

Northwestern

ILLINOIS UNIVERSITY

State of the University Address

President Sharon K. Hahs
September 17, 2013



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Thank you, Chair Benjamin. Thanks to you and to all members of the Faculty Senate for the invitation to speak to the University community and for your leadership.

Good afternoon—and welcome to the State of the University Address. And a special greeting to everyone who is viewing this from CCICS, El Centro, and CTC.

Appreciation

As we begin this afternoon, I would like to take a moment to express our thanks and appreciation for contributions to the life of the University as reflected in a variety of representative groups. As you are acknowledged, I would ask that you please stand.

Newly Promoted and Tenured Faculty

The Audrey Reynolds Distinguished Teaching Award recipient, Dr. Teddy Boffman

University Advisory Council members, chaired by Kate Hahn

Excellence Award Recipients—Teaching Professionals, Instructors, and Academic Support Professionals

Employee Excellence Awards

Assessment Academy Team—leading our assessment of Baccalaureate Goals for re-affirmation of accreditation from the Higher Learning Commission

Members of the Search Committee for the Provost and Vice President for Academic Affairs, co-chaired by Katrina Bell-Jordan and Mark Wilcockson. Provost Helldobler, would you please stand with them.

Members of the Search Committee for the Dean of the College of Graduate Studies and Research, co-chaired by Joyce Jennings and Vicki Roman-Lagunas. Dean Michael Stern, would you please stand with them.

I want to extend special appreciation to Dr. Conrad Worrill at CCICS. I recently shared in the honorary street naming—right where the Carruther's Center is located—as Conrad Worrill Way, in recognition of his decades-long commitment and achievement as a civic and national leader. Thank you, Dr. Worrill.

And now, I would like to recognize the members of the University who have served Northeastern for more than 20 years, and have you stand and remain standing. Next I would like to ask everyone who has served Northeastern for 11-20 years to stand and remain standing; next, those who have served 6-10 years; and 1-5 years; and those in your first year. All of you are to be commended for your good service in these challenging times.

We thank you ALL for your contributions!

Opening

Each year we gather to consider the State of the University—How are we doing? Are we making progress? What is our future? The answers to these questions are based on Northeastern's Strategic Plan—our Mission, Vision, Values, and Goals. Additionally, each Goal has a series of Action Steps; specific activities are selected each year based on the Action Steps. Collectively these activities are called the annual workplan.

Progress in implementing the Strategic Plan is demonstrated in two ways. First, what do we say we are going to do, and what do we actually do? These are the annual workplans and their results. Both the Results of the FY2013 Workplan and the new activities selected for the coming year, the FY2014 Workplan, are posted on the Strategic Planning website.

The second way of demonstrating progress on our Plan is the Key Performance Indicators, or KPIs. These are specific quantitative outcome measures for each of the six Goals. The six Strategic Goals are Student Success, Academic Excellence and Innovation, Urban Leadership, Exemplary Faculty and Staff, Enhanced University Operations, and Fiscal Strength. The KPIs are updated annually and are posted on the Strategic Planning website as well as on the Institutional Research website. They help to answer, "Are we making progress on our Goals?" Like the Plan itself, they guide decisions that are strategic rather than based on daily operations, and they promote campus alignment.

Today, I won't try to cover all of these items, so I encourage you to check the Strategic Planning website for the full array of things we accomplished last year (144 items), things we have planned for this year, and the progress we have made on accomplishing our Goals.

Important Trends

Each year we take a quick look at four graphs for you to see our progress in student enrollments. While official enrollments for Fall 2013 are not yet available, here is the unofficial data:

Graph 1, Undergraduate Enrollment and Credit Hours: Enrollments have taken a dip from last year and the two previous years. In fact, we have lost roughly 10% of our student credit hours over the last four years. (The ratio of credit hours to headcount is also diminishing.) We must work to understand what is occurring and take action to restore the general upward trend.

Graph 2, Graduate Enrollment and Credit Hours: The trend remains a downward one. Again, we must work to understand this and take action as part of the renewal of graduate education.

Graph 3, New Freshman and New Transfer Enrollments: New transfer students are up slightly. New freshmen are down significantly.

Graph 4, Degrees Conferred: This measure is lower than last year, yet it is still the third highest in our history. The highest and second highest were the previous year and the year before that. So, while last year fewer degrees were conferred than in the previous two years, the overall trend is positive. We must continue our efforts.

