

## **UNIVERSITY CENTER**

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David J. Steinberg, President

## Memorandum

TO: Long Island University Community

FROM: David J. Steinberg

DATE: October 14, 2008

SUBJECT: The National Economic Crisis and Long Island University

Our nation, and indeed the whole world, is now experiencing a deepening economic crisis. House prices have plummeted and many families no longer can use second home mortgages to fund college tuitions. Nationally, retirement accounts have lost trillions of dollars and many individuals will lose their jobs. But the core of the crisis is in the credit markets, which have frozen hard. Many of our students cannot secure student loans. Many parents are finding that they can no longer finance the American dream of higher education through additional debt.

Long Island University, like all other colleges and universities across the country, is buffeted by the downturn of the economy and by the credit crunch. No one knows how deep the problems will become or how long they will last. Over the next weeks and months our collective task is to act prudently and proactively to ensure that we live within our means, even while seeking to emerge from this now global crisis with a stronger University, one better able to fulfill its mission.

The reality is that enrollment has declined sharply across the entire institution when compared to Fall 2007 levels. Some students who committed to enroll at the University have either gone elsewhere or have decided not to go to college at all. Others have found, or will find, themselves financially overextended, and we anticipate a rise in "bad debt." The financial aid needs of our students stretch beyond our capacity to meet them. Of course, Long Island University is not alone in facing this dilemma. But there is little comfort in knowing that other colleges and universities also are caught in the rainstorm.

We are a student-centered, tuition-driven University, one that has long offered students of limited means access to the American dream. We have a covenant, not just a legal contract, with our students. We exist to empower them by providing a superb and effective education, one delivering the knowledge and skills required for productive, fulfilling lives. Guarding this covenant must be the central priority underlying all of the decisions we will have to take in the months ahead. My fellow Officers and I clearly understand our budgetary challenge. We will do our best always to function strategically, consistent with our obligation to our students.

Over the next few weeks each University Officer will be working closely with her or his staff to find the most humane and prudent ways to reduce expenses and/or to increase revenues. I ask all of us to work in concert. We actively seek your ideas. We are large enough and strong enough to re-balance our books, but make no mistake, some decisions will be painful. We must take some fundamental steps relative to hiring, operating budgets, and other expenses such as overtime. You will hear in greater detail the steps we will implement.

In sum, our students are at the front and center of this University's mission. They must remain so. As I noted, they and their families are under enormous pressure. Each of us must do more to keep them in the classroom. Our pledge to our students demands no less. Long Island University needs to respond to this clarion summons with grace under pressure. Each one of us individually, and all of us collectively, have an unequivocal obligation to protect our University and her mission of Access and Excellence.

David J. Steinberg