Good afternoon. Before I begin my formal remarks, I would like to take a moment to say what an honor it is to have been invited to join you in this community of scholars. My career has taken me to several campuses, but nowhere have I found an institution with so much history and so much future. Nor a community as welcoming to my family and me.

And speaking of my family, I'd like to introduce my wife Gale. We hope you will be our guests at our home for some refreshments and conversation at the end of my remarks.

Last night, I was remembering how many times I sat through a state of the university address as a faculty member hoping I'd gain some insights into the future of my university. I remember a couple of those speeches were quite long and a little short on specifics. At that time, I decided I preferred to the point. So, here goes ...

No universities are better positioned to meet the challenges of change than land-grant universities. More than 125 years ago, Justin Morrill and Abraham Lincoln envisioned a new paradigm for higher education in which study of the classics was combined with education in applied disciplines. Land-grant universities were born of the desire to make higher education available to all classes of citizens, not just society's wealthy and elite. Some observers have noted this is very much a North Dakota concept. I believe it is very much an NDSU concept, as well.

A model for higher education change was offered last February by the Kellogg Commission on the Future of State and Land-Grant Universities. The Kellogg Commission argues that land-grant universities should think beyond traditional outreach and service to a concept they call “the engaged university,” where teaching, research and extension become even more integrated with the greater community in a two-way exchange of information.

I believe North Dakota State University has the right mix of programs to be a good fit with the Kellogg model. Across our campus, I see examples of engagement in all areas: student affairs, academic affairs, extension, research, and more. This summer, as I traveled across the state meeting with alumni,
agricultural producers, community, and business leaders, the fit became even more apparent as I heard firsthand how the needs of this region are matched by NDSU programs.

In June, I wrote to many of you about some administrative initiatives to build on North Dakota State University’s efforts at providing service relevant to the people of this region. To this end, the President’s Council, made up of senior administrators from across the campus, has been reactivated following an inactive period of some years. This group exists so that people in all campus units have a better idea of what’s going on in other units.

I have also formed an Outreach Council with representation from campus units which have specific outreach missions. Through this group we will be better able to integrate our outreach actions across organizational and disciplinary lines.

Finally, a major source of ideas and statewide perspective for me will be the President’s Advisory Council of alumni and business leaders, which will begin meeting again. During my administration, I will look to the engaged university model and ask "how can every campus unit--academic and service--be the best it can?" Together as a university, we do so many things right. This afternoon, I will discuss four major initiatives which offer expanded opportunity to help take NDSU to that next level of excellence. The time is right to take this campus to the next level.

First, I will share some initiatives involving students, they are the foremost reason we are here. Second, I will discuss how we will make significant progress on faculty and staff salaries. Third, I'll share how we are bolstering our efforts in the research arena and moving toward becoming a Carnegie Research II university. Finally, as part of our research and outreach efforts, it’s time to move ahead with plans for a research/technology park. This may be a full agenda, but it will not be complete until every campus unit has the opportunity for growth. This institution has all the requisites to be a national model of the engaged university. We have many of the right programs, many of the right facilities, the right location in a community that is our eager partner, and most importantly, the right people. Now, let’s begin with the right plan.

This afternoon, as we discuss specific steps that are underway now, we must acknowledge that for every unit, the methodology for going to the next level is still being evaluated. In other words, we may not know how we’re going to get there, but we know where we want to go. Together, we will develop a shared vision for the future of NDSU.

Before we go any further, let’s talk about the primary reason we’re here ... students. The student experience in the classroom, in student organizations, and in campus life in general is at the core of NDSU’s mission. We are about learning and personal growth. We encourage a campus community where students, faculty and staff are immersed in a continual learning experience and where there is satisfaction gained from intellectual and personal growth. Finally, we are a community where students leave NDSU with the necessary knowledge and skills for meaningful careers and a hunger to continue to learn throughout life. For the future of this state, this means an increasing emphasis on programs of
national and international scope. We cannot expect our graduates to live in isolation from the world, and so we have an obligation to prepare them to do business in North Dakota, across the nation, and around the world. Nor does it make sense to ignore a world full of potential students, hungry for the knowledge found on this campus.

