State of the University Address
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Good morning. A year ago, I stood before this board and delivered my first state of the university address. Since then, the University of Nebraska has been in the news a great deal. Stories focusing on budget cuts and program reductions may have distracted the public=s attention from an important truth: the University of Nebraska plays an integral role in the educational, economic and cultural vitality of this state.

And despite what you read in the newspaper, the University of Nebraska is thriving. There is a pioneering spirit here that is part of our great history. It also guides us every day as we face new challenges and new frontiers.

During these times, we can learn from past Nebraska pioneers like Willa Cather, an 1895 graduate. In Professor Robert Knoll=s book *Prairie University,* Cather describes a University of Nebraska that had Aan atmosphere of endeavor, expectancy, and bright hopefulness.@

Eighty years later, University President D.B. Varner echoed that theme, saying Aa pioneering spirit underlies Nebraska=s many contributions to the nation,@ buoyed by the university=s Aindispensable scientific and cultural enrichment.@

Willa Cather and Woody Varner would be proud of today=s University of Nebraska. It continues to be a university with an atmosphere of expectancy and bright hopefulness. It continues to be a university that provides indispensable scientific and cultural enrichment to fire this state=s pioneering spirit. Indeed, as we have said many times over the past year, we've always been pioneers – it's the frontiers that have changed.

Today=s University of Nebraska stands proudly in the company of America=s great public universities, with an outstanding faculty and staff and a student body that is as intellectually strong and dedicated to learning as any in our history. Like other universities, however, we face enormous challenges.

This year alone, the chancellors of our four campuses will implement legislatively mandated budget cuts totaling over $31 million. That comes on top of $8.3 million in reductions made last year.

To manage these cuts, we have done two things. First, we have become more efficient. Not just in the past year, but over the past 10 years, our business and administrative functions have been carefully scrutinized, and we've realized millions of dollars in savings and cost avoidance. To ensure that we remain good stewards of the state's resources, we are also continuing to coordinate both academic and business operations among our four campuses.

Second – and this is the part you've read about – we have reduced or eliminated programs on our campuses and across the state. We have done so by first identifying our areas of academic excellence and ensuring that they are supported, then making cuts in programs that are less central to our mission. The most painful aspect of these cuts is that, by the time this process is completed, we will likely have eliminated some 400 positions. Many dedicated staff and faculty who have given decades of service to the university will lose their jobs, which is a situation we deeply regret.

Budget cuts certainly affect individuals and programs on our campuses. But communities across the state also feel the ripple effect as university services are eliminated or reduced and jobs in the community are lost.

The fact is, the University of Nebraska can be a major part of the solution to our state's current economic crisis. But not in the way you might think. Not by continuing to cut budgets and eliminate programs. Instead, I urge you to look at the many ways the university can help put Nebraska back on a path to growth and prosperity.

The University of Nebraska provides the education that empowers the next generation of Nebraska=s leaders in business, agriculture, health care, government and education. We help businesses get started and succeed. Our research produces new discoveries and sparks creativity – attracting new businesses and talented people who contribute to the vitality of our communities.

In the long term, nothing can positively affect the financial stability and quality of life of this state as dramatically as the University of Nebraska. That=s a tremendous challenge that requires us to be very focused as we pioneer new frontiers in teaching, research and service.
I see many positive signs that we are on the right track.

Our campuses are earning national recognition for innovative undergraduate education, up-to-date technology and value for the dollar spent. This reputation is built on our faculty and staff – people like **Charlene Berens** at UNL, who was recently named one of three outstanding journalism teachers in the nation by the Freedom Forum.

And people like UNMC nursing professor **Carol Pullen**, who has made nursing education available to rural residents via the Internet, giving opportunities to those who otherwise could not earn their degrees, while at the same time addressing the shortage of health-care workers in rural Nebraska.

It is built on the outstanding experiences we offer our students in the classroom through our honors programs and institutes that attract top students from Nebraska and throughout the United States and through unique learning environments.

