

President Dennis Assanis, University of Delaware

Joint Finance Committee — Thursday, Jan. 31, 2019, Legislative Hall, Dover

INTRODUCTION



Good morning, Chairman Johnson, Co-Chairman McDowell and other members of the Committee. Thank you for the opportunity to discuss the University of Delaware’s operating appropriation in Governor Carney’s recommended budget for FY2020. We know you have a difficult job, and, as always, we appreciate your time and attention today.

We have several people here who can address any specific questions you might have about our presentation. Let me take a moment to acknowledge two of them: Provost Robin Morgan and Executive Vice President Alan Brangman. We want to share with you how strategic investments in higher education will benefit the entire state, now and for decades to come.

The University of Delaware enjoys very productive partnerships with all higher education institutions in Delaware. We work together to serve the education needs of Delawareans and help develop the economy of our state. Each of us plays an important role, and the state needs all of our institutions of higher education to be strong and vibrant to be able to serve the state to our full potential.

That’s why we all need a strong partnership with the state. The support of Gov. Carney and the General Assembly is an essential ingredient in our shared success.

Investing for Impact

Our Priorities

- ❖ Access to an Excellent and Affordable UD Education
- ❖ Ensuring Modern Facilities
- ❖ Driving an Economic Impact for the Future



At the University of Delaware, our partnership with the state is built on our three-part land grant mission of teaching, research and service to the community. Fulfilling that mission means we're committed to providing access to an affordable education, leading all of our students to success and doing so with modern, up-to-date facilities.

ACCESS TO EXCELLENCE

The University of Delaware's most important asset and product is our people, especially those who are from Delaware.



Our enrollment of Delawareans continues to grow each year.

Our current class of first-year students includes a record number of Delawareans — more than 1,800 undergraduates, almost 1,400 on the Newark Campus and more than 450 in our Associate in Arts program.

The Associate in Arts program is one of our most successful access points for Delawareans. This pathway provides students with additional guidance and support to help them succeed at UD. It's also an affordable option, since students who qualify for the state's SEED scholarship program can complete their first two years of education tuition-free.

Associate in Arts students take courses in Wilmington, Dover and Georgetown. Among those who earn their Associate's degree, 84% of them transition to the Newark campus to finish their bachelor's degree.

Many students, though, start their education at a different school and then transfer to UD. This year, we enrolled more than 200 transfer students who are Delawareans. Most of them came from Delaware State or Delaware Tech.

Also, this year we're particularly pleased that we have 169 first-year Delawareans in our Honors program, which is a record high. These students graduated from high school with an average GPA of 4.11. Out of all the great schools they could have attended, we're proud they chose UD.

As we look ahead to this fall, we continue to see strong application numbers from Delawareans for the Class of 2023. About 3,800 Delaware-resident students have applied for fall admission, which is up about 5% from 2016.

BUILDING INCLUSIVE EXCELLENCE

We're also committed to building a diverse and inclusive community at UD.



We're seeing steady and significant gains in the enrollment of Delawareans from underrepresented minority groups over the past several years. These are primarily students who are African-American and Hispanic.

Among our first-year Delawareans on the Newark Campus, almost 1 in 4 come from an underrepresented minority group.

Over time, this steady growth in first-year diversity is helping to increase the diversity of the entire campus community. Almost 22% of the Delawareans now on the Newark Campus come from underrepresented minority groups.

Again, applications for the incoming class show these trends continuing. More than 1,000 Delawareans from underrepresented minority groups have applied to UD. That's about a 7% increase from 2016.

Of course, diversity isn't limited to race and ethnicity. We have undergraduate students from all 50 states, as well as 67 countries, which provides a great opportunity for people to learn about everything Delaware has to offer.



We're also proud that we have a growing number of students who are veterans, and we've expanded our support services for them. The Blue Hen Veterans student group is one of the most active on campus, participating in numerous community projects like the clean-up of the Delaware Veterans Cemetery back last fall.

We have a record 219 students enrolled in our ROTC program this year.

