This afternoon’s talk was billed as a report to you on the state of the university. That is what I will do. However, I think it is important to always locate such a discussion in the context of the university’s mission and purpose.

Last Friday evening, the university and the parish jointly hosted a panel presentation by the lawyers and two Salvadoran torture victims who recently and successfully secured a civil judgment against two former generals of the Salvadoran army currently living in Miami. As I listened to a Stanford professor relate how her research contributed to this landmark legal victory, and to the lawyers’ explanation of how a 1789 law was resurrected and utilized to see justice done 20 years after the fact, I was struck yet again by how important it is that knowledge and skills are placed in the hands of persons with character, conviction, and compassion.

I don’t imagine that I will ever fully understand, though they tried to explain, what it cost these Salvadoran torture victims to face the individuals directly responsible for the scars their bodies still bore from beatings, cigarette burns, rape, razor cuts, and acts of torture too gruesome to describe. These are simply persons of fortitude and faith beyond my grasp. One could not be in the room with these individuals and not be moved by their courageous determination to end such brutality and inhumanity. They spoke eloquently and from the heart for thousands who did not survive to tell their own grim stories.

Perhaps the Jesuit poet, Gerard Manly Hopkins, has such individuals in mind when he wrote:

Each mortal thing does one thing and the same:
Deals out that being indoors each one dwells;

Selves – goes itself; myself it speaks and spells,
Crying, What I do is me: for that I came.

I say more: the just man justices;
Keeps graces; that keeps all his goings graces;

Hopkins beautifully underscores a simple truth and the underlying conviction of Jesuit education: good people do good; just people “justice.” We do who we are. Corporate fraud on the scale of Enron and WorldCom will not be eliminated by simply adding ethics courses to the curriculum. Ethics is only valuable for those who are concerned with doing what is good and just in the first place. In the absence of a sincere concern for truth and justice, ethics easily degenerates into a superficial exercise in logical thinking. Technical solutions do not address fundamental character flaws in human nature.
I think the core challenge for USF as a Jesuit Catholic university is to offer an education that develops both intellectual rigor and personal character, without collapsing the tension between the two by emphasizing one at the expense of the other. I continue to believe in the oft-quoted maxim, “Jesuit education is about developing persons with the brains to make a difference and the hearts to want to do so.” Good thinking and good character are both equally important in a USF education – and they are dynamite when found in the same person. The education we offer must aim to supplement and complement knowledge of the good, the true, and the beautiful with the desire to do what is good and true and beautiful.

As evidence of past success at educating minds and hearts, let me cite a recent letter from an alumnus, which, if anecdotal, is also illustrative of what I have heard many times over:

“USF instilled in me a feeling of responsibility to deal with the world, and in particular the individuals in it, in an ethical manner. I have been struck many times by how easily so many people in the workplace act in an unethical manner and how blasé most people feel about it….I believe that my management style grew out of my time at USF where I was always treated with respect, even when as a Freshman I didn’t know what I was doing….I was once given a negative performance review when I refused to lay off a single mother and instead cut back on travel for my department to save money….I hope that USF can help educate a new generation, prepared to deal with tougher times by relying on a solid foundation of values.”

Who and how we choose to be in the world is, in some sense, conditioned by what we know. It is a truism that where we stand determines what we see, and whom we talk to determines what we hear. The squalid favelas on the hillsides of Rio de Janeiro look very different to the sun worshippers on the beach at Ipanema than they do to the desperately poor slum dwellers who populate them. A USF student who took a course on the border in Tijuana wrote, “it is not until we spend part of the day talking with the managers of a factory and the rest of the day talking with the women who work there that we truly get a taste for the contradictions. This class has truly changed my perspective.” Another student referred to her experience at the Casa de la Solidaridad in El Salvador as pushing her away from her comfort zone and daring to understand the world from the perspective of a poor peasant. Her world view has changed so dramatically that she labeled her experience, “mind blowing.”

Over and over again, I have heard USF students – the cast from last year’s production of The Fever, nurses reflecting on their clinical experiences, accounting majors fresh from working with single parents in the Tenderloin, students in a literature course – all talk about how their lives have been changed. It happens on and off campus, in and out of the classroom or laboratory as students are pushed to engage new and challenging ideas, experiences and perspectives.

