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President’s Report

24 April 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, you will have a more in-depth sense of what we have accomplished and where we are headed.

We are now completing the third year of implementation of *Loyola 2012*. As I have said in the past, the plan is envisaged as a five year life-span. Next year, in the fourth year of plan, we will begin an assessment of it and the internal processes for the development of a new plan. We will, of course, involve the Board in the evaluation of the current plan and the development of the next plan as we did in the creation of *Loyola 2012*.

1. Enrollment:

Fall 2012 admissions activity has again set records for the university. We now have our largest pool of first-year applications, 6250, as of this writing. This is a 2% improvement over last year’s mark at this time. Transfer applications, 464, are about 3% less than last year’s totals at this time, when we enrolled 155 transfer students. Because of the large application pools, we expect to meet our goals of enrolling 900 new first year students in the fall, and another 130 transfer students.

We hosted our annual President’s Open House in March at which 375 families toured the campus, met with faculty, talked to students, and used the day to inch closer to making their final fall 2012 enrollment decisions. Overall, visits to campus continue to increase, and this year’s projected class of 2012 final visit count reflects a gain over last year of more than 5%. Growing demand is an essential element of the strategic plan as it allows us to enroll diverse and talented classes, meet our budget targets, and shape our enrollment into strong cohorts that both persist at high levels and, in time, produce excellent graduation rates. We will work hard to keep the current levels of demand intact for fall 2012 and beyond.

Deposit commitments for fall 2012 are slightly behind last year at this time – by about 5% - but well ahead of every other relevant benchmark year, including 2004 and 2005 which were very large classes (this was anticipated, as our deposit was increased from $300 to $500). Deposit activity remains very fluid in April (nationally, deposits are due by May 1). So, we will have a better sense of where the fall 2012 class will “land” at the Board meeting and Sal Liberto will provide to the Academic and Student Affairs committee an update regarding where we are.

Retention and graduation rates remain a focal point and we believe our strategy is a good one. We continue to strengthen our programs on the campus that increase student engagement and offer students opportunities to connect to advisors, professors, and staff. The best retention programs understand that we must foster success in all aspects of a student’s experience to increase graduation rates. Many of our efforts have focused on issues of transition for first year students - especially among first generation students – upper class persistence, academic success, financial modeling and intervention work that places a strong emphasis on need-based funding.

As you know, Loyola’s undergraduates have higher levels of financial need than most of our peers. Since it is our goal not only to enroll great students but to graduate them, we have been growing our *need-based funding* over the last two years and have started to reduce our
merit-based funding slightly to accommodate this change. We will be fine-tuning this mission-centric strategy over the next couple of years as we seek to improve graduation rates and serve our students better.

We have continued to see market gains in our graduate programs, especially in nursing, music, and counseling. We continue to market heavily our graduate programs to both current undergraduates, and the wider marketplace and opportunities in this area continue to increase.

As always, in all elements of our enrollment, we continue to look at ways to grow revenue and increase net tuition revenue. Over the last four years, we have beat market trends in net revenue. Over that time many universities have been flat or down, but we have enjoyed significant gains as we have restored our enrollment. There is more to do and we will be working together on our discount rate, pricing and market sensitivity, net tuition efforts and objectives to ensure that we continue to keep pace with our established upward trend.

Our law admissions are behind last year’s by about 12%; this is consistent with what is happening nationally with law schools and law school admissions pool. The key metric, LSAT test takers, is down more than 20% over the last two years. We are working hard to enroll a strong Fall 2012 class, despite the challenges in the marketplace.

Next year, I am going to ask Sal Liberto to chair a working group with Marc Manganero, Cissy Petty, and Jay Calamia to both examine over all tuition and pricing. We know that tuition increases have become a public, and political, cause for discussion in the United States. And, we know that at Loyola we continue to serve a large financially needy population. I want us to look at all of our assumptions with regard to tuition pricing, tuition discount, need and merit based financial aid.

