Fall 2019 Faculty Convocation
August 27, 2019

Good afternoon! Welcome to new members of our community! It's great to see everyone excited and ready to begin another academic year. . .

And it's good, as always, to have this opportunity to provide a few updates on some important issues and to talk a bit about some of the College's major priorities in the coming year. . .

But first: Thank you, Bill Clyde, not only for your remarks this afternoon—which were, characteristically, encouraging and challenging—but, more importantly, thank you for your service to the College over these past nine years.

The announcement I sent this past Thursday of your decision to step aside from your administrative role at the end of this year was the first stage of my emergence from the state of denial I've been in since you informed me of your desire to return to teaching and writing.

I'm sure I'm not alone when I say I'm finding it difficult to imagine not having you in the provost's office. And, reading this year's annual reports with your transition in mind, I was newly impressed, again and again, with the tremendous influence for the good that you have had on this institution.

Your deep commitment to excellence in teaching and learning, guided by a strong sense of the mission of the College, is apparent across the broad range of your many accomplishments; accomplishments that of course are shared—as you'd be the first to say—with many others, from faculty and department chairs, to deans, and to the excellent team you've assembled in the provost's office over the years.

I mentioned some of those accomplishments Thursday in my message to the community. Just to touch upon a few more, then:

- Increased support for faculty research, including a threefold increase in funding in summer research grants;
- Encouragement in the development of a culture of undergraduate research, expanding participation in summer research projects from just a handful of students in years past to this summer's 65 research scholars;
- Creation of an extraordinarily strong structure for student academic support, including support for students applying to medical school, graduate school, and seeking competitive fellowships;
- Strengthening of our capacity to collect and analyze institutional data to inform decision making across the College;
- Constant advocacy and leadership in upgrading classrooms and our technological infrastructure.

I could go on and on . . .

But lest this begin sounding like a premature eulogy, let me just mention one particular *theme* that emerged very strongly across this year's academic reports and that I think owes a great deal to your leadership: that is, a strategic approach to curriculum and program development.

The number and variety of efforts throughout the College to diversify and update curriculum—and especially to align curricula with the needs of our students and the fast-changing realities of the world in which they will live and work and continue to learn—is truly impressive.

Examples of this abound (both in this year's reports and over the past nine years): from the development of a bio-mechanical, bio-medical track in the School of Engineering to the resurgence of the MBA program; from the creation of independent departments of Mathematics and Computer Science, to strengthening of the study of environmental issues across disciplines and schools and the development of exciting new approaches to liberal arts teaching and learning, for example in the Digital Humanities efforts underway in the School of Liberal Arts.

You have helped to lead us as well in expanding our understanding of those whom we are called to serve, broadening our reach through strategically targeted graduate programs and (especially) re-committing the College to its mission to serve adult and non-traditional learners through the creation of our ever-stronger and diversified School of Continuing and Professional Studies (SCPS).

Your work in this vein of strategic alignment has made Manhattan a better, more broadly effective institution, and your leadership has helped especially in our pursuing that dimension of our mission that urges us constantly to work innovatively to "meet students where they are"—whoever they are—and to support and challenge them in ways that are attentive to their particular talents and needs.

We'll have lots of time to celebrate Bill's work as the year goes forward, so let me just say here what a pleasure it has been these nine years to work so closely with someone with such talent and commitment—not to mention boundless enthusiasm and energy! I look forward to your tenth year as the best ever . . . and beyond that to seeing the great things you will continue to do for the College as a member of our faculty!

The search for Bill's successor will of course be among the most important tasks of the coming year. Happily, as success tends to attract success, I'm confident that we will have strong interest from a talented and diverse group of candidates.

This week we begin the process of forming the committee that will assist in identifying the strongest candidates from that pool. (As many of you know, we have a fairly complex set of requirements to observe, in the interest of making the committee as representative of the College as a whole.)

Because this is such an important search—and such a great opportunity for us as well—we have engaged an excellent search consultant who has already begun to do preliminary work toward the development of a position statement, a strategy for recruitment, and a timeline and process for vetting, interviewing, and recommending candidates. We hope to be in a position to interview finalists by the end of the current semester with the goal of naming Bill's successor early in 2020. I want to thank in advance everyone who will be engaged in this demanding, but I hope ultimately exciting and satisfying, task.

