

STATE OF THE UNIVERSITY ADDRESS

P. BARRY BUTLER, PH.D. AUGUST 23, 2024





The annual State of the University address gives me the opportunity to inform our university community of our progress and set forth goals for the new academic year. To begin today's presentation, I would like to share four key points that will serve as a guide going forward.

First, Embry-Riddle recently completed the first year of its five-year strategic plan, and we are making real progress in implementing best practices and meeting key success metrics.

Second, we must continue that upward trajectory, avoiding any sign of complacency.

Third, our focus on student success must remain steadfast and at the heart of all of our interactions with students.

Fourth, we need to consider specific ways that each of us can contribute to advancing our strategic plan.

Furthermore, today's presentation emphasizes the goals outlined in the 2023-2028 Strategic Plan and highlights actionable steps, providing a clear roadmap for Embry-Riddle's future success.

New Campus Leadership

The university has welcomed new leadership in key roles at our residential campuses in Daytona Beach, Florida, and Prescott, Arizona, as well as our Worldwide Campus. Dr. Ken Witcher has moved from Dean of the Worldwide College of Aviation to become interim Chancellor of the Prescott Campus, and Dr. Bettina Mrusek has taken the role of interim Dean of the Worldwide College of Aviation.

Additionally, Dr. Jennah Perry has been named interim Dean of Prescott's College of Aviation. Our new Athletic Director at the Daytona Beach Campus is Rachel Burleson. Lee Wilkerson is serving as Dean of Students for the Prescott Campus, and Jim Pepin has been named Worldwide's Vice Chancellor of Student Success.

New University Leadership

Three new vice presidents have joined our university leadership team. Sarah Barczyk, Vice President for Communications, joins my core leadership team. Scott Gesele has been named Vice President for Facilities. Tyler Sirois is the university's first-ever Vice President of External Affairs and Strategic Initiatives.

Two longtime academic leaders at Embry-Riddle have been named as vice provosts. Dr. Norbert Zarb is Vice Provost for Academic Affairs, and Dr. Eduardo Divo is Vice Provost for Faculty Affairs.

New Trustees

Over the past year, Embry-Riddle has welcomed three new trustees to its Board, all of them renowned figures in their industries who share in our mission and commitment to the success of Embry-Riddle's students.

We welcomed Trustee Leanne Caret, a longtime CEO and Fortune 100 director who is a former executive vice president at The Boeing Company. Trustee Caret also served as CEO and president of Boeing Defense, Space and Security.



NEW CAMPUS LEADERSHIP



Ken Witcher
Chancellor
Prescott



Bettina Mrusek

College of Aviation

Worldwide



Jennah Perry

College of Aviation

Prescott

NEW CAMPUS LEADERSHIP



Rachel Burleson

Athletic Director

Daytona



Lee Wilkerson

Dean of Students

Prescott



Jim Pepin

Vice Chancellor of Student Success

Worldwide



NEW UNIVERSITY LEADERSHIP



Bert ZarbVice Provost for Academic Affairs



Eduardo DivoVice Provost for Faculty Affairs

NEW UNIVERSITY LEADERSHIP



Tyler SiroisVP of External Affairs & Strategic Initiatives



Sarah BarczykVP of Communications



Scott Gesele
VP of Facilities



NEW TRUSTEES



Kenn Ricci



LeAnne Caret



Steve Varsano

TAKE-AWAY MESSAGES

- 1) WE'RE MAKING GREAT PROGRESS ON OUR NEW STRATEGIC PLAN
- 2) LET'S CONTINUE ON AN UPWARD TRAJECTORY
- 3) KEEP FOCUSED ON STUDENT SUCCESS
- 4) HOW CAN YOU CONTRIBUTE TO ALL OUR FUTURE GOALS?

Continued: New Trustees

We also welcomed Trustee Kenn Ricci, principal of Directional Aviation Capital, a firm that owns and invests in a range of aviation-related businesses, including Flexjet, where he serves as chairman. In addition to assembling one of the world's largest groups of private aviation companies, Trustee Ricci has been an outstanding supporter of higher education.

