

Bob Boehmer's Comments to Fall Workshop

East Georgia State College

August 5, 2019, 9:15 to 10: 15am

Luck Flanders Gambrell Building

Welcome to fall semester 2019

Thanks so much to each of you for choosing to be part of the East Georgia State College family. Being part of this family, requires passion for providing access to an affordable, high quality college education and passion for changing the lives of our amazing students. Every day, I deeply appreciate the choice all of you have made to be part of this family. The work you are doing each day is critical to the future of this region. It dramatically improves the lives of our students you serve.

The purposes of my comments today

Today, I am going to talk with you about our shared challenges, our shared accomplishments and our future direction. Much of this is dense material --- but I believe it is important, so please hang in there with me. As we work through this material together, I will avoid mentioning names. My reason is simple. There is no accomplishment which I will mention today which is the accomplishment of any one person and there is no challenge which I will mention today which can be addressed by any one of us. At EGSC, all of these achievements and challenges are shared.

As I prepare these comments each year, I admit to feeling a sense of frustration due to the fact that the sheer volume of work being done at the college by our academic and administrative units does not allow me the time to fully mention and recognize all of the successes and challenges and the names of those who have contributed. My goal today is simply to provide an overview of the environment and to allow the deeper discussions which will take place during this annual workshop over the next couple of days to more fully address these many successes and challenges.

The unique mission of East Georgia State College as an access institution

Please allow me to begin our discussion today with a reminder about our mission. We all know that mission well. Nonetheless, it is critical that we be intentional about continually reminding ourselves about that mission. This will assure that our mission continues to guide us as we make important decisions each day.

We are part of a university system. Each institution in that system has a unique mission. The 26 members range from research intensive universities to comprehensive regional universities to state universities to state colleges. I am deeply proud that we are a state college in this system with the mission of providing access to an affordable high-quality college education to anyone with a high school diploma and the willingness to do the hard work necessary to earn a college degree.

Although I spent almost a quarter of a century of my professional life at a large research university and have great respect for all of our sister institutions, I simply cannot imagine any role in higher education today which is more important to the future of this country and this region than the role of an access institution like East Georgia. Think for a moment about the myriad of challenges faced by our nation and this region at this time: a dramatically changing workplace for which recent high school graduates need to be prepared at a time when the careers for which they are preparing may not have even been invented yet; a workplace in which older employees often face the reality of reinventing themselves due to robotics, artificial intelligence and technology changing at warp speed; climate change; and increasing levels of violence in our society. The list goes on and on. How is our society and, specifically, our region going to meet these workforce and societal challenges unless more and more of our citizens make a choice to pursue a lifetime of education? This is our unique niche at East Georgia State College. We are not here to be highly selective in our admissions process. We are not here to provide a comprehensive range of degree from associates degrees through graduate degrees. We are here to provide access to a nationwide system of higher education by being the first, most convenient and most affordable point of access to that system for anyone who earns a high school diploma and is ready for a high-quality college experience to prepare themselves for this challenging future.

Our continued success depends on our laser-like focus on this mission. If we lose sight of this mission, if we lose our passion for this mission, we will not thrive and survive in the future.

The demographics of the region we serve

Having reminded ourselves of this critical mission, let's turn now to the region in which we carry out that mission. Let's take a quick look at the demographics of that region in order to better understand the challenges we face in accomplishing that mission.

We will do that today by looking quickly at Emanuel County. Although we serve a region well beyond Emanuel County, the citizens of Emanuel County created and funded the campus where we sit today. It provides an apt illustration of the demographics of our service area. I will rely on U.S Census data to paint this picture.

Computer and internet use by residents of Emanuel provides a good first window through which to view the region because a person's access to the opportunities of the modern world is severely limited if they don't have a computer and internet access.

In the United States as a whole, over 87% of households have a computer and over 78% have a broadband internet subscription. In Georgia the percentages are similar with 87% of households having a computer and over 75% having a broadband internet subscription. In Emanuel County, by contrast, just over 75% of households have a computer and just over 59% have a broadband internet subscription.

As our next window to our region, let's look at some basic indicators of educational attainment. In the United States as a whole over 87% of the population over 25 are high school graduates or higher. Almost 31% have a bachelors degree or higher. In Georgia, the comparable percentages are just over 86% and just under 30%. By way of contrast, in Emanuel County the comparable percentages are 79.9% for high school graduates and 12.5% for bachelors degrees and higher.

