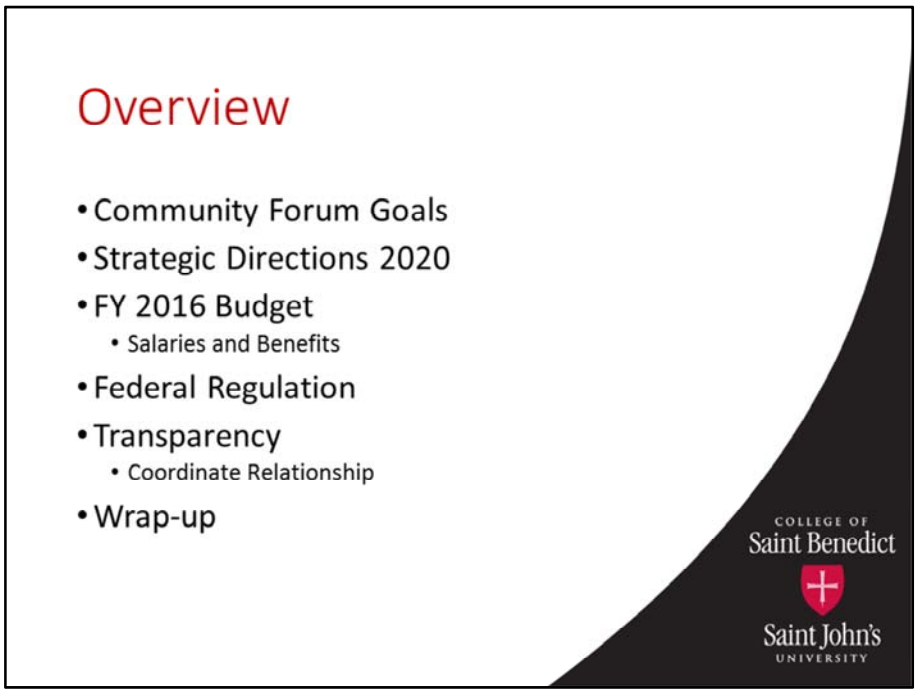
At a recent meeting with the joint faculty assembly, Derek Larson told a wonderful story about arriving at CSB/SJU and being informed by a former president that, "The halcyon days are over!" Derek and I both seemingly missed the halcyon days – those mythical calm and peaceful days of yore. His story stuck with me. I do recognize that it's not unusual – and I find myself doing this more and more as I get older – for us to romanticize what once was and presume it will never be that good again. My guess is that when that pronouncement was made many years ago the thought was times are different from before and, therefore, will never be good again. Surely things become increasingly complicated each day, and 2015 is different than 1999. In part, this is due to the pace of information and technology; in part it's due to demographic and economic issues facing the entire United States, and in part to the myriad demands placed on each of us as we seek to create meaningful educational experiences with our students. I cannot argue that today we face a very complicated outlook in higher education.

The day after Derek shared this story – and it was with his permission that I repeated it – I had the privilege of hearing six Bennies and Johnnies present on a panel. The students were asked why they chose CSB/SJU. The reasons that they

stated were: the strength of a liberal arts program; the quality of the faculty and student-faculty interaction; and the number of resources provided to ensure their success. And, three of them spoke about the importance of community. The liberal arts, faculty, campus resources, and community. As I thought about their perspectives, and thought about the fact that we are all here today, working diligently to provide an excellent liberal arts education to nearly 4,000 young women and men, I realized -and would like to propose that - these are, in fact, the halcyon days. Derek – there's hope for us after all.

Yes, it's a different day economically and demographically. Yes, we have multiple complex and intersecting issues we have to address. Yes, the multiple demands can be exhausting. But we have excellent students. We are all giving a bit more but we are ALL giving a bit more. Everyone is stepping up to support these institutions. No, we don't have the financial resources some other schools have. No, we don't have major endowments, which is what's having the most significant impact on our day-to-day functioning, but we are still doing excellent work.



