State of the University Address  
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By Wanda M. Austin  
President

I’m delighted to welcome all of you, and I want to thank you for your many contributions to our university community.

Just over six months ago, I was asked to accept a new role at USC. My title, “interim president,” can be translated to mean “president during the interim.”

My experiences since accepting this role have informed and changed my perspectives about our university community. I’ve gained a greater appreciation for the transformative work all of you are doing.

In addition, I have a clearer picture of the opportunities we have before us as we prepare to welcome the next president of the University of Southern California.

Over the past few months, one of my most important roles has been to listen. It’s been enlightening to hear your ideas, and instructive to learn more about your points of view. I’ve been delighted by your engagement, and encouraged by the important conversations we’ve been having across our two campuses.

I’ve met with deans, and faculty, and members of the Academic Senate. I’ve heard from members of our Boards of Councilors, students, staff, and alumni, representing the diversity and breadth of the university. I’ve cheered on our teams alongside the enthusiastic and vocal fans of our outstanding student-athletes.

I was pleased that more than 2,000 people participated in our presidential search listening sessions, and I’ve been favorably impressed by the dedication of our 23-member presidential search committee and our 13-member Presidential Culture Commission.
All of these discussions have helped more people across our academic and medical community know that their voices are being heard and that their ideas for solutions are welcomed.

With all of these crucial conversations, it’s clear that this is not an ordinary moment for USC. I really believe this is a defining moment for our university.

This is the time for us to reflect on the values we want to uphold, and redefine what we want this university to become.

In preparing this address, I thought about the topics I’d want to hear if I were sitting in the audience.

So, today I’d like to cover four areas before looking forward to the future.

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1. The “USC Experience of Excellence”

The first topic I’d like to discuss is “excellence.”

At USC, we often talk about academic excellence, or research excellence, or medical excellence.

All of these areas have elevated our university relative to our peer institutions.

Today I want to expand the discussion by talking about the “USC experience of excellence” across the university, and what we’re doing to raise the bar.

First, I’ll talk about academic excellence. Then I’ll turn my attention to medical enterprise excellence. I’ll finish the section by focusing on staff excellence.

*Academic Excellence*

As a university, an important part of our overall excellence is our academic excellence.
We see evidence for this in the extraordinary quality of our incoming freshman class, which set a record last fall with more than 64,000 applicants, and the fall class of 2019 looks to be equally competitive.

We see it in our 13-percent admission rate, which is the most selective in USC’s history.

We see it in our unprecedented diversity, where a record 26 percent of our freshmen are under-represented minorities.

We also see excellence in our students who excel academically, in the arts, and in athletics.

The graduation rate for our overall undergraduate student body is 92 percent.

Our student-athletes are now close behind with an 86 percent Graduation Success Rate, which equals an all-time high.

We’re impressed these students challenge their intellects in a wide variety of majors, ranging from art history to business to neuroscience.

Our academic excellence is also revealed in the fact that USC ranks #17 in the latest *Wall Street Journal/Times Higher Education* survey.

We take great pride that our annual research expenditures have reached an all-time record by a large margin, increasing by 16 percent to $889 million.

We see excellence in our faculty who have earned great acclaim, such as:

- Kelvin Davies, Maja Matarić, and Manuel Pastor, who were recently honored as Distinguished Professors, and Andrew McMahon, who was named a University Professor.

- We see excellence in Professor Viet Thanh Nguyen, who added yet another honor to his many achievements by being elected to the American Academy of Arts and Sciences, after receiving a Pulitzer Prize, a Guggenheim Fellowship, and being named a MacArthur “Genius” Fellow.
• We see excellence in Berok Khoshnevis and Mahta Moghaddam, who were elected to the National Academy Engineering.
• We experience excellence in Professor Yang Chai, from our Ostrow School of Dentistry, who was elected to National Academy of Medicine;
• We see excellence in University Professor Michael Waterman and Professor Ellis Meng, who were selected to join the National Academy of Inventors. (Professor Meng also happens to be the first woman from USC to be elected to the NAI.)

All of these accomplishments bring great honor to our already world-class faculty, who create the USC experience of excellence.

Medical Enterprise Excellence

Our excellence is also apparent in the next topic I want to talk about today – and that’s our medical enterprise.

No matter where you work at USC, you need to understand the growing importance our medical enterprise has on the future of our entire university.

More than 40 percent of all of USC’s staff are now connected to our Health Sciences Campus.

More than 40 percent of all of our faculty are employed by the Keck School of Medicine.

Our medical enterprise now represents 55 percent of the university’s “total operating revenue,” and has been the fastest-growing segment of our income since 2011.

