

President's Memorandum to Faculty and Staff

Office of the President
June 22, 2007

Despite Michigan's continued economic struggles, there is much good news to report this summer. We are experiencing the largest summer enrollment in Ferris State University's history with the 4th day count, including 5,358 students studying at Ferris system-wide. This record enrollment is accompanied by a student credit hour increase greater than 8%. I want to take this opportunity to share with you thoughts on Michigan's budget situation, some important organizational changes and other items of interest.

The Michigan Economy and Ferris State University Budget

If you have listened to the news recently, you know the difficulty that Gov. Granholm and Michigan legislators have had in reaching a state budget compromise. Now that a deal has been reached on the 2006-2007 budget, I want to reflect a little on what this means for higher education in Michigan generally and for Ferris State University in particular.

In many ways, the budget compromise finally approved by the legislature is a worst-case scenario. The budget reduces overall funding to Ferris by \$843,800, defers payment of more than \$4.5 million that Ferris was set to receive in August and reduces MPERS support by more than \$704,000. We hope that only the \$843,800 will ultimately be funds actually lost to the University. However, a total of more than \$6 million in funding, which amounts to 12.2% of state appropriations, is at risk in various ways so the final impact of budget cuts remains uncertain.

The Governor and the legislature have both said that we need more college-educated citizens in Michigan to help the state reverse its economic downturn. This budget does not support that goal. The outright reduction obviously doesn't support that goal, nor does the uncertainty it creates for next year's funding levels.

Undoubtedly, these are difficult and challenging times for the state and our elected officials who must deal with budget shortfalls. However, we here at Ferris State University know that it is time for our lawmakers to stop the decline of education funding. Since I became president of Ferris in 2003, we have had to trim \$8,812,804.

In an editorial about the budget, the *Flint Journal* noted that legislators reached a deal, “by shortchanging colleges and universities, and employing various gimmicks that will make financial woes more difficult to fix in fiscal 2008, just four months away.” It is imperative that legislators make the hard decisions now about the 2008 budget and restoring the deferred payments to universities.

Impact at Ferris

Despite the difficulties we face, we are attracting and retaining students in record numbers. For the fourth consecutive year enrollment is up for summer semester at Ferris. Also, applications for fall semester are running well ahead of last year. Our challenge is to maintain the high level of educational opportunity we provide these students even as the state reduces its support.

Our Development office has done excellent work in raising funds to help students with scholarships. To the fullest extent possible, we will help students with scholarships, grants and work-study opportunities. In fact next year’s budget includes a 20% increase in financial aid to students.

Through careful stewardship Ferris State University has worked to cushion the impact of budget cuts by delaying purchases, repairs, the filling of open positions, and other cost reductions. Last fall we implemented budget constraints that anticipated these reductions. Without these actions the impact would have been far worse, with cuts imposed on us by the state during the last month of our budget. The same *Flint Journal* editorial I quoted earlier equates the state’s drawing upon funds set aside for economic development to balance the budget as akin to a farmer eating his seed corn. Even as we deal with this current funding reduction, we must maintain a sound budget in order to continue to have the ability to manage the unpredictability of public funding.

Working Together

As we work through this current difficult time we will continue to focus on being an engaged, learning-centered university with a staff dedicated to working together. While engagement and being learning-centered are essential, at the current moment I believe that our commitment to working together is paramount.

We are far greater than the sum of our individual parts when we have a clear common purpose. Keeping Ferris State University a place of opportunity for both current and future students is the reason we are here. Together, we will continue to see our University grow.

Over the next few weeks and months there are going to be challenges and frustrations. The legislature and Governor still need to approve a replacement for the Single Business Tax and then develop the 2007-2008 budget. Given the continued decline in the Michigan economy and the budgetary hole the 2006-2007 budget compromise created, with \$145 million owed to higher education for this past year, this will be a very difficult challenge. Thank you for all you've already done to put Ferris in a position to be able to deal with these challenges from the state, and all that you will continue to do.

