Good morning, and welcome again to the beginning of the new academic year at UNC Charlotte. This is the part of the program where I have the opportunity to give you my perspectives as chancellor on the current state of the University and to talk a bit about the planned activities and challenges of the year ahead.

As many of you know, this is my eleventh University Convocation since returning as Chancellor in 2005, and it was certainly gratifying this past July 15 for Lisa and me to celebrate the completion of our first ten years.

Now, I usually like to start out my portion of the program with some humor, although it’s been said that my past performances in this area have brought me perilously close to a faculty vote of “no confidence.” So, here goes!

It seems that a young man and a young woman were traveling separately through Europe in the dead of winter. When they boarded their train, they found that they had been inadvertently assigned to the same sleeping car. They were both tired and didn’t want to deal with the hassle, so they agreed that they would just share the car that night, with her sleeping in the bottom berth and he taking the top one. After a few minutes, the young man reached down and tapped the young woman on the shoulder. “Miss,” he said, “it’s pretty cold up here. Would you mind getting the blanket out of that closet over there for me?” And she said, “Well, I’ve got a better idea. Why don’t we pretend, just for tonight, that we’re married.” “Oh, that would be great!” he said enthusiastically. “OK,” she said, “get your own damn blanket!”

Now, in telling you that joke, I took some risk because I actually told that same joke at this event five years ago. However, because of what has happened at this institution since just five years ago, I was pretty sure it would go over well with at least a fair proportion of you. You see, nearly 1,100 full time employees who were with us in 2010 are no longer here, having moved on through retirement, personal reasons, or to pursue other opportunities. And more than 1,400 employees who were not part of this institution in 2010 are part of it today. In fact, of our current number of nearly 3,300 full-time employees, nearly 43% have been here five years or fewer.

Given what we know about our employees, we can expect this amount of change in our workforce to continue. Of the current employees, 525 (about 15%) are aged 60 or older. These
folks can see retirement in their headlights. What that means, of course, is that we will continue to lose a lot of experience, institutional knowledge, historical perspective, and cultural continuity. In fact, given normal rates of attrition and some retirements, it won’t be too long before the newcomers outnumber the staff with longer ties to UNC Charlotte. On the other hand, new members of our 49er community bring new perspectives, new energy, and new ideas, often drawing upon experiences they have had elsewhere. This fundamental law of demography means that we will change. And, if past is prologue, that change will be for the better. If you are the type of person who is uncomfortable when someone moves your cheese, get ready to move with the cheese.

As has been the case for so much of our history, managing enrollment growth will be both our greatest challenge and our greatest opportunity. Going back the 66 years since our founding as Charlotte College, enrollment growth has occurred in 61 of those years. Over the past 30 years, we have grown more than any UNC system institution. In fact, the number of students we have added during that 30-year period is actually more than the current enrollment of 10 of the 16 four-year institutions in the system. And, by now, you are undoubtedly familiar with the most stunning statistic of all: of the enrollment growth taking place in the UNC system over the past six years, 46% of it has occurred at just one institution—UNC Charlotte. And the students who are applying to come here, those we admit, and those who enroll exhibit better academic credentials and greater diversity than we have seen at any time in our history.

Just to be clear, we do not seek enrollment growth for its own sake or even for the funding it provides, although that funding certainly helped us weather the worst of the great recession of recent years. I see it as a response to an internalized part of our institutional value structure, part of our contract with the people of North Carolina, as well as a necessary response to the growing needs of the greater Charlotte region.

With respect to our values, this has always been a campus of opportunity. Bonnie Cone and the faculty members she recruited in those early days believed that higher education created opportunity for every student, including some who were clearly not reaching their full potential until afforded the chance for a college education. Bonnie’s lasting legacy has been the commitment to every student who exhibits the potential—but perhaps not the certainty—of success. Given the growing number of applicants we have seen in recent years (more than 16,250 applicants for our fall 2015 freshman class), there is no question that we have had to become more selective so that we don’t unwisely stretch our ability to properly teach and advise the students we enroll. But, at least as long as I get to have any say in the matter, we will not, as some institutions have, seek to raise standardized test scores or grade point averages simply to enhance our institutional reputation or to move up in the rankings assembled by the popular media.

