



LOFTY AIMS AND HIGH ASPIRATIONS: OUR MOST SIGNIFICANT FORTUNE
PRESIDENT ROBERT O. DAVIES
NOVEMBER 10, 2016

Good afternoon and welcome to the annual “State of the University Address.” I sincerely appreciate all of you, members of the Murray State family, for taking the time to participate in this forum either in person or online.

In framing my thoughts for this year’s Address, I reflected and thought about our current position, our moment in history and our future. In doing so, I think about the efforts that we must undertake to ensure our current status but also what we must do to strengthen our trajectory of successes to continue to be recognized as a national leading comprehensive university. As I think on this, our time in history and building on successes, I am motivated and inspired by the prolific words, leadership and wisdom of Dr. Ralph Woods, the fourth president of our University. Dr. Woods, in his 23 years as president, witnessed the transformation of Murray State. He began his tenure as president of Murray State Teachers College in 1945. He presided during a time in which many institutions saw rapid growth in enrollment in the late 40s, followed by significant declines in the late 50s. He benefited from enormous investments by the state and federal governments and

then a significant withdrawal of funding. He saw, relatively speaking, an enormous expansion of technology, as well as the racial integration of Murray State. During this time, we transformed from Murray State Teachers College to Murray State College in 1948, and then to Murray State University in 1966. His words to the new faculty in 1954 set the tone for our University during this time of radical change when he said, “Aims determine our direction, and aspiration determines how far we may go in that direction. Be assured, that lofty aims and high aspirations will be our most significant fortune.”

In many ways, it was the words of Dr. Woods that guided us last year as we faced, possibly in the history of Murray State, the most difficult fiscal challenge regarding the amount of funds that needed to be redirected and cut, the timeframe in which it had to be implemented and the overall impact on our University and community. While this was a difficult and strenuous time we, as a community, stood together and worked to overcome this challenge. The leadership team of the University, the vice presidents, deans, Faculty Senate, Staff Congress, department chairpersons, the Board of Regents and many others worked diligently to find ways to ensure our fiscal stability. The University community responded with ideas and suggestions and offered endearing support.

You, the faculty and staff, supported one another and our students through this turbulent time of immense change, ambiguity and anxiety. Because of your support of one another, and your commitment to the University community, we navigated the twists and turns brought on by the fiscal challenges and political maneuverings and we were able to create clarity of vision and purpose by focusing on what we do best. We excel at the art of teaching and learning. We are at our best when we are providing a foundation for the dreams, goals and aspirations of our students. We are motivated to succeed, and are unstoppable, when we are student-focused.

It was during this critical time that we did not waiver from our goals, our values and we did not lower our aspirations. We did not alter our goal of being the best student-centered university in America, nor did we shy away from our commitment to the highest quality and standards for our academic programs. We did not forego our commitment to providing exceptional co-curricular activities and support for our students. We faced our challenges and moved forward. We exceeded our own high expectations of rigor, relevance and excellence.

Now, I could take time to discuss our rankings in *US News & World Report* and how for 26 years in a row we have been ranked as one of the finest universities in the South; or our seventh time

recognized by the *Chronicle of Higher Education* as a Great College to Work For; I could mention any number of research grants, including the recent \$3.8 million National Science Foundation grant to support the research efforts of Drs. David White and Susan Hendricks of the Hancock Biological Station or the research grant to support the work of Dr. Maeve McCarthy and the ADVANCE team to understand the barriers in recruiting and retaining female professors in STEM-related fields in rural areas—and please be sure to participate in their survey that will be released early next semester to assist this important research; or I can report on the Hutson School of Agricultural Leadership Council overseeing the packing and delivering of 42,366 boxes of meals for Murray Kids Care for Hunger organization shattering the previous record; or I could report on how our Department of Accounting was named as one of the top accounting departments in the world by the Social Science Research Network or how the Murray State IEEE Robot Team finished 2nd, outperforming the likes of UK, UofL, Georgia Tech and Alabama, in the SoutheastCon 2016 Student Robot Competition. Speaking of competition, I could mention the success of our student-athletes with numerous OVC championships, or achieving a 963 Academic Progress Rate—which is among the highest in the OVC, or the 18 All-Academic student athletes with 201 on the Dean’s List and the over 83 student-athletes who have a perfect 4.0 GPA in the past

year. Yes, I could go on about the amazing work of our music and theater departments and the numerous accolades and invitations to perform and the stupendous production of “Little Shop of Horrors” performed earlier this year or the Murray State Chamber Orchestra inspirational performance of internationally-acclaimed composer and guest conductor, Omar Thomas, and the premier of his work, “Of Our New Day Begun.” Yes, I could recite and exude these accomplishments. But instead of a laundry list of important and notable accomplishments, let me provide a sample of what matters most to each of us, a sample of the spirit and inspiration that we provide to our students.

