

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

SUBJECT: Annual Operating Request to the State for the University of Michigan-Dearborn Campus for FY2007

ACTION REQUESTED: Approval of the Annual Operating Request to the State for the University of Michigan-Dearborn Campus for FY2007

BACKGROUND: See Attached Document

|             |                         |
|-------------|-------------------------|
| EXH         | MOTION: <i>Maynard</i>  |
|             | <i>White</i>            |
|             | APPROVED BY THE REGENTS |
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Recommended by:



Daniel Little, Chancellor  
University of Michigan-Dearborn

November 2005

## The Mission and Role of the University of Michigan-Dearborn

Over the last year, the faculty, staff and students of the University of Michigan-Dearborn have been engaged in an inclusive and comprehensive examination of our role and mission. Our goal in this process has been to develop a new vision for UM-Dearborn, one that focuses considerable attention on the impact that a university like ours can have on our region of southeastern Michigan.

The yearlong process culminated in a campus-wide retreat in April that reflected widespread support among faculty, staff and students for a common vision of the mission of the UM-Dearborn campus. In short, our mission is to deliver the academic excellence of the University of Michigan in leadership and service to metropolitan Detroit.

The results of this process set out a challenging but exciting roadmap of our work for the next five years. To accomplish our goals, we need to achieve four specific targets: we need to increase enrollment; we need to enhance student engagement in the classroom and in our communities; we need to enrich and broaden the academic strengths of our faculty and our curriculum; and we need to work together to bring these advantages to bear to on the needs of southeastern Michigan.

Our campus has committed to increase enrollment to approximately 12,000 students over the next decade, helping to meet the goals set out earlier this year by the Cherry Commission. Total enrollment at the campus is now more than 8,700; our freshman class is one of the largest in our history, up more than 20 percent over last year.

UM-Dearborn makes a significant contribution to the region's human capital: approximately 80 percent of our alumni continue to live in southeastern Michigan. In all the areas where our region needs strong and capable leaders, you will find UM-Dearborn alumni working as agents of economic and social progress in genuinely practical ways.

There are five specific areas where UM-Dearborn can apply its resources to make a difference on important regional issues. First, we can support competitive manufacturing with applied research, educational programs, and innovative technologies. Second, we can help addressing racial and ethnic discrimination by innovative programs both on campus and in the community. Third, we are a national model for research and teaching on how to tackle environmental challenges in an urban setting. Fourth, we can work with K-12 schools and early childhood programs to enrich their curricula and the skills of their teachers. And fifth, we can help regional leaders and elected officials in a variety of offices develop the complex skills they need to better serve their communities and southeastern Michigan more generally.

These are areas where there is significant challenge in southeast Michigan, where the University of Michigan-Dearborn has real strengths, and where there is potential for long-term positive impact. By making progress on these goals, the University of Michigan-Dearborn can become a national example of a high-quality metropolitan university, meeting important metropolitan needs.

To help us address these challenges, the University of Michigan-Dearborn needs greater support from the state. While we understand the enormous economic challenges facing Michigan at this time, we believe that investment in higher education in general

and in the mission of the University of Michigan-Dearborn in particular will pay dividends for the state many times over in the years ahead.

In total, we are asking for an increase in our state appropriation totaling \$1 million, or approximately 4 percent over last year's appropriation. An increase of that size will leave us considerably below our 2002 appropriation, and below what we need to sustain excellence and develop new programs, but reflects our realistic appraisal of the state's economic condition. No doubt, the successive cuts in the state appropriations for higher education over the last three years have had significant effects both on our offerings and on the costs that have been shifted to students and their families. Over time, we believe that the state needs a plan for bringing support for higher education back to 2002 levels and then growing at a reasonable rate. We recognize that this cannot happen overnight in the current fiscal circumstances without all branches of government addressing new sources of revenue.

### **Program areas requiring additional state support**

#### **Faculty positions: \$550,000**

We have attracted one of the largest freshman classes in the history of our institution, more than 20 percent higher than a year ago. We are confident that this is the promising beginning for our commitment to increase enrollment significantly in the years ahead. In recent years, we have added capacity to our campus through the state's capital outlay process, and we know that we can grow enrollment without incurring significant infrastructure costs, except for costs directly related to instruction. We have committed

to robust enrollment growth over the next decade, in response to regional needs and in response to the challenge presented by the Cherry Commission earlier this year. For Michigan to prosper, we need to increase the number of college graduates in the state. The University of Michigan-Dearborn is one of the institutions poised to help accomplish that goal.

To take on that challenge, though, we will need to increase our instructional capacity by recruiting new faculty members in a variety of fields. Our current projections call for enrollment growth of 3 percent per year over the next decade. An increase of six new faculty lines, about 2 percent of our tenure-track faculty, will be needed to help us meet our students' expectations and requirements. These new faculty members would add to our capacity to address regional research needs on issues of global competition; on environmental issues; on the changing social dynamics of southeastern Michigan; and on the needs of early-childhood and K-12 teachers for stronger programs in science, mathematics and special education.

**Expanding programs for early-childhood and K-12 teachers, \$150,000.**

While research continues to accumulate to show the importance of early-childhood education to long-term student achievement, the University of Michigan-Dearborn is one of the leaders in preparing teachers for careers in early-childhood education the state of Michigan. Faculty in our School of Education focus considerable attention to early childhood education, both in preparing students for careers in the field, and in conducting ground-breaking research on developing capacities among young children. Our campus's Child Development Center (CDC) is a critical element of the

University's early-childhood teacher preparation programs. In fact, UM-Dearborn's Child Development Center is one of only 10 percent of American childcare facilities accredited by the National Association for the Education of Young Children.

