

# President Royce C. Engstrom's State of the University Address

Friday, August 28, 2015 | 10 a.m. in the Montana Theatre

## Welcome

Welcome to the New Academic Year at the University of Montana! For the past couple of weeks, students have been returning to campus for pre-academic year activities and our new class is moving into the Residence Halls. I met with parents yesterday as they left their students in our care, and those students will embark upon the adventure of their lifetime.

I am always energized by the beginning of the new school year and I know that you are too. We are all here because we feel that education is among the most important functions of our society, and we are rewarded by giving the next generation the kinds of opportunities we have each had. Thank you all for your hard work on behalf of the University of Montana.

We have had an active summer here at UM, so if you don't feel quite as well-rested as you might have hoped, that is understandable! Here are just a few examples:

- Teenagers from around the country took a two-week crash course in Global Journalism through the long-standing Schwanke Institute of the Davidson Honors College.
- UM welcomed 420 international students and scholars to campus this summer through 13 different programs. They included our Humphrey Fellows, two groups of faculty and administrators from Chinese universities for the International Scholarly Exchange Curriculum, and two dozen public land managers from around the world as participants in the 15<sup>th</sup> annual International Seminar on Protected Area Management.
- Writing camps, math camps, arts and sports camps, language institutes, game-programming camps, International Baccalaureate camp, learning disorders camps, and many others took place this summer.

I extend a heart-felt thanks to all of you who were responsible in some way for bringing these folks to campus this summer.

And of course, tomorrow UM is in the national spotlight as the Montana Grizzlies take on the NDSU Bison on national television. I hope you will cheer on these young men and their coaches as they represent UM on the national stage. We wish Coach Stitt and his team the best!

Those of you who are new to campus, I extend you a special UM welcome. You have joined an amazing community and we look forward to your contributions and accomplishments. You are joining the ranks of people like:

- Beverly Chin, Professor and Chair of our English Department, who just recently became the recipient of the 2015 Richard Halle Teaching Award from the National Council of Teachers of English. Congratulations, Professor Chin!
- Mike DeGrandpre, professor of Chemistry and his business partner, Jim Beck, of Sunburst Sensors, are the recipients of the Wendy Schmidt X-Prize, an international competition to address our world's greatest opportunities and challenges. They just won a \$1.5 million award

and international recognition for themselves and for UM. Congratulations, Mike, Jim and your colleagues!

- Research Professors Sarj Patel and Tom Rau, and their colleagues became one of only six teams nationally to be funded by the NFL and GE in a one-of-a-kind project, searching for biomarkers related to concussion and head trauma.

So, for our new folks, the standard is high at the University of Montana! But, I know you are up to the challenge and will serve the university and yourselves proudly.

## **Introductions**

There are several people I would now like to recognize and introduce. First, I would like to call upon my wife Mary, who is my partner in this adventure. Thank you.

I am pleased to welcome our Commissioner of Higher Education, Clay Christian, to campus, along with Regent Fran Albrecht. I'd also like to recognize Sheila Stearns, former Commissioner of Higher Education and one of this year's Distinguished Alumni Award winners.

I am looking forward to working with the leadership teams of our campus governance structure:

- Bill Borrie and John DeBoer, Chair and Chair-Elect of Faculty Senate
- Jen Zellmer-Cuaresma and Maria Mangold, President and Vice President of Staff Senate
- Cody Meixner, Betsy Story, and Sarah Smith, the new leadership team of ASUM, at their retreat today.
- Members of my Cabinet.

Provost Brown introduced our new faculty, and I would now like to introduce our new administrators. Several of these people have been on campus for a while but have assumed a new role over the past year. Others are new to campus.

- Beckie S. Christiaens, Associate Vice President for Administration and Finance
- Brian C. Doyon, Head Volleyball Coach
- Wayne Freimund, Interim Dean of the College of Forestry and Conservation
- Joseph O. Hickman, Registrar
- Matt Higgins, Head Golf Coach
- Paul Kirgis, Dean of the Alexander Blewett III School of Law
- Kevin A. Krebsbach, Interim Director of Facilities Services
- John McCormick, Director of Business Services
- Shannon O'Brien, Dean of Missoula College
- Robert A. Stitt, Head Football Coach
- Brock Tessman, Dean of the Davidson Honors College
- Melissa M. Wilson, Assistant Vice President, Marketing and Communications, University of Montana Foundation
- Paulo Zagalo-Melo, Associate Provost for Global Century Education

## **Accomplishments of the Last Five Years**

I find it hard to believe that I am nearing the completion of five years as President of this wonderful university. I have to say that it has been an unimaginable privilege to hold that position, and to work with everyone to build UM into one of the finest and most impactful universities anywhere.

