



North Dakota State University

October 04, 2007

President Joseph A. Chapman

State of the University Address

Good morning and welcome to this, my ninth State of the University Address.

In the next few minutes, I hope to share with you the excitement I feel about the work we do on a daily basis at North Dakota State University, and look ahead to our future.

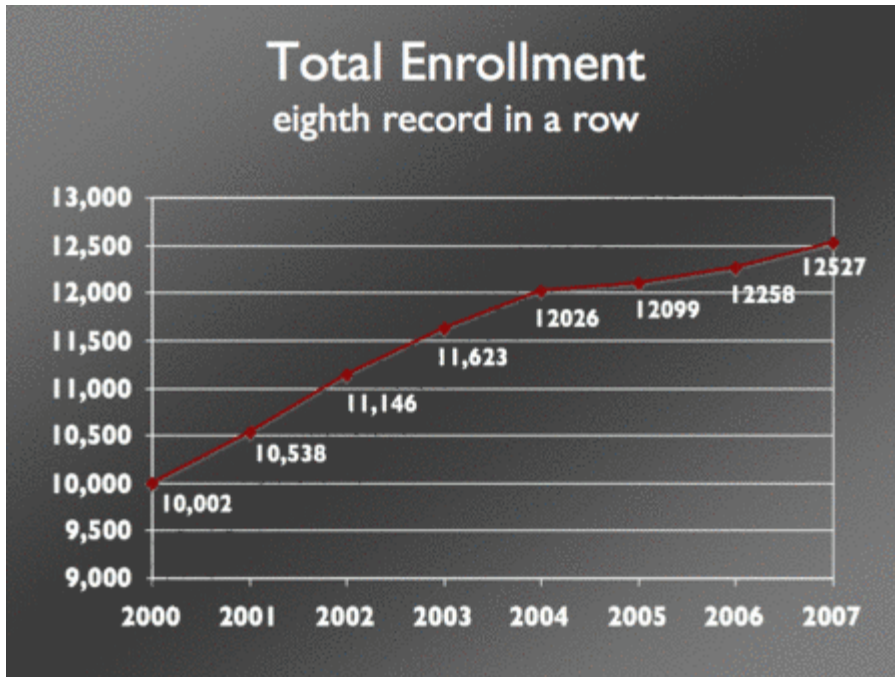
Guided by our campus themes of It's About People, Students Are Paramount, Programs, Leveraging Support, and Stature, we have made remarkable progress against some very aggressive goals set just a few years ago. I know of no other university that has accomplished so much in such a short timeframe.

Here's some of what we have done:

- We have our largest first year student class with 2,166 students enrolled. This is the third year in a row of record freshmen enrollment.
- We have more than 12,000 residential students coming to North Dakota State University every day.
- We have added academic programs that meet student needs, and now have more than 230 undergraduate and graduate programs. We will add more new programs this year.
- According to the National Science Foundation, we are one of the largest research universities in the Northern Great Plains region, and we have expanded the state's economy through our research efforts.
- We have raised millions of dollars in philanthropy from those who care deeply about our institution. We use these funds to leverage state support.
- Athletically and academically, we compete successfully at the NCAA Division I level. Further, as we complete our transition, all teams now have conference affiliations.
- And, our campus is considered one of the most beautiful spots in Fargo, as was demonstrated by the City of Fargo's first Vision Award. This is a tribute to our dedicated staff who create a world-class working, living, and learning environment.

