

March 5, 2009

To Faculty and Staff,

The Board of Trustee meeting this past weekend focused on the College's financial outlook and, specifically, how our integrated strategic and financial planning process is moving forward in these sobering economic times.

My emails throughout this year have been optimistic, and I remain optimistic about the future of Connecticut College. I do want you to know, however, that there are now more external uncertainties than ever. This is a year in which we absolutely must build flexibility into our budget to prepare for the challenges we face in terms of our Annual Fund, our enrollment and our endowment – the three things that fund our budget.

To that end, we have reluctantly decided to hold salaries flat for 2009-10 for all faculty, staff and administrators. We don't usually announce salary plans until later in the year, but this year is anything but usual, and I want to inform you as soon as possible so you can plan. The College will absorb any increases in healthcare benefit costs so that your contributions will remain flat.

Any decision affecting salary has very personal implications for everyone, and I want you to know that this decision was made only after much consultation among senior administrators, the Priorities, Planning and Budget Committee (PPBC) and the Faculty Steering and Conference Committee (FSCC). It was particularly difficult because by all our internal measures, the College is doing well, with strong current enrollment and applications trending toward a record. Across the higher education landscape, however, other colleges and universities are cancelling or delaying construction projects, cutting programs, reducing staff, and putting a halt to any new faculty hiring. Our salary freeze is a fairly moderate step when compared to actions being taken at other colleges and universities, but we do believe it's necessary given the uncertainties in the marketplace.

We are not immune from the impact of this recession. We do, however, have experience managing in a challenging economic environment. Many of the fiscal policies Connecticut College put in place nearly 10 years ago are serving us very well as we manage through this current downturn. In this kind of environment, we must have a budget with the flexibility and liquidity to absorb some fairly significant setbacks in an orderly and deliberate way. At the same time, we must continue to move the college forward, build our admission profile, invest in the student experience and lay the foundation for future fundraising. It's a very fine line we're walking, with careful deliberation at every step.

By carefully managing our resources through this difficult period, we can preserve the stability of our workforce, the excellence of the educational experience and the real progress we have made over the last three years. This downturn will end, and with your help, I believe we will emerge from this recession with an even stronger reputation and admission profile than before.

After the break, Paul Maroni and I have scheduled an open town meeting during Common Hour on Friday, April 3, to speak with you in more detail about the economic situation, and some of the positive things we anticipate for this spring. This will be an opportunity for you to ask questions as well. The meeting is in Blaustein 210 at noon; we look forward to seeing you there.

Sincerely,

Lee Higdon