Introduction

I thought of opening with the overused line from Charles Dickens: "It was the best of times, it was the worst of times." On reflection, I prefer the formulation of that better-known wordsmith, Lawrence Welk: "There are good days and there are bad days, and this is one of them." Looking back, I can't help but stand in awe of what we have collectively accomplished over the last year. No recitation here, no listing in the Scarlet, no subsequent compilation by historians can do it justice. Looking forward, the opportunities that are before us have never been more important or more visible. The challenges are just as real. At almost every State of the University address during my 11 years as your Chancellor, we have faced the dark clouds of an uncertain state budget. This year is no exception. Our attitude has successfully been to work hard on the things we can control and to have a positive attitude about the future. As Seinfeld observed: "A positive attitude may not solve all your problems, but it will annoy enough people to make it worth the effort."

Looking Back

Think of where we were just 10 years ago and where we are today. Ten years ago, the Omaha World-Herald ran its series labeling us "mediocre." This spring they heralded our achievements and our progress. Ten years ago our enrollment was just over 22,000 students; today it is over 24,600. Ten years ago U.S. News & World Report barely acknowledged us; today we are among the top 50 public universities and for three years in a row the magazine has designated us the "most popular public university in the country."

We are now more attractive to non-resident students, to students of color, and to students of high academic achievement. Ten years ago our graduation rate was 47 percent; today it is over 63 percent. Ten years ago we enrolled fewer than 3,900 graduate students; today it is almost 4,600 who were selected from the largest and most competitive applicant pools in our history.

In research, the numbers are equally compelling. Ten years ago we received $49 million in research grants; this past year we received $139 million. One can examine the activities of each of our academic colleges and find major initiatives that are addressing important state and national issues.

Members of our faculty across all the disciplines are receiving national awards and recognitions in unprecedented numbers. We have become a frequent host for program officers from the major federal granting agencies, as well as officials from many of the federal operating departments. We are interacting with private-sector companies, large and small, local and national, who see potential value in forging partnerships with us. We acquired title to the former state fair grounds for development of our Innovation Campus and work there is under way.

After over a year of careful planning and engagement with the world community, spearheaded by President Milliken and Vice Chancellor Paul, the university received a $50 million gift in support of the Global Water for Food Institute. This initiative has caught the attention and fancy of officials and organizations around the world seeking to address the challenge of
increasing the world’s food supply with limited supplies of water. Indeed, we have become a global university. Our people, our programs, our partnerships, and our perspectives are international in scope and have impact around the world.

We have had similar success in serving the people of Nebraska. With a major gift from Paul Engler, we will initiate the Engler Entrepreneurship Program that will build on the work of cooperative extension and 4-H in sparking entrepreneurial talent among young people throughout Nebraska. Through the work of our extension education programs, we have improved the management of more than half the land in Nebraska under crop production and it is estimated our efforts have resulted in a 21 percent reduction in water usage by crop producers.

At the centennial celebration of the Panhandle Research and Extension Center in Scottsbluff this summer, one could see firsthand the range and importance of the science being applied by our faculty to enhance the economic success of that region. Similarly, a new DVD chronicling the tour of the Chiara String Quartet through western Nebraskan illuminates how the arts at the university can enrich and uplift a community.

Important new physical facilities will help continue our momentum in undergraduate education and research. We will shortly hold a public open house to show the rebirth of the Whittier Junior High School into the Whittier Research Center.

Keim Hall on East Campus has been upgraded from one of the most antiquated science buildings into one of the most modern. The Jorgensen physics building finally brings that department under one roof in an environment that is equal to the quality of its program. Students will directly benefit from the new Jackie Gaughan Multicultural Center, the Abel-Sandoz renovation, and the new Knoll Residential Center.

For the most part, the Antelope Valley project has moved through and out of our campus, leaving a more attractive eastern border and entrance to our campus as well as additional land for development. And we can look forward to the start of construction this year of the nanoscience addition to Jorgensen, an expansion of the Ken Morrison Life Sciences Research Center, and a practice facility for our basketball and wrestling programs. The new arena, approved by Lincoln voters, will reenergize the city of Lincoln making it a more attractive place to live and thus enhancing our ability to recruit faculty and students.

