Trustees Endorse 1996-97 Budget Plan and Agree to Increase Endowment Payout

The Oberlin College Board of Trustees approved the overall College preliminary budget for next year at its meeting this past weekend. The budget was notable for addressing a $3 million structural deficit that would have resulted if College administrators had not eliminated $3 million from the 1996-97 plan. (See Observers of February 1, 9, and 16 and March 1.)

At the March 7-9 meeting the trustees also voted to increase the payout rate of the College endowment to 5 percent, enabling increases in:

- faculty salaries—7 percent
- administrative-and-professional-employee salaries—4 percent
- financial aid

Eliminating the structural deficit means that the school will be able to continue with its current programs while balancing the budget and operating on more solid financial footing in the future. But cutting the $3 million did not allow the full salary increases or the increase in financial aid—hence the necessary increase in endowment payout.

College administrators will submit final budgets to the trustees for approval in June.

Days of Great Tuition Hikes Are Over

In the past Oberlin, like other private academic institutions, used tuition increases to finance increases in other areas of the budget. Sizable tuition increases can no longer be sustained without seriously discouraging enrollment and retention, President Nancy Dye has said. This year Oberlin’s tuition—which the board set as part of the preliminary budget during the weekend meeting—will increase only 4 percent.

The tuition increase for next year is Oberlin’s lowest tuition increase in at least 20 years, says Vice President for Finance Andy Evans. Tuition for 1996-97 will be $21,425. With room, board, and activity fees, the average total cost per student for the 1996-97 academic year will be $27,750. This year’s average total cost was $26,716.

Higher Payout Is for Strategic Reasons

The payout rate (percentage of the endowment principal used to operate the College) for the current fiscal year is in the 4.5 to 4.8 percent range, says Evans. The payout rate the trustees established as ideal in 1992 is 4.2 percent. College administrators and trustees arrived at the 4.2 percent figure with a formula calculated to help support yearly operations yet let the endowment grow faster than it had been growing when the payout rate ranged over 5 and 6 percent.

Trustees agreed to the 5 percent payout for 1996-97 because faculty-salary increases and improvement of financial aid are strategic issues for the College—the administration and trustees see them as necessary to fulfilling Oberlin’s long-range goals.

Oberlin’s faculty salaries must be competitive with those of other schools to attract good faculty, Dye and others have said. In December 1988 trustees agreed to a goal, recommended by the General Faculty, of positioning faculty compensation in the top third of its reference group—16 schools with which Oberlin most compares itself (the nicknamed Suite Sixteen). The College made some progress toward the goal “over the past half dozen years,” says Professor of English Bob Longsworth, who during those years served on faculty councils and the General Faculty Planning Committee and was a faculty member of the trustees’ Budget and Finance Committee. But since then Oberlin’s faculty salaries have slipped in ranking, say Longsworth and Ross Peacock, director of institutional research. Both point to 1994-95, the year of the salary freeze, as the interval during which major ground was lost.

Financial-Aid Changes

“In recent years, Oberlin’s financial-aid packages have also not compared favorably to those of many of our competitors,” says Peacock. This past weekend trustees agreed to reduce the amount incoming students will be expected to borrow, thereby increasing

How the College Will Figure Salary Increases This Year

All members of Oberlin’s faculty will receive across-the-board salary increases of 2.8 percent this year. The figure is tied to the 1994-95 average rate of inflation calculated by the U.S. Consumer Price Index for Urban Workers—the same index series used last year to figure faculty across-the-board increases, says Jim Zinser, professor of economics and a member of General Faculty Council.

First-year tenure-track faculty members will receive an additional flat increase specified in their letters of appointment. A small amount of the 7 percent faculty-salary-increase pool (see “Trustees Endorse 1996-97 Budget Plan and Agree to Increase Endowment Payout”) will go toward adjusting salaries of faculty members whose career reviews indicate that their salaries need increasing to be equitable compared to those of other Oberlin faculty members with similar seniority and experience. The remainder (slightly less than 4.2 percent, according to Budget Director Bob Knight) of the 7 percent pool will go to merit increases.