2. Academic and Student Affairs:

Academic Affairs:

- The Center for Faculty Innovation is leading an initiative to enhance the teaching of Critical Thinking at Loyola. This skill is at the core of our Jesuit vision of education, and teaching it well requires training. We have faculty team trained in critical thinking pedagogies that has begun offering workshops campus wide. They will offer special workshops for instructors in our Common Curriculum and First-Year Seminar programs as well.
- Under the leadership of Academic Affairs, the University completed a campus-wide self-study for the SACS Fifth-Year Accreditation Report. The report was submitted to SACS at the end of March. I want to thank everyone, but especially Lydia Voigt, for the work that went into the development of this report.
- Procedures have been streamlined for internal grants to faculty, resulting in more effective utilization to support faculty development and research.
- Planning for Monroe Hall renovations is near completion. Meetings with the architects and Monroe Hall faculty and staff affected by the renovations are expected to conclude in early May.
- As you know the Provost search has been completed. Marc Manganaro will start at Loyola in July and the transition is underway.
- We have also put in place the organization for the search, next year, for a new Dean of Humanities and Natural Sciences.
Leadership Changes: As I have said at other times, I am very grateful to Ed Kvet and Dean Jo Ann Cruz for their leadership and collaboration in Academic Affairs. They each came to their positions when the University was facing significant challenges. When they came to their positions I was aware that we would have their partnership for a limited time because of other commitments in their lives. (Given that the average tenure of a Dean or Provost in the United States today is three years, we beat the average!) Ed has served Loyola for over twenty years in different capacities. Jo Ann is returning to Georgetown so she can begin her retirement from there. We have been enriched by their presence and leadership and I am grateful.

Student Affairs

- Inter-Collegiate Athletic Consulting (ICAC) completed its study regarding Loyola Athletics, Club Sports, Intramurals and Recreation. ICAC after a comprehensive internal and external review has issued recommendations to the President.
- The Office of Student Affairs organized an external review regarding the student code of conduct process. Reviewers: Dr. Karen Boyd, former President of the Association of Student Conduct Administrators and Mr. Chris Loschiavo, Attorney and Assistant Dean of Students at the University of Florida. Recommendations were presented in a variety of categories beginning with staffing considerations and ending with the Office of Civil Rights, Dear Colleague letter regarding title IX. The team also proposed code of conduct changes, a line by line review of the current code, and training schedules for hearing boards.
- The Career Development Center in collaboration with the College of Music and Fine Arts and the city Art’s Council launched an innovative program entitled: The Artistic Entrepreneur. The conference was attended by over 100 students and provided a forum for information and advice from experts and successful arts entrepreneurs.
- The Office of Student Affairs is pleased to announce that Packport, a program focused on facilitating successful transition for Loyola’s first-year students received the Ignatian Medal for Outstanding Campus Program from the Jesuit Association for Student Personnel Administrators.
- In Residential Life it’s facilities, facilities, facilities! Buddig Hall continues to undergo extensive renovations: installing a new vapor barrier; HVAC system, windows and common area flooring. This will continue through the summer, ending Phase I. Phase II begins next summer and will include new room furnishings, kitchens and common areas. Cabra Hall continues to be scheduled for closure immediately following graduation.

3. Mission:

- An ad-hoc ‘Hiring for Mission’ committee of faculty/staff headed by faculty member, Dr. John Sebastian, has met this academic year with a goal to evaluate Loyola’s current hiring policy related to its Jesuit/Catholic mission, and to recommend a consistent hiring approach that would address the Jesuit/Catholic mission in faculty/staff hiring policy. A recommendation on hiring has just been made to the Academic Affairs and Mission and Ministry vice-presidents.
• The architects for the Benson Jesuit Center have completed their design work on the two options – renovation of the old library and a new building. I am reviewing the options and will make a decision over the summer and the next phase of detailed architectural plans be developed.

• Mission and Ministry will facilitate a series of events/lectures called *Faithful Citizenship* to focus on our role as Catholics in the political process. These will be held next fall in line with the upcoming national Presidential elections.

• One of Mission and Ministry’s main strategic goals is being initiated next fall: the establishment of a new Center for Community Engagement. The mission of the Center is to enhance and integrate Loyola’s community engagement efforts and connect them more deeply to its Jesuit mission. This new Center will be an umbrella organization for Loyola’s service and community engagement organizations on campus, assisting their work as needed. It will also seek to make service as accessible as possible to the larger Loyola community and to coordinate better communication with our community partners. Mission and Ministry staff person Josh Daly will serve as the Interim Director.