That, I believe, is what the people of North Carolina expect from us in exchange for the funding they provide to support this great public university system. The average freshman student admitted for our fall 2015 freshman class demonstrated an unweighted GPA of 3.43 and an average combined SAT Critical Reading/Math score of 1126. Certainly, if I’m a taxpaying parent of such a student, I expect that my son or daughter will be given an opportunity to succeed at the college level. So, too, with our transfer students. Our historic status as Charlotte College, a two year institution for most of its history, has meant that we have welcomed those students who have
sought higher education initially through our community college partners. It is for that reason that we lead the UNC system—by far—as the leading provider of higher education for community college transfers.

Finally, as we look down the road at the future of Charlotte, currently the second fastest-growing city among the nation’s 25 largest cities, it is apparent that there will be an increasing demand for higher education, both in terms of access by the citizens but also in terms of the workforce needs of the city and region. In nearly every one of the major corporate relocations announced over the past several years in Charlotte—whether it be the likes of Areva, Electrolux, MetLife, or Sealed Air—the importance of the University in preparing a skilled workforce has been “top of mind” for corporate decision-makers.

In short, we are growing for all the right reasons and, in my view, must translate that increasing demand for degree-seeking students and for well-prepared members of the workforce into degreed graduates at the baccalaureate, master’s, and doctoral levels.

What we know for certain based on our record from the past is that the students we enroll will receive an excellent academic and co-curricular experience provided by our faculty and staff, supported by effective and efficient administrative services, and on a campus unrivaled for its beauty and commitment to environmental stewardship. Notable examples of our excellence as a University abound but, in the interest of our limited time, here are just a few:

- In April, one of our faculty members, Dr. Pinku Mukherjee of the Department of Biological Sciences, was celebrated as the recipient of the UNC system’s highest award for faculty research, the O. Max Gardner Award.
- Psychology faculty members Lawrence Calhoun and Richard Tedeschi were honored with lifetime achievement awards from the American Psychology Association.
- Collectively, the UNC Charlotte faculty were awarded more than $47 million in externally funded research grants, an institutional record and a 30% increase over the previous year.
- In March, UNC Charlotte expanded its activities to support faculty and students in the commercialization of ideas and inventions by winning a National Science Foundation I-Corps Site grant, one of just 17 universities to receive such a grant in 2015 and the only university in the Carolinas selected thus far to be part of the 36-member National Innovation Network.
- On the staff side, David Landrum of Communication Studies and James Williams of Facilities Management were two of just 14 of the state’s 86,000 employees honored with the Governor’s Awards for Excellence, the third consecutive year that this campus has had its employees so recognized.
- UNC Charlotte was also honored just this past year with national and state recognitions for diversity, human resources practices, facilities excellence, and sustainability.
Less known to the outside world, our campus continued to make great progress on any number of issues that make us stronger in serving our students, our faculty and staff, and our community. Again, just a new notable examples are possible in the time I have with you this morning.

- In revising our long-range housing plan for students, we showed nimbleness in responding to rapid changes in the off-campus housing market.

- We came up with an innovative financing approach that will allow us to build a modern health and wellness center for the use of our students, staff, and faculty, with no increase in debt service fees for our students and a modest operational fee increase that can be phased in over five years.

- We made some strategic real estate purchases on the edge of campus that will permit us to exercise greater control over our own destiny in the future.

- Our staff took advantage of advancements in technology to implement the complicated task of migrating our electronic calendars and email system to an external platform and to develop a very cool interactive campus map for campus users and visitors alike (see www.maps.uncc.edu).

- Our Advancement staff worked hard to secure exciting new private investments, including the extension and expansion of the Levine Scholars program and some strong early gifts for our upcoming private fundraising campaign.

- We worked collaboratively with state and local agencies to continue our progress on light rail and redevelopment of our South Entrance at University City Blvd.

- We worked with our partners at Charlotte-Mecklenburg Schools to open a STEM-focused early college high school in record time, thereby addressing a pressing need in the school district for high-demand district-wide magnet school options but also helping to feed a potential pipeline of talented students interested in attending UNC Charlotte.

- And we launched impressive new initiatives to ensure University compliance in all areas, but in particular with respect to our obligations under Title IX to deal with issues of sexual assault.

So, what lies ahead over the next year or so? Plenty.

