Kevin Wm. Wildes, S.J.

President’s Report

23 September 2014

As I have said in the past, I view this Report as an introduction to the material in your Board book.

Joe Sellinger, S.J. was President of Loyola University in Maryland for almost thirty years and a mentor to me. He always pointed out the important, obvious truth that whenever you have an enrollment shortfall it is a four year problem. That is certainly true for Loyola New Orleans at this time. Our shortfall last year is a problem that we will need to live with for the next three years. But, the enrollment shortfall last year was not a onetime only problem. Our enrollment challenges are rooted, in part, in national trends such as a smaller population of college age students and challenging national economy. And, as we have come to understand, we also need to rebuild our infrastructure for recruiting and enrolling students. That work is well underway with Roberta Kaskel’s leadership. But, with the complexities of recruiting students, it will take a couple of years before this work fully pays off. So, this will not be a quick fix. This will be a multi-year challenge for us which we must address in at least two directions.

On the one hand, we need to continue to be vigilant to control our expenses. You know we have been working to do this and have succeeded in some measure. For example, you will see in the Finance Report that while we ended the year with a deficit the deficit was $2 million less than projected. So we are being vigilant on costs and expenses. But, as I have said, we cannot cut our way to stability.

On the other hand, we also need to grow enrollment. The work of growing enrollment is not only the work of Enrollment Management it is also the positive work we need to do investing in programs that will attract students. So, our strategic plan, which we will review at this meeting, is crucial to our future as it is, at its heart, an enrollment plan. We are fortunate to have the strength of our endowment to help us through this challenging time.

At the December Board meeting I will want to discuss how over the course of the next several years, coinciding with the implementation of the new strategic plan, we propose to resolve these budgetary challenges. Our proposal will contain a combination of further cost containment measures as well as steps toward the growth and enhancement of revenue-generating programs. As you know, since assuming the presidency of the University I have tried to be a diligent steward of the resources of the University and worked hard to ensure that the annual draw from the University’s endowment was well within acceptable levels. However, I believe at this time that as we move forward through these next several years, a key component to resolving our multi-year budget challenges will be higher than normal draws from the endowment.

In this Report, I want to highlight several significant, integrated initiatives. One of the most important initiatives is the final draft of the University’s next strategic plan, Transforming Loyola 2014. The final draft will be discussed in the Academic, Student Affairs and Enrollment Committee and will come to the full Board at this meeting. This plan creates a roadmap for our future by building on the traditions of Jesuit education and adapting them to our contemporary world.

I think the plan is also an example of “shared governance” which we often reference when speaking about higher education. The plan, developed by our Strategic Planning Team, has
had input from all of the different segments of campus. You recall that at the March meeting last year Marc Manganaro and Bill Locander presented a draft of a plan. Since then we have continued to receive feedback from you, the faculty, staff, the vice presidents, and many others. The Strategic Planning Team has revised the draft and incorporated suggestions and ideas. The plan is also an integrated plan. That is, it not only looks at initiatives in the different areas of the University (Academics, Mission and Ministry, Student Affairs) but it also has an integrated financial and facilities plan. The current draft of the plan will be presented to the full Board, and be the major topic of discussion, at our October meeting.

The plan is important as it will help to shape and support our ongoing work in terms of enrollment. As you know, from our discussions last year, who we are and what we offer is rooted in our mission and crucial to our work on enrollment. The tie between our strategic plan and enrollment is crucial for Loyola moving forward. Finally, the *Faith in the Future* campaign, the University’s first fundraising campaign since 1996, which will have its public launch at the October meeting, is in support of the plan.

**1. Academic, Student Affairs, and Enrollment**

**Academic Affairs**

There will be two very important items coming out of this committee for the full Board at this meeting. One, as mentioned about is the new strategic plan *Loyola 2014*. The other is the report and motion on the restructuring of the Colleges. As you recall we did significant reorganization immediately after Katrina which yielded our current structures. We believe the reorganization, which has also been developed through shared governance, will allow us to better support academic programs and develop new programs.

Since the May Board meeting, faculty and staff in the colleges and units in the Office of Academic Affairs have accomplished the following:

*Articulation Agreements with Local and Regional Community Colleges (Enrollment)*

Through a joint initiative of academic affairs and enrollment management, we are finalizing details on articulation agreements with five strategically chosen community college systems in the Southeast: Houston Community College System, Florida State College Jacksonville, Miami Dade College, Pensacola State College, and Delgado Community College. These schools have a combined student population of over 350,000. Though the agreements are currently in various stages of the process, we are hopeful that each one will be in place by the end of the fall semester. This will allow us to market directly to these schools in the spring semester and will allow us to increase our transfer student population for the 2015-2016 academic year.

