Introduction

Good Afternoon. Thank you, Professor Von Till, for that warm introduction. I appreciate Provost Junn and Associated Students President Calvin Worsnup for joining me on the stage as a reflection of my belief in collaborative decision-making and university governance.

Before I begin, let me first welcome the new faculty members who join us this fall. We look forward to your contributions to this great university. You join a dedicated and highly honored faculty recognized for excellence in instruction, service and scholarship.

This past year provided a great opportunity for me to learn about your work, your needs and your aspirations for San Jose State. The 49 town hall meetings last fall gave me a chance to listen to your input, thoughts and dreams about our collective future. It was a great help to me to hear directly from our students, faculty and staff about your vision of our common future.

The Fall Address provides the opportunity for us to come together and reflect on recent accomplishments, identify emerging issues and challenges, and review priorities and opportunities for the coming year.

I know everyone is thinking about the budget, so let me address that first.

The result of the governor’s tax initiative in the November election will have a pivotal impact on the financial condition of the university for the current and future years. We cannot overemphasize the critical need for better budget planning, exploring more innovative methods to transform our current cost structures and identifying new revenue streams.

In other words, addressing our budget challenges necessitates strategies to enhance revenues, cost shifting, cost reduction and efficiency improvements. It will also involve hard decisions. In achieving a structurally balanced budget, we must move from merely “tinkering” to truly
“transformative changes.” We need to identify creative and innovative ways to provide breakthrough solutions that fundamentally shift our dominant paradigm. Our financial challenges require that we dig ourselves out of “the tyranny of dead ideas” and “rewire the institutional circuitry.” Therefore, we must seek transformative solutions and breakthroughs.

Last year in my fall address, I referred to Carlota Perez’s work on the relationship between innovation, technology, institutional change and economic development. During the past year, Booz and Company published a report identifying 1,000 top innovation companies around the world. The report showed that 275 of these companies are in the Bay Area. It also identified the strategic, cultural and organizational attributes that differentiate this region from the rest of the world.

Upon further analysis, the report showed that what distinguishes Silicon Valley companies, as opposed to other innovation companies, was not the emphasis on technology, but a laser-focus as need-seekers. These companies are three times as likely to have their innovation strategies be firmly aligned with organizational strategies. Moreover, they are twice as likely to have an organizational culture that strongly supports innovation strategies as compared to other leading corporations.

San Jose State is located in the capital of Silicon Valley and has powered this cradle of creativity from its inception. Therefore, our Spartan culture must serve as a role model in nurturing innovation and entrepreneurship. As we continue to implement our strategic plan, I am confident that SJSU can not only overcome the current financial challenges, but will come out of it a thriving, stronger and more resilient institution.

Today, I’d like to talk more in-depth about our strategic goals, how we’re already making progress in many important areas and then discuss our plan for the coming year.

**Highlights of the Past Year**

San Jose State strives for excellence in numerous areas and it would be impossible to speak about all of them here. Therefore, allow me to highlight a few of our successes from the past year.

Our Vision 2017 strategic planning process was executed as originally planned in fall 2011. It reaffirmed that SJSU is an innovative, engaged learning community committed to preparing students with adaptive skills and knowledge for a global 21st century.

The plan also demonstrates how unbounded learning is facilitated by highly regarded faculty members. By actively engaging with students, our faculty provides a wide range of learning content through in- and out-of-the classroom experiences.
SJSU has a strong and unique sense of place, both physical and virtual. We will create modern learning and gathering spaces with a technology infrastructure that results in a welcoming, vibrant and safe environment that fosters a sense of belonging and Spartan pride.

Our Academic Plan 2017 commenced under the leadership of Provost Junn. The plan aspires to:

- build innovative and sustainable curricula;
- reimagine and support faculty work;
- deepen student engagement with academic and professional learning;
- expand our global connections;
- and utilize effective new technologies to meet academic goals.

Our athletics program was invited to join the Mountain West effective July 2013. This is a tremendously important achievement for San Jose State. Our athletes will be able to compete against traditional rivals in the region, and membership in the new conference will broaden the university’s exposure.

Our efforts in concert with the city of San Jose, our congressional leaders and the Silicon Valley Leadership Group led to the decision to locate a U.S. Patent Office in Silicon Valley. On July 11, 2012, Acting Secretary of Commerce Rebecca Blank visited San Jose State and made the announcement. The location of such an important office opens numerous exciting opportunities for our students and faculty.