And in a recent ranking of military-friendly schools, UD was ranked fifth among Tier 1 research universities because of our support of veterans.

Building Inclusive Excellence



Spectrum Scholars

- ❖ College-to-career program for students with autism
- ❖ Support and career guidance
- ❖ Focusing on students in Computer & Information Science or Electrical & Computer Engineering
- ❖ Backed by 10-year grant from JPMorgan Chase

Also, beginning this fall, students with autism will benefit from our new Spectrum Scholars program, which is supported by a 10-year commitment from JPMorgan Chase. I'd like to show you a short video that further explains this unique program.

[VIDEO — udel.edu/005278]

We believe the Spectrum Scholars program can become a model for other universities that want to partner with corporations to help talented students get a good education and find a satisfying career. It's just one of our many programs developed to connect with our community.

In building our inclusive culture, it's also important that our faculty reflect the growing diversity we see in the world. This year, 60% of our new faculty members are women, and 15% come from underrepresented minority groups.

Diverse faculty bring diverse perspectives, and students benefit by seeing and hearing from professors who challenge them and can lead them to success.

STRENGTHENING THE PIPELINE TO UD


Our efforts at helping students succeed actually begins before they even apply to UD. We have a variety of programs to ensure that Delaware resident students are ready for college. We spend about \$700,000 a year on these pipeline programs.

For example, our five-week "Get Ahead" summer program lets students earn up to seven credits so they can get an early start on their degree.

Strengthening the Pipeline to UD

College Readiness Scholars Institute

- ❖ Two-week summer program to prepare high school students for college
- ❖ Primarily first-generation, low-income and underrepresented minority students
- ❖ 80%-90% of participants enroll in higher education, including half at UD



The image shows a blue banner with the text 'COLLEGE READINESS SCHOLARS INSTITUTE' in white, slanted capital letters. Below the banner is the University of Delaware logo, which consists of a stylized 'U' and 'D' with the words 'UNIVERSITY OF DELAWARE' underneath. The banner is set against a background of a grid of light blue dots.

Another program is the College Readiness Scholars Institute, which we've been offering in conjunction with school districts since 2013. This is a two-week summer program that prepares Delaware high school students — primarily those who are first-generation, low-income or underrepresented minority students — to attend college.

I have another short video to show you that explains this program.

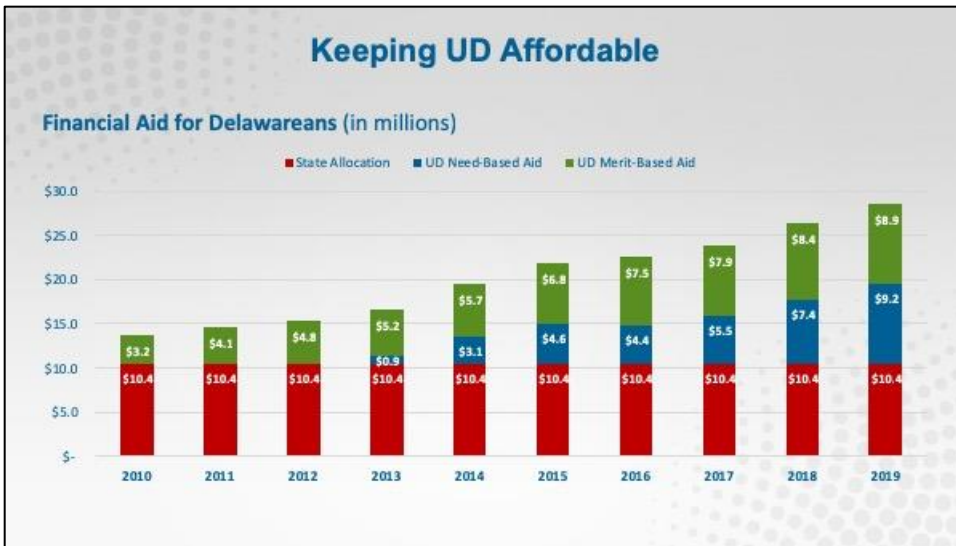
[VIDEO — udel.edu/005553]

We're very proud of these students and the dedication they've shown to become scholars, so we're committed to helping them succeed.