The goal of our time together today is to make sure you're all in the conversation about both the challenges and opportunities before the College of Saint Benedict and Saint John's University. Michael and I have a shared, explicit commitment to engaging the community in these conversations because we know that the only way to begin to address some of these very complex topics is by engaging our faculty and staff colleagues. At times, we will have difficult conversations. But the difficulty should be in the complexity of the topic, not because we have chosen to arm ourselves against one another. Let us all be right in service of our institutions and work through difficulty to arrive at a solution than is positive for all.

As we begin this conversation, I ask that we not approach nor leave with the thought that all the good days are behind us. These are the days we have, and it is up to us, each of us, to make them our halcyon days.

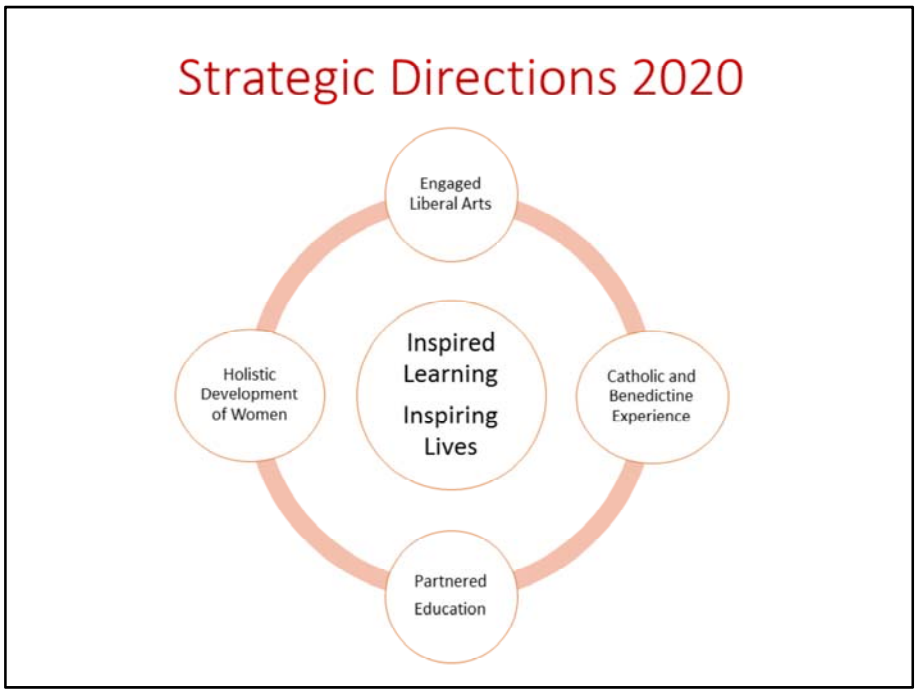
You may recall that we kicked off the planning process for Strategic Directions 2020 with CSB/SJU faculty and staff at the August 2014 All-Campus Community Forum. The Forum was the first in a number of gatherings that occurred throughout the fall on-campus and off-campus to provide opportunities to listen and gather input and ideas for Strategic Directions 2020.

We have engaged more than 800 faculty, staff, students, alumnae and alumni, Trustees, and other key stakeholders in conversations about values, aspirations and priorities. The initial group of campus conversations used the Strategic Directions 2020 Environmental Scan as a focal point for developing a shared understanding of key enrollment issues, financial issues, and liberal learning and co-curricular learning and values. The second round of campus conversations focused on the community's articulation of values, aspirations, and priorities.

EXIT

Under the guidance of the Strategic Directions Council, the planning process thus far has provided us with an opportunity to look toward the future and imagine our best selves. It has encouraged our community to examine the reality and challenges of today and choose a future for the College of Saint Benedict and Saint John's University.

