

**MICHIGAN STATE
UNIVERSITY**

To: Dianne Byrum, Chair, MSU Board of Trustees
From: John Engler, Interim President
Subject: Communication from the President
Date: January 16, 2019

You have advised me that five Democratic members of the MSU Board, including yourself, have requested my resignation as MSU President. The election of two new Democratic members and the appointment of a Democrat to replace Trustee George Perles has created a new majority on the Board.

Under the Constitution, the primary responsibility of the Board of Trustees is to "elect a President." In the process of selecting and electing a permanent President, it is within the Board's power to appoint anyone they choose as an interim President. I have served as Interim President for one year. It was a position I did not seek but accepted in order to assist the university that I love.

When I arrived I found a university in crisis. Cascading disclosures of sexual abuse by former Michigan State University and USA Gymnastics sports doctor Larry Nassar by early 2018 had made MSU a troubled institution.

A week of emotional survivor courtroom statements in January were broadcast to a national audience already sensitized by the growing #MeToo movement. MSU was called on to more thoroughly examine its own responsibility and demonstrate ongoing concern for survivors and making certain such abuse could never occur again.

President Lou Anna Simon abruptly resigned at the conclusion of the Nassar trial, following a long tenure as provost and then president. Days later MSU Athletic Director Mark Hollis chose to resign, ending his successful tenure.

Against that backdrop, I was selected in late January and went to work to stabilize the institution and come to grips with the impact of the scandal.

Immediate action was required.

I sought to move with urgency and determination to initiate cultural change at MSU on issues of safety, accountability and respect through organizational changes and focused engagement on priority issues. These actions have been



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taken pursuant to policies established and supported by the board. For that support, I will always be grateful.

On my first day in the office I emailed all employees outlining expectations for compliance with all investigations. The next week I acted to remove Nassar's supervisor, former College of Osteopathic Medicine Dean William Strampel.

It was clear early on that a financial settlement with survivors needed to be the top priority, both to help bring swift closure to survivors and the MSU community and to relieve the university of ongoing budgetary uncertainty. Concurrently, we moved rapidly to enact policies, procedures and protocols to make the campus a safer and healthier community. At all times, my goal has been to prepare a renewed, effective organization for our permanent president.

Significantly, and with unusual speed to avoid traumatic and protracted legal battles with survivors, the university announced a \$500 million settlement with 332 Nassar survivors on May 16, 2008. Shortly afterward, my administration was able to present the Board of Trustees a two-year budget, including undergraduate tuition freezes to continue to attract top students and a block tuition structure to enhance affordability. The budget certainly has helped MSU set an enrollment record this year and position us well for the incoming 2019 class.

Additional highlights of my one year as president are detailed below:

Relationship violence and sexual misconduct (RVSM)

- The Larry Nassar trial and the national #MeToo movement **empowered more women to report** being sexually assaulted, with reports to MSU rising 500 percent in the years between 2014-15 and 2017-18. That increase, together with new resources allocated to prevention and response, allowed MSU to more thoroughly address the effects of this historically underreported crime by helping more survivors seek justice and access healing resources.
 - As a stopgap measure, the appointment of consultant firm Kroll was announced Feb. 13 to help investigate complaints filed under MSU's Title IX Relationship Violence and Sexual Misconduct Policy and to help reduce case backlogs.
- I announced formation of the **RVSM Expert Advisory Workgroup** Feb. 23 to solicit community input and formalize prevention and response recommendations.
 - The workgroup is composed of faculty and other members of the MSU community with expertise in handling issues of sexual misconduct.
 - The workgroup maintains an online channel for community input.
- The workgroup quickly recommended **increasing the number of therapists and victim advocates** in the MSU Sexual Assault Program.

- Caps opened a satellite location at the MSU Union to initially house six mental health providers. The goal is to locate up to 10 providers at the Union.
- 24-hour access for all MSU students to a counselor for emotional or mental health services through the My SSP phone app to talk or instant message was added to complement other services.
- Gained Board of Trustees approval of a new non-profit organization that encompasses MSU's colleges of Human Medicine, Osteopathic Medicine and Nursing to be the multi-specialty group practice of the university. MSU Health Care replaces the former MSU HealthTeam and will allow greater coordination, simplify administration and provide the authority to enter into joint ventures with strategic partners. MSU Health Care will include 260 providers from 14 clinical departments at MSU, including doctors, nurses, psychologists, social workers, therapists and nutritionists. It also will now have the legal authority to enter into joint ventures in a number of health and medical areas.

