June 7, 1976

Dean Marshak's Comments to Executive Board of the Trustees
(to be included in Minutes of the Meeting)

"The School of Veterinary Medicine is in grave and immediate danger because of the delay in proceeding with construction of a new small animal hospital. In support of this statement I would make the following points:

(1) Owing solely to an inadequate and antiquated small animal hospital facility, our accreditation status (the result of two successive evaluations) remains probational. I have been warned in unmistakable terms that we won't get away with it a third time, i.e. if a new hospital is not on line in 1979, the School will lose its accreditation. This means that our graduates would no longer be eligible to take licensure examinations anywhere in the United States.

In case anyone believes this can be viewed as an idle threat, I can tell you that a veterinary school in Massachusetts (Middlesex University, now Brandeis) was closed down permanently in the late 1940's because it could not maintain accreditation. Moreover, one of the aims of the recently announced FTC probe of veterinary medicine is to determine if the accreditation process is non-political and really maintains adequate educational standards.

(2) If the University Administration were seriously considering the option of phasing-out the School, I would agree that nothing which could possibly increase our indebtedness should be done at this time. However, I am convinced that such an option is non-viable because:

(a) the Veterinary School, which has been a part of the University of Pennsylvania for almost 100 years, is the best school of veterinary medicine in the world and the only school on the campus that ranks so high in its peer group. Its loss would be a terrible blow to the University's image and stature and to the breadth and excellence of the health affairs area.

(b) the School is the most unique academic unit in the University and the only veterinary school in the Commonwealth. At a time when other universities are building or planning new veterinary schools because there is a great national demand for veterinarians, it is inconceivable that the University of Pennsylvania would choose to give up the premier school.

(c) the School is highly regarded by many important Pennsylvania constituencies including the State Legislature. Through my experience in Harrisburg I am convinced that any decision to phase-out or damage the School of Veterinary Medicine will endanger the University's entire annual appropriation. Moreover, Penn State University would almost certainly receive authorization for a veterinary school of its own within a matter of months. As you know, they have been working relentlessly toward this end for well over fifty years.

(d) the expense involved in closing the School would make our present deficit seem trifling.

(e) the likelihood of a new relationship with the Commonwealth and a subsequent large increase in our appropriation is excellent. Certainly in the long-run there..."
In every reason to believe that the School's financial distress will be relieved. Contractual arrangements with New England/New Jersey will in time yield additional substantial new revenues.

Thus, if phasing out the School is not a viable option, it clearly follows, that we cannot be allowed to lose accreditation which in turn means that the small animal hospital project must go forward without further delay. This involves signing the reimbursement agreement and getting Phase One out for bid. Even from a purely financial standpoint, this involves unacceptable risks:

1. No up-front money is called for and, at worst, we have several years in which to raise our share of the cost; the small animal hospital is top priority in the Veterinary School's development campaign and we already have over $10 million in known bequests.

2. There is a good chance that the legislation now pending in Harrisburg will result in total forgiveness of our GSA loan, but perhaps also in appropriation of the additional $4.5 million.

3. Even if all else fails, the payback of our state loan can probably be delayed for several years. If we're still unable to pay at that time, what can the Commonwealth really do about it? Take back the hospital? Close the School? Sue the University? As I understand it, the University hasn't yet paid back on the Chemistry building loan and to date has suffered no consequences. This is not a healthy state of things.

4. Every week, delay results in the loss of more buildings. The architect and Planning Office estimates that for every 12-month delay we lose approximately $1 million worth of building. The fourth floor has already been bulldozed.

To this point, I have presented arguments in favor of proceeding with construction of the small animal hospital on the grounds that delay makes no sense. Unless, as I cannot believe, the School is to be phased-out. In addition to the accreditation problems, I must also mention that delay and uncertainty are severely hurtful to faculty morale. When added to all the gloom and doom emanating from College Hall, the UP and simplicities, from the many, somewhat redundant studies we have patiently endured, my faculty has inevitably begun to perceive that they are on board a sinking ship. Indeed, since the job market for academic veterinarians is excellent (a national survey estimates 700 academic positions available between now and 1991), a fragmenting number of our brightest people are seriously considering offering they would have overlooked two years ago. Only real movement on the small animal hospital project can put an end to this dangerous pessimism about the School's future and prevent serious further damage.

It seems clear that the University decides to do now about the small animal hospital, one way or the other, will likely end up as a self-fulfilling prophecy. If we hesitate and delay and continue to contemplate the School's possible demise, then that is exactly what may happen or, at the very least, we shall end up as a second-rate institution. On the other hand, if we go ahead with the small animal hospital, friends and foes, faculty and students, and all other important constituencies will once again perceive a bright future and this will certainly lead to greater success in fund-raising as well as to a stronger, more distinguished School.

SECRETARY