PIETAS
VERITAS
SCIENTIA
Benilde-St. Margaret's School

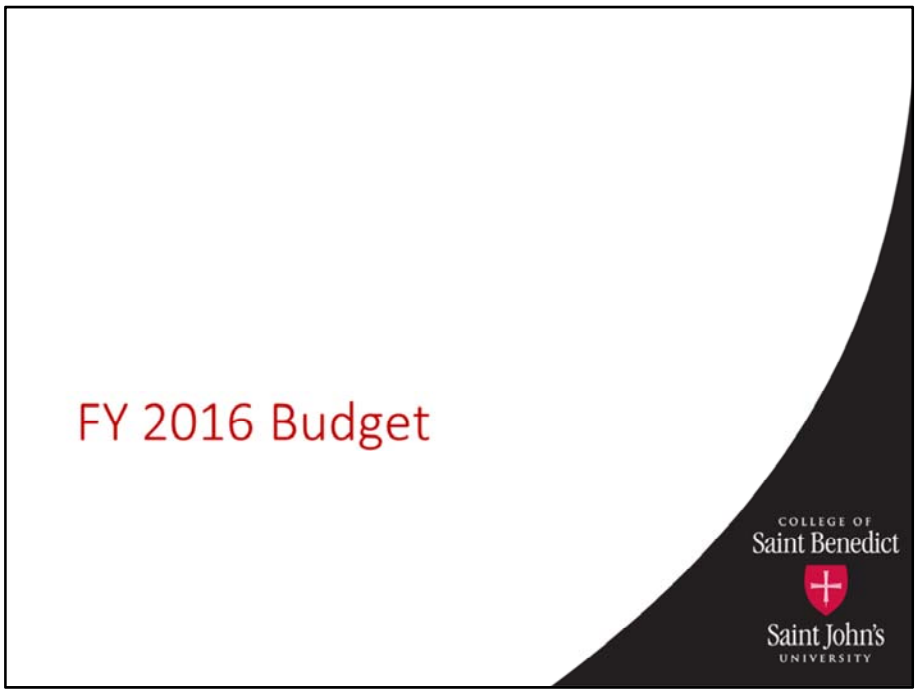


During the first phase of the planning process, through our conversations with you, we identified four pillars to guide SD 2020: Engaged liberal arts, Catholic and Benedictine experience, partnered education, and holistic development of women and men. None of those should be surprising to you, as they are all central to who we are and they reflect directly the perspectives we heard from our community. The CSB Board of Trustees endorsed these four pillars at their December 2014 meetings.

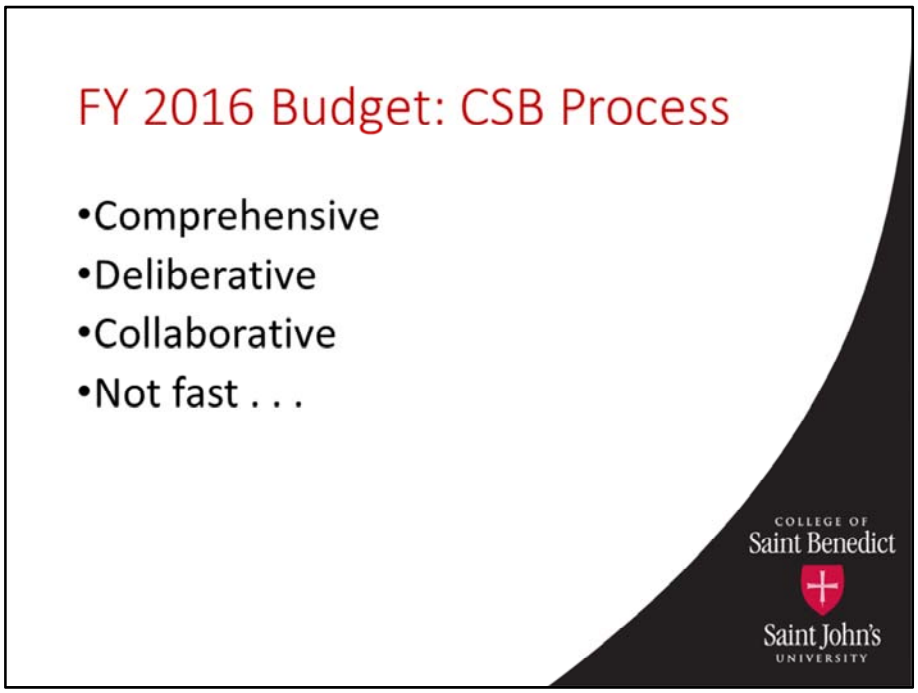
We are now in Phase II of the three phase planning process. During the early part of this semester, we will work with our campus communities to define the goals, objectives, and strategies that will form Strategic Directions 2020 and the metrics. The Strategic Directions Council will draft preliminary goals and objectives that incorporate the feedback and input received from faculty, staff, students, alumnae and alumni, and Trustees during campus conversations.

