

September 21, 2011

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

FROM: David Fuller

SUBJECT: ¹Monthly President's Report

Current

Continued flood recovery initiatives

We have been holding two weekly open forums since the beginning of the semester, responding to individual suggestions, inquiries, and special needs. Rob Anderson, our ombudsman hired to assist faculty, staff, and students, has been working to address housing needs, follow up on inquiries about financial assistance, arrange for guest speakers to attend our forums, and working with campus organizations to arrange for special activities. While the numbers of attendees at the weekly forums have decreased, Rob assures me that the people who have been attending have many good questions and suggestions. He continues to follow up on inquiries and will remain vigilant this semester in providing the support to our people on campus. Rob has been doing a good job listening and helping, and that is what he was charged to do.

Official fourth-week enrollment

Overall headcount numbers showed a 5.41% decrease, for 209 fewer students compared to this time last year. This is better than the 10% decline we anticipated but is nevertheless a decrease in the growth trends we have realized the last few years. New first-year student numbers declined by about 5% and transfer students numbers declined by 26%. The number of graduate students and full-time undergraduate students dropped nearly 8%, accounting for a drop of 216 students. Our on-line enrollments dropped by 8% as well, accounting for a drop of 105 students from this time last year. International non-Canadian enrollments increased by 25%, with the Canadian numbers showing a slight increase. Native American enrollments dropped 30%.

With our international numbers increasing significantly and enrollments from adjoining states, particularly Montana and Minnesota showing notable increases, our North Dakota enrollments showed a 5% decline overall. Burleigh and McHenry numbers increased, but locally our Ward County numbers dropped by 2% and a variety of other counties showed decreases. The Minot Air Force Base enrollments registered increases.

¹ 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 July, this report covers two months instead of one. The report is distributed widely to keep the community up to date on current initiatives 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 the President's Office or the president directly.

While we are now focusing on an in-depth analysis of these figures, initial reviews of these figures would lead us to conclude that the flood and the damages to our community and region have, as we anticipated, impacted negatively our enrollments. The notable drop in our full-time undergraduate students and graduate students suggests that the impact of the flood affected directly many who were full-time students. Both on-campus and on-line enrollments have been impacted. With the housing pressures, the displaced students and staff, and the pressures our community are facing in demands for workforce, the official numbers and overall percentages appear to be directly linked to the disruption we have faced regionally with the flood.

Further analysis of these figures should reveal additional steps to address these trends. But it is clear that our marketing efforts will need to be increased to compete directly with a variety of institutions advertising locally in our area. Increased efforts in recruitment and retention will be essential to reverse these short-term trends. These figures do reveal, however, many opportunities for our increased recruitment and marketing efforts.

Budget and Financials

The enrollment declines will result in approximately a \$970,000 to \$1,030,000 loss in tuition revenues. This amount is projected based on a full fiscal year, from collections in summer until the first summer term. We were advised by the UND colleagues who visited us in July that we should expect a 10% enrollment decline for this year and during the next two years. Brian Foisy examined the reporting and collections and believes that this range is an accurate one to guide us in our efforts to reduce expenditures. As announced previously and at our convocation, we will be putting a soft freeze on all hiring, postponing major projects not currently underway, holding on all equipment purchases unless any are absolutely essential for operations, reducing where possible operation budgets, and doing what we can together to reduce other expenditures. This week we will review all open positions and other requests for expenditures to determine how we will be able to meet this budget shortfall.

All hiring requests and major expenditures will require approval by President's Staff. Campus employees are asked to look at alternative options to cover personnel shortages. In view of the projection that these enrollment declines will face us in the next two years, we will also need to make adjustments in our budget in anticipation of continued declines. At the same time, we are initiating additional activities to support recruitment, retention, and marketing. We will be seeking legislative support for emergency funds to support these initiatives and to support other expenses incurred as a result of the flood.

Housing reports

Our residence halls are full, including double rooms, occasional triple occupancies, and use of lounges for temporary housing. With the opening of the Beaver Ridge Plaza, students waiting for those reserved apartments have now moved into the plaza. These apartments have helped reduce the pressures on our residence halls. The Beaver Lodges are nearing completion. Students will be moving into those shortly. The ten units will be able to house 100 students. Our University Heights apartments for faculty and staff

will be ready for occupancy. Those apartments will be able to accommodate eight faculty and staff and their families who were displaced as a result of the flood.

Geothermal project

The most recent estimates on the costs to complete the full geothermal system increased from the original estimate of \$16.2 million to \$27 million. As a result, we had to seek legislative approval through the Budget Section for a change in the project scope (i.e., a reduction from \$16.2 million to \$9.35 million to cover only Area A of the project). The Budget Section narrowly approved our request to change the scope of the project. We will be proceeding with the plan to bring the four buildings on line, complete the well fields, and complete the loop field for the full system. Additional support will be sought from various sources to pursue the completion of areas B and C.