Morgan Owens, a senior psychology major from Louisville, was awarded the Psychology Undergraduate Research Award for the best Psychology research project of the year. Under the guidance of Dr. Maria Brown, she has been researching the correlation between Alzheimer’s and bilingualism.

Encouraged by Drs. Peter Weber and Robin Esau, Nonprofit Leadership Studies student Sabrina Smith is interning at Murray-Calloway County United Way this semester. In talking about the influence of her professors she said, “The faculty and staff in the nonprofit department is one of the things I love most about Murray State. Every professor I’ve had in the nonprofit department is dedicated, passionate, kind and involved beyond belief.”

Our faculty are incredibly dedicated. Take Sandy Minor in the School of Nursing and Health Professions for example. At 81, she continues to mentor students. What drives her to keep going is her passion for working with students and seeing them progress. The program has had many talented students over the years, but she especially loves helping the students who have had to work extra hard to succeed.

Student sing Murray State' praises because of the excellent work of our faculty and staff. For example:

Perseverance Sani, accounting/finance

“Murray State has given me the opportunity to be able to grow and learn as an individual and also the opportunity to develop leadership skills by serving as a Resident Advisor in one our Residential Colleges and be proactive out in the community. I really enjoy the community and I am assured that Murray State cares about my well-being as an individual and also cares about my future and my education.”

Hailey Harrison, public relations...seventh Racer in her family!

“Murray is the perfect definition of balance and growth. Murray is a place where everyone is accepted for who they are, while at the same time making the connections that help you grow into the person you want to be. The faculty and staff are extremely helpful

and want to see each student succeed. They understand that while yes, you are ultimately here for school, these college years are where you find your niche, passions and where you set goals for yourself and your future, so they encourage you to get involved in other organizations on campus and in the community. Murray provides ample opportunities for personal and professional growth and you will never lack a support system in Racer Nation.”

Another example is senior Vasiliki Wilk traveled to and interned in Thailand with the Boston-based Loop Abroad program. A pre-veterinary medicine major within the *Hutson School of Agriculture*, Wilk gained hands-on veterinary experience at an elephant sanctuary and a dog shelter during the trip. The experiential learning opportunity doubled as a global experience.

“The opportunity was incredible,” she said. “This opportunity meant gaining experience in the field of veterinary medicine, traveling the world to experience a different culture, food, religion and way of life and also making friendships and connections that will last a lifetime.”

A final example is graduate student (and Homecoming Queen) Kelsey Bogard is studying Postsecondary administration/student affairs and is gaining incredible hands-on experience working as an intern in the Office of Student Affairs. She’s actively involved in several student organizations and is a Marvin D. Mills Scholarship

recipient. Her dream is to work in higher education, to actualize the ethic she has seen in the faculty and staff who have supported her and be the agent of change, of positive change, in future students and generations to come.

Based on these statements and observations from our students, there is no question we have furthered our rich history and reputation of excelling academically as well as being among, if not the, best student-centered university in America.

When Dr. Woods served Murray State, he built on the rich history and tradition and guided it through many challenges and changes. As in the times of Dr. Woods, we too are at the apex, the point of significant change and we must adapt to the altering landscape and build upon our tradition of excellence. Two years ago, we adopted a new Strategic Plan and this remains our guide during these times of change. It too, as we saw last year, allows us to be flexible in our approach but remain focused on our high aspirations. Over the past year, we have initiated the plan and can celebrate many accomplishments and revel in the momentum we have created.

