rebounded significantly in 2013 and 2014 due in part to increased rigor in our program and a cyclical trend for the discipline. We feel very strongly that we need to provide our students with a firm analytical and quantitative foundation for their future careers. Interest in economics is countercyclical, meaning that when the economy is performing poorly interest in economics rises. As the economy rebounds enrollments in economics tend to readjust to more normal levels. Given that the great recession stimulated great interest in economics, the fact that we are still recovering slowly means enrollments are beginning to steady.

The Department continues to make a concentrated effort to improve the average quality of students admitted to the major. Students admitted as internal transfers to the major in 2014 had an average GDP of 2.8, which is consistent with our goals.

The Department of Economics offers M.A. and M.S. degrees in Applied Economics. Students select a concentration in an applied economics field, including business economics, monetary economics/finance, economic development, international economics, and human resources. The department has three special sequences in applied economics. The first is the Electricity, Natural Gas, and Telecommunications Sequence which combines training in basic economic theory and statistical methods with specialized training in industry-related issues. The Department hosts the Institute for Regulatory Policy Studies (IRPS) in conjunction with this sequence. The second is the Applied Community and Economic Development sequence, a multidisciplinary program for students looking to combine Peace Corps or other significant community service internship experiences with graduate level training. In support of this sequence we co-sponsor the Stevenson Center for Community and Economic Development (SCED). The third and the newest sequence is Financial Economics in collaboration with the Department of Finance, Insurance and Law of the College of Business. Additionally students now have improved access to coursework in the department focused on international finance and financial economics.

Graduate program enrollment has fluctuated in recent years, but we expect it to stabilize in the near future. We have appointed an experienced graduate program director who is actively recruiting new students, and we expect our Department Chair to support this effort particularly in building the financial economics sequence. In terms of program completion in we continue to award a significant number of masters degrees. To sustain this productivity our main ongoing concern with the graduate program is graduate assistantships. We need to provide assistantships in order to compete with other top MA/MS programs. Unfortunately, too often we have only been able to offer half-time or no assistance, and this hurts our competitive position in recruitment.

Graduate Statistics

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Fall Enrollment	22	25	40	37	23	38	33	28	26	27	42	41	33	40
M.A./M.S. Degrees	9	16	3	13	17	15	9	16	12	17	9	11	17	

Due to recent retirements, sabbaticals, external grant course buy-outs, and one faculty member’s interim chair appointment, we have relied heavily on NTT faculty to cover courses. We have also shifted assignments, as a result of the retirements of Tony Ostrosky and Neil Skaggs and the current absence of the undergraduate program director. Tony was a very popular professor who, as an NTT, continued to teach large sections of ECO 105 for us. Now we have more tenure-track faculty teaching those large sections, and we try to fill in important gaps in elective courses with short-term NTT hires. These recent shifts help to explain the changes we’ve seen in credit hour production for our department.

Distribution of Credit Hours by College, Course Department, and Course Level
at End of Term
Fiscal Year 2008-2009 through 2012-2013

College/Dept/Level	2008-2009				2009-2010				2010-2011				2011-2012				2012-2013			
	Summer	Fall	Spring	Total	Summer	Fall	Spring	Total	Summer	Fall	Spring	Total	Summer	Fall	Spring	Total	Summer	Fall	Spring	Total
	2008	2008	2009	Total	2009	2009	2010	Total	2010	2010	2011	Total	2011	2011	2012	Total	2012	2012	2013	Total
Economics	435	5,168	5,882	11,485	364	4,898	5,494	10,756	309	5,056	5,514	10,879	279	5,088	5,783	11,150	357	5,089	5,460	10,906
100	182	3,275	3,883	7,340	165	3,055	3,653	6,873	132	3,265	3,577	6,974	142	3,079	3,918	7,139	196	3,105	3,890	7,191
200	219	1,388	1,531	3,138	153	1,380	1,440	2,973	138	1,305	1,548	2,991	123	1,461	1,320	2,904	90	1,399	1,056	2,545
300	21	217	218	456	32	216	213	461	--	180	180	360	3	183	199	385	9	236	203	448
400	13	288	250	551	14	247	188	449	39	306	209	554	11	365	346	722	62	349	311	722

Overall, we do not have a sufficient number of faculty members to teach the courses we should be regularly offering. In particular, the absence of our undergraduate program director with minimal budgetary relief and the award of two faculty sabbatical leaves for FY15 have severely squeeze our ability to meet regular expectations for general education offerings. The unexpected resignation of Prof. Chupp at the end of FY14 further exacerbated these problems. Unless additional funding is realized it will be necessary to reduce the number of sections of ECO 138 offered and/or eliminate ECO 103.