This year, for the first time, faculty merit increases will include half steps, so that a faculty member could receive no merit increase, a .5-step merit increase, or a 1-, 1.5-,
David Anderson, Emeritus Professor of Physics

Professor Emeritus of Physics David Anderson died in Oberlin Friday, March 8. He was 76.

Born and raised in Oregon, Anderson earned his B.S. (summa cum laude), M.A., and Ph.D. at Harvard University, where his studies were interrupted by World War II. He served in the U.S. Navy and spent some of the war years on the Manhattan Project at Los Alamos, helping design and build the atomic bomb.

Asked in later years whether he thought the U.S. should have dropped the bomb on Japan, he answered, “Looking backward, no. But at the time that wasn’t clear,” remembering the sentiment of the times that ending the war quickly justified the act.

Anderson began teaching at Oberlin College in 1948. For many years he chaired the physics department, and one of his former colleagues remembers his ability in that office to “elicit great cooperation from other members of the department.” Frequently elected to faculty councils, Anderson also chaired the Student Life Committee for several years in the late 1960s, willingly presiding over the demise of in loco parentis rules. After retiring in 1984 he continued to teach occasional courses, even on the Danenberg Oberlin-in-London Program, until about 1987. One of the four books he wrote, The Discovery of the Electron: The Development of the Atomic Concept of Electricity (Van Nostrand 1964), was translated into Italian, Polish, Russian, Spanish, and Swedish and used as a text in high-school physics and in a graduate seminar on the history of physics at Johns Hopkins University.

Anderson was best known for teaching poets’ physics, classes for nonscience majors—the concept of which he pioneered—but according to then-editor of the Observer Carol Ganzel, who wrote of Anderson’s impending retirement in the May 24, 1984, issue, he “taught every physics course now listed in the catalog, or its predecessor.”

Anderson’s “major strength” was his ability to communicate with students who had little scientific background, says his friend and former colleague Joe Palmieri, professor of physics. Palmieri also remembers Anderson for the hospitality he and his wife extended to members of the department. When a visiting speaker would come to town, he was “always willing to have people over for a drink,” says Palmieri. He and his wife, Molly, took responsibility for introducing new people to other members of the community. Palmieri says, “It was part of his personal style.” Anderson was also able to make friends with students, he notes.

Anderson’s most recent participation in physics-department activities was a few weeks ago, when, though too ill to deliver his remarks himself, he had Associate Professor of Physics Dan Styer, current chair of the department, read his recollections of Richard Feynman, with whom he worked at Los Alamos. The occasion was Jagdish Mehra’s February 23 Mead-Swing lecture, “My Last Encounter with Richard Feynman.”

Becoming an ordained Episcopal priest in 1956, Anderson was an associate rector at Christ Episcopal Church for many years. According to Professor of Physics Bruce Richards, Anderson selected the colors of one of the stained-glass panels at Christ Church to match the colors in the Balmer spectrum of hydrogen, four characteristic colors that hydrogen displays when excited to the point of glowing.

Surviving are his wife, the former Madeleine “Molly” Mather; four children, including Stephen ’73 and Constance Kittakis ’81; six grandchildren; and a sister.

A memorial service with Eucharist at Christ Church is scheduled for tomorrow at 2:00 P.M.

Ganzel’s article “David Anderson to Retire from Full-Time Teaching” is linked to the electronic version of this issue.
R&D Grants Include Two for CD Projects, Others Related to Goldfish Forebrains, City Water-Supply Monitoring, and Veneration of the Holy Face

By Anita Buckmaster '95

Out of the 32 grant applications for the 1995-96 school year that the Research and Development Committee has received, the committee has funded 17 projects, granting awards of between $400 and $4748 each. The total amount of the grants is $17,768.

Catherine McCormick, associate professor of biology, is studying the forebrain connections of nuclei that process acoustic information in goldfish. In collaboration with Mark Braford, professor of biology and neuroscience, Dorothy Hernandez '92, and Melissa Rosenberger '96, McCormick has defined the anatomy of the goldfish auditory circuits from the hindbrain to a portion of the forebrain. Her new studies of the acoustic forebrain should give those who study brain function and hearing in fish an anatomical substrate to guide their experiments.

