Dear Members of the Boston College Community:

At its March 6 meeting, the Boston College Board of Trustees reviewed the University’s finances and approved the 2009-2010 budget. I am writing now to provide details about this budget, and I also want to give my perspective on financial challenges facing Boston College and American higher education and steps required for Boston College to maintain its institutional momentum and upward trajectory.

University priorities guided the development of next year’s budget. We desired to continue our commitment to need-blind admission, to meet full demonstrated financial need of accepted undergraduates, and to maintain funding for academic and student formation goals in the Strategic Plan adopted by our Trustees in February, 2006. Given the economic pressures on many of our students and parents, it was important to keep increases in tuition, board and room as low as possible and to allocate extra dollars for financial aid. To avoid disrupting our campus services and culture, we wanted to avoid personnel lay-offs, unless absolutely necessary. Finally, we were committed to a balanced budget and believed it essential to position Boston College for a sustained economic downturn, should that be the case. Doing so required that we respond to the approximately 25 percent decline during the past six months in our endowment, which this year provided 10 percent of our operating budget, and to the possibility that gift income could decrease.

To meet these objectives and to continue moving forward, the 2009-2010 budget calls for raising undergraduate tuition by 3 percent, the lowest increase in 35 years. It also boosts financial aid by 7.34 percent or $5 million, and designates $9.5 million to fund academic and student formation goals outlined in our Strategic Plan.

In addition, non-salary operating expenses will be reduced by 2 percent, and employees earning $75,000 or less will receive a salary increase of 1.5 percent, while salaries above $75,000 will continue at present levels. The University will also save $1.5 million by eliminating selected open administrative positions, and it will continue to require approval from the President, Executive Vice President, and Provost to start searches for non-faculty vacancies.

Concerning construction of additional facilities, we cannot move forward with projects on Lower Campus and the Brighton Campus until our Institutional Master Plan is approved by the City of Boston. When that approval is obtained, we intend to proceed first with construction of athletics fields on our Brighton property. These facilities will be funded through gifts and will be the first step toward building undergraduate residence halls on Shea Field and developing the Lower Campus. On Middle Campus, we are proceeding with planning for a humanities building to replace classrooms and offices in Carney Hall.

Going forward, it is clear to me that we have to be even better stewards of our financial resources. To do so, we need to take certain steps to ensure that we operate as efficiently and effectively as we can. We
will be reviewing all budgets in light of our mission and goals, examining use of part-time and full-time faculty, considering organizational consolidations, increasing availability of service centers, and improving departmental budgeting processes. The purpose of such analysis and actions is to provide maximum resources for our core institutional mission and goals. To accomplish this improved level of stewardship, I have asked Dr. Cutberto Garza, Provost and Dean of Faculties, and Dr. Patrick Keating, Executive Vice President, to develop and lead an appropriate review process.

As we continue working to strengthen Boston College and deal with current economic realities, it is helpful to remind ourselves that Boston College is an institution that has made exceptional strides in recent decades, and that has, throughout its 146-year history, always emerged stronger from difficulties. Our Light the World campaign, launched last October with a goal of funding strategic priorities, continues to attract gifts and pledges from thousands of alumni, parents, and friends; every gift we receive is vitally important to the University’s success. Cash reserves and undergraduate applications remain strong, and active searches to fill more than 50 faculty positions are in progress. In addition, we are blessed with supportive and engaged alumni, a vibrant campus culture, and faculty and staff who are accomplished and dedicated to the advancement of Boston College.

I ask that we as individuals and as members of the Boston College community respond to today’s economic challenges with imagination, intelligence, generosity, and perseverance. I am confident that with your continued support Boston College will come through these current times as an even more vigorous institution of higher education, committed to intellectual excellence and its Jesuit, Catholic mission and to being a beacon of hope for the world.

Thank you for the many ways you contribute to Boston College.

Sincerely,

William P. Leahy, S.J.
President