Ensuring compliance and managing risk

- In April I wrote to academic leaders setting expectations for thoroughly documented **employee reviews**.
- Marilyn Tarrant, director of our Office of Internal Audit, was appointed to associate vice president in charge of the newly organized **Office of Audit, Risk and Compliance**. The new office brings together MSU's oversight of ethics, risk and compliance with internal audit functions into one office.
- The consolidated office eliminates overlap and establishes strong accountability, creating a framework for identifying, prioritizing and managing risk, as well as clarity regarding compliance responsibilities.
- The office is also charged with revising the university code of ethics, completing work on the MSU policy library and taking any actions necessary to assure we are meeting the high expectations for ethical behavior.
- Tarrant reports both to the Board of Trustees and to the president.

Internal communications and external relations

- New **communications programs** have been initiated to inform campus constituencies and communications departments reorganized to improve external communications with alumni, donors and those who need to know about our success.
- I have sought to send direct email update letters regularly to students, parents, employees and alumni.
- A new internal communications program, Inside MSU, includes a biweekly newspaper, employee communication website and weekly emails as part of the improved change.
- **New executives** were appointed to lead reorganized departments:
 - Kathleen Wilbur, executive vice president for Government and External Relations, was appointed to oversee the externally facing Government

Relations, Communications, and Advancement and Alumni Relations offices.

- Merri Jo Bales, vice president and strategic director of university communications, was appointed to develop a strategic, coordinated and more effective approach to communications and public relations. She oversees marketing, crisis communications and related areas.
 - Emily Guerrant, vice president and university spokesperson, was appointed to lead a new office to handle crisis and presidential communications.
- My administration stood up for both fundamental **values of safety and free speech** when white identity provocateur Richard Spencer staged an event on campus in March. Legally compelled to offer a venue, MSU negotiated a venue at a remote location on campus during spring break.
 - Students overwhelmingly complied with administrators' urgings to shun the event. Nationally active racist/nationalist and anti-fascist factions managed some confrontations, which thanks to prepared campus and local law enforcement resulted in only a handful of minor arrests.
 - Denied wide notice, Spencer subsequently canceled the remainder of his planned U.S. campus events.
 - MSU Government Relations staff and I **initiated update meetings with lawmakers** and other stakeholders in Lansing and Washington, D.C.
 - Shortly after my arrival at MSU, we briefed Michigan's congressional delegation, alumni and others on the progress of Nassar-related investigations. I was joined by another former governor, James Blanchard, whose DLA Piper law firm assisted MSU with congressional and Department of Education inquiries.
 - I returned to Washington to testify before a Senate subcommittee focused on protecting amateur athletes in the wake of the Nassar case.
 - Finally, I testified before the state Senate Higher Education Appropriations Subcommittee to support MSU's annual appropriations request and discuss institutional reform and handling of the Nassar case.
 - I joined fellow University Research Corridor (MSU, University of Michigan and Wayne State University) at the Detroit Economic Club to discuss how the state's major research universities' **help drive Michigan's knowledge economy**. I challenged state office candidates to discuss the adequacy of public support for higher education.

Operating and financial stewardship

- With cost expose to the Nassar case being made certain in the \$500 million settlement with survivors, my administration developed a **two-year budget**.
 - The bond-funded settlement assures students, faculty and staff, donors and state policymakers that MSU budgets will remain stable and strongly support program growth and important research.

