

STATE OF THE SYSTEM ADDRESS

Ms. Cynthia D. Shapira
Chair, Board of Governors
January 26, 2017

First, I want to thank Stuart for serving as our M.C. for today's event; and, through him, I want to thank all of our sponsors – Highmark, M&T Bank, PSECU, and the State System Foundation.

It is my pleasure, as chair of the Board of Governors, to offer—from the Board's perspective—a few remarks about the “State of the System.”

But first, I also want to acknowledge my colleagues on the Board of Governors and the Councils of Trustees for their hard work and dedication to both the System and the individual universities.

Unless you serve in one of these roles—or, in some cases, both (I am so impressed by how you can do that)—I don't think you can begin to understand the personal commitment they require.

For many of you, it is a labor of love, and the reward is significant: just knowing that the contribution you are making is helping to ensure a better future for each of those students, and for all of Pennsylvania.

We also want to thank our university presidents. The responsibilities of a university president are enormous.

In many ways you are a de facto parent to the students while they are away from home, in addition to being the CEO of the institution. It truly is a 24/7 job. Each of you deserves our greatest respect.

I also want to acknowledge the many faculty and staff who are major contributors to our students' success. To the faculty and staff who are with us today, “thank you.”

It really is the people who make the difference in any organization. Every one of you in this room and everyone who might be watching this online should know that you make a difference for our students. You all have earned our gratitude and our thanks.

We all share a passion for the State System and its twin mission of providing the highest quality education at the lowest possible cost. If we didn't, we wouldn't be here.

Those are lofty goals, and ones we've been able to achieve by working together for more than three decades.

One thing I've learned in my short tenure on the Board—and especially in my six months as Board chair—is that this is an excellent System. The amazing students I've encountered; the talented faculty; all make me proud to serve in this role.

Each of our universities provides tremendous opportunities to its students; helping to prepare them for success in their careers and, even more important, in their lives.

It should be the goal of each and every one of us to fully support our students from the moment they first arrive on campus until they walk across the graduation stage.

We want them not only to walk away with a degree, but also with a plan for their future that will help ensure a lifetime of success, not just for themselves, but for their families, their communities, and the entire Commonwealth.

After all, the students who attend the 14 State System universities truly do represent our future in a very real way.

Students and their families should know that our universities will provide them not only with an excellent educational experience in the classroom, but also the out-of-classroom opportunities that will help them succeed, from academic and career planning to internships, service learning, and study abroad opportunities, and so much more.

We have been doing that, but we can always do more.

It's easy to talk about what we want to do. It's easy to set high expectations. But how do you monitor that? How do we make certain that what we are doing is working, that students are benefitting?

We actually are designing a new way to look at student outcomes—a Student Success Dashboard, which will answer the basic questions of “Who are our students?” and “How are they doing?” I look forward to seeing that tool come online this year.

So far, everything I've talked about has been pretty positive.

If you've been paying attention, you certainly understand the higher education landscape is very different today than it was just a decade ago.

The harsh reality is, we are facing enormous challenges. And, we're not alone.

Nationally, between 2008 and 2016, state support for higher education was reduced by a combined nearly \$3 billion. While most states—Pennsylvania included—have begun to restore some of those funding cuts, we still have a long way to go.

In fact, the appropriation we are receiving this year—even with consecutive years of increases—is \$60 million less than we received in the year before the recession began. Our enrollment has declined for several years in a row, also mirroring the national trend, where the number of students attending college has declined for five consecutive years.

The impact is very real.

The year we just went through was perhaps the most challenging in the State System's history. Many of our universities are feeling the dual effects of those declining revenues and enrollments.

And, as daunting as those challenges have been, there is little doubt that 2017 will bring new and perhaps even greater challenges for many of our universities.

In fact, I believe this year will be pivotal for the State System; it will be a year in which many important and difficult decisions will have to be made if we are to ensure the long-term sustainability of our universities.

I firmly believe that if we don't take the steps necessary to ensure a strong future for public higher education in the Commonwealth, we will regret it.

While I can't deny we face a difficult road ahead, those of you who know me understand that I'm what I like to call a "realistic optimist." I look at challenges a little differently than some.

I prefer to look at challenges as opportunities. It's how we approach these challenges—and how we take advantage of these opportunities—that really matters.

If we march into the future—facing forward—I believe it will lead to an even greater level of excellence on behalf of our students and the Commonwealth.

I'm confident we can continue to thrive as a System, if we're willing to put forth the effort—together. I believe just as strongly that it will require significant change in what we do, and how we do it.

Toward that goal, we are undertaking an in-depth, strategic review of the System—one that is examining every aspect of how the System is organized. That might sound scary to some, but it is essential to our future.

More important, it's essential to ensure we are serving students in the best way possible, today and into the future.

We will all be asked to set aside any personal interests we might have and consider what is best for both our current students and our future students. After all, they are why we are here.

As we move forward with this review, there will no doubt be varying opinions. That's OK; as long as—in the end—every decision we make or action we take is in the best interest of our students.

I believe the Board of Governors is ready to face every challenge head on, and I ask each of you to join us in that effort. It won't be easy for any of us; but the 100,000 students we serve deserve nothing less.

The opportunity is in front of us.

Our universities have served this Commonwealth well for more than a century. Our challenge—our opportunity—is to ensure they continue to do so in a manner that best serves students.

As chair of the Board of Governors, I stand committed to that goal and am dedicated to being your partner in making that happen.

With that, I will now turn over the podium to Chancellor Frank Brogan so he can share with us his thoughts on the State of the System.

