As we begin the third year of implementing our strategic plan *Loyola 2012* I want to highlight some important activities in the life of the University. This year I will ask the Strategic Planning Team to begin an assessment of the plan, what we have done and what we need to do. That assessment will lay the groundwork for developing our next strategic plan. I want the University to live in a cycle of planning, implementation, assessment, and planning. And, I think, the easiest way to build this culture is to live it out.

Last May the Board authorized moving forward with a capital campaign. At this meeting Derby Gisclair, chair of our Advancement Committee, and Bill Bishop, our vice president for Institutional Advancement, will make a presentation to the full Board on the campaign.

Also, this year, I will work with the Board in the development of a contract policy for the University. As you know we do at least $20.7 million in external contracts in the course of the year. And, as a Catholic university we try to live out teachings of the Church in regard to our business dealings and arrangements. A year ago I set up a committee, chaired by Tommy Screen, to develop guidelines to help us in our decisions about companies with whom the University does business. A draft of those guidelines has been developed and vetted by various committees and groups on campus. This year I will move these proposed policies to the Board for review and approval. I will first send them to the Mission Committee and then on to the Finance and Executive Committees before bringing them to the full Board.

### 1. Enrollment:

*Undergraduate Admissions*

As of this writing, we have enrolled about 900 new students at the university in fall 2011, surpassing our goal of enrolling 850 new first year students. We are also enrolling 145 transfer students; above our goal of 125. As we have documented in previous updates, applications again were at record levels, with this year’s increase 20% over last year’s totals. We expect our strong enrollment performance to continue as we look toward fall 2012.

The very large first year class, along with good persistence figures, has helped us fill up our housing to more than 100% capacity. We will be continuing to strengthen our retention program this year and grow our efforts toward increasing our graduation rates. As always, our goal is to enroll students to graduate from Loyola and so we have been shaping our entering classes in accord with this ideal and working with students at all undergraduate levels to assist them in persisting at the University.

Enrollment management, along with the offices of admissions, financial aid, student records, the bursar, and student finance have now settled into the newly renovated Thomas Hall. The space is perfect for presenting the values and virtues of Loyola to new students, and serving
well the needs of current students and alumni. We will have tours available before and after Board sessions on Thursday and Friday.

Graduate Programs

Our graduate programs continue to enroll students at good rates and we expect to see growth in some areas, like nursing and counseling. There is no question that our graduate programs will be in demand in the coming years, as many come back to higher education to retrain. We have a new online criminal justice program that just started and demand is strong for the summer and fall in all graduate programs, especially in counseling and nursing.

2. Academic and Student Affairs:

Academic Affairs:

Provost Search

As you know Ed Kvet will be leaving Loyola at the end of this academic year. I am very grateful for his service as Provost and we will celebrate all he has done later in the year. In the meantime we have begun the process for a search for a new Provost. I have asked each of the colleges for a faculty representative for the search committee. There will also be a representative from Student Affairs and the Student Government Association. I have appointed Jo Ann Cruz, current Dean of Humanities and Natural Sciences, to serve as Chair. We have also contracted with Witt/Kieffer, a national, academic search firm to assist in the search. The Witt/Kieffer representatives and the Search committee will develop the job description and build the pool of candidates. The committee will then review the candidates and bring in the finalists for on campus visits in the spring. Hopefully, I will be able to make a decision and an offer to one of the candidates.

AAUP Censure Lifted

As you know Loyola was censured by the American Association of University Professors following the reorganization of the University after Katrina. At its annual meeting last spring the AAUP lifted its censure. I do want to take this opportunity to thank Ed, Conrad Raabe, the leadership of last year’s Senate, along with the leadership of the local chapter of the AAUP for their collective work in responding to the AAUP and removing Loyola from the censure list.

