

Comments by President Celeste, Open Budget Forum, Feb. 26, 2009

Thanks for coming today. Before we get to today's budget updates, I'd like to take a moment to put our difficult economic circumstances into historical context.

This is a time of uncertainty for Colorado College. But in fact it is NOT unprecedented. Exactly 80 years ago, as J. Juan Reid wrote in his history of the first 100 years of CC:

“The nationwide depression following the stock market crash caused severe losses in revenue in the college's income from endowments. Declining enrollment and unpaid student accounts further reduced income.”

Montgomery, Hagerman, Ticknor, and McGregor Halls all closed.

Even when Thurston Davies became president of CC in 1934, the Great Depression still held the nation in its grip. Reid wrote:

“Davies met with the trustees to outline his immediate objectives for the college: the enrichment of the curriculum along progressive lines; an aggressive admissions policy to increase enrollment and broaden the geographic distribution of the student body... .”

By 1939, Davies stated in his annual report to the Board of Trustees:

“Upon the vigorous foundation of the past we are trying to build a new and vital institution which will continue to uphold and develop the previous achievements....The [college has] faced these past emergency years with ability and courage but [is now] confronted with a situation which demands, for the very existence of the college itself, the utmost cooperation....To say that an institution is at any time at a crossroads is trite. I feel right now, however, that...Colorado College, already one of the widely known small colleges in the country, will be preeminent in its field.”

Davies believed it 70 years ago, and I believe it now. We are at a crossroads, but we will prevail.

We will prevail precisely because we have dedicated individuals working hard to ensure it – among them Susan Ashley and the Budget Planning Team, and our Board of Trustees. As you may know, the Board met last Thursday through Saturday, and the financial situation dominated their work.

On Saturday the trustees passed the following resolution:

The Board of Trustees applauds the excellent and creative work of the college community in reducing costs by \$8 million. Because of the continued deep uncertainty about the economic conditions over the next several years, we believe it to be necessary to continue and renew these efforts with the goal of identifying at least an additional \$4 million to be implemented as necessary over the next two years.

While painful, we believe that the thoughtful and analytic efforts begun will enhance the quality of the institution and improve CC's focus on our core mission. In this context we urge that every function and process in the college be evaluated on the basis of its contribution to the core mission of the college.

Yes, it is and will continue to be painful, and we have to acknowledge reality. I can tell you that the trustees are also feeling this pain – not only in their own professional lives as many are forced to lay off long-time workers from their own businesses – but because they care DEEPLY about Colorado College.

Several trustees handed me large checks this weekend to support financial aid. Members of senior staff and others are also making donations (some by taking a pay cut), and we are establishing a “Supplemental Financial Aid” fund.

Now, a couple of important announcements before I turn this over to Dean Ashley;

- 46 staff elected to leave CC under the Voluntary Staff Transition Program
- For most, March 21 will be the last day of work for non-exempt staff; March 31 will be the last day for exempt. These dates are tied to the pay cycle.
- Some of the staff leaving voluntarily have said they will not take the lump-sum payment offered, but instead will donate that money toward financial aid.
- Watch for digest notices about an all-campus farewell/thank you event for our departing colleagues, tentatively scheduled for March 30.
- Over the past few days we have received numerous questions about a "second chance" voluntary transition program. In response to that interest, we will reopen the voluntary program for two business days. The program will reopen at 9 a.m. on Friday, Feb. 27, and will close at 4:30 p.m. on Monday, March 2. All aspects of the program remain the same. There will not be any open forums to discuss the program, but any potential volunteers who have questions should contact the HR office.
- Finally, I must report that unfortunately we are more than likely to have involuntarily layoffs in the future, but we cannot yet predict the timeline.