This morning, I want to talk candidly with you about three areas:

- Those things that we have accomplished together in the last five years;
- Those challenges that we have faced and continue to face
- My areas of focus for the next five years.

In each case, I stress that the progress is the result of a tremendous team effort of people working hard day-in and day-out.

**Research:** Let's begin with research and creative scholarship. Our mission, as defined by the State of Montana, and embraced by our faculty and staff, includes the pursuit of research and creative scholarship. Our Strategic Plan includes a section called, Discovery and Creativity to serve Montana and the World.

Here's just one specific example of a research area of undisputed leadership. UM has always been known for our work in the area of ecology and conservation. Frank and John Craighead were nationally acclaimed researchers decades ago in wildlife biology. A recent analysis of the impact of research in this area showed that on a per scientist basis, UM leads the nation in scholarly output and impact. Among other things, that fact has led to the attraction of perhaps one of the top-five aquatic ecologists in the nation, Jim Elser, to accept the Directorship of the world-renowned Flathead Lake Biological Station.

We have many other examples where UM researchers have been selected to nationally prominent roles based on their scholarship. Kelly Dixon and her students from Anthropology are leading the majority of the efforts on a landmark project, in which UM is one of only two institutions selected to study assets managed by the Army Corps of Engineers. Many of the initial projects in that partnership include the curation of artifacts important to the United States Navy, so Kelly's team is researching and cataloguing countless artifacts housed in Richmond, VA.

Anya Jabour of our History Department was asked to be a consultant on a national PBS drama about the Civil War, based on her research and writing about the lives of women during the Civil War period.

More and more, research at UM is leading to practical applications, products, and businesses. The number of patents at the University has grown to over 100. MonTEC, our business incubator facility across the river, is filled to the brim with new companies and is in need of more space.

One metric of research activity and impact is the level of external funding provided to a University for its research effort. To be sure, this isn't all-inclusive but it is a metric that every research university follows and that receives state and national attention. I am pleased to share with you that UM has set an all-time record for research funding in the year that just ended June 30. Researchers at UM were awarded \$83 million in external funding, up substantially from the previous high mark of \$71 million.

Actual research expenditures were up 11% this past year over the previous year. I congratulate all of the people who made this possible, and the leadership of VP Scott Whittenburg for the strategic investments that are contributing to this trajectory.

**Fundraising:** Let me move on to the critical area of fundraising. We rely heavily, and with gratitude, upon the core support of legislatively appropriated funds and the tuition dollars of our students. But to become the powerhouse institution to which we aspire requires the generosity of friends and donors who catch hold of the dream that UM represents.

We have been blessed with tremendous gifts in this past year. In the spring, Zander Blewett and his family made a transformative gift to the School of Law in the amount of \$10 million, for which we have recognized him by re-naming the Law School. This was a terrific gift from an alumnus who is grateful for the education he received here and who sees it as his time to give back to the institution that helped shape his life.

Last fall, Kyle and Kevin Washington announced a gift of \$7 million to help build the new Washington Champions Center. The Davidson Honors College and the Liberal Arts Building are both getting facelifts because of gifts this year from the Davidson Family and Dennis Eck, respectively.

Due to the tremendously effective work of the UM Foundation under the leadership of Shane Giese, the Deans and others, we have taken philanthropy to new heights. This year, I am pleased to report a second straight year of over \$50 million – \$52.4 to be exact. By comparison, the previous record was \$35 million.

**Academic Innovation:** In the past several years we have seen responsive and creative approaches to education through academic innovation. Among programs recently initiated are:

- A collaborative Ph.D. in Materials Science, in partnership with Montana Tech and Montana State University.
- A “Pre-Peace Corps” curriculum, among the first in the nation based upon our tremendous record of sending people to the Peace Corps upon graduation.
- The initiation of Arabic as a new language and Global Studies as a new minor.
- An Early Childhood program, which was recognized as a top 10 online program before it even started!

Here is an especially responsive example of curriculum development. The area of data science has become increasingly important to our economy, our security, and our quality of life. At Missoula College, the faculty started a Data Security Certificate program, enabling students of any major to attach this highly marketable expertise onto their education. The certificate is helped by the construction of a Cyber Innovation lab in the Interdisciplinary Sciences building. The School of Business Administration began a Data Analytics Certificate, also applicable to any another major. Faculty there are in the process of designing a Data Analytics master’s degree. Through the work of the Blackstone Launchpad, we now have a novel initiative: the “Montana Code School,” giving another route to adding important skill set to a major. I commend the faculty from many different areas who are contributing to this important direction.

