Good morning. Welcome to Cal Poly's 111th Academic Year.

Faculty and Staff, it's great to see you. I certainly enjoyed visiting with many of you during the reception this morning, and I look forward to seeing you at the reception after.

Distinguished Honorees: Let me add my personal congratulations. There is no better reflection of Cal Poly's excellence than your work. You are outstanding role models for all of us.

And Mr. Rapoport — you and your colleagues in Facilities have done a superb job preparing the campus for today's arrival of new students. Thank you. I also am grateful to all of our staff members across all divisions who have been in overdrive the past few weeks to make sure we are ready for classes to begin.

Jason, congratulations again on your selection as ASI student body president. Thank you and the other student leaders for bringing us the Mustang Way. A great set of guiding principles for students to live by. I look forward to joining you later for Week of Welcome.

President Baker, I am delighted you could join us today, and we'll have more to talk about later.

Permit me the honor of introducing another distinguished guest, my wife. Sharon, thank you for your steadfast support of student success, Cal Poly, and, of course, me!

To the many community leaders who are with us today, thank you for joining us. Your support means a great deal to Cal Poly, as it always has since Cal Poly's inception.

Most everyone here today probably knows that Cal Poly was created at the urging of several of San Luis Obispo's community leaders. That was the first of many public-private partnerships that have been crucial to Cal Poly's success.
We have grown a bit since then. Our first class of students in the fall of 1903 was comprised of 20 young men and women. This week, we welcome 5800 first-year and transfer students. With generous support and help from our alumni and our partners in industry and the community, Cal Poly has built a rich history — a century of growth, and sustained excellence.

Growth and Excellence are two themes that I want to explore with you this morning, and I want to do that in the context of the initiatives we have undertaken and the work we still need to do to ensure that our next century is even more successful.

Fair warning: My remarks will be somewhat lengthy, but not as long as the 50-minute classes that we ask students to sit through. In the interest of transparency and context, I am deliberately providing quite a bit of detail so that you have as much context as possible for the ideas and goals I want to discuss with you today.

Some of you might recall the strategic framework document that was handed out at my first Fall Conference in 2011. It looked very similar to today's handout, which I hope everyone received on their way in (pdf). The key principles and strategic imperatives are virtually identical to those I shared with you two years ago. This should be no surprise as these principles and imperatives are what have guided Cal Poly for many decades. And based on what I have heard from alumni, students, and faculty and staff, these key principles and strategic imperatives continue to resonate strongly with our stakeholders.

Four Key Principles

Student Success: That is our primary driver. Developing and inspiring whole-system thinkers who can help solve society's most complex problems. You hear me mention student success in every speech. Please know that I firmly believe student success requires faculty and staff success. When faculty and staff are thriving, our students thrive, too.

Learn by Doing: The cornerstone of our educational philosophy. We need to continue to strengthen and enrich it and make sure it remains relevant to contemporary needs.

Excellence through continuous improvement: One of the best attributes I first noticed about Cal Poly is that as good as everyone believes Cal Poly is, everyone also believes we can be even better. If we embrace Learn by Doing, then we must also be willing to explore ways each of us can improve what we do so that Cal Poly will always be getting better.

Being a comprehensive polytechnic university provides us with a distinctive niche in higher education, not just in California, but nationwide. With six strong colleges, it's our duty to continue to add multidisciplinary learning opportunities for our students. As the late Steve Jobs so ably demonstrated, success belongs to those who understand the interconnectedness of the world, those who understand that solutions to complex problems require a multidisciplinary approach.

For this year and subsequent years, I want us to focus on four key goals that are consistent with this strategic framework. They are intertwined and interdependent.
Four Strategic Imperatives

Improve Graduation Rates: First, in terms of student success, a continued focus on improving graduation rates is a must. Society values a college degree as an important marker of productivity and accomplishment. Suffice to say for now that we can make progress by continuing to reduce institutional barriers that impede students' progress, such as a shortage of class and lab sections. By no means would we compromise our academic standards.

Implement the Teacher-Scholar Model: We need to make substantial progress over the next few years toward full implementation of the Teacher-Scholar Model. Properly defined and supported, the Teacher-Scholar Model can do much to strengthen Learn by Doing and provide rich opportunities for professional growth and development. This means increasing student-focused research and creative activity. This does not mean becoming a research institution — ever. And I am aware that, just as our Learn by Doing approach is more costly than traditional approaches, the Teacher-Scholar Model also has its costs.