In many ways this has been a good year, but, as the data would suggest, it has not been without difficulties. In our need to address revenue shortfalls from enrollment declines, we have had to implement schedule efficiencies and other budget reductions, some in more limited timeframes than in the past. I recognize that this has been difficult, that a small number of individuals have reduced employment or are no longer employed at Northeastern, and that a small number of students were not able to get the classes they wanted or needed. I want to acknowledge these difficulties and disappointments, even as we move to analyze the fiscal and academic outcomes of our decisions. I appreciate everyone's good work to manage these difficult decisions.

These enrollment trends are certainly a cause for concern. Nationally, we know that the high school graduate population is leveling off and declining for the near future, and that we must increase our market share to stay even. We can't allow others to out-compete us. And, we know that fewer non-traditional students are enrolling nationally. Nevertheless, we must pay careful attention to every aspect of our own recruitment and retention. For example, a graph on first to second year retention rates shows a steady decline over the last few years. This and many other aspects of our recruitment and retention work will be the subject of University Day. Called "First Generation Students: Achieving the Dream," it will take place on Tuesday, September 24th. I encourage everyone to participate.

We must be vigilant, assuring that we have the best combination of course sections; that we coordinate services; that we continue to have excellent teaching that includes new content and the latest approaches; that our requirements are clear; and that we have helpful, positive, effective interactions to assist all students on their paths to success. In regard to this last point, the Administrative Team has undertaken several efforts to focus on providing a welcoming environment. I want to encourage continued attention to these efforts.

Beyond this, national, even international, discussions are occurring around new models for higher education. The consensus appears to be that current models are no longer sustainable. It is important to be engaged in these discussions, and to develop innovative approaches while maintaining our commitment to excellence.

Fiscal Matters

Let me turn to fiscal matters. We continue to live in challenging times. The development of our budgets and the stewardship of our resources need greater and greater care and attention every year. We have been working with the University Planning and Budget Council to match priorities and funding. The FY2014 Operating Budget will be presented to the Board of Trustees on Thursday, as will the Operating and Capital Request Budgets for FY2015. They reflect the excellent work of the UPBC. These Budgets are provided on the Board of Trustees webpages. They're based on several parameters. Those budget development parameters are

- Support the Strategic Plan. (We need to assure that our decisions support the specific action steps and annual activities.)
- Support faculty and staff, enhance professional development, and avoid employee furloughs.
- Assure that enrollment levels are sustainable before adding the related revenues into the recurring budget.
- Recognize that State funding is continuing to decrease and that State reimbursements lag actual expenditures.

Our state appropriation for FY2014 has not decreased from the previous year for the first time in several years. Essentially this was due to an anticipated action for pension reform that would require universities to take over the employer share of pension costs, action which did not materialize in this legislative session. Regardless, the University will almost certainly have a new and significant pension cost next year. On the positive side, with regard to the Performance Based Funding results, Northeastern, for the second year, received the best rating of all the public universities. While the result is only a small amount of money, it is an affirmation of our work.

Regrettably, we will incur a major decrease in anticipated tuition revenue (income fund) due to enrollment declines. In our preliminary budget that we took to the Board in June, we anticipated level enrollments. We now know that will not happen. We are now using a projection of a 6 percent decrease in fall enrollments and a 3 percent decrease in spring enrollments. We experienced a 7 percent decline in summer enrollments. The effect on our operating budget is a \$2.0 million decrease from the June budget estimate. We will realize an increase of \$887,200 due to the tuition guarantee program as new students enter at higher tuition rates than the rates paid by those who graduate and leave the University.

This tuition revenue is not sufficient to cover our financial commitments and critical strategic priorities. Therefore, general budget adjustments of 4.3 percent were implemented across all vice presidential areas, totaling nearly \$4.7 million.

This year we have \$2.2 million in salary increase commitments; \$385,000 has been set aside for the anticipated transfer of retirement contributions from the state to the University; \$600,000 to replace grant funding for the Academic Writing Center, our Title V partnership, and ERP funding; \$242,000 for a new Customer Relationship Management (CRM) system to support new enrollment initiatives; funding for El Centro; and a computer replacement program, all totaling just over \$5.6 million.