We expect to share the plan to the campus community for review during the spring semester. Final plans will be presented to the CSB and SJU Boards of Trustees in May 2015 for review and action.

Just a reminder that a website, located in the A-Z index under S for Strategic Directions 2020, shares all of the documents created for and during the Strategic Directions 2020 planning process. Documents and materials will continue to be added throughout the planning process as they are created.

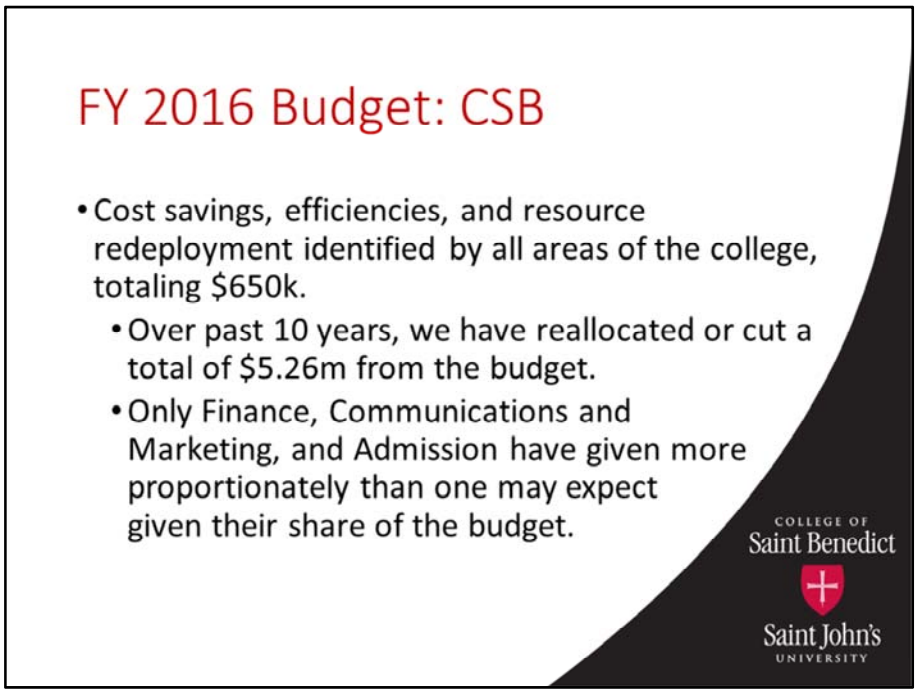


The CSB and SJU Cabinets have been working to develop a balanced budget for FY 2016 that will be aligned with the goals the CSB/SJU community has identified as part of the SD 2020 planning process. Budgeting is never easy, as there are always limited resources to accomplish our multiple and very important goals.



The CSB Cabinet used a collaborative budget approach, and we perhaps took more time to propose a budget than in past years. We will need to accelerate our process in the future but I would never say we should sacrifice thoughtful decision making for speed. We wanted to avoid a fast process that would result in un-nuanced across-the-board cuts.

Each VP reviewed the budget in their division and proposed staffing and operational changes, new revenue opportunities, and other changes that could result in cost reductions. Each area proposed multiple reductions, which were then considered based on their potential implications for the division and for the college. The VPs and I then selected the options with potentially positive implications, or the least potential for negative impact on the college's mission and delivery of student learning.



As a result, the proposed budget for the College of Saint Benedict currently includes increased transfers to capital to ensure that our physical campus can be adequately maintained into the future as we currently have some deferred maintenance we need to address. We are also making it a priority to set aside funds to go into the endowment. Finally, it provides $250,000 for priorities identified through the SD 2020 process this spring. The reallocations were made possible through the joint effort of all divisions, which identified areas of potential cost savings, efficiencies, and resource redeployment.