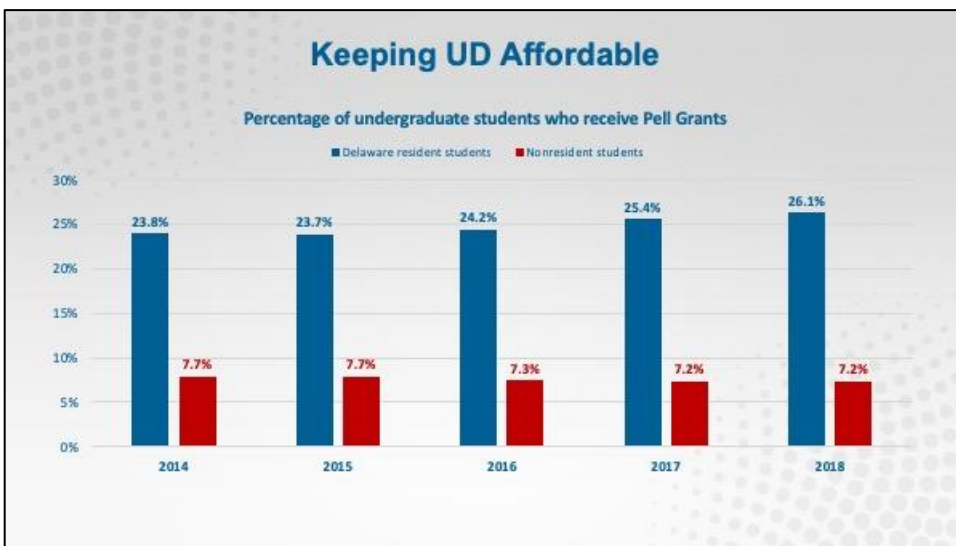
As the video noted, about 80% to 90% of the students who complete the program have enrolled in higher education, about half of them at UD. That's far above the typical rate for that population.

KEEPING UD AFFORDABLE

What makes all of the excellent programs and opportunities possible is financial support.



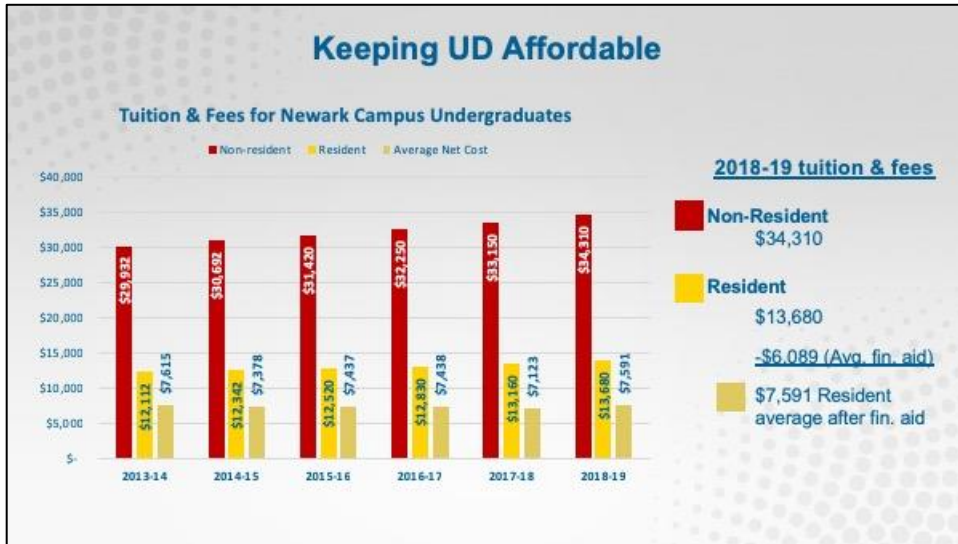
For students, that means financial aid to help cover tuition and other costs. Over the past decade, UD has steadily increased the amount of financial aid that we provide to Delaware resident students, based on their financial need, academic merit or individual talent. We have done this even as state support for scholarships has remained flat. As Delaware’s flagship university, we are committed to making education affordable for our in-state students and to increasing our enrollment of Delawareans.