A curricular innovation of which I am especially proud is the Global Leadership Initiative, which just celebrated the graduation of the first class of Global Leadership Fellows in May. These students come from a variety of backgrounds and interests, and have taken part in a series of educational experiences designed to help them see themselves as leaders upon graduation and equip them with the intellectual tools to be so. Yesterday, we met with 176 incoming Freshmen who elected into the GLI.

Academic Innovation goes beyond the traditional classroom, and beyond traditional students. We now have among the most energetic non-credit educational programs for “seasoned adults,” people over 50, through the Montana Osher Life-long Learning Institute, or MOLLI. This is a cooperative venture involving the School for Extended and Life-Long Learning, the Bernard Osher Foundation, and an Advisory Board of community members, and of course, faculty members from across campus. Last spring, we enrolled 1,000 students in MOLLI.

Dual credit enrollment through Missoula College is helping high school students get a jump-start on college and we lead the system in the number of students enrolled: more than 400 last year. Programs like the Confucius Institute are reaching out to provide education to even younger students in the K-12 system. And the Bitterroot College has established itself to the point where they have just moved into a new home in Hamilton.

**Students:** We have accomplished a great deal in the area of campus safety and sexual assault prevention and response, thanks to the hard work of countless people. Several weeks ago, standing in front of the cameras as we announced the completion of our Department of Justice resolution agreement related to our UM Police Department, I marveled at the dedication and compassion I saw in the eyes of those in the room. This was an accomplishment borne out of challenge, and I am here to say we rose to that challenge.

Just a few years ago, we were overwhelmed by the number of veterans coming to our campus. In the past five years, we have established a Veteran’s Center on campus. We have put in place a new staff under the direction of Shawn Grove. And we have modified our practices, so that these men and women who have given so much to our country have a better chance of succeeding in college. Earlier this summer, we had annual audit of our Veterans Affairs Office, and for the second year in a row, we had zero concerns. In fact, our auditors told us that we were among the best operations they have seen. Approximately 700 veterans are being served with the integrity they deserve. Last winter, I was proud to receive on behalf of the university our designation as a Purple Heart University, initiated by the students, themselves.

In the past five years, we have strengthened another area very much a part of this University – Intercollegiate Athletics. We have added a new NCAA sport – women’s softball; we have added new facilities – including a softball complex, the just-opened academic center, and the Washington Champion Center is underway. We have hired outstanding coaches and administrators who have development of the whole student at the center of their attention. We have watched our teams compete athletically with tremendous success, bringing to our events enviable and, in some cases, national record attendances. We have watched our student-athletes achieve academically. This past year a conference-high 62 student athletes were placed on Academic All-Big Sky teams and a record 155 were named conference academic leaders. Women’s basketball, women’s golf, and women’s cross

country earned public recognition awards this past spring from the NCAA for ranking in the top 10% nationally among more than 300 Division 1 institutions in academic performance in their individual sports.

**Infrastructure:** We have made important infrastructure developments during these past five years. In addition to those I've already mentioned, The Gilkey Center for Executive Education, Entrepreneurship, and Leadership is due to open in the spring. The new Missoula College building is under active construction as we speak, and this magnificent building will provide educational opportunities commensurate with the importance of two-year education. The Interdisciplinary Sciences Building is nearly completely built out at this stage.

Our IT infrastructure has improved dramatically. Wireless is complete in the on-campus Residence Halls and is available in many buildings around campus. Our connectivity to campus is now an amazing 100 gigabits, on par with any major university in the country. We finally have good connectivity at the west campus of Missoula College, including wireless. Our university servers are securely housed in new Modular Data Center, with ample space available to accommodate high-level computing from across campus.

We have made a number of energy conservation measures and reached our 2015 sustainability goals.

### **Last Five Years: Yet to be Accomplished**

So, we have much of which to be proud over these past five years. We also have ongoing challenges that we have yet to address successfully. Chief among them is enrollment.