For the last year, members of our staff, primarily in Student Affairs and Information Services, have met the challenge of bringing online a new student information system. The pressures they faced so that our students could apply and register for this semester were intense.

The hours they worked were unimaginable. And Vice Chancellor Franco bore considerable burden for this installation, not only for UNL, but for the system as a whole. I know of no other university that has installed such a major computer system as successfully in such a short time. We all appreciate the patience exhibited by the campus through this transition and the patience yet required until the system is perfected.

Last year I formed a Commission on Sustainability. The commission has built on the initiatives sparked by Vice Chancellor Jackson and her staff and provided us with realistic proposals for becoming more sustainable. I hope the entire campus will accept responsibility for lowering our footprint on the world’s resources.
This is the first year we will enroll students from the College Preparatory Academy. These are first-generation college students from Grand Island and Omaha North who met the rigorous academic requirements of the Academy during high school and now come to us with great promise for success. My personal thanks to Amber Hunter and her staff who have made significant efforts to assure the talent these students represent will be available to us.

Statistics aside, a walk across campus confirms the growing richness of the diversity of our student body. It is our obligation, as well as an opportunity, to intensify our efforts, such as the Advance grant, to increase the diversity of our faculty.

In June, our applications to the Big Ten Conference and its affiliated Committee on Institutional Cooperation were accepted. While we do not formally become members until July 2011, on a variety of levels the Big Ten institutions have reached out to us over the summer to make us welcome, and to begin the process of integrating our athletic and academic programs. We should acknowledge that without both our history of athletic success and our upward academic trajectory, our application would not have been successful. To the extent you are known by the company you keep, we are now associated with a set of universities that are acknowledged to be among the finest assembly of research and land-grant universities in the country.

We all deserve to take pride in the incredible accomplishments we have labored together to achieve. John Gardner once said that "history never seems like history when you are living through it" but I think together we have made some history for this university.

Looking Forward

As we look forward we know that three elements are critical to our success: leadership, talent, and resources. During the last year we have been fortunate to enhance our stock of all three. We were, I think, very successful in four critical searches for top academic leadership, and I am very pleased to welcome Ronnie Green as the new Vice Chancellor for the Institute of Agriculture and Natural Resources; Donde Plowman, as the new Dean of the College of Business Administration; Gary Kebbel as the new Dean of the College of Journalism and Mass Communications; and Susan Poser as the new Dean of the College of Law. Could these individuals please stand and be recognized.

I also know that we have attracted very talented new faculty and staff to the university during the last year. Those of you who have joined us during the last year please stand and be recognized.

It is always perilous to single out a few individuals among many but we have had true campus citizens who serve us in time of need and do extraordinary things. Ellen Weissinger, along with the entire group of academic deans, is providing exemplary leadership during an interim period. Jim O'Hanlon, now in his third consecutive interim assignment this time as Dean of the College of Engineering, has earned our respect as a caring and effective leader. Thanks also to Anna Shavers, Charlyne Berens, and John Anderson for their roles as interim deans.

The central question as we fashion our agenda for the coming year is: "What does entry into the Big Ten mean for us as a university?" Certainly we can enjoy the new association and stature as well as the excitement of new venues and rivalries for our athletic program. And we have many strengths that will contribute to the distinction of the Big Ten. But as we compare
ourselves to our new colleagues, we are 12th among 12 in most academic metrics including research. To be sure this is not a bad group of which to be last, but this should serve as another incentive for us to raise our ambitions and our efforts.

It has been noted that the football team will have a very tough schedule during its first two seasons in the Big Ten. So will the academic enterprise! This challenge comes at an ideal time - we are fully prepared to compete at this level. We have the 2020 Report as the framework for our effort and as the statement of our aspiration. But it will require the best of all of us. Every faculty member, every student, and every member of the staff must rise to a new level.