For example, as part of the Strategic Plan, we made a commitment to higher admission standards for incoming freshmen and transfer students. We did this because we need to be confident that students will be able meet the demands, academically and others, of a rigorous academic environment. The result was an increase in

our freshman class by slightly over 2 percent. Moreover, we saw a corresponding increase in our ACT scores to an average of nearly 24—the highest in recent years—and the percentage of students who were among the academic leaders in their high schools. Our Honors College grew significantly, including 176 new students—the largest freshman class in its recent history. From the Annual Freshman Profile survey, the number of students needing remedial courses has declined by nearly 10 percentage points; and those needing two remedial courses is now less than seven percent of our student population with just over two percent of our students needing three remedial courses. The result is that our students are better prepared and, from the comments I have received from many faculty, more engaged in the classroom. Our freshmen retention rate increased by nearly 3 percentage points and is just shy of 74 percent, again, a rate that is among the highest we have recorded in recent years. We anticipate, with the quality of our new freshman class, that we will continue to see increasing freshmen retention rates and achieve our ambitious goal of 78 percent, placing us among the highest tier for public universities. This effort will begin to affect our graduation rate positively, which has declined in past years due to declining retention rates and lower quality metrics. I am confident that we have initiated an upward trend and our trajectory of success will increase over the next several years. All of this would not have been possible

without your support and dedication to our goals of student success.

As part of the Strategic Plan, we also implemented a new scholarship model and reset our tuition rates. Our scholarship model is more aggressive and progressive and is essential to our ability to attract high achieving and capable students. The new model has already proven to be successful as we have been able to recruit a higher number of Tier 1 students than ever before. And, because of the percentage of tuition approach, this is ensuring an affordable and predictable model for our students. No other university that we know has such a model.

While speaking of enrollment, even with the increased freshman class, our total enrollment is down approximately 500 students, or just over 4 percent. This is due to previous declining freshman classes and transfer students over the past several years following the significantly larger classes in 2011 (of 1,509), 2012 (of 1,603) and 2013 (of 1,569). These classes have graduated and have not been replaced by similarly sized freshman classes until this year's class.

Our official enrollment for this year is 10,496. We have welcomed 1,502 new first-time freshmen and 605 new transfer students. We have 8,887 undergraduates and 1,608 graduate students - but it not those numbers what ultimately matters. What matters is our

commitment to each one of these students as a person and as an individual who has entrusted us to help them refine their talents, to provide them with tools to be successful in their lives and to find out more about their soul than to merely pass along technical knowledge and expertise. It is about the personal stories, the personal interactions between and among faculty, staff and students that is at the heart of Murray State University and what we stand for.

That is why, when we think about the core value of Murray State, we always talk about our commitment to being student-centered—focusing attention on the success of our students and making decisions based on what is in the best interests of the student. In our decision making process, budgetary and otherwise, we put forward as the test our vision of being the best student-centered University in America and whether a particular decision will enhance or detract from those efforts.

We continue to navigate the new dimensions of higher education as changes are constantly providing new opportunities for us to excel. These forces are not necessarily new, however, they have intensified. Fiscal challenges will persist as state funding will not increase but costs will. We need to continue to strengthen our own shared governance process and increase the transparency of our efforts. We also must prepare our students to compete in an ever-

changing and quickening world where the value one brings is not what they know, but what they can do with what they know.

Regarding the fiscal challenges, our state appropriation budget for the past decade has been in a continual decline. Last year, the trajectory of declining state support was accelerated, by the reduction of \$2.1 million in state funding, but this was not the only fiscal issue we faced. We also were forced to confront significant changes in our fiscal foundation including an increase of \$1.1 million for pension costs; another \$1.3 million for salary and wage changes; another \$1.6 million for the FLSA changes; a \$2.6 million in declining revenues and an increase in our insurance premiums, utilities and other costs.

As mentioned earlier, our enrollment is down slightly and we must address this and we are. We are in the process of establishing a higher goal of incoming freshman and transfer students and not diminishing our standards—we don't need to be the biggest, just the best at what we do. Getting new students is just part of the equation—we must see them to graduation. We are continually evaluating our retention efforts and are in the process of expanding these efforts beyond just the first year. Our branding and marketing efforts are essential to our ability to recruit new students as we communicate our distinctive qualities and attract the student who will thrive at our University. Also, these efforts assist in

retention as it reinforces to current students why they are here as well as new opportunities they can pursue at our University. These efforts also assist in other areas, such as faculty and staff recruitment, fundraising, legislative affairs, and our rankings.

