Concerns expressed in student meeting with Mike Frandsen:
• freezing all costs;
• cost of study away;
• merit aid for those who could pay;
• inequality;
• future financial accessibility;
• affordability for students now;
• increased transparency;
• participation in decision of how to cut costs.

Mike Frandsen presentation to Steering Committee
• His response to student meeting: vast majority of students interested in learning about financial circumstances of college; meeting did not get heated.
• This year, Oberlin will run a surplus due to 66 extra students; expect 21 fewer for next year. 3.9% cost increase. 42.2% discount rate.
• Costs: increase of 5% in benefits, mostly medical. Faculty salaries 4% plus $400,000 with goal to reach median of peer group.
• We should think of cutting our costs by 10%. We can’t continue to raise tuition.
• New revenues?
• Might endowment grow because of new gifts?
• Strategic initiatives have costs as well.
• We will be unable to solve this on revenue side.
• Have to change cost curve in some way.
• We cannot freeze tuition for next year.
• How can we shape our classes to meet diversity goals?

Discussion points included:
• Has seen financial data before, but is now looking at endowment and thinks we could have done better.
• Reasons for this include professions of alums—OC alums don’t make as much as those from Williams, etc. and therefore contribute less.
• MF: our risk-adjusted returns in the last 10 years are good.
• We have reduced our payout rate over the past 10 years.
• Some believe most increases in costs are due to increases in administrative staff.
• MF: 10-year history of growth in administration divisions: most growth in A&S and Conservatory. He doesn’t think we’re inefficient.
• Demands from students have increased: health, activities, other non-academic expenditures.
• Governmental regulatory changes require staff increases e.g., Title IX.
• We also have highly unionized work force and there are costs associated with this. We are trying to learn from other schools. We do need to look further regarding all of this.
• MF: at another college, eliminated staff, faculty, programs, did buy-outs, outsourced custodial and at a low rate. Changed financial aid for study abroad. Did not change benefits, but 3 consecutive years of salary freezes.
• Perhaps we should look at all these things.
• Schools with structural deficits put into place a number of reforms before financial crisis.
• 2005 strategic plan proposed reducing size of student body. We increased number of students soon after for increased revenue. The greater amount of revenue allowed us to get through financial crisis better than a lot of other schools.
• Some “what if” planning is important. If we can build in flexibility into our planning, that would be good.
• We could consider slowing down rate of hiring or other things.
• We should try, through this process, to come up with ideas that would be palatable to constituencies and would share sacrifices.
• Look for process improvement and efficiencies.
• In corporations, 10% not a big cut.
• Three purposes for sending preliminary report now 1) status of where we are; 2) hard choices are coming; need understanding from constituencies; 3) give opportunity to react to some of this.
• Need to determine:
  o what’s missing
  o what’s not clear
• There are no recommendations yet, but we do have directions that might be successful for Oberlin.
• Document is too long.
• Brief discussion of what we want in terms of feedback from readers of the preliminary report.
Group One Report
- Thought about how to restructure core principles, building sustainability into them.
- Strategic Values and Strategic Directions: Reorganize to remove redundancies and bring focus to true strategic foci discussed in large group for college, conservatory and museum.
- Perhaps reduce number of strategic directives.
- Instead of sprinkling diversity across document, try to cluster it.
- Individualized and effective trajectory for students: advising, support, careers, study abroad, and senior experiences.
- Will help students and appeal to parents.

Group Two Report
- Tim Elgren talked College of Arts and Sciences and Innovation Zone initiatives. Could be our version of MIT’s “bold experimentation.”
- Within our structures, there are great opportunities for this.
- Oberlin wants to rethink its core educational experience, trying to get away from a “get these classes out of the way” approach among students, and move to reemphasize how important the liberal arts, non-major courses/experiences can be.
- This language [Goals and Objectives for Oberlin College—front of Course Catalog] hasn’t been updated since 1977.
- We want to think about the core of an Oberlin education as a transitional experience for students to the rest of their lives.
- We want to create opportunities for first years, for juniors and seniors—building it across all four years, at various points (including winter and summer terms)—in order to have culminating experience.
- Thinking about campus activities as academic experience, arts as academic experience, all through collaboration across arts and sciences/between arts and sciences and conservatory. This is dependent on a rich advising system to help students see those paths.

Group Three Report
- Is Point 11 too stark? Joyce noted that it connects with what Chris said earlier about why this is a strategic direction. In order to achieve the directions in the strategic plan, we also need to recruit and retain excellent staff.
- Bullet Twelve could be subsumed under Point 9 (as open bullet point).
- Under Point 13: Fine as is.
- Point 14: Typo in bullet. Like idea of innovation zone, capstone project, but not just senior theses of past, but also perhaps junior theses? Second half of Oberlin experience “working within the think tank” of Oberlin. Space for innovative ideas.
- Went back to beginning, looked at Point One, wanted to link Two and Seven (advising, Career office, etc.). Point Six: Drawing some of those ideas into the Innovation Zone, as well.
- “Develop Governance Structure that enables Oberlin to act thoughtfully and respond to changes more quickly.” Put this first, then add “…and that enhances collaboration.”
- Core values: “Oberlin must revitalize its commitment to diversity.”

**Large Group Discussion**

- Paring down Core Values to single sentences on Points 1-3? “Punchier, Clearer, Focused” would be better.
- “Engage the Oberlin Community in a realistic assessment…”: proposed edit to Point 9.
- Making significant cuts/reductions, but then reinvesting that money in new initiatives: way of “softening blow” when bringing ideas to campus? Is this also a way of talking about faculty incentivizing? Does it offer a kind of “Take Away/Give Back” bargaining structure? Could the Innovation Zone piece fit here?
- If we consolidate too many points, will this stifle the desired stimulation of response from community?
- If we keep Point 11 separate, rather than slip it into Point 9, but change it to more broadly talk about people, way of maintaining that stimulation?
- Point 11: Create logical consistencies between revised core values and revised strategic directions (discussion around faculty).
- “Reducing the rate of growth of tuition increases…” – note the phrasing as an “identity spot” and make it consistent throughout document.
- Discussion around how feedback will come in. “As you read and react to this preliminary report, we urge you to think about how the core values align with your vision of Oberlin, and how the strategic directives build on those values. We’d also like your top 3 directives, and why.”
- Organizing Faculty and Staff and Alum discussions of plans? Faculty will work with Deans to organize different times? Kathryn will be in touch about organizing listening sessions for Faculty and Staff.

Draft Preliminary Report out by Sunday at 6 p.m. People will read. Then post for community on May 5, noon.

Next meetings around Trustee meetings in June (Thursday 4-6 p.m. and Friday and Saturday, June 4-6). Possibly extending the Thursday meeting, in order to avoid the Saturday meeting.