

President Mary Sue Coleman
Senate Appropriations Subcommittee on Higher Education
April 23, 2008

Opening:

Good morning. I'm joined today by my colleagues, Lou Anna Simon of Michigan State University and Irvin Reid of Wayne State University. As you know, our institutions comprise the University Research Corridor, and we are looking forward to talking with you about our activities of the past year and, more importantly, our future commitments.

A focus on the future is very much on our minds these days, as our universities are preparing to graduate the Class of 2008. U-M's commencement ceremonies are this Friday and Saturday, MSU holds its ceremonies on May 2, and Wayne's graduation program is May 3.

When the caps are tossed into the air, our universities will have contributed, to our state and society, nearly 21,000 graduates with bachelor's and advanced degrees. That includes more than half the scientists and engineers our state produces, and we'll be telling you why their innovation is so critical to Michigan's economic future.

President Simon is going to begin this morning with a snapshot of the URC and where we stand nationally. Lou Anna ...

Following Irv Reid

As Presidents Simon and Reid have outlined, the URC is deeply committed to the state and our success as a knowledge center. We are quite competitive with other leading universities when it comes to attracting research dollars and working to create and draw new businesses.

This level of competition also extends to recruiting and retaining the best students, from incoming freshmen to Ph.D. candidates and post-doctoral fellows. Providing our graduates with the critical thinking skills they need for the future benefits all of us as a state, because today's students are tomorrow's CEOs, scientists and doctors, teachers and engineers, and elected officials.

Earlier this year, Michigan Future Inc. reported that if we are to prosper as a state in the 21st century – and success is defined as concentrations of high-paid individuals in our major cities – more of our young adults must possess a college degree. To quote the report: “Unless we substantially increase the proportion of college-educated adults – particularly in our biggest metropolitan areas – Michigan will continue to trend downwards in the per capita income rankings.”

As universities and as a state, we can remedy this. President Reid told us how the URC is partnering with others to develop new businesses. And we are producing the highly skilled graduates these firms demand, particularly in such critical fields as the biosciences, medicine, engineering and technology.

Ensuring student access to our universities is critical to this activity. For the state, access comes with adequate levels of appropriations, and Governor Granholm's proposed increase of 3 percent for higher education is a strong first step. Still, our state remains dead last nationally with regard to increases in higher education spending over the last five years.

As universities, we are ensuring student access through robust financial aid packages, strong partnerships with community colleges, and pipeline programs with our K-12 system.

Our three universities provide nearly \$750 million in financial aid each year. We take diverse approaches to supporting our students and their families with their college costs. For example:

- At Wayne State, 27 cents of every tuition dollar is directed to financial aid.
- At Michigan State, 75 percent of students receive some form of financial aid. MSU offers the Spartan Advantage, which provides students from low-income families with grants and work study to meet their college costs.
- At U-M, nearly three-quarters of our students receive financial aid – including more than 60 percent who are the recipients of need-based aid.

Earlier this year, as our university and others were sending letters of acceptance to high school seniors, I received a wonderful email from a young woman who will join our campus this fall. She had come home from school that day to find a letter from our financial aid office. "I read the letter not once," she said, "but a total of five times trying to comprehend what I had just read. The letter said that I received a \$20,000 scholarship over four years."

She was incredibly happy for herself, but more so for her parents, because of the financial burden that had been lifted from their shoulders. I'm certain Presidents Reid and Simon can share similar stories about the life-changing effect of financial aid.

It's important to recognize the support our universities receive from alumni and donors with regard to financial aid.

Last fall, MSU successfully completed a campaign that in part raised more than \$205 million for student support. Wayne State is in the midst of its "Wayne First" campaign, and looks to raise \$166 million for students. And at Michigan, we are in the final year of

our campaign, and to date have raised more than \$472 million for student support. In particular, we made a special challenge to our donors for need-based undergraduate aid; they responded overwhelmingly, and with matching dollars from the university, we now have \$72.5 million in new support.

All of this aid will change the lives of thousands of students on our campuses.

Our benefactors could put their money anywhere – in their churches or synagogues, in the Red Cross or Humane Society – but by choosing to commit their dollars to our students, they see the return on investment.

The majority of our collective alumni live here in Michigan and, like us, know that supporting our students leads to creative, talented graduates – graduates who contribute to our state's economic progress.

President Simon ...