In the past few years, due to a faculty shortage, we have offered two fewer 200-level electives and one fewer 300-level elective per semester. We have also offered fewer graduate courses. We are unfortunately unable to offer sufficient course diversity to meet student demand, given current constraints. Many of our elective courses are fully-enrolled or over-enrolled. The successful recruitment to fill two tenure-track positions, in effect has resulted in no net addition as one replaced a resignation and the other has covered the absent undergraduate program director, so no inroads have been made towards remedying this situation.

As is typical, in the most recent year the productivity of the department's faculty members remains significantly above the averages found within the College of Arts and Sciences (see final column of table for college-wide averages). In addition the two recent hires have tipped the department into a high-diversity category with a majority of tenure and tenure-track faculty being classified as international scholars.

In the realm of scholarship we have a very active and productive faculty, consistent with our outstanding research reputation among non-Ph.D. granting economics departments. The highest quality research output in Economics appears in refereed journal articles, not generally in books, and our publication history reflects this standard. In 2014, in addition to published articles, our faculty members have given 24 external presentations (9 were international), filed 63 journal referee reports, and served on the editorial boards of 7 professional journals. Economics has also been very successful in securing external grant funding, with amounts that exceed many other units at ISU and Economics departments at top-notch Ph.D. programs.

For the third time in the past four years, new external-grant awards surpassed \$1 million. We currently have ten active external grant projects, led by David Loomis, and Daniel Rich. In addition three faculty members had resident or non-resident research scholar appointments: Andrew Chupp (Resources for the Future), David Cleeton (European Union Center of Excellence at the University of Illinois in Urbana-Champaign), and Oz Dincer (Safra Center for Ethics at Harvard University).

Scholarly Productivity

	2009	2010	2011	2012	2013	<u>2014</u>
Books/Textbooks	1	0	0	0	0	0
Journal Articles/ Book Chapters	22	27	22	33	34	25
Grant Funding (\$1,000s)	\$379	\$186	\$2,646	\$597	\$1,103	\$1,140

1.2 Internal Reallocations and Reorganizations in FY14

a. Reallocations/Reorganizations

n/a

b. Additional funds

- i. Summer session funding: We hired four faculty members for a total expenditure of \$27,800 to teach three online courses that are normally offered every year. Offering these courses over the summer helps our majors complete degree requirements more quickly than they otherwise would, if these summer classes were not available.
- ii. Foundation funds: So far in FY15 we have used approximately \$2,500 from our general foundation account. The majority of these expenditures were for Alumni outreach, with a small amount for department gatherings with faculty and students and supplementing entertainment expenses related to faculty recruiting efforts. We also used around \$1,750 from the Warren Harden Endowment to support our seminar series. Due to this support, we were able to invite particularly strong speakers to present to our faculty and students, for example, a vice-president of the St. Louis Federal Reserve Bank. This includes expenses for a new reciprocal workshop presentation arrangement with Northern Illinois University's Economics Department.
- iii. Variance funds: The primary use of our variance funds during FY15 is to pay salaries for non-tenure track faculty to cover courses for us including a number of course by-outs via external grant funding. The total amount to be spent in FY15 on NTTs is \$132,500. In addition we share in supporting the Office Manager position in the Center for Renewable Energy in the amount of \$4,000. We also will use

approximately \$25,000 of variance funds to supplement the inadequate existing funding for faculty travel. A significant portion of this faculty travel supplement has been related to the international presentations given by our faculty members. Other uses of variance funds have included setting aside approximately \$8,000 to increase the number of GAs by one in the Spring 2014 semester and four, on a part-time basis, for Summer 2014.

- iv. According to conversations we have had with CAS-IT, we expect to receive Tech Tuition funds to partially recapitalize one of our computer labs. We will use variance funds of approximately \$8,000 to recap the rest of the computers in that lab, so the entire lab is upgraded simultaneously.

1.3 Accountability Reports

We used GE funding of \$20,500 to hire NTTs to teach 2 sections of introductory statistics (ECO 138) in each of the Fall 2014 and Spring 2015 semesters along with a large lecture sections of ECO 103 in Spring 2015. Enrollments in each section of ECO 138 were 30 and 190 students are enrolled in ECO 103.