Overall, we will continue to focus on the stewardship of all of our resources. The implementation of our energy conservation measures, in addition to being good policy, is also saving the University money. Last year our Institutional Advancement Division raised over \$1.5 million in private donations, and established two new endowed scholarships. The Alumni Association also created an internship scholarship. We extend our thanks for their good work. And, for the third consecutive year, we have accommodated the delay in receiving our state appropriation. At the beginning of this fiscal year, July 1, the state still owed Northeastern over \$11 million from last fiscal year. We recognize and appreciate the careful fiscal stewardship of the Division of Finance and Administration.

As state support effectively dwindles and we are presented with more and more operational challenges, we must take steps to become ever more self-sufficient—increase our recruitment efforts for enrollment growth, strengthen retention efforts, build institutional financial aid for our neediest students, continue with limited increases in tuition for incoming students, and raise additional private funds for student scholarships and other strategic initiatives. In order for Northeastern to thrive in this difficult climate and economy, we must proactively build our financial security.

We must also maintain and improve our degree offerings. The BS in Environmental Science is ready for approval by the Board of Trustees and the Illinois Board of Higher Education. The Masters of Social Work and the Baccalaureate programs in Graphic Design and Creative Writing are in the University curriculum approval process; the Human Resource Development degree is being offered at the University Center of Lake County. We are considering additional offerings for the new El Centro campus. Our General Education revisions will focus on University Core Courses with respect to infrastructure, assessment and mapping in the Baccalaureate Goals. Our reaffirmation of accreditation from the Higher Learning Commission through the Open Pathways process has begun with the Assessment Academy Team.

Moving Forward

As I said earlier, the State of the University Address is an opportunity to pause and consider—How are we doing? What is our future? What are some of the things we are doing to move forward? Of course, many more efforts are listed in our Workplan for this year than I am able to mention today. I am pleased to mention a few.

Innovation Work

Last year the University community embarked on what we called “Imagine the Possibilities,” a series of innovation activities to help us embrace the future. We began with our Summit. The purpose of the Summit was to discuss the “new reality” that Northeastern and all of higher education is facing—increased competition for a shrinking pool of high school graduates, declining governmental support for higher education institutions and student financial aid, pressure to control student costs, and increasing pressure to provide solid evidence of student success and contributions to economic growth. We continued with our Colloquium, and Roundtables; we sponsored mini-grants, developed our website, and asked the Colleges to examine their curricula with an eye to the future, to workforce needs, and continuing to prepare students for our global society. All of our results are on the website. Over the year, we have asked ourselves to think and act creatively and innovatively. I want to commend the planners of all of our events—the sponsorship by the SGA, Faculty Senate, the Civil Service Council, the A and P Council, the Great Service Matters Program, the Vice Presidents, and members of the Office of the President. I want to commend the faculty, deans, student affairs members, and many others for the initiation of new directions, in consonance with Goal 2 of our Strategic Plan, Academic Excellence and Innovation.

The College of Education will be folding the results of their Roundtables into strategic goals for this year. The College of Arts and Sciences will continue its work with a fall mini-summit to develop the charge for curriculum innovation around the theme of re-imagining food, as well as working with Student Affairs around implementation of activities such as a community garden. The College of Business and Management will continue on the path of curriculum and program innovation and its impact on time to completion. The College of Graduate Studies and Research is developing its research focus. Library work focused on making our library the “Home Base” for students. (Supporting that is the soon-to-be-opened Library Café.)

I ask that everyone, in every unit and role, continue to adopt the spirit of innovation and creativity, and to develop the habit of thinking creatively, in innovative ways, as we undertake our work for the coming year. I also encourage our vice presidents to support innovation in their on-going operations.

Doctoral Program Initiative

The College of Education and the Department of Special Education hosted a consultant last spring to advise the University on the feasibility of launching a doctoral program in Special Education. The extensive report commended the College of Education for its strong Special Education masters programs, for the excellent Special Education clinic, for strong basic library holdings, and for the role the CTC might play in development of research and grant writing skills. The report recommended additional resources and faculty positions, and the need to revise institutional mission and structures. The College and Department will continue their discussions of the report, develop a cost analysis, and develop their next steps.