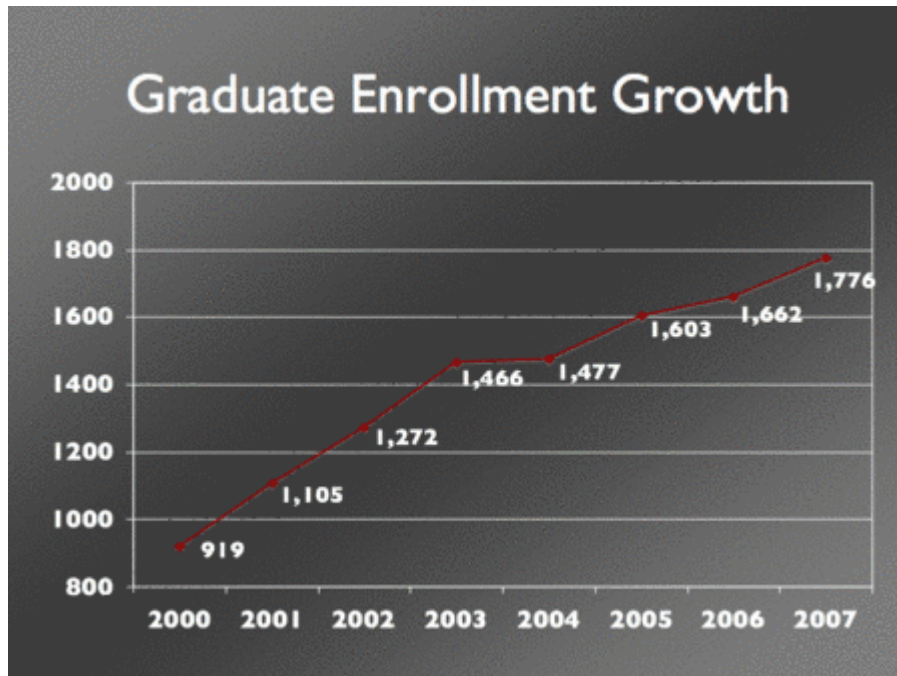
Today, when we talk about the future, it is built on this framework of our remarkable success and momentum. Each accomplishment adds to our stature and ensures that our success and momentum will

continue. So, as long as North Dakota demands success, as long as North Dakota rewards the successful, as long as the people of this region have unmet needs, they know, based on our record of accomplishment, that they can depend on us for results.

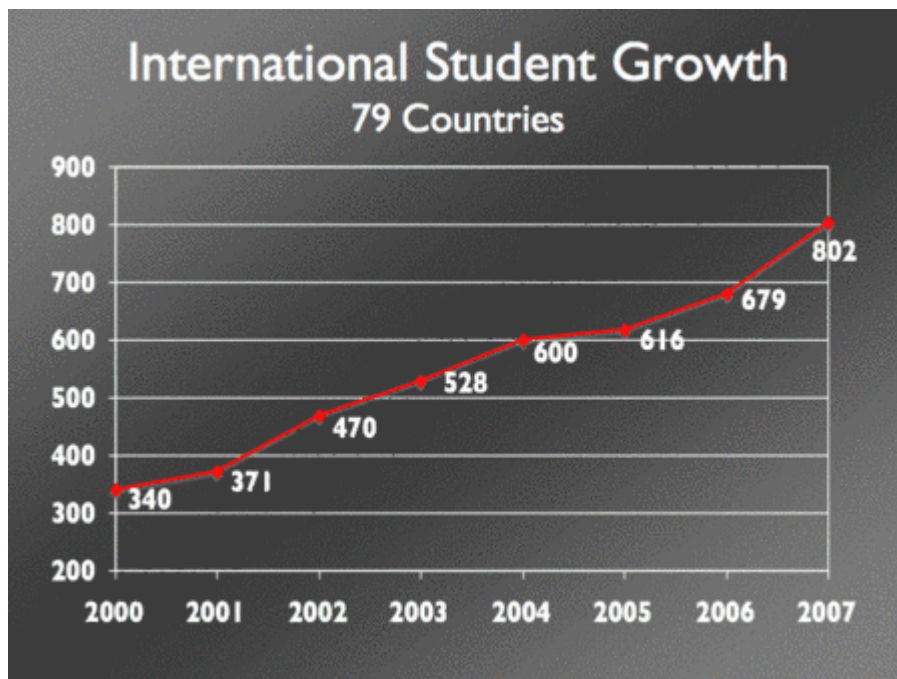


We passed our enrollment goal of 12,000 students in 2004, and this fall, we have record enrollment for the eighth year with a third week enrollment of 12,527. The satisfaction from this growth comes from seeing efforts undertaken years ago achieving the desired outcome.

Truly, we are the university of choice. When North Dakota and Minnesota students took the 2007 ACT test, more listed NDSU as their first choice university than any other state option. This is a very strong indicator that our enrollment will continue to increase.

