Good morning and thank you for being here.

I don't ever recall a Homecoming Week so packed with activity as this week. To be sure, there are the traditional gatherings and celebrations, as in most years. But this year, there is the added excitement of groundbreakings and dedications, record enrollment, new academic programs, growth in research and service activities, an exciting athletic season, and more.

As I walk the campus, there is an enthusiasm and anticipation in the students, staff and faculty. As I travel the state and region, friends, alumni and even those who have never had much reason to think about NDSU are remarking on the incredible energy and programs coming from this university. As I participate in national activities, colleagues stop me to say they're hearing about us. "What's going on at North Dakota State," they ask. It's clear; people are looking at our state and our university in a very different and very positive way. Our stature among our peers is growing.

Prior to coming to NDSU, I was a student, faculty member or administrator at four universities. I have visited countless other campuses. Never, never have I seen a university make such an incredible transformation in such a short time.

So today, let's talk about who we are, honor our heritage, and then look ahead. Let's revisit goals laid out four years ago and measure our progress. Let's remember what we have accomplished together. Let's recharge for the work left undone. And let's continue to dream the big dreams. Perhaps most important, let's take time this busy week to enjoy the moment. We have much to celebrate.

North Dakota State University is a large, complex organization with many parts or pieces making up the total picture. If you look at any one part of this complex mosaic, you can get an appreciation of the overall organization.

To understand NDSU today, you need to understand an important piece of the mosaic: the work of those who came before us. For more than 100 years, this institution has served the people of our community, state, region, and - in all candor - we have served the needs of people around the world.
The faculty, staff and students who have populated this university since that first class in 1891 built the foundation for the steps we take today.

Through drought and depression, world war and economic prosperity, flood, tornado, blizzard, and more, we have pressed on. At times to public celebration, but more often in the unheralded quiet manner of our North Dakota culture.

Today, we are emerging on the national scene as a contemporary, metropolitan land-grant university. We are engaged with the greater community, we are expanding academic, research, and service portfolios, and our emphasis on teaching and learning remains a top priority.

Our university themes of It's About People, Students are Paramount, Leveraging Support, Programs, and Status and Reputation remain our guiding principles, and they are the logical extension of the aspirations of every teacher, researcher, staff member, and student who came before. Without those individuals, we would not be the institution we are today and we recognize that we are the fortunate inheritors of your legacy.

Let's take a few moments to look at some more of the individual pieces of the NDSU mosaic, starting with enrollment. NDSU's fall enrollment set a new record by topping 11,600 students. This is the fourth year in a row that the university has reached an all-time high. You will recall that four years ago, we set an enrollment goal of 12,000 students by 2006. That goal is now easily within our grasp.

The official third-week numbers show an enrollment of 11,623 students. That's 477 additional students, a 4.3 percent increase from fall semester 2002. Of particular significance is that when you break down the total, you see that both undergraduate and graduate student numbers are breaking previous records, as per our enrollment plan.

These increases are the result of several factors, including:

our increasingly successful efforts in freshmen retention - now nearly 80 percent,

the addition of new academic programs,

the overall desirability of Fargo as a place for college students,

and an increase in national and international students.

Having said that, I know that our increase is also the product of a lot of hard work by the people of this university.

With growth comes challenges, but I am so proud of the resourcefulness of the people of this university. Thank you faculty and staff. We have added new classrooms, new residence hall capacity, and new faculty and staff. And we are now directing our energies into meeting the growing demand for office and laboratory space.
This summer, we continued another major construction boom. The projects included the $3.2 million Minard Hall addition, which we will dedicate following this address. As perhaps you know, the 23,000-square foot structure is primarily a classroom building and also has two Problem Based Learning laboratories.

The new Living/Learning Center was completed this summer. This $8 million residence hall represents a new approach to student living. It has 70 studio apartments, 24 four-bedroom apartments, and two classrooms.

Work is continuing on NDSU Downtown to make it ready for next Fall Semester. This is a much anticipated addition to our university, both by the greater community anxious for us to help recharge downtown, but also by the faculty, staff, and students who will enjoy what will truly be outstanding facilities.

A $1.2 million project to remodel and expand the Residence Dining Center was undertaken and completed this fall.

And to extend our campus to the west and into an exciting new academic area, the 400-stall horse barn for the NDSU Equine Science Center was completed.

The role that NDSU alumni and friends played in many of these projects deserves recognition. NDSU Downtown, the Equine Science Center and the Criminal Justice and Public Policy Building, formerly the YWCA building, were made possible because of the NDSU Development Foundation.

It was a busy summer with detours, loud machinery and heavy construction traffic. It's also worth pointing out that amidst all this activity, a new record summer enrollment was achieved with nearly 3,000 students attending.

