

Provost Spring 2020 General Faculty Meeting Speech

Anyone who has taken on the role of Provost knows that much of the work is done by others. I wish to thank President Turner for asking me to serve. The other vice presidents, the board members and the deans have all graciously welcomed me and worked with me. I have received many encouraging words and emails from you the faculty since the announcement last spring. Thank you.

I have been a faculty member for nearly thirty years. I have risen through the ranks as an Assistant Professor, Associate Professor and now Professor of Mathematics at two institutions. Eleven years at Tulane and nearly nineteen here. For the last fourteen I have also been a university administrator, four years as a department chair and a decade as interim Dean (Dedman College twice), Associate Dean of Faculty Affairs, Associate Dean for General Education, Associate Provost for Curricular Innovation and Policy and this year Provost ad interim. It is not a journey I could have predicted. If you had asked me ten years ago what my ideal situation in ten years would be I would have responded, an active researcher and teacher in that order.

I believe in higher education. I believe in the critical role research universities have played in the well-being of our nation. I believe that you, the faculty, are crucial to SMU's participation in - and contributions to - the research university ecosystem. But not all agree with my assessment. Critics of higher education have grown in stridency and number. And even many of our friends doubt that the current models that now dominate the higher education landscape and that have formed the basis for the partnership between America and its colleges and universities can be sustained in the face of the legion of difficulties that now confront us. In his book describing his blueprint for the New American University, Michael Crow, President of Arizona State University declares that we are at a fork in the road. Others claim that we have reached an inflection point. Joseph Aoun, President of Northeastern University, has offered his own new model for universities in the "age of artificial intelligence." In a recent article forwarded to me by Cox Dean Matt Myers the authors note that professional schools have felt acutely these new realities.

Perhaps your response is “we have heard all this before” when the prophets of doom announced the end of universities as we know them when MOOCs first came on the scene. Is this time different? Early in the fall Sondra Barringer, a faculty member in our Higher Ed program in Simmons pointed me to a more nuanced portrait entitled Two Cheers for Higher Education by Steven Brint, Professor of Sociology and Public Policy at UC Riverside. Reflecting my own reading of both higher education and SMU in particular I have adopted Brint’s approach for my presentation today and have entitled it, Two Cheers for SMU. “Two cheers” reflects both the challenges we face as well as the significant progress we have made in the last two decades under President Turner’s leadership. Our progress is encouraging as is our current trajectory, but we cannot rest on our laurels. As the book I handed out at the Fall faculty meeting makes clear, we will need to innovate if we are to continue to move forward. And you in partnership with the administration, Board of Trustees, staff and students will need to be the agents of change if we are to succeed.

Let’s begin with the challenges. There are a number of them, so apologies if your favorite challenge is missing. Nothing looms larger than demographics. Simply put the number of traditional college-age students (18-21) is set to decline. As Nathan Grawe notes in his book, Demographics and the Demand for Higher Education, “Total numbers of students are headed for a cliff. ... For example, the East North Central region anticipates 90,400 fewer students per cohort in 2029 than today, implying a potential reduction of nearly 20,000 faculty FTE.” That is clearly a frightening prospect.

Several factors mitigate this situation for SMU. First, the number of college-age students in Texas is expected to increase in the next decade. Most of that increase will be due to a rise in the number of Hispanic students with a smaller increase in Asian students. A note of caution, SMU draws fewer students from Texas than it did five years ago. To take advantage of our setting, given the changing demographics, we must develop a comprehensive strategy to address student need. This is a topic I will return to shortly.

Second, students whose parents both have college degrees are more likely to attend college than students for whom at most one parent has such a degree. And the numbers of such families have been growing in the last decade so that

even as the number of college-age students declines, the number of students likely to attend college will increase. Third, interest in elite institutions will continue unabated, where by elite institution, Grawe means an institution in the Top 50 of the US News and World Report ranking. More on this momentarily. Fourth, the number of full-pay students interested in top universities will continue to increase through 2025.

All of this bodes well for SMU, but none of these positives are guaranteed to benefit us. To capitalize we will need to draw on SMU's strengths, its strong focus on teaching and the range of undergraduate academic experiences. Over the last several years you have proposed a number of significant curricular improvements – two of which I will discuss in the context of Humanities enrollments and interdisciplinarity. Your efforts have been supported and furthered by David Son filling in as Associate Provost for Curricular Innovation and Policy ad interim, Dayna Oscherwitz, Assistant Provost for General Education and the faculty and students of the Educational Programs Committee and the Council on General Education. We must continue our commitment to curricular excellence.

