
State of the University Address by President Margaret Spellings

March 19, 2018, at the University of North Carolina at Charlotte City Center

Thank you, Joe, for that introduction and for your leadership at UNC Charlotte.

We're joined today by a number of local and state leaders including members of the UNC Board of Governors. The strength of this University System is a result of the focus, vision, and leadership from our Board, enabling our institutions to rise to the higher expectations we've set.

Some of those Governors joined me this morning for a tour of UNC Charlotte's Early Teacher College. Thanks to our key partner in that effort – the Charlotte-Mecklenburg School District – for being here today: Superintendent Clayton Wilcox and Board of Education chair Mary McCray.

We're also joined by members of the General Assembly from both chambers and both parties. The bipartisan, long-term support from the legislature is the foundation that's allowed public higher education in North Carolina to thrive.

I also want to recognize and thank our two co-sponsors, Leading on Opportunity and the Charlotte Chamber. We'll hear from Leading on Opportunity's Executive Director Stephanie Cooper-Lewter and from Chamber President Bob Morgan later on.

The array of community and business leaders here today is a testament to UNC Charlotte's relationship with the city and the region. Thank you for being here.

It's fitting that we're kicking off the 2018 State of the University Tour here in Charlotte at a university and in a city both defined by growth, innovation, and potential.

The power of American higher education doesn't flow from time-worn tradition or age-old rituals. Our moments of greatness have almost always come in our moments of reinvention.

Adaptation — applying our core ideals to a changing landscape — is what makes our country's colleges and universities the best in the world. It's why leaders at every level have continued to see the value of public higher education.

The people of the Queen City knew what a strong university would mean for a rising region. Their vision more than 70 years ago propelled a center for returning GIs into one of the state's great public universities, a place tailor-made to serve a growing city.

UNC Charlotte bridges urban and rural, founded on pasture land but tied to the heart of Uptown. It draws talent from across the state, fuels economic growth, and is a trusted partner in addressing this community's most important challenges.

Each of the UNC System's 17 institutions has its own version of this story, all reinforcing this state's deep ties to its institutions of higher learning.

We're here today for a progress report, a reflection on the state of our great University.

North Carolina has built, without question, one of the finest university systems in the nation. And it's getting better every day.

We've raised our graduation rate more than six percent in the last five years. That improvement means 2,000 more students have earned a degree this year — 2,000 more lives filled with greater opportunity, 2,000 families made more secure.

We've increased our annual research funding by more than \$300 million since 2012. Statewide, the UNC System now nets one and a half billion dollars in research investments every year — one and a half billion.

Those dollars drive job creation and make our state more competitive in some of the world's most important industries.

We're filling jobs in vital fields, producing nearly 21,000 graduates each year with degrees and certificates in health sciences, engineering, and STEM, an increase of 29 percent since 2011.

We are enrolling nearly 20 percent more Pell-eligible students each year than we did in 2011, strengthening access and opportunity.

And thanks to the legislature's commitment, tuition for North Carolinians is flat or falling at every school.

In these critical measures, we are getting stronger. But that's no cause for complacency. As I like to say, we're pleased but not satisfied.

It's been two years since I arrived in North Carolina, honored to join the nation's oldest experiment in public higher education. The question before us now is how we uphold our core mission in a rapidly changing world.

North Carolina is the place where we can — where we *must* — answer that charge. Our state mirrors the most significant trends affecting the country — passionate politics, shifting demographics, and an economy growing well, but unevenly.

We have, as UNC President Bill Friday famously said, a “mighty engine” for shaping these forces. And we've often called upon it in times of change.

Land grant universities expanded our idea of “all useful learning,” as established in UNC's original charter, and recognized higher education's essential role in a modern economy.

Campuses were transformed again when the GI Bill expanded our vision of college, ushering in a broader middle class in America.

And the struggle for civil rights established the opportunity to learn and achieve as the birthright of *all* Americans.

We're embracing that legacy and once again setting higher expectations. Guided by the emerging needs of our state, we're focused on the shared concerns that higher education has the power to address.

There are three big issues that both keep me up at night, but also give me confidence in our mission.

Mobility

The first is economic mobility. The American Dream holds that talent and hard work lead to a better life — that those willing to put in the effort can prosper.

When that belief begins to fray, we all suffer. Our politics become more troubled, our common future more clouded. Without confidence in the American Dream, we will fail to tap the talent we need to thrive.

Economic mobility is the defining issue of our time.

If you look at a map of economic mobility across the country, our region — from Southern Virginia through Mississippi — is an unhappy outlier. Children born into poverty in the South have strikingly low odds of bettering their lives.

In North Carolina, our metro areas rank among the very worst in the nation for upward mobility. And right now, Charlotte is at the bottom of that list.

When that troubling data first came to light, city leaders could have ignored it or tried to explain it away. Instead, they embraced the call to action with honesty and urgency.

That response, now spearheaded by today's co-sponsor — *Leading on Opportunity* — harnesses resources from across the city, including its public university. The insights and support offered by UNC Charlotte's Urban Institute is just one of the ways a great university serves a growing city.