It appears our new Big Ten status has become a source of pride for alumni and the citizens of Nebraska. We are fortunate that even in these economic conditions, our major capital campaign is on track to be successful. But beyond financial support, we cannot fully achieve our goals as a university without the active engagement of our alumni. We are well positioned here as Diane Mendenhall and her staff are building a successful integrated alumni engagement program in cooperation with the university's academic leadership. Our success in the Big Ten will also require the continued active support of the people of Nebraska.

**Undergraduate education**

Undergraduate education is our top priority as we develop the talent and produce the leaders this state and our country require. Great teaching and great teachers must be recruited, supported and recognized. For our formal instructional program we must fully implement the Achievement Centered Education program, our program of general education that has achieved significant national recognition and has the potential to facilitate our students' path to graduation.

But activities beyond the classroom are also critical. The expansion of our learning communities, the integration of the E. N. Thompson Forum speakers into our academic enterprise, the encouragement of our students to study abroad, are among the important elements of an undergraduate experience. The Division of Student Affairs has declared this year a "Year of Civic Engagement" - a program to engage students in the broader issues that impact the communities in which they will live. I hope the academic departments will find ways to support this initiative.

We must also give priority to assuring that students who start at Nebraska, graduate from Nebraska. Our six-year graduation rate has improved significantly over the last 10 years but it still remains behind our peers. We do know that a high percentage of our students ultimately graduate, but we must work hard to shorten the time and to assure none fail to graduate. Each of us must bear the responsibility to assure our students are successful.

Our enrollment continues to increase and we are hopeful that our new Big Ten status will further encourage enrollment growth. Beyond attracting talent to Nebraska and the university, this growth has helped us moderate the impact of lean budgets. We must continue our efforts to increase enrollment.

This will require some new investments, such as a critical expansion of our life science teaching laboratory facilities. At the same time we have to be more creative in how we assure a high level of student experience given that the new resources we have to invest in teaching may be limited. Each department must take a hard look at how it utilizes its teaching
resources. We might learn from our colleagues across the country who have incurred significantly greater budget challenges.

Do we have the creativity and courage to look at our teaching through a new lens, one focused on retaining a quality education in the face of a larger student body? Can we envision an environment in which teaching loads and class sizes are not static, in which the scheduling clock and calendar are not immutable, in which the curriculum is not written in stone, or in which the current teaching methodologies are not sacrosanct. Can we find permutations that retain quality but at less cost?

For example, are we fully utilizing professors of practice? Within the tenure track faculty, have we fully exploited the option of differentiated teaching loads to focus on each faculty member's individual strengths? Are we fully exploiting instructional technologies that can broaden the reach of the individual instructor? Are there elements of our curriculum that can be concentrated or expanded or outsourced in ways that retain the advantages of personal instruction? Do we have opportunities to teach across disciplines or across departments in ways that create more instructional opportunities? Should we consider a more intensified path to graduation for some students that might cost them more in tuition but would save them considerable resources on other costs of attendance?

It is, of course, easier to follow the safer and more comfortable status quo. We can celebrate our current success. But, if we can find alternative ways that free the faculty to spend more of their time doing what they do best on behalf of more students, we will be able to meet the budget challenges that face us. I believe that the single most important task facing departments and colleges in the years ahead will be to envision new ways to deliver high-quality instruction to more students with static or lessened teaching resources. I invite every academic unit on campus to design and implement innovations that can accomplish this goal. I believe that the most elegant solutions to this dilemma will also enhance the quality and satisfactions of faculty life. The "incentive" for such reinvention of our instructional system is obvious - it will allow us to retain as many of our colleagues and academic programs as possible in the complex economic environment that higher education now encounters.

Research

Research is central to our mission as a land-grant institution. We must not only sustain but escalate the momentum we have achieved. The importance of our research has never been so accepted; the opportunity for growth has never been so apparent; the ingredients for achievement have never been so real. Our research accomplishments play a significant role in our stature among American universities. More importantly are the contributions we can make to the economic prosperity of Nebraskans, to the educational experience of our students, and to the imperative of solving some of the challenges we face as a society. We should heed the observations that Jeff Raikes, CEO of the Bill & Melinda Gates Foundation, made in last year's commencement address: "Nebraska may not be a big place, but Nebraskans can do big things. . . Nebraska can change the world." We should have no less an ambition.