Associate Professor of Biology Yolanda Cruz is producing an interactive computer program that demonstrates the complex embryogenic processes of various animals used as standards in developmental biology. Expanding on work Cruz’s former students contributed, Ben von Fischer '96 is completing a series of drawings of the embryonic development of the mouse. Cruz will add “Mouse” to the previous segments of “Fly,” “Frog,” “Sea Urchin,” and “Chick.” The program will be posted on the campus server and used as a tutorial for Cruz’s class in developmental biology (See “Make your own CD—in Mudd” in the Observer of March 8).

Funds granted to Randolph Coleman, professor of composition and music theory, covered the copying and reproduction costs for the score and parts to “The Great Lalula,” Coleman’s original work for singer and large ensemble. Hans Spencer-Indigo ’91 copied the score and parts. The Oberlin Contempo- rary Chamber Ensemble performed the piece March 6 and 12 at Oberlin’s Faculty Composers Concert, with Rebecca Cross ’83 as the featured soloist. The score and parts will return to Spencer-Indigo for further corrections.

Haskell Thomson, professor of organ, is producing an interactive CD-ROM, “How the Organ Works.” The program targets a general audience and is intended for use on a personal computer. The CD will allow users to “travel” with the wind through the system of bellows, chests, and pipes of an organ to understand how the instrument functions.

Professor of Psychology William Friedman is testing the ability of four- and eight-month-old infants to learn novel event sequences. He tests the children to find if training affects their visual preferences when they see events one way and then in reverse. The results will help Friedman interpret earlier findings showing that infants prefer view- essays, “Taken By Surprise: Improvisation in Dance and the Mind,” writings on contemporary forms of dance improvisation. The essays will appear as an issue of Choreograph and Dance, a British journal published by Gordon and Breach, Ltd. and issued as a single topic-specific format with accompanying video.

In search of a more environmentally friendly alternative to current methods of monitoring the daily concentration of nitrates in city water supplies, Associate Professor of Chemistry Robert Thompson is continuing study on the inhibition of the enzyme oxalate oxidase by nitrate. Kit Batten ’96 is Thompson’s research assistant.

Ed Miller, professor of composition and music theory, is working on a text, “A Study of Monophony and Sixteenth Century Polophony” for a class in counterpoint. He is checking the accuracy and authorship of music transcriptions used in the text with the help of Sarah Berger ’98.

Associate Professor of History Len Smith will have two papers translated from English into French. The first, “Mémoire et mythification des mutineries de 1917 [Memory and Mythification of the Mutinies of 1917],” will be read at a conference sponsored by the Université de Toulouse le Mirail and the Département de l’Aude. Smith is the only American invited to give a paper at the conference. He will present the second paper, “Les soldats Français: combattants et commandement [French Soldiers: Combatants and Command],” at a conference sponsored by the Département de la Somme and the Historial de la Grande Guerre. Michèle Chossat, faculty-in-residence at French House is translating both papers.

Andres Aslan, visiting assistant professor of geology, is studying the response of the Black River to previous lowerings of the level of Lake Erie. His research will provide a basis for evaluating the effects of low lake levels on contaminated sediments in the lower portion of the Black River Valley.

Wendy Kozol, visiting assistant professor of history, is studying media portrayal of family life in the Japanese relocation camps of World War II. By studying photographs...
Salaries . . .
Continued from page 1

2-, 2.5-, or 3-step merit increase. In past years merit increases were 0, 1, 2, or 3 steps only. During the last few years of raises, a step has equaled between $500 and $750; the dollar amount associated with this year’s steps may be nearly three times greater, says Zinser. The General Faculty Council is examining the structure of merit increases, Zinser says, considering whether to retain the procedure of awarding a flat amount for each merit share (which fluctuates from year to year, depending on the number of shares meted out that year), move to a system based on a percentage of the faculty member’s salary, or combine the two approaches.

Departmental procedures and faculty councils establish faculty merit increases. Academic departments poll their members to recommend individual faculty members’ merit increases. Faculty councils then review departmental evaluations and either approve or adjust the amounts the departments recommend.