University Advisory Council

The UAC was developed over the previous two years. University-wide elections for members were held last spring and the first officers were elected this summer. The first full meeting of the UAC will be held this month. Watch for the email announcement. It is my hope that the series of campus climate and shared governance initiatives we have undertaken in recent years, including the creation of the UAC, will contribute significantly to a positive approach to problem solving, to improve communication, to promote good will, and to assure that our University is a good place to learn and work.

The Decade of Dreams

The main campus Facilities Master Plan—called The Decade of Dreams—has been designed reflecting the various projects and needs identified in Northeastern’s capital requests and other documents. The Education building is funded and architect selection is in progress; Building F needs renovation and expansion. Also shown is a new and bigger child care center, and a second mixed-use parking garage. These are needed to make way for the new science building.

Lech Walesa University Dialogue Outcomes

I want to provide a brief update on outcomes of Lech Walesa University Dialogue. Recall the Dialogue took place in the spring with my message to the University regarding outcomes issued on April 25, 2013. The Task Force has been hard at work: The members determined a process to commission work of art which involves community input; designed Learning Panels which will be interactive iPads that are ADA compliant, with topics such as LGBTQA history, President Lech Walesa, the naming of the building, timeline and events around the Dialogue. They identified space and a display case for Walesa artifacts around the naming of the building. The learning panels will be completed by December, and the art will be installed in the spring semester. I commend the Task Force for its good work.

In addition, voluntary LGBTQA questions have been added to our admissions applications, with the office of Human Resources working toward that goal for employment applications. We anticipate the space for LGBTQA Resource Center (an addition to building B) to be completed next year.

El Centro

Progress on the new El Centro campus continues. The construction is progressing, as you can see. The Program Committee and all of the vice presidents are engaged in various aspects of work to be accomplished for the opening in the Fall of 2014.

HACU Youth Leadership Development Forum

The national conference of the Hispanic Association of Colleges and Universities, HACU, will be in Chicago this fall. As a member of the governing board, I requested that Northeastern host the Youth Leadership Development Forum the day before the conference begins. Northeastern will have 400 8th and 9th graders on the main campus, for a day long forum designed to encourage Latino students to complete high school and continue on to postsecondary education. The keynote speaker is the former NASA astronaut Jose Hernandez, author of *Reaching for the Stars: The Inspiring Story of a Migrant Farmworker Turned Astronaut*. I want to thank Dr. Suleyma Perez for her able leadership in organizing the Forum, and Dr. Janice Harring-Hendon and her unit for their invaluable work. This event is a unique example of our long-term efforts and investment in recruiting.

Closing

As we close today, I would like to visit Northeastern Illinois University's Statement of Vision. It is part of our Strategic Plan and it charts our future direction. It is meant to reflect optimism and the aspirations of the University.

Northeastern Illinois University will be a leader among metropolitan universities, known for its dedication to its urban mission, for the quality of its programs, for the success of its graduates, and for the diversity of its learning environment.

As we reflect with pride on our achievements and prepare to face the challenges, each year the Vision Statement acquires new meaning. It becomes with each new initiative achieved and each challenge met less a statement of aspiration and more a proud declaration of definition.

Last year we celebrated our Newsweek College Ranking of 6th Best Investment among all universities in the nation, a celebration of our urban mission, the quality of our programs and the success of our graduates.

This year NASPA, the leading national student affairs association, chose Northeastern as one of its first national "Lead Institutions" for civic learning and democratic engagement. This summer, our civic engagement efforts were featured in *Leadership Exchange*, a NASPA publication. The cover of that issue features a photo of the mural, located at Pulaski and Avondale, created by Northeastern students and faculty member Santiago Vaca. The circulation of *Leadership Exchange* is approximately 14,000 higher education professionals around the world! Our work in civic engagement was also recently highlighted by USA Today. This recognition certainly reflects our dedication to our urban mission, the quality of our programs, and the diversity of our learning environment. To achieve this in difficult and uncertain times is not only a cause for celebration, but a genuine source of pride for all of us.

So, as I've said before, while the times do remain difficult, this is no cause for pessimism. We know that this is a special place, that the Vision endures, and that our optimism is fully justified. The recognition we aspired to is becoming a reality. Preserving this achievement and moving forward will require continued commitment—not just to the Vision before us but to our Northeastern Illinois community which binds us all together. Commitment to the Vision requires commitment to each other—students, staff and faculty—as together we go forth, and give ever greater expression to what it means to Learn in the City and Lead in the World.

Thank you.