To achieve our objectives we must be curious, collaborative, creative and comprehensive. This university must foster and celebrate curiosity-based research - the research for which no immediate benefit can be ascertained. We know that pushing the frontiers of knowledge forward opens surprising insights and unforeseen possibilities.
We must enhance the collaboration among faculty of different disciplines. The problems of today are too complex to be resolved without the benefit of multiple perspectives. I applaud the work of the steering committee for the Faculty of the Life Sciences in planning a major program on September 24 to further facilitate interdisciplinary collaboration. I hope all faculty who have a relationship to the life sciences will attend and participate.

We must also partner with the private sector where appropriate. I applaud the new Strategic Investment and Competitive Grant program in the Life Sciences, led by Susan Fritz at the Agricultural Research Division of IANR, that provides internal funding to interdisciplinary projects within the university and with industry partners.

We must be creative. Particularly in this time of budget restraints, we must make the essential investments in talent, facilities, and instrumentation necessary for research to move forward. We are positioned to recruit faculty both of promise and accomplishment, as well as high-quality graduate students and post docs who are essential for growing our research. We must develop mechanisms to employ these investments in a collaborative way across the campus.

Most importantly we must be comprehensive. If we are to close the gap with our new Big Ten colleagues, we will need a major effort from every college. For disciplines that have the potential for securing external grants to fund research projects, our expectations have to be for a high level of competitive success. We should, and will, also hold high expectations for research and creative activity - the value of which is not measured in pure economic terms, but rather in attracting national and global attention to the boldness, quality and importance of our work.

The Committee on Institutional Cooperation, the academic arm of the Big Ten, actively fosters collaboration among its members. Every faculty member should be open to how this new relationship can advance his or her own agenda. Opportunities for collaboration do not automatically mature without significant effort from all parties and we now take on a new responsibility to engage with the CIC at every opportunity. A major effort this year will be to explore and better understand how this new relationship can be exploited to our maximum advantage.

**Extension**

As President Milliken has stated, the University of Nebraska aspires to be the best public land-grant university in the country as measured by our contributions to the people of Nebraska. This is an ambition we embrace. Our recent accomplishments on campus in undergraduate education where we educate the future leaders of Nebraska and in research, where we are building the foundation for economic growth for the innovation economy, help fulfill that ambition. More visible are the efforts we make to extend the university beyond its campus setting to interact and engage with the people of Nebraska.

In agriculture we bring the science of the classroom and the laboratory to the producers in the field to assist in their productive efficiency and prosperity. In multiple other ways units across the university have enhanced the economy and quality of life of Nebraskans throughout the state. We have some unique opportunities to provide additional content to our land-grant mission.
Innovation Campus clearly fits within this mission by leveraging our research capacity for the economic well-being of Nebraska. We continue to make progress in preparing the land for development and we continue to face the challenge of funding the critical initial infrastructure in order to allow the actual development to proceed. We have formed the Nebraska Innovation Campus Development Corporation and have attracted very engaged and expert board members from the private sector. We are hopeful the Board of Regents tomorrow will approve a master lease that will give NICDC the authority to develop the property.

I will also shortly announce the formation of the Innovation Campus Advisory Committee and other mechanisms that will facilitate the campus community advising both me and the NICDC Board on how we can better integrate Innovation Campus with our ongoing teaching and research activities.

From our interactions with private-sector companies, I remain highly optimistic that this project will succeed. We see potential for it contributing not only to economic growth in Lincoln but throughout the state. And it will inevitably open opportunities across the campus.

We have additional opportunities relating to our work in agriculture. The Engler Entrepreneurship program provides us with a concept and the resources to make a real impact in sparking entrepreneurial activity among our students from rural Nebraska. Building on the work our 4-H program has begun, this is a program of immense significance. In addition, President Milliken recently conducted an external review of the university’s rural initiative, and with Vice Chancellor Green’s leadership, we have the opportunity to strengthen that program. The Global Water for Food Institute not only reflects our historic engagement with water resources, but also provides us access to the best thinking around the world, to address not only global but also local water issues.