Keck Medicine does amazing things through its patient care, its clinical enterprise, and its groundbreaking research.

We have three hospitals and more than 40 ambulatory clinics that provide the highest quality of care across Southern California.

We also enjoy a very important partnership with Children’s Hospital Los Angeles (CHLA).
We do all of the things you’d expect from a private hospital or medical center.

But we have to be equally prepared to treat patients with the common cold, as well as those with the rarest medical challenges.

With all of the discussion about increasing medical costs, it would be tempting for us to focus only on the services that provide a profit.

But that’s not what we do. We’re a university that invests in the future.

We have to invest in retaining and recruiting physicians, specialists, and researchers of the highest excellence.

We have to budget carefully to meet the challenges of today, and invest carefully for the technologies of tomorrow.

We have to invest in teams of highly-trained specialists, nurses, social workers, and other staff, who are always ready to help us respond to any situation.

In recent years, those investments have paid off.

According to National Institutes of Health data for fiscal year 2017, USC received more funding to research Alzheimer’s disease than any other university in the country.

You can see our investments in the USC Blood and Marrow Transplant program, which had the highest one-year survival rate for 2018.

You can see it in specialties like urology, which was ranked #9 in the nation.

You can see it at our USC Norris Comprehensive Cancer Center, which is the highest-ranked cancer provider in Southern California.

You can see it in our Keck Hospital nursing staff, which received the prestigious magnet accreditation for excellence in patient care and satisfaction.

That’s an honor achieved by fewer than 10 percent of hospitals in the entire country!
Beyond the numbers and the rankings, let me tell you a story about the complexity of care at USC.

A few years ago, a middle-aged man came to the USC Norris Cancer Center desperate for help.

He had cancer of the stomach, had lost weight, and was losing hope.

He'd tried four different types of chemotherapy. All of them had failed.

But the Norris physicians noticed something interesting. He happened to be a match for an investigational trial.

Over the next six months, with treatment in a clinical trial, his tumor began to shrink. Then it disappeared completely. Eighteen months later, he finished his treatment in complete remission.

Today, he remains in remission, living a happy, healthy life without any treatment.

At USC, we don’t do average medical care. We do extraordinary things that give people an extraordinary new lease on life.

_Staff Excellence_

I've talked about excellence in the academic enterprise and for the medical enterprise.

Let me now address a third area where our excellence enables us to shine.

It may surprise you to learn that about half of the people who receive a paycheck from USC aren’t connected to any of our schools.

In our discussions of excellence, we’ve sometimes overlooked the extraordinary efforts of nearly half of our university community.

Many of these contributions are taken for granted because we don’t see the effort that goes into making them happen.
But consider the excellence all around us every day.

Think of the landscapers and facilities staff whose constant care and attention make our campuses a work of art.

Think of the craftsmen and tradespeople who ensure that our buildings are maintained and safe, and that our infrastructure is secure.

Think of the nurses, the specialists, and medical assistants who dedicate years of their lives to developing the expertise that helps us provide the very highest level of patient care.

Think of the army of administrative assistants who dedicate themselves to every detail in helping the faculty, students, and parents in schools and departments across the university.

Think of the chefs, and the cooks, and the cashiers, who every day serve a population the size of a small city.

Think of the incredible collaboration by our Departments of Public Safety, Transportation, and Housing to make move-in-day not only manageable, but seamless for our students and parents.

If you want to see excellence in action, just pull up to Entrance Two on our University Park Campus.

There you’ll be greeted with a smile by Sonny Rosales, and you’ll immediately understand why he’s been honored with the President’s Award for Staff Achievement.

All of us, no matter where we work, no matter what role we play, contribute to the “USC experience of excellence.”

You don’t just work for this university.

You are this university.
Today I want you all to know that we recognize your excellence, and we appreciate your contributions.

2. Community Engagement

We can be proud of the fact that the impact of our excellence extends beyond our two campuses to my second topic, which is our community engagement.

In every one of our presidential search listening sessions, people mentioned the importance of USC maintaining its connection to our local community.

It’s important that USC not be seen as an ivory tower, but as a powerful partner with our local neighborhoods.

Sometimes we get so busy in our own areas that it’s difficult to understand the incredible impact we have every day.

We invest about $35 million dollars every year in important initiatives that enrich the lives of thousands of people in our local communities.

We’re ensuring the security of more than 7,500 local children every day, with the help of public safety programs that protect them on their way to and from school.

We’re supporting the children and families who live in our local neighborhoods through more than 650,000 hours of annual volunteer service by our faculty, staff, and students.