I have organized the rest of my comments around our achievements related to the five goals of the strategic plan.

**Spartan Pride**

What does it mean to be a Spartan? We are known for being resourceful, creative and industrious. We are dreamers, innovators and high achievers. To be a proud Spartan is to acknowledge both our strengths—because there are many—and the areas where we have an opportunity to grow and transform. As a university community, we have many reasons to be proud.

San Jose State celebrated the 60th anniversary of the Academic Senate, honoring our proud tradition of shared governance.

Our alumni are becoming more connected to SJSU. The Alumni Association membership is up 11 percent from the previous year and continues to grow. More Spartans are connected via social media. Our official LinkedIn group has more than 18,000 members. The number of Facebook fans has increased from just over 10,000 to almost 16,000 followers during this year alone. Some
of this success is a result of our talented students and staff members who contributed the Spartan Pride chalk messages around campus that encourage students to get involved by following SJSU on Facebook, Twitter and YouTube.

Our comprehensive campaign, Acceleration, continued its momentum and secured $25 million commitments this year, getting us closer to achieving our total campaign goals. The Advancement Division received the Overall Performance Award from Council for the Advancement and Support of Education. Moreover, our Advancement team was able to add more than 11,000 first-time donors to San Jose State during the life of the campaign. Our first-ever faculty and staff campaign was tremendously successful, with hundreds of faculty and staff members pledging their support for SJSU, even in these very challenging times.

Spartans were in the news numerous times in the past year. I hope you were all watching when San Jose State graduate Marti Malloy competed to earn a bronze medal at this summer’s Olympics. She was trained by revered SJSU alumnus and judo coach Yosh Uchida, who has built an internationally renowned judo program that continues to enhance San Jose State’s reputation worldwide.

On a local level, SJSU alumnus Chris Funk made headlines when he was announced as the superintendent for the East Side Union High School District. Chris received his master’s in social science from San Jose State and is an innovative educator whose work helped to improve the API score and close the achievement gap between Hispanic and white students by 106 points. Our current students also received significant media coverage as they gathered on the lawn outside Clark Hall to discuss income inequality during the sixth annual Poverty Under the Stars event, which is a joint effort of Cesar E. Chavez Community Action Center and Cafe J, the Campus Alliance for Economic Justice.

This year, student-athletes at San Jose State claimed three conference championships. Three of our student-athletes were the WAC athlete of the year in their respective sports. And five of our coaches were named conference coach of the year. SJSU student-athletes averaged an all-time record high cumulative GPA in both the fall and spring semesters last year. SJSU student-athletes finished fifth nationally in this year’s Excellence in Management cup study.

Finally, the Student Affairs Division has launched a new welcome program for fall 2012. The goal is to instill a sense of belonging and Spartan pride from the moment a student first comes to campus.

Thank you for all of your efforts. Every contribution helps to build Spartan pride. Our ability to build a community that works collectively toward our common goals will determine our future success.
Unbounded Learning

San Jose State has adapted to the needs of the region and the needs of our students for more than 150 years. I have been so impressed and inspired by the many significant accomplishments of our dedicated and talented faculty and our wonderful students. We really are fostering an environment of Unbounded Learning.

For example, one of the highlights of last year was Dr. Kevin Jordan’s leadership in receiving a historic $73 million grant from NASA Ames for Collaborative Human Systems Integration Research.

Last April, Secretary of Homeland Security Janet Napolitano’s visit led to the development of a series of initiatives on cybersecurity. Though new faculty searches will be limited to key, critical hires, given the keen interest of many both nationally and here in Silicon Valley, Provost Junn is working with the deans to authorize the university’s first faculty cluster hire on cybersecurity. These efforts will give SJSU unique capabilities to prepare our graduates for new and growing career opportunities.

Students in the College of Business had tremendous success in both national and international competitions this past year. Three teams from the Lucas Graduate School competed in the 48th International Collegiate Business Strategy Competition, bringing home two first-place awards and one second-place award.

Similarly, the aerospace engineering aircraft design team, PhalanX, won first place—out of 68 national teams—in the 2012 AIAA Design Build Fly competition, held in Wichita, Kansas.

The Doctorate of Nursing Practice officially begins this year. In conjunction with CSU Fresno, it will be SJSU’s first doctoral program.

Last November, the Internet was buzzing with global conversations about the future of libraries. More than 6,800 attendees from 153 countries participated in the Library 2.011 Worldwide Virtual Conference, a free event showcasing 160 fully online presentations offered around the clock in multiple languages.