• A new faculty formation initiative, the Ignatian Faculty Fellows Program, will have its test run next spring, led by Dr. John Sebastian of the English Department. The Jesuit formation program is a mission-driven faculty-development pedagogical project intended to align teaching with the distinctive Ignatian and Jesuit character of the university.

• Archbishop Gregory Aymond has agreed to give a talk on Loyola’s campus on “Catholic Education” as part of Loyola’s Centennial speakers.

• A local soccer store has donated over 200 pairs of new soccer shoes to the Ignacio Volunteers, which has been sent to schools in rural Belize and urban Kingston, Jamaica. The excess sports equipment includes also over 20 boxes of jerseys & shirts, soccer balls, pads, stockings and back packs.

4. Finance and Administration:

*Finance*

FY 2011-12

The University is projected to end the fiscal year with a $100 thousand dollar surplus while maintaining a 5% draw on the endowment.

FY 2012-2013 Budget Approval

Our practice at Loyola is to present the Budget recommendations in two phases. The first phase was presented to the Trustees at the December Board meeting and involves the recommendation of Tuition and Fee rates, Room and Board rates, and Salary pool increases.

The second phase will be presented at the May, 2012 meeting and include the remaining parts of the budget (Salaries, Fringe Benefits, Utilities, Debt Service, Insurance, Financial Aid, and All Other), accompanied by a fine-tuning of all revenue and all expense projections.

*Endowment*
Although it’s only two months into 2012, the Loyola University portfolio has benefited from the continuing of the market rally and the strengthening economy. Global markets have continued their gains, and although domestic equity markets are not doing as well as their global counterparts, they have been experiencing solid absolute returns. As of February 29, 2012, the unrestricted fund returned 0.6% fiscal year-to-date (since July 31, 2011). This was a substantial underperformance compared to the 6.3% fiscal year-to-date return of the blended benchmark of 60% S&P 500 and 40% Barclays Aggregate Index. For the calendar year-to-date ending February 29, 2012, the unrestricted fund returned 8.1% which is 2.4% higher than the 5.7% return of the blended benchmark. The market value of the unrestricted portfolio was $175.4 million at the end of February 2012.

The restricted portfolio also benefited from the market gains with a fiscal year-to-date return of 3.9%, a calendar year-to-date return of 8.8%, and a market value of $80.2 million at the end of February 2012.

Facilities

Construction Updates – Phase II

Monroe Hall

- The tower crane is now fully installed and functional.
- Infrastructure and utility work to support the building’s new footprint continued along Marquette Place, including new storm water lines and catch basins.
- Steel for the new south stair tower has arrived, and construction is underway.

Cabra Hall

- Planning remains on schedule, with construction set to begin in May, 2012.
- Plans were distributed to contractors for bid preparation on April 2nd, and we will be opening bids and selecting a general contractor within the next 30 days.
- The building permit application has been submitted, and some preliminary mechanical and electrical work is underway.

Buddig Hall

- Demolition, steel erection, metal framing, sheathing, and waterproofing activities are in progress on both the north and south sides of the building.
- A Munters moisture control unit has been set in place on the roof. This technology will allow air conditioning and heating systems to operate more efficiently when renovations are complete.
- In order to complete Phase I of this project on schedule, contractors will work around the clock, seven days per week during the summer months.

Benson Jesuit Center

- See section on Mission and Ministry

5. Institutional Advancement:
1) Executive summary:
   a. We continue to make progress in the leadership phase of the *Faith in the Future* campaign -- $16.3M committed to date; held meeting of the volunteer leadership; several 7-8 figure solicitations are under consideration.
   b. Annual giving is flat, but strategy is changing – more utilization of alumni volunteers and more targeted, segmented solicitations.
   c. OIA continues to focus on the overarching strategies of Loyola 2012 – especially in increasing alumni participation and enhancing Loyola’s national reputation.
   d. Recent focus on the initiation of Loyola’s year-long Centennial celebrations
   e. Alumni College is slated for June 22-24, 2012
   f. OIA continues to focus on securing philanthropic support for the university – showing an increase in the number and amount of proposals under active consideration
   g. OIA’s Office of Marketing and Communications contributed significantly to the university’s 5-year SACS accreditation process – providing more than 2,500 staff hours in its support.
   h. The university’s proposed new Naming Policy and revisions to its current Gift and Pledge Policies and Procedures will be discussed in the IA committee and presented to the full board for its approval.