There are many other windows available, but let's take income and poverty levels as our final view today. In the United States as a whole Median Household income is \$57,652 and the percent of persons in poverty is 12.3%. In Georgia as a whole, the comparable numbers are \$52,977 and 14.9%. In contrast, the Median Household income in Emanuel County is only \$33,089 and the percent of persons in poverty is 27.6%

All of us need to take these numbers into account as we work each day to accomplish our mission. Our students, in significant part, come from families with less financial resources, less access to information and a far less extensive family history of college success than their counterparts at other, more selective institutions. This is the group we have chosen to serve. This is the group that it is our mission to serve. They are every bit as bright and motivated as their counterparts at more selective institutions. Our mission is to find a way to assist them in overcoming these challenges in order that they may attain their full potential and, ultimately, serve their community.

Enrollment trends

As we consider our access mission and the demographics of the region we serve, we must immediately turn our attention as a matter of sheer necessity to a discussion of enrollment trends. Many of us, myself included, wish that we could simply focus on providing a high quality, affordable education and spend less time worrying about the total number of students enrolled. However, the simple reality is that enrollment numbers are critical. In order for EGSC to survive and thrive, we need to grow enrollment to pay the bills. In order for the region to survive and thrive, a higher percentage of students in the region need to make the choice to attend college and graduate. So, enrollment pressure is a fact of life in our world. Let's talk enrollment for a couple of minutes.

First, enrollment is a challenge because we live in a region served by several USG institutions and the total population in the region has been flat for quite some time.

According to U.S Census Department numbers, population growth in our area has been flat during the period from 2010 to 2018. Consider that the US population has grown 6% from 2010 to 2018, while Georgia has grown 8.6% and Emanuel County has grown a mere .1%.

This flat population in our region, of course, has a direct impact on our enrollment trends.

Consider that EGSC's total enrollment was 2751 in fall 2009 and was 2941 in Fall 2018. We are now preparing for a possible decline of about 3% from fall 2018 to fall 2019. If that occurs, this will leave us just above fall 2009 levels.

Consider what these enrollment numbers would likely be if we had not made dual enrollment, online education, external campuses and residence halls a focus. Dual enrollment grew from 0 in fall 2009 to 408 in fall 2018. In fall of 2018, our total enrollment would have been 2533 instead of 2941 absent dual enrollment. Similarly, consider the growth in wholly online enrollment (excluding dually enrolled students). In fall 2009, online enrollment was 64 and had grown to 317 by fall 2018. In fall of 2018, our total enrollment would have been 2216 instead of 2941 absent both dual enrollment and wholly online students. Further, our overall enrollment would have been dramatically lower had we not built two residence halls and experienced full occupancy of those halls. There is an obvious lesson here. As the external environment changes, our enrollment management approach must also change. Imagine the fall of 2024. What might our enrollment be if we begin, in addition to our traditional market, to focus more intensively on non-traditionally aged students, Hispanic students, military personnel? What might our enrollment be if we fail to change as needed to respond to our external environment?

This is not to suggest that we look at these other groups of students to the exclusion of recent high school graduates. In fact, we must focus even more intensely on recent high school graduates while we simultaneously pay more attention to these other groups of students. Specifically, the number of recent high school graduates choosing college in this region is simply not high enough. Going to college directly after high school is, of course, not the right path for each and every high school

graduate. However, it is likely the path for far more than are currently making that choice.

Consider the data available from the Governor's Office of Student Achievement about the choices being made by students in Georgia after high school. In my opinion, this data demonstrates the opportunity and responsibility facing East Georgia in increasing college expectations in our region.

The data available from the Governor's Office of Student Achievement looks at the number of students enrolled in a postsecondary institution within 16 months of graduation and who have completed at least one year of credits within the first two years of enrollment. The most recent data set available looks at the 2014 school year.

Let's look first at the state of Georgia as a whole. Total graduates were about 90,500. The number that completed one year of post-secondary education credit within two years of enrollment was about 39,000. This is 43%. By way of contrast, Emanuel County was 41%.

In understanding enrollment trends, it is also valuable to look at East Georgia's enrollment through the lens of the USG as a whole. Overall, for the 26 institutions of the USG, there was a 1.1% increase in total enrollment from fall 2017 to fall 2018. Much of this growth took place at research institutions. During that same period, enrollment grew by 4.6% at those research universities. By way of comparison, enrollment grew only .6% at state universities, decreased by 1.6% at comprehensive universities and decreased 3.1% at state colleges. By way of

comparison, EGSC's decrease of 2% was less than the decrease for the overall state college sector.