TechEdSat, a NASA-sponsored cube satellite that SJSU aerospace engineering students worked on, launched from Japan to the International Space Station. This is the first-ever cube satellite deployed to the space station.

Moss Landing graduate student Paul Clerkin and his advisor David Ebert discovered at least eight new species of sharks in the Indian Ocean. Moss Landing Chair Jon Geller was elected as a fellow to the California Academy of Sciences and also was a principal investigator on a $5.1 million National Science Foundation Grant to study biodiversity in Indonesia.
King Library has begun a partnership with KQED to make the archived KQED and PBS materials available for our faculty and students. The library also has an authoring workshop planned for 2013 that will include authoring solutions offered by KQED.

A team of College of Engineering faculty was invited to MIT this summer to review MIT Edx, an open course on “Circuits and Electronics,” that will be piloted this fall.

San Jose State signed an MOU with Stanford on Preparing Future Professors.

And last but certainly not least, Professor Joe Pesek, of our chemistry department, celebrated the publication of his 200th research paper related to the performance of cholesterol.

**Helping and Caring**

Every one of us at San Jose State is a resource for each other and for our students. We must turn our helping and caring inward and outward—because doing so will move all of our other strategic goals forward.

Over the course of a year, CommUniverCity, through the hard work of San Jose residents, university, city, and community partners, has now expanded to serve the entire central San Jose area—roughly a radius of 1.5 miles from the campus, covering homes of more than 96,000 residents. They organized almost 43,000 hours of volunteer labor involving residents, local government agency staff members, corporate volunteers, and SJSU student service-learners. From its beginning in 2005, CommUniverCity has invested close to 150,000 hours of volunteer work valued at more than $3.5 million.

San Jose State is one of roughly 100 universities nationally recognized in both "Curricular Engagement" and "Outreach and Partnerships." It is refreshing to see the efforts that led to the "Community Engagement" classification from the Carnegie Foundation for the Advancement of Teaching in 2008 are still growing.

The university continues to excel with regard to diversity. The Advancing Latino/a Achievement and Success Conference conducted 65 workshops for 3,700 attendees. The university participated in the CSU Super Sunday and reached out to seven African American churches in our region. San Jose State also participated in the Es El Memento event in Dominguez Hills. Our focus on student success, graduation and retention is gaining momentum with encouraging results. This year we will use “civility” as the theme for 2012-2013, highlighting our shared value of diversity.

As new students arrive to campus later this week, you will see "Ask Me" buttons with the Spartan logo for all faculty and staff members to wear during the first two weeks of the fall
semester. This will allow students to easily identify who they can ask for help and make their introduction to our campus a more comforting process. You can help by volunteering to staff a welcome table.

Agility through Technology

As all of you know, the campus IT infrastructure was woefully inadequate and was creating significant impediment in many areas. I’m happy to report that we’ve already taken steps to remedy some of our challenges. Through the IT governance committee, the university identified key technology needs and launched an IT infrastructure upgrade. This is an ongoing, five-year project. The funding for this year came from a variety of sources: 33 percent came from the sale of our bandwidth, which is a one-time source; 47 percent came from the continuing education roll forward, another one-time source of funds; and the remaining 20 percent came from the ongoing operational funds out of the ITS base budget.

Several phases of the upgrade will take place in the next 18 months. Some of the key features include:

- an IP telephone system to replace our antiquated phone system;
- deployment of WebEx conference capability;
- by next week we will have lecture capture capability in all rooms via WebEx;
- and by the end of the spring semester, we will have 51 next-generation teaching spaces with high-definition lecture capture capability.

Many studies have demonstrated significant improvements in student retention can be achieved by using these tools.

Given the high demand for wireless access, the capacity was doubled during the past year and more capacity will be added.

We will also be adding a new student portal, expanding our self-service offerings in Finance, Human Resources and Student systems. Additionally, the provost is leading a number of other technology initiatives that will greatly assist our faculty and enhance our students’ success. These technologies will facilitate the ability to disseminate content more easily to students, greatly assist our faculty, and significantly enhance the learning environment and student success.

Twenty-First Century Learning Spaces

Our campus facilities are a big part of the learning environment. Our efforts in better managing the existing construction projects have been successful. The Student Union Project will be completed in May 2014.
The Spartan Complex project has been approved and groundbreaking has been set for this winter.