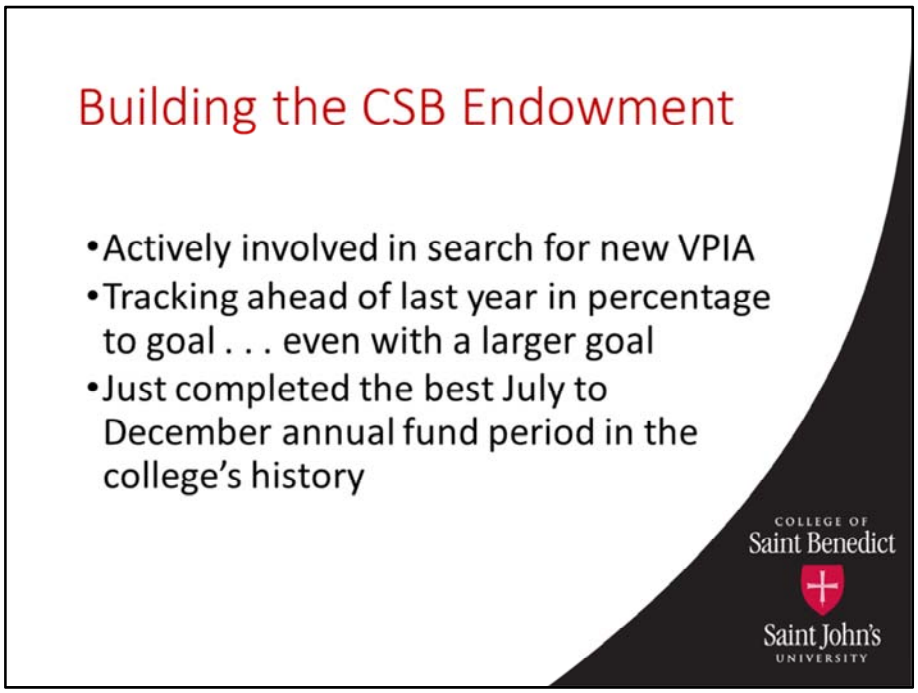
Over the past 10 years we have reallocated or cut a total of $5.26m from the budget. Proportionately, only the following areas have given more than one may expect given their share of the total CSB budget:

Finance & Facilities
Admissions
Communications and Marketing

The proposed FY 2016 budgets for CSB and SJU will be reviewed and approved by the Boards of Trustees in February. We look forward to presenting them with a

balanced budget for both schools that reflects our shared and individual priorities.

It's important to note, though, that with a single primary revenue source – student enrollment, which accounts for more than 80% of our revenue – our budgeting is reliant on that major external factor. To give you a sense how that factor is trending, there are wide gaps in median family income among new entering white students and new entering students of color. The median family income of new entering white students at CSB this fall was $115,217, nearly two-and-a-half times higher than the median for new entering students of color ($49,435). One-quarter of the 81 new entering American students of color at CSB this fall reported family incomes below $30,500. We know from Jon's presentation at the Community Forum in August that the fastest growing demographic is among students of color. Therefore, our economic model needs to reflect our future reality. We cannot exert more pressure on families.



I would like to share some good news about CSB and revenue. Fundraising success is important to our overall financial health. I believe everyone knows that we are actively involved in a search for a new VPIA. In the interim, however, we are having a strong fundraising year.