Enhance the Campus Climate: It is essential that we enhance the campus climate for everyone — students, faculty, and staff. This also means enriching the demographic diversity of our campus, as well as embracing the principles of inclusivity. I have no doubt that an enhanced climate will improve the quality of work life for everybody on campus.

Increase Private Support: We are in the leadership phase of a multi-year comprehensive fundraising campaign. If we are to succeed on any of our goals, we must continue to increase private support. This means increasing gifts from individual donors, as well as expanding public-private partnerships well beyond what we have ever contemplated in the past. As CSU Chancellor White put it when he visited Cal Poly last spring, "It is vital to forge ever stronger public-private partnerships in order to preserve the public nature of Cal Poly."

Excellent Momentum for 2013-14

Thanks to the hard work of faculty and staff, and thanks to the support of our alumni, industry and community partners, and friends, we enter this year with excellent momentum on several strategic fronts.

This fall's freshman class not only has the highest grade-point averages and test scores in our history, but it also will be the most racially and ethnically diverse freshman class. This twin achievement, by the way, continues an upward trend that has been ongoing now for several years. Yet anybody who truly believes in the value of a more diverse campus knows that we still have more work to do.

This fall we also will be welcoming the largest incoming class of transfer students in more than a decade, which is an important development. We know, for example, that many of our most successful alumni depended on Cuesta and Hancock as their path to their degree.
Last week, for the 21st year in a row, US News and World Report again ranked Cal Poly the best public undergraduate university in the West. Rankings are fraught measures, but 21 consecutive years is certainly affirmation of sustained excellence.

On the financial front, several important developments are helping us build a more stable financial future.

This summer, we completed our best year in securing private support since the Centennial Campaign a decade ago. For fiscal year 2012-13, we raised nearly $43 million. This is nearly a 50 percent increase over the prior year.

For the first time since 2007, we are not facing cuts in state funding. In fact, thanks to voters' resounding approval of Governor Brown's Proposition 30, we are receiving a modest restoration of some state funds that had been cut over the years. Appropriately, the CSU used some of the money to roll back tuition. Equally significant, the CSU earmarked some of that money to enable us to enroll more California students for the first time in four years. Along with that, we will be able to restore some of the most critical positions left unfilled over these past few years, as well as increase professional development and training opportunities for faculty and staff. And some of the Proposition 30 money has also been earmarked for an increase in compensation, albeit a very modest increase.

Let me pause a minute here to say to our faculty and staff that you have endured a very challenging era in California's history of higher education. Against a backdrop of massive cuts in state funds, no pay raises in six years, and often significant increases in class sizes and workload, it has been your resilience and steadfast commitment to our students that has sustained Cal Poly's excellence. In tough times, you rose to the occasion, and no one can thank you enough for your consummate professionalism.

I am sure that your response to this crisis – and crisis is not too strong a word — had a great deal to do with one of the most significant financial developments of the past two years. I am referring to students' approval of the Student Success Fee in the spring of 2012. I cannot overstate the importance of this fee.

The students' vote to approve the fee was, in my view, a testament to students' trust in the faculty and staff and their belief about what the quality of a Cal Poly degree will mean to them for the rest of their lives. The dollar impact is substantial. Funds from the Student Success Fee and money from the State for additional enrollment are enabling us to hire an additional 46 faculty positions, including 38 tenure-track positions in the coming academic year.

Additional staff members were hired in the Student Affairs Division to provide stronger support services in Career Services, our cross-cultural centers, Health and Counseling Center, and in the Disability Resource Center.

While we have substantially increased availability of classes and labs, I also know that we have not resolved every shortage. In fact, we know that with the anticipated increase in total
enrollment this year and next year, we have to provide even more access to advising, classes, and labs, as well as provide additional student support services.

Enrollment Growth Essential

This brings me to a large strategic question: How much do we increase enrollment? Do all of our colleges grow proportionately, or should we target certain areas for growth? How do we grow, sustain excellence, and get even better? These are questions we need to investigate together.