Higher education is a proven route to upward mobility. National data from the Equality of Opportunity Project confirms that public universities, in particular, do remarkable work in lifting low-income students to a better life.

A student from a family in the bottom income quintile who enrolls at UNC Charlotte is nearly *six times* more likely to reach the top income quintile life than a student who doesn't pursue higher education.

When we meet our core mission — reaching talented students from all backgrounds, getting them in the door, and helping them graduate — college changes lives, lifts families, and transforms communities.

Improving economic mobility is an access issue. Earning a place here must not depend on the color of your skin, the income of your family, or the zip code where you grew up.

It's also a student success issue. Your odds of graduating should depend on work ethic and academic performance, not your parents' resources.

And it's a community impact issue. The jobs created by our alumni, the healthcare provided by our hospitals and medical graduates, the new industries developed by our researchers — they improve the quality of life for everyone, not just those who study here.

That's our obligation as the People's University — to think beyond those who earn a diploma. We're

here to serve all North Carolinians, not just those who enroll at our institutions. And part of that means we must welcome and support alternative paths to opportunity.

I'm not a believer in college-for-all, and I don't know any university president who is. But I am a believer in education and training beyond high school for nearly everyone, whether that's in school, on the job, or through military service.

We are steadily losing good jobs for high school graduates and gaining work that requires more education. Our universities must support apprenticeship programs, grant credit for military service, and partner with employers to offer on-the-job training that counts toward a degree or a certificate.

We must broaden options because the students we serve today are far more diverse than those we served a quarter-century ago.

Forty percent of North Carolina's college students are 22 years of age or older.

Many are already working and looking to us to broaden career opportunities.

Others have kids and hope for better-paying jobs to support their family.

Thirty-six percent of North Carolina's college students are enrolled online, or in a blend of in-person and online classes.

A little over half are in four-year colleges, but 46 percent are enrolled in a two-year program.

Any vision that's overly focused on providing four-year degrees to 18 year-olds fresh out of high school won't cut it anymore. The world has changed.

That's why we've formed the My Future NC Commission to take a hard look at how we must adapt to this new landscape.

North Carolina is one of just seven states without a statewide goal for educational attainment beyond high school. That must change for our state and its people to thrive.

The statewide goal that the Commission will set, along with the recommendations for how to achieve it, will help coordinate how we serve every North Carolinian in a way that we just don't do right now.

Supporting this statewide effort will mean that we must do our part to better prepare K-12 teachers so our students are ready for the next step when they graduate from high school.

Improving teacher preparation in North Carolina is a personal priority for me, and the focus of a recent report and continuing effort by the UNC System. It's also an effort fueled in part by UNC Charlotte's Cato College of Education and the extraordinary leadership of Dean Ellen McIntyre.

I'm confident we'll make strong progress and ensure students are ready for the educational options that will lead to opportunity and good paying jobs.

But underscoring the entire discussion of economic mobility is the spiraling cost of college. Options don't mean much if you can't afford them.

Happily, North Carolina remains a national leader. Stronger-than-average taxpayer support — providing a remarkable two-thirds of our instructional costs — keeps our tuition among the lowest in the country.

But *relative* affordability doesn't mean much for working parents staring at a \$22,000 cost of attendance here at UNC Charlotte.

They're not comparing us to a carefully selected group of our peers. They're comparing us to their savings accounts and paychecks, neither of which have kept up with the tuition hikes over the past two decades.

That's why, through the leadership of the General Assembly, the UNC Board of Governors, and our institution's Trustees and Chancellors, we've put a lid on tuition.

The UNC System's strategic plan holds tuition to the pace of income growth in our state. And we've required flat tuition for students who remain enrolled and on-track for graduation.

Most remarkably, thanks to a bold investment from the General Assembly, the NC Promise initiative has *dropped* tuition to just \$500 per semester at UNC Pembroke, Western Carolina, and Elizabeth City State, fulfilling our Constitutional mandate for affordable higher education.

All of that represents real progress, but it's still not enough for the working-class families who need access to opportunity. It's not enough to give hope to high-achieving, low-income students who can envision a path to graduation, but not the means to pay for it.

For those students, we need a simpler, fairer approach to financial aid — targeting help where it's needed most.

At UNC Charlotte, nearly 3/4 of students rely on aid. As Chancellor Dubois reminds me all the time, there isn't enough money to go around, so he and his team spend wisely.

For example, the 49er Finish program reaches out to students who left just shy of a degree, offering advising and financial support to help them re-enroll and complete.

The Gold Rush program awards \$1,500 grants to seniors who need an extra push to reach the finish line, a small investment that pays big dividends in higher graduation rates.

It's a reminder that many of our students leave school not for academic reasons, but because a small crisis — a broken down car, a sick child, a late paycheck — can be enough to derail long-term dreams.

As national policymakers work to streamline federal aid, we must do our part to improve financial aid here in North Carolina.

There's broad support for summer school funding, which gives students more flexibility to manage their course load and can help improve on-time graduation. And everyone agrees on the need for earlier communication about financial aid, letting students and families know that the true cost of college is less than they might imagine.