Completion of stadium seating

The new stadium seating will be fully installed this week in time for our Homecoming game on Saturday. Weather and other issues caused delays to the original plan to complete the seating project in August.

Wellness Center

Construction is on target to complete the center in late spring, to include the climbing wall and the skywalk from Swain.

Beaver Creek Café renovation

This past Friday we celebrated the grand opening of the new dining hall. The Chamber's Ambassadors and others were on hand for the ribbon cutting. Sodexo provided cake and pizza to celebrate the event. Thanks to Sodexo for their financial support for this facility. The new facility will increase our earlier capacity by 92% and provide a variety of new food venues and services.

One-stop-student support center planning

While our work to move ahead on this center needs to be delayed because of finances and shortages this year, we have proceeded with the design planning. An interior designer from Clark Enerson, the individual who designed the Beaver Dam a few years ago, has visited campus and will be developing proposals for the design and layout of this new center and service.

State Board of Higher Education approvals

At the Dickinson State meeting last week, the SBHE approved our change in scope for the geothermal project and a variety of new academic programs in special education and early childhood.

Budget Section presentations and approvals

As noted, we went before the legislative Budget Section to seek approval for the change in scope of our geothermal project. We also sought approval to use local funds to provide the 10% local match required by the legislature when it appropriated \$7 million toward our Swain building project. At the time, we were under the impression that the

local match could come from local fund accounts, such as indirect, interest accounts, and continuing education surpluses. It was discovered recently that the local match was to come from a private donation only, not institutional local funds. We went before the Budget Section to acknowledge this misinterpretation and to seek their approval to use the local funds as designated. The Budget Section approved MSU's request.

Homecoming

This week is full of a variety of events and activities to welcome our returning alumni. Events for students, faculty and staff, and community members are planned throughout the week. On Wednesday night we are hosting the second annual Block Party for our campus and for the entire community of Minot. The Golden Awards Banquet will be held on Thursday, the Board of Regents meeting and a variety of alumni gatherings are planned for Friday, and Saturday is our Homecoming parade, the football game, and the Athletic Hall of Fame event. Please plan on joining us for this celebration and activities.

Dodgeball Competition with Brandon University

Our student activities directors and residence life coordinated a competition with Brandon University at the Peace Gardens this past Sunday. Fifty students from MSU and about 60 students from Brandon met at the Peace Gardens for a dodgeball tournament. All of us had a great time, not to forget that MSU won the competition and brought home the trophy. The president of Brandon and I both agreed that we will work to do this every year.

Chancellor search

The State Board of Higher Education identified a search consulting firm and appointed members for a search committee to begin the work to identify the next chancellor. Chancellor Goetz announced that he would be retiring at the end of this academic year. The SBHE plans to find his replacement by February.

Meetings with Governor

The Governor and a member of his staff visited Minot State University to seek input on a plan he is pursuing to investigate the cost of higher education and its funding. The Governor met with me and Brian Foisy, and later scheduled a meeting in which he met with all presidents of the NDUS and the Chancellor to seek input.

Great Plains Community Research and Service Center Consortium

Last week we hosted our first regional consortium of rural partners. The Great Plains Community Research and Service Center, which was funded through the support of Senator Dorgan and the ND delegation, has been conducting regional meetings with rural communities to identify issues and problems that we can work together to address and solve. The GPCRS invited regional members to the campus to meet for a day-long consortium to discuss ways to effect rural community development. We had representatives from local communities, staff from the Department of Commerce, Jasper Schneider from the USDA, an MSU professor and his students, and a host of others to discuss strategies for rural development. I believe that the discussion at the consortium

meeting has given us valuable insights into the cause of rural development and initiatives our center can pursue. We will continue our outreach to specific communities and proceed with our plan to identify specific objectives and initiatives. Paul Markel and Neil Sharpe, our co-coordinators, are pursuing a variety of collaborative activities.

List of Selected Activities and Events in President’s Office (since July 17, 2011):

July

- Interview on Prairie Public Radio “Here it Now” program
- Welcome to students and parents at Connect Session
- Faculty candidate interview
- Meeting with Red Cross official regarding housing on MSU campus
- Luncheon meeting with potential capital campaign leader
- Meeting with alumnus regarding flood and availability of housing.
- Attended “My Fair Lady” summer theatre performance.
- Campus wide open forum to discuss flood and recovery issues.
- Meeting with Rob Anderson regarding ombudsman position
- Discussion with Dr. Koczon and new director of the Studies in the Community and Environment.
- Vacation
- Welcomed the University of North Dakota new faculty and gave them a tour of the student center
- State Board of Higher Education conference call
- Interview with Andrea Johnson at the Minot Daily News
- Chamber Board of Directors meeting
- Addressed Staff Senate meeting
- One-on-one meetings
- Met with and greeted Clint Severson and Connie Ahart during their visit to campus
- Accompanied George Kuh to dinner
- Convocation and address to campus
- Attended college faculty meetings
- Fall Kickoff celebration
- Attended George Kuh presentation to faculty
- Geothermal planning meeting
- Participated in the Move In Day event in the residence halls