Members of the Administrative and Professional Staff (A&PS) will receive, or not receive, merit increases from a 4 percent salary pool this year. A&PS members do not receive across-the-board or seniority increases. A&PS members’ supervisors make recommendations about their salary increases to administrative division heads, who make the final salary decisions. Some work units factor in the results of peer evaluations.

Contract negotiations determine the salary increases of Oberlin employees who are represented by bargaining units. Administrative assistants (represented by Oberlin College Office and Professional Employees), carpenters (represented by the Northeast Ohio District Council of Carpenters of the United Brotherhood of Carpenters and Joiners of America, AFL-CIO), security workers (represented by the Oberlin College Security Association), and service workers (represented by the United Auto Workers) will all receive 3.5 percent across-the-board raises. However, many of Oberlin’s unionized employees will receive (shortly after their employment-anniversary dates) additional raises based on seniority. Many receive additional raises if they transfer or are reclassified within the union structure. Union employees’ raises and their rationale “can be very complex,” says Vicki Welch, administrative assistant in the Office of Human Resources who processes many of the union-employee raises. The HR staff recommends that unionized employees bring their questions about raises to the human-resources office.

Interns and student employees will receive across-the-board raises of 3.5 percent, with no additions for seniority or merit.

Trustees . . .
Continued from page 1

the ratio of grant to loan funds. The decrease in the amount of self-help required will put Oberlin closer in line with other schools with which Oberlin compares itself.

The increase in the grant portion of financial aid is expected to improve Oberlin’s student yield, the percentage of students accepting Oberlin’s offer of enrollment. Yield is “a key indicator for the health of the institution,” wrote Danforth Professor of Religion Grover Zinn, chair of the General Faculty Planning Committee, in a February 23 memo to the board.

The College’s third (behind faculty salaries and financial aid) strategic focus, the science facilities, did not come up for discussion during the board meeting.

Other Board Action
Other board action during the weekend included

• Approval of Harkness bowl as the site of the Environmental Studies Center (ESC), to be built if the design, construction, maintenance, and other necessary funds for the building are raised (See the Observer of February 9)

• Approval of an increase in the ESC budget that will allow hiring a project manager to work with the architect and building contractor

• Acceptance of new board policies on conflict of interest and confidentiality

• Expansion of the board from 27 to 30 members, the three new members to be elected by the board

• Approval of an accounting-procedure change in postretirement health benefits, subject to additional trustee review in June, that will save the College $400,000 (See the Observer of February 9)
David Anderson to Retire from Full-time Teaching

“Future lawyers, future stockbrokers—people going into all kinds of work—ought to know what science is really about.” David Anderson, who is retiring at the end of this year as professor of physics, said this in an interview 13 April with Mary Strassmeyer on radio station WCLV. Among Oberlin alumni many lawyers, stockholders, and others have this knowledge because they took one of the natural science courses designed for nonscientists, courses initiated by Anderson when, shortly after he began teaching here in 1948, he introduced what came to be called “poets’ physics.” Other science departments developed similar courses later. The current catalog lists six physics courses “primarily for students not planning to major in a science.” The prerequisites for one of them are “curiosity and persistence.”

Oberlin was slow to accept the idea of science courses for nonscientists, Anderson says, because such courses taught elsewhere tried to touch all basic topics—the “smorgasbord” approach—and necessarily treated them superficially. Anderson instead uses the “block and gap” approach, selecting a few topics to study in depth and deliberately neglecting others that would be essential for physics majors.

In-depth presentation of a single topic may be appropriate to widely different audiences. Anderson was pleased to learn that his book The Discovery of the Electron, first published in 1964, in one year was used as a text both in advanced high school physics courses and in a graduate seminar on the history of physics at Johns Hopkins. It was also translated and published in Swedish, Polish, Spanish, Russian, and Italian, and an edition in English was published in India. It is one of four books he has written.