Trustee Steve Varsano ('77), founder of The Jet Business, is returning to his alma mater. An internationally known broker of corporate jets, Trustee Varsano brings a lifetime of business aviation expertise to his leadership role and has already held sessions with our students.

We are deeply grateful to all our Trustees and to Chairman Mori Hosseini for their ongoing vision and leadership in advancing our strategic planning goals.

Strong Financial Performance

Our financial trajectory continues to show growth and progress, countering a downward trend affecting much of higher education, including major institutions. Embry-Riddle will generate nearly \$700 million in operating revenue across all three campuses in FY25. A decade ago, our operating revenue was approximately \$330 million. What's more, Embry-Riddle is now projected to become a \$1 billion organization in FY27. And we continue to increase our reserves, bolstering our financial strength.

Funding the Future

Our 2023-2028 strategic plan earmarks \$33 million for investments in the university, building on the \$28 million invested during the previous five-year period. As always, spending is aligned with specific action items outlined in our strategic plan. For example, we have increased our Institutional Financial Support (IFS) by over 150% since FY15. This funding helps more deserving students earn a transformational education at Embry-Riddle.

Capital Investments

Over the past decade, the university has invested over \$750 million in capital projects. This funding continues to transform our university — from the expanding Research Park on the Daytona Beach Campus to planned infrastructure improvements at the Prescott Campus. In FY27, we anticipate that our capital investments will exceed \$1 billion.

Florida Supports Embry-Riddle

With its strategic location at the tip of Florida's Space Triangle, Embry-Riddle is recognized as a driver of the research, technology, and talent needed to support the state's thriving aviation and aerospace industries. Florida legislators and government leadership have allocated \$102 million to Embry-Riddle since FY15, demonstrating their confidence in our university's mission to cultivate the next generation of professionals, innovators and explorers.

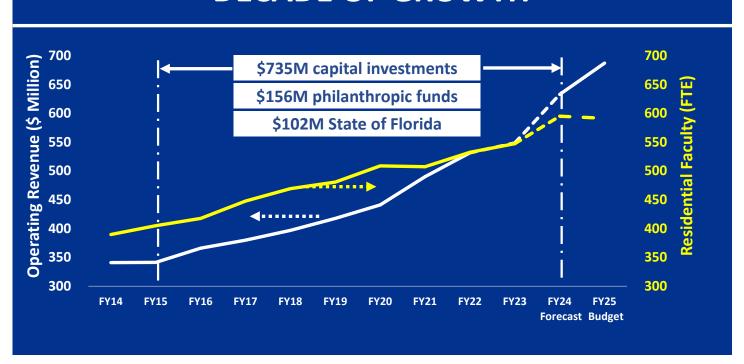


STRONG FINANCIAL PERFORMANCE

INVEST IN PEOPLE, PROGRAMS, INFRASTRUCTURE ... WHILE BUILDING RESERVES

- IFS → increased over 150% since FY15
- Strategic Plan → \$28M spent in prior plan; \$33M budgeted for current plan
- Salary, wages & benefits → outpaced CUPA and CPI
- Capital → over \$750M since FY15 (will surpass \$1B in FY27)
- Academic programs → invested in new programs
- Faculty/staff → added FTEs as enrollment grows

DECADE OF GROWTH



Growth of Faculty

Our strong financial performance has also helped Embry-Riddle attract and retain talent. By FY25, the faculty at our residential campuses will have reached more than 600 full-time members, 50 percent more than a decade ago. As our revenue grows, so does our faculty. Other key staff to our university's success, such as our flight instructors, have also increased with our growing number of students.