We’ve generously given $23.5 million to our Good Neighbors Campaign, which helps create better schools, safer streets, and small business opportunities.

We’re also opening the doors of access and opportunity with programs like our Leslie and William McMorrow Neighborhood Academic Initiative, which has helped more than 1,000 community children on the path to and through college.

NAI has a 99 percent success rate in helping its students gain acceptance to four-year colleges. We’re also very proud that about 42 percent of NAI’s graduates attend USC… tuition-free.
We must always remember that we’re a richer and better institution thanks to the wide variety of experiences and interactions that benefit both our university community, our Health Sciences community, and our neighbors.

An important part of our local community is the Los Angeles Memorial Coliseum.

We’re very excited L.A. will host the Olympic Games in 2028, and we’re preparing by restoring this historic landmark to its iconic condition.

We’re also very proud this project is creating vital jobs for our local community.

During the 2018 calendar year, 61 percent of the crews were comprised of local residents, and the entire project is expected to employ at least 1,500 local workers.

Also, at least $30 million dollars have been awarded to a diverse array of certified vendors, suppliers, and subcontractors who represent small businesses owned by women, minorities, or veterans.

And we look forward to watching Trojan football in the newly-renovated Coliseum this fall.

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3. Wellness

The third topic I want to talk about is wellness.

A lot of workplaces often see wellness as something to be pursued after everything else has been accomplished.

Once we reach the next goal, or overcome the next hurdle, or put out the next fire, then we’ll pay attention to the well-being of ourselves or our colleagues.

At USC, we're committed to making wellness a priority.

We’re working to create a culture of care and concern for every member of our university community.
In the past, we've focused much of our efforts on supporting our students, and we're always enhancing those essential services.

We're now expanding our efforts to faculty and staff, taking a proactive approach by helping people understand the best ways to connect with themselves, with their colleagues, and with our community.

We're one of the first universities in the nation to create a comprehensive program that stretches across our entire institution.

We're giving people the training, the skills, and support they need to deal with situations in ways that provide the best outcomes.

Let me give you an example. One of our academic units was having faculty meetings that weren't going well.

The department contacted our Office of Campus Wellness and Crisis Intervention.

Instead of providing a one-size-fits-all training, they tailored a response specifically to the needs of this particular group.

In this case, they were able to improve the dynamics of those faculty meetings, making them not just more productive, but more rewarding and enjoyable.

It's not just one group taking advantage of these services.

Nearly 4,000 people have already participated in assessments, workshops, and retreats.

We hope you'll take advantage of the many new options that are now available to you.

Let me share one other story about creating a culture of caring at USC.

Recently, a student was concerned about a favorite professor.

The professor, who had always been dynamic and engaging, didn’t seem to have the same energy or excitement.
Through USC Trojans Care for Trojans, the student was able to send an anonymous message expressing concern about a treasured professor.

Behind the scenes, our network went into action, finding the best way to check on the well-being of a valued member of the Trojan Family. Sure enough, the professor was having a difficult time outside of USC and appreciated that someone cared enough to show concern.

In the years ahead, the well-being of our faculty, staff, and students cannot be an afterthought. It needs to become a central focus that’s integrated into every element of our campus community.

The President’s Culture Commission was established with the charge of advising me on the strategic direction with respect to a culture of wellness.

We have taken important first steps on this journey to address critical needs.

We established the Office of Professionalism and Ethics, the appointment of two university ombuds, and the creation of the Senior Vice President for Human Resources.

*Student Health*

An important part of our overall commitment to wellness includes the improvements we’ve already made to our student health programs.

Our Student Health Center is now professionally overseen by Keck Medicine of USC.

To lead our efforts, we recruited Sarah van Orman, a nationally recognized leader in creating comprehensive student health plans.

We’ve added female board-certified gynecologists, mental health experts, and specialists in sexual assault prevention. We’ve also invested in more education and training to help ensure a safe and secure environment for every member of our campus community. We’ve initiated a process to engage thoughtfully with our USC community about our values.
We’ve made significant progress in establishing the priority for wellness, but there is still more work needed to really address the wellness gap in our community.

Our conversations about well-being are only beginning. It’s up to us to ensure that USC is more than a university, and that everyone feels like a valued member of the Trojan Family.

4. Financial Performance

The fourth topic I want to address is the financial health of our university.

Over the last few months, I’ve had people contact me, or approach me, with questions about USC’s finances.

Today, I want to be very direct with you.

The financial health of our university remains very strong and stable.

Over the past year, we confronted some unexpected issues and costs.