For example, **Dr. Charles Bicak** of UNK's Biology Department uses a Mobile Environmental Lab to travel statewide conducting research on air and water quality, native vegetation, and soil

conditions. The lab gives students an opportunity to be involved in research, with six workstations featuring state-of-the-art equipment.

In addition to giving our students a great classroom experience, we are successfully preparing them for the real world. Our partnerships with the business community contribute to these opportunities through internships, mentoring relationships and special programs. **The Gallup Organization,** for example, has joined with UNL=s College of Business Administration to create two new master=s degree programs in Executive Leadership. A unique feature of the program, which is directed by **Bruce Avolio,** is that students will receive support for three years after graduation to continue to nurture their leadership strengths.

UNO has joined with the National Urban League to launch the **Black Executive Exchange Program** in Omaha, which encourages African-American students interested in pursuing high-level industry and government careers. This is the first time the program has been offered outside a historically black college.

And at UNK, one of the nation's largest Industrial Distribution programs not only prepares students to succeed in high-technology industrial environments, it can boast a 99 percent placement rate for graduates. An advisory board of CEOs from the United States and Canada helps guide the direction of this program, which is led by **Dr. Don Envick**.

Our reputation is also built on the experiences we provide outside the classroom to encourage students, and citizens, to experience a wide array of cultures, ideas and viewpoints.

In recent months, our campuses have hosted Archbishop Desmond Tutu, Pulitzer Prize-winning author Thomas Friedman, Mikhail Gorbachev, Nobel Peace Prize winner Oscar Arias and biographer Nel Irvin Painter B to name just a few.

A university not only imparts knowledge to students B it conducts innovative research that creates new knowledge to benefit the whole of society. And this is another area where our reputation is growing dramatically.

Research is sometimes depicted as a solitary pursuit, with little practical application. That couldn=t be further from the truth. Research being conducted today at the University of Nebraska will have a direct and positive impact on Nebraska. It will help our state's economic climate, enhance Nebraska's business and industry, improve the health of our citizens, and lead to more productive and profitable agriculture. Its impact will also reach far beyond our state's borders in such diverse areas as national security, computer technology and public health.

Faculty across our four campuses are earning national attention for their research.

You may have read about **Ruma Banerjee**, for example, who was just selected by the National Institutes of Health to lead development of the new Nebraska Redox Biology Center, funded by a $10 million grant. She is a professor of bio-chemistry in the Institute of Agriculture and Natural

Resources with an 11-year record of outstanding research. The center will be a collaborative effort with UNMC's Eppley Cancer Center.

Jerry Wagner of UNO is a former business executive who sold the world's 10th-largest software company prior to joining the faculty of the Peter Kiewit Institute. He brings new expertise and pioneering research in decision science to the university. Simply put, he creates software tools that help business leaders choose among alternate courses of action.

In the past year, of course, national defense and homeland security have become much higher priorities in the United States. You might be surprised at some of the ways university faculty are involved. UNMC's **Tony Sambol** was called to Washington last fall to coordinate the postal service's nationwide screening for anthrax. And, UNL chemical engineer **Mike Meagher** heads the Biological Process Development Facility that works with the Defense Department to develop production methods for vaccines against potential biological warfare agents. Mike is here with us this morning. I would like to ask him to stand and be recognized.

In the coming year, as we celebrate the Bicentennial of the Lewis & Clark expedition you'll hear more about **Dr. Gary Moulton** at UNL. Gary has spent the past 20 years editing and publishing the journals of that expedition and is considered one of the nation's experts.

You can get some idea of the richness of our faculty talent from a story that unfolded this summer. When **Dr. Bud Shaw**, who pioneered the liver transplant program at UNMC, was diagnosed with non-Hodgkins lymphoma, he naturally wanted the best possible medical attention. Fortunately, he had only to walk down the hall to find one of the world's leading specialists in this disease – our own **Dr. James Armitage,** who started the Med Center's bone marrow transplantation program. Bud is undergoing chemotherapy and Jim says the prognosis is quite good. We know he's in good hands.