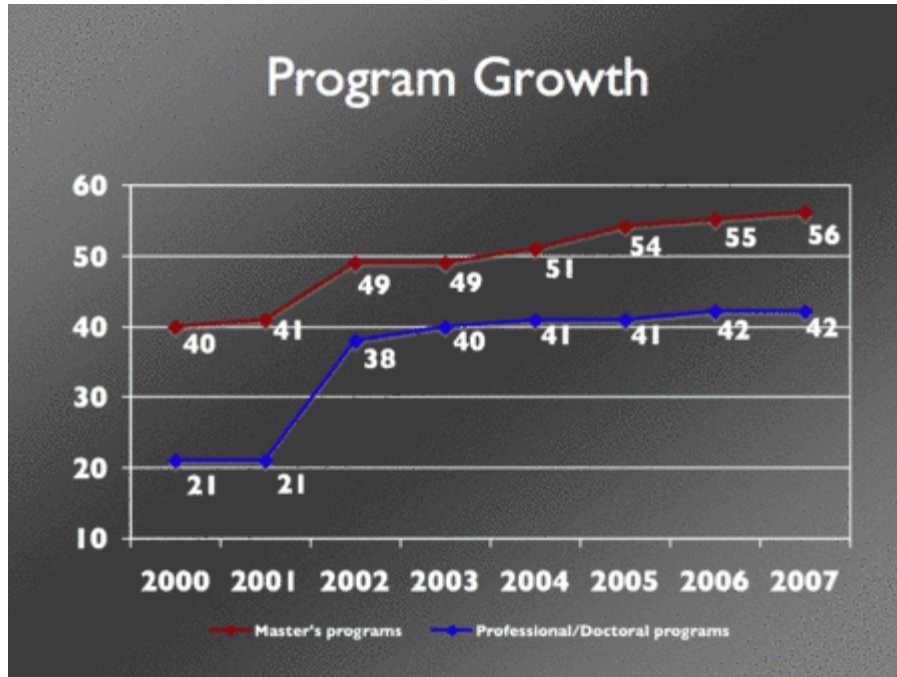


We emphasized our growth at the graduate level, and in eight years, enrollment has nearly doubled to almost 1,800 graduate students. Why is this important? Doing so offers the two-fold advantage of creating opportunities for North Dakota students to remain in state for graduate work, while attracting new students from around the world to North Dakota. This ability to attract students to North Dakota directly addresses the state's goal of stemming out-migration.



Our international reputation is growing, as seen in the increasing size of our international student body, now more than 800. Twinning agreements with international universities present exciting opportunities

for the future, both for international scholars to come here and for American students to obtain an international experience.



We have the program mix of our land-grant peers. Currently, NDSU has 108 baccalaureate degrees, 56 masters, and 42 professional/doctoral programs, with two more under Board consideration. This year, we granted 69 graduate doctoral degrees in 25 disciplines, the most ever in our history. We are a true peer among land-grant institutions.

We have focused on students. I can think of no better evidence than to point out how the students of NDSU have been active partners in our university's transformation. Students serve on every major campus committee and students have assumed direct responsibility of funding a host of campus enhancements. These projects include the Memorial Union addition, the expansion of the Wellness Center, and three new residential buildings that offer apartment style amenities in an on-campus location.