Perspectives may change when we stand where we never stood before in order to listen to those whose experiences we have never shared before. When you stop and think about it,
the basic rationale for an undergraduate core curriculum is to ensure exposure to a variety of disciplinary perspectives, as well as to the finest expressions of the human spirit. In the last Foghorn, Philosophy professor David Kim said, “imagine a class of mostly straight students being taught by a gay man or a lesbian. This can be a profound educational opportunity…. Students want more than a brain behind the podium, they want someone they can relate to and share stories and hope with.” If students are entitled to more than a brain behind the podium, so, too, are we committed to educating full human beings, to educating minds and hearts to change the world.

This summer, while in South Africa with USF faculty and students, Dean of Arts and Sciences Stanley Nel and I visited a Black African shanty town that sprang up on the side of a hill that sloped down into the refuse dump for East London. These desperately poor people – mostly women and children – literally lived in and on garbage. One resident led me by the hand to her mother’s shack – eight by 10 feet, card board sides, roof of plastic sheets, dirt floor, no electricity or water, a single wooden shelf that served as table, bed and work bench. Inside sat a 90-something-year-old woman with dark leathery skin staring vacantly into space – cataracts, her daughter told me. As I squinted in the burning sunlight, the woman angrily asked me how I could smile knowing that people were living in such misery. I was not smiling, but that question still haunts me, as well as it should. If USF students leave here with some variation of that question planted in their minds and hearts, we will have fulfilled our responsibility to educate leaders for a more humane and just world.

With these reflections as prologue, I move now to my report to you on the state of the university:

**WASC findings:**

- Four areas for review: CPS, Budget & Planning, Assessment, Learning Communities: USF directly and effectively addressed all those areas.
- Final conclusions: “a new beginning”
  - “envy” the passion and energy that pervade the University community;
  - basic message: stay the course, pursue your priorities, set and reach goals.

**New Programs:**

- Our art program needed 30 to 40 majors to be financially viable. Currently we have 103 declared majors and the total is climbing. Currently we have 225 non-majors taking art courses for the first time on campus; 340 students in music courses; we now have a university choir and plans for an orchestra are taking shape. Our Visual and Performing Arts Dept. has internal approval and we are asking the Board of Trustees to endorse two new majors:
Arts Management & Architecture and Community Design. USF will soon offer a Master’s program in finance, both here and abroad.

- Over the past two years the College of Arts and Sciences has added 18 new full-time faculty positions, mostly in the Arts and the Rhetoric and Composition programs. With these new positions and retirements, 25 new faculty have been appointed; just under 40 percent of which are women/persons of color.
- The Leo T. McCarthy Center for Public Service and the Common Good sponsored its first program several weeks ago, a very successful panel discussion of San Francisco’s Proposition N.

Financial Status:

- We have stemmed hemorrhaging on our operational side. We continue to search for efficiencies and new revenue sources;
- We have corrected the enrollment/revenue formula that was responsible for projected deficit 2000-2001. CPS enrollment is down, but enrollment is up in undergraduate programs. Our overall enrollment is just about on target;
- We are moving to a relatively transparent budget/planning process with information widely disseminated via email communication and training programs for key personnel;
- We are in a 5-year cycle of program review that will systematically and seriously consider the cost/benefit of every program and unit in the university.
- 82 percent of our operating budget is from tuition/fees; 67 percent for compensation [benefits/salary]; 25-30 percent fixed [utilities, insurance, supplies, debt service]. Somewhere 95 – 97 percent of budget expenses are fixed; less than 5 percent is available for future investment in USF’s strategic priorities:
  - Diverse, high quality faculty
  - Diverse student population – currently, our financial aid resources are not competitive
  - Facilities: buildings/technology

Physical Plant Improvements

- Kendrick finished phase 1; phase 2 will be completed before Christmas; final phase completed this spring. The Kudlick classroom was completed on time thanks to Tristan Needham and is already changing the way computer science is taught; Admissions/reception renovation is complete; the Distance Broadcast facility, and extensive and expensive renovation of Gillson Hall is done; Loyola Village is fully occupied; the dining and student social/club space in University Center looks great; XArts studios and offices were finished on time and budget
thanks to Charlie Cross and Tom Lucas; Waterproofing and roofing projects are ongoing.