It is because of the reputation and hard work of outstanding faculty like Ruma and Mike and Bud and Jim that we have seen dramatic increases in competitive funding for research.

This past year, under **Prem Paul**'s leadership, total peer-reviewed research funding awarded to UNL increased 18.3 percent to $74 million. The growth potential is tremendous. In the past 30 days alone, three additional grant awards totaling over $21 million have been announced. One was the $10 million Redox Biology Center grant I mentioned earlier.

In addition, the National Science Foundation has awarded a $5.4 million grant to establish a Materials Research Science and Engineering Center at UNL, which will be directed by **David Sellmyer,** a nationally recognized researcher in materials science. This grant funds research in nanotechnology, an exciting new field that has implications for the creation of microscopically small, enormously powerful computer components. David is also with us today. Dave would you please stand and be recognized.

And just a few days ago, UNL won a $6 million NSF grant to create a Plant Genome Research Center. With its recognized expertise in plant science, UNL will be the lead institution for the

new Center, which will be led by agronomist and plant scientist **Michael Fromm.** The work that will be accomplished at the center has far-reaching implications for Nebraska and world agriculture.

At the Medical Center, the news is equally exciting. Under the leadership of **Tom Rosenquist**, competitive funding has increased to $50.8 million, a 23 percent increase over last year. Tom himself is lead investigator on a $5.6 million research project to identify the causes of congenital heart defects.

Dr. John Chan heads an international team of researchers looking for the genetic causes of non-Hodgkins lymphoma, which affects some 55,000 people each year. His work is funded by a National Cancer Institute grant and is aimed at earlier and more precise diagnosis of the disease, leading to more effective treatment.

And pioneering research continues at UNMC in such areas as breast cancer, Alzheimer=s disease, diabetes and arthritis B diseases that affect thousands of Nebraskans every year.

As impressive as these research dollars are, I should remind you that those funds are granted for specific projects and can't be used for ongoing operational costs.

Earlier, I mentioned the ripple effect that budget cuts have when university programs in our communities are reduced or eliminated. The University of Nebraska is, in fact, the state=s **key economic engine**. We drive new business development and expansion by putting our faculty's research findings, technological expertise, and experience at the disposal of businesses, agricultural enterprises, and communities.

I'd like to mention just a few of our programs that help build Nebraska's economy:

- The Nebraska Business Development Center, headquartered at UNO, has offices across the state to help small businesses develop and expand;
- The UNL Center for Nontraditional Manufacturing brings innovative methodology to the manufacturing industry;
- Our Food Processing Center has helped over 400 Nebraska businesses, from the start-up stage through product development, packaging, marketing and transportation;
- The Center for Applied Rural Innovation is helping rural communities develop new economic enterprises and adopt new technologies;
- The Agribusiness Program combines our strengths in business administration and agriculture to educate students for a critical role in expanding Nebraska's economy;
- The Collaborating Center for Public Health and Community Services is a joint UNO and UNMC effort to empower people in the heart of Omaha to build better neighborhoods and attract new business activity.
- The Nebraska-Business Higher Education Forum, which I have spearheaded, brings together leaders of the state's higher education institutions and leaders of Nebraska businesses to develop strategies to help build entrepreneurial activity in rural communities.

- I also want to make special mention of the Nebraska Rural Initiative, headed by **Sandy Scofield**. Like many other states, Nebraska's rural counties are affected by out-migration of young people, loss of economic vitality and associated social problems. We are working with state and federal government and non-profit organizations to improve the future for rural Nebraska through such initiatives as increased broadband access, stronger networks of social support and rural business development.

Of course, not all of our services are directed solely at economic development. The University of Nebraska is concerned about helping people improve their lives in other ways as well.

In Lexington, for example, many in the Hispanic community are improving their computer skills in classes taught in Spanish and English by **Patricia Sanchez-Stewart,** a Cooperative Extension assistant. This program is part of the university=s Bridging the Technology Gap program.