This enrollment history, of course, makes me worry. However, it also makes me see more clearly the solution for the future. Our strategy, quite simply, must first and foremost, be to increase expectations in the region about high school graduates making the choice to attend college. This is the sweet spot for East Georgia State College. Our strategy must also be to concurrently reach out far more aggressively to adult learners who have completed some but not all of a college degree and adult learners who must reinvent themselves to survive in their workplace. Our strategy must also be to reach out far more aggressively to Hispanics and the large number of military personnel in our region seeking to prepare themselves for the modern workplace following their military service.

Budgetary trends

These enrollment trends, of course, lead directly to a discussion of the budget for the current fiscal year, FY 2020. Let's go first to the conclusion and then discuss that conclusion in some more detail. The bottom line is that, despite a potential enrollment decline this fall, our FY 2020 budget is sound.

Now, let's talk about that conclusion in a bit more detail. The two key components of EGSC's annual budget are our state allocation and our tuition and fee revenue. Despite the potential for an enrollment drop of about 3% this year and the resulting potential decrease in tuition and fees, the fact that the college's budget has been managed prudently in the past and the fact that

we have made difficult budgetary decisions in the past have put us in a position to survive and thrive even as enrollment fluctuates. As an example, we implemented a plan of internal reorganization in early 2018. The very difficult implementation of that plan reduced the college's ongoing annual expenditures by about \$850,000.

In addition to this sound past budget management, our state appropriation for the current year, increased modestly from \$9,866,396 in FY 2019 to \$10,125,579 for the current year. This increase in state funds, in combination with past prudent budget management, will enable us to meet increasing expenses such as the increased compensation costs due to raises which recently went into effect; and will enable us to absorb the impact of decreased tuition and fee revenue likely as a result of the potential 3% enrollment drop this semester.

However, we do have to think well beyond the current year. The state of Georgia, as you know well, uses an enrollment-based funding formula to guide state allocations. Under that formula, our fall 2018 enrollment decrease will be used as a key factor in determining our FY 2021 budget. That means that we can anticipate a decrease next year in our base budget due to past enrollment declines. The point is painfully obvious. Although our total overall budget this year is a bit higher than FY 2019, we must be extremely careful in managing our budget this year as we plan for a possible drop in next year's budget.

Celebration of the life of Jean Anderson Morgan

As we think about managing these budgetary issues, it is essential for us to think about the role of our foundation.

The first chair of that foundation was the woman after whom our student center was named, Jean Anderson Morgan. Jean resided in Swainsboro for over 40 years with her husband, Jimmy Morgan. Many of you knew Jean and Jimmy well. After Jimmy's death and shortly before her recent death, Jean moved to Tennessee to be with her family. This weekend, about 220 members of the East Georgia State College community came to this auditorium for an amazing celebration of Jean's life. Many members of Jean and Jimmy's family travelled from out of state to attend this beautiful celebration. Thanks to all of you who participated in the celebration and who assisted in so many ways in making the celebration wonderful. At the conclusion of the celebration, both the Morgan family and the Mill Creek Foundation made significant gifts to the East Georgia State College Foundation in honor of and in memory of Jean and Jimmy Morgan.

In addition to taking an important moment to recognize the special contribution of Jean to this college, the point of this brief story is to focus for a moment on the important role of the foundation to the future of the college. At the time that Jean took on the role of the chair of the foundation, the assets of the foundation were zero. At that time, most state colleges like EGSC did not consider private fundraising to be part of their normal activities. Reliance was primarily on state allocations, tuition revenue and student fees.

By the end of FY 2012, the East Georgia State College foundation assets had risen to about \$987,000. At the end of FY 2019, these assets had grown further to around \$3,000,000. This increase in foundation assets has been made possible by the generosity of many donors such as Jean Morgan, Pete and Ada Lee Correll who created the Correll Scholars Program, and the Gambrell family who recently gave the college a large tract of timber land adjacent to the college. A managed harvest of some of that timber enabled the foundation to recently generate timber sale proceeds which will significantly enhance the foundations ability to support the college's mission in the long run.

This growth in foundation assets has, of course, had a substantial and immediate impact on the college's ability to achieve its mission. The primary result of this increase in assets to date has been a much needed increase in the college's ability to provide scholarships for our amazing students, particularly needs based scholarships.