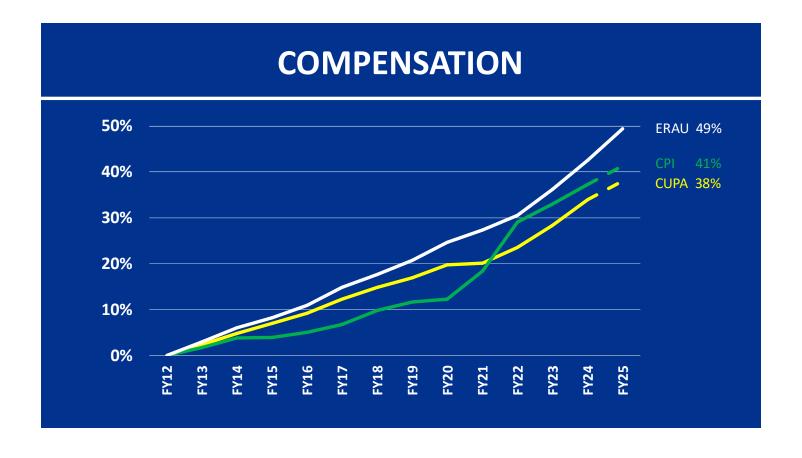
Compensation

Our people are the strength of this university, which is why we have invested heavily in salaries and wages, paying close attention to recent inflation. Salaries, wages, and benefits at Embry-Riddle have outpaced a salary benchmark calculated by CUPA-HR (College and University Professional Association-Human Resources) and inflation, as measured by the Consumer Price Index for all Urban Consumers (CPI-U). Embry-Riddle's salary budget has climbed by 49% since FY 2012, whereas the CUPA-HR benchmark rose by only 38%. Inflation, meanwhile, jumped by 41 percent during that same period. Moreover, our salary pool has increased by nearly 20 percent since FY22, significantly surpassing these indices, and we expect that trend to continue.

Investing in the Prescott Campus

Thanks to the vision and guidance of our Board of Trustees and financial team, Embry-Riddle is making strategic investments and upgrades across the Prescott Campus. Set to open shortly is the Eagle Learning Complex, a facility that features a new 8,600-square-foot wind tunnel laboratory and propulsion lab. A state-of-the-art simulation center is also coming online to serve an ever-increasing number of aspiring aviators. To meet the strong demand for Prescott's flight training program, plans are underway for a Strategic Academic Flight Education Complex (SAFE) on the north side of Prescott Regional Airport. We are also investing in a contemporary, multifunctional residence hall with student services and suite-type living spaces. Additionally, a dramatically modernized student union will serve as the cornerstone of a redesigned campus quadrangle. Together, these investments at the Prescott Campus total approximately \$240 million.











INVESTING IN THE PRESCOTT CAMPUS



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INVESTING IN THE PRESCOTT CAMPUS





STUDENT EXPERIENCE

ENROLLMENT

ACADEMICS & FACULTY

RESEARCH & INNOVATION

PHILANTHROPY & ALUMNI

Five Pillars

My annual address allows me to share our many recent achievements across our campuses, and I am delighted to celebrate those with you. But it's also vital that we focus on our forward-looking objectives and what we must do to achieve them.

Our strategic plan is based on five goals: the student experience, enrollment management, academic and faculty excellence, research and innovation, and philanthropy and alumni engagement.

GOAL ONE: THE STUDENT EXPERIENCE

Our students have logged some extraordinary accomplishments over the last year.

EagleCam Launch

During the February 2024 launch of Intuitive Machines' lunar lander, Embry-Riddle's EagleCam CubeSat made history by becoming the first student-built project to land on the moon. The result of four years of design and development, EagleCam was made possible by alumnus and Intuitive Machines CEO Steve Altemus ('87) and celebrated by our students.

Aviation Cybersecurity Capture the Flag Competition

Our students excelled in a competition to mitigate a hypothetical cyberattack at the Aviation Cybersecurity Initiative Cyber Rodeo, hosted by Embry-Riddle for the second straight year. This was not only an exciting competition but a strategic, hands-on learning exercise, where our students had the opportunity to engage with our industry and government partners.