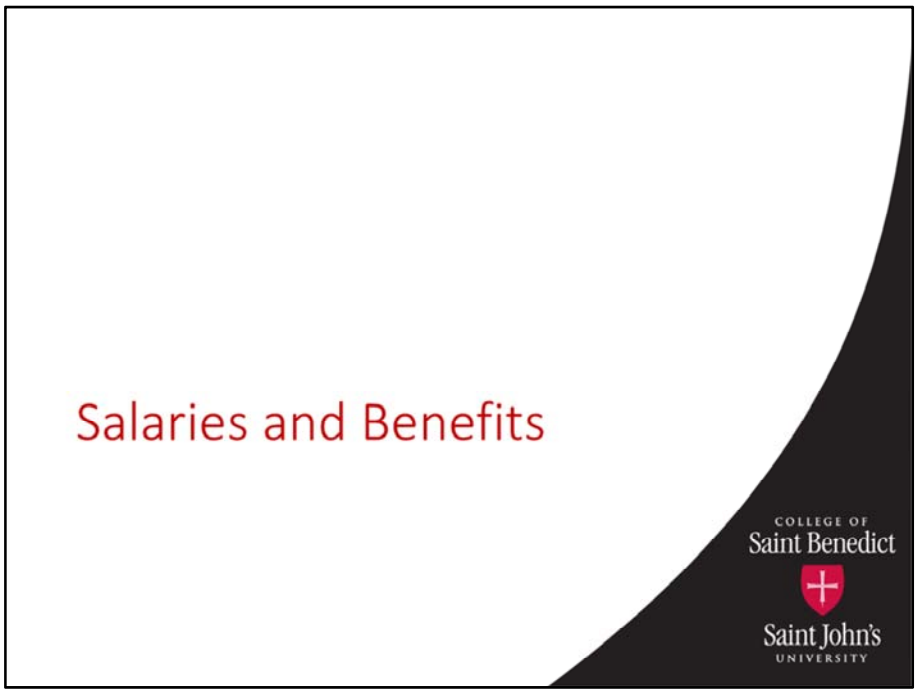
As of January 19th, we have raised $5.593 million to date. (Mostly endowment and capital.) We are over 30% toward our $18m goal for this year, and tracking ahead of last year's percentage to goal – even with a larger goal.

CSB just completed the best July to December annual fund period in the college's history – this is cash in the door we can immediately use.

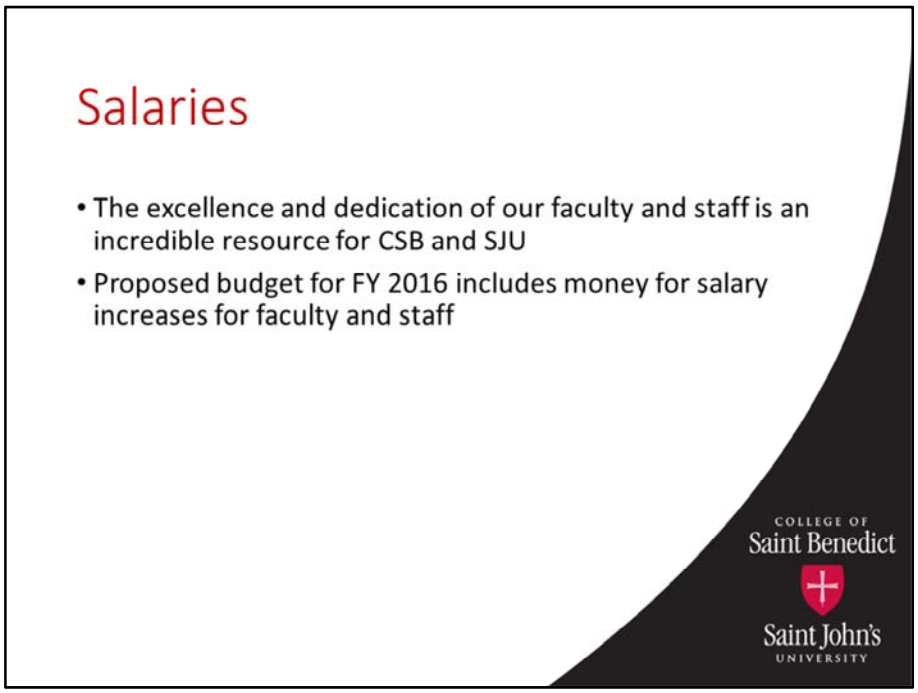
For endowment, we have raised $2.5m on goal of $10m this year. It is usual for us to raise the bulk of capital and endowment in the second half of the year.

Please join me in congratulating our IA office.

You see here our student phonathon callers who raised nearly half a million dollars last year and who continue to share our story in order to raise funds.