Reorganization

From its very inception Ferris has been an entrepreneurial institution, seeking to bring education to those who would not otherwise benefit from it. Currently we see this in many important initiatives. Today I want to focus on two: on-line learning and our educational centers throughout Michigan. Both of these initiatives are very important and successful as we seek to meet the educational needs of Michigan citizens, many of whom cannot relocate from their homes, jobs and families.

Over the past four years student credit hours from Internet-based instruction have increased 344%. During fall and spring semester this now represents 4.4% of all instruction and is increasing at a rate of 33% a year. This summer, Internet instruction is 15% of our enrollment. As we develop new and improved instructional tools through the Ferris Connect (Web Vista) project and work to provide even better support to teachers and learners alike, I believe it is important that on-line learning be located and coordinated in Academic Affairs. As a result, on-line efforts have been moved from the University Center for Extended Learning to the Academic Affairs office. Given her experience as Dean of UCEL, Dr. Roberta Teahen will coordinate on-line learning as Associate Vice President for Academic Affairs. Over time on-line learning will become an increasing part of the academic experience both on and off our campuses. I believe this strategic move will help ensure these efforts remain at the academic core of the University.

This change in UCEL provides a unique opportunity to consolidate educational efforts in our centers across the state and at FSU-GR. As these efforts have matured and grown it has become clear that they should be merged together for maximum coordination and efficiency. As a result I have asked Dr. Donald Green to combine the efforts of FSU-GR and University College for Extended Learning into one cohesive whole and to have these academic efforts report to the Vice President for Academic Affairs. Because of its unique, specialized mission, Kendall College of Art and Design will continue to report its President, Oliver Evans.

Don Green has agreed to accept this formidable challenge and I believe his unique skill set and entrepreneurial abilities are especially well suited to creating this new unified organization. I am pleased that in addition to his current responsibilities he is willing to also serve as Dean of UCEL. In doing so this consolidation allows us to reduce one additional administrative position.

Summer Notes

It is wonderful to talk with our new students and their families as they visit campus for orientation. Their excitement is contagious and our efforts to work with and support them are a marvelous example of how we work together to help our students. It is easy to recognize the mornings when orientation is occurring by the increased traffic on campus. If you have a couple of moments I would encourage you to stop by the Timme Building and see this firsthand. I also want to thank all of our faculty, staff, and students who are working so very hard to make this our best orientation ever.

The renovation of the IRC is rapidly moving toward conclusion. Initial move-ins will begin in mid-July and the building will be open for fall semester. I had the opportunity to tour this facility last week. It is amazing to see the changes in this building. When you first walk through this I would encourage you to keep in mind what it looked like before. See if you can find where the four large auditoriums were before this renovation. The connector with the Business Building will be a wonderful catalyst for student interaction and learning outside the classroom. We will formally dedicate this project at an open house scheduled during Homecoming.

Despite the very bad news from the state, there is much good news to share—

- Our Professional Golf Management program, the first and largest program in the country, over its entire history has the 2nd highest graduation rate in the country, 55%.
- The College of Technology is #1 in the nation in the number of Bachelor of Science degrees awarded in Engineering Technology, #1 in enrollment in Engineering Technology programs, and #3 in total Engineering Technology degrees.
- Students and faculty from the Kendall College of Art and Design recently returned from the Office Exhibition in Dubai, where they were invited to attend and exhibit. 12,000 people were in attendance at this exhibit.
- Ferris' efforts in the Political Engagement Project were highlighted by the Carnegie Foundation and our team recently attended and presented at the American Democracy Forum in Philadelphia.

- Our Banner team recently loaded the complete institutional data set in Operational Data Storage (ODS). I am told it took 60 continuous hours to load these data. They will turn off the old mainframe computer system on June 29th.
- FSU placed 28th in the nation in the All-Around Sports Trophy and Chris Kunitz, former FSU hockey All American, is a member of Anaheim Mighty Ducks, who recently won the Stanley Cup.

I hope you are enjoying your summer and appreciate your strong support for Ferris State University throughout the entire year.

Best wishes,

David L. Eisler
President