LLAMAS Project

The LLAMAS camera project will soon launch as part of the Polaris Dawn space mission, commanded by alumnus Jared Isaacman ('11). The product of a three-way collaboration among Isaacman, Embry-Riddle, and the SpaceX team, the camera was engineered by graduate and undergraduate students under the direction of Dr. Troy Henderson, director of our Space Technologies Lab.

Industry Leaders on Campus

Embry-Riddle has hosted several high-profile speakers during the past academic year. To a packed auditorium on the Prescott Campus, Arizona Senator Mark Kelly recounted his career, from pilot to astronaut to the halls of Congress. National Transportation Safety Board (NTSB) Chair Jennifer Homendy and JetBlue CEO Joanna Geraghty, the first female CEO of a major airline, described their career trajectories and talked with our women students about their future careers. Hearing from such accomplished figures inspires the next generation of leaders.



GOAL 1 – STUDENT EXPERIENCE

EXTRACURRICULAR OPPORTUNITIES

- EagleCam
- Aviation Cyber Initiative Capture the Flag
- LLAMAS on Polaris Dawn

SPEAKERS ON CAMPUS

- AZ Senator Mark Kelly
- NTSB Chair Jennifer Homendy
- JetBlue CEO Joanna Geraghty

RETENTION

- Continues to improve
- Everyone's responsibility



GOAL 1 – STUDENT EXPERIENCE

NATIONAL COMPETITIONS

- AIAA Design, Build, Fly
- NIFA
- Human Lander Challenge

RESEARCH

- Grant to support online research experiences
- SAIL rocket launches during eclipse
- Students participating in funded research



Continued: The Student Experience National Competitions

Our students are not only excelling academically but also competing in elite aerospace competitions. A team from the Daytona Beach campus placed No. 1 at the 2024 American Institute of Aeronautics and Astronautics (AIAA) Design/Build/Fly competition, which challenged students to construct and test a remotely operated airplane that could conduct medical transport and urban taxi flights. A team from the Prescott Campus placed eighth overall in the global competition, which included more than 90 universities.

Daytona Beach and Prescott teams comprising engineering students across disciplines were chosen as finalists in NASA's Human Lander Challenge for their innovative concepts that addressed the complex issue of managing lunar dust during space operations. Judges awarded the Prescott team an excellence in systems engineering distinction.

Research

Engaging students in research is a proven driver of student success and retention, and we have made it a point to increase the number of students across all our campuses participating in funded research. With support from the National Science Foundation (NSF), we have launched a new program to engage our Worldwide Campus students in research projects. Students are provided with faculty mentors and are encouraged to present their work at conferences, enhancing their resumes and expanding their networks.

During two recent solar eclipses — one in April 2023, and the other in August 2024 — students participated in groundbreaking research alongside faculty. This included a NASA-supported project deploying weather balloons and a NASA rocket mission led by Dr. Aroh Barjatya, professor of Engineering Physics and director of the Space and Atmospheric Instrumentation Lab (SAIL).

Military

Our nationally ranked Reserve Officers' Training Corps (ROTC) programs at both campuses prepare students to become U.S. military officers while earning their degrees. Embry-Riddle's longstanding commitment to creating educational resources for servicemembers was recognized when all three of our campuses were awarded Top 10 status in the 2024-25 Military Friendly Schools survey — a first for Embry-Riddle. Embry-Riddle has long ties to the military, and over 170 alumni have reached the rank of general or admiral.

Athletics

The students in our athletics programs achieve at the highest levels on the playing field and in the classroom, making them truly scholar-athletes. Recent graduate Ukeyvia Beckwith won the 800-meter race at the 2024 Outdoor Track & Field Championships. While competing, she earned a bachelor's degree in Aerospace and Occupational Safety, as well as an MBA. She is now working for The Boeing Company in Charleston, South Carolina.