As you can see clearly from the above discussion about budget, lack of attention to private fundraising is clearly a thing of the past for state colleges. If we are to survive and thrive in the long run, we must build on Jean's legacy and supplement state dollars and tuition even more with private gifts and external grants. In addition to simply increasing donations and external grants, another key element of this fundraising strategy must be to raise more unrestricted funds for the benefit of the college. Almost all of the foundation's assets are now restricted. In other words, the donors have given those funds for a specific purpose such as a scholarship. The foundation, of course, has a fiduciary duty to

use those funds only for those restricted purposes. As we grow, the foundation must raise more unrestricted funds to meet unanticipated needs.

As you talk with the Office of Institutional Advancement later this week about giving to the foundation, I hope that you will consider the importance role that employee giving in any amount plays in our ability to raise gifts from external donors. Employee giving – particularly unrestricted giving – sends a strong message to our external donors about our belief in the importance of the work we do.

SACSCOC reaffirmation process

Let's move now to one of our major challenges for the coming year. We are now entering the home stretch in our SACSCOC reaffirmation process. Our Quality Enhancement Plan topic is on the verge of being selected. Now the QEP implementation plan and the assessment plan must be written. Our compliance certification is in draft form and must now be finalized for submission to SACSCOC in March of 2020. The SACSCOC reaffirmation committee will be here in just over a year to review both the QEP and our compliance certification.

As you have heard me say many times before, the completion of the QEP and the SACSCOC certificate of compliance cannot be successfully be completed by one administrative office. It is a soup to nuts review of the quality of everything from academic programs to administrative and student services to IT to facilities and beyond. It requires the active involvement of our subject matter experts in each and every area. As one who has

chaired numerous SACSCOC reaffirmation committees, I can tell you that a QEP and compliance certification which are not highly participatory are almost immediately evident to a reaffirmation committee --- and not in a positive manner.

So, I ask that each of you take ownership of the SACSCOC compliance certification process for your specific area of expertise. I also ask that all of take the time to work with our QEP director and her team to identify the final topic of the QEP and develop the plan. In doing this, I ask that you view the SACSCOC process as exactly what it is --- quality improvement. The process, although most certainly arduous, will result in improvement if all of us take an active role in the process. Thank you in advance for your hard work and expert input into the process.

Successes during the last year

In the challenging environment we are discussing today, we have had many successes. I have time to address only a precious few of these successes today.

Let's talk about a few capital improvements first. In discussing capital improvements, the first step is to recognize that capital funding comes out of a completely separate bucket from the bucket which funds our ongoing operations. Those ongoing operations are funded primarily by the bucket made up of tuition, fees and our state allocation. We do not have the luxury to dip into one bucket to fund the other type of expense.

Looking strictly at the capital expenditure bucket, the college's strategy has been to seek funding of needed capital expenditures

by seeking what are know as “minor caps.” These are capital improvements to our campus, which are anything but minor for us. These must be less that \$5,000,000 each and must be recommended by the Board of Regents and approved by the legislature. This is the mechanism which was used to fund the recently completed and much needed addition to our Academic Building. It is the mechanism now being used to fund the addition to the JAM Center. That project will add about 15,000 square feet of badly needed space to the JAM. It will allow us increase student engagement and, I believe, will ultimately contribute to student recruiting, retention and graduation. It will be available early in 2020.

This same mechanism is being used in connection with the college’s planned move from its current location in Statesboro to a location on the Georgia Southern University Campus in Statesboro. The minor cap dollars in this case will be used primarily to renovate the Nesmith Lane Building on the Georgia Southern University campus for EGSC. This will eliminate the need for the time and expense of students and faculty travelling from our current location to the Georgia Southern University campus for classes and essential student services. It will, I believe, entice more potential students to consider EGSC Statesboro as their point of access to college. Perhaps most importantly, it will put our students closer to essential resources like the library and acclimate those students to the academic and co-curricular environment of Georgia Southern University promoting their long-term academic success.

The process of designing this renovation is now underway. Early in 2021, the college will move from its current location in Statesboro to this new location on the Georgia Southern University campus.

This minor capital improvement project also led earlier this year to the signing of a long-needed comprehensive Memorandum of Understanding with Georgia Southern University. EGSC has been working in partnership with Georgia Southern University in Statesboro since 1996 without such a formal MOU in place. The college has been working with Georgia Southern University since 2012 to put an agreement of this type in place. It was signed in 2019. This is not a garden variety MOU of cooperation and transfer articulation between sister institutions. It is a comprehensive MOU designed to promote student success and will pay many long-term dividends.