Those issues were difficult, but we’re making many important changes that will strengthen the university moving forward. USC is becoming a better institution as a result.

We’re very fortunate USC has always been financially prudent.

We’ve always budgeted conservatively, planning and preparing for events we couldn’t anticipate.

That being said, our university is also a financial enterprise.

We have a bottom line that must be proactively monitored and managed to ensure stability and strength in our financial performance.

I think of it this way. All of us manage our personal budgets. When we get our monthly bills, I don’t know anyone who doesn’t work hard to make the most of every dollar.
At USC, there's also a major difference.

We're not a person or a family trying to meet a monthly budget.

We're not a corporation trying to turn a profit for the next quarter.

We're a university investing in the long-term future of our faculty, staff, and students so that we can make meaningful contributions to society at large.

We're investing in doctors and researchers who may one day save your life, or the life of your loved ones.

We're investing in cybersecurity to protect your information, in infrastructure to improve our academic environment, and in programs to improve faculty, staff, and student wellness.

Because we're always looking for ways to invest in your future, we're constantly exploring ways to use our resources more efficiently.

Over the past year, we've implemented a number of new initiatives through Comprehensive Review of Operations that will provide overall benefits of $88 million dollars annually.

We're also on track to achieve additional efficiencies over the next three years to maintain our financial health.

So, how does that affect you?

Here's one example. Many people choose to work at USC because we offer one of the best benefits packages of any employer in Southern California.

With the rising cost of medical care, we could have experienced double digit increases in the cost of our health insurance plans.

But thanks to the strategies we've implemented, the average cost of our USC Health Plans has increased less than 3 percent over the past few years.
That’s only one example of the ways we’re trying to use our resources wisely and also keep costs down while maintaining benefits for all of the members of our community.

We announced the end of a very successful fundraising campaign.

Each of you contributed to this phenomenal accomplishment for our Trojan Family.

Of the more than $7 billion raised through this campaign, $635 million went directly to new student scholarships, we created 110 endowed chairs and professorships for our faculty, and established 25 centers and institutes.

We named seven schools or divisions, built or renovated 25 landmark facilities, and invested $2.2 billion into research and academic support.

So, I want you to leave here today with confidence that we’re able to make the necessary investments in the future because USC’s financial health remains very strong and stable.

**5. The Future of USC**

That brings me to the final topic I’d like to talk about today: the future of USC.

In virtually every conversation I’ve had and every meeting I’ve attended, there was a similar refrain.

You want USC to exemplify the highest principles, and embody the noblest values that have guided us throughout our history.

You want your voices to be heard, your views to be valued, and your ideas to be considered.

That’s why we have to talk about a topic like “shared governance.”

“Shared governance” means very different things to different people.

But today I want to try to define what I think it means for USC’s future.

To me, shared governance really means shared engagement and shared accountability.
Our faculty, staff, and students all bring an incredible breadth of knowledge and experiences to our community.

If we’re not listening to all of those voices, if we’re not including all of those perspectives, how can we make the best decisions for the future of our university?

So, today I’m not asking you to follow a new policy or procedure.

I’m asking much more of you.

I’m asking for your ideas, your insights, your expertise, and your engagement.

I’m asking for your help in defining the future of our university.

We’re having these conversations because, in the end, we all want a university that we are proud of, and that our next president is proud to lead.

I’m honored to be part of the search committee for our next president.

We’re very fortunate that we have an extraordinary committee, as well as a very engaged Board of Trustees.

I can assure you we have some incredible candidates, who have qualities that will help our university make great strides in the future.

I’m excited about this next chapter in the history of the Trojan Family and our Board of Trustees will announce our new president at the appropriate time.

In closing, I want to return to an idea I first mentioned at the end of last semester.

For many years, including this past July, USC has been listed among the Chronicle of Higher Education’s “Great Colleges to Work For.”

Over the past few months, as I’ve met with members of the Trojan Family, I’ve gained a new appreciation for why USC has become one of the most acclaimed universities in the nation.
USC isn't a renowned university because we have smarter students, or better rankings, or the best facilities.

We're a great university because we have great people. We have great faculty, great staff, and great students. We have proud alums and grateful friends.

We're passionate about this university not just because we work here, but because we understand we're part of something larger and more enduring.

Real change happens slowly, not just over months and years, but over decades and lifetimes.

In order to move forward, we must move forward together. As one university, one community, one family.

When we do that, we ensure the excellence you bring to our university has a positive impact on our students, our community, and our world far into the future... creating the USC experience of excellence.

Thank you for listening. Thank you for making USC a great university, and Fight On!