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President’s Report

14 February 2012

As we move through the cycle of the academic year, we continue to implement *Loyola 2012*. I hope that through the material in your Board book, your committee meetings, and this Report, that you will have a more in-depth sense of what we have accomplished and where we are headed.

1. Enrollment:

*Undergraduate Admissions*

Our applications are ahead of last year by 4% and our acceptances are up 2% over last year. It is important to remember that we set new records for Loyola in both areas last year. We expect another set of records this year. Financial aid packages will go out at the start of March. Our President’s Open House is on March 17, and should be very well attended, as all of our events this year have been. Our campus visits remain at record levels, 5% over last year. We are on pace to achieve our goals of 900 new first year students and 125 transfers. Early deposit activity has been very positive as well, coming in 10% better than last year at this time. We have continued to work on persistence and graduation rates and are shaping our plan as we look at assessing and updating the strategic plan. We are also looking at increasing our advising and mentoring to deal with all the various transition elements that students face through their time in college.

*Financial Aid*

We have been active in reshaping scholarship and financial aid policy to meet the high levels of need for students, improve persistence, and hit our net revenue targets. We continue to manage our financial aid funding with several simultaneous goals in mind – recruit increasingly larger classes to our budgeted goals, improve retention, persistence, and graduation rates, substantially grow net tuition revenue one year to the next, work to reduce the discount rate, and maintain academic quality among new classes and in the performance of current students. To meet all of these standards at the same time, we have substantially grown demand – undergraduate applications have more than doubled over 4 years – and we have begun to slightly reduce our merit-based funding and slightly increase our need-based funding. Need-based funding is more important than ever given the overall state of the economy and the growing needs of many of our families. This mission-centric approach should serve us well in years to come, as it will allow us to meet targets, grow persistence, and serve better hard-working moderate and low-income students, many of whom are the first in their families to attend college.

*Graduate Programs*

Graduate enrollment remains steady across all programs. We are trying to recruit more students by working on enrollment partnerships with several corporations in the region, especially in our MBA and Nursing programs. Demand remains high, especially in *Music,*
Nursing, and Counseling. Enrollment Management continues to work with the College of Law on their enrollment opportunities. As you know, law enrollments and applications nation-wide have suffered over the last few years. Loyola is initiating new recruitment and marketing strategies in light of the current challenges. Dean Lopez and Vice President Liberto are working together on this important task.

2. Academic and Student Affairs:

Academic Affairs:

Provost Search

There were 67 applicants for the position. The search committee narrowed the pool to 27 candidates. From there the pool was further narrowed and the committee selected 9 candidates for interviews by the committee. Five candidates will be visiting campus for two days of interviews. The first candidate will be here on 8 February and the last candidate will finish on the 9 March. The curriculum vitae for each candidate is posted on the Provost Search web page http://academicaffairs.loyno.edu/provost-search-committee

During the two days they will meet with the Deans, the Vice Presidents and members of the Cabinet, the University Senate Executive Committee, the Vice Provosts, Ed Kvet, Student Assembly, the Department Chairs and Deans, and give a brief presentation followed by questions and answers. I will receive feedback from each group which will help me in my decision making.

SACS Five Year Report

An external reviewer is examining the final draft of our five-year interim report and we are on schedule to submit our final report by March 25th 2012.

Common Curriculum

Criteria for courses and requirements are being developed and approved. We remain on schedule to begin implementation in Fall 2013. Faculties from all the Colleges are involved.

Governance.

The University Handbook Revision Committee continues its work updating the Faculty Handbook to reflect the current committee governance structure. A number of revisions will be presented to the Academic and Student Affairs Committee for consideration.

Library Dean Announced

Michael P. Olson, M.L.S., Ph.D., professor and associate university librarian for information commons at the University of North Carolina at Charlotte, was appointed the new Dean of Libraries at Loyola.

Student Affairs

Focus here remains on the long term development and improvement of our facilities. The renovation of Buddig Hall is underway. The planning and design phase are well underway for Cabra and construction will begin in May.
3. Mission:

We have a number of important items in the area of Mission and Identity. First, as I mentioned in my letter, we will review and vote on a Sustaining Principles between the New Orleans Province of the Society of Jesus, the local Jesuit community, and the University. The document is found in your Board material under the Mission and Identity tab. I hope that it will come from the committee to the full Board for approval at this meeting.