2. FY16 Planning Document

2.1 *Major Objectives for FY16*

The department's primary goal for FY16 is to continue with the integration of course offerings by strengthening international and interdisciplinary partnerships as well as refocusing the graduate concentration in financial economics. In addition, we anticipate a successful incorporation of the research talents and teaching specialties of the two new tenure-track hires. Nonetheless, department goals for FY16 will continue to derive from our Strategic Plan, as follows. Particular statements for important Action steps appear below.

Strategic Focus One: Facilitate Academic Excellence

Economics Goal 1.1 *Develop and maintain rigorous academic curricula (Educating Illinois Goals 1, 2, 3)*

Actions

- Maintain an enrollment strategy for undergraduate and graduate programs. (*EI Strategy 1.4*)
 - We continue to seek the most appropriate level of rigor with the inclusion of analytic and quantitative skills for our courses. We also seek new ways to contribute to *Educating Illinois*, by supporting additional Minor programs and creating new courses to fit with the General Education program. We will also continue to carefully advertise the unique value of our graduate program in order to increase and stabilize enrollment.
- Review the selection of electives offered and whether specific tracks or concentrations within the major should be offered and should appear on student transcripts. (*EI Strategy 1.5*)
 - We will continue to seek additional tenure-track hires in important fields as these opportunities become available to support enrollments.
- Continue to pursue increased stipends for graduate students. (*EI Strategy 2.2*)
- Continue to recruit and retain quality faculty who are active participants in the Department's teaching and service responsibilities. (*EI Strategy 2.1*)
 - We hope to be able in the future to hire new tenure-track faculty to support our teaching and research missions. Cooperative agreements in interdisciplinary areas will be given special attention as opportunities for program enhancement. Currently we are working on potential offerings related to the proposed European Studies major and the summer program in Maastricht in the Netherlands. Both of these will be related to better understanding of transatlantic economic relations and economic integration under the auspices of the European Union.

Economics Goal 1.2 *Pursue support for faculty research and creative activity. (Educating Illinois Goal 2)*

Actions

- Continue to recruit and retain quality faculty who contribute to the Department's research community. (*EI Strategy 2.1*)

- Seek funding for faculty travel to conduct and present research. This includes expanding international student and faculty exchanges. (*EI Strategy 2.2*)
- Maintain equity, transparency, and accountability in Department policies on teaching, research, and administrative assignments aligned with faculty professional development needs and productivity levels. (*EI Strategy 2.1*)

Economics Goal 1.3 *Pursue support for student research and creative activity.* (*Educating Illinois Goals 1, 2, 4*)

Actions

- Seek ways to increase support for graduate assistantships. (*EI Strategy 2.2*)
- Subject to available funds, provide travel support for student travel to conduct and present research. (*EI Strategies 2.2, 4.3*)
- Support the development of collaborative student research teams. (*EI Strategy 2.2*)
 - We will continue to support research collaborations, including teams for the Scott Elliott Cross-Disciplinary Grant program.
 - Explore additional opportunities provided by membership in the Council on Undergraduate Research.

Strategic Focus Two: Enhance the systems and infrastructure supporting academic excellence

Economics Goal 2.1 *Maintain technology infrastructure and professional staff to support scholarship and student learning.* (*Educating Illinois Goals 1, 2, 3, 4*)

Actions

- Seek funding for NTT staff to advise undergraduate students. (*EI Strategy 2.2, 4.3*)
 - This continues to be the top priority to fill an important need for our department. The funding for this NTT position obtained a high-priority ranking by the College last year but extenuating circumstances continue to make it very difficult to appropriately staff these critical functions. The undergraduate program director is absent without budgetary relief and this may continue into the indefinite future. An election for the position among the tenured and tenure-track faculty will be held at the end of the current semester but currently no faculty members have demonstrated a willingness to serve. We have a temporary acting director who is a full-time NTT but this creates a number of issues with regard to full participation in departmental committee work.
- Subject to available funds, support faculty and student needs for computer hardware, software, and databases. (*EI Strategy 1.5, 2.2*)
 - Work with Milner Library staff to coordinate a variety of productive efforts.
- Maintain computer lab availability and usage. (*EI Strategy 1.5, 2.2, 4.3*)

Strategic Focus Three: Seek diversified financial support for the Department.

