What do a tarantula, a lemon pansy butterfly, and an alligator have in common?

If you want a detailed answer to that question, just ask senior Tierra Range, who is exploring how nature’s solar cells that energize these living, breathing organisms might lead her to design solar cells that help us power our lives and decrease our dependency on fossil fuels.

“Far-fetched?” she asks, in her video submission for the American Chemical Society’s ChemChamps prize. Not at all, judging by her success in the competition, as Tierra was the youngest of 10 semi-finalists.

What was her springboard for success in ChemChamps?

Maybe it was her summer in Singapore as one of only 17 students chosen to participate in the American Chemical Society’s International Research Experience for Undergraduates.

But I think if you were to ask Tierra, she would say that her springboard to success had more to do with the long days and late nights spent in Mickle Hall, learning from professors and fellow students who wanted nothing more for Tierra than for her to have every opportunity to reach her full potential. This is what Centenary is all about. This is why we exist: to help Tierra transform her life, and through her, have a transformational positive effect on the world.

Because of the hours she spent in Mickle. Because of the time she spent with Ernie Blakeney and colleagues as well as in courses in the social sciences and the humanities, one day the world may run on solar cells inspired by tarantulas, butterflies, and alligators.

But it is not just the classes she took and the lab exercises she performed that got her to where she is today. It is Chris Sampite’s team and Eddie Walker’s officers who keep Mickle - and the rest of campus - clean, safe, and well-maintained for her. It is Scott Merritt and his team of IT gurus, who make sure she has Wi-Fi at three in the morning. It is the admission counselor who recruited her. It is LaToya Hemphill, who supports her efforts as a Maroon Jacket. It is Rob Rubel, who energizes alumni to support Centenary generally and our students specifically, welcoming them into the Centenary family beyond campus. It is Kate Pedrotty, who tells Tierra’s story to the world. It is John George, who, as a trustee, keeps relationships between Centenary and
the biomedical research community vibrant. It is Don Webb, who preached in a different Methodist church every week to raise the money to ensure that Centenary survived and could afford the facilities and faculty to teach students like Tierra. It is Charles Ellis Brown, who has not only donated money to the College but also generations of kids and grandkids. It is George Nelson, who stands tall in his father’s footsteps as chairman of the Board of Trustees. It is Michelle Glaros and David Hoaas, who tend to the good order of the faculty on a daily basis. It is Monica Powell, who cheerfully advises students formally and informally on more than just financial matters. It is the Muses and the Women’s Endowment Quorum members who dedicate themselves to the success of our students. It is Ed Crawford and John Atkins, whose family gave the land on which we sit and who, generations later, generously support the successes of our students.

When Tierra and her classmates walk across that stage in the Gold Dome, the entire Centenary community will be walking with each and every graduate.

Today I purport to give you an address on the state of the College. I will talk about a number of things that we often confuse for the state of the College. And when I do, don’t be fooled. Don’t be distracted, because the true state of the College is measured in the success of our graduates and is enlivened by the world of caring educators who nurture each student to, across, and beyond the threshold of commencement.

So no matter what else I share with you today, evaluate the state of the College on this and only this. Our graduates will change the world for the better because Centenary has encircled them with care and support, and they will, in turn, encircle the world as wise, caring, moral leaders developed to engage the global challenges of the 21st century. When you look into the eyes, souls, and hearts of our graduates, there is only one word to describe the state of the College.

It is, in every sense of the word: Transforming.

For 190 years, Centenary’s enduring purpose has been to transform lives for the transformation of the world. At the same time Centenary is, has been, and always should be about transforming itself as an institution. At different times in our story this transformation is more perceptible than others. To say it is palpable now would be an understatement. Allow me to name and explore with you just three areas of transformation that I know are of common concern and interest: Finances, Enrollment, and Collaborative Leadership.
Finances

There are two important dimensions of a college’s financial stability: long-term and short-term. It is extremely difficult for a college without long-term financial stability to sustain short-term financial stability. In the last 10 years it would have been nearly impossible for any college to do so.