GOAL 1 – STUDENT EXPERIENCE

MILITARY

- Nationally ranked ROTC programs
- Top 10 "Military Friendly" designations
- Over 170 alumni have reached the rank of general or admiral

ATHLETICS

- Individual, Team and Campus Awards
- Scholar-Athletes
- Gold Medal → Boeing-Charleston



GOAL 1 – ACTION ITEMS

REINFORCE ESSENTIAL STUDENT SKILLS THROUGH CURRICULUM

- Emphasize critical thinking, communication and problem-solving skills
- College- and program-level plans to improve retention

EXPAND "OUT-OF-CLASS" ENGAGEMENT

- Expand opportunities for international experiences and internships
- Spring break aerospace exploration trip

PROMOTE STUDENT PHYSICAL AND MENTAL WELL-BEING

Expand early alert student-support networks

Continued: The Student Experience Retention

Over the past several years, student retention has been an essential area of focus for Embry-Riddle. Though improving retention rates presents various challenges, we are making progress, and the positive trend appears likely to continue.

Action Items

Moving forward, Embry-Riddle is committed to reinforcing essential student skills that are aligned with the university's curriculum while meeting industry needs within our programs. We also want to continue to boost retention by having students engaged in research projects, competitions, extracurricular activities, and study abroad programs. This will improve the likelihood they will complete their degrees, as well as help prepare them for careers in aviation, aerospace, and other dynamic fields. Our students also face many challenges, so we want to promote their physical and mental well-being in any way possible.

GOAL TWO: ENROLLMENT

Embry-Riddle's enrollment remains robust overall. The university's two residential campuses currently serve nearly 12,000 students, including over 600 active military or student veterans. More than 22,000 students are enrolled in the Embry-Riddle Worldwide Campus.

Growth in Academic Profile

We also continue to create new pathways to transformative Embry-Riddle degrees. For example, Embry-Riddle and the U.S. Naval Community College (USNCC) have partnered on an initiative to offer associate degrees to active-duty enlisted sailors, marines, and coastguardsmen. Currently, we offer degree programs in Aviation Maintenance, Uncrewed Autonomous Systems, and Engineering Fundamentals. Our latest program, Emergency Management, is now coming online.

Action Items

As the university embarks on a new academic year, our enrollment team is focused on data-driven retention and admissions analyses. This data can help us understand student outcomes and identify success factors. We are also focused on growing funded opportunities for graduate students — an essential strategy for competing with other elite institutions. Lastly, we see growth opportunities in programs such as Aviation Business, Air Traffic Management, Security and Intelligence, and Aviation Maintenance Science (AMS). For instance, the demand for expert technicians is even greater than for pilots. However, enrollment in the AMS program has not kept up with this industry trend, and we seek to help meet the growing demand in the field by producing career-ready graduates.



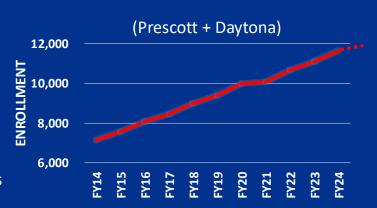
GOAL 2 – ENROLLMENT

WORLDWIDE

- Enrollment Growth (~22,000)
- Navy Community College

DAYTONA & PRESCOTT

- Growth in Academic Profile
- Record Enrollment & Applications



GOAL 2 – ACTION ITEMS

RETENTION-FOCUSED ADMISSIONS

Data driven

GRADUATE ENROLLMENT

POTENTIAL GROWTH AREAS

- Business
- Security & Intelligence
- Air Traffic Management
- Aviation Maintenance Science

GOAL THREE: ACADEMIC AND FACULTY SUCCESS

Our talented faculty continue to earn distinctions for their research and scholarship. Junior faculty members over the past five years have earned \$73 million in external grants, and several have been selected for National Science Foundation Career Awards, the NSF's top honor for early-career faculty.

External Recognition

We have an excellent record of Fulbright Scholars and honorees. Our faculty are also being recognized for their breakthroughs. This past year, two College of Engineering faculty members were named National Academy of Inventors (NAI) Senior Members, and the American Institute of Aeronautics and Astronautics (AIAA) selected four faculty members to its 2024 Class of Associate Fellows.

