



August 7, 2018

Dear Members of the USC Family:

Since becoming Chair of the Board of Trustees just over two months ago, I have been moved by the candid and constructive dialogue I am having with so many students, faculty, staff, and alumni. These frank discussions have given me a chance to understand what we must change as well as what is truly exceptional about our great University. I would like to take this opportunity to update you on important steps that are underway to implement these changes while preserving and fostering academic excellence.

Presidential Transition

Today, C. L. Max Nikias has agreed to step down, effective immediately, and will move into the role of President Emeritus and Life Trustee of the University. This decision follows the announcement, earlier this summer, that the Board of Trustees and President Nikias had agreed to an orderly transition and that a Special Committee of the Board would commence a search for a new president. Amongst other responsibilities, Dr. Nikias will continue to assist with the transition of the incoming president.

Appointment of Wanda M. Austin as Interim President

I am pleased to let you know that the Board of Trustees has appointed Wanda M. Austin as Interim President of USC.

Dr. Austin, who is a member of our Board of Trustees, is an internationally honored engineer who from 2008 to 2016 was President and CEO of The Aerospace Corporation. She is a strong advocate for science, technology, engineering, and math (STEM) disciplines as well as for minorities and women. Among her many accomplishments, in 2015, she was appointed by President Obama to serve on the President's Council of Advisors on Science and Technology, and in 2016, she received the Goddard Astronautics Award, one of the highest honors of the American Institute of Aeronautics and Astronautics. Dr. Austin currently serves on the Boards of Directors of Chevron Corporation and Amgen, and previously served on the Boards of the National Geographic Society and the Space Foundation. She earned a PhD in Industrial and Systems Engineering from the University of Southern California in 1988.

Dr. Austin's appointment is an important and positive step forward as we approach the beginning of the semester. She is deeply committed to USC, and I know that she plans to devote time in the coming weeks to listen to the views of faculty, staff, students, and our broader community on what is needed to successfully move us into our next chapter. With her significant executive



leadership experience and steady hand, Dr. Austin is an ideal person to steer the University on a clear path forward as we advance our ambitious initiatives, until a permanent president is named. She is a professional of impeccable integrity and character.

Presidential Search Process

The process to select the 12th president of USC is underway, and the Board of Trustees has retained Isaacson Miller, one of the nation's most accomplished education recruitment firms with deep experience at the highest levels of academia. They will be joined by international search firm Heidrick & Struggles, who will serve in an advisory capacity to ensure we evaluate the broadest landscape of world-class leaders. Our goal is to complete this search within four to six months.

The Board has also approved forming the Presidential Search Advisory Committee that will seek input from our diverse University community through in-person listening sessions and a presidential search website. This committee will include the chairs of the Board's various sub-committees, and in the coming weeks they will seek recommendations from faculty representatives across our campuses. As I have said before, it is critical that this process embraces your perspectives to help guide the committee in identifying the most qualified and talented person to lead our University forward. We will share more details in the coming days and weeks.

Independent Investigation into the Student Health Center

The Board and I are committed to an ambitious, aggressive agenda for change. As I have said previously, it is evident that the recent crises have resulted from systemic and cultural failures. Both the behavior and the environment that allowed it to persist are inexcusable and will no longer be tolerated. Most importantly, we must understand exactly why these failures occurred and take bold action to reform what is broken so that they never happen again.

It is for this reason that at the end of May we retained internationally respected law firm O'Melveny & Myers LLP to conduct a thorough, independent investigation into the issues surrounding the former gynecologist at our student health center.

The O'Melveny team has made substantial progress, and to date has interviewed over 100 witnesses and collected 4.5 million documents. However, more work needs to be done, and the Board has authorized O'Melveny to continue the investigation until it is completed. We will have more to say on their work in the coming weeks.

Governance Committee



As a Board, we recognize that the University has grown dramatically over the past few decades. That success includes a fast-growing budget, staff, and student body in addition to operating one of the region's largest medical enterprises. However, the Board of Trustees is organized in much the same way as it was thirty years ago. That needs to change.

The Board has established a Special Committee on Governance Reform co-chaired by trustees Suzanne Nora-Johnson and Christopher Cox. They will carefully examine all aspects of the Board of Trustees' structure and operations to ensure that USC is a world leader in higher education governance. The committee will examine best practices at our peer institutions and engage our University community in their efforts.

Measures Underway to Achieve Significant and Sustainable Change

Some actions that will help us achieve a profound and sustainable shift in our culture will take time to implement, but they will indeed take place. We continue to improve our student health center, with Dr. Sarah Van Orman, Chief Health Officer at USC Health, leading this transformation. In August 2017, USC brought student health systems under the auspices of our academic medical center, Keck Medicine of USC, in order to further professionalize our care and to bring the resources of our academic medical center to provide the best services to our students, whose wellbeing and safety is our top priority. We will not tolerate anything less than exceptional and professional health care, and Dr. Van Orman's team is continuing to drive forward initiatives to achieve this.

Our newly formed Office for Professional Ethics (OPE), led by vice president Michael Blanton, is now operating as a central hub for monitoring, investigation, and tracking of complaints to ensure that, going forward, any issues are rapidly identified and addressed.

These are just two of the important changes underway, and we look forward to sharing further updates with you.

On campus these past few months, I have seen students, faculty, and staff participating in the summer semester while incoming students and their families attend welcome orientations. It has been thrilling to be among these buoyant and happy young people as they begin exploring this new chapter in their lives. Like other alumni parents around me, I felt the pull and power of my alma mater as though I were a first-year student again.

The orientation experience reinforced that the University's singular focus must continue to be the students, patients, and community we serve. They are the center of our academic and medical mission, and we owe them our very best. Our shared commitment must be to ensure that all of our students step onto campus feeling energized, motivated, safe, and confident about their USC experience. I know our dedicated faculty and staff work constantly and tirelessly towards this goal.



Finally, a member of the faculty, addressing the very purpose of a University, said to me that “we are the light of the human mind.” Our light has dimmed recently. By working together, with passion and commitment, we will restore trust and heal our community. It is because of that Trojan passion and commitment that USC will light the human mind more luminously than ever before.

Thank you to the many members of our community who have shared their perspectives, observations, and concerns with me. I want to continue hearing from all of you as we move forward, so please email me at botchair@usc.edu.

Sincerely,

Rick J. Caruso
Chair
Board of Trustees