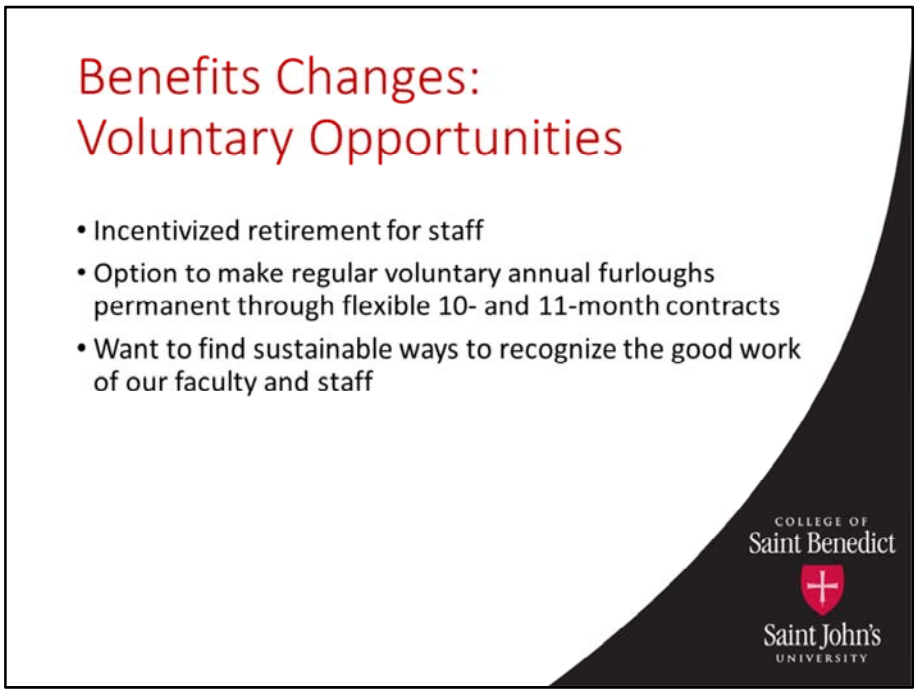


CSB and SJU share some incredible resources: the excellence and dedication of you, our faculty and staff. You live the missions of the colleges and you work every day toward the visions of the colleges. Each year, as we make salaries and benefits decisions for the coming year, we consider the amazing gifts you give our students and our community, and we are grateful.



We have demonstrated our commitment and gratitude to you through annual across-the-board salary increases and benchmarked salary ranges. The proposed budget for FY 2016 again includes money for an across-the-board increase for faculty and staff and appropriate promotions adjustments for faculty and market and range adjustments for staff. As usual, detailed information about salary increases will be sent out by HR.

Salaries, though, make up the largest part of our institutional budget. As we wrestle with flat net tuition revenue, the need to aggressively manage our discount rate, and the unpredictability of the market, we have to find a way to invest in and support our most cherished resource – our employees – while, at the same time, ensuring the long-term sustainability of the college. This is probably one of the most difficult lines to straddle and will likely be where we have the most conversation. There is not one single easy answer. We cannot fall prey to "othering" and suggesting if one group just did X all of the problems will be solved.



We also want to announce two voluntary opportunities to help some of our faculty and staff make informed decisions about their work hours and retirement.

First, this spring, we will offer a pilot program of incentivized retirement for staff, similar to the program implemented for faculty in 2010. Incentivized retirement is designed for employees ages 62-64 with 15 years of full-time continuous service to retire with a bridge to Medicare eligibility. Incentivized retirement is a voluntary program, and more information will be available this spring from Human Resources and your supervisors.

Second, beginning this spring, we will allow and encourage employees who are already taking regular voluntary annual furloughs to move to 10- and 11-month contracts and maintain their benefits . If you are interested in reducing your work hours for any reason, I encourage you to talk to your supervisor. And, if you are someone who has been taking a regular voluntary annual furlough, the Vice President in your division may reach out to you about whether that's a preferred work schedule for you.

One area where we have the least control, and yet significant demands, is around federal regulations and a variety of compliance mandates. You've likely noticed an increase in the employee training opportunities lately.

Last year, we offered mandatory safety training, and this year, we are offering multiple and ongoing trainings related to sexual misconduct. These and other trainings are related to our goals to keep our communities safe and healthy, but they also reflect an era of increased federal regulation of higher education. Increasingly, the federal government is mandating such trainings for all employees, and requesting increased reporting from multiple departments on campus. We thank you for your participation and attention.

