Kevin Wm. Wildes, S.J.

President’s Report

September 2012

This year began, as you know, with the visitation of Isaac who arrived on the first day of class. We cancelled classes and we did “shelter in place” for about 600 students. We resumed classes on 4 September. Our team worked well together: Academic Affairs, Student Affairs, Facilities and Stephen Murphy our new Emergency Manager. Stephen has conducted a review of our performance and he has briefed me on his review. This review gives us a road map for ongoing improvement in how we respond.

In the aftermath of Isaac we received our U.S. News World Report results for this year’s rankings. As I mentioned in my letter to you, we were ranked for the 22nd year in a row in the top 10 regional universities in the South. As I also reported Loyola was singled out for several new honors, including being among the nation’s top 27 universities with outstanding examples of community service initiatives. The university was also recognized for the first time as being among the top five regional universities in the South with students who owe the least amount of debt upon graduation. Additionally, Loyola’s faculty commitment to undergraduate teaching landed the school in the regional top five for the first time. Loyola was also ranked as No. 9 on the report’s “Best Value Schools” list of southern regional universities. The magazine cited the stellar quality of Loyola’s academic programs, combined with the comparatively low cost of attendance for students who receive need-based financial aid. This is the fifth consecutive year that Loyola has ranked in the top 10 in this category, which was previously called “Great Schools, Great Prices.” Loyola was also recognized nationally for our community service initiatives and to be among the top 10 universities in the region among several categories is impressive and validates what is at the core of a Loyola education and the university’s mission. These rankings reflect the accomplishments of our talented and dedicated faculty and staff as well as our students who are bright and engaged in both scholarship and community service.

1. Enrollment:

Undergraduate Admissions

We are in the process of completing enrollment on the new first-years and transfer students. The current number is right at 880 students and 125 transfer students. This represents our largest first-year class in the history of the university. Last year’s class was a record first year group at 872. This year’s class should be very high for us as well and, certainly, a record total enrollment for two consecutive classes. The current state of new student enrollment has been at historically high levels for us thanks to the recruitment work of the Offices of Admissions and Scholarships and Financial Aid. This year we also had another year of record new student applications, 6,482. On-campus housing is at 100% capacity.

And there is still much work to be done. This class of 880 is slightly below our goal of 900 students, and we will make sure that our efforts for fall 2013 achieve 900 new first-year students. We enrolled another 125 transfer students, but had our sights set on 130. Retention is not where we want it to be, with academic performance and expanding financial need among the
factors for students leaving. The good news is that we are becoming more aggressive with how we manage students, intervening at the first sign of trouble.

I have tasked Marc Manganaro to work with Academic Affairs, Enrollment Management, and Student Affairs to develop a highly integrated, campus-wide approach to dealing with these issues and we will be successful. We look forward to a completed Cabra Hall, which should help us house more students, enroll more (especially transfers) and retain them at higher rates.

We will soon announce a new position in financial aid and scholarships, a senior director post, which will help us with recruitment and retention and grow revenue.

We are also looking closely at our graduate programs to see where the opportunities and challenges lie. As you know, for example, law schools nation-wide are undergoing significant change and we are working together to navigate that change and make sure Loyola positions itself correctly so that it can continue to produce outstanding graduates who serve our community, nation, and world.

2. Academic and Student Affairs:

**Academic Affairs:**

**SACS**

In July the university received a letter from SACS indicating that we have successfully passed our 5 Year Review. We have completed and submitted a follow-up report on principle 4.8.2 (Protecting Student Privacy with special emphasis on documenting a written procedure for protecting the privacy of students enrolled in distance education courses and programs), which was among the principles that were added in February just prior to our submission deadline.

While this news from SACS is very good news, we must not take this news as a signal to put SACS and institutional effectiveness assessment-related activities on the backburner until it is time to submit our 10th Year Reaccreditation Report, which is scheduled in AY 2015-16.

**Humanities and Natural Sciences Dean Search**

As you recall Joann Cruz finished her term as Dean last May and returned to Georgetown from where she will retire. Professor Maria Calzada has graciously agreed to serve as Dean this year. The search is well underway. Dean Don Boomgarten of the College of Music and Fine Arts is serving as chair of the search and Witt/Kieffer is the search firm staffing the search. The search committee has begun its work and a representative from Witt/Kieffer was on campus to visit with the committee and different constituencies.

