Good morning.

Thank you for coming today, and welcome to the beginning of another semester.

I also want to extend a warm Sacramento State welcome to some very special guests.

Joining us from China are representatives from the Chongqing University of Technology.

They are starting an MBA program, and they will be meeting with our faculty and examining how we have made our program successful at Sacramento State.

Our next group of visitors this morning had a much shorter trip.

We have with us some Sacramento State parents who are guests of our new Parents and Families program.

Additionally, several of our supporters from the local community are in attendance, as board members and friends of the University.

Thank you all, for being here.

It's good to see everyone back on campus, and I hope you had a nice holiday break.

I, for one, welcomed the time off, as the last semester was one of fast and furious change in the CSU.

Change occurred at all levels, from the fiscal cliff in Washington to the seismic shift in the political landscape of California.

Each of these changes will have a big impact on our work, and I will go into that this morning.

But first, I want to take a moment to express my gratitude: Thanks to all of you, we weathered all of the changes relatively well.

It took a lot of patience and sacrifice, but our cautious budget planning has ensured that we are well-positioned to succeed as a campus.

And during the economic turmoil of the past few years, the Sacramento State community time and again has proved its resilience, its innovative spirit, and its unwavering dedication to our students.
Thank you all so much.

Here is where things stand right now.

Proposition 30 passed in November, which meant we avoided a $250 million trigger cut to the CSU.

It also required quite a bit of work in order to rescind the previously approved tuition increase for our students.

This involved reviewing more than 28,000 student financial records, and I’m pleased to report that we completed this process ahead of schedule – which I am sure many of our students appreciated.

Now, shortly after the passage of Prop. 30, I said that I was hopeful that the state would begin to restore the funding lost during the last few years of deep budget cuts.

That hope is finally starting to be realized, with Governor Jerry Brown’s proposed budget for the next fiscal year.

His plan would add $125.1 million in new state support for the CSU, and it would reinstate another $125 million that was cut last year.

The portion of funding that is being reinstated stems from the approval of Prop 30.

It is important to note that $10 million of the new funding is being directed to online strategies that will address bottleneck courses.

As I have said before, online education is going to play a larger role in what we do.

Cal State Online has been launched at the system level, and San Jose State has recently launched a pilot program with Udacity. Clearly, we must give this issue our most careful attention so we can better serve our students.

In terms of the overall campus budget, I will continue to work with the University Budget Advisory Committee as the process continues.

And as we all know, the budget can go through many incarnations between now and the summer.

But at least initially, we have a degree of hope that we haven’t seen in quite some time.

So while we will continue to be thoughtful and prudent in how we budget as a campus, I believe we can allow for a “cautiously optimistic” approach as we plan for the coming year.

Another reason for my optimism is the selection of a new chancellor for the CSU.
Dr. Timothy White began on December 31st, and I am confident that his leadership will be very positive for our system.

He has experience with all three levels of public higher education in California, and he is committed to serving our students.

The other changes I mentioned earlier apply here as well.

The action in Washington to avoid plummeting off the fiscal cliff provides a measure of relief for now – but the renewed scrutiny of federal financial aid is unlikely to go away anytime soon.

With 45 percent of our undergraduate students receiving Pell Grants, this situation is one that cannot be ignored.

The November election also resulted in a new super majority in both houses of the State Legislature.

This is uncharted territory for the CSU, and for Sacramento State in particular.

As we are all aware, the State Capitol is just down the road from here, and we are squarely in the middle of this new reality of the super majority.

So what does all this mean for Sacramento State?

With everything going on, it has become increasingly difficult to identify an area of public higher education that hasn’t changed in the recent months and years.

It is easy to get distracted, but we cannot lose sight of why we are here.

I have always believed that during times of change, it is very important to focus on core principles.

A set of strong core principles serves as a constant that can guide us through the multitude of variables we will encounter.

For Sacramento State, those core principles are access, quality, and affordability for students.

These three principles are also the indispensable components of public higher education.

In my view, the classic analogy of the three-legged stool is appropriate here.

If you take away access, quality, or affordability, you no longer have effective public higher education.

Instead, you’re left with a broken system that supports no one.
I know that we can continue to focus on these three principles because you have demonstrated that they are hallmarks of our University.

They are at the heart of everything we do, and I see the evidence every day.