The second challenge I would highlight today is cost. No university wants to be the first to cross the \$100,000 Cost of Attendance barrier. At the current rate SMU is set to be the first such university in Texas, and one of the first twenty nation-wide. SMU's budget depends heavily on tuition, around 70% of our revenue comes from undergraduate and graduate tuition and fees. Nearly 65% of tuition revenue comes from undergraduates and the remaining 35% from graduate students. A number of additional factors complicate this situation. These include the use of tuition to offer merit and need-based aid to attract top students from diverse backgrounds; a 2% pool for permanent raises in conjunction with 1% one-time supplements; and the ratio of undergraduate to graduate tuition.

One quick comment on each. Regarding merit aid, for the first time last year we froze the aid amounts associated with top applicants. If we can sustain the academic quality of our incoming undergraduates while freezing merit aid amounts for the next few years our discount rate will decline allowing us more freedom to maneuver. With regard to raises, assuming no other new revenue source, we roughly pay for every 1% increase by a 1% increase in tuition. A key

element in slowing our progress to \$100,000 cost of attendance is to lower our rate of increases in tuition. This year it is 3.5% but it will need to go lower in future years and this will put more pressure on our raise pool (as an aside the move from a 3% permanent raise pool to our current 2%+1% model was not primarily the outcome of Bain but of lower tuition rate increases).

Over the last decade the ratio of undergraduate to graduate tuition revenue in the central university budget has increased making us more dependent on the former. While the change is small, only 3%, the change in dollars is significant. This change is not the result of an increase in the ratio of undergraduate to graduate students or credit hours. It is, in my view, primarily the result of lower increases in graduate tuition that have been driven by the changing landscape of professional school education. This year articles in both the Wall Street Journal and US News have highlighted the fact that top schools are now offering substantial merit aid to business and law students. Frankly I was not aware of this change until this fall since most of our conversation has been around merit aid for undergraduates. Merit aid in the form of endowed scholarships for the entire range of students, from undergraduate to professional graduate student to Ph.D. student, will need to be a focus of our upcoming Campaign, something we have already begun to discuss with the Board.

Related to the challenge of cost are three key concerns regarding our budget – the model, the funding climate and tuition revenue constraints. The budget model we use is a hybrid that in its most basic form allocates all undergraduate tuition centrally with transfers to the units that teach undergraduates while graduate tuition for professional students is split between the appropriate school and central. There is some variation in how this split is managed. In my last ten years I have heard more complaints about the budget model than any other factor of university administration - with the possible exception of athletics. Here is my assessment. While the model has obvious shortcomings the same can be said for every other model. For the foreseeable future this is the model we will have though I do believe some important small-scale adjustments can be made.

We need to find ways to work within the model to provide the incentives that the model lacks. One of those involves faculty positions. When I arrived faculty positions reverted automatically to the school. Under Paul Ludden faculty

positions reverted centrally but I believe there has never been a case of a faculty position being moved from one school to another. In my view we must have the courage to allow such movement in a way that reflects institutional priorities. Under other budget models we would already have made such moves.

The second concern is the increasingly gloomy funding climate. As we try to move closer to R1 status, and we have made significant progress on this goal in the last decade, we are faced with stagnant federal funding. In their 2018/2019 Budget plan, Stanford University reported that federal funding, with the exception of their School of Medicine, had plateaued with no expectation of significant future increases. Where Stanford has seen increases is in non-federal funding including corporations and foundations. So we have an uphill battle in front of us. The Moody gift reflecting the work of Jim Quick, Dean of Graduate Studies and the members of the Task Force on the SMU Graduate School and Brad Cheves, Vice President for Development and External Affairs, represents a significant shot in the arm. Given Stanford's observations, the recent announcement that we will increase the size of our corporate and foundation relations team in our Office of Development and External Affairs is an important step as well.

As I noted, SMU has made great strides in moving toward R1. While departments like Earth Science have continued to provide the strong foundation for our external funding, the Simmons School of Education, launched only seven years ago has now become a major player. Two other key partners are Holly Jeffcoat, Dean of SMU Libraries and Michael Hites, Chief Information Officer and their staff members. Holly and Michael have jointly solicited a space study that I hope will form the basis for SMU libraries in the upcoming Campaign. We will not reach R1 status without a comparable library.