Accreditation

The School of Mass Communication and our forensic chemistry program are advancing in their respective applications for program accreditation. As you know, program accreditation enhances reputation and ensures state-of-the-art practices in these programs. We are also seeking accreditation from the Commission on Collegiate Nursing Education for the Doctor of Nursing Program. In addition, our graduate counseling program is preparing for its regular eight-year
reaccreditation by the Council for Accreditation of Counseling and Related Educational Programs (CACREP).

Under the leadership of Academic Affairs, Loyola is also preparing for a *five-year interim review by its accrediting agency, the Southern Association of College and Schools (SACS)*. All University offices are participating in this review in which we must demonstrate our ongoing compliance with 14 requirements specified by SACS.

**Common Curriculum Implementation**

All colleges are gearing up to begin implementing our new Common Curriculum one year from now, in Fall 2012. Preparations include the development of new courses and revising existing courses to meet new requirements. The new curriculum will be phased in over four years. Implementation of new science requirements will be phased in as new labs are completed in Monroe Hall.

**Student Affairs**

We accomplished, over the summer, some successful “interim” refurbishment of Cabra Hall which has helped us have the highest occupancy in years. We also completed minor refurbishments in Biever Hall. I want to thank Cissy Petty and Paul Fleming for their leadership on these projects. We are also on schedule for renovations to Cabra and Buddig halls during summer 2012.

We will begin a complete review of Athletics and Wellness this year. Beginning in October, Andrew Fellingham, CEO, of Inter-Collegiate Athletic Consulting will begin reviewing Loyola’s Inter-collegiate Athletic program. To this end, the ICAC team will benchmark Loyola’s program against academic and athletic peer/competitor/aspirant institutions. ICAC will provide the institution a complete assessment of the program’s strengths and challenges.

Articulation of the role of athletics at Loyola New Orleans will have implications for future national athletic association status (NAIA or NCAA) and conference affiliation. As you know, this is a part of implementing the University’s strategic plan.

Each year, the Jesuit Association of Student Professional Administrators (JASPA) honor programs that contribute and influence Jesuit higher education. The 2011 Ignatian Medal for an Outstanding Campus Program was awarded to Loyola University New Orleans in recognition of our program, the Ignatius Loyola Institute for Values Education. It is the only Ignatian Medal awarded to an institution rather than an individual person. The honor of this award belongs to the many Student Affairs professionals at Loyola who have worked during the past four years to make iLIVE a success.

**3. Mission:**

The Office of Mission and Ministry continues to develop and implement programs for faculty, staff, and students. This year is a good example of the variety of initiatives that are being undertaken.

- Works continues with the design of the Benson Jesuit Center by architects Holly & Smith. The preliminary design is just about complete, and an independent cost analysis will be done soon.
Two new Jesuits arrived at Loyola: Fr. Gregg Grovenburg, S.J., joining University Ministry; and Mr. Sylvester Tan, S.J., joining Loyola as a Jesuit scholastic, teaching in HuNS and assisting in University Ministry.

New University Ministry Assistant Director Josh Daly has taken over planning for the Center for Volunteer & Public Service, which hopes to begin operation by summer 2012.

The Spiritual Exercises of Ignatius Loyola will be offered to faculty & staff in January 2012, in the 18th annotation form.

4. Finance and Administration:

Financials 2010-11:

The university’s financial operations for the fiscal year 2010-11 resulted in a deficit of $2.5 million offset by $2.6 million of Business Interruption Insurance, resulting in a net surplus of $126,000. We reported to the trustees in December 2010, March and May 2011, a Projected Net Surplus of $100,000.

Employee Retirement Plan Clarification and Enhancement:

1. We are clarifying language in our Loyola University TIAA-CREF Retirement Plan to be more specific as to employee eligibility being based upon working a minimum of 1,000 hours. This request was recommended by TIAA-CREF.

2. We are enhancing the Loyola University TIAA-CREF Retirement Plan to allow distributions at age 70 ½ to employees still working.

These will be action items for the Finance Committee and the Board.

