

Dear Members of the Haverford Community,

We write to report on the meetings of the Board of Managers held May 6-7, 2016. These meetings embodied the duality of Haverford's current circumstance, simultaneously defined by tremendous accomplishments that represent Haverford's ongoing vitality and strength, and challenged by issues facing the higher education sector nationwide.

As community members are aware, one of the major items of business of this meeting was the Board's deliberation on long-term financial planning. The Board took no actions on this front, but it did engage in significant conversation which we represent further below.

Board members began their time on campus by joining the community in celebration of the inaugural incumbent of the Janet and Henry Ritchotte '85 Chair in Asian Studies, Professor Hank Glassman, who gave a talk entitled "Some Reflections on the Visual and Material Culture of Buddhism in Medieval Japan." It was a wonderful Haverfordian moment marking both rich intellectual engagement and the generous support of community members who help sustain that engagement, in this case Board member Henry Ritchotte '85 who along with his family share a deep commitment to transnational studies and East Asia in particular.

The Board's many committees conducted their regular business on Friday, which offered significant evidence of the progress being made toward the goals of the *Plan for Haverford 2020*. The Board received the news, official only days before, that the *Lives That Speak* campaign had just surpassed its ambitious goal of \$225 million. (On a per capita basis, this accomplishment places Haverford on par with our most accomplished fundraising peers.) This milestone was made possible by the extraordinary generosity of Haverford alumni, parents, and friends.

With one year remaining in the campaign (which ends June 30, 2017), the College will be focusing its efforts on completing the campaign's sub-goals for capital projects and financial aid, whose targets have not yet been reached. To that end, the Board announced a Board Scholarship Challenge. This challenge pool of over \$2 million will match 1:1 gifts of \$100,000-\$250,000 toward new or existing endowed scholarships, pledged prior to June 30, 2017. Details will be announced in July 2016 as we enter the final year of the campaign.

At the center of the *Plan for 2020* is academic enrichment, and the core of the academic program is our faculty. The Educational Affairs Committee had the privilege of approving reappointments, tenure, and promotion of current faculty. These included:

- Reappointment in the Tenure Track Position: Louise Charkoudian, Chemistry, Desika Narayanan, Astronomy/Physics, Giri Parameswaran, Economics, Lindsay Reckson, English, Shu-wen Wang, Psychology
- Reappointment in the Continuing Position: Kathryne Corbin, French, Tetsuya Sato, East Asian Languages and Cultures, Jeffrey Tecosky-Feldman, Mathematics
- Tenure: Paulina Ochoa Espejo, Political Science

- Tenure and Promotion: Zachary Oberfield, Political Science, Helen White, Chemistry, Joel Yurdin, Philosophy
- Promotion to Full Professor: Suzanne Amador Kane, Physics

Educational Affairs also approved seven new tenure-track faculty hires who will contribute both to their core disciplines and to the dynamic interdisciplinary work anticipated by the *Plan for 2020*, including Environmental Studies, Visual Studies, multiple dimensions of transnational studies, and others:

- Theodore Brzinski, Astronomy/Physics
- Juli Grigsby, Anthropology
- Daniel Grin, Astronomy/Physics
- Christina Knight, Visual Studies
- Zainab Saleh, Anthropology
- David Watt, Quaker Studies
- Kristen Whalen, Biology

These new members of our faculty emerged from talented and deep pools of search candidates, and we are thrilled to have them join our learning community.

Another important element of Haverford's academic program are the facilities that not only house but stimulate the learning process, and through the Property Committee the Board was briefed on the four major capital projects within the *Plan for 2020*. VCAM and Sharpless renovations have now begun and are currently on schedule for completion next year. An Architect Selection Committee has been convened for the Library, and the music project will follow as the sequence of capital renovations continues to unfold.

The External Affairs Committee received a report on the recently-admitted Class of 2020. While the dust has not yet settled, the class appears to be among the academically strongest and most diverse classes in Haverford's history, drawn from what was by far the largest applicant pool the College has ever had.

President Benston briefed the Board on two concurrent priority planning efforts this year. The Council for Sustainability and Social Responsibility has submitted for community review a public draft of a Sustainability Strategic Plan for Haverford. The Investment Committee of the Board, for its part, took action on one of the recommendations of that Plan by approving a revised Investment Policy that articulates sustainability considerations that it will weigh in its selection of fund managers.

