

PS4RS Letter of Intent: Alumni-Elected Trustee Candidate Larry Schultz

LAWRENCE M. SCHULTZ, 1980

CANDIDATE FOR PSU TRUSTEE

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Dear Ms. Schmidt and Board Members:

I write to request the endorsement of PS4RS in the upcoming election for a seat on the Penn State Board of Trustees. It is an honor to have come even this far, but I am just getting started.

I am known as Larry Schultz, but if you are going to nominate and vote for me, you need to remember "Lawrence M Schultz, 1980" since that is my full name and year of graduation. You may best know me from *Rally For Resignations* in September 2012. A group of us created this effort to make the pitch, from the steps of Old Main, for those Trustees still seated from November 2011 to step down.

My speech from the Rally for Resignations in September, 2012, is available at this link:

https://www.youtube.com/watch?feature=player_detailpage&v=dMouzs2Ot-k

My speech from the second Rally for Resignations in November, 2012, is available at the following link:

https://www.youtube.com/watch?feature=player_detailpage&v=EYZeHEh2liY

My daughter, Mary, was in the audience that day. She graduated in 2014. She was right there on campus through the worst of this. She never wavered.

None of the Trustees stepped down when called to do so, but Penn State alumni were able to replace nine of them. I do not need to tell you that PS4RS made that happen. Other Trustees drifted away when their terms were up. Those who stayed may yet come to wish that they had left when they had the chance.

Speed The Change: As alumni, we realize our Board of Trustees needs to change. We needed this before November 2011, but most of us were either not paying attention, did not recognize the need or lacked the resources to make change happen. Such change does not come by luck or accident. Changing things in the face of an obstructive power structure is daunting and requires a certain skill set. Consultants and managers change organizations using the power of top management or the owner. Currently the Alumni Trustees do not hold that type of power. Collectively, the alumni have been able to implement some change, but if you are like me you are unhappy with the pace of change.

I am not running against any of the incumbents, I am running for the seat. The Alumni Trustees won their lawsuit and are poised to review the Freeh Report source documents. This most likely consists of several trainloads of (costly) chaff with a few wheat kernels sprinkled in. How do you find what is meaningful, and summarize its meaning in a report? There is a core group on the Board who are very capable in this regard, eg, Alumni Trustees Al Lord, Anthony Lubrano, Alice Pope, Rob Tribeck and a few others. The majority of the Board however, either lacks the skills, the desire, or both. If I attain a seat on the Board, I know I can help extract the truth from the Freeh source documents. I have the skills.

In past elections, my question for the candidates has always been the same: "Tell us about a time you changed some organization that the people in charge did not want to change." I think that is still the most important question, especially with the Freeh documents at hand. The truth about the Freeh Report is in those records. We have to reveal that truth, and figure out how to use that truth to change the PSU Board of Trustees.

Background: I was born and raised in Sugar Grove, Warren County, Pa. I went to Penn State University Park in 1976 and left with a bachelor's degree in Accounting in 1980. I thought I was going to college. Instead I found the world.

I started in 1980 as a Marathon Oil Company corporate auditor, critiquing the accounting records of our competitors in joint venture projects all over the world. I am no stranger to telling the truth to power, and no stranger to asking powerful people questions they do not like. I have been doing it for a living since age 22 and have most certainly refined that skill.

I went to law school at West Virginia University when my company sought to make me a production accounting supervisor at age 25 in 1983. I could not be the guy who did the same rote things every month. I wanted to be able to keep asking questions, and I am still doing so three decades later.

I have served since the early 2000s on the 7-member West Virginia Board of Law Examiners, an agency of the W. Va. Supreme Court of Appeals. We meet twice a year to conduct character and fitness interviews, and we grade the Bar Examination.

<http://www.courtswv.gov/legal-community/board-of-law-examiners.html>

In almost 30 years as a trial lawyer in a small town firm of four lawyers, I have handled thousands of fairly routine matters, and a number of important cases that have changed things locally and across WV. Police chases are conducted differently now as a result of a particular case where I sued both the WV State Police and *Real Stories of the Highway Patrol*, owned by 20th Century Fox. Jane Pauley interviewed me for Dateline NBC about that case. My firm was able to change both law and policy here in West Virginia.

<https://www.dropbox.com/s/35xo2iugl06v5fd/Dateline%20Story.m4v?dl=0>

As a member of the community here in Berkeley Springs, W. Va., I was able to shut down and remediate a community soccer field by showing that it was really an industrial brownfield in disguise. We twice stopped the people in charge from commencing play on this dangerous former salvage yard property. It was full of glass chips, metal shards and rusty bolts and nuts. The same County Commissioners who told me I was wrong, that it never had been a salvage yard, later admitted it was when they applied for an EPA grant to remediate it. This was not a legal matter. It was simply activism in my community. We changed how the County Commission viewed the property and the field is now being made safe for play.

The linked 12 page report is not exactly the Freeh Report, but it has the distinction of being true. I prefer short and true over long and wrong every time.