- Based on another recommendation from the workgroup, MSU is creating a Sexual Assault Nurse Examiner (SANE) program that will offer **24-hour-a-day, first-response medical care to sexual assault survivors** on campus.
 - The SANE program will be formed in tandem with the development of a new campus Sexual Assault Response Team (SART), which aligns advocacy, medical, legal and educational services for survivors and ensures trauma-informed practices across service sectors.
 - With this combined campus SANE-SART model, MSU will be able to implement national best practices in sexual assault response and better serve MSU community survivors.
- Another workgroup recommendation quickly came to fruition with the creation and restructuring of the **Office for Civil Rights and Title IX Education and Compliance** in March.
 - Reporting directly to the president, the stand-alone unit consolidated RVSM education and enforcement and is dedicated to prevention of discrimination and harassment in all forms, with a particular focus on sex and gender discrimination, relationship violence, stalking and sexual misconduct.
 - The new office includes the **Office of Institutional Equity (OIE)**, an investigation and enforcement arm, and the **Office for Prevention, Outreach and Education (POE)**.
 - The two offices work collaboratively, allowing complaint and enforcement data to inform prevention and education efforts, and transfer feedback from education training to those responsible for drafting and enforcing policies.
 - The mutually informed efforts allow the university to create targeted prevention education while continuing to improve campus regulations.
 - A **national search firm** and a **campus committee** were named to help fill the associate vice president position for the consolidated office. Isaacson Miller of Boston will work with six campus leaders during the search.
 - Finalists will be brought to campus in the spring, and faculty, staff and students will have the chance to meet with them.
 - The consolidated office represented a 77 percent increase in employees dedicated to Title IX education and enforcement.
- In 2018, the **OIE Office was expanded** to include two deputy directors, an additional investigator (for a total of 10) and a case manager.
 - The office also added two resource coordinators, who, in addition to the assigned investigator, are points of contact for claimants and respondents throughout the investigation and adjudication processes, ensuring that individuals are connected with the support and resources they need.
- The **POE office has grown** to include a director, associate director and six prevention specialists, each with an area of expertise. Since its creation, the office has created new opportunities for awareness and dialogue across campus through:

- Expanding faculty and staff training, collaboration and outreach around topics such as understanding the RVSM policy, navigating disclosures and supporting survivors.
- Creating new training to better meet the needs of student-athletes and staff.
- Developing outreach and education for graduate students.
- Updating student orientation materials to place emphasis on self-empowerment, RVSM training requirements and awareness of support services.
- Developing individualized plans to help departments address culture climate issues.
- Enhancing the "Greeks Take the Lead" fraternity and sorority RVSM prevention program.
- Adding RVSM awareness content to student and family orientation programs, including a heavier focus on respect as a core MSU value.
- In the 2017-18 academic year, 99 percent of nearly 53,000 students and 98 percent of employees **completed training on RVSM prevention** and reporting.
 - This year, in addition to online training, MSU conducts mandatory, in-person RVSM prevention programming for all first-year and transfer students, and in-person bystander intervention training for all second-year students. Students are unable to access their grade reports until they complete these in-person trainings.
 - More than 30,000 students, faculty and staff have received prevention training since April.
- MSU employs one of only two **youth programs directors** in the Big Ten, working to strengthen youth protection policies and training across campus.
 - Youth programs director David Chupak created a Youth Programs Advisory Board in January 2018 from multiple campus units to consult on youth program policies and procedures.
 - Over 127 youth program coordinators serving over 60,000 participants annually registered with the MSU Office of the Director of Youth Programs by August 2018. Program registration deadlines will be set and new software will be implemented in the 2018-2019 academic year to register youth programs to allow more efficient program tracking.
 - Program compliance audits commenced in summer 2018.
 - The annual Youth Protection Workshop was expanded to a full-day program in March 2018.
 - Training was expanded for youth program coordinators and directors, including presentations from subject experts in policy compliance, identifying maltreatment, reporting requirements, gender equity, police response and mental health.
 - Youth program policy revisions are in process, covering topics that include one-on-one adult/youth exposure and electronic communications. New

requirements will include application of industry guidelines for supervisor-to-youth ratios. Consequences for non-compliance with youth protection policies will be clarified.

