

**January 20, 2012**

**TO: MSU Faculty, Staff, Student Leaders, and Board Members**

**FROM: David Fuller**

**SUBJECT: <sup>1</sup>President's Report**

## **General Overview**

### **Current**

#### Convocation

At the spring convocation last week, I reviewed the results of the needs assessments in 2005-2006 leading up to the development of Vision 2013. I handed out a report on the selected achievements for each of the seven strategies to show that significant progress has been made on campus to address needs and to move our campus toward the strategic goal and the identified performance indicators. Following a brief review of the current demographics and significant changes to our community, I suggested that our campus move forward to work on new strategic objectives and to extend our plan beyond 2013. A five-year schedule to 2017 was reviewed to show potential timelines for the new plan and for the return of the Higher Learning Commission accrediting team.

Further, I urged the campus to think optimistically about our campus and community, and to recognize our many good fortunes we enjoy at Minot State University. I advocated that we show that optimism by continuing to work together for the good of our university as we get closer to our Centennial. In light of the negative comments we sometimes hear about higher education, our job should be to look at what we do with a glass-half full attitude and not a glass-half empty attitude. An optimistic outlook should not cause us to ignore our challenges and weaknesses, but rather it should give us cause to address problems constructively.

#### Budget and Financing

With the \$1.4 million dollar deficit we have experienced as a result of the enrollment decline and the housing issues in our community, our decision to freeze most open positions, curtail all technology budgets, and for each budget manager to take steps to reduce operational costs has proven effective in reducing the deficit. We also used surplus dollars carried over from last year to further reduce the deficit. At this point, our enrollment deficit stands at \$800,000. We will attempt to seek support from the legislature to help us with that deficit on the short-term. We also plan to seek support from the legislature to cover the expenses incurred to purchase the temporary housing units, repair severely damaged parking lots and roads on campus, and increase our recruiting and marketing to compensate for the loss of enrollment. Yesterday during the SBHE meeting, I informed the board of our intention to secure SBHE approval and then

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<sup>1</sup> The President's Report is a monthly summary of activities in the president's office and current issues affecting the campus. Since no University Cabinet meeting was held in December, this report covers two months instead of one. The report is distributed widely to keep the community up to date on current initiatives, pending projects, and decisions. The report is provided at the monthly meeting of the University Cabinet, an advisory council comprised of all directors, vice presidents, and senate presidents. This report is distributed electronically to all faculty and staff, student leaders, the Board of Regents, Foundation Board of Directors, and Alumni Board. The report is also posted on the university's web site. Anyone interested in learning more about this information may contact his/her respective senate or senate president, the President's Office, or the university president directly.

legislative support to assist us with expenses incurred as a result of the flood. We are anticipating that the request will be in the neighborhood of \$4 million.

#### Opening week spring enrollment

We had been advised by UND personnel who visited our campus this summer after the flood that it is probable that we will experience at least a 10% enrollment decline this fall and further declines the following two years. Our prediction model in late July was telling us that we were tracking to experience a 12% enrollment decline. With the various steps we took to increase the numbers in our residence halls and to purchase temporary housing units, we were able to reduce the decline to 6% in the fall. Headcount enrollment during the first week of class this spring dropped by 9%. Transfers, online, graduate, MAFB enrollments, and Native American enrollments made up the lion share of the opening day spring decline. The significant increase in deployments at the Base led to a significant drop in enrollments. Our international enrollments and some adjoining states enrollments increased. Experience reveals that opening day enrollments will increase by approximately 2% at the time of the census date four weeks into the semester. We have taken the projected 7% decline and used those figures to project the impact on our finances.