<https://drive.google.com/file/d/0B7dnhCKP5t-bWmNfbDE2b0ZMTTg/view?ts=56a7e303>

My partner and I stopped a billion dollar health care company from seizing a half million dollars of pension funds from a group of 15 working women who had earned it. That Board was just as arrogant as the PSU Board of Trustees, yet they changed their conduct. No court ordered them to change, we won in the State Supreme Court of Appeals and they agreed to our terms. It can be done, I have done it, and I did not have the resources I will have as a Trustee working with the other Alumni Trustees.

<http://www.courtswv.gov/supreme-court/docs/spring2010/35298.htm>

In *Baker*, the court said of our opponent's brief, "*After careful examination, we conclude that the hospital's well-written, 49-page appellate brief is little more than a smorgasbord of red herrings intended to distract from the clear and simple language of the hospital's February 2004 resolution and the language of the pension plan.*" We all know a Report fitting this description, don't we? I have seen and punctured this sort of colorful and distracting balloon before. I have those skills.

Every week I facilitate a state-licensed Domestic Violence intervention group. As a volunteer, I meet with 4 -10 men convicted of DV crimes for an hour and a half in a church basement, and take them through a process of changing their lives. I cause them to take personal responsibility and question their own beliefs about respect and partnership and sharing. I challenge their beliefs and show them how to change. It is not perfect, but it works. Our organization's research shows that, for men who complete the class, 95+ percent are not arrested for a Domestic Violence Crime in the next 5 years.

This work has sparked my interest in how people and organizations change. The process is the same whether we are talking about a man changing his controlling and abusive conduct or a Board of Trustees changing their practice of routinely abusing the alumni of a large University. The hurdles are the same, though I suspect the personal wealth and power of our most abusive trustees will make them tougher to reach. Getting them off the Board of Trustees may be the only way to rebuild trust. I am game for that too.

The next part of this task is "*recommendations to assist the sitting alumni-elected trustees in the three years to come.*"

Since so much of what the Trustees do is under a command of unnecessary confidentiality, or hidden by the committee process, this part is difficult to answer. As an outsider, I have hoped that our Alumni Trustees will, through their questions inside and outside of meetings, create wariness among the Old Guard that makes them ponder what we will do in response to the next

outrage they serve up. I was very pleased to hear John Hanger ask his simple, forceful questions about the Capital Projects in November.

When thoughtful Trustees ask basic, penetrating questions in a public meeting, the public is helped in a number of ways. First, as we saw in the Capital Projects matter, the entitled majority gets irritated that they would be questioned. The public gains. Second, it turns out their answers are not really very good. Another gain for the public. Third (and this is crucial for a democratically-elected Trustee) the public gets a picture of how the Board does business that it cannot get any other way. Sometimes that will even mean asking questions to which we already know the answer, just so the public can hear that answer. I want to make them say it out loud. I have those skills.

Mr. Hanger was right: we are not a rubber stamp for the Executive Committee. I would not want to mislead you. If that is the guy you want, do not pick me.

I still believe in The Pennsylvania State University as the topnotch university for the sons and daughters of Pennsylvania's working class. PSU can be (and has been) the great equalizer, taking bright, motivated kids without sufficient resources and giving them world-class educations. As it did in my family with the GI Bill after WWII, this can pull the student's whole family into the middle class and beyond. This is not just the dream of some families. It is the American Dream. No Trustee has any more important duty than to ensure that Dream stays vibrant. This means lower tuition, including reined-in spending on capital expansion and other projects, and it means more scholarship help for those who need it. As Trustee I will fight for restrained tuition and scholarship help.

Finally, honoring Joseph V. Paterno is a non-negotiable requirement of the move toward rebuilding trust in the Penn State community. The Board of Trustees badly betrayed the trust of the alumni and the community through its actions in 2011-12.

I know from my volunteer work with domestic abusers that trust never gets rebuilt by accident, or through the simple passage of time. Trust is rebuilt slowly and through hard work. You must admit the harm you caused, honestly recount the motives you were serving when you committed the harm, validate the feelings of those you harmed and demonstrate accountability to build faith that you will not repeat the behavior. Almost all of these features are missing from the current Board's behavior and statements. Indeed, we have been told to just get over it and move on.

Trust is reciprocal - if you do not trust me, it is likely I will not trust you. To rebuild trust involves taking risks. It is a very strange thing to find myself saying that honoring a 61-year employee who changed the face of the University and demonstrated the excellence we strive for is a risky act, but there are very many people who believe it is. We have to go to where they are.

The leadership of the Board must rebuild the trust of the stakeholders. We will know they are serious about rebuilding trust when they address their shameful banishment of Coach Paterno from the public life of this University.

I am going to do this if you let me. I am going to change the question in this election to "Which of us can make this Board change?" I will not disappoint you. I will ask the questions. I will use everything I can muster to make them answer. I have those skills.

Lawrence M. Schultz, 1980

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