Economics Goal 3.1 *Encourage faculty participation in seeking and obtaining external research grants and contracts. (Educating Illinois Goals 2, 3)*

Actions

- Encourage continued participation in cross-Department collaborations. (*EI Strategy 3.3*)
 - The Chair has explored jointly sponsored lectures/seminars with the Departments of Political Science, History, and Languages Literatures, and Cultures. Several departments have agreed to articulation agreements for the course offerings in the new summer program being developed in conjunction with the Center for European Studies at the University of Maastricht in the Netherlands. These departments include: Art, Communications, History, Management, and Political Science. The department and the European Studies Committee have engaged in a number of joint efforts including grant funding partnerships with the European Union Center at the University of Illinois in Urbana-Champaign.
- Maintain incentive and reward structure for acquisition of external grant funding. (*EI Strategy 2.4*)
 - The Department continues to update and refine its ASPT standards. It also continues to modify and update practices to improve the effectiveness of a very successful grant funding process.

Economics Goal 3.2 *Seek contributions from alumni, friends, and benefactors. (Educating Illinois Goals 1, 3)*

Actions

- Continue working with Department Advisory Board (DAB) to network with alumni. (*EI Strategy 3.2*)
 - The Chair has held three planning meetings with key members of the DAB to outline a strategy for the restructuring of the board. The initial focus was to present and approve a new set of bylaws which were approved at the Spring 2013 meeting. This will lead to the establishment of an executive board with officers drawn from the membership and a new membership appointment process.
 - New directional guidelines for DAB members will help form clear expectations for duties and responsibilities of board members.
- Encourage positive faculty interactions with students (in and out of the classroom) to foster healthy long-term relationships with alumni. (*EI Strategy 1.6, 3.2*)
- Continue to develop opportunities for alumni, friends, and benefactors to interact directly with students and faculty, including bringing alumni to campus. (*EI Strategy 3.2*)
 - The Economics Student Association has been revitalized along with our chapter of the Omicron Delta Epsilon honorary society. This resulted in a new practice of combining the Spring 2014 Department Advisory Board meeting with the Annual Department Awards Banquet and having student, alumni, and faculty participation in a career-related forum on the same day.

Strategic Focus Four: Share and promote our academic excellence

Economics Goal 4.1 *Encourage mission-consistent outreach and partnerships with our on-campus and community constituencies. (Educating Illinois Goal 3)*

Actions

- Support faculty in civic engagement and local economic development activities that are consistent with the Department mission. (*EI Strategy 3.1*)

Economics Goal 4.2 *Promote the local, national, and international visibility of our programs, student successes, and faculty and staff accomplishments. (Educating Illinois Goals 2, 3)*

Actions

- Distribute annual newsletter to alumni and other constituencies. (*EI Strategy 3.2*)
- Maintain international exchange agreements and develop additional agreements. (*EI Strategy 2.5*)
 - Participation in the student exchange with the University of Passau in Germany has increased, particularly in our graduate program and a new summer program is being developed in conjunction with the Center for European Studies at the University of Maastricht in the Netherlands.
- Disseminate faculty/student accomplishments to CAS News, ISU Media Relations, and local media outlets. (*EI Strategy 3.4*)
- Promote faculty expertise to outside constituencies. (*EI Strategy 3.4*)
- Distribute annual advertisement of Applied Master's program to feeder schools. (*EI Strategy 3.5*)
- Use appropriate social media to interact with students, alumni, and the community. (*EI Strategy 3.5*)
- Encourage participation of faculty in research and grant activity with industry, non-profit, and government agencies. (*EI Strategy 3.3*)

2.2 Permanent Funding Requests

- a. 2 NTT positions for undergraduate advising and instruction, \$95,000

The Economics department does not have an AP position dedicated to advising, though most departments in the College have such a position. We believe the students (nearly 150 first and second majors and minors) would be best served by having an advisor dedicated to them.

Currently the Undergraduate Program Director is overburdened with this work, which represents an inefficient use of valuable time and severely limits the ability to devote proper attention to important emerging issues in undergraduate program assessment and curricular reform. These conflicts will continue to build as the Department makes preparations for submitting program review documents in the Fall 2014 semester. The continued absence of the program director has exacerbated the problem and other faculty members have been temporarily drafted to work on program review issues. Last year an AP position request was ranked among the CAS highest-priority requests for academic support positions in the FY15 budgeting process.

