

Governor's FY08-09 Biennial Budget Hearing
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Legislative Office Building, Room 206-208

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Governor Lynch, Members of the Budget Committee, Good Morning.

Joining us here today, in addition to the Trustees already introduced, are the presidents of the University System of New Hampshire: Bonnie Newman, Interim President of the University of New Hampshire, Karol LaCroix, President of Granite State College, Helen Giles-Gee, President of Keene State College, and Sara Jayne Steen, President of Plymouth State University. If I may share a factoid with you about this impressive leadership lineup, it is that ours is the first and the only university system nationally to have female presidents of all its institutions. New Hampshire is truly well served by these fine colleagues and it is my honor to serve with them.

In presenting our FY 08-09 Operating Budget Request, we acknowledge that the University System of New Hampshire is a state resource for which the Governor, General Court, and the Board of Trustees share stewardship. As Chairman Lietz has noted, every two years, these stewards take stock, review performance, evaluate needs, and present a budget for modest renewed investment. USNH appreciates the sustained commitment of the Governor and General Court even in the face of difficult financial challenges over the last few years and we know this year is no different. Our responsibility is to ensure affordable access to educational programs of quality for all New Hampshire people.

The importance of an affordable college education cannot be overstated, especially in today's rapidly changing global economy. The international marketplace described by Thomas Friedman in his book, *The World is Flat*, is one characterized by instantaneous communication, virtual workplaces, intense competition, and a highly skilled workforce that is being educated in what used to be called the "developing countries." If our own citizens are to succeed in such a world, they will need, now more than ever, the right set of specialized skills, general knowledge, and an entrepreneurial spirit. Such is the conclusion arrived at recently by the Spellings Commission on the Future of American Higher Education, a blue-ribbon panel appointed by the US Secretary of Education. Still closer to home, this fall the Nellie Mae Educational Foundation issued its report on the economies of the six New England states and called for greater partnerships among higher education, K-12, and business to boost college readiness and participation and support the entry of more graduates into the economy as the projected wave of Baby Boomer retirements begins to take its toll on our regional workforce. And finally, this fall, in every one of the Governor's "Listening Sessions" held around the state, business and community leaders called for closer collaboration with the University System and the NH Community Technical College System to provide a steady supply of well-qualified employees as well as to provide access to the technical expertise of our faculty.

The Operating Budget we present today is responsive to these urgent needs. It will allow the University System to continue critical operations as well as expand some newer initiatives that we believe are timely and align directly with New Hampshire's priorities. In short, it is designed to ensure *affordable access to programs of quality*. Specifically, this Operating Budget will support:

- **Continuation and expansion of the “Affordable College Effort” (ACE):** This program, in its first year of operation, helps low-income, often first-generation New Hampshire residents, to enroll at a USNH institution without having to take out a loan to cover the direct cost of their attendance. It specifically targets those young people of our state for whom college attendance is often not even on their horizon of possibility owing to cost. Our goal is to get these students into college and see them through to graduation. As we are *the public university system*, this is, and must remain, our primary mission.
- **Expansion of access through collaboration with the NH Community/Technical College System:** Two years ago, our Board launched “Project Access,” an effort to make programs, especially high-demand ones such as nursing, education, and business more available across the state and to partner with NHCTCS in doing so. To date, Granite State College has co-located its office and programs at NHCTC-Berlin, has become the anchor tenant of the new Tech Village in Conway (and hosting programs from NHCTC-Berlin, PSU, and UNH), and has relocated its Newport center to downtown Claremont so as to coordinate its offerings with NHCTC-Claremont. Each year, the number of students transferring from NHCTCS to USNH increases, thus giving such students an affordable way to begin their college career closer to home yet with the assurance they can continue on to a bachelor's degree. As USNH approaches the limit of its capacity to house students on its three residential campuses, it is ever more important that bachelor's degree programs be available through 2+2 arrangements between USNH and selected NHCTCS campuses and through on-line delivery. At the same time, recognizing the need of working adults to earn degrees and certificates so as to advance their careers, Project Access is designed to make these programs more available across the state.
- **Increased outreach to K-12 through Project Mentor:** Recognizing the urgent problem of school drop-outs, the University System has expanded its partnership with NH middle schools through a program started nine years ago at UNH Durham. Project Mentor is in operation this fall at Plymouth State University and UNH-M, and this spring will be at Keene State College. Granite State College will be delivering the on-line course for those mentors in other places who cannot get to one of our residential campuses. Project Mentor has raised the aspirations of our young people by pairing college students with those middle schoolers who are at risk of dropping out and for whom college is not even a hope.

- **Maintaining programs of quality:** Access, if not to quality, isn't really access at all. At the core, our mission is to offer educational programs and services that are of recognized quality and which prepare graduates for good employment, meaningful lives, and effective citizenship. Across USNH, programs ranging from the Whittemore School of Business and Economics to KSC's Safety Studies Program, to PSU's Meteorological Program, to GSC's Field-based Special Education Program have earned national and regional recognition. But quality – especially in this competitive marketplace – must include the faculty we appoint, the laboratories our students and researchers use, our IT infrastructure, and the support services we provide. As the cost of doing our business increases, all of our institutions regularly conduct cost/benefit analyses and make adjustments. UNH, PSU, and KSC deliver their programs on a cost/student basis that is significantly below their peers. But efficiencies have their limits. This budget request includes modest salary increases to remain competitive, renovation & repair funds to maintain the state's investment in teaching and research facilities, and investment in technology to expand access to programs on-line.

In closing, I would note that last month's survey of NH voters revealed that 88% believe that our public colleges and universities play an important role in developing a high quality workforce that supports a strong and growing New Hampshire economy. At this fall's Governor's "Listening Sessions" New Hampshire business leaders have expressed the same judgment. The University System of New Hampshire, in partnership with the NH Community/Technical College System, is prepared to carry out that mandate. We look to working with you as well to ensure New Hampshire's citizens realizes their full potential.

Thank you.

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