2) Progress made in the Leadership Phase of the *Faith in the Future* campaign:
   a. Loyola has raised more than $16.3 million toward the *Faith in the Future* goal of $100 million.
   b. I hosted the inaugural meeting of the *Faith in the Future* leadership (Fr. James Carter, Mr. Derby Gisclair, and Mrs. Anne Milling). LTG (ret.) Russell Honoré was unable to attend, but has accepted being an honorary chair of the campaign.
   c. Several current, emeriti, and former trustees are in the final stages of discussions regarding their initial campaign gifts. All are 6- and 7-figure gifts.
   d. You recently solicited a $10 million gift; the discussion went well, and the Office of Institutional Advancement is in ongoing communication with the prospective donor regarding the potential gift.
   e. Our next steps 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.

3) Annual Giving: Annual giving results for this fiscal year to date are flat; however, we have changed our annual giving strategy to a more carefully segmented solicitation strategy. We are pursuing an aggressive mail, phone, and social media approach to contacting the over 30 percent of Loyola alumni who have never made a gift to the university. Related to the Centennial, we are initiating “100 Days of Giving” to close out the fiscal year, using social media and the Young Alumni Board to solicit support for the university.

4) Centennial: *Celebrating our past and embracing the future*
Centennial Kick-Off

- The Office of Marketing and Communications created and launched a Centennial website, produced and facilitated the publication and printing of *Founded on Faith, A History of Loyola University New Orleans* written by Dr. Bernard Cook, updated signage across both campuses and on St. Charles Avenue and Broadway to reflect the new centennial graphics – more than 188 placements. We also hosted two media lunches with key media leaders to promote and inform them about our centennial’s significance, created 70 media kits, obtained five corporate sponsors and presented all full time faculty and staff with a commemorative Centennial T-shirt.

- Public celebration of centennial activities began the week of April 9, including the first of several Centennial Lecture Series - Loyola and the Desegregation of New Orleans, cumulating with the Alumni Reunion Weekend and Founder’s Day Celebrations which included alumni class events, fireworks, live music, a celebratory Mass and premier of the commissioned history of Loyola video, Founded on Faith.

Founder’s Day Celebration, April 14, 2012

- The Office of Alumni Relations, again in collaboration with the other Offices in Institutional Advancement, participated in the Founder’s Day Celebration. Alumni were invited to Dr. Bernie Cook’s “Founded on Faith” book signing, toured the campus, listened to Col. Bourgeois’ “Centennial Fanfare” concert, participated in the Celebratory Mass, enjoyed the Founder’s Day Picnic, and marveled at an amazing fireworks show off of Marquette Hall. During the picnic, Alumni Relations had a tent set up in front of Thomas Hall for alumni to pick up information about getting involved and upcoming events.

Upcoming Centennial Events

*Alumni College*

- Preparations have begun for the inaugural Alumni College, which is scheduled for June 22-24, 2012 with 26 Loyola University New Orleans faculty members slated to participate.
- Invitations to the *Inaugural Alumni College: Experience Loyola Again!* have been mailed. A volunteer committee made up of faculty, staff, and alumni have planned a three-day weekend in June where alumni, spouses, family, and friends are invited to attend classes taught by Loyola’s outstanding faculty. Other features include faculty led tours to the Sculpture Garden at NOMA and the National WWII
Museum, a special Friday Night Dinner at Arnaud’s Restaurant, and a Faculty Concert on Saturday.

- The classes offered are grouped into tracks or themes that will help identify topics of particular interest. There will be four tracks, six classes per track, and a joint session on Sunday, following Mass. A small number of rooms in one of Loyola’s residence halls will be available.

**Centennial on the Road**

- The Office of Alumni Relations is planning a series of events in our major chapter cities to capitalize on the excitement of the Centennial to inspire alumni, donors and prospective donors with a desire to engage with and support Loyola University New Orleans as we enter a second century with the *Faith in the Future* campaign. A successful slate of events will result in new campaign volunteers and donors, as well as well-informed and excited donors who have already given to the campaign.
- In Fall 2012 there will be three Regional Centennial Celebrations: Chicago, New York, and Washington, D.C. If well received, we will have Regional Centennial Celebrations in Dallas, Los Angeles, Miami, and Atlanta. The locations of these celebrations have been carefully chosen. We have a large number of alumni and prospective donors in each of these cities. We also have successful Alumni Chapters in these cities and will utilize existing resources in each city to build successful events.