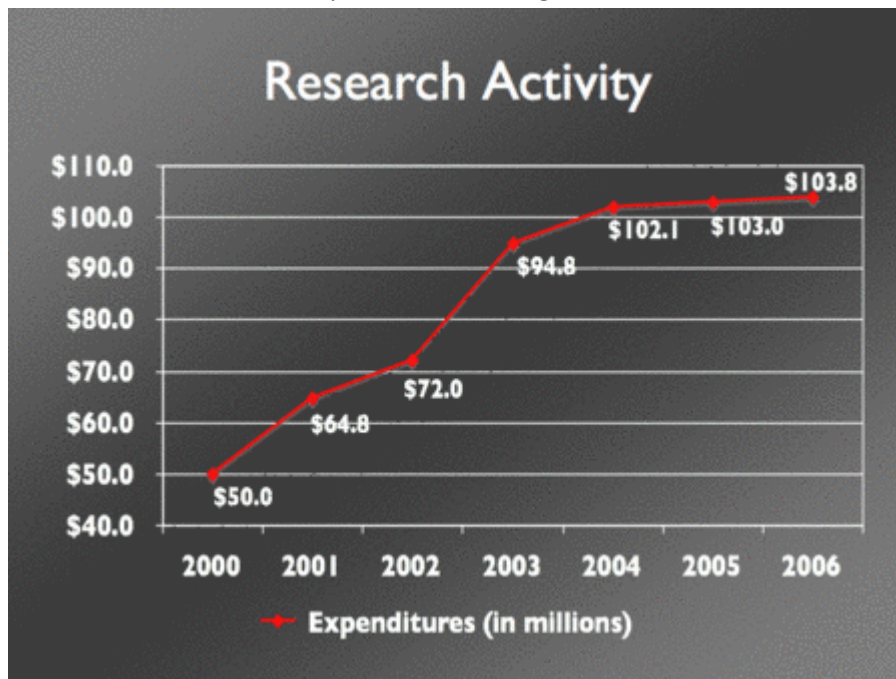
Students are heavily vested in the quality of their education and contribute through the skilled stewardship of the student fee dollars. Their recommendations guide the development and support of current informational and instructional technologies and many other activities. They are great partners in our success and momentum.

Institutionally, we are investing directly in student life. This week, Bison Connection -- our new student service center -- opened in the remodeled and expanded Memorial Union. We have made significant enhancements to commencement. Dining services has expanded its capacity. The Career Center has expanded its programming to alumni. Student participation in career fairs is up 12 percent with job postings up 14 percent. Participation in the ACE Program, which offers tutoring services in collaboration with the Athletic Department, has grown to more than 18-thousand visits this past year. One year after

graduation, 95 percent of our graduates are either employed or going on for further education. And the list goes on and on.

North Dakota State University has taken a direct approach to the problems of binge and under-age consumption of alcohol and the abuse of other substances. In partnership with the Safe Communities Coalition of the Red River Valley and the North Dakota Department of Transportation, we produced a video for parents encouraging them to talk honestly with their students about drinking. The feedback we've received on this video has been outstanding.

One area that has brought us some of the widest reaching recognition is the progress our researchers have achieved. North Dakota State University has reached the status of a large research university and we have a special role to fulfill in promoting North Dakota's economy and quality of life. NDSU faculty are charged with contributing to their discipline's body of knowledge and we do so by writing peer reviewed journal articles, by involving students in cutting edge research, and by sustaining our success and momentum in the competitive research grant arena.



As I mentioned earlier, the National Science Foundation measures research success through money spent in a given year on research activity. At \$103.8 million reported for 2006, NDSU is the largest research endeavor in North Dakota and 124th in the nation. We've exceeded \$100 million for three years in a row.

In many sub-categories, NDSU is in the top 100 including Science and Engineering - 86th, Chemistry - 96th, Physical Sciences - 76th, Psychology - 90th, Social Sciences - 43rd, and Agriculture. - 26th.

We have a concurrent responsibility to build on this scholarship to enhance North Dakota. NDSU's research tradition began in agriculture. Generations of North Dakota producers have relied on us to

conduct research, creating new plant varieties, and to share the results so that they may be more productive in their task of feeding a hungry world.

One of our recent success stories is Glenn Wheat. This year, Glenn accounted for 20 percent of the state's spring wheat production with 1.3 million acres planted and sales of more than \$300 million. Why is Glenn wheat so special, 1) it has extremely good quality and 2) it exhibits good scab tolerance. If you count all NDSU produced spring wheat varieties, 60 percent of the state's production comes from this university and accounts for more than \$900 million annually in sales.

NDSU research makes its greatest contribution when presented to the public, both in North Dakota and the world. Our Extension Service is charged with bringing this knowledge to the public and had more than 622,000 direct contacts with North Dakota citizens last year.

As a member of the Red River Valley Research Corridor, North Dakota State University is making a difference in creating jobs and opportunity. In August, a group of federal research lab directors came to tour our facilities and learn of our capabilities. We were particularly pleased by the comment of one director who was highly complimentary about how we have used research grants to build research infrastructure to support long-term research growth.