This week, by the way, we are continuing to count students for our official fall enrollment numbers. The official third week numbers will be out next week, but I can say that, as of today, all indications are that we will establish a new record enrollment, or will be very close to that record. One encouraging area of our fall enrollment is that we have increased the freshmen class two years in a row by some 200 freshmen.

A major challenge for North Dakota State University will be maintaining student enrollments in the face of declining numbers of young people in some of our traditional recruiting areas. As Professor Richard Rathge has shown on many occasions, we can expect another couple years of moderate growth in the number of students graduating from high school. But then, we can look to drops of two percent a year for the next decade. Once more, let's go back to my premise that we have the people and facilities that make this an outstanding educational opportunity. How then do we maintain student enrollment? Let me outline some steps being taken now ...

Starting this month, NDSU has moved an admission counselor from our admission office here in Fargo to the Twin Cities. In this way, we have a full-time presence to enhance central and southern Minnesota recruitment where we have more than 8,000 alumni.

In addition, this fall, we are focusing on developing our recruitment efforts in Denver, Seattle and eastern Wisconsin. These are areas where we have existing compacts which make our programs more affordable. They are also areas where we have strong alumni chapters, and I believe our alumni will continue to be powerful tools in our recruiting efforts. Finally, while there are areas of decline in the number of young people in certain parts of our region, Denver, Seattle and Wisconsin are areas of growth in these demographics. I am confident that North Dakota students will remain the core of our student body. But recruiting out-of-state students is simply good institutional policy.

A year ago, you heard of the university's advertising plan that was put together by the Office of Admission, University Relations and Flint Communications. Let me give you an update on those efforts. We are in the second year of a three year advertising program. Our primary audience is high school sophomores and juniors, and so we are hopeful to see the biggest impact in a couple of years. Our goal is to find talented potential students and then ask them to visit NDSU. Once they've come here, I think they'll be persuaded when they see the strength of our programs, the fine facilities including the new animal care facility and health and wellness center, and - most important - when these potential students see the people of this intellectual community.

Every person on this campus has an important role in student recruitment. Potential students are making an important life decision. We need to respond accordingly. Perhaps it's taking time in a busy day to talk with a high school student here on a visit. Perhaps it is just a smile to a tour group. Whatever
it takes, it will be worth the effort. Student recruitment is, in fact, everyone's job. We are all ambassadors for NDSU.

Recruitment, of course, involves enrolling new students. The other half of the equation is retention, guiding the students already here to a successful outcome. We have several programs to assist in this effort. Programs including Super Tutor, Project Success, the Living and Learning program in Residence Life, the University 199 course, and some 200 recognized student organizations which help students become fully involved with university life.

In addition, on this campus and across the nation, universities are confronting the problems of underage and binge drinking, which can be seen in dropout rates, crime statistics, and academic failures. I look forward to working with the findings from last year's Commission on Alcohol and other Drugs.

I believe it is important for everyone at NDSU to remember that retention, like recruitment, is more than an assignment for a single office. Each of us has contact to some extent with students. It is important we all make the most of opportunities to help students succeed. Students assume the ultimate responsibility for their education. But they can't do it alone. That's why we're here.

I believe there are programs and facilities not yet in place on this campus that we need to provide maximum service to students. Clearly, our libraries need greater resources and I am committed to finding those resources. Discussions are underway on an executive MBA program. The colleges of Agriculture and Human Development and Education are together strengthening the food service minor. We are exploring new doctoral programs in communication and experimental psychology. The role of non-traditional students is increasingly important to this campus as we evaluate our programs and services. And certainly, when we talk about the College of Business Administration, we recognize the inadequacies of their facilities. Putnam Hall is a wonderful campus treasure, but a college of some 1,200 students needs a building with more than one classroom. During the last legislative session, we asked for and received permission to conduct a feasibility study on a fund-raising drive to build a new facility for the college. With a steering committee of campus and business leaders, we are proceeding, and I expect to be able to ask the Chancellor, the Board of Higher Education, and the next legislative session for permission to begin the fund drive.

