



## Patrick F. Leahy

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The State Of The University Address • Fall Convocation | August 24, 2017

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Thank you, Jacki and Andy, for your thoughtful comments. More importantly, thank you both for your leadership here at Wilkes. Please join me in recognizing Jacki and Andy for their service to Wilkes.

You may remember this from the Spring Convocation: “Excellence is never an accident. It is always the result of high intentions, sincere effort, and intelligent execution. It represents the wisest choice of many alternatives. Choice – not chance – determines our destiny.” It is a quote attributed to Aristotle so many years ago, but it is relevant to us here at Wilkes today.

I’d like to use my formal remarks this morning to provide you with some thoughts on excellence at Wilkes: 1) in the past year, 2) in the coming year and 3) in the coming years. Then, we will, as usual, make time for questions and comments in our open session.

Let me begin by sharing some thoughts from the past year.

First, in the past year, Wilkes University continued its evolution as an educational institution. We conferred at our four commencement ceremonies 1,521 degrees — 583 bachelor’s degrees, 816 master’s degrees, and 122 doctoral degrees. This places us within the top nine percent of all private universities nationwide in total number of degrees conferred. In the Commonwealth of Pennsylvania, there are only five private institutions that conferred at least as many degrees across all three categories: Penn, Drexel, Carnegie Mellon, Villanova, and Duquesne. That is remarkable company. We have fully evolved from a junior college, conferring only associate degrees, to a full-scale university, conferring bachelor’s, master’s and doctoral degrees. Hopefully, when the Carnegie Classifications are updated, our classification will adequately reflect the development of Wilkes into a major doctoral university.

Second, in the past year, Wilkes strengthened its financial position. Over the course of the year, we refinanced our outstanding debt in order to be more responsible debt holders, rejecting the temptation to string out our debt. Through careful expense management, we were able to report our sixth straight surplus from operations. When donations and endowment appreciation are included, we will report in our audit a \$7 million positive change in net assets. The University’s balance sheet has perhaps never been stronger, and I want to publicly thank Chip Prescott, chief financial officer, and Janet Kobylski, treasurer, for their efforts around this.

Third, in the past year, Wilkes recruited perhaps its best first-year class ever. This fall, if registrations continue on track, we will enroll our second-largest first-year class. This class will be academically stronger than ever, thanks in part to the larger honors class and to an intentional effort to raise the minimum standards for acceptance. As a result, this year’s class will reflect significantly fewer conditional admits than in previous

years. And, 22 students will be enrolled in our innovative, new, pilot program — Wilkes Edge — designed to help underprepared high school students transition more successfully into college.

Fourth, in the past year, Wilkes expanded its efforts to build a first-class, residential campus, integrated into our urban environment of Wilkes-Barre. The Karambelas Media and Communication Center has been completed on time and on budget and will be dedicated at a ceremony on August 31. The new Sordoni Art Gallery is also complete, with a re-dedication planned for October 6 to coincide with Homecoming 2017. Incidentally, our inaugural exhibit will feature the work of Pennsylvania native Andy Warhol, curated by our very own gallery director, Heather Sincavage. Works of art have been borrowed from Haverford and Dickinson Colleges, the Universities of Maine and Northern Iowa, and the Andy Warhol Museum. This project at 141 South Main Street continues our long-term effort to redevelop that part of Wilkes-Barre and to integrate it into the southeast part of campus. As you can plainly see, the work at Stark Learning Center has begun in earnest and is also on schedule and on budget at this early time. In addition, Phase I of the campus signage project is complete, and work continues on the PennDOT project to rebuild all of the sidewalks around campus. If you follow me on Twitter, then you have seen daily reports of these projects. Our campus has truly never looked better, with numerous projects still in the pipeline. Let's pause and take a moment to thank our first-rate facilities team.

It is important to note that all of the investments made in the campus infrastructure since the Cohen Science Center — nursing office space and simulation lab; a new home for the Sidhu School; Fortinsky, Micheline and Pearsall residence halls; the Karambelas East Campus Gateway; major improvements to classrooms and the library; Starbucks and the POD; the Karambelas Media and Communication Center; the Sordoni Art Gallery and the Stark renovations — all of these have been made without any additional borrowing by the University. That is a remarkable — and I think under-appreciated — accomplishment.