We are also pleased with the success of our Centers of Excellence programs, which require a two to one private sector match in dollars. We are conducting market-driven research that is growing our region's economy.

The success and momentum we've achieved in expanding our research portfolio is certainly apparent to anyone driving by the ever-growing Research and Technology Park. There are now more than seven companies involved in R & D and new technology development located in the new Technology Incubator, which opened only a few months ago. We now have more than twelve industry and agency partners working at the Research and Technology Park, with more than 425 employees.

Another area readily visible is the success and momentum achieved by the student-athletes, coaches and administrators of Bison Athletics. We made a bold decision in transitioning to Division I. In news story after news story, our decision has been reaffirmed.

The secret of our model has been the level of support from faculty, staff, students, alumni, and fans of Bison Athletics. We have been successful on the fields of competition, we have been successful in the academic achievement of our student-athletes - which is amongst the highest in the nation, and we have been successful in involving fans nationwide. Take away any of these criteria, and our win-loss ratio becomes irrelevant. The measure of our success is found beyond the scoreboards of the NCAA.

Stepping back from the daily life of North Dakota State University and reflecting on the transformation of this university, it is important to remember a factor critical to our ability to move ahead: the flexibility granted us by the legislature and the State Board of Higher Education. Their continued support and trust is critical to our success and momentum.

This past summer, Gale and I, with institutional leaders from the main campus, traveled to each of our seven research/extension centers and the North Dakota Forest Service. At every stop, we met with local alumni and friends, we met with members of the business community, and we met with local governmental leaders. Time and time again, we saw how the work at these centers is playing an important role in their regions.

We heard how local communities, in turn, value and support their programs in manners great and small, as seen with the dedications of the agronomy laboratory and greenhouse at the North Central Research Extension Center in Minot and the headquarters expansion at the Central Grasslands Research Extension Center in Streeter.

We traveled to these centers to stay connected to the people of North Dakota and were delighted to spend the majority of our time listening and learning. Each trip was marked by long hours and many miles traveled. But, in the end, these visits invigorated us.

Another critical factor to our success is that at this time the will for change exists in North Dakota. Traveling across the state last summer, I was struck by how fortunate we are to be at a point in time when crops are good and commodity prices high. At the same time, North Dakota's energy industry is doing well. People are working and state revenues are at record levels.

However, public institutions can do more. Empowered by North Dakota's Higher Education Roundtable, we are using the ability to make decisions locally to respond quickly when opportunities emerge. We cannot overstate the value of this ability. It has generated successes that are recognized by the state's elected leadership who, in turn, are making strategic investments in higher education at the highest levels ever.

In the coming months, you will see some of these investments taking shape in new greenhouses and the materials handling facility west of 18th Street, and the Beef Systems Center of Excellence, currently under construction near campus.

We're also grateful to the State Board of Higher Education, the legislature and the Governor for five percent salary increases for each of the years of this biennium. These increases have helped immensely in providing some relief to salary compression and help make faculty and staff salaries more competitive nationally.

Another immediate focus for investment has been to accommodate our enrollment growth with additional faculty and staff positions, some of these positions already filled and others with searches underway.

For the past several years, we have maintained and clearly shown that public investments in North Dakota State University have far-reaching impacts. A team of research scientists, led by Dr. Larry Leistritz have studied the economic impacts of NDSU's budget growth.

## Budget Growth Expands Economy

- 3,100 jobs
- \$1.9 billion economic impact
- \$116.7 million in retail sales
- \$5.4 million in additional sales
- \$2.3 million in personal income tax collections

Over the past eight years, they show that NDSU's budget growth alone has had a \$1.9 billion dollar economic impact. For 2007, this would support an additional 3,100 jobs, generate \$116.7 million in retail sales, \$5.4 million in additional sales and use tax collections, and \$2.3 million in additional personal income tax collections. Additionally, their study shows that for every additional dollar of state support NDSU has received, we have generated roughly \$7.50 of other funds.

One other item from the study bears mentioning. Student spending in the Fargo area, excluding tuition and fees, is estimated to be \$8,800 per student, per year. One half of our students are from out of state. Without adding the standard economic multiplier, they are bringing \$55 million of new wealth to our state's economy this year.