I want to just briefly mention that we have worked to be more intentional in our communication with our communities. I think this has been especially important at CSB, as I have gotten to know you as a community and as individuals. A few examples include:

Strategic Directions 2020 on-campus and off-campus conversations
Open Houses with faculty in fall, and planned events with the Joint Faculty Senate
Planned events with the Administrative Staff and Support Staff this spring
Open Forums (like this one) each semester
Updates to the Community after every Board of Trustees meeting – I will host the next update on March 9 after the spring Board meeting, and will report on the Board's review and discussion of the FY 2016 budget. I held them in September and December also.
Regular Open Office Hours – I will host the next open office hour on Wednesday. Check the online bulletin board for details.

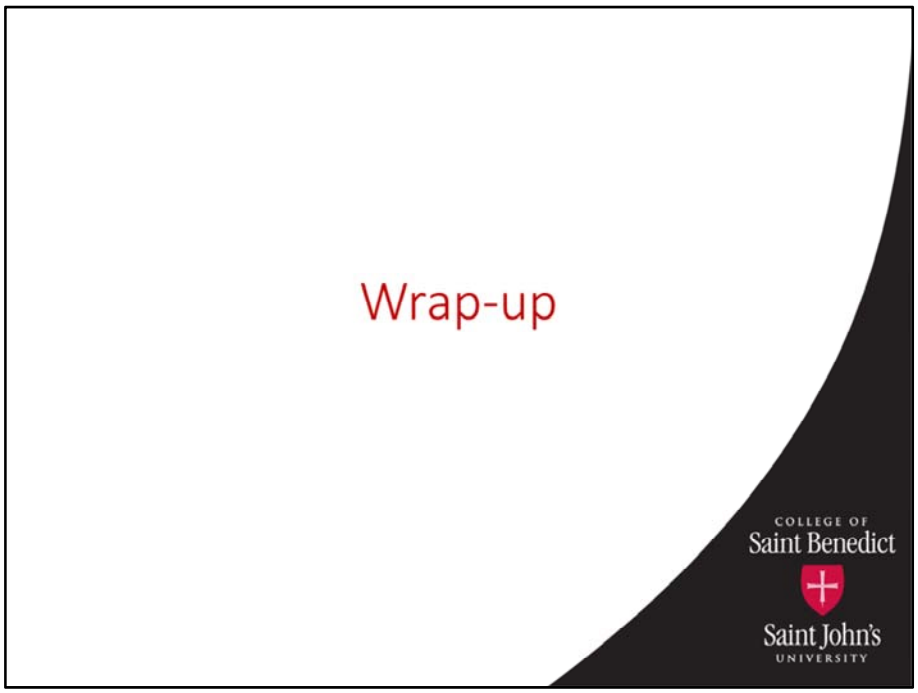
The goal of these efforts is to keep one another informed. It does require a willingness to make oneself vulnerable and all I ask is that these efforts be received in the spirit I which they offered: we are in this together and avoiding engagement – or presuming the worst about engagement - is not going to serve any of us well.

Part of what enables us to sit before you today, and what anchors our commitment to these types of conversations, is the fact that the coordinate relationship is thriving.

This does not mean that both institutions are at the same place or that we face the same challenges at all times. Nor does it mean that Michael and I agree on everything all the time.

It does mean we have a deep and abiding respect for one another; are committed to the success of our partner institution; are willing to find ways to arrive at a win-win and refuse to view our partnership as a zero-sum game; and we believe that we can both be successful.

We have a great deal of good news on our campuses. The new nursing renovation is underway and endowed to ensure we are able to maintain it. Our faculty are publishing a great deal and our administrators are engaged in the national conversation about the complexities of higher education. In fact, Jon McGee's book – addressing this very issue – will be released in 2015. Our staff members are consistently recognized by our students as making meaningful, substantive contributions to their education. As Bill Bowen wrote, " There is more to hope than to fear." I'm not sure it gets much better than that. Here's to the halcyon days…


Wrap-up
COLLEGE OF
Saint Benedict
Saint John's
UNIVERSITY