That commitment means we’re enrolling a growing number of students who need financial assistance. Here you see how the percentage of undergraduate students who receive federal Pell Grants has been increasing steadily over the past several years.

Pell Grants provide financial aid to the neediest students. But the grants only cover a portion of tuition, so UD provides additional funds to help make up the difference. Most of that aid goes to help Delawarean students, which is why more than 26% of our in-state undergraduates receive Pell, compared to about 7% of non-resident students.

In fact, we take a lot of other steps to help Delawareans afford a UD education.



In this chart, you can see our tuition and fees going back to 2013.

The red columns show the cost for non-resident students; the solid yellow columns are for Delaware residents.

You'll notice the in-state cost is about 60% lower. That's because we dedicate our unrestricted state appropriation to reducing tuition for residents. The state's investment in UD is an investment in every Delaware resident student in our classrooms.

Financial aid reduces the cost even further. The short yellow columns on the chart reflect the average net cost for Delawareans after we apply scholarships and other aid, which comes from UD and other sources.


You'll see that the average net cost for a Delaware resident student this year is less than \$7,600. That's less than it was five years ago — without adjusting for inflation.

So we're absolutely committed to keeping UD affordable for Delaware residents. And we're considering ways to expand that commitment.

Keeping UD Affordable

Expanding financial aid for Delawareans

- ❖ Cover full tuition and fees for Delaware residents with family incomes of \$75,000 or less
- ❖ Partial aid on sliding scale, up to ~\$100,000
- ❖ Include transfer students, many of whom are low-income, first-generation and underrepresented minorities
- ❖ Complements both SEED and INSPIRE scholarship programs by equalizing Delawareans' access to a four-year degree program
- ❖ Matched to UD's \$6M-\$7.5M investment in student success programs, in addition to UD's scholarship support of \$19M



Request: Phased-in commitment of \$2.25M/year for four years to reach \$9M

We'd like to be able to cover full tuition and fees for every Delaware resident student whose family has an adjusted gross income of \$75,000 a year or less. That threshold is the median family income for Delaware, which means half of the state's families would qualify.

We also want to provide partial aid on a sliding scale to families with incomes up to a certain point — possibly \$100,000.

We'd like this program to cover students who transfer to UD from another institution. Many of our transfer students come from low-income families or underrepresented minority groups, so this would help further diversify UD's enrollment.

To expand our financial aid program in this way would cost us \$9 million a year over and above what we're spending now.

This is why we are requesting a phased-in commitment of \$2.25 million a year for four years to reach the \$9 million that we need, matched by UD's commitment of more than \$19 million.

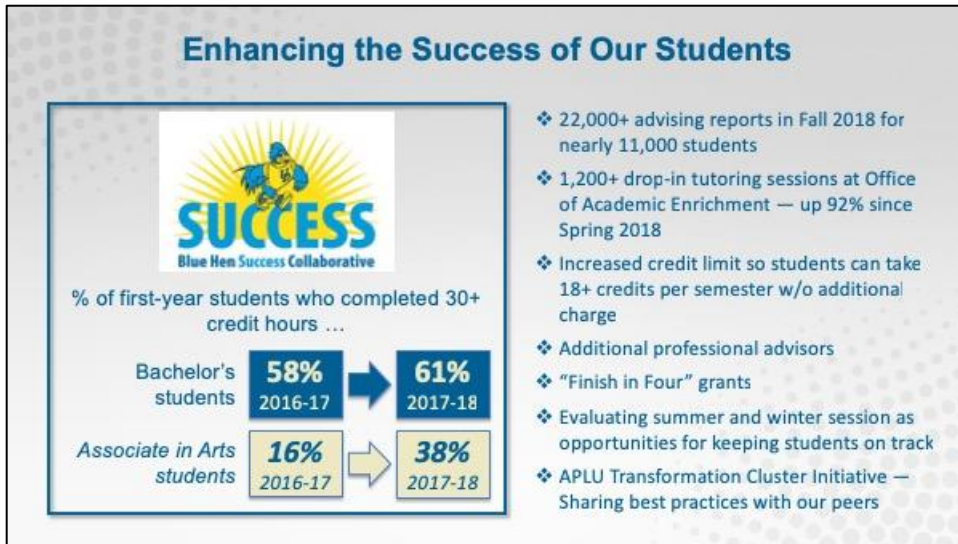
It's important to note that our financial aid program would complement the state's SEED and INSPIRE programs.