Astronomy for All
One subject that Anderson teaches is particularly attractive to nonscientists: astronomy. The catalog welcomes “amateur observers to the observatory in Peters and lists an introductory course that requires no more that tenth-grade-level math, along with another course for students with a scientific background. Given the weather in northeastern Ohio, Anderson says, teaching astronomy would be easier with a planetarium, and money was donated for one several years ago, but no place has been found to house it. Were it built, he would value it as an attraction to people from surrounding communities and as a clear indication to them that science is taught at Oberlin. (He recently met a man—a PhD candidate—from South Amherst who thought only music was taught here.)

Anderson was hired by Oberlin to teach electron and nuclear theory as well as astronomy, but his teaching in what was then a four-person department could not be limited to these specialties, nor would he have wanted it to be. He has taught every physics course now listed in the catalog, or its predecessor. Teaching a wide range of courses used to be common in all departments, he says; the late Edward Capps, for example, taught Roman, Greek, and medieval art and some modern architecture. Today professors specialize in their course offerings, and their advanced courses may cover very narrow topics—“Armenia from 1770 to 1775” is the fanciful example he gives—that would be appropriate to graduate school. In short, Anderson thinks Oberlin may have become a “mini-university.”

Another change he has noted in his thirty-six years here is that the administration now makes decisions that were once reserved to the faculty, a change caused primarily by faculty “abdication” of its responsibilities. “The nuts and bolts of running the college are boring and difficult, he says, and so the faculty has left some of them to a “benevolent dictatorship.” Four years ago, in a speech to the general faculty that was later printed in the Review (1 April 1980), Anderson pointed out that various then-new programs for faculty and curriculum development provided funds to be “allocated at the sole discretion of the President” and that this was “a marked change from Oberlin’s past, in which Councils have acted with power in personnel decisions, and faculties have acted with power in matters of educational policy—with power, not simply as advice givers.” He went on to name other changes, some good, some bad, that had been initiated by administrators, most of them doing what they thought best for the college. But, Anderson said, “excellent motives do not excuse dangerous procedures.”

Anderson knows faculty governance first hand, having served several years on the general faculty and college faculty councils. While the councils make mistakes, he said in 1980, they also “serve the college well” and often “make hard decisions. . . . I did enjoy telling a Dean, some time back, that two of the people he was strongly recommending to the Council for well-above-average salary increases were, in fact, persons that previous Presidents or Deans had fought bit-terly to keep from getting tenure in earlier years.”

Anderson wholly approves of one change that he has observed at Oberlin: the demise of in loco parentis rules. He helped to liberalize these rules when he chaired the student life committee for several years in the late 1960s. The committee agenda included car and liquor rules, women’s hours, and especially, visiting hours in women’s dormitories. In 1967-68 it presented to the general faculty a plan to allow carefully specified evening visiting hours; after long debate, the plan passed. “It all seems so remote and long ago,” Anderson says. The following year he was away on sabbatical. He returned to find visiting permitted at any hour, and shortly thereafter there were coed dormitories.

In 1973-74 he chaired the faculty presidential search committee; trustees and students had corresponding committees; much time was spent defining the presidential qualifications. The process was, Anderson says, “insane.” It was also, fortunately, all but irrelevant to the outcome. At the start of the most recent presidential search he wrote the committee with advice on how not to choose a president.

Atomic Bomb
Apart from his work at Oberlin College, Anderson’s career has been marked by at least two distinctions: he helped develop the atomic bomb, and he is an Episcopal priest.

For three years during World War II, before he had his PhD, Anderson was an associate scientist—a junior clerk, he says—in the group at Los Alamos Laboratory developing the atomic bomb. His work included circuitry design. He was one of several hundred scientists in an enclosed community that, with technicians, secretaries, and families, numbered several thousand. Life there was “wonderfully exciting,” he says. Everyone worked very hard on the one project, and
when they were not working they depended on each other for entertainment. There were picnics, singing groups, and theatrical productions.

Anderson attended Tuesday evening colloquia at which the senior scientists—some with Nobel prizes, some soon to win them—shared their ideas. “Edward Teller told his dreams of an H-bomb,” he remembers. After the colloquia, Anderson would go to practice with a choral music group. Particularly memorable among the amateur theatrical productions was one he helped direct: Arsenic and Old Lace. At its conclusion, he says, “a most distinguished group of corpses emerged from the cellar”—the walk-on parts were played by J.R. Oppenheimer, Edward Teller, Otto Frisch, Hans Bethe, Robert Brode, and Enrico Fermi.

