

Good morning, I am Christine Maziar and it is my honor to serve as Senior Vice President and Provost for the University of Minnesota.

I'll give a brief overview of the University's mission and its unique role in Minnesota. But I'd also alert you to several resources we have provided you with:

- the University Plan, Performance and Accountability Report;
- the Report from the Commission on Excellence,
- and the brochure titled "Facts and Figures."

All contain extensive information on the University's work, its distinctive characteristics and the outcomes the University measures to gauge its own performance.

At the risk of burying this very busy committee in paper, we have also provided you each with a copy of rankings of research universities conducted by the university of Florida. We did so not only because the University of Minnesota ranked among the top three public research universities in this particular year, but also because the preface to these rankings contains a very good description of what a research university does. The larger report provides a sense of how the University of Minnesota stacks up against some very tough national competition on a number of important measures.

And, as per the request of this committee, we have also provided you with a list questions and issues we feel are relevant to Higher Education and the University's future vitality.

I came to Minnesota 6 years ago to serve as VP for Research and Dean of the Graduate School, having previously worked for a public research university in Texas and attended a sister Land Grant institution in Indiana. Among the many things that attracted me to Minnesota was the sense that in many ways the people of Minnesota and the political leaders “got it” and had made many good choices and investments over many years. A well funded K-12 system created an environment where investments in higher ed were not viewed as coming at the cost of K-12, the establishment of clear differentiation in mission amongst the higher ed providers was an important and visionary choice for the success of higher ed in Minnesota—creating an environment where each sector of higher ed could establish strategies, benchmarks and goals appropriate to their role in providing higher ed services to the state.

- *I should say as an aside: It is very important not to confuse “mission differentiation” with “program duplication”. It is hard to imagine a college or university that did not offer an English or a math degree—and, in fact, duplication of such degree programs provides broad access at low marginal cost. Duplication that meets student needs at low marginal costs should not be viewed as a problem. I would argue, however, that the state should be concerned about the huge costs associated with duplicating graduate programs or other programs with huge “sunk” costs (e.g. medicine, engineering, vet med, law, etc.)---and it must be especially vigilant about safeguarding existing investments in research infrastructure.*

Perhaps more clearly than in other states, Minnesota's political leaders have embodied this differentiated mission in state law. \_The University of Minnesota's statutory mission is to "offer undergraduate, graduate, and professional instruction through the doctoral degree, and . . . be the primary state-supported academic agency for research and extension services." (MS 135A.052)

The University has four campuses (Twin Cities, Duluth, Morris, Crookston), a collaborative center at Rochester, and research and outreach centers and extension service offices throughout the state. It is a multi-campus university and not a system with a separate system office.

Each of our campuses provides a distinctive range of educational opportunities and serves as a resource for their respective communities, as you can read about in the materials we've provided you with.

The Twin Cities campus, which I will focus much of my remarks upon today, is one of the three largest campuses in the country in terms of enrollment (49,500 students) and also one of the most comprehensive.

It is the state's major research campus, and with \$520 million annually in research, it accounts for more than 95 percent of all research expenditures at Minnesota's higher education institutions, both public and private. Overall, Minnesota is the coldest and smallest state to have a top public research university—but I would also argue that it is the most beautiful and one of the smartest. And, unlike Michigan, Iowa and Illinois, Minnesota has only one such research university.

The University is a creator of new knowledge in addition to being a high quality disseminator of knowledge—to its students and to the public. In the context of a global, knowledge-based economy, that means the University is, perhaps, the state's most important asset in competing on the national and international scale. I think a risk for all of us, in these sorts of discussions, is to become too inwardly focused—too focused on how the state pie is divided, too focused on competing local interests and insufficiently focused on the need to make the state of Minnesota more competitive on the national and international stage.

The University of Minnesota is an asset for the entire state. It is also among the state's best investments, returning more than \$16 in economic activity in Minnesota for every state dollar, or \$10 Billion total, according to a recent study.

As you can see from the pie chart for fiscal year 2004 on the back of the Facts and Figures brochure, the University funds its work through a diverse set of revenue streams, but it is the state appropriations that are the foundation for attracting nearly all of the other sources of funding.

One of our major concerns is that state funding for higher education has steadily declined over the past 15 years, both nationally and in Minnesota, whether measured as a percentage of the state's budget or as a percentage of personal income.