3) We continue to focus our efforts on the securing of philanthropic support for the university. As of April 5, 2012, $3.59M in new gifts and pledges had been received of which approximately $493,000 was unrestricted.

4) **Alumni magazine redesign and new website:**
   
   After several months of research and planning, the Loyola University New Orleans Magazine was redesigned and renamed LOYNO, beginning with the spring 2012 issue (mailed March 6), in honor of our centennial. In addition, a new magazine website (http://magazine.loyno.edu/) was launched as a companion piece to LOYNO, featuring content from the print issue, new online-exclusive content posted monthly, and more avenues for alumni interaction and engagement (comments section, polls, Wolftracks).

   The Office of Institutional Advancement, particularly the Office of Marketing and Communications, continues to support the university’s 5-year SACS accreditation effort. Web Communications worked for four months (December to March) exclusively on initiatives related to the university’s SACS compliance. Work included creating a new website for the SACS Fifth Year Interim Report; ensuring all intranet sites for academic and non-academic areas were created and intranet information that existed for the report submitted in 2005 was restored; ensuring that links to the university’s intranet pages were displayed in a consistent way in the footer of Loyola’s 146 websites; restoring 1,000 broken links in the SACS Compliance Certification submitted in 2005; confirming that
permissions for all intranet sites worked and that a login allows faculty/staff and SACS reviewers to access all intranet sites across the university; creating, posting, and archiving pdf versions of Loyola web pages used in the Compliance Certification submitted in 2012; and creating a CD version of the SACS Fifth Year Interim Report website. Web Communications contributed 2,500 staff hours to SACS web assistance.

5) The vice president for institutional advancement 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 for approval.

The vice president for institutional advancement will also present to the BOT 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 for approval.

6. Government Relations:

- **Contraception Coverage Update**
  - AJCU President Greg Lucey met with Secretary Sebelius and stated the number one concern for Jesuit Colleges continues to be preserving religious freedom.
  - Department of Health and Human Hospitals issued a notice for proposed rule making in March, that includes a 90 day comment period from the public, which the department hopes will provide them with ways to clarify the religious exemption so that faith based organizations feel confident that their funds will not cover contraception.
  - In addition, there will also be a second rule-making following the first where the department will gather more comments from interested parties, which will push the date of final regulations to beyond the Presidential election in November.
  - Loyola will continue to work with AJCU and the Catholic Bishops to ensure that our concerns are included in the comments submitted to the Department of Health and Human Services.

- **Update on Endowed Professorship Program**
  - On March 21st, the Board of Regents voted on staff proposals to the Endowed Professorships Program. The results of that vote are:
    - Deadline for applications under current non-competitive program is June 30, 2012 – all submitted will be guaranteed a match at some point
    - After June 30, 2012, a moratorium will be imposed on any future requests until Board can address backlog
- Regents were meticulous in stating that this was not a termination of program, but rather a moratorium while they figure out an appropriate way to move forward

  - It seems as if our lobbying of the Regents and the lobbying by the public college foundations put a stop to any consideration of the staff’s proposed changes to the program, which were extremely detrimental to Loyola and the other privates, until June of 2013 at the earliest.

- **State Legislative Update**

  - At the request of Tommy Screen, Law Professor Isabel Medina testified before the Senate Judiciary Committee concerning the potential consequences of SB. 303, which would potentially eliminate the current prohibition that prevents anyone from carrying a gun on Loyola’s Campus.

    - Despite the efforts of all of higher education, both public and private, the bill passed out of the Senate and is currently scheduled to be heard in the House Committee on Criminal Justice at the end of April

    - Needless to say, along with a number of other interest groups, Tommy and the higher education community are working to defeat the bill in committee

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. I will do regular annual evaluation of the other members of my team and meet with them.

8. **Civic:**

I continue to remain engaged with the Business Council of New Orleans and the River Region. Also, I have officially ended my term as a Commissioner of the New Orleans Public Belt Railroad. The governance reform measures for the Commission have now been implemented. My primary outside civic involvement now is the Civil Service Commission.