

President Courtway, Chairman Chackles, Trustees,

Thank you once again for giving me the opportunity to address you on behalf of the UCA faculty. I would especially like to extend a heartfelt welcome our to new Trustee, Bobby Reynolds. I know the demands and responsibilities of being a Board member are great, and we appreciate and admire the commitment you have made to UCA by accepting this appointment.

Over the past six months, the UCA ship has been rocked by a perfect storm of scandal, tragedy, and budget cuts. Now, under the exceptional leadership of President Courtway and Provost Grahn, we are righting our ship and steering it to safer waters. President Courtway has spoken with unique candor to the faculty. We understand the dire straits of our fiscal situation; we understand that we have to get out of debt and build a significant budget reserve to weather future storms. As a result, we have shown our commitment to greater fiscal discipline.

The faculty understands that we are unlikely to see even cost of living raises for the second year in a row. Without cost of living raises, our salaries are in effect being cut. We understand the need to limit travel to conferences, though it is an essential part of our scholarship. Despite the fact that departmental M&O budgets haven't been increased in 12 years, we understood the necessity to cut \$750,000 from the academic budget this year. Had this been any other time, I would be receiving angry phone calls and emails from faculty members all over campus. That's not happening because we know where we are and what sacrifices have to be made to build a better, more financially stable university.

We also know we are not the only one's making sacrifices. Students are shouldering more costs. UCA has raised tuition, fees, and lowered the number of scholarships. Likewise, most of the staff have not seen raises and the physical plant has made serious cuts to their budget.

Soon, UCA will be preparing its budget for next year. Tough choices will need to be made about the budget priorities of this university. As the Board engages the administration over these choices, I ask that they keep in mind the core mission of this university: We are the center of *learning*; we educate the men and women of Arkansas. We must make sure we have sufficient funds to maintain that mission. All other spending that is peripheral to that core mission should be scrutinized for savings. The acquisition of new land and beautification efforts should be put on hold. Spending on athletics and other events that do not directly enhance education and scholarship should be trimmed. Overpriced advertising campaigns must be slashed, and non-essential, high paid positions should be eliminated.

As we look forward, it is time to reassess the fiscal direction of UCA. In the past, we looked to enrollment growth to bolster the budget and image of this university. The more students, we reasoned, the more tuition dollars, the more state money, the greater our coffers. But to facilitate that growth, we did some odd things. We gave our product away for free to thousands of students, through excessive scholarships and concurrent enrollment drives. But, we reasoned, we would get money from the state for those students. That money didn't come last year. Per student, we are the lowest funded university in the state, and what new money we were promised was cut by \$4.5 million dollars.

I suggest a new perspective on growing UCA. It is time to focus on revenue growth rather than enrollment growth. A larger student body is unlikely to pay off in the near future. The Arkansas fiscal forecast is uncertain, and if this state ultimately follows the nation, it will turn dismal. We cannot rely on increased enrollments bringing in state money, and increasing tuition to compensate during tough economic times is wholly unrealistic. As a result, we would not have the funds to build the space, hire the faculty, and increase the support needed to handle the larger enrollments. We will need to find other ways of building revenue, for example, through grants and private donations.

Fund raising is perhaps the most essential ability of our next president if we are to forge a better UCA; though we are looking for many qualities. We will need an outstanding leader in the coming years, and that person is out there. Applications and nominations are just now coming in. After March 1st, we will have a first look at the applicant pool. It will take time for the search committee to carefully review the applicants, and narrow the field to those we want to interview. Again, I urge patience on the part of the Board and the university community. Having a new president by July 1 is not our goal; having the best man or woman for the job, however long that takes, is. That being said, I know the search committee is moving forward with diligence.

Thank you for your time.