#### Interim Higher Education Committee meeting

On Wednesday of this week the Interim HE Committee met in Bismarck to continue discussions about performance funding models for higher education. Travis Rendahl from the Association of Governing Boards made the formal presentation to the committee and outlined how other states, such as Tennessee, Ohio, and Pennsylvania, have employed performance-based funding models. He explained those states' experiences implementing those models and advised the committee that North Dakota should proceed slowly and not attempt to require too many measures. Following his presentation Laura Glatt from the NDUS explained the history of funding models in higher education, offered an in-depth explanation of the most recent long-term finance plan used with the Roundtable program, and then described the preliminary plan the SBHE has devised for the next biennium. NDSU and UND then responded to an inquiry from the committee regarding their funding needs. Following those presentations, Grant Shaft explained his proposal for Managing Results through Efficiencies, and responded to questions from the committee members. Mr. Shaft explained that he plans to seek approval from the SBHE at its Thursday meeting. The next meeting of the Interim Higher Education Committee will be held in March, with further discussion about performance funding to be included on the agenda.

#### State Board of Higher Education meeting on January 19

The SBHE met by conference call on Thursday. The key agenda item was the efficiency proposal developed by Mr. Shaft. Considerable discussion ensued, with the proposal eventually being approved by the board. Led by our own John Girard, a few expressed concerns about faculty and staff salary distributions planned for this coming biennium. The concern focused on the board's plan to allow the salary decision to be made by the governor for all employees and not proposed directly from the SBHE. Others expressed concerns about the ways in which the various efficiency projects would be implemented, and the manner in which campuses should find efficiencies without cutting positions. The SBHE approved our request to proceed to raise funds for our athletic complexes. Herb Parker stadium press boxes, concession facilities, restroom, and other units, a score board, an all-weather bubble for the field, and the renovation of the Dome were identified as parts of this major proposal for which we would raise funds. The SBHE granted us the approval to proceed to raise \$11 million in support of those general projects.

### Proposal to the City Council

Minot State University requested from the council \$6 million (\$1.2 million per year for five years) to support the construction of the Herb Parker Stadium and Dome improvements. Our proposal sought support from the facilities budget approved by the voters at last year's election. In the city election, voters approved the use of the continuance of the one-cent sales tax to support property tax relief, infrastructure upgrades, and facilities improvements. We argued that the improvements to our facilities would continue to benefit the city and region by increasing the economic development of the region and attracting a variety of sports and activities to our community. The City's Budget committee unanimously approved our request, and the City Council voted 14 to 2 in support of our proposal. Following a second reading of the Council, MSU will need to seek approval for the specific projects from the SBHE and from the Budget Section of the ND legislature.

### NCAA National Meeting

During this meeting in Indianapolis last week, we participated in the required Division II workshop for provisional NCAA members, the Northern Sun Intercollegiate Athletic Conference (NSIC) general meeting, and attended a variety of other sessions dealing with compliance, diversity, and financing. Based on what we learned, MSU is doing well in its transition to its new affiliation with the NCAA Division II and the NSIC.

### Vision 2013 and Beyond "Conversations"

During the convocation, I mentioned that I will be working with MSU's Planning and Budgeting Council to define the processes for conducting campus conversations about goals and objectives beyond 2013. Understanding the many changes in our community and state and in higher education, I believe that we should take time to reflect on the work of our current strategic plan and to contemplate what the university should be focusing on strategically beyond 2013. Based on the guidance from the PABC, we will begin a series of meetings (or conversations) to encourage our campus to think about changes and directions for the campus. A meeting of the Council will be held soon and the process and schedule for those conversations will be developed and publicized.

### Revised document (Managing Results through Efficiencies)

When the original document was distributed before Thanksgiving, there was a considerable amount of concern and many questions raised about the plan and specific proposals included in the plan. Following the review of the concerns and a variety of meetings, Grant Shaft revised the document to clarify the meaning of efficiencies and to assure the system and its constituencies that this document is primarily intended to bridge the gap between the SBHE and the ND Legislature. Certainly there is considerable work that needs to be done to develop a more cooperative relationship with the legislature, and this document and his presentation to the Interim Higher Education Committee this week are his means of assuring some of the more vocal detractors of higher education that the SBHE is willing to work in concert with the legislature.