Conversely, a college without short-term financial stability will, over time, erode its long-term financial stability.

Two indicators of long-term financial stability are net assets and endowment value.

Centenary is strong in both of these areas. Centenary’s net assets have increased $13 million since 2008 and now stand at $155 million. Centenary’s endowment currently stands at $123 million. It is the third largest endowment in the Southern Collegiate Athletic Conference, and among the top endowments nationally per full-time equivalent student under management by Cambridge and Associates, our investment consultants. So - even though we have been in crisis mode - we have not been, and are not in, an existential crisis.

It is Centenary’s short-term financial stability that has been and remains a concern. Left unaddressed, this would have and could still create an existential crisis for the institution. The three areas I look at to evaluate short-term financial stability are healthy reserves, living within our means, and cash flow.

Neither cash flow nor healthy reserves are possible without a strict discipline of living within our means - that is, income has to equal or exceed expenses. It is as simple as that. Every year and every day, many of our administrative decisions are rooted in that simple formula.

We have the most frugal budget managers in higher education. Only Ashlie Daigle can make throngs of students covet a trophy which is nothing more than a ladle covered with glittery gold spray paint. Because of that frugality and the generosity of donors, we have balanced our budget – that is, our revenues have exceeded our expenses, for five years in a row (without depreciation).
We have done so under two extraordinary conditions. The first is using no more than 5% of our endowment to subsidize a portion of our budget. This is down from over 10% as recently as 2006. That alone can cause transformation pains and strains. The second is phasing in the cost of depreciation of our physical plant, which equates to roughly 10% of our annual operating budget. Prior to fiscal year 2012, depreciation was not part of the budget at all. In other words, we had no financial plan for repairing and replacing our aging physical plant. By next year, depreciation will have displaced about $2.3 million in other operating expenses relative to five years ago. This has put formidable pressure on the operational budget. But we are now better positioned to address deferred maintenance needs totaling over $10 million.

Despite these extraordinary conditions, this financial discipline has contributed to the fundamental stability of the College by creating healthy reserves. In 2009, and dating back as far as at least 2005, the College’s unrestricted net assets (or reserves) totaled a negative $5 million, which means that the day to day operation of the College was eroding the College’s net assets by at least $5 million per year. In 2009, the chief financial officer and Board of Trustees projected that the College would be out of legally expendable resources by 2012.

Thanks entirely to the generosity of one donor in particular and a few donors collectively, the College reversed that pattern in 2010 and the College’s unrestricted net assets shot up to well over a POSITIVE $10 million. Today, thanks to very tough fiscal discipline and prudence from everyone in the Centenary community, our unrestricted net assets total approximately $15 million - a $20 million positive reversal in 5 years.

However, under these extraordinary conditions, we have been living off of revenues of not only the current year, but also revenue gained in past years or promised in future years to fund operational AND capital expenditures. This has created negative cash flow which we must reverse by bringing in sufficient cash each year to fund the operations and capital budget needs of the College.

Avoiding another major cost restructuring requires continued positive endowment performance and sustained generosity from our donors. But it also requires aggressive entrepreneurial leveraging of our facilities and educational resources, especially our graduate programs, to generate enterprise revenue beyond traditional undergraduate tuition. Enterprise revenues are NOT icing. They are an integral part of the cake.

And at the end of the day, living within our means consistently also requires enrolling more students willing and able to pay a price necessary to secure and advance the high quality education that each student receives at Centenary.
Generating enterprise revenue and increasing net tuition dollars through effective recruitment and retention is not something that any of us should think of as work above and beyond our jobs, but part of our jobs. When Wayne Hogue, Montgomery Mewers, Jennifer Hill, and Tommy Newton ask for your help, pitch in. Many of you have. Many of you have not waited to be asked. Thank you.