How is that possible? Well, fifth, in the past year, Wilkes continued to improve its fundraising efforts. As the Gateway to the Future Campaign to support our strategic plan kicks in, we continue to see unprecedented support of Wilkes through gifts and grants. Highlights from the past year include: a \$1.9 million government grant to continue our leadership of the Upward Bound program, a \$1.7 million gift from alumnus George Bierly to fund student co-curricular experiences, a \$1.2 million gift to support scholarships and capital projects from alumnus John Guerra, a seven-figure gift from the Maslow Family to support the Graduate Program in Creative Writing, another \$1 million government grant to continue the neighborhood beautification (i.e. sidewalk) project, a \$500,000 gift to rename the Recreation and Athletic Center in UCOM the McHale Athletic Center, and another \$500,000 gift for capital projects, among many other smaller, but no less significant gifts.

Taken together, our Gateway to the Future Campaign is reporting gifts, grants and pledges in excess of \$30 million toward our \$50 million goal. I'd like to thank Tom MacKinnon, vice president for advancement, and Mike Wood, assistant to the president for external relations, for their efforts in securing these gifts and grants.

Thanks to all of you it is quite possible that Wilkes has never been stronger than it is right now.

But significant challenges remain ahead for Wilkes, as well as for almost every other college or university in America. This is the second part of my address — that is, what can we expect in the coming year.

First, in the coming year, Wilkes will continue to face extreme pressure on our operating budget. While we enrolled our best class ever, it cost us more aid to do so, eclipsing our budgeted discount rate. Transfer

and graduate numbers, while strong, fell short of budgeted numbers. Even modest variances to budget across multiple categories create revenue shortfalls. At this early point, we are a million dollars or so below projections. A similar phenomenon is happening on the expense side. As we continue to invest in quality, we've added staff and faculty outside of our budget parameters. Our across-the-board salary increase for all employees is \$300,000 over the budgeted number. Together, this is another million dollars of expenses over budget. So, at this point in the year, we are digging a hole for ourselves, which we will have to manage closely throughout the coming year. Let me assure you that we have been in this position before, so we will find ways to improve this situation throughout the year. I just want to enlist the support of all of you in this budget management effort. Details will be forthcoming throughout the semester.

Second, in the coming year, Wilkes will need to ramp up fundraising even more. We envision a public launch of the Gateway to the Future Campaign in the spring of 2018, which will give us two years of a public effort to coincide with the completion of the Gateway Strategic Plan in 2020. The final year of the quiet phase is crucial to the success of any campaign. I will have to reorganize my work plan for the year to allocate significantly more time to campaign efforts. In fact, we are conducting a very efficient campaign — the most efficient campaign I've ever seen. I envision dedicating fully two-thirds of my time on fundraising activities in the coming year, so I will be away from campus significantly more often. If you walk by my office and find it dark inside, I want you to say, "Good, he's out somewhere raising money." I look forward to the challenge of raising more money for all of you to spend on our students in a hyper-competitive environment for philanthropic dollars.

Third, in the coming year, enrolling students at Wilkes, especially increasingly talented ones, will get even tougher. The competition for students in the Northeast is severe. The top colleges and universities, with the best brands, with the most money, are all located in the Northeast part of the U.S. We are all fighting with one another for a shrinking share of traditional high school graduates. The most and best schools competing for fewer and fewer students is a scary combination. However, I am thrilled with the team that we have assembled to lead these efforts. As you learned earlier this summer, we have altered the model for enrollment here at Wilkes. We have created the position of associate provost for enrollment and have filled it with our all-star utility player, Terri Wignot. We have created an executive director for undergraduate enrollment and have filled it with John Baum, formerly our superstar Air Force detachment commander. And we have elevated Stephanie Wasmanski into the position of director of graduate enrollment. They will be supported by a revamped marketing and communications effort. We promoted Kim Bower-Spence into the position of executive director of marketing and hired Gabrielle D'Amico into the job of director of communications. I'd like to ask all of these individuals — Terri, John, Stephanie, Kim, and Gabby — to please stand so that we might wish you well in your new roles here at Wilkes.

All of us will need to support these individuals by becoming admissions ambassadors in the year ahead. In fact, Terri, John, and the entire admissions team want me to be sure to thank each of you for your support of events, campus visitors and the like. Thank you.

And, fourth, in the coming year, Wilkes will need to improve its service culture to all constituencies. Research suggests that student and family interaction is becoming an increasingly important driver in admission and retention decisions. As such, we need to ensure that all of us have the tools and training necessary to deliver first-class service to our constituents — both internal and external constituents. Throughout the coming year we will be offering service training opportunities for all Wilkes employees. The members of the Cabinet and I will be going through our own training to ensure that we are setting the best possible example when it comes to constituent interaction. Mentoring and community are two of our core values, and this upcoming training will give us tools to help us deliver on those value promises.