Our nation's most important pathway to opportunity must become less of a high-stakes gamble for our most vulnerable students, and financial aid is the most effective tool we have.

Accountability

Our second key issue is ensuring accountability.

Higher education has suffered from a ‘send us the money and leave us alone’ attitude.

What we do is legitimately hard to measure, and many of the benefits we bring to both individuals and the broader society take a long time to mature. So we’ve told people to just trust us.

That era is over.

I understand the frustration with tests and metrics and the appeal of rhetoric about local control and flexibility. But blaming data collection for the failings of education is just shooting the messenger.

Done right, better data and higher standards are tools for *greater* flexibility, for better decision-making and timely evaluation at the campus level.

Accountability doesn’t hinder talented leaders — it gives them the ability to pursue goals effectively.

That’s what our strategic plan is all about, and why it won unanimous support from the UNC Board of Governors.

We’ve signed 17 customized performance agreements with each chancellor in the UNC System, all of them embracing measurable outcomes as a route to excellence.

Here at UNC Charlotte, Chancellor Dubois crafted a performance plan that will graduate 30 percent more low-income students by 2022; increase the five-year graduation rate by six percentage points; grow total research funding by 44 percent; and produce 34 percent more critical workforce credentials in areas like teaching, science and technology, and healthcare.

We’ve launched new data dashboards showing the System’s yearly progress. Our successes — and our shortcomings — will be on display for all to see.

But to truly understand our own operation and have the timely data to evaluate our programs and drive decision making, it’ll take serious work to reform and repair some of the clunky, legacy systems we currently have.

That’s why data modernization is our top priority for May’s legislative short session.

And with a better understanding of our own enterprise, we can move confidently toward a funding model that serves our priorities.

Right now, we reward enrollment growth above all else. But if we care about graduation rates, achievement gaps and creating a 21st century workforce, our resources should match our rhetoric.

This is what embracing higher expectations means — pulling back the curtain and letting the results guide our actions and tell our story.

Nationally, we’re seeing a deeply discouraging retreat on shared standards and accountability in education. I’m proud that North Carolina is charting a different course.

Public Good

Our bottom line matters. But so do the values that are harder to show on a dashboard.

Fulfilling our historic mission to advance the public good is our third, and in many ways our most fundamental issue we face. It's the reason this University exists — the bedrock of everything we do.

A great many of the people in this state who run businesses, teach our children, heal our families, enrich our culture, and set our public policy will pass through the doors of our universities.

What we teach, the behavior we expect, and the standards we model as teachers and public officials help set the tone for our graduates in the world beyond.

That's an enormous responsibility, especially in an era of heightened concern about the direction of American public life.

We live in a world of instant headlines about campus protests and disinvited speakers. A thoughtless remark from a student, a professor, or a university administrator can ricochet across the country, sending everyone to their assigned corners to denounce or defend.

In a column last week, Arthur Brooks of the American Enterprise Institute referred to the “the holy war of derision on both left and right, which makes dialogue increasingly untenable.”

In that environment, what we do every day as educators and public institutions matters all the more. We have to stand behind the core values of free expression, intellectual diversity, and patient engagement with new ideas.

Our campuses bring together people from different backgrounds to gather in the same room, debate the same books, and navigate the same social life. A four-year undergraduate education remains one of the most integrated and intellectually demanding experiences in American life.

A conversation between roommates about growing up in big-city Charlotte versus small-town King's Mountain won't show up on a resume, but it can profoundly shape how those students see the world.

A calm back-and-forth in a US History class won't light up the internet, but it will leave students better prepared for life in our marvelous, complex country.

Our students recognize the privilege of thinking and learning. They want to live up to that gift, to leave the world in better shape than they found it.

Anyone who says that college students have lost their heads or their desire to be solid citizens just isn't paying attention.

But I promise you this — our students are paying attention to us. They're watching how we lead and govern, how we engage in public debate, how we adapt to the needs of our time.

It's up to us to show that public institutions are an ally in the effort to make a better world. That public service is honorable and effective. That trust in our fellow citizens, and faith in the country that binds us, is vital to any vision of real progress.

Conclusion

By focusing on our shared values; by deploying our public institutions to create opportunity and improve lives; by holding ourselves accountable to our highest ideals and aspirations — we can restore public trust.

The people who come to work every day in our labs and classrooms, our police departments and maintenance crews, our hospitals and health clinics — they're here because they want to make a difference. And they do — all across this state, in all 100 of North Carolina's counties.

Our job as a System is to enable that good work.

To provide opportunity to every North Carolinian and ensure economic mobility.

To hold ourselves accountable and set higher expectations for every institution.

And to commit ourselves to our public identity and take ownership of our role advancing public discourse, debate and the public good.

President Friday used to issue a powerful challenge to students.

“Every morning,” he said, “a million North Carolinians get up and go to work for wages which leave them below the poverty line, so they can pay taxes that finance the education you receive. Your job is to figure out how you're going to pay them back.”

We are stronger than ever because of the support we get from North Carolinians. Our job is to lift them up in return.

With this simple truth guiding our work, I'm confident that I'll be standing before you in a few years to report an even stronger, more effective University of North Carolina System.