By covering transfer students, our revised program would allow Delaware residents to start their education at other Delaware institutions and then come to UD to earn their bachelor's degree. This could provide a low-cost pathway to a bachelor's degree, similar to the way our successful Associate in Arts program works now.

By the way, let me pause here to express our thanks to Sen. McDowell and Rep. Bolden for their leadership in developing and expanding the SEED and INSPIRE programs. Over the past decade, the SEED program has helped more than 3,200 students afford an education at UD. Thank you.

ENHANCING THE SUCCESS OF OUR STUDENTS

Getting students into UD is only the first step, of course. Once students are enrolled, we're committed to ensuring that they have the support and resources they need to succeed.



One of our new initiatives is the Blue Hen Success Collaborative, which uses predictive analytics and intensive advising to keep students on track to graduation.

For example, we're helping more students complete at least 30 credits in their first year, which is an important step in earning their degree on time. Among our Newark campus students, 61% earned at least 30 credits last year, compared to 58% the previous year. That increase represents 125 students who are on a more reliable path to graduation.

In the Associate in Arts program, 38% of students earned at least 30 credits last year. The figure was just 16% last year. So that means about 100 more AA students on track to graduate on time.

Also, full-time students can now take 18 or more credits per semester without paying more. In the past, they had to pay for each credit over 17, which sometimes hindered their ability to graduate on time. A lot of students are benefiting from this change, which is great. It is costing the University about \$3 million a year, but we consider it an excellent investment in their success.

We're increasing our number of professional academic advisors — at a cost of about \$1 million a year — so that all undergraduate students have excellent advice and guidance to help them graduate on time.

We've expanded our drop-in tutoring program, and student participation nearly doubled last year.

And we provide modest “Finish in Four” grants to help students overcome financial obstacles so they can cross the finish line.

These efforts — and many others — are why 73% of UD students graduate within four years, which is one of the top 20 graduation rates in the nation among public institutions.

And our alumni find success after they leave campus, with about 95% of them working, serving in the military or pursuing further education within six months after graduation.

Virtually all of these initiatives — including most financial aid, the pipeline programs, the advising and mentoring programs, the career services, and much more — are covered by funds that we raise or that come from investments made by previous generations in the University’s endowment.

In total, we are investing \$6 million to \$7.5 million annually on programs to promote student success. This is on top of UD’s investment in scholarships.

Additional investment from the state would allow us to expand programs we have in motion and initiate new ones targeted to student success, as well as enhance access to our institution and persistence to graduation.

Operational support from the state also lets us invest more funds in maintaining and improving our classrooms, laboratories and other assets. These modern, up-to-date facilities are essential for students, so they can learn in a stimulating environment and use the tools they’ll encounter in the workforce.



For example, our students are learning to use and analyze research results from a state-of-the-art fMRI at UD’s Center for Biomedical and Brain Imaging.

Our labs and studios at Winterthur Museum help Art Conservation students learn to restore priceless objects from around the world.

In the Move To Learn Innovation Lab, students are designing and making adaptive clothing for people with disabilities.