Enrollment

The transformations we have effected on the cost structure of the College have put downward pressure on enrollment. Reclassification from Division I to Division III was a long, arduous process.

And here is a piece of good news worth celebrating. We made it! Join me in congratulating Director of Athletics and Wellness Ronda Seagraves, the coaching staff, the financial aid staff, the intercollegiate athletics committee, and especially our student-athletes in successfully completing this process last summer.

Even though this transition was controversial in the beginning and required Olympic endurance to complete, the rewards are starting to emerge. Our student-athletes are posting accomplishments on and off the fields and courts, individually and as teams. In short, we’re playing equally matched competition from schools who share our mission and values, and we’re winning!

Let’s take a moment now to celebrate all of the achievements of our student-athletes as we celebrate that, as of Sunday night, the Gents basketball team clinched a share of first place in the Southern Collegiate Athletics Conference.

This is the first season conference championship for the Gents in 25 years!

And James Sapp has been named SCAC player of the week an almost unheard of five times!

These kinds of successes will draw and keep more student-athletes who aspire to be doctors, lawyers, teachers, preachers, moms and dads - and who also want to play the sport they love for four more years.

The academic restructuring has begun to give birth to educational innovations like Centenary in Paris, which by all measures - qualitative and quantitative - is a success. The first-of-its-kind program in the nation is already being imitated. Agnes Scott College announced that they will send all of their freshmen overseas on faculty-led study tours at no additional cost to the students. Their president kindly shared these words with me: “We’re following Centenary’s lead.”
They won’t be the last to do so. But imitation, while flattering, is also a reminder of competition nipping at our heels and must motivate us beyond self-satisfaction into a process of perpetual unease with the status quo, a state of continuous transformation, allowing for experimentation, risking failure, celebrating successes, and learning from ourselves and others for the sake of continuous improvement.

On the co-curricular side, student development is phasing in Centenary Leadership, and it too is gaining national recognition. Roy Craft, the executive director of the Martin Luther King Jr. International Chapel at Morehouse College, had this to say:

“Dr. King famously said, ‘This hour in history needs a dedicated circle of transformed nonconformists.’ Centenary Leadership provides students with a ‘World House’ approach to living and learning, integrated with a comprehensive yet practical model of human growth and development for transformational leaders—the first I’ve seen. Centenary graduates will be equipped to join and create the kind of ‘circles’ that Dr. King envisioned and help build Dr. King’s Beloved Community in the 21st century.”

As part of the implementation of Centenary Leadership, we have reclaimed our character as a residential liberal arts college. Three years ago nearly half of our students lived off campus. Next year nearly all of our students will live on campus, creating a vibrant 24/7 campus culture.

Each of these transformations has had and will continue to have positive effects on graduation rates, retention, and recruitment. I put those in that order, intentionally, because I want our campus community to focus more on the number of students we should be graduating and putting into the world to lead each year than on the number of freshmen we recruit. Commencement is our mission. Matriculation is only the first step in achieving that mission.

86% of our currently enrolled students are on track to graduate in four years. This is up 13 percentage points from February of 2012 and nine percentage points from this time last year.

One factor propelling this increase this year is the introduction of hybrid semesters, a More in Four innovation focused on student success.

We are also making gains on the retention front. When we admit students, we want them to stay here and graduate from here. Our greatest need for improvement has been in the freshman to sophomore retention rate. 80% of the freshmen who enrolled in fall 2013 returned in fall 2014. This is the third highest rate in ten years.
94% of the freshmen who entered last fall returned this spring, continuing an upward trend for fall to spring retention over the last five years.

Recruitment is improving as well. You will do us all a favor if you take time to personally thank and encourage Tommy Newton and his team for the creativity and tireless energy they put into telling the Centenary story to prospective students and their families. Last year our freshman class increased by about 10% over the prior year.