Anderson is often asked whether the bomb he helped develop should have been dropped on Japan. In his interview with Mary Strassmeyer, he answered, “Looking backward, no. But at the time, that wasn’t clear.” The number of lives that had lost in slowly recapturing the Pacific islands from Japan was so large that ending the war quickly seemed justified. He remembers that when he saw the graveyard at Tinian, with its acres of crosses and stars of David, he was told, “this was an easy island to capture.” The graveyards on the other islands were much larger.

What has never seemed justified to Anderson, however, was the secrecy that surrounded atomic development after the war. He is a charter member of the Federation of Atomic Scientists, publishers of the Bulletin of Atomic Scientists.

**Studying for the Priesthood**

Anderson, who attended various churches when he was growing up in Oregon, was introduced to the Episcopal service when he was a sophomore at Harvard and was immediately attracted to it. For a time he considered going to seminary, but at Los Alamos he realized that physics and not religion would be his principal vocation, and he decided to return to Harvard for the PhD. He did not begin studying for the priesthood until after he came to Oberlin: because he was not seeking a church of his own, it was possible for him to study outside a seminary and take examinations; he became a deacon in 1954 and a priest in 1956, and he serves as an unpaid associate at Christ Church, a position that gives him “all the joys of the priesthood” with few of the cares, he says.

Speaking of the relationship between his two vocations, he says, “I have always to remember that my lecture platform is not a pulpit”; using it that way would be “immoral.” But neither is his religion completely separate from his academic life. “One proclaims by being, not preaching.”

**Family**

David Anderson’s wife, Madeleine Mather Anderson—”Molly”—a Vassar graduate, was co-curator of the art museum’s recent exhibit of portraits of Oberlin ancestors and is co-director of the Oberlin meals-on-wheels program. A bird-watcher and mushroom collector, she has studied mycology at Kent State University.

The Andersons were married in 1947 and have four grown children and two grandchildren. The oldest, Philip—called “Denny”—is, like his father, trained in two professions: he has the MA from Harvard Divinity School and the MD from Case Western Reserve University; he works as an internist in the Hough-Norwood Clinic and at University Hospital in Cleveland. His wife, Mary Sterrett Anderson, a chaplain in a children’s hospital, was the first woman in Ohio ordained in the Episcopal priesthood. Stephen, a 1973 Oberlin graduate, recently bought a sheep farm in Massachusetts. Samuel is an architect in New York City; his wife Leslie Ayvazian is an actress. Constance, a 1981 Oberlin graduate, works in a travel agency in Athens, Greece.

Anderson has spent his sabbaticals doing research on nuclear physics at universities in England and Scotland and at the Harvard physics laboratory. His retirement plans include writing a source book on quantum theory for Harvard University Press. They also include continued teaching in the physics department on an ad hoc basis: next spring, for example, he will be on the faculty of the Oberlin-in-London program.

—Carol Ganzel

*The Observer*, May 24, 1984
I appreciate your coming here today, and giving me the opportunity to address you. Standing up here in Finney Chapel before all of you makes me feel like a nineteenth-century college president: sermon-giving was a major part of their job description. I am not going to preach a sermon, but I do want to talk about some of the issues currently facing us as a college, to address some of the questions that I am hearing most frequently from you about our financial situation, and to update you on recent developments in dealing with the “structural deficit” that we must eliminate.

This meeting may well be the first of its kind at Oberlin. It seemed to me a good idea to bring all of us together, across the lines of our so-called “employee groups.” We, like faculty and staff at other colleges and universities--indeed like people in workplaces of all sorts--are accustomed to seeing ourselves as part of particular groups, rather than as members of a single community. At Oberlin, we usually talk about OCOPE members, Conservatory faculty, College faculty, UAW members, Administrative and Professional Staff members, and so on. I hope that this meeting can serve as a first step in finding ways to break down some of the barriers of department, division, and employee group, and to work together as a community united by our mission as educators, for all of us, whatever our job, our division, or our specific day-to-day responsibilities, are essential to the educational mission of the College.