At the same time, tuition increases have consistently outpaced inflation and threaten the access and affordability that public universities have traditionally been able to provide. Lawmakers—and unfortunately the public at large---have increasingly come to view higher education as a private good, one that benefits the student in terms of increased earnings and life enjoyment, and one that students, therefore, should pay the brunt of the cost.

The demographics of our overall population—and the population in this state—are also driving resources away from public higher education. As baby boomers continue to age, the pressure to fund health care on the one hand and cut taxes on the other hand may very well further crowd out public dollars going to public higher education. *Dr. Laird has identified himself as being on the leading edge of the baby boom, I claim the trailing the edge and I suspect that Dr. Baer is somewhere in between.* I think we all share the worry that our baby boomer cohort may be, in effect, denying younger people the very opportunities our parents and grandparents sacrificed to provide to us---and that is a lousy legacy for our generation to leave behind.

President Bruininks has made scholarship fundraising a top priority, but these efforts cannot keep up with student need, and I fear that the recent round of state budget cuts, which have helped drive tuition increases in public colleges and universities, have created a tear in the compact that the states have had with their public universities, a compact that would allow any qualified student to afford a college education.

State cuts have driven up tuition rates at places like the University of Minnesota and as I said have put a strain on our cherished value of access, but the need to maintain quality is on the other side of the equation. When we talk about access, we must constantly be challenging ourselves with the question "Access to what?" I firmly believe that talented young people in this state should have the option to attend and access to a highly regarded, nationally competitive research university. Quality and the drive to excellence is at the heart of a research university's success. And quality does not come cheaply. As Provost, the chief academic officer at the U, it keeps me up at night knowing that other universities from all across the country are eyeing our star faculty with greedy eyes. We face some 50+ retention issues each year with our star faculty.

It was to the University's advantage that top private research universities with massive endowments saw the value of those endowments plummet at the same time that we received a 15 percent cut in our two year budget from the state of Minnesota. Fortunately the economy is on the mend, unfortunately this means that the endowments of Harvard, Princeton, Stanford, Northwestern and the like will rebound on a much shorter time line than the states will realize new revenue and can appropriate it to higher ed. The University of Minnesota and other public research universities face very stiff competition for our top scholars—the ones who make the trailblazing discoveries, who win the major grants and who effectively expose students at all levels to the cutting edge of knowledge.

Frankly, I don't believe that our students can be burdened with many more rounds of double digit tuition increases. Consequently, further state cuts will mean we will have less to offer to these top faculty in terms of lab space, grad assistants and, yes, salary, and our quality will begin to erode, which will in turn erode our ability to provide professional education and advanced training, and our ability to secure grants, and therefore to bring new knowledge and new vitality into Minnesota's economy and its society.



In closing, I would like to share the following with you: Inscribed over Northrop Auditorium are these lofty words about the University:

Founded in the Faith that men are ennobled by understanding

Dedicated to the advancement of learning and the search for truth

Devoted to the instruction of youth and the welfare of the state.

Those few lines, which were adopted by the Board of Regents in 1936, reflect the University as a human endeavor, and they help explain what drives our gifted faculty, staff and students. They tie the motivations of our founders in 1851 to subsequent generations of Minnesotans to the scholars of today, who would describe their work in very similar terms.



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*The following represent prepared comments that were not presented because of lack of time.*

What are some other aspects of the University as a statewide resource?

- We provide educational programs that are critical to the state's well-being. Most of the University's graduate and professional programs are unique (e.g., Ph.D. programs in engineering, psychology, economics and the sciences and first professional programs in medicine, dentistry, pharmacy, and veterinary medicine). In fact, we educate some 2/3s of the state's advanced health care professionals.
  
- Today, with major research discoveries occurring on the margins and borders between academic fields, it is the U's unique strengths along with its breadth that provides it with a comparative advantage.

For example, the U is one of only four campuses in the US with a major academic health center and agricultural programs. It is that breadth that this week allowed the U to secure a \$15 million, three-year grant from the U.S. Department of Homeland Security to develop ways to protect the nation's food supply from deliberate contamination or terrorist attack. That will mean jobs and expertise developed here in Minnesota in a critical area that cuts across agriculture, food production, public health and medicine.

- More and more studies of the roots of economic development point to the major role that research universities play in booming economic areas. They have a magnet effect for talent, retaining the brightest students and faculty from their region, as well smart and driven people from out of state and abroad. (Incidentally, more than half of the University's graduates stay on to become productive members of Minnesota's economy and civil society).