Growth and expansion plans for Housing and Dining have been developed. With the completion of the Vision 2017 Strategic Plan and the Academic Plan as a framework for our future, this year we will work on updating the physical master plan for campus. Similarly, the South Campus master plan will be reviewed and revised. As part of Vision 2017, we will begin efforts to define 21st Century instructional spaces, improved smart classrooms and student gathering places for both instruction and extracurricular activities.

Plan for the Current Year

Now, what else is in store for this year? For the current academic year, I’ve set the following five goals:

1. **Achieve a Structurally Balanced Budget for 2013-2014:** Given the avalanche of reductions that San Jose State has experienced in the recent past, our operating budget has not been structurally balanced for several years. Consequently, the university balanced its budget using diminishing one-time reserve funds. If the governor’s Tax Initiative does not pass in November, San Jose State will have to absorb an additional reduction of roughly $17 million. To have a sustainable operation, we must reduce expenses in all areas of the university and attain a structurally balanced budget by 2013-2014.

2. **Increase Non-Resident Enrollment and Self Support Programs:** Achieving a structurally balanced budget will require a sizable reduction in expenses, as well as increases in revenues. Congruent with our academic plan and enrollment management strategies, we must increase our non-resident enrollment. We need to work closely with industry and offer new programs in self-support instruction.

3. **Complete the Acceleration Campaign:** Given the momentum the Acceleration campaign has demonstrated, we are confident we will complete the campaign by the end of this fiscal year and work to lay the foundation for future plans.

4. **Complete Phase I of the IT Initiative:** A timely completion of the IT project will provide the needed capabilities to enhance education delivery systems as well as reduce the ongoing cost of our telephone expenses. Plans are underway to assure successful completion of this critical initiative.

5. **Transform Educational Delivery Systems:** The proliferation of new technologies has provided tremendous new opportunities to enhance the student learning experience. The provost is leading a number of key initiatives in this area, including course redesign.

All of these goals will be critical to helping to meet the significant budgetary challenges we will face in the coming year. So you’ll be hearing more about each of these goals throughout the year. During this past year, I have continued to be struck and gratified by the incredible talent we have on our campus. I know that as faculty and staff members, administrators and students, we will work together as a team to maintain the quality of our campus and the education we provide to our students.
Looking to the Year Ahead

As you can see there are a number of significant initiatives that we have launched for the coming year. At the same time, we know the dire financial circumstances that we're facing are by far the biggest challenge and will be the topic of discussion over the coming year. But consider these four fundamental points.

First, as the oldest public institution in California, San Jose State has an impressive history of achievement and stature for which we should be rightly proud. We have a culture and a history like no other and that makes us unique and distinctive.

Second, right at our doorstep, we have almost unlimited opportunities for partnering and fostering innovation. We are literally sitting in and amongst the world’s most vibrant and flourishing business, industry and intellectual knowledge creators here in Silicon Valley. The provost and I, as well as others, are working daily to leverage and build these contacts for mutual benefit. We hope you, too, will share in the excitement of exploring new ideas and joining in the new partnerships as they continue to develop.

Third, our faculty, staff and administrators are important, priceless riches. A university would not exist without the central core of a talented, forward-thinking, hardworking and collegial faculty. Our faculty engages with students and others in teaching, research, scholarship and creative activity. Our faculty provides untold service to the campus, our community and beyond. Also at the core of our campus are the thousands of dedicated and loyal staff members and administrators who care deeply about our campus and our students. Our staff and administrators work hard to find ways to support everyone. As president, I want to thank everyone for your sustained and heartfelt service to this great university.

Fourth, and the most fundamental, are our students. Each year, more and more students aspire to join our campus to become Spartans and graduate with a SJSU degree. We welcomed over 3,600 new freshmen this year, and collectively, our students are the reason we are here. Essential to our mission is providing our students with a rich, rigorous, exciting and rewarding educational and personal experiences. We provide a rewarding learning experience that will give them the skills, knowledge and predisposition to graduate, become successful and further build our communities.

In sum, these four points make SJSU extraordinarily special and give us renewed strength. You have heard me say that this is a time of great challenge, but it is also a time of great opportunity. There is still much more work to be done and as budget cuts deepen, there will be difficult consequences. I believe that if we take advantage of the opportunities to transform now, we will be a stronger, better university. We have a strategic plan that will help us stay true to our mission to provide access to quality education. We have the talent right here to reshape our great university. We will continue to adapt, as we have for more than 150 years. Let’s work together—more than ever before. Together, we can transform San Jose State and make our university a stronger and more cohesive home for everyone.

Have a great year!