We have been employing two full-time NTTs for several years but only by cobbling together funding from (1) grant-paid course buyouts by tenure-track faculty, (2) limited GE funding starting in FY14 to cover instruction of our basic statistics (ECO 138) course sections and one large lecture section of ECO 103 (a GE-based introductory course for non-business and non-economics majors), and (3) other variance funds including starting in FY14 an allocation from the Provost's Office for half the salary of a tenured faculty member who continues on an unpaid leave. One of the full-time NTT positions covers undergraduate advising.

b. Graduate Assistantships, \$100,000

We request these funds to restore our assistantships to provide for full-time support for GAs. We are currently able to provide only half-time support for most of our graduate students. Providing increased support would give us an important competitive advantage in recruiting the best students to our program. This has effectively been demonstrated by the results of the full-time GA support offered through the Stevenson Center's graduate program.

This request relates to *Educating Illinois* Strategy 2.2 "Ensure that academic support structures promote excellence" and Strategy 1.1 "Ensure learning opportunities are accessible and affordable for a diverse pool of students." Most of our graduate students are self-supporting, and would benefit tremendously from additional support. This request also relates directly to the College's Action 1.4.5 "Seek ways to increase support for graduate teaching and research assistantships."

c. Travel, \$15,000

We request a \$15,000 increase in our travel budget due to rising conference registration fees, airline prices, and more international involvement from our faculty. Our current travel budget is simply insufficient to adequately support faculty travel in a department with the research expectations and productivity levels we have established. A \$15,000 increment to the travel budget would represent an amount far below the current needs. In FY15 the department will transfer a much larger amount from its variance funds to support faculty travel at an inadequate level.

Faculty travel relates to *Educating Illinois* Strategy 2.5 "Expand international faculty exchanges" and Strategy 2.2 "Ensure that academic support structures promote excellence in teaching, scholarship, and creative activities." Faculty travel to conferences is an essential component of our work as researchers. This request also relates to the College's Goal 1.3 "Enhance support for faculty research."

d. Contractual, statistical software and databases, \$10,000

Our faculty and students rely heavily on statistical software and databases to do our research in applied economics. Applications and datasets are quite expensive, and to remain current, we

exceed our base budget every year. We also need to add to the data labs modeling software being used by our new faculty members.

This request relates to *Educating Illinois* Strategy 1.5 “Ensure that the University’s curricula and teaching reflect the best educational practices and create enduring learning experiences that prepare students for success in their personal and professional lives.” We continually hear from alumni and employers that our students have a competitive advantage due to the training they receive from us in applied econometrics, working with software and databases for their coursework and research projects. This request is also related to Strategy 2.2 “Ensure that academic support structures promote excellence in teaching, scholarship, and creative activities.” Our faculty members make extensive use of current software and data for their teaching and research. This request also relates directly to the College’s Goal 2.2 “Develop and maintain technology infrastructure.”

e. Tech Tuition, lab monitors, \$8,000

We request funds to hire lab monitors to support students during open lab times while they work on class assignments and research projects.

This request is similar to our software request, in that it matches *Educating Illinois* Strategy 1.5 and Strategy 2.2, as well as the College’s Goal 2.2.

2.3 Strategic Budgeted Carryover Requests

n/a

2.4 Provost Enhancement Requests

n/a

2.5 Personnel Requests: Tenure Track Faculty

Public Sector and Resource and Energy Economics

This would be a replacement position for the curriculum and research areas which were covered by Andrew Chupp who departed at the start of FY15 to take up a faculty position at Georgia Tech. Andrew taught both public finance and environmental and resource economics, the latter being key courses for the renewable energy major as well as our specialized track in public utility and energy economics. Both of these tracks are attracting more students. We also assigned some teaching duties from the position to principles of economics which is our largest service course to the University.

Human Capital and the Economics of Education (SoTL)

The department has been struggling for several years in adequately covering the undergraduate adviser and program director positions. Duties have been split between an NTT and a tenure-track faculty member. The only tenure-track faculty member with experience in these duties has been on an extended leave for the past two years and is not expected to return. Thus we have also lost the assigned teaching duties from that position. We would like to recruit an experienced assistant/associate professor with research interests in the economic of education (SoTL) who would assume the undergraduate program director duties.

2.6 Personnel Requests: n/a

n/a