It is important at this point to emphasize that these minor capital improvement projects have been completed without the college adding long term debt to our balance sheet.

Another facilities project which is now underway is taking place on our Augusta campus. As most of you know, the college opened a location in Augusta on the Augusta University campus in 2013. We immediately entered into a comprehensive long-term Memorandum of Understanding with Augusta University. We have gone from zero to over 400 students in Augusta since then.

From the beginning and despite a high level of cooperation from our partner, Augusta University, facilities for EGSC in Augusta

have been and continue to be a major challenge. In the immediate future, we will take a major step forward in Augusta by moving all of our Augusta faculty and staff into renovated space on the second floor of Galloway Hall on the AU Summerville campus. EGSC Augusta students, who previously took classes in the Galloway Hall space, will now take their classes on various locations throughout the Summerville Campus. This should both provide our faculty and staff with a better working environment while more fully acclimating our students to the AU campus.

As EGSC's facilities have expanded, our IT infrastructure and systems have similarly expanded. Two IT projects which are truly daunting in scope and which have been successfully completed are the move to a hosted Banner environment and the complete implementation of Microsoft 365.

I am also gratified to say that two internal leadership development programs were implemented during the last year – a student leadership development program and a staff leadership development program. Both will continue and will improve in the coming year.

Another milestone, which at first blush seems mundane, is anything but mundane. I am referring to Comprehensive Administrative Review or CAR. In this era of enhanced public accountability for colleges and universities across the county, the University System of Georgia required each institution to complete an exhaustive efficiency review. This CAR process was and remains a top priority for the USG Chancellor. That process was recently and successfully completed by EGSC.

Our academic programs continue to evolve and improve. If you look back to the time of our last SACSCOC accreditation process, the college offered one academic program --- an associate of arts degree. The college had just introduced a second academic program – a bachelors degree in biology. We now offer one certificate, a full range of associates degrees with disciplinary distinction and three bachelors degree programs – biology, fire and emergency services and nursing (an RN to BSN program). Our biology program has grown dramatically at both the associates and bachelors level and now hosts a chapter of the Beta, Beta, Beta honor society, our accredited FESA program is ranked as the most affordable in the nation and our nursing program was just accredited by ACEN (the Accreditation Commission for Education in Nursing) and was ranked as the most affordable in the nation. All three programs respond to specific needs of this region. A top priority for the college in the coming year will be to identify and obtain approval for one additional innovative bachelors degree program which meets a specific need of this deserving region.

The major challenges facing higher education in the United States

As I approach the end of these comments about our mission, challenges and successes, I ask you to think about the challenging environment which virtually all institutions of higher education across the United States are now facing. We will discuss these trends in more detail at the annual state of the college address in the very near future. As a precursor to that discussion, consider these key trends:

- Consolidations. At one point in the not too distant past, there were 36 institutions of higher education in the University System of Georgia. There are now 26. This is a growing trend across the United States. We do not need to fear consolidation, however, because we have adapted to change. However, we must continue to adapt to remain independent in the long run.
- Public skepticism about higher education. There is increasingly widespread skepticism about the value of higher education. Successful institutions counter that skepticism by developing innovative new programs which continue to prepare students in the areas in which higher education has traditionally excelled – critical thinking, math, social sciences, humanities, writing, and oral communication – while simultaneously developing innovative new degree programs which build on those traditional areas of excellence while responding to the specific challenges of the modern workplace.
- A coming decline in high school graduates in the U.S. As we approach the middle of the 2020's, the number of high school graduates nationwide will begin to decline. We must begin to prepare for that now by increasing expectations about college enrollment, reaching out to non-traditional aged learners, military personnel, and ethnic groups which have been underrepresented in the college-going population.
- The new ways Gen Z learns. We need to understand the new ways which students learn and respond to those new

ways of learning with adaptive learning technology, distance education programs and new classroom teaching strategies.

- The changed funding model for higher education. Decreased funding for public higher education as a share of the total cost of higher education will continue. Students and their families will no longer allow higher education to make up the difference by tuition and fee increases. We must respond by raising more private funds and successfully competing for more external grants.

EGSC's strategic plan will directly address all of these trends. Failure to change in response to these trends would, quite simply, allow EGSC to become irrelevant. None of us will allow that to happen.

Thank you for all you do for our amazing students and for your thoughtful consideration of the ideas I have shared with you this morning. You are deeply appreciated.