All of these activities show the level of change that our university is undergoing.

Coming back to our university themes, let's talk about It's About People. Here, we recognize the critical role faculty and staff play in student learning.

If we were solely dependent on state appropriated salary increases, we would have seen increases averaging 2.2 percent per year since 1999. Instead, through our plan, we have seen increases averaging 4.2 percent. Our goal remains to move salaries to the mid-range of professional peers and we continue to make progress at a time when nationally other universities are experiencing no salary increases and cuts in operating budgets.

Have we reached our goal of being at the mid-point? In a few cases, yes; but we must continue to work toward this overall goal. One indicator of our success is the high quality of the new faculty and research staff we have recruited to join our already top quality faculty and staff ranks.
As a group, our new hires are accomplished professionals who come with significant backgrounds. They are choosing North Dakota State University to continue their careers, and I welcome each with great enthusiasm.

Our success in recruiting new faculty and staff at nationally competitive wages creates one of our most significant challenges; raising the salaries of mid and senior level faculty and staff. This year, making progress on salary compression remains at the top of our agenda. Our ability to deal with it to the point we have is a direct result of the progress we are making on achieving our campus goals.

Investments in people must continue if we are to be the land-grant university North Dakota needs. This year, I am continuing the faculty/staff development grant program that makes $1,000 grants available for development purposes. This can be used to cover travel expenses to participate in conferences. I am pleased that a growing number of NDSU faculty and staff use the program to be involved in national professional and academic groups. This, too, raises NDSU's profile among our peers. Last year, more than $620-thousand dollars were divided among 850 faculty and staff grantees.

We have also instituted a family tuition waiver program that 338 families are using this semester, and we were successful in maintaining the fully funded family health insurance plan.

Our second campus theme declares that Students Are Paramount. As we go about our efforts taking NDSU to a new level, it bears remembering that our core function is to educate our students to lead successful and productive lives. One of the most exciting advances in promoting instructional effectiveness nationally is in an area where we are true leaders; the adoption of Personal Response Systems. More than 5,500 of the interactive devices are in student hands on campus. Students in PRS equipped classrooms are more involved in the class and express greater course satisfaction.

Our students were recently surveyed by the NDSU Diversity Council and those data are undergoing the final stages of analysis. It will provide the basis for the development of a strategic plan to address all manners of diversity issues. We must make diversity a campus priority to be the national university we wish to be.

Four years ago, when we declared in the campus theme Leveraging Support to take increasing responsibility for finding the financial resources we need, we knew that it was our best means of achieving national salary mid-points and sparking greater university and regional growth.

In April, the Development Foundation Trustees affirmed their commitment to a major new capital campaign to support NDSU. The campaign will include $28 million for capital projects, including a new building for the College of Business Administration and renovations to the Bison Sports Arena. The campaign will also include $46 million for endowments to support faculty enhancements and several scholarship programs. Case statements and other supporting materials are being finalized and I have been extensively involved locally and nationally in discussions with potential donors.
Here's another example of how leveraging support is bringing new resources to our campus. Based on National Science Foundation data, North Dakota State University is North Dakota's leading research university, this at a time when state leaders are banking on research as a tool for state economic development.

In 1999, NDSU had audited research expenditures of $44 million. In 2002, NSF audited our research expenditures at $72 million. For the year ending June 2003, we reported more than $90 million in research expenditures. You may recall our goal is $100 million. For more than a decade, NDSU has led the state in research expenditures and I only see that growth continuing.

In discussing huge figures like $90 million, it's important to remember that not everyone may understand how these efforts serve the greater public good. Here are some examples. First, growth in graduate students and sponsored research means that NDSU is hiring more people without placing an additional burden on taxpayers. So while the state is concerned with out-migration, NDSU is bringing new families to our state.

Next, sponsored research allows the university to leverage appropriated funding. Four years ago, we stepped up our efforts in research administration. Research universities are allowed to build what is known as Indirect Cost Recovery into most research contracts. This is a percentage of the research contract used to help support campus infrastructure, things like the libraries, personnel support, utilities and expenses not directly charged to specific projects. NDSU faculty have become increasingly successful in securing research funding.

Because of our growing research portfolio, we added $1 million in each of the last three years to our salary pools, invested in research infrastructure as seen at the Research and Technology Park and elsewhere, and provided $100-thousand dollars in graduate fellowship funding. This is what we said we would do when we declared that we would take additional responsibility for finding the financial resources we need, and we have been successful during what has nationally been a tough economic period.

Finally, our research growth is fueling state economic development. The best illustration of this is seen at the growing Research and Technology Park, where next Monday Alien Technology will break ground on their new manufacturing and research facility. The facility, which will produce billions of "Radio Frequency Identification" tags for retail and supply-chain uses, is expected to be in operation as early as 2005 and initially employ about 300 people.