**College of Business**

The *MBA Program* was recently revised following a new vision which allows greater flexibility for professional and part-time students to customize their elective choices to their personal career goals and interests, and offers the possibility for full-time students to complete a “fast track” configuration of the program in the span of only one calendar year. As a result of these changes and increased program marketing throughout Spring 2014, new MBA admissions have nearly doubled with a Fall 2014 entering class of over 30 students.

**College of Humanities and Natural Sciences**
Teacher Certification Program: We are into the second semester of implementation of our 6-12 Teacher Certification program. In the spring we offered two TEAC courses, both with healthy enrollments. This fall semester we are offering three, also with very healthy enrollment. We estimate that we have about 15 students intending to complete the program, with several others considering it at different levels of interest. This fall we submitted an additional program for approval to the Board of Regents—Latin.

College of Law

ABA Incubator Grant for New Lawyers: The College of Law will soon be training a new wave of solo practice lawyers equipped with the skills and real-world know-how to address the legal needs of poor or moderate-income individuals. With help from a new grant from the American Bar Association, the college is launching the Loyola Incubator Program—an intensive, year-long mentorship and skills program for recent graduates. Five young lawyers in their first three years of solo practice will receive the opportunity to not only launch their solo careers, but have access to mentorship, peer feedback, resources, instructions, case referrals and training in law office management.

College of Music and Fine Arts

Music Industry Studies: Music industry has proposed two new degrees: Digital Filmmaking and Commercial and Popular Music. Digital Filmmaking is a BFA degree is aimed at attracting students interested in New Orleans’ growing film industry. The significance of this degree is that it is a “boots on the ground” approach to filmmaking. Some of the film courses include development and distribution, practical lighting for film, cinematography, visual effects for film to name a few of the new courses. The commercial and popular music degree is aimed at attracting students interested in commercial music. The School of Music’s focus is on classical and jazz music.

University Honors Program

This August, we welcomed 73 new first year students to the University Honors Program, bringing the total of Honors students at Loyola to an all-time high of 230. This is the second year in a row that Honors has yielded above 10% of the first year class. Our new UHP members come from every undergraduate college at Loyola.

Vice Provost for Academic Affairs

First-Year Experience Program

• For the first time, virtually 100% of the entering first-year class is enrolled in a First-Year Seminar during the fall 2014 semester.

Center for International Education

Loyola is hosting 13 Brazilians through the Brazil Scientific Mobility Program in biology and graphic design. The students are bringing in $443,800 in net tuition revenue.

Office of Student Success and Institutional Research and Effectiveness

Retention & Student Success

• Fall 2014 numbers are on target to exceed the budgeted first-year retention rate of 75%. Statistics will be official on September 30, 2014.
• The Academic Advising Council has partnered with financial aid, student records, and information technology and has developed new advisor tables on LORA to share important student information directly with advisors. In addition, we continue to ask advisors to check in with their first-year advisees in the first two weeks of school, a critical time for adjustment.
• First in the PACK, a mentoring program in partnership with Student Affairs begins its third academic year in 2014-15. The program supports first year, first generation students at Loyola to create a community of support. First-year students are partnered with both a peer mentor as well as a faculty or staff mentor. This year, the program involves 38 first years, 26 peer mentors, and 24 faculty and staff volunteers.

Information Technology
Information Technology enhanced its wireless network infrastructure during the summer of 2014 across the Main Campus. These enhancements will provide an improved network experience for the Loyola community.

Student Affairs
Career Development Center
On Thursday, August 28 the Career Development Center hosted 65 local employers who actively recruited Loyola University New Orleans students for internships, part–time jobs and community based work study. Approximately 429 students attended this event held in the St. Charles Room of the Danna Student Center. Preliminary student feedback demonstrates the magnitude and excitement of connections made between students and employers. The overwhelming success of the fair made it evident that a program of this caliber is necessary and should be added to the variety of annual recruiting events coordinated by the Career Development Center.

University Counseling Center
On July 30, 2014, The Louisiana Campaign for Tobacco-Free Living (TFL) awarded Loyola with a $15,000 grant for 2014-2015 to assist with implementation of a tobacco free campus initiative scheduled to occur in August 2015. The Louisiana Tobacco-Free College Initiative (LTFCI) was created to engage students, faculty, and staff at Louisiana colleges and universities in efforts to make their campuses tobacco-free. The TFL grant will be executed through a number of activities including the development of a Fresh campus student group, an educational marketing campaign, a campus environmental study, and several tobacco prevention events.

Athletics & Wellness
As part of the Student Affairs initiative of increasing enrollment and retention through intercollegiate athletics and recreation programs, Sam Brock has joined the staff as full time rugby coach. Brock, who previously was a part time coach with the Wolf Pack, will be charged with launching a women’s rugby program while growing the men’s squad. Other enhanced club sports that are under consideration to increase enrollment include cheerleading and dance, swimming, sailing, crew, and triathlon. Loyola is also actively pursuing field space that would
allow for the addition of men’s and women’s soccer as well as softball at the intercollegiate or club level.