Enrollment growth is essential. Why? California — really, the country — needs more Cal Poly graduates. However, the extent, nature, and timing of growth are questions that we need to investigate with all of Cal Poly's stakeholders — on campus and off campus.

Here's where we are today: This fall, our total enrollment will be approximately 19,800 students, with 90 percent of them California students.

Based on some initial analysis that we have done looking out the next eight years — and including an assumption of modest growth in state funding, I believe that a good target would be an additional 4,000 to 5,000 students by 2022. This would give us continuing increases in the number of California students, as well as modestly increasing the number of out-of-state students, who, as you know, pay significantly higher tuition rates.

There are many variables that need to be thoroughly investigated: What would our faculty and staff levels need to be? What kind of facilities for offices, labs, classes, student housing, and dining would we need, to name just a few. What would be the impact on the community? What would be the economic impact on the city and region? How would we ensure that we also strengthen, not diminish, Learn by Doing?

The list goes on and on. And I acknowledge that I don't know all of the questions, let alone all of the answers.

We will investigate the issue of growth as part of a larger initiative this year as we continue to engage the campus and community in strategic planning. This includes evaluating our master plan, engaging the Academic Senate, ASI, students, staff, as well as consulting with our city and community leaders. We must work together in asking and answering the right questions.

I have charged Provost Enz Finken with continuing our strategic planning activities, with an emphasis on transparency, metrics, and accountability. We need to develop a firm set of objectives and agree on key indicators of progress so that we are transparent with each other and we hold ourselves accountable.

Just as enrollment growth places a stress on the institution, so does an effort to increase graduation rates. Yet I firmly believe both are essential. Here are the facts in front of us:

It is Governor Brown's expectation that there will be a slight increase in state funding to the CSU for at least the next several years. Embedded in that is a generalized expectation of more access.
In my view, more access means enrollment growth, with no wavering from our commitment to Learn by Doing.

It's also true, given the fact that students and their families now pay nearly two-thirds of the total cost of their Cal Poly education, that enrollment growth means a more stable financial future.

If we were to grow substantially over the next eight or more years — which would be dependent on stable state funding and success in increasing private support — it is not a stretch to say that we would have the ability to hire at least 500 more faculty plus the needed number of additional staff positions to support quality and expansion. Please note this caveat: We will not be able to achieve growth to the extent I am suggesting without substantial private support for facilities and programs.

Related to increasing accessibility — and affordability — Governor Brown and President Obama have indicated their desire to establish performance metrics for higher education. To the applause of many critics of higher education who have been calling for more accountability, both say graduation rates need to increase.

Graduation Rates a Measure of Accountability

While graduation rates in and of themselves are an imperfect measure of a student's education, we need to be realistic and acknowledge that graduation rates are an important marker for society. Parents, alumni, political leaders, and employers alike all care about graduation rates. And on every measure of social success — income, physical and mental well-being, community involvement, et cetera — it's pretty clear that people with a college degree are much likelier to fare better than those without.

Candidly, a laser focus on improving Cal Poly's four-year graduation rate — and yes, I do mean four-year rate — would be our most effective response to the demands by legislators, parents, and students to improve higher education's accessibility, affordability, and accountability.

Let's be clear about our goal — as I mentioned last year, our goal has to be a doubling of four-year graduation rates by 2022. By increasing our four-year graduation rate, we enable more students to get a Cal Poly education, we reduce students' total cost, and we respond to industry and society's urgent need for our graduates, particularly majors in STEM-related disciplines.

I commend you for achieving an increase in graduation rates all through these tough budget years. You have been ahead of the curve, and with that success under our belt, I am confident we can reach our goal.

Let me share with you some of the work we are doing to help students make timelier progress toward graduation.

Last year, we were able to add a significant number of additional seats in classes and labs for students, nearly 30,000. This year, we have added more sections of classes and labs and started the searches to hire another 40-plus faculty positions for Fall 2014.
In winter quarter, we are planning to implement a tool that students can use called Poly Planner. Poly Planner will allow students to plan what courses they will need to take to complete their degrees. With their input, we can develop accurate staffing plans to provide the classes they need and when they need them.