Our enrollment trends have resembled a roller-coaster this past decade. There are multiple reasons at play, but I am beginning to think that the economic conditions we have experienced in recent years are the principal cause of what we have seen. As the economy plummeted, beginning in late 2007, we experienced a dramatic growth in both two-year and four-year programs. Then, as the economy improved, we saw that growth evaporate and now we are essentially at pre-recession enrollments again. There are no doubt other factors at play – the declining Montana demographic, the popularity of engineering, and keen recruiting competition. The painful part of this trend is that we quickly convinced ourselves that the peak enrollments of 2011 were the “new norm,” and we have viewed the subsequent decrease in a most negative light. In hindsight, the peak was more of an aberration of the times.

Directly related, of course, is the challenge of our budget, which being enrollment based, essentially flattened out after about 2012. While the absolute dollars increased from year to year, our financial obligations grew faster, resulting in the internal reallocations of the past couple of years. The fraction of our budget spent on personnel has increased. During the years of enrollment growth, we staffed up to address the needs of our increasing student body, but until now we have not adjusted our staffing levels downward in proportion to our enrollment. As we go forward, we will need to address these key issues, so let me now turn to what lies ahead for us. What are the key areas of emphasis?

## **Goals for the Next Five Years**

**Aspirations:** Given our successes and our challenges, I believe deeply that the next five years present a tremendous opportunity for UM. It is time for us to embark upon the bold journey to be among the nation's most distinctive and effective public universities. We will build from our unique combination of this magical place, the Montana work ethic, our expansive thinking, and our distinctive world-view. We will focus on leadership at every turn – among our students, our faculty, and our programs. The UM experience will transform our students, UM research will change our lives, and UM graduates will change the world. It is time to think big and be bold!

What steps must we take to start down this path?

**Enrollment:** We must stabilize and grow our enrollment. Why? First and foremost, because more students need to have the exceptional experience of a UM education. Hardly a week goes by anymore where we aren't recognized on some list of outstanding universities, or with national or international recognition of our people. From a quality point-of-view, we must continue to demonstrate and communicate that in those areas where significant choices exist within the state and region, the University of Montana is THE place to study the health professions, business, education, the arts, and certainly the liberal arts and sciences.

But, pragmatically, our resources are tied to enrollment and we can do more in terms of quality programming if we have a larger student body. What should our enrollment goals be? Rather than answering that in terms of an absolute number, I am calling for a new enrollment management plan that will set goals and establish strategies based upon the following assumptions:

- Over the next five years, we will re-establish our market share of the Montana resident student population to a dominant position in the state.
- Over the next five years, we will establish the non-resident population to be 30 percent of our total enrollment.
- Goals for special groups of students will be set to achieve a vigorous growth trajectory from our current position. This applies to dual-credit students, graduate students, veterans, Native American students, and international students.

Next, we need to make adjustments to our academic portfolio to ensure that we are offering what students want, and what our society demands in terms of graduates.

In last year's State of the University Address, I charged the Faculty, Deans, and Provost to undertake the Academic Alignment and Innovation Program. This in-depth examination of our academic programming had several objectives: to examine those programs challenged by enrollment or perceived strength and suggest adjustments; to identify programs that are ready for growth as demonstrated by student demand and placement; and identify programs that we should add, given our mission. Under the leadership of Professor Andrew Ware, a team conducted the AAIP. Their final report is posted online and will be the topic of the first Faculty Senate meeting in September.

The AAIP Task Force did, indeed, present recommendations in all three categories, so now we must proceed to implement those recommendations. I am now asking the Provost, Deans, and Faculty

Senate to determine the sequencing of actions, by identifying a program in each category for action in each of the upcoming years. In the end, we will have a substantially improved academic portfolio.

Another aspect of the AAIP charge was to examine how our founding roots in the liberal arts should manifest in today's world. An outgrowth of the AAIP will be a major on-campus conference this October 26-27, entitled "Defining a 21<sup>st</sup> Century Education for a Vibrant Democracy". We will use this campus-wide gathering to engage in lively discussion about how our overall educational experience should be shaped and delivered. You have already received a "Save-the-Date" notice, so please plan to attend any or all of the sessions as your schedule allows. The conference will set the stage for decisions to come in these next five years, and beyond.

**Solid finances:** Last year, I charged Mike Reid, Vice President for Administration and Finance, to come up with a logical construct for how we budget resources internally. In particular, I asked him to assess how many employees are right for us, given our current enrollment trends. We will move forward, adjusting our workforce, using the following straightforward benchmarks. For our kind of institution, a public research university, a national normative student-to-faculty ratio is 18:1. Likewise, we will use for our non-faculty workforce a ratio of 1:4 non-faculty for every faculty FTE, again guided by national norms for peer institutions. Obviously, these will be budgeting targets and actual numbers may vary slightly, but we will use these ratios as our guide to make strategic decisions about our most important resource – our employees. We have normal turn-over rates on the faculty side of approximately 4-5% and on the non-faculty side of approximately 10%, so we can achieve our employee numerical goals through strategic planning around normal attrition over time.

