

# President's Report to the Board of Trustees



**February 20, 2014**

Good morning, trustees, and our campus community.

This is a landmark day. Forty-nine years and 361 days ago, the Central Michigan University Board of Trustees met for the first time.

Created by the 1963 Michigan Constitution, the eight-member, governor-appointed board was given a general supervisory role over the university. Importantly, it would control and direct expenditures and elect CMU's president.

In other words, it's an important job. Back in 1964, CMU had 7,321 students and offered 63 majors.

Today, we serve 27,000 students with more than 200 degree programs. CMU operates on-campus here in Mount Pleasant, at nearly 50 centers across North America, and online globally. Our online undergraduate programs, in fact, last month were ranked No. 1 in the nation by U.S. News and World Report and our peers.

CMU is one of the 100 largest universities in America, although we're the first choice of many students because we maintain a small-campus environment and small-campus service ethic.

Our students always have been, and always will be, more than numbers. Our faculty are recognized as great teachers, and they always will be. At the same time, they balance research and creative endeavors.

You, the trustees who lead us on this 50<sup>th</sup> anniversary, have enormous responsibility for those 27,000 students and more than 2,500 faculty and staff.

I... we thank you for sharing your expertise, your time, your counsel in creating the One CMU of today and of the future.

[Pause]

Gov. Snyder recently kicked off the 2015 budget process by proposing an average 6.1 percent partial restoration of funding for the state's 15 public universities. While this is currently one-time only funding, it's good news for students.

Significantly, CMU would receive the second-largest increase in the state, with a 7.8 percent jump and a total appropriation of \$79.3 million. It's not the \$90 million of 2001-02, but it *is* progress.

The governor's recommendations now will be debated by the House and Senate, and it appears legislators also recognize the desperate need to address the financial burden on students and families.

[PAUSE]

As part of the state's budget process, I spoke Thursday afternoon before the Senate Higher Education Appropriations Subcommittee.

My messages were simple:

- **First, CMU is taking aggressive measures to keep higher education as affordable as possible for our students. Examples include:**
  - We've had the lowest cumulative four-year tuition increase in the state.
  - Our per-student administrative spending is Michigan's lowest and our percentage of funding for student instruction is the highest.
  - We're investing more than \$6 million in new funds for scholarships starting this fall bringing that total to more than \$61 million.
  - CMU and our employees have saved \$14 million the past six years through our health care plans and wellness efforts.
  - We're also saving nearly \$3 million a year through energy conservation.
- **Second, CMU is a leader in educating Michigan students who continue their commitment to this state as alumni.**
  - A notable 92 percent are Michigan residents, and they hail from every county in the state.
  - What's more, 78 percent choose to stay in Michigan after graduating.
- **Third, CMU takes seriously its accountability for the millions of taxpayer dollars it receives from the state.**
  - I outlined how we use state appropriations to offer top ranked programs, implement partnerships with other state universities, and even to return more than 15 percent of our payment, more than \$11 million a year to the state for our annual MPSERS payment.
- **Fourth, Michigan students deserve equity in the state's higher education funding formula.**
  - I called on legislators to treat every student equally. Michigan must fix the archaic system that says a CMU student is worth **\$3,600** a year, while a Northern Michigan or Lake Superior student is worth **\$5,600** and a Wayne State student is worth **\$9,500**.

- o I urged legislators to reward universities that serve state residents and manage costs.
- o I called on legislators to reward strong graduation rates — CMU ranks in the top 20 percent nationally — while also remembering that many students must work in order to afford a college education. That means graduation after four years often is not possible.
- o I suggested research and development be pulled from performance funding, because not all universities were created to be or SHOULD BE major research institutions.
- o Finally, I urged legislators to expand the definition of critical skills. Yes, STEM programs are vital. At the same time, it is damaging to students ... *and to the state's economic standing* ... to say business degrees, law degrees, teaching degrees, political science degrees and so on are not important.

[PAUSE]

Having mentioned health and wellness savings, you'll find CMU's health care annual report in front of you. In it, you'll see how our self-insured health plans give staff and fixed-term faculty enviable coverage ... yet save that \$14 million dollars I noted a bit ago.

These health care and wellness efforts advance CMU's strategic priority to build our high-quality faculty and staff. We're serious about these initiatives, because they're essential to employees.

During this board meeting, you'll touch on several of our five strategic priorities, including student success.

It's a short paragraph in your board materials, but one decision you'll make will transform two rooms in the Dow Science Building into active learning classrooms. Proposed by the college dean, department chairs and faculty, these classrooms engage students in assignments rather than having them listen to lectures all the time.

These classrooms are a direct investment in CMU students, ensuring they have the greatest possible opportunities not only to learn facts ... but to explore and thus master concepts themselves.

It's learning of the future, at CMU today.

[Pause]

As I conclude, I would like to recognize two CMU students, Emily Rose and Marc Quinones, and play a video they created for Special Olympics Michigan as part of their Personal Leadership and Service class. Emily is from Saline and Marc is from Midland.

Their video won first place, which comes with a \$1,500 cash prize that will go to Special Olympics. I hope you enjoy it.