

UNIVERSITY of
NORTHERN COLORADO



President Kay Norton's State of the University Address

August 24, 2009

Good afternoon. Welcome—faculty, staff, students, community members. Thank you for joining me for lunch—and for staying to hear what I have to say about the state of the University of Northern Colorado.

I've been noticing more stories about optimism in the news lately. If you're a pessimist, you might think that's just because they stand out in contrast to a year's worth of really bad news about the economy. But as an optimist, I take this as a sign that I'm not alone.

For example, last weekend in the Wall Street Journal—and you know where they sit on the optimism scale—there was a piece arguing that things will get better sooner than we expect because history shows us the deeper the slump, the faster the recovery. Business Week devoted an entire issue in August to making the case for reasoned optimism. It's even in the fashion press: Word has it optimism is the new black. But out of all of the examples, it's a comment from Secretary of Energy Steven Chu, a Nobel Prize-winning scientist, that resonates with me the most. In an interview about the future of clean energy in the U.S., he pointed out that scientists by their very nature are optimistic. That's not because they don't know any better.

I believe the same can be said about those of us in education. We are optimistic not only that education will transform the lives of our students, but also that they will use their education to make the world a better place.

So I'm not going to be focusing on doom and gloom here today. I want to talk with you about investing our energy where it matters most. And that is right here, in the University of Northern Colorado, its people and the community around us.

Our institution was founded to serve a pressing need in Colorado. The need for education is a recurring theme throughout history, and never more so than today. No matter the era, education is the one element acknowledged as absolutely essential to the health and prosperity of nations. The pioneers who left their New England homes to establish the cooperative temperance colony that became Greeley understood this well. They built a school for their children almost immediately after they arrived. Then they set to lobbying the Territory of Colorado to choose our town as the home for an institution of higher learning. It took them more than a decade and required substantial financial backing from community members, but as you know, in 1889 the Governor signed a bill authorizing the creation of the State Normal School right here in Greeley.

One-hundred-twenty years later, we are the stewards of the great institution envisioned by those optimistic pioneers. And Colorado still faces a pressing need for the work we do.

Higher education that is truly transformative is absolutely necessary to the future of our state and our nation. It would be a grave mistake indeed to think that we as a society can get by with simply training and retraining people for specific jobs which may not exist in ten years. Skills training is important and necessary, but it is not enough. As a public university, our role has always been to prepare students for life in all of its vicissitudes. This goes to the very heart of why we matter, and why it matters how we move forward.

The proverbial silver lining in the dark cloud of the past year's economic news is that we have individually and collectively been thinking more about what ought to matter in our lives. This is true of families as well as organizations and governments. With the current dramatic drops in state revenue, we have come face-to-face with a reality that has been developing for more than 20 years. States have been under increasing pressure to fund lots of things—all of them important—and are simply unable to continue the level of support public higher education enjoyed for a couple of decades in the second half of the 20th century. For the past 20 years, higher education's portion of the state budget has been reduced by half, and impending reductions are likely to be even more dramatic. The only constant we can see in state funding for higher education is volatility. That doesn't mean we believe the people of Colorado mean to abandon us entirely, but as we look to the future, we can not afford to wait for the Legislature, or the Governor, or the Department of Higher Education to save us from this new reality. We are the ones who must make things happen now.

We don't need to know exactly how the future looks to take advantage of it. We have a long and distinguished tradition at this institution of thinking about what education ought to be. By that I mean we've been studying the art and science of teaching and learning for more than a century. And given the profound change we are experiencing, UNC must be a leader in the necessary transformation of our state's public research universities.

I'm not talking about changing the DNA of who we are, or privatizing, or, heaven forbid, messing around with the organizational chart. I'm talking about developing the capacity to handle anything that comes our way—to be creative, entrepreneurial, nimble—whatever word you want to use. We must develop the capacity to make good decisions given any circumstances.

This is not the first time we have faced a future with many unknowns, and it will not be the last. What we and the rest of the world are experiencing is not a one- or a two-year inconvenience. We live in a permanently changed environment—one where the shockwaves we feel from events outside of our control come not just from Colorado, but from around the globe. And those shockwaves come at times and in patterns we can not pretend to predict. If universities are to thrive in this new environment, we must see possibilities rather than merely problems. We must develop the flexibility to take advantage of emerging opportunities and to respond to rapidly changing needs without

compromising who we are.

