

**State of the University Address: Wilmington**

UNC System President Margaret Spellings

March 21, 2018

Thank you, Zito, for that introduction and for your leadership at UNC Wilmington.

You're hosting us this week for a double dose – three days of UNC Board of Governors meetings and the second stop of the 2018 State of the University Tour. We appreciate the hospitality.

I also want to thank the members of the Board of Governors who are here today.

The strength of this University System is a result of the focus and vision from our Board, enabling our institutions to rise to the higher expectations we've set.

We also have members of the Legislature here, members of the Wilmington Board of Trustees and trustees from our institutions across the state.

We also have the Chair of the Faculty Assembly, Gabriel Lugo, with us today. Thank you all for being here.

I also want to recognize and thank our co-sponsor, the Wilmington Chamber, and we'll hear from Chamber President Natalie English later on.

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It's good to be in Wilmington to talk about the State of the University.

This University has long been an institution on the rise – one that embodies what a public University in North Carolina can be.

The story of this University, now 70 years old, is one of growth in both size and quality. Born in the aftermath of World War II to serve a unique population through the GI Bill, UNC Wilmington retains that character with its focus on serving all students – not just the traditional 18-year-old high school graduate.

UNC Wilmington is an institution defined by its close ties to the region and its tailored work to serve local needs, but its successes emanate far beyond the Cape Fear region.

One example of that growing statewide and national attention: just this month, one of my successors as U.S. Secretary of Education – John King – wrote about UNC Wilmington in a national publication touting its success graduating minority students.

Echoes of UNC Wilmington's success story exist across the UNC System. Great work is happening at each of our 17 institutions.

What's clear is that this state's deep ties to its institutions of higher learning are stronger and more important than ever.

Today, we're here 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 percentage points in the last five years. That improvement means more than 2,000 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. And now, the UNC System nets one and a half billion dollars in research investments every single year. Those dollars drive job creation and make our state more competitive in some of the world's most critical 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're graduating nearly 20 percent more Pell-eligible students each year than we did in 2011, upholding our commitment to access and opportunity.

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

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.

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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 over the years, its power and potential has come from its willingness to adapt and reinvent itself.

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 once again when the GI Bill expanded our vision of college, ushering in a broader middle class.

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

We’re embracing that legacy once again and setting higher expectations. Guided by the emerging needs of our state, and the ambitious Strategic Plan the Board of Governors unanimously adopted just over a year ago, we’re focused on the shared concerns that higher education has the power to address.

And as we move ahead, I see three big issues that both keep me up at night, as we say, but also giving me confidence in the importance of our mission.

## **Mobility**

The first is economic mobility. We hear about it a lot and we read about it a lot. 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, the human potential, we must have 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 worst in the nation for upward mobility.

But we have a proven route to upward mobility through higher education. 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.

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 is 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. 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. Any vision that's overly focused on that 18-year-old coming straight from high school won't cut it anymore.

Forty percent of North Carolina's college students are 22 years of age or older. Many are already working; many already have kids and are looking to us to help them get 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 two-year programs.

To take a hard look at that educational landscape, we've formed the My Future NC Commission.

North Carolina is one of just seven states without a statewide goal for educational attainment beyond high school. That must change.

Right now, we simply aren't well-coordinated in how we serve North Carolinians from pre-K to college to the workforce. We don't have well-defined, clearly marked pathways to help people achieve their dreams. My Future NC will give us a statewide goal and recommendations for how to get there.

Supporting that effort will mean we in the university must do our part to better prepare K-12 teachers so all 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 that we released. And I'm grateful for the support of UNC Wilmington Provost Marilyn Sheerer, who will be co-chairing our statewide teacher preparation advisory board in the months ahead.

Another way the UNC System must work better with the rest of the education pipeline: our community college partnerships.

Strong partnerships with our community colleges improve retention and graduation, drive opportunity, and build a college-going culture for all North Carolinians.