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When I originally drafted these remarks last week, I took some time at this point to call attention to the two other projects (aside from our provost search) that will require a broad range of participation across the College: (1) the development of the next phase of our Strategic Plan, and (2) preparations for Middle States reaccreditation.

And then Bill and I shared drafts—and his was much more comprehensive and detailed!

So all I'll say here about Strategic Planning and our Middle States Self-Study is to reiterate their importance and to add my thanks to everyone who has worked so hard to put us in the strong position we are to engage in these processes and achieve valuable results. (We can now add to Bill's accomplishments his getting us to the reception at least five minutes earlier.)

So let me turn now to some quick updates on several continuing long-term projects:

Construction on the south campus continues to proceed well. This summer saw the appearance of an actual building rising out of the old Leo parking lot, as the Higgins Science and Engineering Center took shape. Mechanical, electrical, and plumbing work is on schedule with more than 50% of the work completed. All is on schedule for a fall 2020 opening.

Equally important are ongoing, substantial renovations to Leo Hall, with major projects completed this summer involving first-floor labs for Civil, Mechanical, and Chemical Engineering and fourth-floor Chemical Engineering teaching labs and faculty offices. Construction of the balance of the Chemical Engineering labs on Leo fourth floor and the Civil and Environmental labs in the former Fischbach Room are underway, with completion expected in January. The renovation of the former Leo cafeteria space is nearing completion, and should be ready for use very early this semester.

When we think about plans for south campus facilities, we tend to consider first the new construction, which of course is a wonderful addition to our facilities; but the work in Leo (and eventually in RLC and Hayden) actually represents a much larger effort—and investment—in our facilities, not to mention a logistical puzzle of considerable complexity. I am grateful to Andy Ryan for the truly herculean work he is doing to lead these efforts.

While I'm speaking about facilities—

It's no secret that, even as we press forward in expanding and modernizing south campus, we face challenges "up here" on our beautiful (but almost 100-year-old) north campus. Among the most pressing concerns involve (ironically) one of our "newer" buildings (relatively speaking of course): Horan Hall, which is showing the effects of 30 years of hard use. (And harder use more recently, as we've expanded summer programs that keep our residence halls in service year-round.) And so this year we are continuing to plan for a significant renovation / upgrade to Horan, as well as some less extensive, but still important, work on Jasper, Chrysostom, and Overlook.

In Horan, the goal is not just to address deferred maintenance (e.g., the elevators), but to reconfigure some of the rooms in order to diversify the kinds of accommodation we can offer—in this case, consolidating some of the existing "semi-suites" into apartments, complete with kitchens and reconfigured common space.

Progress on these upgrades will be contingent on our ability to fund the work without impinging on our commitments to the south campus plan.

We did receive some good news about facilities funding recently; that is, that we have been awarded an additional $1M through New York State's Higher Education Capital Matching Grants program, or HECap. This brings total funding for Leo renovations from that source to $4.5M. We're grateful to our elected representatives, and to our advocacy group in Albany, the Commission on Independent Colleges and Universities, for their good work in getting this program restored after several years without funding. While HECap is still not funded to the level that private colleges in New York would like to see, the approximately $90M that was awarded in two competitive rounds to about 40 schools the past two years certainly represents a step in the right direction.

The College continues to do well in its traditional, private fundraising efforts as well. Last year was a record-breaking year for us in total contributions (that is, actual cash in), as we topped $16M for the first time ever. In addition, we continue to have success in securing longer-term commitments, with $118.5M in combined gifts and pledges, including 23 commitments of $1M or more. Last year at this time, that total was $90M. In other good news, at our June meeting, the chair of our Board Finance and Investment Committee was able to report that the College's endowment had topped $100M, which has been a goal for some time.

While there is a good deal of encouraging news to share on the financial front, however, I do want to take a bit of time to outline some real challenges that we are facing this year and to talk a bit about efforts to address those challenges.

As you are aware, the budget provisionally approved for this year is tighter than it has needed to be in many years, resulting in our having to reduce spending in a number of areas in order to offset a decline in revenue.

The budget is balanced, as our board and our financial covenants require it to be, thanks to the good work of our finance division—and everyone who has been working with them through the summer—in identifying areas where we can generate additional revenue or realize savings.

