

northeastern

I L L I N O I S U N I V E R S I T

State of the University Address

President Sharon K. Hahs
September 23, 2014

Appreciation

University as reflected in a variety of representative groups. As you are acknowledged, I would ask that you please stand.

The Alumni Affairs Staff, for mounting our first alumni reunion in 27 years last October and for the one to come this October.

We were notified just yesterday that Northeastern has received a \$40 million Gear Up grant, the largest in the country. Dr. Wendy Stack,

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.

Opening

has a series of Action Steps; specific activities are selected each year based on the Action Steps. Collectively these activities are called the

These are the annual workplans and their results. Both the Results of the FY2014 Workplan and the new activities selected for the coming year; the FY2015 Workplan, are posted on the Board of Trustees webpages.

The second way of demonstrating progress on our Plan is the Key Performance Indicators, or KPIs. These are specific quantitative Leadership, Exemplary Faculty and Staff, Enhanced University Operations, and Fiscal Strength. The KPIs are updated annually and are

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 2014 are not yet available, here is the unofficial data:

Graph 1, Undergraduate Enrollment and Credit Hours:

14% of our student credit hours over the last five years. We are all working hard to understand and act on this trend. This is, of course, the sum of recruiting new students and the retention of current students. Thus, it reflects our overall fiscal health.

Graph 2, Graduate Enrollment and Credit Hours:

Graph 3, New Freshman and New Transfer Enrollments: New transfer students and new freshmen are both down about 5%. We must

Graph 4, Degrees Conferred:

The enrollment declines are certainly a cause for concern. With respect to retention of current students, a graph on first to second year retention rates shows a steady decline over the last few years. (The last figure is unofficial.) We must focus attention on improving this

graduates will bottom out this year or next. Illinois will continue to decline by one to three percent for the next five to ten years. Chicago Public Schools data shows that the overall cohort numbers continue to decrease; however, the number of graduates is increasing, including

In short, there is increased competition for the same students, with no significant relief in sight. This means that we must increase our market share just to stay even. We can't allow others to out-compete us. Working together, we are addressing this. We have our new website; we have just launched our Customer Relations Management, CRM, program to track and personalize the admissions process; we have expanded the high school territories and pool of prospects; we have added new high touch recruitment events and initiatives as well

We must also continue to be vigilant, assuring that we have the best combination of course sections in an era of fewer offerings; 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

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 priorities and funding. The FY2015 Operating Budget was presented to the Board of Trustees last Thursday, along with the Operating and Capital Request Budgets for FY2016. They reflect the excellent work of the UPBC. These Budgets are provided on the Board of Trustees

First the revenue: For FY2015, our state appropriation decreased from the previous year by \$99,300. The Income Fund projection, based on an enrollment decline of 3.4%, is less this year by just over \$1.3 million.

To deal with the loss of revenue and cover our financial commitments, budget adjustments, in the form of cuts, of 4.7% across all areas, were made. In addition, \$1.5 million of the \$2.8 million in salaries of individuals who retired, was put toward balancing the budget. The net revenue of \$3.8 million addresses the spending plan. That plan includes salary increases, the potential transfer of employer retirement

(and several faculty and staff positions were lost across all vice presidential areas), but there were no cuts in institutional financial aid, and, for the fourth 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 \$7 million from last fiscal year.

Our Institutional Advancement Division continues to raise private donations for annual and endowed scholarships. This year they also completed the fund-raising project to name the student gathering space in the College of Business and Management, "Dr. Mohammad Mossadegh Servant Leaders Hall," honoring this historic figure, celebrating our Iranian-American community at Northeastern and in

the Decade of Dreams. During the spring, we engaged services for market appraisals and presented official offers. In late summer, the University filed for eminent domain in circuit court to acquire the six properties.

draft. Hopefully by mid- November, the polished draft will have its final review, on the Bryn Mawr campus, CCICS and El Centro. The
simply a quick description; greater clarity and detail will be forthcoming

Closing