And, finally, among many other activities, in the coming year, we will begin the process of preparing our next decennial Middle States Self-Study, which will be due in full during the spring semester of 2020. As our colleague, Paul Adams, who will once again lead this effort, says, “Oh, joy.” I see this next accreditation process as an opportunity, an opportunity to prove that Wilkes is better than some of our rankings indicate. These are challenging times for sure. As far out as we can project, there will be downward pressure on revenue and upward pressure on expenses. You don’t need an MBA to realize that this is an untenable situation. It really is the new normal in higher education. In fact, one analyst recently said, “There has never been a more challenging time in higher education.” I agree that it is a challenging time, but there’s never been a more challenging time? Really? Recall that this institution was founded in 1933 in the throes of the Great Depression. I attended a university that was founded in 1865, just days after the Civil War ended. I attended another university that was founded in 1789, not long after our country’s Revolutionary War. And I studied abroad at a university that was founded in 1413, years before Gutenberg invented the printing press. My point is, higher education has always faced outside challenges. The excellent universities — those which have survived and thrived across the centuries — faced their challenges head on. And Wilkes will, too.

This leads to the final part of my address. In the coming years what will it mean to be an excellent university? In the past century, being an excellent university was mostly correlated to: attracting the highest quality students, retaining and graduating them at high rates, building the largest endowments, producing the most scholarship and research, and thus obtaining the highest rankings.

That was then. And this is now.

In this century, being an excellent university will change. First, in the coming years, universities will be celebrated for their access. In a country that needs to produce, by some estimates, over two million incremental bachelor’s and master’s students in the coming years — most of whom will be high-financial need, first-generation students — access will be critically important. At Wilkes, we out-access almost all other private — and even many public — institutions in providing academic opportunity. In fact, if an access ranking existed that measured private institutions with at least 35 percent first-generation, 35 percent Pell eligible, 25 percent diversity and 50 percent male students, there would only be six master’s institutions on that list. And Wilkes would be easily the top-ranked school among them.

Second, in the coming years, universities, even predominantly teaching ones, will need to make more original discoveries. Scholarship and research is distributed now throughout higher education like it hasn’t been in the past. At Wilkes, we are conducting more discovery than ever before. Our expert faculty members are tackling the biggest issues of our day: global climate change, cancer detection and treatment, Alzheimer’s, the opioid crisis, minority voting and much more. I just learned last week that we have faculty members collaborating across disciplines to figure out how to extract resveratrol from abundant ragweed. Resveratrol is a natural ingredient that evidently extends human life and is now most commonly ingested through the drinking of red wine. I, for one, rather prefer that method. You wouldn’t be surprised if you heard of this research happening at Penn or at Penn State, and it’s happening here at Wilkes. And, these major contributions to knowledge and innovation will increasingly emerge from all types of colleges and universities, not just R1 research universities.

And, third, in the coming years, universities will need to become even greater saviors of their cities, becoming anchors of economic development and community enrichment. At Wilkes, we accept that responsibility and are leading efforts at redeveloping our city and our region. Just by virtue of being located in downtown Wilkes-Barre, we generate over \$200 million economic impact and contribute over 75,000 hours of community service each year. But, even more important than that, we are intentional about

providing services to our community to continue its development: the Kirby Center for Free Enterprise and Entrepreneurship, the Family Business Alliance, the Small Business Development Center, the Institute for Economic Development and Public Policy, Upward Bound, the SHINE program and others. These are all activities that I was proud to tout on the floor of the United Nations in May when Wilkes University joined five other American universities as founding sponsors of the U.N. Day dedicated to the celebration of entrepreneurship throughout the world.

You see, in the coming years, universities that meet these imperatives — access, discovery, and community impact — will be increasingly celebrated. But this is hard work. This type of excellence takes effort. And universities are not born excellent; they become excellent — through careful, meticulous, sustained actions over time. As Aristotle said, they become excellent as a result of “high intentions, sincere effort and intelligent execution.” And that’s what’s happening at Wilkes University today. We are taking a good institution and putting it on a path to greatness. We are choosing — day in and day out — to be excellent. And I, on behalf of our Board of Trustees, want to thank each and every one of you for making it so. Thank you!