Many in the colleges and universities have made the point repeatedly that our colleges and universities in the NDUS are some of the most efficient institutions in the nation. The Roundtable long-term finance plan revealed that most of our institutions are operating and competing well with considerably fewer resources than the average of identified national peers. This is not to say that all of us cannot find efficiencies in our operations, but it is important to emphasize to the contrary that our campuses do operate very efficiently and are not flush with large budgets.

### Studies in the Community and the Environment

John Lemons, the director of our new SCE program, submitted his letter of resignation recently, citing health and family issues as the primary reasons for his need to leave MSU. When he arrived this summer, John experienced considerable problems finding a home during our flood emergency. Nevertheless, during his short time at MSU he was able to effect a number of important changes to the SCE curriculum plan and to begin to put together plans for the program's oversight. I appreciated his expertise and his good work helping us with this exciting new program. Lenore and I met with two members of the original search committee to discuss plans to fill John's position and to continue to work on SCE.

### Wellness Center

The new center is nearing completion by the end of the spring semester. The center should be ready for use by students at the beginning of the fall semester. This center was funded with student fees. The Student Government Association voted unanimously three years ago to increase their fees to support this new facility. As the center and its equipment are funded by students, the center was designed and planned for student use. Faculty, staff, and alumni will be able to continue to use dedicated exercise equipment and facilities in the Dome.

### Geothermal system

With the coming of winter, the drilling of our wells for the geothermal system was stopped and will continue in the spring. Nearly half of the 450 wells have been completed. The revised Area A (the Dome, Wellness Center, Swain, GB Olson Library, and most likely Memorial Hall, the Student Center, and Moore Hall) will be served by this system.

### Advising

The vice president for academic affairs has supported a number of focus-group meetings with students, faculty, and staff to review our current advising system. Using those results, the VPAA and the deans will move forward to address specific concerns and issues with advising to make sure advising is responding well to our academic program, faculty, and student needs. Last year the advising committee met and prepared a workable definition of advising and identified basic principles of effective advising to be used across campus. Those principles and expectations were included in a letter I distributed to campus, and subsequently asked Dr. Moen to work with the deans to implement those rudimentary steps for an effective advising system (e.g., posting office hours, at least two mandatory meetings with advisors each year, and a new system of assigning advisors and communicating with students). These first steps in developing a strong advising system are essential for us as we continue to improve our student retention and graduation rates.

### Campus Engagement and Support

At the convocation last week I urged our faculty and staff to show their support and pride for MSU by participating in our campus activities, attending student and faculty events, going to our sports events, and demonstrating a strong and vibrant "Beaver" spirit. In support of that encouragement, I will be sending out bumper stickers for our campus to display on their vehicles along with an encouragement to reveal their pride and support of our university by wearing MSU clothing on Fridays. We have a great university and a fine community of faculty, staff, and students, and it is important that all of us show our support by engaging in our campus life and revealing our support in many other ways.

## **List of Selected Activities and Events in President's Office (since November 16, 2011):**

### **November**

- Robert Boyd's visit to campus and meeting with President's Staff to discuss flooding expenses
- President's Staff weekly meetings

### **December**

- Minot Area Development Corporation board meeting
- State Board of Higher Education meeting by conference call in Fargo
- Meeting with faculty senate president
- Meeting with Red and Green editor
- Woychick campus presentation
- Jeff Morsfield retirement social
- Chamber Board of Directors meeting
- Hosted Boards' MSU holiday party
- Administration building potluck holiday luncheon
- Trinity Board of Directors meeting
- Holiday break

### **January**

- Presentation of MSU's request for facility support to City Finance Committee
- Chancellor's Cabinet meeting via IVN
- Meeting to discuss multicultural activities director's role
- President's Staff full-day retreat
- Spring Convocation address
- Conference call with Chancellor
- Souris Valley Animal Shelter membership committee meeting
- National Collegiate Athletic Association annual meeting in Indianapolis, including required membership meetings and meetings with the Northern Sun Intercollegiate Athletic Association meeting
- Attended men's and women's basketball games with Black Hills
- Chamber Board of Directors meeting
- Meeting to discuss status of the Studies in the Community and Environment program
- State Board of Higher Education
- Faculty Senate

David Fuller  
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