## OFFICE OF THE PRESIDENT

## MEMORANDUM

TO: LIU Community

FROM: David J. Steinberg

DATE: June 29, 2012

SUBJECT: University Update

On June 12<sup>th</sup> the trustees met at LIU Brooklyn for the final Board meeting of the academic year, using that opportunity to review the year just past and plan for the year to come. As you know, we are now deeply engaged in our decennial Middle States review. Traditionally, we have used this intense period of self-assessment to revisit our institutional mission, to gauge its continued relevance and our ability to fulfill it. The Middle States evaluation team that will visit us next spring will judge our Self-Study Report and the claims we make in the context of our declared Mission Statement. It must define, therefore, our priorities and capture our core values.

Early in the self-review process I established a committee to review our existing Mission Statement and to evaluate collectively what, if anything, needed to be changed. This University-wide committee included students and faculty leadership, deans, trustees, alumni, administrators and University Officers. The group began its work nearly 18 months ago and then adjourned until it could be informed by the findings of the several Middle States Working Groups. From beginning to end the conversations were lively, the participation substantial, and the arguments often intense. Most important, it was evident that our mission remains firmly grounded in "Access and Excellence." As the discussions progressed, I appointed a sub-committee of seven, chaired by Chancellor Ed Shorin, to translate our rearticulated ideas into written form. The interim language the group proposed served as a launchpad for the full committee subsequently to craft a statement that the Board ratified on June 12th. The revised statement reaffirms our core values and reminds us that LIU is all about her students.

Long Island University was founded on the principle of educating and empowering men and women from all walks of life. Through our mission of Access and Excellence, the LIU community remains committed, above all else, to the educational needs and interests of our diverse student body. We strive to cultivate and expand academic, professional, artistic and co-curricular opportunities, enabling students to realize their full potential as ethically grounded, intellectually vigorous and socially responsible global citizens.

As is customary at the June Board meeting, there was much discussion about budgets, enrollment forecasts, and other financial matters. Taking advantage of the current low interest rate environment, the University is now seeking to refinance some of its Dormitory Authority bond indebtedness later this summer. Current indications are that debt service costs may be able to be reduced by over \$5 million over the next 20 years. Such refinancing requires a current credit rating. Standard & Poors has sustained our current rating of BBB- with a stable outlook. Moody's will perform a similar review in July.

The Administration has recommended and the Board approved a delay in formal submission and approval of next year's budget. By mid-July more will be known about enrollment, both graduate and undergraduate. The Board, thus, delegated jointly to its Executive Committee and the Budget & Finance Committees the obligation to review the proposed budget and to act on behalf of the full Board in mid-July. At present student enrollment at both Post and Brooklyn appears to be modestly strong. The extra month granted by the Board will help confirm next year's reality. However, in advance of any budget vote, the Board approved the establishment of a modest merit-based pool for salary increases to those University employees who do not belong to any collective bargaining unit. For the last four years there has been only one prior increase in the base for these key employees based on merit.

One of the topics that received special Board attention was the ongoing health of the Regional Campuses. Over the past year, a great deal of attention has been focused on those non-residential campuses to ensure that they meet their twin goals of superbly educating men and women who live outside the encatchment areas of the residential campuses while generating extra revenues to help undergird the activities of those residential campuses. The Regionals have been badly buffeted by the contraction in education programs at the graduate level. Every aspect of the Regionals was re-examined in detail, with the goals of strengthening efficiency, clarifying mission, and revitalizing programs. The plan presented to and endorsed by the Board includes a diversification of the programs offered, an expanded use of multiple distance learning technologies as well as streamlined administrative structures that will make the Regionals more cost effective and nimble.

Another major topic was the need to extend LIU's presence online. Given the Board's recognition of the strategic importance of online learning to the future of the University, the Chairman of the Board appointed an *ad hoc* committee of Trustees to oversee the development of LIU as a competitor in the online market. This committee will work closely with Vice Presidents Kane and Baroudi, the Provosts, key staff and faculty stakeholders in the months and years ahead as the University develops its online programming. The Board has given a clear signal that it expects the University to find its niche in this burgeoning field and to participate fully in this 21st century delivery of new modes of learning.

Our industry, higher education, remains under assault nationally. LIU receives more than 50% of its revenue from government sources, and the funding of higher education has become one of the major points of contention between Republicans and Democrats. Families remain squeezed and the value of any college degree has increasingly been challenged. But internally the University continues to strengthen its focus, its capacity to manage its finances prudently, and its delivery to its students of the learning component that it promises. I am delighted that a reconstituted University Faculty Senate will take its place at the Board table in the next academic year. I am sure that our Middle States visitors will discover a more confident, integrated and focused University, one which can enable "students to realize their full potential, as ethically grounded, intellectually vigorous and socially responsible global citizens."

My very best wishes to you all for a wonderful summer!