We also know that if we can provide more assistance to students at critical junctures in their academic careers, we can improve graduation rates. In that regard, we have formed the Mustang Success Center. The Mustang Success Center will have a satellite presence on campus this fall. By the end of this academic year, it will have a permanent home in the center of campus in Building 52. It will serve first- and second-year students from every major, as well as first-year transfer students. The mission is to ensure that all students have access to consistent, accurate, and appropriate advice for making timely progress to their four-year degrees. The Mustang Success Center is part of a collaborative effort between Student Affairs and Academic Affairs. My compliments to all for partnering together on this important initiative.

I also applaud our Academic Senate, colleges, and departments for embracing the CSU imperative to move the total number of units required for graduation as close to 180 as possible.

These initiatives — and others — have been undertaken to make sure that we are reducing all the institutional barriers we possibly can so that students graduate on time. We want to make sure that the only barriers to a student graduating — and graduating on time — are of the student's own making. Institutionally, we need to remove all unnecessary barriers without compromising our academic standards.

As I have said before, I believe our six-year rate, which has averaged 75 percent over the past three years, must rise to 90 percent or higher by 2022. Our four-year rate, which now stands at 36 percent, needs to double in that same time frame.

Our stretch goal — stretch but achievable goal — should be to crack the list of top universities with four-year graduation rates. At present, the range of graduation rates for the top 100 public and private universities is 70 percent to 91 percent.

Let me also add that our target goals and the metrics we use to measure progress toward them need to be informed by the unique and diverse range of our programs, such as five-year majors and the blended BS MS program in Engineering. I know there are a lot of complexities to this goal, but we need to get at it by setting reasonable goals and using appropriate metrics.

The Value of the Teacher-Scholar Model

Let me turn now to the Teacher-Scholar Model. I see implementation of the Teacher-Scholar Model as a key driver of students' success, as a way to bolster Learn by Doing, and a key to professional growth for faculty.

The feedback that the provost, deans, and I have heard over the past year on this subject has been very helpful. Just as we know that there are additional investments associated with our Learn by Doing approach, there are additional investments associated with the Teacher-Scholar Model.
Again, the Teacher-Scholar Model does not mean we are trying to transform Cal Poly into a Research One institution. It is not our intention now — or ever — to have research become the driving force for Cal Poly. Dean Phil Bailey put it succinctly: "Cal Poly's mission is to teach. Research and Learn by Doing are important tools to enrich our teaching and improve the educational experience for students, overall."

In important respects, the Teacher-Scholar Model is already alive and well on campus. Faculty members and students engage extensively in applied and basic research and cover a significant range of professional and creative activities that result in peer-reviewed publications, design projects, and performances.

A report released earlier this year by the Business-Higher Education Forum notes that STEM majors who engage in research projects in their first or second year are highly likely to graduate and to graduate on time. Other research shows the other side of that same coin: For students in STEM majors who are economically squeezed and need to work to put themselves through school, it is a clear disadvantage if their paying job is unrelated to their academic discipline.

I believe the Teacher-Scholar Model, properly implemented and properly supported, should, in fact, mean more Learn by Doing opportunities for students. That's why a program we call Earn by Doing will be a focal point of our comprehensive campaign.

I know that the two most salient issues about the Teacher-Scholar Model are space and time. In order to get at the question of space, we are making almost 10,000 square feet available in Building 52 exclusively to support faculty and student research. This space will be available on a competitive, merit-based allocation through the Office of Research and Economic Development.

As Provost Enz Finken has said, an investment in the faculty pays ten-fold dividends to students, the university, and the community. One of her key goals has been to revive a fund to support research and creative activity on campus. This year, we will set aside several hundred thousand dollars for that purpose and develop a competitive application process for faculty to access those funds. We are doing this in recognition of the fact that so many faculty have outstanding ideas but lack resources to get projects up and running. The provost will be sharing details about this later this year.