- A new youth program registration, safety assurance, and education program website was launched to assist youth program directors and coordinators with their efforts to protect minors.
 - Handbook templates containing uniform program requirements are being developed, including the topics of central policies, communication processes and conduct rules for program participants.
 - Other program personnel trainings include behavioral interviewing practices to prevent child maltreatment, implicit bias awareness and surviving active shooter situations. Additional training programs for MSU youth program directors on youth protection topics, such as addressing cyber-bullying, are planned for the 2018-2019 academic year.
- MSU Police created a new unit focused on sharing best practices in trauma-informed, victim-centered **investigations of RVSM reports**. The training unit is headed by Detective Lt. Andrea Munford, who earned wide praise for her work with survivors of Larry Nassar's sexual abuse.

Improving health care

- Early in my tenure, I acted to **restructure** MSU health colleges, clinical operations and student wellness programs.
 - New provost office appointments were made for health college and clinical oversight.
 - Reviews were initiated for sensitive exam and chaperone policies across colleges and clinics.
 - A new triage protocol was developed that reviews all reported allegations or concerns of inappropriate practitioner-patient and practitioner-student interactions.
 - Athletic trainers now report to medical supervisors rather than coaches.
 - Claudia Finkelstein, an internal medicine physician and medical educator, was named to the newly created position of director of wellness, resiliency and support for the vulnerable to help MSU health care providers address care for vulnerable populations and to develop a wellness and resilience program for the College of Human Medicine's faculty and staff.
- Student **mental health services** are being upgraded
 - A new counseling and psychiatric services director was recruited to MSU, arriving June 1 to lead the implementation of additional student mental health programs.
 - Counseling and Psychiatric Services (CAPS) added seven new providers to its staff since June to reduce wait times and meet the significantly increased caseload from rising demand for services.
 - Single CAPS point-of-entry service now is accessible for students by referral, phone or in person.

- This year's budget includes funding for 13 new Title IX and related positions; 10 new positions in Counseling and Psychiatric Services; six for Sexual Assault Program; four new MSU Police officers; two new Employee Assistance positions; two new Freedom of Information Act Office positions; and two positions in the new Office of Enterprise Risk Management, Ethics, and Compliance.
- MSU's \$1.39 billion general fund budget for 2018-19 addresses the need to compete for students at a time when numbers of high school graduates are declining.
 - Financial aid increased by \$6.4 million, or approximately 4.5 percent.
 - Room and board increase of 2.97 percent, third-lowest increase in 20 years.
 - Freeze tuition rates in 2018-2019 and 2019-2020 for in-state freshmen, and in 2019-2020 for all undergraduates with new block tuition structure.
 - Pay freezes for all top administrators and deans; reduction from 2.5 percent to 1.5 percent in average faculty pay increases; no reductions in staff compensation; no university-wide layoffs.
- \$381 million is to be bonded for construction including new STEM building (with \$29.9M in state support), water system, music building addition, power plant work and renovations at Wonders Hall.
- The value of MSU's **endowment** increased to \$2.9 billion in the last fiscal year bolstered by a one-year return on investments of 11.1 percent. That is substantially higher than the median 8.3 percent return last year for U.S. colleges and universities.
- It was with great pride that we reached the conclusion of the MSU **capital campaign**, which raised more than \$1.77 billion by its close Dec. 31, eclipsing its \$1.5 billion goal.
 - The campaign funded 107 new endowed faculty positions and enough for approximately 3,500 new \$5,000 scholarships.
 - Employees and retirees contributed \$111.9 million to the campaign, or 6.4 percent of the total, putting MSU first in the Big Ten, and No. 3 among its 62 Association of American Universities peers.
 - The engagement and generosity of Spartans was borne out once again on Give Green Day Nov. 27, when more than 4,000 people made gifts totaling more than \$739,000 to MSU programs, 27 percent more than last year.
- MSU celebrated the **largest single gift** from a donor in its history, a \$30 million contribution by real estate developer Edward J. Minskoff toward the completion of the new College of Business pavilion.
- MSU reached an agreement with CATA to provide **free campus bus service** for all students, faculty and staff in time for the opening of fall semester.

