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Michigan House of Representatives Higher Education Subcommittee

March 18, 2021



INTRODUCTION

Chair Huizenga and members of the subcommittee:

Thank you for inviting Eastern Michigan University to speak today as you consider the fiscal year 2022 budget. I would like to begin by sharing a few key data and highlights about our great university.

GENERAL OVERVIEW OF EMU

EMU is Michigan's second-oldest public university, founded in 1849. We are home to more than 16,000 students.

But what sets us apart? You hear from a lot of public universities – what makes Eastern different?

Nearly 90 percent of EMU students are from Michigan. And many of those 90 percent live in your districts. In each of your packets you will find, among other items, the number of EMU students who live in your respective districts.

Eastern is also unique in that so many of our graduates – **nearly 80 percent – stay in Michigan after they graduate.**

Eastern students are not your traditional college students.

We are an **institution of opportunity** – our mission is to serve students who might not otherwise have the chance to attend college.

Just last month, G.I. Jobs magazine published their annual ranking of **Military Friendly Schools**. EMU ranked the #2 in the nation – and #1 in Michigan – as a military and veteran friendly large public university.



Over one-third of our students receive **Pell Grants**, meaning they are lower income students. The majority of our students work while they are in college. **Nearly 25% of EMU students are first-generation students.**

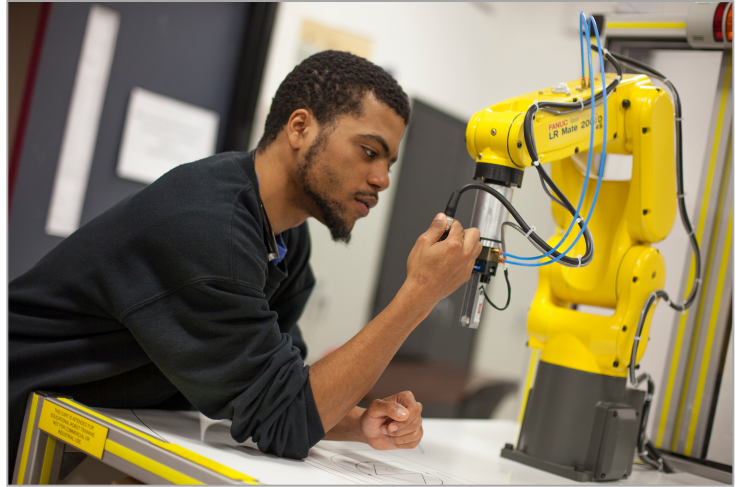
We partner closely with community colleges ... and have nearly **170 community college articulation agreements** – more than any other university in Michigan. These agreements are roadmaps that tell students, in advance, which courses at a community college will satisfy some of the requirements of specific majors or programs at EMU.

We were the first university to partner with community colleges to offer financial support to students who complete the state's new **Frontliners program** and wish to earn a four-year degree. We now have seven such partnerships – with likely more to come.

Simply put, our students worked hard to get where they are, and they continue to work hard when they enter the workplace.

To help meet the needs of Michigan employers, we prepare students for the jobs of today and tomorrow – by **blending high-quality academic programs with real-world experience**.

We offer highly acclaimed undergrad and graduate programs in cyber security. We recently added new programs in **mechanical engineering**, and **computer and electrical engineering**.



We offer numerous programs in high-growth health care fields, including **nursing**, **physician assistant**, and **prosthetics & orthotics**.

Our master's program in **clinical research administration** is ranked #3 in the nation and #1 in Michigan. These students receive top-notch training to oversee clinical drug trials – a timely topic as Operation Warp Speed brings new COVID-19 vaccines to the market in record time.

Our graduate program in **entrepreneurship** is highly ranked by *Princeton Review* and *Entrepreneur* magazine. Our online degree in **integrated marketing communications** is consistently ranked among the nation's best.

EMU's heritage is as a teacher's college – we are world-renowned for our programs preparing **teachers**, **school counselors**, and **superintendents**. That's why school districts throughout Michigan are filled with EMU graduates teaching our children.

That's who we are and that's what makes us special: EMU is a Michigan university serving Michigan students to prepare them for fulfilling careers in Michigan.



FY22 BUDGET

With this background information, I will briefly provide a few key financial data regarding the impact of COVID-19.

The nationwide impact on higher education from COVID-19 has been catastrophic. At EMU, we have seen over \$67 million in lost revenues from tuition, housing, dining, and other services.

We've already incurred over \$6 million in COVID-related expenses, and that number continues to climb. The offset to these losses from federal funds is, to date, over \$24 million. This helps but, even if we include estimates from the next round of federal funding, the losses exceed the federal support.

And we are not a bloated operation. We have spent the last several years making the difficult – but needed – decisions to increase efficiency and reduce costs.

For these reasons, we thank the Governor for proposing additional funds for higher education in the fiscal year 2022 budget.

We were, however, disappointed that these would be one-time payments. One-time payments, while better than nothing, do not provide the ability to plan our finances beyond one year – thereby providing uncertainty for our students and parents.

We therefore urge the legislature to maintain the Governor’s proposed funding increase, but to make those dollars an increase to our base appropriation rather than a one-time payment.

We also join our colleagues across the state in urging the State to end the mandated price-fixing system that is known as tuition restraint.

Universities operate in a hyper-competitive marketplace. We are just like any other marketplace – we already know that if we raise our prices too much or too fast, our students will look elsewhere to earn their degree.

In closing, I encourage us, as a state, to recognize that **investing in higher education is the best and most cost-effective way to drive long-term economic growth.**

The fastest growing jobs generally require a college degree in fields such as health care, technology, and finance, just to name a few.

College graduates earn more money, they have lower unemployment rates, and they are more likely to own a home.

Unfortunately, here in Michigan, we continue to spend less on higher education than we did 20 years ago – and that is before adjusting for inflation. In just two decades, **Michigan has dropped from #20 in the nation to #44 in the nation in per-capita investment in higher education.**



I know you face difficult choices in an uncertain economic environment. But the data are clear: **investing in higher education pays off – now and tomorrow.**

CLOSING

Thank you again for this opportunity. You have a challenging job, and I am grateful for your service and you giving us the time today.

With the Chair’s permission, I am happy to take questions.