This is the world's first manufacturing-scale plant for this type of new technology. It’s not often that a region is in a position to foresee an emerging trend, then able to actually move to the front of that trend. This is the beginning step in the commercialization of a major new technology that will have an impact around the globe. North Dakota is on the ground floor of a tremendous opportunity.
One of the things we've learned from the people of Alien Technology and the other firms that are interested in possible relocation to North Dakota, is that their deliberations include much more than just business factors. They are very much interested in quality of life factors.

For many years, North Dakota's national reputation was most closely tied to winter. This is changing as survey after survey rates this area high for both business climate and quality of life. Executives thinking about relocation want to know that the families they send here will be able to enjoy theater, music, safe and affordable housing and, important for a significant number of people, is the availability of educational opportunities for members of the household.

The faculty of North Dakota State University has greatly expanded the academic Programs of this institution. We now have more than 100 baccalaureate majors, 50 master's degrees, and 40 doctoral degrees.

These additions have not come easily for the faculty members who have brought forward the proposals. First, it takes consensus from within a department, then a rigorous process is in place before a proposal can become a reality. Also, our growth has not always been understood by some who see it as a problem.

Still, the merits of our case for growth have prevailed, in part because while we have added 17 new doctoral programs in researched areas of need, we have not asked for new general fund money for these programs, deciding instead to reallocate and raise new funds. These programs allow students to continue their studies in state, bring new young people here, and are catalysts for those businesses seeking employees with advanced degrees.

We could not be complete in our discussions on programs if we were to limit the dialogue to our on-campus programs. As North Dakota’s original land-grant university, we truly have a statewide mission and physical presence through our centers and agencies. One illustration of our statewide commitment is the Extension Service's Rural Leadership North Dakota program. The program is for people who want to create the conditions for rural North Dakota to grow and prosper. In seminars held across the state, participants will learn about project management, creative thinking, and understanding rural policy.

Another illustration is the Nesson Valley Irrigation Research and Development Project. In this partnership with Montana State University and the U.S. Department of Agriculture, the potential for higher value crops is being explored. This could have a tremendous impact for the economy of northwestern North Dakota.

Let me give you one more example of NDSU's service to the citizens of the state. More than 20-thousand North Dakotans in seventeen counties have access to high quality pharmaceutical care because of the North Dakota Telepharmacy Project. In its second year, it serves as a national model of how essential services can be delivered to medically underserved parts of our nation.
Our final campus theme is Status and Reputation. Because of the recognition of our transformation and our emergence on the national scene, we are changing this theme to Stature. One measure of our stature among our peers is advancing to the highest level in the Carnegie classification system, that of Doctoral and Research University - Extensive. A key criterion is graduating at least 50 doctorates across at least 15 disciplines. With our new doctoral programs, we now have the means to achieve this goal.

There are other measures of our institution's stature among the nation's universities. The National Science Foundation ranks us in the top 20 percent of research university intellectual property holdings. The Wall Street Journal, Governing Magazine and others have reported on the success this region has experienced by harnessing the power of higher education to fuel economic growth.

Intercollegiate athletics is one more measure of our national stature. This is our last year as a NCAA Division II program. Next year, we will be in Division I. This process has been an interesting one to observe, as the media and others have debated the pros and cons of the matter. Now, I have a genuine sense from alumni, fans, and university friends that our decision is a good one, not just for NDSU, but for the entire state.

Lately, the discussions about athletics seem to have centered around tailgating before football games. This complex issue has been a challenge. Our perspective on this matter is fundamentally shaped by our role as an educational institution. And although we are studying tailgating, no other changes in campus alcohol policies are being considered.

During these past few minutes, we have discussed our campus goals and measured our progress toward achieving each. The general message is that goals that seemed to be such a reach four years ago are now within our grasp. In case after case, we are ahead of what I thought to be ambitious projections:

Enrollment of 12-thousand students is within our grasp

Research expenditures of $100-million now seem moments away.

Graduate program expansion has been achieved.

Within three to four years, the Carnegie classification of Doctoral and Research - Extensive will be a reality,

By any measure, our achievements and progress have been truly remarkable. And they are possible only because of the support and flexibility granted us by the Governor, Legislature, and State Board of Higher Education.

Where do we go from here? From my viewpoint, our journey has only started. We are a campus transformed to the next level and our stature has increased among the nation's land-grant universities. The momentum from our campus cannot be turned back. The energy from the faculty, staff, students, and alumni of North Dakota State University is poised to continue the fulfillment of our land-grant mission, bringing new wealth and economic development to North Dakota.
In closing, I leave you with this thought: together we have changed the way the nation views North Dakota and North Dakota State University.

Thank you.