Campus improvements

- MSU in August broke ground for a visionary \$97.5 million **STEM Teaching and Learning Facility** incorporating a former campus power plant.
- Construction commenced in June for the new Billman Music Pavilion, finally expanding and improving instructional and rehearsal space for music students and faculty.
- MSU kicked off a long-planned upgrade to MSU's **water distribution system** with a groundbreaking for a new water treatment plant and elevated storage tank.
- MSU completed installation of **wireless internet service** in all student rooms over spring break.
- MSU is turning its 5,200-acre campus into a live, connected ecosystem to drive **mobility research** and development to advance smart-vehicle technology and better understand the human element through new technology and behavioral research.
- The university dedicated a new **campus data center** in April to support growth in online demand and capacity, enhanced security and growing high-performance research computing demands.
- In December, I joined McLaren Health officials to help break ground for their state-of-the-art, \$450 million **hospital** on property purchased from the MSU Foundation in the University Corporate Research Park.
- MSU opened an **extension of Wilson Road** to connect Harrison and Hagadorn roads through a new direct east-west route across campus.

Advancing student success

- MSU's broad-based student success initiatives propelled its **graduation rate** to a record high and are helping more undergraduates stay in school.
 - 80 percent of first-time, full-time students who entered MSU in 2012 graduated by 2018. Of the 8,214 who entered, 6,567 graduated within six years, the standard timeframe for measuring graduation rates. Another 12 percent, or 1,014 students, transferred to another institution and 1.7 percent remain enrolled at MSU.
 - The six-year graduation rate among all United States four-year degree-granting institutions for the 2010 student cohort — the latest data available from the National Center for Education Statistics — was 60 percent.
 - The percentage of first-time college students returning for their second fall semester, known as the persistence rate, rose 0.9 percentage point to 91.9 percent. That's the second highest rate for MSU.

- **Student-athletes** also achieved some of their highest academic success. The entering classes of 2008-2011 recorded a Graduation Success Rate (GSR) of 88 percent – an all-time high for the school.
 - Spartans also led the Big Ten Conference with 11 earning 4.0 GPAs in the fall season. In all, 116 MSU student-athletes in our seven fall sports were Academic All-Big Ten honorees.
- MSU recognized its 19th Rhodes Scholar in December. Nikkita Ngalande is a senior majoring in actuarial science in the College of Natural Science. From Zambia, she is the first MSU international student to earn that prestigious recognition.

Institutional effectiveness validations

- MSU welcomed its **largest and most diverse** incoming freshman class in 2018-19. It was also the largest female class in history and one of four incoming students was a person of color.
- MSU ranked **No. 1** in the Big Ten and 22nd in the nation for graduate employability, According to *Times Higher Education's* latest Global University Employability Ranking.
- Of nearly 1,400 universities worldwide, **MSU ranked No. 90** overall in the U.S. News and World Report Best Global University rankings.
 - Twenty academic programs appeared on the 2019 ranking.
- MSU enjoyed a 13 percent **increase in research investment** on campus last year, which was the largest increase among all U.S. universities and allowed MSU to jump four spots in the national rankings.
 - Total research is just shy of \$700 million, and MSU is first in winning U.S. Department of Energy and National Science Foundation funds.

The bottom line is that MSU is a dramatically better, stronger institution than it was one year ago.

The many changes we have made are substantive and offer far-reaching in their impact. At the same time, our leaders across the university are energized, organized and communicating in far more effective ways than had been the case.

I am proud to have a key role in preparing my school to welcome a new President who will have the opportunity to take us to new heights.

I will be forever grateful to all of those who have supported me this past year.

There are so many unsung heroes who have contributed to all we have done. You have stood up in the face of criticism and pressure to do what needed to be done.

To Spartan nation—our alumni and donors across the world, those who bleed Green and White—you also have been generous with your resources and support. My deep appreciation goes to all of you as well.

I wish the entire MSU community well and I hope and pray that our excellent search committee can recruit the right President who will serve for the next several years.

As you are aware, I am out of town heading to San Antonio to attend my late father-in-law's internment service at Fort Sam Houston National Cemetery on Friday morning with Michelle and our Texas family.

Given that, in compliance with your request that I resign and in order to ensure an orderly transition to my interim successor, I hereby resign the office of President of Michigan State University effective 9:00am, Wednesday, January 23, 2019.

It has been an honor to serve my beloved university.