Effective planning for the future is part of the DNA of this institution, so you can expect an active year of discussion and debate about where we are headed and how we intend to get there.
First and foremost among these planning exercises will be the unveiling of the Academic Plan and the subsequent development of our Institutional Plan for 2016-2021. Active participation by our Trustees, faculty, staff, and students will be essential for developing a campus consensus on how we will manage the changes we can expect ahead. We have already developed a comprehensive description of the institutional, demographic, fiscal, and political conditions that we expect will frame our work for the future. Within the next couple of weeks, we will release that document as well as a preliminary set of campus goals and objectives for the next five years for discussion and subsequent refinement.

As the Provost has already indicated, the Academic Plan will serve as the hub around which the rest of our Institutional Plan will be developed, with supportive plans to be created by the divisions of Business Affairs, Student Affairs, Advancement, and Athletics. And, as the Provost mentioned, this is an appropriate time to revise our University Diversity Plan as well.

An important part of that Institutional Plan will be the development of a clear strategy for new capital construction as well as facility renovations and repair that we will need over the next several years. The past decade has seen an unprecedented level of new construction on the campus. We’ve added ten academic buildings (including a Center City facility), a Student Union, a Student Health Center, a football complex, five residence halls, a new student dining facility, and even four parking decks, not to mention recreational fields, improved outdoor spaces for rest and reflection, and new roads. When we add in the renovations we’ve made to existing facilities, including most recently the Colvard Building and the Belk Gym, total capital-related expenditures on this campus exceed $1 billion over the last decade.

It’s unlikely, though not impossible, that we will see this level of facility expansion over the next ten years. We anxiously await word from the General Assembly on the funding of our new Science Building (a $90 million project) and we are moving forward with the construction of a new Health and Wellness Center ($60 million). Levine Hall, our last new residence hall for the foreseeable future, is under construction and will open during the 2016-17 academic year.

Beyond these two new facilities and stand-alone facilities for the Counseling Center and for an Admissions & Visitors Center, however, most of what we’ll be doing over the next several years is to renovate our older buildings, particularly those in the academic core—Burson, Colvard, Denny, Garinger, Macy, and Winningham. We will also renovate some of our other older facilities to serve other purposes, including the Residence Dining Hall, and some of our older residence halls along Mary Alexander Drive. And, in my personal message to Vladimir Putin, we’ll continue with the renovation of our Soviet-era high rise residence halls, inside and out. As Holshouser Hall has shown with respect to the exterior of these 1960-era buildings, you can make a world of difference with enough brick!

Although we are far from having figured out whether and how a hotel-conference center complex at the light rail station at J.W. Clay Blvd. on North Tryon Street can be developed, conversations already started with several potential development partners will continue this year. The University has no intention of owning or operating such a facility, but we do see the strategic advantages of having a first class facility of this type readily accessible to us for University-related business and for attracting academic and non-academic conferences to the campus, as well as to have available outstanding facilities for executive education. What we’re hearing from potential
development partners is that some mixed use elements in such a complex, including restaurants, adult beverage distribution points (bars), and a limited amount of retail, may be necessary components to make the hotel-conference center a financially viable entity. That’s not necessarily a bad thing since it would make some nice amenities available to our faculty, staff, and students without having to leave the campus. On the other hand, our land is one of our most precious assets and we’ll want to be careful in committing it to purposes that are not mission-central. We’ll continue to explore this significant opportunity in collaboration with the UNC Charlotte Foundation which owns the land on which such facilities could be developed.

In connection with light rail, we have also recently organized ourselves to address the host of logistical issues that will be associated with the beginning of train service in the summer of 2017. These include things like the use of our campus shuttle system to distribute folks who arrive at the campus by train, parking for train users, security on the platforms, directional signage, and ticket purchasing or other electronic access for use of the trains by our faculty, staff, and students.

Apart from these various planning exercises, we will consider over the next year some organizational realignments to ensure that our administrative infrastructure will be as effective as it can be. We will examine the question of whether and how we can integrate a variety of essential enterprise risk management functions related to legal affairs, compliance, risk management, internal audit, and Title IX. We will look at whether it makes sense to integrate the management of our student housing and residence life functions with campus dining and related services. We will launch a new “One University” initiative with a multi-divisional task force to see whether we can serve our students more effectively and efficiently at the beginning of each semester with a “one-stop shop” as they wrestle to secure services related to admission and transfer, registration, financial aid, housing and dining, student accounts, and even parking.