The third concern, alluded to earlier in cost of attendance is our heavy dependence on tuition revenue. One area of possible growth is in SMU GO (Global and Online), the university's continuing education provider and service provider for online education. As Chris Regis, Vice President for Business and Finance (and let me add a personal note, someone who I have found to be a willing and successful collaborator) told the Board at their September Committee of the Whole meeting, we need SMU GO to flourish as it is one of the university's

primary sources of new revenue in the years to come. This year I have been working with Chris and her team together with the Deans and Michael Robertson, Associate Provost for Continuing Education ad interim, to craft a revenue model that will properly incentivize the schools and faculty to participate in what we need to be a significant revenue generator. In particular, I want to thank Deans Myers and Christensen along with Shane Goodwin and Fred Chang for being beta-testers for our efforts with Cox's online MBA and Lyle's MS in Cybersecurity. I am committed to ensuring that all of our credit-bearing programs have proper tenure-line faculty oversight, including our successful MS in Data Science program. I am also thankful for the hard work of the SMU GO faculty and staff during this time of transition and growth.

I have already discussed the difficulty in continuing to raise undergraduate tuition at current rates. But the situation is actually more complicated. Wes Waggoner, our Associate Vice President for Enrollment Management, often talks about the three-legged stool of undergraduate tuition: revenue, diversity and standardized test score average. Increasing one means losing ground in the others. Over the last decade SMU has been focused on the SAT and now ACT average of its entering class (as an aside it may well be that a decade from now, given the trends, that all universities will be test optional in which case national testing could be a thing of the past). While the Strategic Plan has metrics for first-year retention and graduation rates, more emphasis has been given our ACT average. And as such, we have made the most significant progress in this area.

Balancing this goal with the desire for increased diversity and the need for increased net undergraduate tuition revenue has been addressed through the use of several enrollment models. While these models have become more sophisticated in recent years, it is a very challenging undertaking to forecast tuition revenue. As a result over the past two years, our actual undergraduate tuition revenue came in below projected revenue. Last May and June a group of us met to avoid a third-year shortfall. The outcome of our meetings was a larger than ideal first-year class but one that will lead to a net tuition revenue surplus. If we can achieve several consecutive years of such surpluses without larger than ideal first-year classes, we will have gained some breathing room.

This year we are monitoring the tuition revenue situation even more closely and are always refining our modeling so that we are not scrambling in late spring. The situation is complicated by the implementation of the Cox direct admit model whereby nearly all Cox undergraduates will be determined at the time of admission. The early indications from Early Decision are positive. Every student admitted to Cox deposited while all but one student who was not admitted to Cox sent in a deposit. This is great news because it suggests, though the numbers are admittedly small, what many of us already suspected, SMU can attract top students across the full range of our academic programs.

Given the national conversation around the decline in the humanities this is an important outcome. The path that the University of Tulsa has chosen should not be our path. Over the last several years we have seen our humanities enrollments increase thanks to the hard work of Deans Tom DiPiero and Sam Holland, Dedman College and Meadows School of the Arts, respectively, and their faculties. We have maintained our strong emphasis on foreign language acquisition even as many of our peer institutions have walked away. We are poised to continue these trends. An example of this effort is the Philosophy course, Technology, Society, and Value which first appeared in the catalog in Fall 2016. Enrollment has grown from 53 in Fall 2016 to 160 this fall including an honors section making it the second most popular Philosophy course.

In his book, Robot-Proof, Joseph Aoun makes the case that the social sciences and the humanities including the arts are central to our students' long-term success in an age where machine learning is poised to make a significant dent in the current set of jobs. With the launch of our new Data Science major this fall we will be offering a degree distinct from our competitors since the major is not stand-alone. Like our education major every data science major must have a content-area based major that complements the data science background they will gain. Any other major at SMU can serve that purpose from the Arts to Public Policy. And this new major is complemented by a re-envisioned Business minor whose courses are not limited to the Intersessions (Jan-Term, May-Term, Summer).