Enhanced Campus Climate Benefits Diversity

As I stated, our goals are intertwined and interdependent. This is especially true for diversity and inclusivity. If we are going to succeed in meeting our goals, it's vital that we enhance our campus climate. Studies show that faculty, staff, and students who work and learn in a healthy environment feel supported and thus are more likely to be successful. Our goal is to have the healthiest campus climate we can possibly have. Anecdotal information indicates that we have work to do — our campus climate can be improved. Consequently, this year the Cal Poly family will be asked to complete a campus climate survey. The survey's purpose is to obtain baseline information about how campus constituents — faculty, staff, and students — experience Cal Poly.
The survey will include a wide range of questions regarding the attitudes, behaviors, policies, and practices that we've adopted as individuals and as a campus. We need to know what the climate truly is at Cal Poly to make strategic improvements in the areas of diversity and inclusivity and to ensure that respect for everyone is the norm. This project will be undertaken by our Office of University Diversity and Inclusivity under the leadership of Executive Director Annie Holmes. Annie and Rachel Fernflores, Faculty Fellow in the Office of the President, will co-chair the campus climate working group that will create and implement the survey.

One simple but symbolically important inclusivity initiative is to reach out to new students. All faculty and staff are encouraged to attend a reception being held on September 26 from 4 to 6 p.m. in the PAC plaza. Here is the video we sent to all students inviting them to the reception (flash).

I hope you will join in the effort to improve our campus climate. The moral imperative is clear: All faculty, all staff, and all students should feel welcome, respected, and part of the Cal Poly family.

To an important degree, this is also about improving the racial and ethnic diversity of our students, faculty, and staff. We need to increase diversity not just because it is the right thing to do, but also, because it will help all of our students be more successful in an increasingly complex multicultural society and global economy.

In any hiring that we do, we must make sure that our candidate pools are as diverse as possible as we seek to bring the best and brightest to Cal Poly. Students want to see themselves represented among the faculty and staff.

As I mentioned, we are welcoming the most ethnically diverse class in our history. This is primarily because we have made progress in attracting more Latino students to campus, which is appropriate as Latinos are California's future majority. If we are to remain a premier institution, however, we must make more progress with Latino students and all other under-represented groups. We must redouble our efforts to make Cal Poly a first choice for under-represented students. Currently, many qualified under-represented and first-generation students do not view Cal Poly as their first choice.

We have a great deal of work under way all across campus to help us achieve this objective. Let me note that all of these areas will be highlighted as part of our comprehensive campaign. We are expanding our successful Summer Institute program, which went from 60 to 90 students this past summer. We expect the program to continue to grow, because we know participation in it closes the achievement gap.

We will begin to expand the Cal Poly Scholars program campus wide. The Cal Poly Scholars program provides housing support for first-generation students and for students from partner high schools.

And we will celebrate the achievements of our students. This June was the first time that Cal Poly held commencement ceremonies for all of the following cultural groups — African
American, Native American, Latino, Asian-Pacific Islander, and LGBT students — who celebrated their accomplishments in ways that strengthen their connection with Cal Poly.

Private Support Crucial for Success

I said at the outset that we are entering this year with excellent momentum on several financial fronts.

That is a wonderful advantage as we embark on the leadership phase of our comprehensive campaign. Attracting private support is enhanced when the public side of our funding — the State of California — has stabilized its support. People are far more willing to invest in stable institutions, and thanks to the Student Success Fee and Proposition 30, we can legitimately present ourselves to private supporters as a much healthier institution.

I want to assure you that our efforts to increase private support and expand public-private partnerships are driven by university priorities, and they are focused on supporting students, faculty and staff, and facilities. Our success this past year is a strong sign that we can successfully conduct a comprehensive campaign.

I gave you numbers earlier about our efforts to increase private support — a nearly 50 percent improvement this year over last, nearly $43 million in cash, bequest intentions, and pledges. Numbers like these don't really tell the story. Let me give you some tangible examples of what this success means:

To support faculty and staff, we have raised more than $3 million for your discretionary accounts — the funds that help support professional development, student projects, and new equipment.

To support scholarships, we have worked with donors to create more than $6 million via estate bequest intentions for new scholarship endowments.

To support the goal of providing world-class facilities, we have pledges totaling $12 million to support construction of a long-planned and much needed facility in the College of Agriculture, Food and Environmental Sciences. It is important to note that $8 million of this pledge is from an alumnus.

I envision this project being the first in a multi-year phase to combine private support with our public assets to develop a 10-acre parcel near the center of campus. I envision this public-private partnership developing a vibrant Learn by Doing Commons. This 10-acre area is bounded by the residence halls, irrigation fields, new university police facility and Fisher Science building. The important support activities on this land now will be relocated so that we could create a complex emphasizing multidisciplinary learning opportunities that would involve all colleges.