Another area for growth is in our off-campus facilities. The North Dakota Extension Service has brought university expertise to producers, community leaders, and families across this state. Together with the College of Agriculture, the Agricultural Experiment Station, the College of Human Development and Education, and so many other campus groups, we have made contributions to this state beyond any measure. Now, as the needs of our state are changing, the services are changing, too. One example is the Learning Centers at Carrington, Hettinger, Langdon, Minot and Williston, where rural economic issues are now added to the mix of programs and services. These centers put this institution in the forefront of the state's economic development future. In matters of agricultural services, the advice and counsel of the State Board of Agricultural Research and Education gives our efforts statewide credence.

Now, let's shift our focus back on campus. In order for this institution to further model the behaviors of an engaged university, we can begin by bolstering faculty development opportunities and other
incentives. By many measures, NDSU faculty are incredibly productive, averaging some 59 hours of work each week contributing to student learning and our greater society. This productivity needs to be matched by an institutional commitment to making compensation the overriding issue before us. We made some modest progress during the last legislative session. Now let's assume campus responsibility to build on that progress.

I can't imagine anyone entered the professorate thinking their salary would rival the corporate world. Yet, NDSU faculty and staff salaries should, at least, be on par with salaries at other institutions of higher education. To that end, we are taking several steps to enhance faculty and staff salaries.

We will address compensation by enhancing equity and merit.

We continue to shift faculty from 12 to nine month contracts to expand summer research opportunities.

This fall, I invite your proposals for a professional development grant of up to one thousand dollars to be used for travel to professional conferences or software for professional use. The process for evaluation will be simple, just write a one-page proposal telling what you need and why, and send it to my office.

I am using my discretion to reallocate funds internally, as authorized by the Chancellor and State Board. I have also asked the vice presidents to redirect funds to faculty and staff salaries so that we will achieve at least three percent increases next year.

In addition to these steps, we will seek to increase the pool of funds that may be allocated to salaries, including increasing external funding through a steady growth of our contracts and grants portfolio from the present $22.9 million to a level of at least $50 million over the next three to five years. This will be accomplished by enhancing NDSU's research and creative activities enterprises to become even more competitive nationally and internationally.

I'd like to expand a little bit on that last point. I believe the way we take our research and creative activities to the next level is by becoming a Carnegie Research II university. This is defined as a university that graduates 50 or more doctoral candidates and generates between $15.5 and $40 million in competitive federal research grants each year.

Why would this growth be good? It is good for the opportunity it offers our faculty to enrich their careers. It is good for the students who benefit from exposure to leading technology at a critical point in their careers. It is good for North Dakota because it is new wealth that brings jobs and other economic growth. And it is good for society as we contribute in new ways to the body of knowledge.

What will it take for us to get there? I said earlier that we already have many of the people who can take us there. But they need some help. Today, I am announcing that we are moving from an associate vice president for research administrative model to a new model to be led by a vice president for research, creative activities and technology transfer. A search to fill this position, which was created by combining
existing positions, will begin this month. With this added infrastructure, our faculty will have a powerful resource to build on their creative work and help market their intellectual property.

Scholarly research and creativity is an investment in time, talent and resources. As faculty members, you provide the time and talent, and the administration of this university will come up with the resources, such as this enhanced service unit, to increase your professional success.

Growth in academic research is important to North Dakota. It brings new wealth to the state’s economy. In fact, NDSU research contributes some $425 million to the state’s economy each year. Academic research creates new businesses and new jobs, such as Aldevron and Dakota Technologies. And academic research gives students and faculty experience in leading edge technology.