We are also deeply involved in enhancing the skills of teachers in the K-12 system, both in bachelor's degree programs and at the master's degree level. Professors in our School of Education have worked with faculty members in our Department of Natural Sciences to reform curricula and develop new teaching methods that have the potential to transform the way science is taught throughout K-12 schools. In addition, faculty members in our mathematics department have become national leaders, through focused work in the Detroit public schools, in developing effective methods for teaching math in middle schools, where many students get off track, undermining their potential achievement in successive grades. Both of these areas, science and math, will be key to preparing Michigan's children to compete in a global economy.

With additional support from the state, we will be able to expand these programs and broaden their impact on schools and children across Michigan.

**Building regional leadership capacity: \$100,000**

The Institute for Local Government is an initiative launched at the University of Michigan-Dearborn in 2003 to offer a variety of programs to help develop stronger civic leadership in the region. As the problems local governments are asked to solve become more complex, those serving as elected officials need background and continuing education delivered in a non-partisan and timely manner. We believe that the university is uniquely suited to perform this task.

Among other programs, the Institute for Local Government has offered a series to help new school board members understand their new responsibilities. That program has attracted members from more than half of the 80-plus school districts in the metropolitan region. The Institute also has developed similar programs for new village and city council members, and is now launching a program to help municipal leaders address the issue of hate crimes in their communities.

Over time, we expect the Institute for Local Government will have a very positive impact on the communities in our region, and it has drawn significant support from public officials and from private organizations involved in civic leadership. With \$100,000 in base funding from the state, we will be able to sustain the program and build on it, keeping our promise to serve the leadership needs of our region.

**Research and information technology infrastructure: \$200,000**

The University of Michigan-Dearborn enrolls an extraordinary proportion of its students in the natural sciences and engineering. We need to ensure that our students and faculty members have laboratory facilities and instrumentation that is sophisticated and technologically advanced if we are to prepare them for careers in the world that expects nothing less. While we have added significant new buildings to our campus in recent years, with the help of the state through the capital outlay process, we have struggled to equip those buildings properly. We need to invest more in technologies that support instruction and collaborative research. Michigan's economic prosperity will clearly depend on a technologically proficient workforce, and enhancing support for modern scientific inquiry is an investment in the future.

Request:

|  |             |
|--|-------------|
| Seven tenure track faculty lines                     | \$550,000   |
| Institute for Local Government                       | \$100,000   |
| Early childhood, K-12 programs                       | \$150,000   |
| Research and instructional technology infrastructure | \$200,000   |
|  | <hr/>       |
| Total  | \$1 million |



**University of Michigan – Dearborn  
Cost Containment Measures – Annual Savings**

|   | <u>2003-04</u>            | <u>2004-05</u>            | <u>2005-06</u>          | <u>2006-07</u>    |
|---|---------------------------|---------------------------|-------------------------|-------------------|
| General Fund Budget Reallocation  | \$1,017,000 <sup>1</sup>  | \$952,000 <sup>1</sup>    | --                      | TBD               |
| Reduced Mailing Costs Due to Internet Communications                                      | --                        | 85,000                    | --                      | --                |
| Decommissioning of Campus Building (CASL Annex)   | --                        | 180,000                   | --                      | --                |
| Utility Bill Aggregation Savings  | --                        | 30,000                    | --                      | --                |
| Restructuring Employees Health Care Premiums  | --                        | 75,000                    | --                      | --                |
| Institutional Advancement – Staffing Reduction and Increased Use of Electronic Publishing | --                        | --                        | \$55,000                | --                |
| Henry Ford Estate – Reduction of Operating Hours and Staffing                             | --                        | --                        | 130,000                 | TBD               |
| Steam Distribution System Improvements  | --                        | --                        | 95,000                  | --                |
| High Efficiency Lighting in Fairlane Center Parking Lots                                  | --                        | --                        | 22,000                  | --                |
| ACH Option for Payment of Tuition – Reduction in Bank Transaction Fees                    | --                        | --                        | 40,000                  | --                |
| Change in Tuition Payment Schedule is Under Consideration                                 | --                        | --                        | --                      | TBD               |
| Implementation of DTE Energy Audit Recommendations  | --                        | --                        | --                      | TBD               |
| Changes Related to Instructional Program Delivery:  |                           |                           |                         |                   |
| School of Management  | --                        | --                        | 85,000                  | \$45,000          |
| College of Arts, Sciences, and Letters  | --                        | --                        | 153,000                 | TBD               |
| School of Education   | --                        | --                        | <u>19,000</u>           | <u>TBD</u>        |
| <b>Total</b>  | <u><b>\$1,017,000</b></u> | <u><b>\$1,322,000</b></u> | <u><b>\$599,000</b></u> | <u><b>TBD</b></u> |

<sup>1</sup> Through the campus budget reallocation process, many cost containment measures were implemented to achieve savings of \$1,969,000 over a two-year period. They include: travel budget reduction; negotiation of lower campus-wide phone costs; reduction by attrition of non-faculty positions, and use of digital photograph format for publications.