Also, the committee will review our draft policy on vendor contracts. After the review I will send it to the Executive Committee for their next meeting and then, hopefully, to the full Board for review at our May meeting.

The committee will also review the recent document from the AJCU on “Characteristics of Jesuit Institutions of Higher Education.”

The architects are working on design options for the Benson Jesuit Center, with a decision expected by late spring.

There is continued and growing involvement of faculty and staff in the Spiritual Exercises with 21 faculty/staff currently participating in the Spiritual Exercises /18th Annotation and another 25 faculty/staff and alumni spent a weekend away in January on a silent retreat.

There are increased numbers in national Jesuit mission and identity conferences sponsored by AJCU and Heartland Delta, and this includes new colleagues: VP Cissy Petty and Law Dean Maria Lopez. Loyola will host the 2013 Heartland Delta Faculty Conversations.

4. Finance and Administration:

2011-12 Financial

The University is still on target to generate a surplus of $100,000 as reported at the October and December meetings of the Finance Committee and Board.

Endowment

As you recall we closed out the 2011 year with selecting and hiring our new investment consultant, LCG Associates. The contracts have been signed and as of December 1, 2011, LCG has been working closely with a cooperative CSG through the transition process, which will hopefully be complete by the end of this month. Michael Hubbard had several meetings with David Ritter and Cam McElroy, our lead consultants, including a visit to LCG headquarters in Atlanta, GA. Over the past two weeks, Michael has sat on seven (7) conference calls that LCG has initiated and conducted with our current roster of managers. Those managers include, Wellington, William Blair (Guidance), GoldenTree, The London Company, Tradewinds, Kennedy Capital, and DSM Capital Partners; with the remainder to follow. These calls were to introduce LCG as our new consultant and to get a thorough state of affairs from each manager. Both David and Cam lead each teleconference.

Construction Projects Update

All PHASE I projects are complete.
PHASE II projects:

Monroe Hall

- Pile driving began on December 17th and was completed on December 28th, with a total of 93 piles being driven. All related equipment has now been dismantled and removed. An independent engineering consultant provided vibration monitoring and pile logging throughout the pile driving operation. Vibration was monitored for adjacent university buildings and nearby residences on Calhoun Street, and remained within acceptable limits at all times.
- Chilled and hot water piping along the north side of Monroe Hall was replaced.
- Planning

Cabra Hall

- Planning remains on schedule, with construction set to begin in May 2012.

Buddig Hall

- Abatement work on 1st floor mechanical piping has been completed. A consultant performed air quality monitoring throughout the process.
- Construction of an exterior facade mockup on the north side of the building is underway.
- Site preparation is underway, and scaffolding has been erected on both sides of the building.

Benson Jesuit Center

- Cost estimates from Faithful & Gould have been received, and options are being considered.

5. Institutional Advancement:

1) Progress made in the Leadership Phase of the *Faith in the Future* campaign:
   a. As of January 31, 2012 - $15.4M in gifts and commitments;
   b. Further definition and specificity in the articulation of the campaign’s philanthropic priorities;
   c. Recruitment of a core of volunteer leadership for the campaign with special emphasis on the recruitment of the campaign’s honorary co-chairs;
d. Solicitation of one 7-figure gift, one six-figure gift, and planning for the proximate solicitation of two, eight-figure gifts;

e. Joint meeting of the members of the University’s five visiting committees to present them an “insider’s” overview of the campaign;

f. Our next steps for the campaign include: engagement and solicitation of the members of the Board of Trustees – past and present; addition of other core volunteers to the campaign’s leadership team; draft case statement preparation; and engagement and solicitation of the university’s Top 50 potential benefactors.

2) Progress made in the preparation for the forthcoming year-long Centennial celebrations:

   a. Identification and recruitment of university-level/residential speakers and events for the Centennial;

   b. *Founded in Faith: The History of Loyola University New Orleans* published and initial copies available;

   c. Centennial website launched February 13, 2012;

   d. Centennial Campus Carnival conducted February 16, 2012 – revealed the university’s Centennial plans to the campus community;

   e. Centennial Alumni Reunion/Founder’s Day weekend scheduled for April 13-15;

3) Preparation for the inaugural Alumni College, which is scheduled for June 22-24, 2012: 26 Loyola University New Orleans faculty members, to include the president, are slated to participate.