I believe NDSU can do more than conduct research in support of North Dakota’s economic development. For some time now, a group of people on this campus have been exploring the possibility of creating a research and technology park to be located on campus. At previous universities, I was directly involved with research parks and I think it is time this project move ahead. Three weeks ago, I wrote a letter to the State Board of Higher Education and asked for permission to proceed. The center would be located on the north end of campus, west of the Fargodome and, if necessary, we are prepared to rent space off campus to move ahead until our own facilities are in place. We have strong support from the city, local economic development groups, and a number of businesses. They see this addition to our campus as an important step in expanding our economy, harnessing the power of faculty scholarship to contribute in significant new ways to benefit the entire region.

Consistent with my goal for every campus program to be the best it can be, this summer I gave the athletic department permission to explore its future, including two matters which received a lot of media coverage: a possible divisional switch and adding hockey. When resources are scarce, why should we consider putting additional resources into areas outside of teaching and scholarship? The short answer is a greater possible return on investment. What we’re doing right now is, in effect, a business plan to see if the rewards will outweigh the costs.

Let’s talk about hockey first. For a long time, there has been community and campus interest in adding varsity hockey. Engineering studies have been commissioned by the City of Fargo with private support and non-appropriated funds from the athletic budget to see if a suitable facility could be constructed as part of a downtown redevelopment plan, on our campus, or at some other location. Hockey is a sport that traditionally supports itself. So the question is whether the cost of this program and facility makes economic sense, and if so, based on the best data available, we can make a decision on adding it to our athletic mix.

If you were around Fargo-Moorhead this summer, you may have read about the second issue facing athletics, a possible divisional switch. Let me state loudly and clearly that no decision has been made. As scholars, we recognize the importance of making decisions based on data. What is happening now is that data are being gathered before this campus makes a decision. Perhaps phrasing the issue as a
research question is appropriate: would a switch from NCAA Division II to NCAA Division IAA make sense economically and be consistent with the perspective of wanting all NDSU programs to be the best they can be?

This is a time of great uncertainty in collegiate athletics and we really don't know how schools and conferences will be positioned in the coming years. Making a change to Division IAA likely will offer the university greater national exposure, which will, in time, support our efforts in recruiting and institutional growth. But can we afford it? Let's find out, then make up our minds about these proposals. This is a matter with statewide implications and our discussions need a statewide perspective, as well.

Athletics have long been a source of institutional pride. Whatever we do, I assure you, we will not sacrifice the quality of our academic or athletic programs.

This is a time of tremendous potential at North Dakota State University. We are located in a growing and supportive community. We also have the means to grow as a campus. During the last legislative session, our state's elected leadership increased funding for higher education in general and, along with the State Board, specifically recognized the inequity to our students in the formula used to distribute higher education funding among the campuses.

Now we have the opportunity to prove that their increased investment offers the state specific and measurable returns. We can do this by strengthening our educational services to a changing student body. We can do this by seeking out opportunities for inter-institutional collaboration. We can do this by continuing to spark economic development. We can continue to do this by helping the agricultural community during these most challenging times. And we can do this by our own growth personally and within our professions. The Kellogg report on the engaged university wasn't written about us, but it could have been.

In his history of this institution, "Beacon Across the Prairie," William Hunter wrote that the future of NDSU depends on the combined efforts of its administration, its staff of teachers and experimenters, its students, its alumni, and the support given by the people of North Dakota through its Legislature. He wrote:

"May this institution, which has been a beacon across the prairie, shine with greater clarity and intensity in the years to come. May the youth educated at NDSU serve the State and nation with devotion and steadfastness far into the future."

Professor Hunter, they have. Now, as stewards of North Dakota State University, we recognize this as an institution with so much history and so much future. We are the stewards of the present and we pledge to build for that future.

Some 30 minutes ago, I said I preferred listening to speeches that got to the point. I guess you're the judges of my success on that front. For now, let me close by repeating how proud I am to have been asked to join you in this intellectual community, and how honored Gale and I will be if you will join us now at our home for some refreshments and conversation.