Diversity planning is also underway, and the Board heard about the results of the recent campus climate survey and the preliminary recommendations of the Task Force on Diversity and Community, soon to be released in draft form for community review, and, like the Sustainability Strategic Plan, slated to be finalized in the fall in order to move into an implementation phase. The Student Affairs Committee touched on a number of themes guiding the diversity planning work, including the campus climate for low-

income students and other groups that have expressed concerns about their ability to fully reap the benefits of their Haverford experiences.

Haverford's ability to innovate and support students on campus has been constrained to some extent by ongoing budget pressures since the Great Recession, and the Finance Committee addressed a number of related topics in its work at this meeting. Most centrally, the Committee reviewed the proposed operating budget for FY2016-17, which through significant efforts of the Administrative Advisory Committee and sacrifices across the community is forecast to be balanced on a cash basis. The budget includes anticipated increases to student financial aid and essentially flat funding of campus operations. The budget contains a salary pool of 2.0% for faculty and staff to be allocated by department heads in consideration of performance, equity adjustments, and promotions. In approving the proposed budget, the Board recognized the need to sustain a competitive and equitable level of compensation for employees; it will remain mindful of that concern as it contemplates scenarios for securing the College's long-term financial sustainability.

The Finance Committee also looked at measures to help provide more operating flexibility. It encouraged the College to continue pursuing medical self-insurance, and it took the first steps toward a new bond issue to provide critical funding for facility and technology renovation, repair, and replacement. It also approved a Voluntary Retirement Opportunity Program for current employees, about which Human Resources will communicate further.

The Board then spent significant time in a plenary session along with faculty, staff, and student representatives and members of the senior staff, to discuss the financial planning work in which the campus has been engaged this year. This work was undertaken in response to the Board's previous request to model out financial scenarios that would bring Haverford into full-accrual (GAAP) equilibrium by FY2020-21. While no decisions were taken, the Board established a number of fundamental assumptions that will guide its continued deliberations. These include:

- Haverford's academic excellence is at the heart of its mission and its economic model. Sustaining that excellence is the Board's highest priority.
- It is the Board's responsibility to manage Haverford as a perpetual institution that will offer academic excellence to future generations commensurate with the education it offers today.
- Haverford's diverse community is a critical ingredient of its academic excellence, and the College and Board are deeply committed to diversity in the broadest sense. Robust financial aid will remain one important tool to build that diverse community.
- Haverford must balance the competing priorities that drive academic excellence, including a talented and diverse faculty, staff, and student body, as well as excellent facilities and instructional resources. Investment priorities among these will evolve over time, but each requires active stewardship.

- The external environment is likely to remain challenging for higher education; Haverford should not expect to be relieved of the burden of difficult choices by external changes.
- Haverford is competing for exceptional students, faculty, and staff who have many fine choices in the educational marketplace. Haverford must offer a compelling and competitive educational experience in order to remain relevant and viable.
- In order to maintain the assets that support the College's excellence, the Board will seek to achieve full-accrual operating equilibrium within about five years, which will take into consideration non-cash factors including depreciation and debt in addition to operating performance.

In deference to the Corporation, which was to be engaged on these topics after the conclusion of the Board's meeting, the Board paused its financial planning deliberations, which it will continue later this spring.

In other business, the Board reviewed new candidates for Board membership to be elected by the Corporation at its Annual Meeting on May 7: Mark Anderson '84, Steve Begleiter '84, Claudia Hammerman '87, Norval Reece, and Shibu Shibulal P'06 P'15. The Board expressed its deep appreciation to departing members Steve Jaharis '82, Irene McHenry, and Young Alumni Associate Will Moss '05, along with outgoing Alumni Association Executive Committee President Spencer Ware '01.

Following on the Board's annual evaluation of the President, which included a '360' review of Kim Benston by campus community members and the Board, we are pleased to announce that Kim's term was extended through the 2017-18 academic year. Haverford has been tremendously productive in this first year under Kim's leadership, as evidenced by all of the above activity and much more. We are grateful to Kim for his thoughtful, wise, and energetic service to the College, as well as to the faculty, staff, students, alumni, and friends who have joined together in common cause to strengthen Haverford and its mission at this critical time in its history.

Finally, in its most rewarding piece of annual business, the Board approved the conferral of Bachelor's degrees on the Class of 2016 as certified by the faculty. We extend our hearty congratulations to all of Haverford's graduating seniors and their families.

Sincerely,
Garry W. Jenkins '92, Vice Chair
A. Richard White III '81, Chair