Residential Life

The department of Residential Life recently hired an Associate Director for Operations to bring increased attention and best practices to the care and progress of the residential facilities. In addition, we are exploring refurbishments for completion in 2014-2015 including new flooring, furniture, and paint in various residence halls. Programmatic achievements include our fourth year of PACKport which will wrap up on September 13. Our office partnered to host 17 events with over 400 attendees, tailored to first-year student engagement and transition. Our program attendance tracks in line with last year's performance, making it another successful year!

Co-Curricular Programming

The Office of Co-Curricular Programs and the Student Government Association held a Student Organization Presidents and Advisors Symposium on Saturday, September 13th. Over 70 organization presidents and advisors attended the program which included educational sessions and a keynote speaker. The symposium focused on best practices for managing student organizations, organization finances, and maximizing leadership in student organizations. This symposium kicks off a year of leadership development offerings for organizations which includes president roundtables, customized workshops, and e-resources.

Enrollment

We have hit our targets for our fall 2014 enrollment for new undergraduate students.

The enrollment highlights for undergraduates are as follows:

Traditional first time, first year students:   Actual: 618  
                                            (Budget: 614)

Transfers:     Actual: 103  
                (Budget: 130)

Additional enrollments not accounted for in budget

Nontraditional first year students:  5
Re-admitted students: 29

Total first time and readmitted undergraduate enrollments: 755  
                                            Budgeted: 744

Admissions organizational changes:

The Office has been reorganized to establish a director of admissions and director of admission operations positions. Joining the VP for enrollment Management and the Director of
Financial Aid, the two new directors will execute a data-driven approach to admissions and financial aid.

Successful searches were executed by a single search committee assisted by Mary Napier Executive Search. Susan Oakes from the College of Charleston and Margaret ‘Molly’ Robinson from New College in Florida join the team in early October.

2014-15 Strategy and Consultants:

Focus for the year is to expand rebuilding efforts by concentrating on deepening success in our primary markets – Texas east to the Atlantic and south through Central America; California; and the mid-Atlantic region. These markets should align well with potential new programs in commercial music and film making as well as expansion of rugby.

Enrollment Management will continue its partnerships with both The Lawlor Group to establish all admissions marketing collateral for 2014-2015 with a concentration of the value of a Jesuit education and affordability. Scannell & Kurz will work closely with EM and Financial Affairs to shape financial aid leveraging strategies with emphasis on increasing net tuition revenue.

2. Mission and Ministry

- The New Orleans Jesuit Province is now officially dissolved (as of July 31), as two U.S. Jesuit Provinces (New Orleans and Missouri) get merged into the new Jesuit Province, called the Central Southern Jesuit province of the Society of Jesus, with a new Jesuit Provincial, Fr. Ron Mercier, S.J. named.
- New Ignacio Volunteer Immersion programs: in South Africa starting next summer and a New Orleans Urban Immersion program over Easter break.
- Speakers this fall on campus: Jesuit Fathers Gregg Boyle, SJ and Fr. James Martin, SJ and Mark Shriver will speak at Loyola this fall semester.
- New ‘Belize Global Initiative’ to explore ways to expanding Loyola’s presence in Belize, Central America.
- The Heartland Delta conference with 12 Jesuit universities will hold a ‘virtual conference’ in May 2015.

3. Finance and Administration

Finance

13-14 Financial Results (Unaudited)

The University’s operations for the fiscal year 2013-4 resulted in a deficit of $2.1 million while maintaining a 5% draw on the Endowment. I want to point out that throughout the year last year (2013-14) our Projected Deficit was $4.2 million. So I am most grateful to everyone, particularly
all of the vice presidents, for their cooperative and challenging work to hold expenses and significantly reduce our deficit.

14-15 Budget Projections

At this time we are unable to provide a projection of our current year’s budget as Official Statistics are released September 30, 2014. We will have this information for the October meeting.

I think it is important to be clear about something. Our budget and our enrollment are inextricably bound together. As I have said in the past, and as you know from Roberta’s work, it will take us several years to rebuild our enrollment structures and put them on a firm, reliable footing. As we do that we will be vigilant, as we have been, about controlling our expenses. But through this period we will need to use the Endowment, in prudent ways, so that we can maintain the health of the University through this period.