Approval of Bond Issue Financing:

The Facilities Sub Committee and Finance Committee will recommend permanent bond financing not to exceed $125 million to the Trustees for approval. The Bonds will go to the market as early as mid to late October or as late as mid to late November. The use of unaudited financials will allow us to go to the market early. We will see the position of the rating agencies evaluation of unaudited financial results. Both Moody’s and Standard and Poor’s rating will be available just prior to the Board meeting. This will also be an action item for the Board.

Bond Sale Timing

Consultation with PFM and the various underwriters participating in the RFP process indicates that the use of unaudited financial information may negatively impact credit rating agencies rating conclusions. The credit rating agency meetings are scheduled for September 14 and 20. Unaudited financials will be used during the credit rating process. If it becomes apparent that the
credit rating agencies are leaning toward a downgrade of Loyola’s rating (before their committee deliberations) we will ask for a delay of the rating process until the audit is available at the end of October. The rating delay will cause the sale of bonds to be complete during mid to late November.

**Facilities**

*Thomas Hall:*  
Offices of Enrollment, Financial Aid, Bursar, and Student Records were moved in August and they have been operating there since then. The project is closing out and we expect to be completed by the end of October 2011.

*West Road Garage:*  
Completion and project close-out is anticipated by the end of September 2011.

*Dominican Law Clinic:*  
Correction of punch list items and project close-out is expected to be completed by the end of September 2011. The dedication will take place on 25 October at 5:30 p.m.

*Main Campus Central Plant and Campus Infrastructure:*  
Work is complete. Correction of punch list items and project close-out is expected to be completed by the end of September 2011.

*Monroe Hall:*  
We are completing the design development stage for the Monroe Hall project. Faculty and staff from departments that will be housed in renovated Monroe Hall met with the architects throughout the summer and will continue to meet throughout the fall semester. Students and student affairs staff members are also participating in this project particularly in regard to sustainability, common and display areas, and landscaping. We are using the same landscape architect for both Monroe Hall and the Benson Jesuit Center to develop a coherent landscape master plan for outdoor gathering, study and reflection areas. The level of interest and commitment from faculty, staff and students is gratifying. Pile driving is still planned for the Christmas 2011 break. A number of items need to be complete in order for this to happen and they are being addressed.

On August 8th, Loyola went before the New Orleans Zoning Board to receive approval for the variances needed to proceed with the Monroe Hall renovation. The board unanimously gave a ‘modified’ approval of our variances. This essentially means that we have a couple of issues we must take care of before receiving full approval, which the university is currently taking care of. None of these issues should in any way impact the beginning of this project.
The University team for the Zoning Board was comprised of Tommy Screen, Gita Bolt, Paul Fleming, and Meredith Hartley and I want to thank them for their excellent work in regard to this issue.

_Cabra Hall:_

The architects have completed the schematic design phase and are starting the design development phase. Construction will begin in May, 2012.

_Buddig Hall:_

The architects are working on the Schematic Design Phase. Construction will start May 2012.

_Benson Jesuit Center:_

The architects have just completed the schematic design phase. The project will soon be going out for an independent cost review.

5. **Institutional Advancement:**

I will not attempt to review all of the activities undertaken by the Office of Institutional Advancement since the May 2011 meeting of the Board of Trustees – much of that information is available for your review elsewhere in this book. And, as I stated at the beginning of the report, we will have a presentation on the campaign at this meeting. However, let me highlight a few points.

**Fund raising results:**

- OIA fund raising goal for FY 11 was to raise $15 million in total commitments. Of that total, $760,000 was to be in the form of unrestricted “cash in the door.” Results for the year were as follows:
  - $14.52 million in total commitments, or 96.8% of the $15 million goal
  - $729,519 in unrestricted cash in the door, or 95.9% of the goal

**Alumni participation:**

- The overall alumni of record [includes graduate students, etc.] participation rate for FY 2011 dropped ½% from 7.7% to 7.2%, while the amount contributed by these alumni increased from $1.1 million to more than $2.6 million. The undergraduate alumni participation rate – as measured by undergraduate alumni of record giving – is a criterion for the USN&WR rankings. Bill’s team is dedicated to improving this participation rate.

