

President's Report to the Board of Trustees



June 28, 2016

Good morning, trustees, cabinet members, faculty, staff and visitors. Our summer meeting occurs while incoming freshmen are registering for their first semester. At the same time, the new class of high school seniors is starting that great exploration marked by college visits.

At CMU, we welcome these students and families, guiding, supporting and nurturing as lives change and futures unfold.

These prospective and newest Chippewas are the reason we exist, and the foundation for all of the decisions we make as leaders of Central Michigan University.

Today, we contemplate CMU's operational budget for fiscal year 2017. At a proposed \$492 million, it reflects our status as a major national university, among just 5 percent of those across the nation in the top two Carnegie research classifications.

Its magnitude captures a university that serves 27,000 students, with nearly 2,700 faculty and staff and more than 210,000 alumni.

At the same time, with an increase of just 1.9 percent over the current budget, it is testimony to conservative, stable and forward-looking financial leadership.

Importantly, the proposed budget includes an additional \$3 million in student financial aid, as well as opening and operating funds for two new buildings — Biosciences and the College of Medicine educational facility in Saginaw. Both of these exemplify leadership in learning, teaching and research.

Our impact as a university has been recognized in Lansing, and lawmakers applaud CMU for serving the residents, communities and businesses of this state. The \$19.5 million approved by the Legislature earlier this month for a Center for Integrated Health Studies on our campus continues the essential role CMU plays in health and wellness across Michigan, especially in rural and medically underserved communities.

We are thankful for that funding, which will cover 75 percent of the total cost of the new building. We also appreciate a nearly \$3 million partial restoration of state appropriations. While CMU remains \$6 million below where we were in 2002, this reinvestment in students and families heads in the right direction.

As we consider today's budget, I remind us all that CMU has had the lowest cumulative tuition increase the past six years among Michigan's 15 public universities. We should be proud that this position appears likely to continue for the seventh consecutive year.

At CMU, we also have a total cost of attendance that is \$2,000 lower than the average of our Carnegie peers.

Vice President Wilkes will talk during his budget presentation about some of the cost-cutting measures we've adopted and about some of the ways in which we curtail spending in order to reduce costs while maintaining a quality education for our students.

Those facts — the lowest tuition increases and lower costs of attendance — are significant. Not many universities can make such claims. Here at CMU, these data points prove our commitment to doing all that we can to give students and families access to an extraordinary education.

While we're talking about access to a college education — and the resulting journeys that are fueled here at CMU — I want to talk about two of our alumni.

We were all saddened to learn at the end of May that Doug Iles had passed away unexpectedly. In his 56 years, Doug had done much to serve others.

He was a highly successful private wealth advisor with Merrill Lynch in Saginaw, but that's just part of his story.

A great husband and father, he also was a proud Chippewa who routinely gave back to his alma mater and its students. He did so financially, as an influential member of our Development Board, with his last gift being cemented just a few days before his death. Yet, so importantly, Doug was a figure in the College of Business Administration.

There, he built our personal financial planning program and brought it to success. With a smile, an energy and a warm handshake whenever we saw him, he loved to teach students. He lived for those moments when he could mentor students, coaching them in ways that would have lasting impact.

Doug was a true Chippewa, and we — as well as future generations of students — are better for his time with us.

There is another alumna, here among us today, who has used her CMU degree to achieve a spot among the top corporate leaders in Detroit.

Trustee Tricia Keith was named one of Crain's 100 Most Influential Women earlier this month. Tricia is executive vice president, chief of staff and corporate secretary for Blue Cross Blue Shield of Michigan. In this role, she supports the CEO and oversees 300 employees and a \$110 million budget for corporate services such as real estate, procurement, and diversity and inclusion.

She serves on several economic development boards, in addition to her role as our vice chair.

Tricia, we are very proud of your success. You are a role model, and you embody the leadership traits that we strive to instill in all of our students. We thank you, as well, for giving back ... and for paying it forward on so many levels.

Chair Opperman, this concludes my report.