August

- President’s Staff meetings
- One-on-one meetings with members of president’s staff
- Interview on KX noon show with Carla Burbidge
- Meeting with Model Hall alumnus
- Interview on WGO radio with Jeff Bliss
- Attended Chamber’s flood meeting with local leaders and legislators
- Meeting with public information director
- Conference call regarding addition of solar component for geothermal system
- Meeting with Staff Senate president
- Minot Area Development Corporation Board of Directors meeting
- Meeting regarding student complaint
- Participated in morning campus clean up
- Welcomed new faculty at orientation
- Meeting with GPCCRS directors
- Open forum for flood recovery
- Attended financial workshop for flood recovery; and supervisor training for emotional stress
- Addressed the Alumni Board meeting
- Open forum for flood recovery
- Welcome chancellor for visit to campus; provided tour of community and campus.
- Meeting with Senator Conrad’s staff member
- Meeting with Faculty Senate president
- Meeting with Student Government Association president
- Travelled to Bemidji State University for the football game and to accept flood relief check raised by the community

September

- Chancellor’s Cabinet meeting
- Meeting to review geothermal planning with Roger and Brian
- Board of Regents executive committee meeting

- Meeting with Noel Levitz consultant
- Discussion with interior designer regarding one-stop student center
- Flood open forum
- Meeting with SGA president
- Faculty Senate meeting
- Meeting with Governor, staff members and Brian Foisy
- Luncheon to discuss special event for Walter Piehl
- First-year experience/INT classes meeting
- Photo op to accept check from the Bremer Foundation
- Labor Day vacation
- President's Staff meeting
- Meeting with directors of Great Plains Center for Community Research and Service
- Discussions regarding grants and contracts
- Great Plains Consortium; welcome
- Meeting with faculty member
- Staff Senate president
- Meeting with Governor and other NDUS presidents in Bismarck
- Attended SBHE meeting in Dickinson State; presented on two budget items and provided flood report
- Meeting with president of Faculty Senate
- Meeting with Mark Timbrook regarding centennial plan
- Open hours meeting with students
- VPAA meeting
- Meeting with College of Business strategic planning committee
- Grand opening of Beaver Creek Café and welcome
- Meeting with committee members regarding Studies in the Community and Environment
- Interview of strength and conditioning candidate
- Attended Dodgeball competition with Brandon University and Minot State students at the Peace Gardens
- Lunch with Steve Pederson and Paul Markel
- Meeting to discuss University Diversity Council activities and plans
- Johnny Holm concert
- Homecoming Bonfire
- Attended Souris Valley Humane Shelter annual meeting
- Chamber Board of Directors meeting
- Staff Senate meeting
- Enrollment census meeting
- NCAA conference call
- Homecoming coronation

Concluding Remarks

The flood continues to impact our campus and its people in many ways. Our enrollment and finances have been impacted deleteriously. The impact on our faculty and staff, our new employees, and our students has been severe. With more than 120 of our faculty and staff directly affected by the flood, the indirect impact on our campus operations, classes, and services is unavoidable. Many of our people must focus on their own personal recovery while at the same time continue to focus on their jobs and services to our students. All of us on campus must remain attentive to these stresses and demands. Rob Anderson and many others on campus have been working hard to help our people address personal needs and to assist them with their own workloads and responsibilities.

We are keeping in mind these challenges and pressures as we attempt to address the issues with the enrollment decline and budget. It is critical that all of us keep these conflicting demands in balance, and work hard to ensure that we provide our students the highest quality instruction and services. We have sought and received guidance from many others, such as UND, about how we should proceed under these special circumstances. We will also continue to work to identify financial sources to cover unexpected expenses we have incurred. We have sought support from FEMA, our Washington delegation, our local legislators, and others. A focus of our Board of Regents meeting this Friday will be on seeking guidance and support from our community leaders. Dr. Robert Boyd, retired administrator from UND and alumnus of MSU, will be joining

our Board of Regents on Friday to discuss UND's experience and to suggest how our community leaders may work to support Minot State in its short- and long-term recovery. This guidance and the support from a variety of sources will be essential for us this year and in the few years to come. I believe that we have taken appropriate steps during the flood and are taking important steps to address future demands.

Thanks to all of you for your work to help Minot State University and to volunteer to help many in our community who need and continue to need assistance.

David Fuller
September 21, 2011