Campus Master Plan/Space needs over 10 years

- We’ve hired consultants in both areas to consult broadly with Arts and Sciences faculty and deans, leadership team, and trustees. A small task force will work “puts and takes”;
- Findings: we need 24,000 square feet in additional space, mostly for offices – CPS Building. Standards for offices/work space will be set and adhered to;
- All improvements will occur within the existing university footprint;
- Extensive remodeling to take place in Lone Mountain, Campion Hall;
- Current classrooms lack variety: seminar, lecture hall, studio classroom, flexible classrooms are needed;
- Designated child care area in plan;
- University Center vacated of faculty but UC use not otherwise defined;
- Challenges: doing differently in different location and even workspace style; commitment to common good will be tested.

Committee on domestic partner benefits/equitable benefits

- University-wide committee that includes representation from the Faculty Association, Law, CPS, and staff; recommendation to me in February. They are considering the fiscal, human, religious/philosophical ramifications of their recommendations. Cabinet, Leadership Team review and recommendation from me to Board of Trustees, who make the final policy determination.

CHALLENGES:

Financial

- Heavily tuition dependent; most costs fixed in budget less than 5 percent discretionary; capital improvements: facility remodeling (including Campion), technology infrastructure, competitive salaries in highest cost of living area, housing assistance plan for faculty, financial aid resources to continue to recruit diverse/qualified students.

Mission

- Jesuit Catholic: much of our distinctiveness and core of our institutional integrity; much dialogue and thought devoted to how we can appropriately incorporate the
richness of the Catholic intellectual tradition across the curriculum. No surprise to anyone. As an historically black college would emphasize the contributions of the African American community to the larger story or a woman’s college would have a clear focus on women’s issues and roles through history, so this university must come to a clearer understanding of how the Catholic tradition plays out within the curriculum and general campus life.

- Continue to work to recruit diverse faculty and administrators; we have added three women to the cabinet and the leadership team this year, but we have a long way to go in this area before we have the variety of voices that we need to have around the table. We need to develop a more robust faculty housing assistance program to enhance recruitment efforts. We know that and we want to do that, but we also know that the economy is limping badly at the local and global level. The economic situation is at the very best, “challenging.”

If, in the course of my report, I have not addressed an issue of general interest to the university community, I and the vice presidents or deans will be happy to entertain some questions after this talk.

Let me briefly retrace my steps by way of a conclusion. I noted earlier that many of our students talk about how their USF education has touched their lives – challenged them to rethink their values, reorder their priorities, recognize and reshuffle the cards they were dealt, or re-imagine how and who they choose to be in the world.

In the past year, I have attended memorial services for deceased students, staff, and three much beloved faculty members, two of whom were taken from us much too soon. The vacuum left by the deaths of Bob Makus and Esther Madriz has yet to be filled. As I sat through the services for our three colleagues – Fr. Dick Mulcahy, Bob Makus, and Esther Madriz – I was struck by the tributes paid to these accomplished scholars, effective teachers, and warm human beings by their former students. Although there were generational differences among the former students, the recurring theme in their tearful tributes was “changed my life.”

“Changed my life” is the challenge of a USF education, and one to which you faculty are uniquely positioned to respond. I was touched by the sincerity of those students’ tributes to our colleagues and the profound impact these faculty members had on their lives. For some weird reason, I flashed to the times I have been asked to show an ID card at Koret or Memorial Gym or Presentation Theater. Ten years from now, I will bet you a million dollars that the USF students taught by Bob Makus, Esther Madriz, Dick Mulcahy, and some of you will remember fondly and gratefully their great teachers, and they will not have a clue who the president was!

All of us – trustees, administrators, faculty, staff, and students – have a distinct role in offering a truly humanizing education, but you faculty bear a particular responsibility and have the lion’s share of the opportunities for doing so. Please don’t shirk that responsibility or squander those opportunities. My hope and the challenge for all of us at USF is that we successfully and effectively translate the rhetoric of our vision, mission,
and values into the humanizing education that we offer our students. We owe it to our students, to ourselves, to our world and to God, whose will is best done by men and women fully and completely alive now and forever.