Like many state universities, we have relied on the state appropriation as one of our two main revenue sources. This model, as stated, continues to provide less funds as a percentage of costs, and with increases in tuition not being feasible, we must develop a new business model. Therefore, we need to engage in new ways to generate revenues. This includes seeking new, as well as expanding existing, markets for students. This not only includes aggressively expanding our footprint in our contiguous states but also seeking more transfer students and creating clear pathways to Murray State. This initiative was included as part of our Strategic Plan and I am pleased to report that we have 133 active articulation agreements with community colleges, surpassing our goal of 130. Similarly, we must also seek new ways to recruit adult learners who are not currently enrolled in community colleges. This will require us to think about many aspects of our course offerings in terms of location, timing and modality. We also need to engage in offering new services to area organizations based on our existing capacity and proficiencies—for example, expanding our certificate offerings and continuing education opportunities. This effort will involve some calculated risks, no question, but we need to fortify

an entrepreneurial spirit on activities that are based on our expertise and have the potential to produce revenues. Our campus throughout the region can be instrumental in this process of identifying opportunities and providing a structure to extend our reach in many areas.

In this spirit, I have asked the deans to engage in a dialogue of not only thinking about the opportunities of today, but also consider the areas of growth, the new emerging programs and how we work across traditional organizational lines to create new programs and foster ideas. I have asked them to help me identify, and remove, barriers of entrepreneurial activities - to help us, as university be nimble and flexible. I am asking you, our faculty and staff, to think creatively and entrepreneurially as well and offer me your thoughts and ideas. We must be willing to put some resources at risk for new ideas and I am formulating plans to do just that.

Therefore, as a point of action, by the end of this semester, I'm asking you to provide your dean or vice president with any new ideas, suggestions or plans you may have. We will discuss all ideas, select those that show the most promise and provide the space and resources to try them. We have already done this by providing strategic planning grants, awarding 18 just this year totaling nearly \$125,000, which have proven to be successful, so I know we can engage on this as well. We must discover new approaches and ideas. We are also analyzing various opportunities

with auxiliary enterprises and partnerships to support our students as well as enhance our fiscal position. We cannot simply continue our current and past practices. Your thoughts and ideas are welcome. I know we have very smart and creative members of our community who will be able to assist this effort.

As part of our revenue diversification process and as part of our Strategic Plan, we are aggressively fundraising and we are preparing for a capital campaign that will focus on student success, scholarships and increasing our endowments to sustain academic rigor as the foundation of excellence and enhance the student experience. As we prepare for a campaign, I am encouraged by the nearly \$6 million raised in private gifts this past fiscal year, a 47 percent increase from the previous year, and this will help us continue to propel our efforts.

Another fiscal shift upon which we must focus is the adoption of a performance funding model. In short order, our state appropriations, in part or in whole, will be allocated based on outcomes and performance levels that are achieved. There is, understandably, anxiety about the implementation of such a model as it represents a significant change and introduces new variables to our planning processes and the metrics that are commonly used to reflect the success of our students. The initial model includes, for example, the number of students progressing toward

graduation; number of students graduating and the number of students completing STEM-H programs. There are also metrics based on the success of low income and underrepresented students. For the forthcoming year, at least 5 percent of our state appropriation will be based on a performance funding model and this percentage will increase in subsequent years.

One can look at performance funding in many ways - as a threat or as an opportunity. Our goal has always been student success and our Strategic Plan is based on this core value. Therefore, broadly speaking, if we continue to follow our Strategic Plan, with recruiting students who are college ready and capable and who have demonstrated that they have the persistence required to earn a degree, we will compete very well in the performance funding model. As per our Strategic Plan, we have made adjustments in our admission process, we increased retention rates and expect them to continue to increase and we are focused on graduation rates to achieve our goal of 58 percent. Our Strategic Plan has noted an increase in the number of STEM-H degrees and we are seeing significant progress. In our Strategic Plan we set forth a very ambitious goal and I am pleased to report that last year we granted 1,036 STEM-H degrees, an increase of 25.6 percent over the previous year. All of this work positions us well for the forthcoming performance funding metrics.