I've talked a lot about success and momentum. You will recall that NDSU's mission statement is, "With energy and momentum, NDSU addresses the needs and aspirations of people in a changing world by building on our land-grant heritage."

Momentum became the title of the most successful capital campaign in NDSU's history: Momentum: The \$75 Million Dollar Campaign for North Dakota State University. Today, I am pleased to report the conclusion of this campaign with the final amount raised of over \$100 million.

As you may recall, we started the Momentum campaign with a silent phase in 2002, a time of uncertainty in the nation's financial situation, and a time of less optimism than today. But still, thousands of individuals have made gifts to this campaign. We've enjoyed 27 gifts in excess of one million dollars. These are institution changing gifts and vital in our ability to reach our goal. But just as



important are the individuals on this campus and elsewhere who have reached into their pockets to participate in the campaign.

Working together through Momentum, we have raised more than \$41 million dollars for scholarships, \$12 million for teaching enhancements, and another \$12 million that provides support for other needs. Further, the NDSU Libraries has the new Weber Reading Room and we have nearly doubled the library's endowment.

Momentum is adding needed bricks and mortar to our expanding university. Tomorrow, we will host a groundbreaking for Klai Hall, where Architecture and Landscape Architecture will be located and, on October 11, we will host a groundbreaking for Richard H. Barry Hall, which will house the College of Business and the Department of Agribusiness and Applied Economics. In addition, Momentum has provided funding for Phase One renovations to the Bison Sports Arena.

To everyone who has contributed financially or with their service to the campaign, I say well done. Thank you. The Momentum Campaign for North Dakota State University has concluded and will change this university forever.

The people of North Dakota State University have been achieving extraordinary things on a daily basis, at the main campus in Fargo and across the entire state. When our transformation began, we set the bar high because the foundation was solid. We started with quality and built from there.

So building on this success, North Dakota State University is once again at a crossroads in its history. Where is our future? Where will our momentum take us?

Here's some of what we will do...

The Momentum campaign has led to a new initiative in support of Fine Arts at NDSU. A steering committee has been formed for a new group, called Bison Arts, that will generate funding in support of academic and performance programs, and seek to increase participation and visibility for all of the fine arts at NDSU.

This fall, I am pleased to announce the creation of the President's Council on Alcohol and Other Drugs. This task force is charged with developing a campus wide statement and policy on alcohol and other drugs. It represents an expansion of years of effort in this area and it is consistent with our mission as an educational institution.

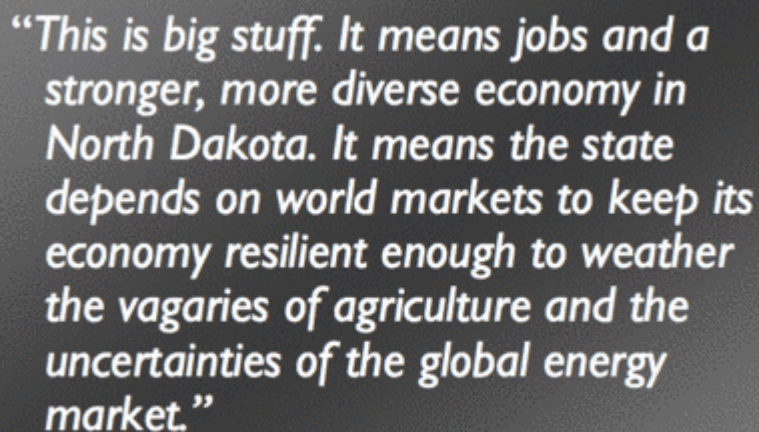
In student, faculty and staff recruitment and retention efforts, we strive to promote a more diverse university. The reasons are many, and include our obligation to prepare students to live and work in the global marketplace. Increasing our diversity takes efforts on many levels. The Diversity Council, for example, plays a major role in education and advocacy and will continue to do so by working on the university's Diversity Strategic Plan.

Another important group, NDSU FORWARD, is working on a grassroots level to understand and take action on matters of gender equity in our faculty ranks. The recruitment, retention, and advancement of

women and underrepresented groups in all fields are important if we are to be the national research university of our aspirations.