Finally, we will continue to work this year on implementing the recommendations received as a result of separate “One University” studies completed last year. One of these concerned improving the student withdrawal process so that a student who chooses to leave the University temporarily for personal or financial reasons doesn’t inadvertently create significant barriers to re-entry. The other study resulted in some important recommendations for improving the delivery of academic and athletic summer camp opportunities.

This will also be a significant year for ensuring that we can continue to recognize and retain the talent we have been so fortunate to have represented in our faculty and staff. Many of you will know that, even during the worst years of the recession, we implemented a number of strategic salary adjustments to ensure that our SPA employees were compensated near or above the market rates within the salary ranges of their respective classifications. Subsequently, we also implemented a strategic salary adjustment for senior faculty most adversely affected by the salary compression that has occurred as the result of many years of inadequate salary increases authorized by the General Assembly. Last year, for many of the same reasons, we addressed the market and equity issues affecting non-faculty EPA employees.

Assuming the General Assembly eventually passes the budget, we will move forward this year with another strategic salary adjustment for SPA staff and another for faculty. The SPA adjustment is made necessary largely by two factors: 1) inadequate state-funded increases over time to maintain pace with dynamic salary markets for existing job classifications; and 2) recent
NC Office of State Human Resources (OSHR) adjustments to the market rates associated with a number of classifications, an action that affects approximately 1,000 of our SPA employees. Unfortunately, OSHR changed the market rates without the state providing any funding to ensure that our employee salaries remained at those market levels. To address the salary issues resulting from both factors is about a $3.5 million challenge.

On the faculty side, a recent analysis completed by the Provost’s Office documents with mathematical precision what we already knew, that we have significant deficiencies for our faculty generally when our salaries by faculty rank and academic discipline are compared to the median salaries paid at our peer institutions as defined by the Board of Governors or more broadly against doctoral-granting institutions. As you might expect, those deficiencies grow significantly if we aspire to pay faculty salaries at a truly more competitive level (e.g., at the former BOG goal of some years ago to pay salaries at the 80th percentile of comparable institutions). In our case, elevating faculty salaries to the 80th percentile of our BOG peers or doctoral-granting institutions is a challenge of somewhere between $7 million and $12 million.

Even under the most optimistic view of the state budget currently under discussion, I think it unlikely that we will be able to solve these issues in a single year and maybe not to our complete satisfaction when it comes to moving salary levels significantly above the median. But the members of my Cabinet and I fully intend to make a significant commitment of our new resources this year to make a large dent in our salary deficiencies for both faculty and staff, and we’ll return next year to see what can be done to further address salary levels among EPA non-faculty employees. Rewarding and retaining our talented faculty and staff can never be a bad idea. And this is not only the right thing to do, but it is the financially most sensible. We’ve already made substantial investments in your recruitment and professional development and, as a result, it makes sense to protect that investment.

As we look outward beyond the boundaries of the University, we will continue our community engagement initiatives, including our efforts to deepen our relationships with state and local officials and community leaders throughout the region but especially those in Mecklenburg County.

Our University Advancement staff will be continuing its work to solidify significant private gifts that will be essential to the public launch next fall of a major fundraising campaign that will run through 2019.

Athletics will continue its work to achieve our full certification as an FBS institution through the NCAA and will take the initial steps toward the initiation of a women’s golf program in 2017, the first of three women’s sports to be added to meet our obligations under Title IX created by the initiation of a football program. The additional sports currently under discussion include sand volleyball and women’s swimming and diving.

As many of you know, earlier this year we celebrated the 50th anniversary of the passage of the General Assembly’s vote to have Charlotte College become the fourth campus of the UNC system. In 2016, there will be two additional anniversaries to celebrate—the 50th anniversary of the first graduating class of UNC Charlotte as a four-year institution and the 70th anniversary of our founding as the Charlotte Center of the University of North Carolina. Of course, the Charlotte
Center begat Charlotte College and Charlotte College begat UNC Charlotte. We hope you’ll take an active role in those celebrations as they unfold.

However, as with all such anniversaries, they will mark not only the past, but a new beginning. And as I enter my next ten years, I certainly hope we can dream big enough so that what we see at the end of the next decade is as dramatic a difference as we have seen in the most recent decade. And I promise you, the changes will be for the better.