We do need to work on the recruitment, retention and graduation of students from underrepresented backgrounds as well as those from low-income households. We must close the gaps between student populations and that will require us to rethink and invest in pertinent areas where perhaps we have not in the past. We are engaging with leading community organizations and foundations to assist us in this recruiting effort. I am talking with many experts about closing the achievement gaps—both on and off campus—to provide structures and enhance current efforts to ensure success.

Additionally, we cannot focus only on student recruitment, we must also attract, recruit and retain a diverse staff and faculty to reflect the changing demographics. We must more fully support the tremendous work of Dr. Crystal Coel through her collaboration with the Provost's Office in implementing the Diversity Development Initiative for Faculty Fellows by being more strategic by projecting faculty positions and areas of growth. We must rethink how we position Murray State in the employment markets and seek to expand our pools of applicants. We must embrace these initiatives with diligence and speed as we have a long way to go to fulfill our mission in this arena.

To conclude our discussion on finance, we all know that Murray State is a wise investment. In our efforts to prove this to legislators and the public, in terms that many can understand, as part of our

Strategic Plan, we set forth an objective to measure our economic impact. Last year, we engaged nationally-recognized economist, Dr. Gil Mathis, a Murray State professor emeritus, and graduate student Savannah Allen, to determine the economic impact that the University has on the immediate area, our service region and the Commonwealth. In short, we impact, economically speaking, Calloway County in the amount of \$209.8 million and this is based on investment by the County of \$8.3 million; therefore, a net return of over \$200 million — not a bad return. For the 18-county service region, our gross economic impact is \$306 million based on an investment from the region of \$10.6 million or a net economic return of nearly \$296 million. For the state as a whole, we receive an investment of cash, services, construction funds etc. of \$132.2 million and we return \$495.1 million in economic benefit or a net return of over \$360 million. Murray State University is an amazing and terrific investment for the state.

Also, as part of our Strategic Plan, we continually strive to strengthen our shared governance as well as increase the transparency of our decision-making processes. I am pleased to report that we have instituted the Budget Advisory Committee. This is an important component in our process to increase transparency and further our commitment to shared governance. The Budget Advisory Committee is comprised of two members each representing faculty, staff and students with each being

appointed by the Faculty Senate, Staff Congress and the Student Government Association, respectively. The Budget Advisory Committee has a charge of gaining knowledge and understanding of the complexities of the University budget, providing advice and wisdom to me as we establish the annual budget and communicating effectively to the bodies they represent. While still in the early stages of its formulation, I have been pleased and impressed by the early discussions and exchange of ideas that have been provided.

As we navigate our challenges and opportunities, we must also remember and reinforce the value of higher education. More and more people purport that the reason for the degree is a job, a job that magically will appear once the diploma is printed and the ink is still drying. While I do agree that there is a correlation between employment, salary levels and life satisfaction, the reason, the sole reason, for a person to obtain a college degree should not be to get a job. Rather, it should be to embark on a lifelong journey based on the seeking of new opportunities, new horizons, a passion of discovery in which the person will be richly rewarded in many and diverse ways. Yes, employment will be among those. But how do we measure, “a job in one’s field.” A college degree is about drawing these connections and honing the skills and talents, and sometimes helping someone discover them, as they set forth to achieve their dreams and aspirations.

As we think about the future, we need to continually refine and strengthen opportunities in terms of what makes Murray State unique and provides exceptional value. Over twenty years ago, the answer to this question is what drove the creation and implementation of the Residential College System. The Residential Colleges furthered and expanded upon our commitment to student-centered concepts and enhanced opportunities for creating communities between and among our students and with our faculty and staff. Continuing these efforts and furthering our student-centered philosophy and building community, our initiative to provide and have every student at Murray State participate in an experiential learning activity (an internship, study abroad, clinical/practicum, a research project or other active learning opportunity outside of the classroom) will propel us forward. These activities must draw connections between and among the student's major, the core curriculum, and the entirety of the undergraduate experience. This must be intentional and reflective and focused on enhancing the experience, not just another activity. This will build on our teacher-scholar model and reap significant benefits for our students and us as well.

We know students who participate in experiential learning activities are more likely to graduate, to achieve personal and professional goals, to secure leadership positions and to be civically involved. As the Residential College changed our

culture, for the better, this commitment to our students, current and future, will do the same. To achieve this goal, we will need to institute organizational structures that will align various offices and units to create seamless integration across the University. We also must ensure our curriculum and teaching continues to reinforce that the objective of higher education is not merely the first job after graduation, rather livelihood based on continuous learning, civic engagement and where one's true value and success is measured not on their title and salary, rather than positive impact on society.