UNC has three distinct advantages that prepare us to be a leader in this new world.

First, we really are the education experts. We exemplify innovation and creativity. That's why we are launching the Education Innovation Institute. It builds on both our historic expertise in education and our capacity as a research university to help Colorado implement sustainable education reforms. When we approached legislators last fall about sponsoring a bill to establish the Institute, the intensity of their enthusiasm surprised even me, the optimist. Not only did they understand that we are the education experts; they were eager to help us assert our leadership, and they appreciated the fact that UNC was willing to step up.

The second advantage we have is the sense of community on our campus—the ability to work together and get things done. Just look at our fall enrollment numbers—a 12-percent increase in new freshmen, 5-percent growth in graduate enrollment, 6-percent growth in the number of students living on campus, the overall enrollment up 2 percent. But it's not about sheer numbers. One-third of our undergraduates are first-generation students, almost 90 percent of our freshmen qualified for financial aid or scholarships, and 16 percent of our students identify themselves as ethnic minorities. These statistics tell us we are reaching the people of Colorado, the people we were founded to serve. There is no question that our talented Enrollment Management and Graduate School teams deserve a great deal of credit for this accomplishment, but it would not have been possible without the energy invested by the entire university community. We have shown our strength as a community time and again throughout our history. And we showed it as well this past summer in responding to the arrest of one of our professors and the deeply troubling allegations that followed. Each test of our institutional character is an opportunity to strengthen our community.

The third advantage we have is the fact that we are already developing the strategic decision-making capacity necessary for the future. Undoubtedly by now, every public institution in our state has identified the need to better understand the complexities of their financial operations, but the larger schools simply can't respond as quickly as we have. The work we did during the fiscal year 2010 budget process is a good example. While other institutions were talking about furloughs, layoffs and across-the-board cuts, we put our energy into developing a new pricing and discounting strategy, implementing cost-saving measures like a voluntary retirement package for classified staff, and investing in our highest priorities—student recruitment and success, academic quality, our image, and the people who work here. This is the kind of thinking the future requires.

We as a campus know exactly what needs to be done next.

- We must expand our enrollment beyond traditional on-campus academic programs while effectively using the capacity of existing programs.
- We must invest our energy in the individual success of our students, in research that advances human understanding, and in connecting with the community around us.

- We must raise the profile of the university to communicate who we are and what we do that is distinct to UNC.
- We must take control of our finances so that we no longer feel whipsawed by frequent fluctuations in state funding.
- And we must achieve these things by working together as a respectful community of diverse individuals who learn from one another.

I have confessed to being an optimist.

I am optimistic that we will not let the physical boundaries of our campus stand in the way as we think about how we serve our future students in a fiscally responsible way. Whether it's on our beautiful campus in Greeley, at our new Centerra location, in Denver, or online on the other side of the world, we will expand our reach and our programs in keeping with our mission, our expertise and the needs of society. And regardless of how and where we offer classes, we will remain consistently committed to academic quality, to creating personal learning experiences for students, and to helping them make meaningful connections—because these are the things that make us UNC.

I am optimistic that we will prepare our students to make a difference in the world no matter how different that world becomes. We will prepare them to be creative, to work in teams, to be leaders, to invent their own jobs and jobs for others. We will teach them to think, to question, to make connections. And we will hold fast to the idea that education is about the mind and the heart because this sets us apart from universities around the world. Countries like China and India are investing millions of dollars in new university buildings, but they still have not successfully embraced education in the fundamental Latin sense of *leading out* students' potential. We transform students' lives by helping them fulfill their potential. Our graduates will not believe there are things which can't be done. They will feel empowered—not entitled—to succeed.

I am optimistic that we as a university can exemplify what we teach our students by investing in a research agenda that both engages and enriches our community. The research that UNC faculty and students do makes a difference in people's lives. It answers questions about education, families, governments, communities and other critical elements of society in ways that advance human understanding. For example, Our National Institute for Nursing Education & Scholarship facilitates collaborative research between health care agencies and educators. Our Mathematics & Science Teaching Institute does research to support the reform of science, math and technology education. Our Center for Honors, Scholars & Leadership helps student and faculty researchers connect intellectual inquiry with community involvement through internships and other co-curricular learning opportunities. There are many more examples, but my point is that UNC researchers are addressing the human element of our future. This is part of what makes us a special sort of public research university. This kind of research is a vibrant connecting point between the university and the public we serve.