The major areas that have come into play on the savings side are capital projects (slowing down or scaling back projects other than our most pressing priorities), salaries (while the budget includes an across the board increase, we did need to delay implementation of the next phase of our overall compensation plan); open positions (asking departments to assess whether or not an open position can be put on hold without undue hardship or significant diminution of services); and operating budgets (thanks to everyone who responded so well to the request to find opportunities for savings in this year's budgets).

The revenue shortfall results from a confluence of a number of events. First, after two years of larger-than-usual freshmen classes (900 in 2015 and 814 in 2016), the following two years' classes were approximately 765 and 790. In addition, the financial aid required to enroll these students in the increasingly competitive environment in 2017 and 2018 was higher per student, resulting in a decline in net tuition revenue of about $4.5M. While this is a substantial amount, in fiscal years 2018 and 2019 it was largely offset by increases in other sources of revenue, including some growth in graduate programs and SCPS, and significant gains in auxiliary areas—for example, summer conferences.

This year, two new challenges presented themselves, only one of which was anticipated: first (the anticipated but still challenging one), the graduation of the very large class that entered in 2015; and (second) an unanticipated and disappointing decline in the freshman-to-sophomore retention rate of the class that entered this past year.

(While the class entering in 2015, the class that started with 900 students, retained at 89%—our best rate ever—the rate for the most recent class is projected to be only 82%, a ten-year low.) All told, the combination of a large graduating class, two successive smaller classes entering, and a disappointing retention rate resulted in a decline in fulltime undergraduate enrollment of about 150 students since 2017, from 3459 to the 3309 currently projected for this year.

Again, thanks to the good work and understanding of the community, we are managing this year—in the ways I outlined earlier—to work through the new reality of our somewhat straightened circumstances.

And we remain hopeful that we will be in a position, post census, to put the budgeted salary increase into effect for this year. In the longer term, we are working on many fronts to regain the financial trajectory we were on before these current disruptions, and I'm confident that we will be able to turn things in the right direction, if not immediately, at least in the course of the next two to three years.

My hopefulness is fueled in part by good news on the enrollment front for this year. Thanks to the hard work of our enrollment management team, and with the help of a new financial aid model and a new consultant in that area, the incoming class is shaping up much more like the classes that entered in 2015 and 2016 than in the past two years.

As of yesterday's report, we had 863 deposits for first-time freshmen and 167 transfers, which is on track to meet the budget projection of 856 freshmen and 170 transfers.

(Hitting these targets would make the incoming class about 6% larger than last year's, and 11% larger than the class entering in 2017; and the second-largest class in 10 years.) All of the schools are on track to meet or exceed their goals. Resident students are up a bit as well (about 9%), after two years in which the trend had been downward. The class is also stronger academically, which is great in itself and (in addition) should be a factor in returning us to the kind of freshman-to-sophomore retention rates that we had been achieving before last year.

In addition to our efforts to return to the enrollment targets and retention rates we had been realizing before the past two years, we continue to work on many fronts to diversify revenue sources and to contain costs, all with the goal of reducing our dependency on undergraduate tuition. Those efforts, on the revenue side, include promising work in developing and marketing graduate programs and a wide range of options for non-traditional students, including some exciting new non-degree and non-credit programs.

They also include increased efforts to secure external grants and foundation support—public and private—in addition to continued growth in traditional fundraising from alumni and friends. And they include building upon our success thus far in hosting summer meetings, conferences, camps and other activities that capitalize on our location and facilities in non-peak academic times.

On the expense side, we are engaged in a comprehensive review of the structure, services, and expenses of all of our "non-core" enterprises (that is, everything outside of academics and student support services). This review seeks to identify possible opportunities to improve service, reduce cost, and potentially generate capital for continuing investment.

And so:

We begin AY2020 with some real challenges, but also from a position of strength and with a good plan to meet those challenges. I look forward with confidence to another exciting year ahead: to all the wonderful work you and your students will do; to the successful completion of the search for our new provost; the drafting of the next phase of our strategic plan; and continued good work in preparation for our Middle States Self-Study.

Thank you for your attention; and best wishes for a wonderful fall semester and academic year 2020.