

President's Report to the Board of Trustees



July 11, 2013

Good morning.

Welcome trustees and those of you joining us today as we continue shaping the future of Central Michigan University.

We at the university often are asked about summer being our "slow time" because so many students are off campus working, doing internships and studying abroad.

Most of us chuckle at the idea of "slow," knowing it to be a myth. In truth, summer is a crucial, hectic time of year.

New freshmen and transfer students during these months are oriented to life as a Chippewa, registered and prepped for this exciting phase of life.

Classes and academic programs are reviewed, updated and planned.

Admissions efforts for the *next* year — for fall 2014 in this case — are launched with a series of college day visits. A year's worth of communications and outreach to prospective students is planned and developed.

Through our summer camps, we host thousands of young athletes, band students and youth with an array of interests.

Yes, much happens on our serene-looking summer campus.

Today for example, this Board of Trustees will address the Fiscal Year 2014 university budget, created, worked and reworked intensely during the past couple of months.

Make no mistake, it is a difficult budget.

Our enrollment will be down again this fall. This is driven primarily by a 26,000-student plummet in Michigan's high school graduating class that started back in 2008. It's also increased competition from other Michigan universities, including aggressive financial aid packages.

As a result, we're facing a projected \$12 million operational deficit and a projected \$6 million auxiliary deficit.

Those are tough numbers, requiring serious attention. Yet, in the ups and downs of university enrollments and funding, they do happen.

Despite current budget challenges, the situation we faced in 2003, in part because of declining state appropriations, was significantly more troublesome. So were the budget difficulties of 1999.

I assure you and the entire campus that with planning, collaboration and a diligent commitment to smart spending, through expense reductions, and revenue enhancement, WE WILL overcome this challenge as we did in 2003.

CMU is a stable, leading institution in Michigan and across the nation.

As one of America's 80 largest public universities, our leadership will continue, cemented by strategic initiatives such as the new biosciences building to meet expanding STEM area enrollments . . . and by immediate actions such as an aggressive enrollment management plan.

From a spending perspective, colleges and service units will use some of their one-time, carry-forward funds from prior years to offset the deficit.

Fewer students mean some colleges unfortunately will need fewer, part-time, fixed-term faculty. Additionally, some staff and tenure-track faculty vacancies will not be filled.

From an enrollment perspective, we heard yesterday during the Academic and Student Affairs Committee meeting about the extensive work on our Enrollment Management Plan. Many of its actions are under way and we will see improvements in the coming years.

CMU in 2011 merged its development and external relations vice presidential positions so that we could add a vice president of enrollment and student services and combine and connect the functions geared towards student recruitment, retention and graduation.

In a little over a year, the ESS team has done monumental work. They have begun to build the processes and organizational structure that will make CMU highly competitive in recruitment, retention and graduation.

Today, we are accelerating student recruitment across the state, beyond Michigan and internationally. We'll also communicate earlier, starting with students in 9th and 10th grade for the first time.

We're reengineering and boosting our financial aid package, to give larger merit awards to a larger number of students.

We're creating an Office of Student Success, which will promote student retention, progression toward degrees, and graduation within four years.

We're adding additional academic advisors to bolster student retention and graduation.

The admissions team also is implementing a constituent relationship management system to automate and manage our relationships with future students.

All of those efforts are supported by our most aggressive marketing campaigns in several years.

Our university will be *even stronger* as we work to establish *the best size* for CMU.

In the 1980s, our on-campus enrollment stood at 16,000. CMU was vibrant and CMU was successful.

In 2010 and 2011 — our anomaly years — we had record on-campus enrollment in excess of 21,000. CMU remained vibrant and successful.

CMU is vibrant today. CMU is successful today.

Whatever we determine CMU's *best size* is going forward, rest assured it will reflect the needs of our students first, and then our state.

Rest assured, we'll do everything possible to safeguard the jobs of each of our employees.

And rest assured, Central Michigan University will remain the single best choice for students who seek academic excellence ... plus a wealth of leadership, volunteerism, internship and research opportunities.

Those "value adds" name just some the ways in which CMU students gain hands-on experience that sets them apart in the marketplace.

As we are well aware, those CMU-fueled careers now include medical doctors.

I am excited to report that plans are nearly final for the first white coat ceremony on August 4 for the inaugural class of the Central Michigan University College of Medicine.

It's taken monumental effort.

Yet, here we are. About to welcome 64 future doctors, many committed to the residents of the state's most medically underserved communities, both rural and urban.

They have chosen CMU to become emergency medicine, family practice, pediatricians, internal medicine, general surgery, and ob-gyn doctors.

Twenty-six are from central and northern Michigan and 11 are proud CMU alumni.

The arrival of this first class has been carefully planned by CMED's administrative team and faculty.

Together, this team has worked countless hours to create stellar curriculum preparing doctors to serve patients and families in areas that lack legions of specialists.

In many cases, these future doctors will be *the* doctors in their chosen communities.

I'm proud to say the medical school upholds all five of CMU's strategic priorities:

1. Our commitment to student success
2. Our commitment to faculty research and creative activity
3. Our commitment to quality faculty and staff
4. Our commitment to community partnerships
5. And, our commitment to infrastructure stewardship

I applaud and thank the hundreds of faculty members, staff members and administrators in CMED and across the university, who have worked to make America's 137th College of Medicine a reality for our students and our state.

I would now like to recognize a few people today:

I am very pleased that Clarence Fullard has been selected as one of the 2014 John A. Knauss Sea Grant Fellows. Clarence is a graduate student working on his M.S. degree under the supervision of Biology Professor Dr. Tracy Galarowicz.

Since their inception in 1979, more than 900 young men and women have been recipients of the prestigious Knauss awards that allow them to spend a year working in Washington, D.C. as a staff person in either the legislative or executive branch of government. Knauss fellows assist their host offices by contributing expertise gained from their graduate studies, while gaining invaluable experience and insights into public policy at the highest levels. One of the goals of CMU's institute of Great Lakes Research is to provide scientific information to inform public policy and assist natural resource managers; through his work as a Knauss fellow, Clarence Fullard will be able to help make this goal a reality.

Also being recognized today is Dr. Edward Grant, General Manager of CMU's Public Broadcasting network. Ed was recently honored by the Michigan Association of Public Broadcasters with the Pioneer Award, presented annually to one professional. The Pioneer Award recognizes significant long-term contributions to the broadcasting industry. Ed has been an employee at CMU since 1971 and with CMU Public Broadcasting for nearly 25 years. With his expertise in accounting and finance, he has served on the MAPB Board of Directors for more than a decade. Ed, congratulations on your award and thank you for all you have done for CMU and public broadcasting in the past 42 years you have been at the university.

Finally, I would like to acknowledge that this is Dr. Gary Shapiro's last Board of Trustees meeting as Executive Vice President and Provost. Gary, it has been a pleasure to work with you and while I know that you are not yet retiring, I do hope that you will have more time to do things that you do not currently have time to enjoy as much as you would like.