When faculty members across departments commit to the success of initiatives such as the One World program …

Or when staff in several units work in tandem to ensure that the Prop. 30 tuition rebate is implemented flawlessly …

Or when we come together as a University, as we do twice a year, to make our Commencement ceremonies a special time in the lives of our graduates and their families …

In these instances and many more, the commitment to access, quality, and affordability is on full display at Sacramento State.

My bottom line here is that this commitment will serve us well as we navigate the changes I discussed – and that, I believe, is our next challenge.

As an institution of public higher education, we will be defined by our success in enhancing access, quality and affordability – and by how we demonstrate those values to the community we serve.

The past few years of deep budget cuts have shown us that we need to be on the forefront of change, instead of letting change happen to us.

And issues that were overlooked in the past are now front and center.

I am proud to say that Sacramento State is off to a strong start in confronting these new realities – with many of you taking an active role.

Departments are revising their curricula to help students succeed, including working to comply with the CSU’s path for a 120-unit threshold for all majors.

The Faculty Senate is tackling General Education requirements.

And faculty and staff across campus are working to identify and unblock any bottleneck courses, and find solutions that will allow students to progress to graduation faster.

I know this work is not easy, and I want to thank everyone who has been involved in these efforts.

They will really benefit our students.

Another way we can better serve our diverse student body and eliminate bottlenecks is to spread out our schedule, and offer courses at more times during the day and the week.
This will also help us move closer to being approved for a new Science Complex, which as you know we have needed for quite some time.

Sequoia Hall, which houses our current science facilities, was built in 1967.

For those of you counting, that means it was 1-year-old when I was a freshman in college. Now that’s old!

Now, money is still an issue, but we are continuing to work with the Chancellor’s Office to move the project higher on the CSU’s list of priorities – so when bond funding does become available, we will be ready to go.

One of the criteria for moving up the list is demonstrating an efficient use of the space that we currently have. Frankly, this is one of the barriers we have to overcome.

When the CSU evaluates a campus's space utilization, all classrooms – and all days and all times – are considered basically equal.

As a result, they do not look favorably on classrooms that are vacant during non-peak times.

Under the CSU formula, that's unused space, and it’s difficult to show a need for new facilities when that number is high. So, we must do everything we can to utilize our space to the maximum.

Now, a new science complex that reflects the excellence of our STEM programs is a major component of another strategic planning effort that is under way at Sacramento State.

We are currently engaged in creating a new master plan for the campus.

It is more important than ever that the physical and pedagogical aspects of Sacramento State work in harmony to create the best experience possible for our students.

So we have engaged individuals from every sector of the Sacramento State community, including the Faculty Senate, the University Staff Assembly, and ASI.

The task force also has representation from key off-campus stakeholders and partners, such as the City of Sacramento, SMUD, and the Chancellor’s Office.

So far, the task force has reached consensus on some key concepts for the new master plan.

First and foremost, the campus needs to function well for academic programs and students.

This includes the ability to provide a modern educational experience, with learning spaces indoors and out, in both formal and informal settings.

The members also want a beautiful campus that can serve as the University’s face to the world.
And it needs to be environmentally friendly, and to use renewables and sustainable materials wherever possible.

Basically, the master plan will create a blueprint for all physical aspects of the campus, from safety and traffic flow to housing and amenities.

It is a vital document, and it requires extensive thought, because any changes we want to make must be included in a strategic master plan.

Part of the plan will address opportunities for developing the south end of campus, including possible new student housing, retail and restaurants, and an events center.

We are looking at the area near the football stadium for potential development, because it is highly visible from Highway 50, and the city’s planned extension of Ramona Avenue will create another entrance to our campus.

All of this is still in the early stages, but once more details emerge, we will hold campus workshops to share the information and get feedback.

I think the success of The Well has clearly shown that Sacramento State can reach new heights and provide incredible benefits to our community.

We have also enjoyed tremendous community support for new teaching and learning equipment in Folsom Hall, with the fundraising campaign for the School of Nursing.

The next step for Folsom Hall is moving our program in Physical Therapy into the space that has been designated. We are beginning renovations this spring so by this fall the program should be fully operational.

I want to thank you once again for hanging in there during the recent years of cuts.

And I really am serious when I talk about my cautious optimism for the future.

What makes me most optimistic is the work you have done to get us through the most difficult time in the history of public higher education in California.

This is my 10th year on campus, and your dedication to our students gives me great hope for the years ahead.

It is a great honor to work with each of you, and I look forward to the successes we will share.

Thank you very much.