The third review I commissioned last year was an Administrative Review, essentially looking at all of our non-academic units and asking questions about effectiveness in much the same manner as with the Academic and Institutional Reviews. That review is still in progress, led by Matt Riley, our Chief Information Officer, and he will be assisted by a special visitor we have on our campus this fall – Rick Legon, President of the Association of Governing Boards. Rick is spending a semester-long sabbatical in Missoula. He has tremendous expertise in higher education and organizational effectiveness.

**Overall Strategic Plan:** It is also time for a comprehensive review of our strategic plan, "UM 2020: Building a University for the Global Century." We established that plan nearly five years ago now. We must review the overall plan, re-examine the specific metrics and goals, and determine what strategies are working, what strategies need to be modified, and what new strategies are called for. I will be appointing a special Task Force to review the Strategic Plan, so please let me know if you are interested.

**Fundraising:** As I indicated earlier, we have had terrific support in recent years through philanthropy. Over the next five years, that effort will be even further intensified, because those funds are so essential to making the kinds of changes and improvements that propel us to greatness. We will conduct an unprecedented and transformative fundraising effort.

**People:** Again, our most valuable resource is our people and we will remain committed to three ideals:



1. First, we will attract and retain the best people we possibly can. Every hire must be viewed as a special opportunity, and we must work to attract the best to each and every position, from custodian to advisor to Vice President.
2. Second, we will emphasize respect and responsibility on the part of every member of our community. I have asked Vice President Teresa Branch to work with the campus to continue striving toward creating the optimal learning community by focusing on those two words: respect and responsibility.
3. Finally, we will emphasize leadership at every turn. That plays out in the education of our students, in the professional development of our employees, in the make-up of our leadership team, and with each of us in this room.

To further these efforts, I am pleased to announce the creation of a new Women's Leadership Initiative. This Initiative will be a partnership of faculty, staff, and administrators to build a culture even more supportive of women's advancement, retention, and recruitment.

The centerpiece of the Women's Leadership Initiative will begin with an Inaugural Cohort of 12 female staff, faculty, and administrators to engage in networking and capacity development. The open application process for this Cohort begins today and can be found on the Initiative's new website. I have appointed this year's Presidential Leadership Fellow to coordinate the Initiative. Associate Director of the Mansfield Center, Deena Mansour has created leadership programs for a variety of constituencies, including women, youth, and society change-makers. She has already begun to reach out across campus to help define the outcomes of the program. Deena, please stand. I hope all of you will join me in supporting this effort.

I am pleased that this initiative will be in parallel to another one focused on students, that being a new entrepreneurship initiative for young women created by Regents Professor Jakki Mohr and her colleagues in the School of Business Administration and Blackstone Launchpad.

**Distinguished Alumni:** Our success as a university is perhaps demonstrated most effectively through the accomplishments of our alumni- how they have leveraged their UM education into a productive and fulfilling life. We celebrated this year our own Oscar Winner, J. K. Simmons. Each year at Homecoming, we recognize alumni who have distinguished themselves in their careers, in service to their community or profession, and in their modeling of what a UM graduate stands for. This year we will recognize:

- John Grotzinger, received a master's degree in geology at UM in 1981 and is now the mission leader and project scientist for NASA's Mars Science Laboratory Mission at the California Institute of Technology.
- Jennifer F. Isern of New Delhi, India; received a bachelor's degree in political science in 1981, and is a senior manager for the World Bank and the International Finance Corporation.
- Sheila M. Stearns of Missoula; earned three degrees at UM, and was Montana's longest-serving commissioner of higher education and is a highly respected advocate for educational opportunity.
- Sidney R. Thomas of Billings; earned a juris doctorate at UM in 1978, and is chief judge of the Ninth Circuit Court of Appeals, the largest judicial circuit in the country.

## **Closing**

In closing, I will say that together we have achieved a great deal and there is much to be done to realize the full promise of the University of Montana. We have the people here, in this room along with thousands of others, with the drive and creativity to get us there. The upcoming years will be fast and furious, but most of all they will be fun. Now, is our time for the University of Montana, so full speed ahead! Thank you.