The creation of the new data science major and minor involved an interdisciplinary team from Dedman College – Tom Hagstrom from Math, Monnie McGee and Lynne Stokes from Statistics, from the Lyle School of Engineering –

Sila Cetinkaya and Michael Hahsler from Engineering Management, Information and Systems and Eric Larson from Computer Science and from the Cox School of Business – Amit Basu from Information Technology and Operations Management. Such teams will be essential moving forward as SMU seeks to expand its strengths in interdisciplinary research and teaching, especially across schools. A number of such programs already exist at the graduate level, data science is the first such initiative at the undergraduate level. Its development has exposed a number of structural barriers to such initiatives that we will need to overcome. One of those is the need for a joint appointment policy for faculty which was approved by the President's Executive Council in December. This policy was hammered out by faculty and administrators under the leadership of Doug Reinelt, Associate Provost for Faculty Affairs.

Which brings us to rankings. I expect many of us put more stock in the Carnegie rankings than the US News rankings (or, for that matter, the more recent Wall Street Journal rankings). No doubt the former contributes to the latter through what is now called Expert Assessment – the rating of a university as perceived by university presidents and provosts. And, as I noted earlier, universities in the Top 50 can expect to benefit from demographic changes. This summer Dean Collins forwarded to me a report from Spivey Consulting that outlined steps necessary for Dedman Law to improve their US News rankings and regain their top 50 status. I was so impressed by the thoroughness of the report that I asked Spivey to do the same for SMU's ranking given the emphasis we have placed on achieving top 50 status. Since I am hosting a forum later this spring that will address the recommendations in the report I will not spend much time on the subject here with one exception, social mobility. The social mobility score is driven primarily by the number and graduation rate of Pell-eligible students. We need to improve our performance in both factors.

This year Associate Provost Sheri Kunovich has begun working closely with counterparts in Student Affairs including Adam Cebulski, Mindy Sutton Noss, Melinda Carlson and Dustin Grabsch, to develop strategies for addressing the needs of these students. Of course, one of the biggest barriers to Pell-eligible students at SMU is need-based aid. While we do provide significant need-based aid we need to up our game. As I noted earlier, admission-rating merit scholarships were held fixed last year. If we can continue this trend it will allow

us to divert funds from merit to need-based aid. But that will not be enough to meet the full financial need of Pell-eligible students. We will need to prioritize need-based aid in the upcoming Campaign, not just because it will help our rankings, not just because many of our aspirational universities are already moving in this direction, but simply because it is the right thing to do.

But as Harvard sociologist Anthony Abraham Jack points out in his recent work, The Privileged Poor, admission is not sufficient for inclusion and generating social mobility. Jack knows of which he speaks having been a student from a poor family who attended Amherst College. The focus of his book is class distinctions. This is not to deny the impact that race, gender and ethnicity have on students but to explore issues around wealth. Jack divides his students into three categories: Upper Income, Privileged Poor and Doubly Disadvantaged and focuses on elite universities. While the first category needs little introduction the latter two do. Both the Privileged Poor and Doubly Disadvantaged come from Pell-eligible families with incomes under \$50,000. What separates the two is where they attended high school. The Privileged Poor spend multiple years in prep schools during their middle and high school years with Upper Income students while the Doubly Disadvantaged only encounter such students when they enter college.

Broadly his conclusions are two-fold. Privileged Poor students (like our current mayor of Dallas as he noted in his December commencement address) from all races do considerably better than their Doubly Disadvantaged peers in nearly every important measure of college success. They have learned the culture of elite institutions in high school and thus can navigate their university's environment far more freely. As Jack put it, they learned how the game was played while still teenagers. And they learned how to accommodate the differences that wealth brings to their campuses. For example, many of them have studied abroad through their prep school experience while the Doubly Disadvantaged have never left their home town. They understand the importance of networking with faculty making a point of attending office hours while the Doubly Disadvantaged believe they must succeed on their own.

On the other hand, when it comes to family problems like homelessness and spending money for weekend jaunts, they continue to have much in common

with the Doubly Disadvantaged. Jack describes unintentional barriers elite universities throw-up to both groups including closing campus housing and food services on spring break. The work that Simmons is doing under the leadership of Dean Knight to create a new STEM-focused school in West Dallas in partnership with DISD and Toyota, is a part of our efforts to deal with the larger picture.