We are also finding ways to initiate change globally. Faculty members in the Master of Science in Human Security & Resilience program at Embry Riddle Worldwide have helped create a Massive Open Online Course (MOOC) on human trafficking — a critical area of focus for the aviation industry. The MOOC, titled "Combatting Human Trafficking: Understanding, Prevention, and Action," was offered for three weeks in July 2024.

New Singapore Campus

Embry Riddle's Asia Campus has officially relocated to a new state-of-the-art training center at Seletar Aerospace Park in Singapore. This development solidifies Embry-Riddle's commitment to Singapore's aviation and aerospace ecosystem and significantly expands its educational and training offerings.

Action Items

The university will prioritize academic support initiatives, identifying and addressing outstanding achievement gaps. We will continue evaluating our programs and examining enrollment numbers and industry demands. Embry-Riddle is also working to enhance cross-campus activities, encouraging faculty to share their expertise across our many locations, including the Singapore Campus. The university will remain focused on growing industry and agency partnerships through initiatives such as industry advisory boards and internship opportunities with organizations like the NTSB.



GOAL 3 – ACADEMICS & FACULTY

STRONG FACULTY HIRING PAST 5 YEARS

- \$73M in external grants submitted
- NSF CAREER Awards

EXTERNAL RECOGNITION

- Fulbright Scholars, Society Fellows
- National Academy of Inventors
- Authors Wall
- MOOC "Without Borders"





GOAL 3 – ACTION ITEMS

ACADEMIC SUPPORT INITIATIVES

Identify and support achievement gaps

GROW OUT-OF-CLASS EXPERIENCES

- Community service
- Clubs and Organizations
- Research
- Competitions
- Internships

PROGRAM EVALUATIONS

Enrollments & industry demand





GOAL 3 – ACTION ITEMS

STRENGTHEN CROSS-CAMPUS ACTIVITIES

- Faculty exchange
- Curricular consistency

GROW INDUSTRY & AGENCY PARTNERSHIPS

- Hiring and Internships
- Research support
- Industry Advisory Boards

RECRUIT THE BEST FACULTY



GOAL 4 – RESEARCH & INNOVATION

RESEARCH EXPENDITURES

- \$58.7M (record)
- Sustained growth for several years

GLOBAL RECOGNITION

- Aero Cyber Resilience Symposium
- National Training Aircraft Symposium

RESEARCH PARK GROWTH

- Boeing Defense (400 FTE)
- Aura Aero





GOAL FOUR: RESEARCH AND INNOVATION

Embry-Riddle's total sponsored research support revenue has grown to \$58.7 million, which is a record amount for our university and a reflection that Embry-Riddle is driving innovation.

Real-World Industry Knowledge

Our Aviation and Aerospace Cyber
Resilience Symposium has set the agenda
for addressing aviation and space system
security challenges, drawing experts
from academia, industry, and government
agencies. The annual National Training Aircraft
Symposium (NTAS) — where participants
hear from the top leaders about the most
pressing aviation challenges — has become
a part of our institution.

Research Park Expansion

Embry-Riddle continues to enhance and invest in the Research Park, attracting top-tier partners to the Daytona Beach Campus.

Boeing Engineering Center of Excellence

Our latest collaboration is with The Boeing Company, which will open an engineering center of excellence in The Cici and Hyatt Brown Center for Aerospace Technology. This partnership not only brings 400 high-paying jobs to the area but introduces Boeing's exceptional people to our

community, expands opportunities for our partners, and further solidifies Embry-Riddle's reputation as a premier hub for Florida's growing aviation and aerospace industries.

Innovative Ecosystem

The nexus of start-ups and industry leaders at the Research Park has created a unique ecosystem for developing futuristic technology. For instance, Aura Aero, a French startup that produces next-generation electric aircraft, is expanding its footprint with a new hangar facility. The Research Park has also contributed to economic development, job creation, and investment. Moreover, it has created nearly 300 internships for our students. These are tangible opportunities for them to go from the classroom to a real-world industry setting.

