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David J. Steinberg, President

## Memorandum

TO: Long Island University Community  
FROM: David J. Steinberg, President  
DATE: June 28, 2010  
SUBJECT: The National Economic Crisis and Long Island University, X

The Board of Trustees held its last meeting of this academic year on June 8th. At that meeting the Trustees reviewed carefully this year's financial experience and voted next year's budget. The University remains very cautious about the future, even though 2009-2010 turned out to be a better year financially than originally anticipated, primarily because, as I have already reported, the enrollment and retention results were more positive than forecast last spring and because many employees helped to manage down expenses. As you know, when this year's budget was drafted, enrollment was projected at 3.5 percent down for undergraduates and one percent for graduates. In reality, enrollment was just a shade better than flat. We now have our revenue booked through May 31st, and those figures confirm that our budget will be sufficiently in the black to authorize some vitally needed expenditures and to award in two tranches of two percent each (not in the base) a non-recurring payment to all non-union, full-time employees who did not receive a salary increase last spring.

The Board's caution is based on the reality that we anticipate enrollment still down in credits "sold" from two years ago. Moreover there remain substantial uncertainties about the local, national and global economies. Are we merely in the eye of a hurricane or will the national economic recovery continue? Will there be a Sovereign Debt crisis in Greece or Spain or the State of New York? Whenever the State budget is finally voted, will Bundy Aid survive? Will TAP payments be cut? Will the regional unemployment numbers improve so that more parents can help their children make tuition payments? No one knows, and there remains a looming risk that external forces will upend our hopes and our balanced budget. It is for this reason that non-union employee contracts for 2010-2011 will be issued this summer without any salary increases. In November 2010, when fall enrollment and, therefore, revenue can be projected, the University Officers and the Board of Trustees will revisit the compensation issue.

Despite this high degree of caution for next year, we have wonderful reasons to celebrate our success in the year now drawing to a close. Approximately 1,600 undergraduate and 3,100 graduate students successfully earned their degrees in 2009-2010. Two Brooklyn Campus students were honored with Fulbright Awards and across the institution 16 outstanding probationary faculty members were granted tenure. Two exceptional members of the faculty, John Ehrenberg at Brooklyn and Paula Lester at C.W. Post, were promoted to the coveted rank of Senior Professor. Embodying the University's vision of a more humane world, teams of Brooklyn faculty and students traveled to Haiti to provide medical and rehabilitative assistance. For the second year in a row the C.W. Post men's lacrosse team won the NCAA Division II national championship. These examples are but a few of the many highlights of another impressive year in the University's history.

Equally important, 2009-2010 was a year of continuing structural evolution. The Oracle systems are carrying out our administrative functions more effectively and efficiently. MyLIU has changed how students navigate their college years. The new website is dynamic, user-friendly, and state-of-the-art. Our University is more responsive to student needs, offering new ways to think about scholarship aid, based not only on academic performance but also encouraging persistence toward earning a degree.

The 2010-2011 budget calls for \$81 million to be spent on institutional scholarship aid. That is a larger amount than our current endowment, based on May 31, 2010, figures. In addition, we anticipate awarding more than \$165 million in Federal Direct Student Loans. Long Island University students have always been financially needy; today it is an exceptional struggle for them to pay for an undergraduate or graduate degree. Our task must be to assist as many as possible and to focus intensively on each and every student to encourage retention. No student should ever drop out or transfer because collectively or individually we failed to reach out to help, whatever may be the student's issue, financial, academic or personal.

Finally, we are once again turning our collective attention to the decennial self-study and reaccreditation process that culminates in a site visit and evaluation by the Middle States Association in 2012-2013. The University Officers and I want this Self-Study Report to serve as an empirical, data-driven assessment of how effective our University is, even during this Great Recession, and how we can establish with hard evidence that the institution is fulfilling its primary mission of teaching its students. Since we are structurally one institution teaching on multiple sites, the Self-Study Report must present the University as a whole, even while fully allowing its many units – be they geographic or academic – to celebrate the variations on a theme that represent one of our most important institutional strengths. In sum, it must be a reaffirmation of the University's commitment to the notion of student success. To achieve that goal we must promote collegiality between the faculty, administration and governing board; we must constantly enhance our capacity to manage institutional resources; and, finally, we must strengthen our technological capacity to delivery education in the digital age. I look forward to sharing much more with you in the months ahead about this exciting University-wide endeavor.

I do hope that the summer is a happy and relaxed time for each and every one of you.

A handwritten signature in black ink, appearing to read "David J. Steinberg".

David J. Steinberg, President