The opportunities are exciting. As an example, I see a future where a student attends class in the morning and is involved in an Earn by Doing internship with a company in the afternoon and never leaves campus.
A Model Public-Private Partnership

And there is no stronger evidence of our abilities to combine public and private assets than our brand new state-of-the-art building for science and mathematics. Yes, Dean Phil Bailey's vision has come true. The doors are open, and it will be ready for students next week.

Befitting our status as a comprehensive polytechnic university, all Cal Poly students will take courses in this building at different times in their academic careers. Dean Bailey estimates that at any given time during any given day, as many as 1,300 students from all of our colleges will be in the building engaged in learning. As Dean Bailey says, "Every student is a College of Science and Mathematics student."

This building houses the hub of the curriculum that marks us as a polytechnic university. All of our students will benefit from it, and, appropriately, it sits in the heart of our comprehensive university.

For good reason, then, it is altogether fitting that this building is officially named the Warren J. Baker Center for Science and Mathematics. No one has been more passionate and committed to advancing the value of the STEM disciplines and our polytechnic curriculum than President Baker, and it was President Baker's 31 years of leadership that helped transform Cal Poly into a truly comprehensive polytechnic university.

I am delighted that President Baker has joined us today. President Baker, would you please stand for appropriate recognition?

The Warren J. Baker Center for Science and Mathematics is an outstanding example of a public-private partnership — the State provided more than $100 million in funds, and alumni and friends of Cal Poly provided another $20 million to make this state-of-the-art building a reality. I cannot over emphasize the importance of public-private partnerships. They are vital to preserving the public nature of Cal Poly and essential to sustaining our excellence.

By the way, mark your calendars for November first. We are planning an appropriate celebration to formally dedicate the building.

Pledge for More Transparency

Let me turn to another topic that came to my attention with some urgency this summer.

In the workshop we held in July with department heads, chairs, and staff representatives, one issue kept recurring: A call for more transparency. In probing what people meant when they said they wanted more transparency, the workshop participants said they wanted more information that provides context and perspective before key decisions are made; more details and more context about our overall budget; timely opportunities to give input into budget decisions, especially at the college and department level; and opportunities to assist the university on special projects.
For example, several people said they wanted greater opportunity to help University Advancement with the work of increasing private support. They felt that they have strong relationships with many of our most successful alumni, and they would like to be part of the process of cultivating donors.

That was music to my ears because, as our development officers have told me repeatedly, they know that it is your work as faculty, staff, and students that inspires donors to invest in Cal Poly.

In an effort to provide more transparency, there will be additional workshops available to the entire campus on key topics. These will be called Campus Conversations. Dates and meeting places are being set now and will be provided in the near future. Suffice to say: You can count on there being greater transparency on issues vital to the health of this university. And if you don't see the transparency you are seeking, be sure to let us know, be sure to let me know.

Continuing a Tradition of Excellence

Here are a few final thoughts this morning for your consideration:

Over the last few years, our campus has seen the departure of many valuable colleagues who have chosen to retire or pursue new career opportunities. In turn, many of the leaders across campus are people either new to Cal Poly or new to their roles.

Some of our leaders have changed, but our values have not.

Student Success remains our Number One focus, and Learn by Doing remains the cornerstone of our educational approach. These have been Cal Poly's values since our founding, and I intend for them to be my guiding lights for a long, long time.

The four goals I have put forth for us this morning — on graduation rates, on the Teacher-Scholar Model, on enhancing our campus climate, and on increasing private support — these four goals support Student Success and Learn by Doing. And, please remember that we cannot have student success without faculty and staff success.

When Cal Poly welcomed its first class of students 110 years ago this fall, there was no guarantee that Cal Poly would grow into the premier university that we are so proud of today. Cal Poly's success is due in large part to our predecessors' relentless quest for constant improvement. I am honored to follow in their footsteps, and it is a profound privilege to have you as partners in building on their success.

Let us be partners in hard work, as success is not a birthright. Let us continue our predecessors' tradition of excellence. We owe that to our students and their families; we owe that to our loyal alumni and our generous partners.

Most of all, we owe it to those who came before us and made Cal Poly what it is today.

Thank you for your attention this morning. And thank you for all that you do for Cal Poly.