Action Items

Embry-Riddle will continue to strengthen our Centers of Excellence through faculty hiring and investments in cutting-edge equipment and facilities. We aim to create an environment encouraging students to be active in research. We also seek to grow externally funded doctoral education in select disciplines and strategically identify and earn global recognition in signature areas.

GOAL FIVE: PHILANTHROPY AND ALUMNI ENGAGEMENT

Over the past decade, Embry-Riddle has raised \$156 million in philanthropic funds. In the past year alone, the university has received \$28 million from donors and has made nearly 800 scholarships available to our students. Alumni gifts have also opened doors to project-based learning opportunities. For example, an alumnus supported a team of students who traveled to Namibia, where they helped develop a system to deter wildlife from entering villages.

Digital Overhaul

Our public presence for alumni and donors has undergone a digital transformation. Through a revamped giving website, digital endowment reports, and a new alumni portal, alumni and donors can better see their gifts' immediate impact on Embry-Riddle and its students.

Alumni Relations

We also see record-setting attendance numbers at alumni events, including EAA AirVenture Oshkosh, Homecoming and Family Weekend in Daytona Beach, and OctoberWest in Prescott.

Action Items

The university will officially launch a \$200 million fundraising campaign in the upcoming year. This initiative will focus on four key areas: scholarships, research, faculty support, and experiential learning. We will also introduce a university-wide alumni hall of fame to recognize our most distinguished graduates.

VISION FOR THE FUTURE

With this State of the University Address, I began by highlighting some key points that should galvanize us in the future. Embry-Riddle has made great strides in year one of its strategic plan and is on an upward trajectory. We must continue to focus on the five pillars of our strategic plan. Above all, each one of us plays a vital role in student success, and we should continually ask ourselves how we can contribute to the university's collective goals.

In closing, I would like to share Embry-Riddle's three overarching mission statements:

- 1. Maintain our status as the global leader in aerospace higher education.
- 2. Pay personal attention to student success.
- 3. Continue to be respected for the university's commitment to research and innovation.

Thank you for all that you have done and continue to do for our university. Thank you for your dedication to our university's vision, mission, and shared purpose. I look forward to all that we will accomplish together at Embry-Riddle in the coming year.



RESEARCH PARK (FY17)



RESEARCH PARK (FY25)





GOAL 4 – ACTION ITEMS

STRENGTHEN CENTERS OF EXCELLENCE

- Faculty hiring
- Invest in equipment and facilities
- Engage undergraduates

GROW EXTERNALLY-FUNDED DOCTORAL EDUCATION

Select areas

EXTERNAL RECOGNITION

Identify additional areas for showcasing our excellence

GOAL 5 – PHILANTHROPY & ALUMNI

FUNDS RAISED

- \$28M+ from over 4K donors
- \$24M for scholarships
- 759 Scholarships available this year

DIGITAL OVERHAUL

- Giving Website Refresh
- Digital Endowment Reports
- New Alumni Website and Alumni Portal

ALUMNI RELATIONS

- Record Setting Attendance at Alumni Events IMPACT
- New Alumni Video Series





GOAL 5 – ACTION ITEMS

LAUNCH: THE CENTENNIAL CAMPAIGN

- \$200M Goal
 - Scholarships
 - Research
 - Faculty support
 - Experiential learning

ALUMNI HALL OF FAME

University-wide recognition program for our most esteemed alumni

TAKE-AWAY MESSAGES

- 1) WE'RE MAKING GREAT PROGRESS ON OUR NEW STRATEGIC PLAN
- 2) LET'S CONTINUE ON AN UPWARD TRAJECTORY
- 3) KEEP FOCUSED ON STUDENT SUCCESS
- 4) HOW CAN YOU CONTRIBUTE TO ALL OUR FUTURE GOALS?



VISION FOR THE FUTURE

GLOBAL LEADERSHIP IN AEROSPACE HIGHER EDUCATION

PERSONAL ATTENTION TO STUDENT SUCCESS

RESPECTED FOR RESEARCH AND INNOVATION