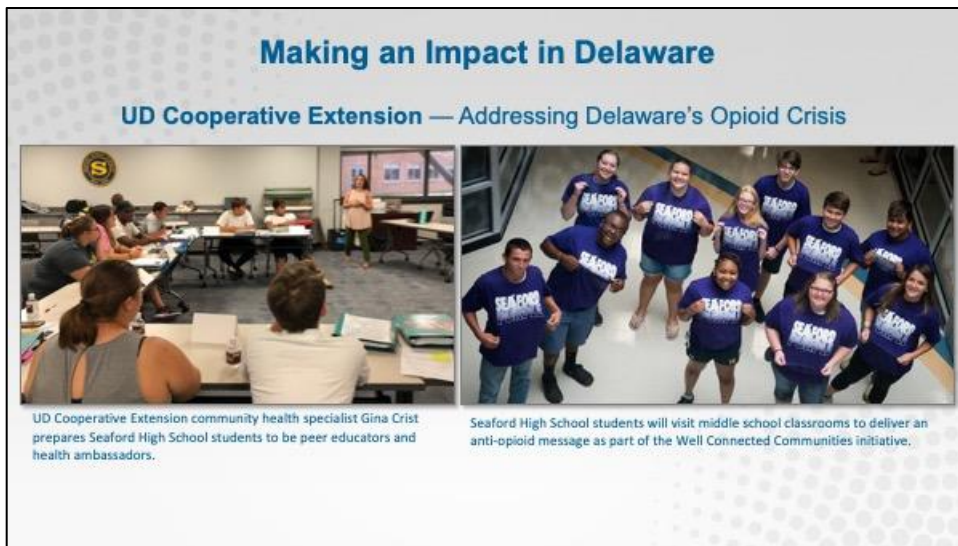
Other students are working with our virtual-reality “cave” to research how neurological impairments affect balance and movement. Nursing students are learning to care for patients using realistic simulators developed at UD. Other students and faculty are learning to identify and measure physical and mental limitations in older adults by watching them in a room that’s set up like a small apartment.

And about 40 undergraduate students are participating in research in the Speech-Language Pathology program. As you know, the state invested significant funds over several years to create this program and build Delaware’s professional workforce in this important field. I’m proud to report that our first class of 25 students completed their master’s program last year, and eight of them have started their careers here in Delaware. This is in addition to the Speech-Language-Hearing Clinic that serves the public.

Students need these kinds of hands-on learning spaces so they can compete for high-quality careers after they graduate.

MAKING AN IMPACT IN DELAWARE

UD’s impact on Delaware goes far beyond serving the needs of the students on our campus.



For example, UD’s Cooperative Extension has promoted sustainable agriculture, good nutrition and personal well-being for more than a century. The program also supports the spouses and children of military service members stationed at Dover Air Force Base.

Cooperative Extension is currently working with communities to help tackle the opioid crisis in Delaware. Last summer, students from Seaford High School worked with UD faculty

and staff to become peer educators and health ambassadors as part of the new Well Connected Communities program.

Also, UD's College of Education and Human Development provides extensive services to every school district in the state — including programs for special-needs students and English-language learners ... curriculum development in math, science, social studies and other subjects ... and professional training for everyone from teachers and aides to principals and superintendents.

Another way that UD serves Delaware is through our research and the innovations it produces.

UD had more than \$145 million in sponsored research expenditures in FY2018. This is funding that comes into Delaware from federal agencies and a variety of other sources to enable groundbreaking discoveries and advances in science, engineering and health care, as well as the arts and humanities.

Making an Impact in Delaware



EPSCoR — Established Program to Stimulate Competitive Research

- ❖ Five-year grant renewal
- ❖ \$19.2M from NSF
- ❖ \$3.8M from State
- ❖ Help Delaware develop solutions to water issues related to human, economic and ecosystem health

One of our research projects is EPSCoR, the Established Program to Stimulate Competitive Research. UD shares this federal grant with Delaware State, Delaware Tech and Wesley College, and we recently received a \$19.2 million, five-year renewal to develop solutions to water issues related to human, economic and ecosystem health.



Also, the Delaware Center for Translational Research ACCEL program was renewed for another five years to develop the research infrastructure, professional workforce and programs to promote health in Delaware. As you know, this \$25 million grant includes a \$5 million commitment from the state and is a partnership with Delaware State, Christiana Care, Nemours and the Medical University of South Carolina.

