



MILTON
HERSHEY
SCHOOL

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P.O. Box 830
HERSHEY, PENNSYLVANIA 17033-0830

January 27, 2004

Dear Fellow Alumnus,

As promised, I will keep you informed of important developments at our beloved MHS, as close to events as possible. You can count on hearing directly from me on a regular basis.

I hope you felt our excitement in my last letter as we described the restoration of the former Senior Hall to be a flagship school building again; our enrollment expansion to 1,800 to serve the highest number of the neediest children in MHS history; and the development of a Master Land Use Plan to best utilize all of our resources.

I am proud to add that we are saving and restoring as many old student homes as we can. To date, this includes Men-o, Borderland, Overview, Swatara, and Canalview to be used as student homes in the near future. A decision has been made to honor our heritage by renovating Kinderhaus and designating it as a place for our kids to have access to vital School history. In addition, we just acquired Longmeads and Pinehurst for eventual program use. While the renovation cost for our older student homes is quite steep, we believe the preservation of our heritage through these historic farm homes is more than worth the extra cost. We also are documenting intended program uses for our land north of the former Senior Hall.

Besides utilizing all of our resources, I want to address two of our other top priorities: *servicing the neediest children* and *being obsessed with graduate success*. In the 13 months of my tenure, we have enrolled 265 extremely needy and dependent children. Of these 265 students, 70 percent came to us from families with incomes below the poverty line. In fact, the average family income per student has dropped from \$21,400 for new students enrolled in the 1999-2000 school year to \$13,735 for those newly enrolled this school year. And, we will be even more stringent in the way we calculate income for our applicants as we move forward. Some of our newest young family members have been rescued from shelters, from the foster care system, and many from abuse or neglect. These kids are disadvantaged and needy when enrolled, but we view them as “gifted” and “precious” when they step foot on our campus—and then we treat them that way.

Now that we are serving the right children, our “raw material” so to speak, we also have beamed our spotlight on the “finished product,” our successful graduates. One of the first things I noticed upon returning to MHS was that our current Mission Statement had no outcome or results focus. It talks about educating and nurturing needy children, but it did not say for what purpose. To me,

MHS exists for one primary purpose, which is to prepare dependent children to be independent, successful citizens. So, we have officially revised our MHS Mission Statement, as follows:

“In keeping with Milton and Catherine Hershey’s Deed of Trust, Milton Hershey School nurtures and educates children in social and financial need *to lead fulfilling and productive lives.*”

By having a defined outcome focus in our Mission Statement, we make ourselves accountable for positioning our graduates to be successful. We are in the process of defining graduate success in great detail, and will continue to seek the assistance of alumni as we design and align the Milton Hershey experience toward that purpose

Two other positive trends are emerging amongst our student body. The first is a pleasant surprise. We predicted that attrition rates would rise as we tightened student accountability, clarified and enforced rules consistently, and began asking more of them while giving them less “stuff” (including mandating four more weeks on campus this summer). In fact, student attrition has dropped by more than 30 percent to date, as compared to the last five years. One can speculate on causality, but we are attempting to identify the drivers of this phenomenon as we speak. My favorite admonition to staff these days is “to have our kids like us less while they are here and respect us more after they have gone.”

Another welcome change is the gradual replacement of the “entitlement mindset” so pervasive at MHS, by one of gratitude and service. This is particularly true of our newer students. They need MHS so much and have few, if any, options, so that our School is once again seen as a much appreciated “Home” by these kids, as well as by their parent/sponsors. Does this sound familiar?

Many of our staff are feeling safe, supported, and valued enough to recommit to our noble MHS mission and have reconnected to their original belief that serving Mr. Hershey’s dream is a privilege, or as many say, “a calling.” To further this staff alignment process, we recently conducted a voluntary incentive program for any staff members who felt they were burned-out, rusted-out, or not in synch with our new direction. About seven percent of our workforce accepted the offer. They are all valued members of our School family and we wanted them to be able to make this transition with dignity. We will miss them. Of course, the great opportunity is for the over 93 percent of us who are choosing to rededicate our professional lives to MHS and to realign and recommit to the strategic direction we have chosen.

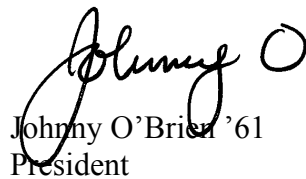
I regrettably end on a sad note. I arrived back “Home” at MHS late in 2002. It is now 2004 and I find it quite disheartening that a small number of MHSAA officers are stepping up their attack on our School, our Board, and our Administration. In addition to their lawsuit against MHS, this control group has now chosen to attack our School Administration in lengthy letters you may have seen.

I hope you share my belief that right now is the single best opportunity in MHS history to get re-rooted in the Deed of Trust and to take our “Home” to new heights in preparing desperately needy kids to be productive citizens. Our Senior Leadership Team (which includes Pete Gurt ’85,

Nick Nissley '84, Bob Fehrs '63, and Ralph Carfagno '73) labor relentlessly every day to fulfill Mr. and Mrs. Hershey's dream amidst our modern day complexity and challenges. We will not be distracted from our sacred mission by those few who choose to tear down while we build, who undermine while we strengthen, and who divide while we know that a united MHS family is an awesome force which will work miracles together. We will keep our eye on the prize; the children entrusted to our total care whom we will prepare to lead successful lives as our Founders had envisioned.

I appreciate your support and your candid feedback. A sign on my desk reads "Challenge Authority." Now that could be a disastrous invitation to some of our kids who haven't learned to be respectful yet! But I believe that most organizational crises, be it a corporation or a school, are caused by the arrogance of ego-driven people of great power and authority. We are blessed with a remarkable leadership team and dedicated staff at MHS who are willing to challenge me and our status quo for improvement. I remind myself to trust and empower them every day. I trust, too, that our devoted alumni body will find ways to close ranks and help build the best MHS there has ever been. Please remember Fellowship Day on Friday, March 12. Come "Home," support a senior, and witness a revitalized MHS.

In the service of Milton Hershey,

A handwritten signature in black ink, appearing to read "Johnny O'Brien". The signature is fluid and cursive, with a large, stylized "O" at the end.

Johnny O'Brien '61
President