

President's Memorandum to Faculty and Staff

Office of the President
February 29, 2016

Legislative Testimony

Last week I traveled to Lansing to give testimony to a joint session of the Senate/House Appropriations Subcommittees on Higher Education. Unfortunately, the session was cancelled due to the winter storm last Thursday. At this point the session has not yet been rescheduled, but I want to share my written testimony with you since it touches on topics of importance to our university.

The chairs of the subcommittees requested that those presenting at the session limit their remarks to ten minutes and to one of three topics they provided. For my remarks I chose to respond to their query regarding degree programs –

How new degree programs are created to respond to market needs, and how existing programs are terminated to save money and reallocate resources.

Innovative and continually evolving programming has been a part of our heritage ever since our founding. From very early on the curriculum at Ferris changed to meet the needs of students, and the needs of an evolving economy. None of this is new. For example, when telegraph wires reached Big Rapids Mr. Ferris had the wires extended to the Ferris Institute so that he could teach Telegraphy at his school. Telegraphy was an important program that met the needs of the economy at the time. However, as the telegraph diminished in importance, so did the need to educate telegraph operators. Ferris' program in Telegraphy ended in 1926.

One of my favorite stories of program development at Ferris has to do with the founding of our College of Pharmacy. In 1893 a student named Marius Preysz asked for training to pass the state board examination in Pharmacy. With the help of having had a year of medical training at the University of Michigan, Woodbridge Ferris bought a handbook that covered topics in the board exam and proceeded to instruct the school's first Pharmacy student, who indeed passed the exam. This inspired Woodbridge to establish a Pharmacy school. At that time someone could become an assistant pharmacist in Michigan with as little as nine months of study and one year's experience compounding drugs under the supervision of a registered pharmacist. In the 21st century, it became a requirement that pharmacists hold a doctorate. Our College of Pharmacy made that transition to a four-year professional curriculum through changes in our offerings, through construction of new facilities, and through partnerships that give students opportunities for internships and research.

My remarks describe the creation of new programs at Ferris from the review of the Preliminary Curriculum Approval Form (PCAF) through the development of a full proposal and the intensive review it undergoes throughout multiple bodies of the university. I also describe the work of the faculty members who constitute the Academic Program Review Council, which reviews all programs and makes recommendations to the Academic Senate for their continuation, enhancement, redirection, reduction, or termination.

These processes at our university are well developed and robust. It is a reality of curriculum development and review that there will be dissenting opinions and at times sharp disagreement, but overall at Ferris State University these mechanisms function effectively. We are fortunate as a university to have innovative faculty who are committed to developing and building strong degree programs that are relevant, up-to-date, and needed. Although the process can be challenging at times, the nimbleness of our university to create and revise

programs is remarkable. It is the experience of my academic career that what we have at Ferris is far different from other universities, and is something to be celebrated.

The results of these processes over time are truly remarkable. The mechanism we have in place keeps the catalog of degree programs at our university responsive to the changing needs of our society. From 2010-15 these new programs were initiated

- 3 new associate degrees
- 14 new bachelor degrees
- 2 new masters degrees

During that same period these programs were closed

- 7 associate degrees
- 14 bachelor degrees
- 2 masters degrees

Thanks in part to this process, Ferris has done well on the state's performance metrics, especially in graduating students with degrees in the areas of Science, Technology, Engineering, Mathematics (STEM) and Healthcare.

It is easy to read the concern of legislators centering around cost in the topic they put forth. I used the effectiveness of our curricular processes to draw attention to affordability, using the concept of net price. Net price is the difference between direct charges (tuition and fees, room and board) and indirect costs (books and supplies, transportation, and personal expenses) a student pays to attend college, minus any grants and scholarships which a student receives. This national statistic, in other words, is the actual cost our students pay to attend. From 2008-09 to 2013-14, a six-year period, the net price for students attending Ferris has decreased significantly for students with the most financial need -

- Students with \$0-\$30,000 family income, net price down 35.32 percent
- Students with \$30,001-\$48,000 family income, net price down 23.24 percent
- Students with \$48,001-\$110,000, net price down .04 percent

The only category where net price has increased over this six-year period is for students from families with an income over \$110,000 and there the net price has increased only by 2.17 percent. The average net price increase for all Michigan Public Universities during this period is 2.7 percent. At Ferris State University the overall net price for our students has decreased by a remarkable 12.3 percent.

In short, by being academically nimble, Ferris educates students with sought-after degrees, and does this while reducing their out-of-pocket costs.

My written testimony includes two additional topics – the Michigan Public School Employees Retirement System (MPERS), and the state's Tuition Incentive Program (TIP).

In terms of MPERS, I urge lawmakers to pass legislation that would institute a cap for contributions from universities into the system to 25.73 percent of an employee's salary, a reduction from the 30.45 percent Ferris now pays. Proposed legislation would also give relief in the amount of \$5.9 million for MPERS universities. Last year the legislature approved \$5.1 of this amount, but lawmakers need to approve legislation that will approve supplemental funds that will increase this to the \$5.9 million figure, and also allow the funds to be distributed. Even taking into account the cap and funding, Ferris is still projected to pay \$9.92 million into MPERS for FY 2016. This equates to \$701 for each of our full-time equivalent students. I also note that new rules from the Governmental Accounting Standards Board require Ferris and other universities to carry MPERS obligations on our balance sheet, which has a significant negative effect on our net position.

Finally, in written testimony I stress the importance of the TIP program for our students. For 2017-18 the Executive Budget has proposed limiting TIP payments to any one institution to \$8.5 million. In FY 2014-15, Ferris received \$9.1 million in TIP funds. Our mission of providing opportunity attracts exactly the kind of students that the TIP program is meant to help. I believe that Ferris is uniquely positioned to help these lower-income students, and we have a track record of effectively doing so.

If you have a moment to do so, I would urge you to read the full text of this testimony. As I have noted in the past, it is very helpful to have a campus community that is knowledgeable about the issues affecting us. You can access the text by following this [link](#).

Festival of the Arts`

Yesterday Artworks held the closing reception for the 2016 Festival of the Arts. Again this year the festival organizers put together an amazing lineup of cultural events – nearly all of which were free. It is a huge undertaking to coordinate a month-long celebration that encompasses music, visual art, literature and much more. I hope you enjoyed this year's festival as much as I did. Both the Ferris and Big Rapids communities are indebted to the Festival of the Arts Board of Directors for their dedication. Please join me in thanking Chair Bruce Dilg, Roxanne Cullen, Mark Gifford, Jerena Keys, Ed Mallett and Courtney Piercey for their work. I also want to thank all members of our Ferris community who supported the Festival of the Arts, by sharing their artistic talents, participating in a workshop, or attending.

Spring Break

It is remarkable to think that we have reached the mid-point of our semester with Spring recess taking place next week. After the break just seven weeks of regular classes, followed by exam week culminating in our Commencement ceremonies on May 6 and 7. At those ceremonies I have made it a tradition to highlight one or two stories about graduating students who have overcome significant hurdles and/or who have realized extraordinary success during their time at Ferris. If you know of such a student taking part in commencement this year, please contact Elaine Kamptner or me at ext. 2500, or elainekamptner@ferris.edu.

If you are traveling during Spring recess, please do so safely. I look forward to the increasing pace of activity that always leads up to the end of our academic year.

Most importantly, as we pass the midpoint of the semester, thank you for the good work you do for our students and for Ferris every day. It is something I deeply appreciate.

David L. Eisler, president