Indeed, let me suggest that this university is poised to become a major player in one of the most critical issues of our times: the production of enough food to feed a hungry world. As we prepare for our picnic lunch this noon, there are over 1 billion people in the world going hungry. By the time my grandchildren turn 50, this number will double.

If we think that conflicts in the world associated with fossil fuels are complex, think of the desperation borne by the absence of food and drink. This goes beyond humanitarian concerns; it strikes at the heart of national security.

Food production should no longer be a subject of interest only to those on East Campus. Solving this world issue will require that all of us form a better understanding of how food is produced. It will require contributions from science, to be sure, but it will also engage the humanities and the social sciences. Our location, our history, and our new initiatives position us with enormous potential to make a difference here. There is every reason to believe the University of Nebraska should be one of the world’s recognized leaders on this critical issue.

Budget Issues

I recently delivered a keynote address at a conference at the University of Kansas. I entitled my remarks: "Lingchi and the Modern Research University." For those of you not fluent in Mandarin, "Lingchi" is an ancient form of Chinese torture in which small pieces of flesh are slowly cut from a person’s body over an extended period of time.
"Lingchi" is the source of the phrase "death from a thousand cuts." I can't help but reflect on this as I look forward to what is predicted to be in the next biennium a requirement that we reduce our budget for the 8th time in 11 years. It is true that throughout this period we have made significant progress. However, I do not think a university can constantly "cut its way to greatness." Lingchi is not a recipe for success.

The temptation, of course, is to be resigned to a decline in our fortunes. As Paul Newman once said: "It's always darkest before it turns absolutely pitch black." Or for you younger folks, the line from Metallica's "No Leaf Clover": "Then it comes to be that the soothing light at the end of your tunnel, was just a freight train coming your way." However, in philosophical matters I prefer Dr. Seuss:

"I've heard there are troubles of more than one kind,
some come from ahead and some come from behind.
But I've brought a big bat. I'm all ready you see,
Now my troubles are going to have troubles with me."

Our "big bat" is that we are essential to the future prosperity of Nebraska. Nothing has demonstrated this more than your work over the last decade to enhance the teaching, research, and service of this university and nothing will drive our future success more than your continued effort. As Thomas Edison said: "Opportunity is missed by most people because it is dressed in overalls and looks like work."

The 2020 Report was what is called in the business world a "BHAG": A Big Hairy Audacious Goal. That is still our mantra. We aspire to be a great university. We are on our way to becoming a great university. Nebraska needs a great university in order to prosper.

We can neither be oblivious to nor discouraged by our economic circumstances. We must continue to find creative ways to advance the mission of the university with fewer resources or to generate more revenue. We must explore every way of extracting dollars from peripheral or support programs to invest in our priorities.

As one example, I have asked our Chief Information Officer, Mark Askren, to lead an "Information Technology Cost Reducing Task Force" comprised primarily of IT consumers to find efficiencies. We are cooperating with the university system in exploring how collaboration with our sister campuses can produce benefits. We will explore other ideas for structural and process changes, both in academic and administrative areas. I will need your support and your ideas as we proceed.

There are few recorded instances where the victim ever survived Lingchi, although one can hypothesize that those who did were left badly scarred. The Chinese abandoned Lingchi as an official form of execution in 1905. Since then, China has grown and prospered. One hopes that Nebraskans quickly learn this valuable lesson with respect to the investments they make in their university. This university is poised to bring considerable value to this state and its people. We can only pledge to do our part, and we so pledge.

Conclusion
There is something unsettling about a speech of this length. To paraphrase Seinfeld again, by the time you realize it doesn't say anything, it's too late for you to stop listening. The picnic beckons; the end is in sight. I continue to be in awe of what so many of you have accomplished. I continue to be frustrated by the opportunities we have missed. I continue to
be excited about the opportunities that lie ahead. My sincere thanks to each of you who have shown, over and over, that "there is no place like Nebraska."