**Common Curriculum Implementation**

This year begins the implementation of the new Common Curriculum. It 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

The Student Affairs team was recognized with the Ignatian Award from the Jesuit Association for Student Personnel Administrators (JASPA) for the outstanding First Year Program Experience program: PACKport.

With the ongoing refurbishments to our residence halls (Cabra is off line this year) we are dealing with an overcrowded situation. We have taken various steps to address the problem including housing 40 students at Privateer Place on the UNO campus and providing shuttle service. Renovations to Buddig are on-going and will finish by semester’s end; the Cabra project is currently on time and on budget.

We continue our advance training in Title IX as it relates to Student Affairs issues.

The completed Inter-Collegiate Athletic Consultant’s report on Loyola’s inter-collegiate athletic program is complete. The steering committee will continue to host dialogue on campus with a variety of constituent groups.

3. Mission:

In early September, Loyola students, through LUCAP, helped with Hurricane Isaac relief in LaPlace. The Loyola students assisted the elderly affected by the hurricane, helping them sort and move their belongings around in their homes. They worked alongside a group of Jesuit novices at the work sites.

We have opened the Center for Community Engagement (CCS). This new service Center has opened its doors this academic year with Josh Daly as Interim Director. The CCS will seek to bring together the various service-oriented entities on campus to collaborate with the community partners of our city as neighbors. It will have a local, national and global focus. One immediate focus has been to increase the number of Loyola students, through its work study program, working with community partners in the city.

You may recall at one of our Spring Board meetings last year we had a presentation on a national program called the Ignatian Colleagues Program. One of the faculty members who is doing that program has launched a program for faculty here at Loyola. Dr. John Sebastian has developed a mission-driven faculty development program which will offer faculty an opportunity to participate in a semester-long course on Jesuit education & Ignatian pedagogy, with an outcome of a revised syllabus for a course that explicitly engages Jesuit mission.

4. Finance and Administration:

Financials 2011-12

The university’s operations for the fiscal year 2011-12 resulted in a balanced budget with a 5% draw on Endowment. You may recall that this is our first year without using business interruption insurance.

I want to thank Jay and the other vice presidents for carefully monitoring our expenses and working together to control them so that we were able to meet our budget goals for the year.

As you can deduce, from the section on enrollment, we will have to make budget adjustments this year. I have said in the past that a budget is a planning document. And this year, as we have done in the past, I have asked Jay to work with the vice presidents so we will end the
year with a balanced budget. And, given our success in doing that in recent years, I am confident that we will do it again this year.

**Facilities**

**Monroe Hall**
As you recall our initial budget for this project was $80 million. However, the initial cost estimates for construction came in at $86,343,000. We had the project value engineered down to $71,094,901. That represents a base final bid, without soft costs of approximately 32% added. I have reviewed the options and had fairly extended discussions with our folks (Marc Manganaro, Jay Calamia, Paul Fleming, and Bret Jacobs, and Ed Kvet has stayed involved).

They have recommended the option where we finish the 6th floor for a total of $92,845,252. That figure represents an adjusted construction budget to $70,337,312. To this we have added the 32% soft costs and FFE which brings us to the $92,845,252 figure.

You may ask: 1) what is lost if we don’t add the additional 7th floor? And 2) can we afford it at $92.8? The loss of not adding the seventh floor means that we will lose some new dance studios and a planned greenhouse. While I’d like to have these things, I think we can live well without them. (We have existing dance studios). And in reference to the cost, Jay is confident we can use the bond money for the additional $12.8 million. It is our intent to utilize our line of credit at Whitney after all of the 2011 bonds funds are exhausted which will be sometime in 2014 or 2015.

**Buddig Hall**
The new brick, along with foam insulation and a new waterproofing system, is currently being installed. Brick work is currently complete through the 5th floor on the north side of the building, and through the 6th floor on the south side. The installation of a new lighting protection system is underway and the interior work on the building is substantially complete and all items in the student room have been completed.

**Cabra Hall**
Work is well underway, with abatement complete on floors two through five.

**Miller Hall Stock Trading Room**
The interior renovations to the vestibule and classroom are complete. The exterior curtain wall system has been installed and caulked. Interior finish work is ongoing. Drywall has been installed, and the rough-in for new data and special systems is complete.