4) We continue to focus our efforts on the securing of philanthropic support for the university. As of January 31, 2012, $2.94M in new gifts and pledges had been received of which $452,900 was unrestricted.

5) We continue to engage our community neighbors to ensure that Phase II construction of the University’s master plan is implemented as smoothly as possible.

6) The Office of Institutional Advancement, and especially its Office of Marketing and Communications, continues to support the University’s 5-year SACS accreditation effort.

7) Bill Bishop will de-brief the Advancement Committee on his efforts in regard to the practices and policies of the other members of the AJCU about Board of Trustee recruitment and requirements for annual and campaign giving

8) Bill Bishop will present to the IA Committee a proposed University Naming Policy for its consideration and comments with the goal of presenting it to the full Board at its May meeting for approval.
9) Bill Bishop will also present to the IA Committee proposed revisions to the university’s current gift and pledge policy and procedures with the goal of presenting the revised policy to the full Board at its May meeting for approval.

10) Bill Bishop made the decision to merge the office of annual giving into the office of development; thereby providing the AVP for Development with full accountability and responsibility for the fund raising efforts of the Office of Institutional Advancement.

6. Government Relations:

*Increased Scrutiny on Colleges by White House*

In his State of the Union address on January 24th, and later at a rally at the University of Michigan, President Obama warned colleges and universities across the country that should they continue to increase tuition at an unusually high rate that they may very well lose federal financial aid dollars. According to the White House, the burden of college affordability should not only rest with the federal government, but rather with the institutions of higher education as well. One idea aimed at tackling the issue of affordability that was released by the White House included provisions that would rework the formulas for campus based aid to reward colleges that set responsible tuition policy, provide good value to students and families, and serve low-income students by providing those institutions with additional federal campus based aid. Or said another way, the administration would penalize those institutions in the new formulas that increase tuition at a rate faster than allowed by yet to be determined benchmarks. Another idea promoted by President Obama would require institutions to provide prospective students with pertinent information gathered in a single document, called a College Scorecard. This document would reveal to students in one document information on tuition, graduation rates, graduate placement rates and many other sources of information that the Department of Education deems important. Needless to say each one of these proposals would require legislation, so Loyola will certainly continue to monitor the situation and weigh in with our Congressional delegation accordingly.

*Federal Earmark Update*

On Thursday, February 2, the Senate Appropriations Committee extended that chamber’s moratorium on Congressional earmarks for one year. However, later that afternoon the full Senate defeated an effort to permanently ban earmarks. Thus, many who follow the process believe that the return of earmark spending will return a year from now in some modified fashion after the fall elections and the inauguration. Since the moratorium on earmarks was implemented 12-16 months ago, Tommy Screen has worked with our lobbyists at the Cornerstone Group to highlight different grant opportunities that exist within the federal government. Our new grants director, Heidi Davis, has also been active in this effort.

*Louisiana Board of Regents Endowed Professorship Program*

Current Status A vote to consider the proposed changes to the endowed professorships program did not take place at the January 25th meeting. It is currently scheduled to be on the agenda at the February meeting. However, many of the interested parties are pushing for the vote to be delayed until after the legislative session.
Message to Board of Regents Members

- Private Colleges should continue to be treated as equals. Our being treated as equals has not caused the problems that have necessitated a review of program.

- Private colleges have zero problems with the program moving towards a competitive based model in which professorships would compete for the support fund dollars, so long as we have a voice in determining what factors would be considered in the analysis of the professorships.

- Should it become apparent that the program is indeed going to be changed, and only at that point in time, Loyola and the other private colleges certainly endorse an idea that Regent Scott Ballard has proposed, which would increase the total number of professorships the privates would be eligible to compete for from 6 to 9.

7. Evaluations:

I am continuing this year a practice that I initiated last year that of doing 360 degree reviews of my cabinet. Last year, as you recall, I did a 360 degree review on Jay, Ed, and Cissy. This year I am doing reviews on Sal, Ted, Bill, and Ross Matthews our Director of Human Resources. As I usually do I will send my own self-evaluation to the Board soon so that the Board can do its annual evaluation of my performance.

8. Civic:

I continue to remain engaged with the Business Council of New Orleans and the River Region. And I continue to serve as a Commissioner of the New Orleans Public Belt Railroad. The governance reform measures for the Railroad, which were approved in the 19 November election, are being implemented. My service on the NOPBRR should officially end soon. I will update you at the meeting about my service as a member of the Civil Service Commission.