So providing more need-based aid, an essential first step in addressing students who lack the means to attain an SMU education, is only that, a first step. We must continue and expand our efforts to address the experiences, not just of both the Privileged Poor and the Doubly Disadvantaged, but of Upper Income students as well. And this is where you can play a key role. We must recognize that not all students of color are the same and that white students can also find themselves at sea at SMU. Knowing what I do about all of you, I am optimistic that as we are able to increase our numbers of Pell-eligible students we will increase our effectiveness in providing for them a wonderful community of scholar-teachers to further their dreams. The work of Maria Dixon with CIQ@SMU and Jill DeTemple with Reflective Structured Dialogue reflect and enhance our efforts. Interestingly social mobility is a key theme of the Bush Institute with Cullum Clark advocating for students from DISD.

I would be remiss if I did not address the issue of college athletics. In the December 29 edition of the New York Times there was an article about two New England schools, one that added a football program and one that terminated their football program. The latter was Northeastern University and clearly their ranking has not been hampered by this change. In fact, they believe it was one factor in their rise through the rankings. And we can acknowledge that SMU budgets centrally-generated university funds to support athletics. However, division one athletics and in particular, collegiate football are here to stay. So rather than bemoaning the deficit run by athletics (a deficit by the way that nearly every university with a division one football program deals with) we need a way to constructively think about athletics at SMU. Let me offer a few thoughts.

When we think about the return on investment from athletics we need to factor in sizeable gifts to the university from those who benefitted from our athletics programs. This fall David and Carolyn Miller pledged 50 million dollars to the Cox School of Business. The Millers have also contributed to the Taos campus. As

David reminded us at the event honoring his gift, the fact that he came to SMU at all is due to a basketball scholarship that was offered to him by then coach Doc Hayes. As a second example, let's take the Moody gift for the new graduate school. Just before we announced the 100 million dollar investment in our PhD programs, UT Austin announced their own 130 million dollar Moody gift, for a new basketball arena. Here is a clear example of SMU's focus on academics. And, while I have heard lamentations about the new Indoor Performance Center, both in terms of the amount spent and location, let's take seriously the desire of the donors that the facility be used for more than athletic events. The Faculty Senate used a portion of it for their meetings this fall, for example, since their normal meeting place was closed for renovation. Finally, athletics opens doors to students that might otherwise not benefit from an SMU education. When I was at Tulane I worked with an outreach effort associated with the Desire Housing project in one of the most dangerous parts of the city. In particular, I tutored high school athletes whose only hope for escape was through a college education, an education fueled primarily by their ability on the football field. One of those kids went on to play running back at UNLV but he also received a degree and returned to New Orleans to give back to his community. I know many of you work to ensure that our student athletes succeed both on and off the field while they are with us. Your efforts are greatly appreciated.

The current uncertainty around the future of the United Methodist Church and its relationship to SMU should not deter us from drawing on our Wesleyan heritage, which, by the way has much to tell us about our efforts in enhancing social mobility. Dean Hill and the faculty of Perkins School of Theology are an invaluable asset to this university. From Albert Outler to John Deschner to Billy Abraham and Evelyn Parker they have been vocal proponents for the liberal education that serves as the foundation for our distinctive approach to the undergraduate experience.

Finally let me touch briefly on assessment and accreditation. While many of you chafe at our assessment processes, assessment is now and will continue to be an essential element of the higher education landscape. Since we must do it, we should use it to our advantage. SACSCOC allows us latitude to set our assessment targets. Patty Alvey, Associate Provost for Institutional Planning and Effectiveness and Ed Collins have worked to align our assessment efforts for

SACSCOC with the assessment we already do year-in and year-out to improve our programs. Under Patty's leadership our fifth-year report was accepted with no corrections and her work, along with the team of faculty, staff and administrators are well on their way to achieving a similar outcome for our tenth-year report next year.

As I close it may seem that the two cheers for SMU have been somewhat muted given the nature of the serious challenges we face. So let me remind us that in many ways this year has already been, as Wes is fond of saying, a year of superlatives. I have already mentioned the significant gifts that will enhance the academy in our roll-up to the launch of our next Capital Campaign 3.0. It is clear that a key component of that effort will revolve around need-based aid. And more merit aid for each of the professional schools. But we need funds that will cover not only the basic cost of attendance but that will allow our students to take advantage of the full range of academic experiences including study abroad and unpaid internships. The ACT average of the entering class is higher than a year ago. That has been true now for over a decade. But this year also saw an increase in first-year retention and in graduation rates. SMU, as an institution, has been punching above its weight class for some time thanks to all of our efforts. We will need to continue to do so in the years ahead.