In this sense, then, I don’t want to talk simply about our finances, or about our structural deficit, or about the measures we are taking to eliminate it, although I will talk specifically about these things. I also
want to take some time to talk about Oberlin as a community, and about some of our values and goals.

First, some specifics about the financial issues we face. I know that there is a lot of anxiety and confusion about our need to address our structural deficit in aggressive ways. There is nothing worse for a college community and the individuals who make it up than uncertainty about our jobs.

There have been a lot of rumors on campus about sixty or more jobs being lost. This is a greatly exaggerated figure and is simply not true. As of today, thirty positions at Oberlin College that existed at the beginning of the 1995-1996 fiscal year have been eliminated. This total includes the elimination of ten positions that were vacant, three retirements, and seventeen layoffs. In each instance involving layoffs, the individual in the position has been notified that his or her position is being eliminated, and the College will be working out a separation agreement.

I am happy to say that thanks to everyone’s hard work and contributions, we are well along the road to completing this process of budget cutting. By the end of this month, we will have a very clear idea about all of the specific ways we will be meeting the structural deficit, and I will share those specifics with you then. As has been the case so far, we will make every effort to avoid laying anyone off. We must resort to more layoffs, we will make every effort to assist in the transition to a new job.

I have taken first about the elimination of positions because this is the issue I have heard you raise more often than any other. But I would also like to address some of the other questions, both general and specific, that I have heard being asked on campus.

Perhaps the most frequently asked question is this: Does this College, one of the most prestigious and successful in the United States, and one of the best endowed, really have a financial problem? How can this be? How can this be especially in light of the fact that you, Nancy Dye, have told us that the finances of the college are fundamentally healthy? The answer to each of these questions is:
Yes, Oberlin College does have a financial problem, despite the fact that our financial situation is basically healthy.

How can this be?

Oberlin is suffering from the effects of a growing structural deficit. Simply put, this means that our expenditures every year are growing at a faster rate than our income. We are spending more than we earn. This imbalance is not new. It has been well known to the College for five or six years. But what is new is this: we, like every other independent college in the United States can no longer deal with this problem by cutting around the edges of our operations or by raising tuition by large amounts each year.

At base, the problem we face is really about the price we charge. Sending a child to Oberlin now costs a family close to $30,000 a year: $21,000 for tuition; $5,000 for room and board; another small amount for fees for insurance and student activities; $600 to $700 for books and supplies, plus money for transportation and incidental expenses.

How did our price become so high? Year after year, we raised our tuition and fees to keep up with our growing expenditures. In this we have behaved exactly like other private colleges and universities, virtually all of which have steadily and often dramatically raised their tuition and fees. In large part, these price increases have been in response to the steady and sometimes steep increases in our costs, which are driven particularly by the fact that our enterprise is exceptionally labor-intensive. Over the past decade, for example, our costs for employee health insurance have risen sharply. Then, too, the College must buy all sorts of goods, many of which--like library books and journals and scientific equipment--have risen in price at rates much higher than the yearly CPI.

The unfortunate result of our pricing practices is this: as leading liberal arts colleges have raised tuition and fees, they have effectively priced themselves beyond the realm of financial possibility for an ever-greater number of American families. This development has been particularly important for Oberlin, for this College, unlike many of the colleges like us, has never attracted great numbers of wealthy students. Our reputation has always rested solidly upon
academic and artistic excellence rather than social prestige. But it is becoming increasingly difficult for us to compete for the students we want in the College and the Conservatory. And it is becoming harder for us to meet our students’ needs for financial aid and maintain our traditions of educational access.

What all of this means is that we must slow down, or even reverse, tuition increases. No longer can we increase our tuition charges each year by any percentage that fits our spending needs. We have entered a new era in the history of private higher education and we must work out ways to cope.

So, yes, we have a structural problem--one which we have recognized for a number of years. This problem is the result of building up more programs and services than we can afford at a time when we cannot raise tuition of significant amounts.