I am optimistic that we will strengthen our relationship with the community by identifying a university district that integrates activities like the research I just described

with our physical facilities planning and connects us to the area around campus. The community around us is vitally important to our success. We can take nothing for granted. With the globalization of our economy, we are becoming more important to the health of the community than ever before. There was a time when community members' economic interests were realized mostly through local businesses, so their individual prosperity was linked automatically to the community's well-being. But as fewer businesses are locally owned and operated, this connection is no longer a given.

As a public university, we are not going to pick up and move our core operations even as we expand across the globe. We have the opportunity, indeed the obligation, to be a catalyst for community development in the broadest sense of the word.

I am also optimistic that as we prepare to meet the challenges of the future—challenges which today are unknowable—we will continue working together to make our UNC community welcoming, inclusive and respectful. We have seen that rules and laws alone do not create community, and we know it takes much more to build a community than simply being nice, or tolerant or civil. Community building is a commitment that requires continual self-examination. We must affirm our commitment to diversity in every sense. We must be self-conscious in a productive way—about how we treat others, as well as about how we want to be treated. And we must have the strength to say “That’s not who we are” when someone violates our community values.

Now that we have thoroughly established that I’m an optimist, let me share some specific reasons for my point of view.

It’s no secret that the negative economic news I mentioned earlier includes reports about the growing hole in Colorado’s state budget. The relatively good news is that the cuts to the state higher education budget are being temporarily backfilled with federal stimulus funding, so we have some time to make thoughtful decisions about how to respond.

Right now UNC is receiving a total of \$44 million in state and federal stimulus funding. That represents roughly one-fourth of our total operating budget, and it’s the same amount we received in fiscal years 07-08 and 08-09.

Because the stimulus funding is temporary, it’s likely that \$14 million of our \$44 million will disappear in fiscal year 11-12. This is our best guess at UNC’s portion of the \$230 million cut that has already been made to the state higher education budget. This is what is being called in higher education circles “the cliff.”

While it’s by no means a guarantee, the state has told us that we are likely to continue to receive \$44 million in fiscal year 10-11—next fiscal year because of technical requirements for the state to qualify for those federal stimulus dollars. This means theoretically we wouldn’t have to reduce our budget next fiscal year. To do that, however, would clearly be irresponsible. We have to begin preparing for that cliff.

We must determine how much of the cliff we can address by generating additional revenue and controlling costs, and to what extent we will need to make reductions in spending. A number of planning efforts—many of which are already under way—will inform exactly how we do this. We will set aside funds in fiscal year 10-11 to use the following year to smooth out the effect of the reductions we anticipate. We will also build flexibility into the fiscal year 10-11 budget to deal with any unexpected changes, just as we did for fiscal year 09-10.

We will connect our various planning efforts in order to articulate an ongoing university plan, and I will be meeting this semester with campus groups and existing planning teams to determine how to do this. Much of the work that needs to be done is already under way. For example, we are developing data about our actual costs of doing business, which will help us make decisions to ensure our financial sustainability. An integrated marketing group with campus-wide representation has been working since January to engage the university community in articulating UNC's key messages and identity platform. Academic Affairs is transitioning to a refined academic program review process and implementing program reviews for student support services. In addition, we will be planning for enrollment, facilities and the development of the university district I described earlier.

We will not attempt to predict exactly how the future will look in our plans. Rather, we will invest our energy in developing the flexibility we must have to deal with whatever the future brings, and the capacity to work together to move UNC forward no matter what the external realities are.

Change is the only certainty in that reality, but this is nothing new for our institution.

A bulletin published in 1905 by the State Normal School noted: "The school is trying to run on the same income as it did eight or ten years ago, yet the school has tripled its work and doubled its enrollment." Even so, about this same time we began offering the baccalaureate degree and expanded our curriculum beyond our normal school peers'.

When the 1929 stock market crash kept us from issuing bonds in the financial market to fund the first Faculty Apartment building, we sold bonds directly to faculty instead.

The Great Depression forced us to reduce budgets as much as 23 percent. Nonetheless, between 1930 and 1940 we built three of the four Faculty Apartment buildings we now call Presidents Row; five residence halls, including Sabin, Snyder and Tobey-Kendel; Garden Theater; and a new heating plant, which we later converted into the Arts Annex.

In the same spirit of the pioneers who founded us, we seem to prosper in the face of challenges. Being an optimist, I would say we prosper because of them.