The future of North Dakota State University depends on how we blend our traditions with new opportunities. We must continue our excellence in teaching, research, and service. But we must also accept a new opportunity with challenge, that of taking our success and momentum to a global level. We will begin the process by bringing new and expanded international opportunities and connections to North Dakota.

For more than 100 years, NDSU researchers have traveled the globe in search of ways for North Dakotans to be more prosperous. And for just about as long a time, people from around the world have come to learn from us.



*“This is big stuff. It means jobs and a stronger, more diverse economy in North Dakota. It means the state depends on world markets to keep its economy resilient enough to weather the vagaries of agriculture and the uncertainties of the global energy market.”*

*The Forum-Sept. 23, 2007*

This is an opportune time to build on these relationships. To a greater extent than ever, North Dakota's future lies in its connectedness with global markets and ideas. In a September 23 editorial, the Forum wrote that North Dakota's burgeoning export activity was "big stuff" bringing jobs and prosperity.

NDSU can be a center of these efforts for North Dakota businesses seeking to expand their international presence. To facilitate our goal of being at the center of such activities, I am pleased to announce that the North Dakota Trade Office will co-locate with the College of Business and the Department of Agribusiness and Applied Economics at Richard H. Barry Hall.

In this partnership, North Dakota businesses will have ready access to faculty expertise, our students will have unique opportunities for involvement in international trade, and North Dakota will gain a level of coordination of international efforts by having one location for such interactions.

In addition, NDSU will initiate a new center -- the Center for Global Initiatives and Leadership -- located in Barry Hall.

Its mission will be to prepare students to become citizens of the world, to be catalysts for multidisciplinary work upon issues important to world business and trade, and to prepare participants for global leadership.

The decisions we make now have long-term implications. Setting the goal of raising our global presence is ambitious, but time and time again, the people of this university have mastered the ambitious.

As the state's land-grant university, we have an obligation to serve our citizens across the state. The Extension Service continues to provide educational support to agriculture, youth, families and communities, and now, in collaboration with the College of Engineering and Architecture, a new effort is underway to enhance Extension Engineering support to industries and communities across the state.

Newly placed extension specialists will have direct ties to engineering departments at NDSU to support existing activities in the Center for Community Vitality within the NDSU Extension Service. These efforts will also provide linkages to resources at the NDSU Research and Technology Park.

Initially, an Industrial and Manufacturing Engineering Extension Specialist will be located at the Dickinson Research Extension Center and a Mechanical or Electrical Engineering Extension Specialist will be located at the North Central REC in Minot. We have gotten a great response to this initiative from these communities and we look forward to expanding the service as warranted.

North Dakota State is rich in many ways: traditions, history, environment, and especially its people, who create our success and generate our momentum. So today, I am pleased to announce that NDSU will honor leading faculty members through the creation of a cohort named University Distinguished Professors and that each will receive funding stipends to supplement salary and academic activities.

As I read your names, I ask that each of our inaugural University Distinguished Professors stand and be recognized. They are Allan Ashworth, Neil Gudmestad, Tom Isern, Kalpana Katti, Bill Perrizo, Mukund Sibi, and Bill Wilson.

If we look at this group demographically and collectively, we find they have 175 years of service to NDSU, they have taught thousands of undergraduate students, mentored 94 masters and 71 doctoral students; they have published 734 refereed manuscripts, 11 books, 346 book chapters, and 687 miscellaneous publications. They have attended countless professional meetings and made 1,285 presentations. They have been involved in generating \$55.2 million in grants. They edit five journals. Each has also received many of our highest awards for teaching and research. Truly they represent a large reservoir of intellectual wealth.

These faculty members will have special responsibilities to help move the institution ahead. They will serve as advisors to the President and serve as special ambassadors for events such as the new Presidential Masters Program.

North Dakota State University has become the clear first choice of students seeking a higher education in North Dakota. We have seen steady enrollment growth for the last 10 years. This will continue for the foreseeable future. Accordingly, I have asked the cabinet to continue planning for even greater enrollment growth. This is an opportunity brought to us by our success and momentum. North Dakota needs educated people to fill our critical workforce needs. NDSU continues to be the bright "Beacon on the Prairie" envisioned long ago by Professor Hunter. We have success. We have momentum.

Thank you.