The SHE Conference, which stands for Self-Esteem plus Higher Education equals Empowerment, is held in the spring of each year, and attracts more than 150 girls in grades 10 through 12. Developed by **Shari Clarke,** associate to the president, it brings multicultural high school students together to learn about opportunities in higher education.

UNO Professor **Teresa Barron-McKeagney** directs the Aguante Project B a mentoring program for third and fourth grade students and their families in South Omaha.

And at UNMC, **John McClain** has led a joint effort with Fort Lewis College in Durango, Colorado to enhance health science education opportunities for African-Americans, Native Americans and Hispanic students. This summer, undergraduate students from Dillard University, a historically black university in New Orleans, conducted research alongside UNMC scientists.

Our outreach efforts extend in many other directions that you might find surprising. For example, we're helping middle school teachers throughout the U.S. study Earth science systems online. NASA developed this course, and it's offered through UNO with **Neal Grandgenett,** professor of teacher education, facilitating the program.

There are countless other examples of outstanding work at the University of Nebraska – work that helps build our economy, improve our communities, serve the needs of our citizens, and, most importantly, educate our children and grandchildren.

In my view, the University of Nebraska is becoming a better university every year. Far from being daunted by the current financial crisis, I believe even more strongly that the University of Nebraska is becoming one of the nation's best public universities. I believe our faculty, staff, and students share that vision, and I know without a doubt that we have the leadership in place on our campuses to make the vision reality. I am exceptionally proud of the way our chancellors, including our newest chancellor Doug Kristensen at UNK, have guided their campuses during this difficult past year. Nancy … Hal … Harvey … Doug – thank you for your leadership.

I also trust the people of Nebraska. I believe they recognize the importance of this university to the future of this state – and to their children. I am confident they will support us in our quest to make ours one of the highest-quality American universities.

Lincoln Journal Star columnist Don Walton wrote recently that Athis difficult economic time may present an opportunity to take great strides in building the kind of university we=ve always said we wanted more quickly than we could have anticipated and at less cost than we could have imagined. **If we want to.@**

I can assure you that we not only want to … we will.

Building and maintaining a quality university during tough economic times isn't easy. I believe there are five critical components – five imperatives – that must be accomplished.

First, we must attract and keep a great and diverse faculty. We cannot allow our best teachers and researchers to be picked off by private universities and the public sector. I promise you that we will continue to work hard to bring them here, and to keep them here.

Second, we must continue to recruit and win the very best students, both from Nebraska and from throughout the US. We must also increase scholarships, and continue to offer honors programs and opportunities that are competitive with what our best and brightest students are being offered outside Nebraska.

Third, we must make the University of Nebraska more accessible and affordable. We will redouble our efforts to increase need-based aid so that more of our students have the opportunity to attend the University of Nebraska. And we will expand the options available to potential students through distance education.

Fourth, we must continue to stay focused on and invest in the academic programs that we have identified on each campus as our priority programs. We must move away from a culture of trying to be all things to all people, and toward a culture of doing a few things extremely well. We will keep investing in these areas of excellence, because they represent the academic future of the university.

And finally, we must continue to conduct meaningful research that has a positive impact on the health and economic well-being of the people of our state and nation. We are on a new, exciting path in our research, and I am tremendously proud of the progress we've made in this area.

If we can achieve these five imperatives, we will continue to pioneer new frontiers in teaching, research and service. And we will be a university that deserves the respect and the pride of our citizens.

In closing, let me share a quote with you. The children of one of the University of Nebraska's chancellors wrote about their father facing an economic crisis in the state. They wrote, AThat catastrophe, the sudden crash of both agriculture and industry, the wasting away of the

foundations of economic life, were felt by the Chancellor not as the tragic end of hopes for higher education in Nebraska, but as the soundest possible evidence of the need for higher education.@

Those words were written, not by the Perlman children or even the Varners, but by the children of James Canfield. In 1890.

James Canfield was another pioneer who looked at adversity and saw opportunity. In times of crisis, a great university responds with courage and optimism, with leadership and vision. That is what we must do, and what we will do.