The second most common question I hear goes like this: We have been hearing about this structural deficit problem year after year, yet every year we balance the budget. And every year we have been asked to make cuts. We have been cutting and cutting. How can we be chasing down the same $3 million every year?

We have known about our structural deficit for a number of years, and have taken many steps--some small, some large--to address it. One year we froze salaries. In several other years we did not improve financial aid packages. Every year we have trimmed individual departmental budgets, some quite severely. We have cut back on the amount of money we put each year into our capital reserves.

These kinds of cuts are not very helpful in the long run. We could freeze salaries again, but this would be counterproductive in at least two ways. First, the need for raises is greater in the years after a salary freeze. Second, when we do something like freeze salaries, we actually move away from one of our major goals as a college. One of the things we know about ourselves is that we are not as competitive as we should be in either our salaries for faculty or the financial aid packages we offer students.
This year, we are trying hard not just to cut a budget, but also to do this in a way that moves us toward rather than away from long-term College goals. We will be improving salaries and financial aid packages and we will begin to make some progress toward ongoing capital funding. We will maintain our student-faculty ratio.

We need to put our financial house in order so that we can begin to address our major needs, particularly the needs of our students. Only in this way can we attract the very best and most talented students who can thrive at our College and Conservatory, regardless of their socioeconomic circumstances.

Another question I am frequently asked is this: how long will this process take? As I said earlier, by March 1 the budgetary work will essentially be completed. Much of this work is already done. For example, we have made some significant changes over the past few months in how we structure the work of our financial administration, and we have eliminated the treasurer’s division. We are relying more heavily upon outsourcing the work involved in managing our investments. But some of our work will take much longer. The student life administration, for example, is engaged in an important philosophical consideration of how we can best define and meet the needs of Oberlin students at this particular point in our history. We are asking fundamental questions about our identity as a residential college and about how best we can teach our students about living together in a diverse society. As we move on, we will have many educational and curricular questions to address as well.

And, finally, many of you are wondering about the college’s priorities and values. To what length is the College willing to go in order to balance its budget? Is it more important to balance the budget than to do anything else? The answer to this question is “No.” It is not more important to balance the budget than to adhere to the humane values of this College.

Let me give an example. I spoke a moment ago about the reorganization of our financial administration, and our greater reliance upon outsourcing for the management of our investments. It is entirely consistent with the values of the college to rely more on outside help to manage our endowment and other investments. It
would not be consistent with the values of Oberlin College to “outsource” our custodial services.

I said at the beginning of this talk that I was not going to talk only about our need to eliminate our structural deficit, but also about our needs and goals as a community of individuals working at and for Oberlin. I know that we are addressing our financial issues through the restructuring process in which we are engaged. I also hope that we will use this process of looking at the ways in which we work to make Oberlin a better place to work. In particular, I hope that each of us will take every opportunity to gain a better understanding and appreciation of the ways in which the work we do meshes with the work of others. It is very easy to see one’s own job as separate and distinct from everyone else’s job, and to see one’s own department as an island. In fact, we are all dependent upon one another, not only in doing our individual jobs well, but also in maintaining and enhancing the mission of the college.

Too often we at Oberlin suffer from the many different kinds of fragmentation that divide our community: the Con versus the college; the north campus versus the south campus; the faculty versus the A and PS. This fragmentation suggests that too often we define community as separate, competing interest groups. Such fragmentation also causes us to lose the knowledge and wisdom of many individuals within our community. Our custodians, for example, know firsthand how life is lived in our student residence halls. Our administrative assistants often know much about students’ experiences with the College, and what causes students to stay or to leave Oberlin. If we do not develop ways to get together across the lines of department and job categories to share expertise and experience with one another, these kinds of wisdom are lost to all of us.

Sharing, of course, involves communicating. It is only through talking with one another across the lines of responsibilities and departments that we can understand what each of us does and how our responsibilities fit into the life of the college. By reaching out to one another we can begin to break down the divisions among us. We need to work to create more common space, and I welcome your ideas about how we might do this as a college. Together I believe that
we can make Oberlin more trusting, more democratic, and more humane.