I believe we are on track to increase the freshman class again by about 10%.

That being said, total enrollment will be lower next year, a result of our successes in graduating students on time and smaller entering classes in the last few years. But the underlying trends are all positive. We will have to work hard to sustain them, but they indicate fundamental enrollment health.

In order to keep up this momentum, we must cultivate a culture of continuous innovation, defining church-related liberal arts education for the 21st century.

This call to action leads me to...

**Collaborative Leadership**

Sustaining a culture of innovation requires that we all work together with common aims in mind. We must take care of one another in order to take care of the institution.

Over the course of the last year:

- We have increased the minimum wage any regular Centenary employee receives to $10.10 per hour.

- We have standardized pay for student workers across campus.

- We have extended healthcare benefits to the loved ones of all of our employees.

- And, thanks to Edie Cummings, we are nearly complete with benchmarking all of our salaries with a national index.
Faculty, staff, students, administrators, and trustees must now work together to continue to distinguish Centenary among our peers and demonstrate to prospective students and their families that a Centenary education is worth what we must charge to sustain it.

I recognize that in many instances my management style has been part of the problem. I have not always successfully found my footing or my voice in an institution in need of a financial turnaround and cultural adaptations so rapid that they outpace the normal deliberative and participatory processes to which colleges and universities are accustomed. I will not apologize for the changes we have made, or for the pace of change. I have always done what I believed to be in the long-term best interest of Centenary at the time I believe it needed to be done. But I will apologize for the way I have sometimes effected that change.

I can do better. We can do better.

But doing better cannot mean protecting the status quo for its own sake or slowing down so as to be overtaken by financial and market realities.

In the fall, a group of faculty, trustees, and administrators gathered to discuss constructive steps we can take in this regard. One of the take-aways from that meeting was the need for more discussion and deliberation on campus before matters were taken to the Board for final decisions.

As an administration, we heard that. As your president, I hear that.

In response to that concern, the Provost, who had already begun convening the Provost’s Council, consisting of administrators, deans, program directors, and division chairs, and I will announce in the coming weeks faculty appointments to administrative committees and relationship teams to join staff and students who are already working collaboratively and creatively on cross-campus programming, planning, and budgeting. Initially, I will be appointing the chairs of the remaining two Academic Councils - Faculty Personnel and Academic Policy - to the Planning and Policy Advisory Council to make that body a hub of campus-wide deliberations.

To complement these changes, I call upon my colleagues in the faculty to continue your work to reinvent and rewrite the faculty handbook under the Provost’s leadership. I will do my part and begin to review the changes you have already proposed.
It is time to have clear, non-competitive, and mutually reinforcing administrative and academic decision-making processes.

We cannot wait for the stage to be set before we begin living into our new practices of collaborative leadership, however. We must learn to walk together at the same time we are charting a course.

It is time to start work on a strategic plan. This plan will be developed by neither cabinet nor committee. It will be developed by our community. Using the Program and Policy Advisory Council as a hub, we will frame up questions and delegate pieces of the processes to committees, teams, and divisions, and pull the feedback together into a coherent, comprehensive plan that articulates the intersection of the 21st Century Global Challenges - Expanding Circles of Relationships, Living a Sustainable Life, and Living a Meaningful Life - with the Commitments we have made to students to demonstrably increase their capacities for Creativity and Curiosity, integrating Learning, Living and Leading, and delivering More in Four years of college.

In this, the 190th year since our founding, the 75th anniversary of the geology department, and the 25th anniversary of the Corrington Award, the State of the College is Transforming...and that must continue to be our state.

What you have done and what you continue to do would make our founders #CentenaryProud. But whether we draw our inspiration from a tarantula, butterfly, and an alligator, or from Tierra and her classmates when they walk across the stage, you are transforming lives for the transformation of the world.

So today we look back not to dwell on the past, but to propel us forward as we heed the call of alma mater:

Forward, forward Centenary!