



Takeaway Summary

Spring Regional Class Chairs Meetings

Michael Lockhead, Vice President for Administration and Finance

Challenges Facing the College:

- ❖ Significant drop in endowment values and projected endowment income (2012 / 2013)
- ❖ Decrease in credit availability to finance college education costs / what is available is more costly
- ❖ Significant drop in home and retirement values have diminished families' college financing resources – the “wealth effect”
- ❖ Job losses, downward pressure on wages, and economic instability combine for a very uncertain operating environment
- ❖ Until now, colleges had been able to largely isolate themselves from economic downturns

Financial Aid Summary:

- ❖ 60% of students receive some type of aid (loan, work-study, or grant)
- ❖ 47% of students receive a college grant
- ❖ The average college grant this year is \$25,417
- ❖ 51% of the graduating class of 2008 incurred federally-funded student loans.
- ❖ The average cumulative federal loan debt for those students was \$17,200.

The Case for Current Use Giving:

- ❖ Projected drops in endowment income will impact the operating budget immediately
- ❖ Primary endowment areas affected are financial aid and faculty chairs
- ❖ College is committed to maintaining these high priority commitments
- ❖ Increased financial aid needs in response to economic impact on Holy Cross families
- ❖ Need for additional funds is immediate and will likely be the case for years to come
- ❖ Long-term financial aid projections could challenge the Holy Cross model

Michael Perry, Vice President for Development and Alumni Relations

“Holy Cross has been through many other challenging times in its 165-year history. While we all must make adjustments in the days and months ahead, I am confident that our community can weather the current challenges—and, at the same time, preserve the quality Holy Cross is known for, while keeping the College affordable and accessible for all qualified students from every background.” – Rev. Michael C. McFarland, S.J.

Why is Supporting Holy Cross so Important?

- **Maintain the need-blind admissions policy:** The College has a need-blind admissions policy and a commitment to meet the full demonstrated financial need of all accepted students; consequently, close to 60 percent of our students receive \$35 million of financial aid and that number is on the rise.
- **Allow current students to continue their education:** some students are worried about not being able to finish their Holy Cross education because of the toll the economic crisis is taking on their families. Holy Cross must be able to meet the needs of students whose financial situations have changed dramatically and unexpectedly.
- **Recruit and retain faculty:** Holy Cross’ professors arrive on campus from the top graduate programs in the country, with deep devotion to teaching and scholarship. They also serve as mentors, coaches and guides, working with students in and outside of classes. While Holy Cross has made significant investments in improving faculty compensation, the College must allocate funds to attract and retain faculty of the highest possible quality.
- **Maintain the student-faculty ratio at 11:1:** making the investment to lower the student-faculty ratio has allowed Holy Cross to attract strong candidates, offer small classes in which students can participate easily and effectively, and encourage out-of-class faculty-student interaction (including supervised independent research projects).
- **Provide faculty resources:** Holy Cross needs funding support for library acquisitions and journals, equipment, travel, research, and other scholarly activities, in order to preserve our standing in the academic world and the promise of a top-quality educational experience for our students.

Tips for Getting your Classmates’ Support

- **Be Proactive:** Stay in touch with your Classmates – now is a time to reach out, not retreat
- **Start Early:** Donors are taking more time this year to decide
- **Be Alert:** Understand that some Classmates have been impacted significantly by current economic conditions (both negatively and positively) and others have not – adjust conversations accordingly
- **Be Knowledgeable:** Focus on what is important for Holy Cross
- **Be Discriminating:** Sharpen the case for philanthropic support and focus on institutional priorities that are central to advancing the mission of Holy Cross – financial aid and faculty resources.