

TO: Faculty

FROM: Faculty Trustees, 2008-2009: Marshall Boswell, Associate Professor; Steve Ceccoli, Associate Professor, Ann Viano, Associate Professor

RE: Report of January 16, 2009 Meeting of the Rhodes College Board of Trustees

The title of the January 16, 2009 meeting of the Board of Trustees was “Teaching, Learning, Leadership: The Enduring Strengths of Rhodes College.” This meeting’s agenda included

- A morning Executive Session, which the Faculty Trustees did not attend per usual protocol
- Morning General Session
- Committee Meetings
 - o Committee on Trusteeship
 - o Committee on Student Life
 - o Committee on Student Learning
 - o Committee on Finance
- An afternoon General Session featuring Committee reports
- A concluding Executive Session, which the Faculty Trustees did not attend per usual protocol

Overall, this meeting focused on three main areas of interest: The state of the endowment in the wake of the recent economic downturn; a strategic discussion of how best to respond to current economic conditions; and a consideration of student concerns about recent changes in the curriculum and the undergraduate social policy.

Board members were apprised of the current state of the endowment, which lost approximately \$70 million in calendar year 2008, leaving it at approximately \$220 million at the end of calendar year 2008.

For individual Committee Meetings, President Troutt enjoined the members to set aside time to discuss two questions relating to the economic downturn:

- *Where are there opportunities to reinforce our core business—Student Access and Student Learning?*
- *In what way can we treat our stakeholders as “fellow combatants stuck in the same foxhole”?*

These discussions yielded a number of ideas for future strategic planning drawing primarily on the business models most familiar to members of the Board. In the afternoon general session, during which time Committee members reported on these generative discussions, the debate narrowed down to two primary proposed paths going forward. On the one hand, some Board members argued that in the business world, the time to make money is when all looks grim. In doing so, they advocated an approach proposed by Warren Buffet, who argues, “Be fearful when others are greedy, be greedy when others are fearful.” In other words, these members urged the College to seize the current downturn as an opportunity to recruit top faculty members caught in

a struggling hiring market and ramp up efforts to enhance student enrollment. Several members suggested that the hiring pool might be very strong at the moment because other schools are cutting back on new hires. On the other hand, other Board members advocated a more cautious approach geared toward doing more with what resources we currently have. As such, the college should look at ways to increase its productivity and expand its cost savings.

There was also some discussion as to whether or not the College should offer families a four-year set price for tuition, room, and board. Some members suggested that this would give families a clearer sense of projecting costs, particularly as the costs of higher education continue to rise. (For the next academic year, Rhodes tuition will increase approximately 4%, while room and board will increase 7%.) These members argued that the College needs a better business model in this regard that might include a risk-shifting mechanism. A fixed price tuition could also be used in marketing campaigns to prospective students.

A number of board members expressed interest/concern regarding how current students are faring with the economic downturn. They were told that the College had established a special committee—including Teresa Beckam Gramm and Mike LaRosa—to deal with requests for emergency financial assistance as they arise. There was some discussion about the issue of retention in this context.

Board members were apprised by Dean Robert Strandburg about the state of the SACS review. Dean Strandburg told the Board that the College did exceptionally well on the basis of the 88 written reports that were submitted last fall. Of the 88 reports, the SACS committee had only minor concerns about five of the issue areas. Dean Strandburg affirmed that College will be able to address these concerns without difficulty. The SACS on-site reviewers will be on campus from March 24-6. Board members were also reminded that College was still a little short on both F2 (Writing Intensive) and F9 (Multiple Cultural Perspectives) courses.

Board members in the afternoon session also listened to significant concerns raised by one of the student trustees regarding what the student characterized as “widespread dissatisfaction” on the part of the current senior class about the recent changes in both the curriculum (i.e., the shift to the Foundations curriculum) and the college’s alcohol and social policy. In particular, the student trustee singled out as troubling a relatively new policy informally referred to as the “Spontaneous Gathering Rule,” that requires students to submit to the Dean of Students Office a formal request a week in advance for any social gathering involving alcoholic beverages and a twenty or more participants. The student trustee informed board members that an initiative is underway to change the College’s alcohol and social policy.

Finally, the Board met on Thursday evening for dinner in Hardie Auditorium. The occasion was to thank and salute Board Chair Spence Wilson, who will be stepping down as Chair following the current academic year. Mr. Wilson was elected Board Chair in April 2000. He will be succeeded as Board Chair by Mr. William Michaelcheck ('69).