UNC Wilmington is leading the way. Hard work building partnerships with individual community colleges has brought results. UNCW is not only drawing in growing numbers of transfer students, it consistently ranks in the top three in the System for graduation rates of those students. You have figured this out.

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Underscoring the entire discussion of economic mobility is the escalating cost of college. Opportunity is meaningless if you can't afford it.

Happily, North Carolina remains a national leader on college costs. 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 offers little comfort to parents looking at a \$24,000 cost of attendance here at UNC Wilmington.

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, another great incentive for them to stay and complete.

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 University, and Elizabeth City State University, fulfilling our Constitutional mandate to be as free as practicable.

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All of that represents real and meaningful progress. We're working with our community college, K-12 and business partners, we're adapting to educate non-traditional students, and we're keeping costs low.

But to make higher education a more reliable path to opportunity for all North Carolinians, we must do more to get more students in and across the finish line to graduation.

That means a simpler, fairer approach to financial aid — targeting help where it's needed most. As national policymakers work to streamline federal aid, we have work to do here in North Carolina as well.

There's broad support for summer school funding, for example, giving students flexibility to manage course loads and improving on-time graduation. And everyone agrees we must tell students and families financial aid information earlier — in high school — so they see that the true cost of college is often less than they might imagine.

And getting more students across the finish line also means changing how we teach. UNC Wilmington is also leading here in a big way. Your work scaling applied learning throughout the curriculum is having a major impact.

The idea of applied learning — enabling students to learn through experience and not confining an education solely to books and lectures — is fairly simple in theory.

But implementing it is hard, and UNCW has done it well. And that means student retention is up, graduation rates are up, and students are leaving with skills and knowledge, and often jobs, that serve them well in the future.

## **Accountability**

I've just run through a wide range of worthwhile work to give North Carolinians a better shot at the American Dream. But none of it matters if we don't execute and hold ourselves accountable for doing so.

Which is why our second key issue is accountability.

Higher education has suffered from a 'send us the money and leave us alone' kind of 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 trust us.

But I think 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 institutional 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.

I'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 UNCW, Chancellor Sartarelli crafted a performance plan that will enroll nearly eight percent more low-income student and more than five percent more rural students; cut the achievement gap among low-income students by 50 percent; increase outside research funding by over 130 percent, and produce 34 percent more critical workforce credentials in areas like teaching, science and technology, and healthcare. All by 2022.

Our progress will be on display for all to see in newly launched data dashboard system covering the whole UNC System.

To truly understand our own operation, evaluate our programs, and drive better decision making, we must reform and repair some of the clunky data systems we currently use.

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

With a better understanding of our own enterprise, we can move toward a funding model that better serves our priorities and puts our money where our mouths are.

If we care about graduation rates, achievement gaps and creating a 21st century workforce, our resources must match our rhetoric and our goals.

Nationally, we're seeing a deeply discouraging retreat on shared standards and accountability.

But I'm proud that North Carolina is charting a different course, pulling back the curtain and letting measurable results guide our actions and tell our story.

### **Public Good**

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

Fulfilling our historic mission to advance the public good is our third, and in many ways the 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 helps set the tone for our graduates and the world beyond.

And that's an enormous responsibility.

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.

What we do every day as educators and public institutions matters. 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 place, debate the same books, and navigate the same social life. A college education remains one of the most integrated and intellectually demanding experiences in American life.

A conversation between roommates about growing up in big-city Raleigh versus small-town Richlands 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 good 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 unites us, is vital to any vision of real progress.

I want to cite one example here in Wilmington of how this works in practice. QENO, a now twelve-year-old partnership housed at UNCW, is committed to building capacity and training local non-profits and their leaders.

It's the kind of effort that ensures the civic fabric of a community — the fabric that binds us together — stays strong and vibrant.

## **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 and we will 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 ourselves.

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

UNC System 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."

I'm proud to say that we have been and are answering that call. And I know I'll be standing before you again in a few years to report an even stronger, more effective University of North Carolina System.