**Centennial celebrations:**
• Planning is well underway for the forthcoming Centennial Celebrations, which will officially commence with activities around Founder’s Day and alumni weekend, scheduled for April 2012. All of the OIA is actively involved in the planning and preparation for these activities, with Marketing and Communications and Alumni Relations especially engaged.

Annual operating plan:

• Not presented in the Board book, but an effort that required considerable effort from Bill’s team this summer, was the preparation of an integrated annual operating plan for the Office of Institutional Advancement. That plan was presented to me recently and Bill will make it available for your review, if you so desire. The foundation of OIA’s plan this year are the following goals: (1) to support the overarching strategies for Loyola 2012; (2) to initiate the Leadership Phase of the Faith in the Future campaign; (3) to improve the return on the resources invested into the Office of Institutional Advancement; (4) to execute, along with other members of university team, the kick-off celebratory activities for Loyola’s year-long Centennial celebrations; (5) to support of the university’s efforts in regard to its five year SAC’s accreditation review; and (6) to engage Loyola University New Orleans community neighbors to ensure that Phase II of the master plan is implemented as smoothly as possible. Bill has also initiated a long-term project around the concept of “culture of philanthropy.”

Faith in the Future: The Campaign for Loyola University New Orleans:

• And, finally, Derby Gisclair, our chair for the Faith in the Future campaign and Bill will present to the full board an update on the campaign. Derby graciously accepted this new responsibility as Campaign Chair, and in this capacity he will be able to continue the work he and the rest of the Campaign Organizing group initiated last winter. I recently made the decision as to the major breakdown of our philanthropic priorities for the campaign. With this information, Bill’s team is ready to move forward with the senior academic and staff leadership to develop a case of support for the campaign. Bill will present the draft of the case statement to the Advancement Committee at its December meeting. We currently count approximately $11.6 million toward the campaign’s working goal of $100 million. I would be remiss; however, if I did not state again that the success of our campaign will be heavily dependent upon your support.

I also take special pride in drawing your attention to the many industry awards Terry Fisher’s Marketing and Communications team has garnered this past year, and I extend my congratulations to her and her team.

6. Government Relations:

Non-Profit Tax Exemption Update:

The House Committee on Municipal and Local Affairs had a hearing late last month to gather information from non-profits, like Loyola, about the impact of losing our tax exemption. Leon Mathes and I traveled to Baton Rouge to testify before the committee and let them know that at a
minimum, Loyola would face a $3 million tax bill from the city if we lost our property tax exemption. The Committee and mayor’s staff all seemed willing to work with the legitimate non-profits, such as the universities, so that we can ultimately be exempted should this legislation move forward.

Zoning:

See Monroe Hall.

7. Environment:

We have incorporated LEED certification in our facilities planning. I believe that planning for environmentally sustainable buildings is the right thing for us to do and will help us control energy costs in the future. We will apply for LEED certification for Thomas Hall when the project is finished.

8. Civic:

At his writing I remain a Commissioner of the Public Belt Railroad. Last year I chaired the committee on governance reform. We finished our work and the full Commission sent our recommendations to the Mayor. Since then the State Legislature enacted the appropriate enabling legislation. It will now go to the voters of New Orleans as part of a Charter amendment. That will be in October. If the voters approve, the City Council will then have to pass the appropriate ordinances changes to effect the changes. The work of the governance committee is essentially done. Once the changes have been implemented in law, I plan to resign from the Commission.

On July 21st I was appointed to the Civil Service Commission of the City and will begin service there this fall.

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1 LEED, or Leadership in Energy and Environmental Design, is an internationally-recognized green building certification system. Developed by the U.S. Green Building Council (USGBC) in March 2000, LEED provides building owners and operators with a framework for identifying and implementing practical and measurable green building design, construction, operations and maintenance solutions. LEED promotes sustainable building and development practices through a suite of rating systems that recognize projects that implement strategies for better environmental and health performance.