



In that speech, I characterized the state of the university as "remarkably good." Despite reduced state support, the university performed well

and total sponsored activities; and nationally and internationally ranked programs.

Thanks to you, 2011 was, by almost any measure, a remarkably eventful and productive year—another year in which we did more with less. But I also asked during my remarks, how long can this continue? How long can we do more with less? Even an institution with a noble purpose and dedicated people cannot flourish for long without adequate resources.

To learn more about the university's challenges and opportunities, you can [click here](#) to review my presentation.

Current national discussion about significant tuition increases generally underscores the need for universities to become more efficient to reduce and limit rising tuition and fees. Our data shows that our university's tuition increases (on average, under 3 percent over the past five years) are aligned with declining state support. We have been able to avoid placing the entire burden of reduced state support on students and their families by carefully managing our expenses and improving the effectiveness of our operations—as you can see in our annual report on administrative effectiveness and efficiency measures: <http://umurl.us/i8J>.

For the period covering FY2008-2010, the university's administrative expenses as a percent of

visit: <http://online.umsystem.edu/portal>.

our operating budget were

. And while administrative expenditures nationally were reduced by 4 percent over this period, our university achieved a 9 percent reduction.

Another way to look at our stewardship is to understand how we compare when it comes to resources spent on educating students. The latest data available in 2009 show that, as a percent of education and related expenses,

I again thank my academic and administrative colleagues across the system for their focus and teamwork in maintaining the positive momentum across our statewide mission of teaching, research, service and economic development. I look forward to welcoming Tim Wolfe as our next president on February 15.