**Benson Jesuit Center**
The architects are currently working on design development for a new facility.

5. Institutional Advancement:

Loyola’s Centennial Celebrations continue – the President’s Centennial Lecture series kicks off September 20, 2012, with the Most Reverend Gregory Aymond. Archbishop Aymond will be followed October 22, 2012, by the Wynton Marsalis Quintet. Additionally, we will be taking Loyola’s Centennial Celebrations on the Road – first to Washington D.C., in October and then to New York City and Chicago in November. Please extend your gratitude to those current and
former members of the Board of Trustees who have agreed to serve on the host committees for these events.

*Faith in the Future* campaign update – we currently have received approximately $20.5M in gifts and commitments to the campaign, with more than $40M in proposals currently under consideration. We are continuing to refine our philanthropic priorities with initial emphasis on securing philanthropic support for scholarship support, programmatic initiatives, and a series of capital projects. We’re looking forward to continuing our work with our most loyal supporters and in laying the ground work for the initiation of the public phase of the campaign – a phase in which the chapters of the university’s Alumni Association will have a major role to play. I am very grateful to those members of our Board – past and present – who have committed to support the campaign or who are considering doing so.

Fund raising update – During FY 2012, $9.6M in gifts and pledges were received by the university. (This is the second highest annual total received during the period FY 2008 through FY 2012.) The IA team exceeded its unrestricted and budget relief goal for FY12 by more than 7%. Especially of note is that the undergraduate alumni participation rate – as measured by the percentage of undergraduate alumni degree recipients who contributed -- reached its goal of 10% for FY 12.

6. Government Relations:

**Federal Action**

Latest on Federal Financial Aid Funding

Earlier this summer, both the Senate and House appropriations committees passed legislation that would increase the maximum Pell Grant award for academic year 2013-2014 by $85 to a total of $5,635. In addition, both chambers would keep federal funding for the other major financial aid programs the same as fiscal year 2012-2013.

While this is good news and provides an idea of what the will of the politicians is during this election year, much uncertainty exists on whether or not these bills will be acted upon before Congress adjourns. One scenario had thought that Congress would return to Washington after the elections in November in a lame duck session and complete their work on the budget. However, it is becoming more and more apparent that the likely scenario is that Congress will pass a stopgap measure that will fund the federal government for the first 6 months of the next fiscal year at current funding levels. This would allow the winners in the November elections to address the budget when they take office early next year.

Possible Impacts of Sequestration

As many of you are aware, the failure of the Super Committee on Deficit Reduction to reach any agreement on a deficit reduction plan during the fall of 2011 has triggered a process called ‘sequestration,’ that would automatically cut federal spending on January 2, 2013 unless Congress acts. These cuts would have serious implications for federal financial aid programs and those students that receive aid from these programs.

While the Pell Grant program has been exempted from sequestration cuts, other major financial aid programs would face cuts of nearly 8% and roll back funding to approximately
2001 levels. This would ultimately impact over 450 of our most needy students and their ability to remain at Loyola.

Tommy Screen and the team at the AJCU will continue to work to do everything in their power to ensure that our delegation is aware of the serious impacts of these cuts and ask that our representatives act to prevent their implementation.

Extension of Student Loan Interest Rates

Prior to leaving for their July 4th recess, Congress passed legislation that included provisions that would keep the 3.4% interest rates on federal subsidized loans in place for another twelve months. Without any action, those rates would have doubled to 6.4% and impacted nearly 7.5 million students nationwide. This was a win for many of our current and past students and we will continue to work on trying to make these rates permanent.

Amicus Brief on Admissions Criteria

Loyola recently signed onto an amicus brief submitted to the United States Supreme Court by the American Council on Education (ACE) on behalf of colleges and universities around the country that argued in favor of allowing colleges and universities the freedom to consider race, or ethnicity, as a ‘plus’ factor in the context of individualized consideration of each and every applicant.

While Loyola University does not consider race in our admissions criteria, the university supports the ability of colleges and universities who wish to do so to continue that practice.

City Action

Loyola Avenue

On August 13, the city of New Orleans hosted an auction for the sale of the portion of Loyola Avenue from Calhoun Street to Bobet Hall. The University’s $350,000 bid, which was the minimum bid set by the City, was accepted and we are currently waiting to close on the sale in the coming weeks.

7. Civic:

I continue to serve on the Civil Service Commission for the City of New Orleans for sins of my past life.