UD's size and stature as a top-tier research university puts us in a unique position to play an economic development role in Delaware. It's our job to be a hub of discovery and innovation, so that we can actually help create the industries of the future and prepare students to work in jobs that don't even exist yet.

Knowledge and technology developed at research universities like UD are spun out to become marketable products and services. Studies show, for example, that patents produced at a university tend to be developed near that university. UD provides both the seed and the soil for economic growth.

Strong partnerships between states and their universities are benefitting communities all over the country. Every region of our country that's thriving and rebounding from economic setbacks has a research university like UD that produces the innovations and the workforce to fuel the economy. More research and invention mean greater productivity, more entrepreneurs and more of the dynamic companies that Delaware needs for a secure future.

UD's economic impact on Delaware and the region is substantial.



A new study — commissioned by UD and performed by an independent consultant — estimates that the university’s direct spending and its ripple effects support more than 24,000 jobs in Delaware. That economic activity generates \$86 million in annual tax revenue for the state.

In all, UD has a \$2.8 billion impact on the state of Delaware.

That means that every dollar that the state invests in the university through our annual appropriation generates \$23 for Delaware’s economy.

Clearly, UD is a wise investment for the state.



Development of UD’s STAR Campus is helping to drive that economic impact.

The STAR Campus provides unique laboratory and educational opportunities for our students, faculty and community partners.

In the new Tower at STAR, we're seamlessly connecting education, research and clinical services in one facility. Each of those elements helps drive the others and provides authenticity and urgency to our work.

Also, Chemours is building its new innovation center on the STAR Campus. This global research-and-development facility — the Discovery Hub — will help Delaware remain a leader in the chemistry field, and it will provide an excellent job pipeline for UD graduates.

One of the facilities we're most excited about is the Ammon-Pinizzotto Biopharmaceutical Innovation Center that's under construction right now. We're financing this facility with UD resources — primarily bonding and philanthropy — and we appreciate the state's investment of capital funds to help pay for some of the equipment we'll need.

When it opens early next year, this building will become home to the National Institute for Innovation in Manufacturing Biopharmaceuticals, or NIIMBL, and UD's other resources in biopharmaceuticals.

Just a few weeks ago, the Milken Institute cited this facility in its report that ranked Delaware as one of the top states for nurturing technology companies and creating high-paying jobs.

Biopharmaceuticals have the potential to reshape the economic landscape of Delaware, with the creation of 1,500 to 2,000 jobs over the next decade in the state's biopharma industry — everyone from skilled technicians to PhD researchers. UD will also be educating people to lead and work in the biopharmaceutical sector.

It is important to remember that UD was identified as the “sweet spot” for the NIIMBL opportunity because of the biotechnology expertise and resources that had been built up here over the past two decades. That capacity was the result of strategic investments by UD and the state to create and support the Delaware Biotechnology Institute.

Without those investments — beginning back when Tom Carper was governor and continuing ever since then — Delaware would not have this amazing opportunity today.

Just imagine what the future might hold if we commit to making similar long-range investments today.

INVESTING FOR IMPACT

Investing for Impact

Our Priorities

- ❖ **Access to an Excellent and Affordable UD Education**
- ❖ **Ensuring Modern Facilities**
- ❖ **Driving an Economic Impact for the Future**



As I mentioned at the beginning of my presentation, the University of Delaware is grateful for the strong and productive partnership we have with the state.

We depend on investments from the state to help us provide an excellent and affordable education for Delawareans, and together we can expand these opportunities to help more students and families.

We need investments from the state to ensure that students have the tools and resources they need to succeed at UD and long after graduation.

And we need state investment to continue making a deep and lasting impact on Delaware's economy far into the future.

Thank you again for your time and attention today. We'll be happy to answer any questions you may have.



in focus
2019

President Dennis Assanis

Joint Finance Committee
Delaware General Assembly
January 31, 2019

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