Facilities

Monroe Hall

The construction schedule for Monroe Hall was accelerated in early 2014 with a goal to complete interior construction in December 2014. The project remains on schedule. The Department of Psychology and the Department of Mathematical Sciences moved into their permanent facilities for the fall 2014 Semester. At the same time, the renovated first-floor chemistry labs and stock room were placed back into service. The renovation of the second floor, remainder of the first floor and Nunemaker Hall will be completed in December 2014 and will be in service for the spring 2015 semester. The Arts will occupy the building for the fall 2015 semester. Faculty and students are very happy with the facilities. It has been an amazing collaborative project and all involved deserve congratulations.

Monroe Hall is ahead of schedule and on budget.

Purchase of 7320 St. Charles Avenue

As you know the Dominican Sisters own two remaining buildings on the Broadway campus. They approached me last year about the sale of one of the buildings (7320 St. Charles Avenue, aka Sacred Heart). And we have been in discussions with them. The University has agreed to purchase Sacred Heart from the Dominican Sisters for $2,095,000. The funds will come from the Endowment Fund to purchase this property.

If the pending sale of our remaining Kenner land comes to fruition by year end, we will receive approximately $3 million from this sale. These proceeds will offset the purchase of the Dominican property. After this purchase the Dominican Sisters will still have one remaining building on the Broadway campus; i.e., Founders Hall (aka the Mother House).

4. Institutional Advancement

Focus of advancement activities since the May meeting of the board has been on the culmination of the Leadership Phase of the Faith in the Future campaign and the preparation for the event marking the public launch of the campaign set for Thursday, October 9, 2014.
As of September 22, 2014, $43,511,747 has been committed to the campaign. Fundraising/development is truly an all advancement team/university-family effort. For example, during the last fiscal year

a. $5.7M in new gifts and commitments were received; more than $8.5M in gift income was realized; and more than $900,000 was received in support of the campaign’s Loyola Fund – the second largest amount since 2007.

b. Interesting to note is that in these totals – approximately $475,500 was in realized deferred gifts and another $332,000 through the university’s class reunion giving program.

The Advancement Committee will concentrate its attention during its committee meeting on the status of the campaign; on how the trustees can increase and enhance alumni involvement in the “life” of the University; and on techniques that can perhaps be used to leverage trustee support in its solicitation efforts of other members of the Loyola family. The committee will also continue the discussions it began in May 2014 about OIA involvement in BOT recruitment and proposed trustee giving outlines with the understanding that any recommendations that the Advancement Committee makes in this regard will need to be validated by the Trusteeship Committee before being voted on by the full board later in the academic year.

Additionally, there are four resolutions for professorships that need approval before requesting matching funds from the Board of Regents. Time permitting; the VP, OIA, will also update the Advancement Committee on the status of the future plans for Marketing and Communication.

Finally, I want to point out that I am reviewing the way we are structured in terms of Marketing and Communications. These areas have been part of Institutional Advancement since before I arrived at Loyola. In light of the importance of these functions to the whole University, including enrollment, I am reviewing the way we are structured and looking at the way such offices are structured at other, particularly Jesuit, universities and colleges.

5. Government Relations

There is a growing interest at City Hall, mainly among City Council members, for the City to again explore the potential of collecting property taxes from non-profits like Loyola. At this point in time, there has been no formal request by anyone from the city asking Loyola about this issue. However, Tommy Scren and I, think that issue will not go away and ultimately the University will have to sit down with the other legitimate non-profits and the city to address the issue. Currently, our stance is that we want to be part of any discussion about the issue. Also we are opposed to including non-profits in the tax structure and we will oppose any statutory change that would change the law on this issue. We are, however, willing to explore structures, used in cities like Boston, which are called Payments In Lieu of Taxes (PILOTS) as a way to cover important costs for services that we want for the University community such as Police, Fire, and Emergency services. PILOTs have been used in other cities, such as Boston, and we are working with different national associations about such alternatives.

Federal Update

In an election year tradition, Congress will likely head home to campaign after just a couple of weeks of work in September. With that in mind, each of the stand-alone education
bills that passed one chamber earlier this year seem highly unlikely to see floor time in the limited legislative calendar remaining. Thus, any comprehensive reauthorization efforts of the Higher Education Act will be pushed into next year when a new Congress convenes and the process must start over.

6. Civic

While I remain active in a number of different civic organizations in the city, my principal work in the past few years has been my service on the New Orleans Civil Service Commission. My service on the Commission began in the summer of 2011 and I have served as Chair throughout my time on the Commission. As you know the Commission recently passed a series of reforms to the CS system. At the Commission meeting on 22 September, we had our annual election of officers for the Commission. Michelle Craig was elected as Chair and Rabbi Ed Cohn as elected as Vice Chair. I will remain on the Commission as a member.

7. Goals

I think it is helpful to recall that my goals for the year, established with the Board in my evaluation process have been:

1. Evaluate and improve the operations of undergraduate admissions
2. Focus on Institutional Advancement
3. Oversee development of a new strategic plan
4. Remain involved civically
5. Professional development