Another important and critical initiative we must embark upon, to reinforce the civic nature of higher education, is the concept of the Marketplace of Ideas. I position this in the current environment of tension that has permeated the political season. There is an air of mistrust and blame, of laying fault on others. Through this process, hope is replaced by despair, and truth, fairness and justice in debate and dialogue is being replaced by the loudest voices in the room. We must take this moment and question, and ask, how do we build trust, safety and security for ALL members of our community. We cannot tolerate to have members of our community walk on our campus be fearful, to be ashamed, for who they are and what they believe in.

I believe we must work locally in order to address these tensions and issues and begin the process of healing and creating respect for all of our community members. We must ask ourselves how we are dealing with this at Murray State, within our community, with discussions about race, color, national origin, religion, gender, sexual orientation, gender identity, disabilities, political leanings or any other dimensions on how one would identify self. We must do this to create respect and understanding. We must ask ourselves are we instilling in our students the skills needed to be culturally aware, to understand the value of diversity and inclusion, to be able to relate to people with different backgrounds, religions, beliefs, thoughts and value in order to be able to bring people together for a common purpose. Or, instead are we furthering a divide and isolating people within our community. Are we actively examining our own actions and ensuring that we are not unintentionally distancing others instead of embracing the unique attributes inherent in each member of our community. And do we realize that these characteristics collectively bring richness and boldness to our community. These are the questions and discussions we must engage in. They are not easy, they are not comfortable, but they are necessary and that is the crux of the Market Place of Ideas that we need to embrace.

We, clearly, have a way to go and I am committed to taking the steps, small and large, to begin this process of healing and coming

together. We must begin now to create a lasting culture that is inviting, that is inclusive, of all. We must work diligently to create an environment that encourages asking difficult and pertinent questions and allows, that fosters, discussions to occur in a civil manner. We must be able to disagree agreeably and base our arguments on fact and reality, not on stereotypes. As a university, as a Marketplace of Ideas, we must allow all an opportunity to have their voice heard and understood. We need to engage in an intellectual discourse to shed the light of inclusion, fairness, social justice and equality.

We have our challenges, no question. At the same time, these challenges represent immense opportunities for us as a community, as a university, to be a dynamic organization that, while holding to our values of student-centered activities, can transform ourselves as any learning and growing organization does to become stronger, more resilient and increase our ability to meet the new demands of the communities that we serve. We know we live in a very quick and changing world. We know that in order to meet these changes, people and structures must change and adapt. We, too, need to undertake this work. At the same time, as we embrace change, we must hold onto our beliefs and structure our new paradigms to reinvest in this core. We are making a difference. We are, person by person, giving life to the values and goals of American public higher education and that is to transform

individuals to enable them to lift communities upward and advance the society for the betterment of humanity.

Dr. Woods and Murray State faced this same scenario during the late 40s to early 70s as Murray State literally transformed itself. It changed as it grew but it never lost sight of its unique values and mission. The University community did not lower its aspirations in the face of ambiguity but instead sharpened its focus and aimed higher and we benefit today from their commitment to grand aspirations.

This past year tested our ability to remain focused on our goals while overcoming a significant fiscal challenge. Our values remained the same even though our plans may have changed. We are now in a time where we cannot rest, or relax, but rather we must remain diligent in our efforts of becoming the best student-centered university in America. We must, we will, keep our aspirations high, as Dr. Woods said, “Aims determine our direction, and aspiration determines how far we may go in that direction. Be assured, that lofty aims and high aspirations will be our most significant fortune.”

Our aspirations are set on ensuring Murray State remains as a well-known and respected university, one of extreme value and pride. Our goal is not to be the biggest, it is to be the best at what we do and that is making a difference in lives, one student at time. That

is our goal, our mission and our vision. As we achieve that, we do, in fact, change the region, the state and the nation — all for the better. We will not alter our vision and lower our aims.

We are one of the finest Universities in America and I appreciate what you all, collectively and individually, do for our students and our University.

Go forward and be kind, be generous, to one another.

Thank you, God Speed and GO RACERS!