Holy Cross has always been faithful to its mission as a Jesuit/Catholic liberal arts college and to the values and beliefs inherent in that identity. Nevertheless, we are continually facing new challenges, in the changing characteristics of our students and their backgrounds; in the shifting political, economic and social environment in our nation and the world; in the demands and opportunities presented by technology and globalization; in ever expanding expectations from students and their parents; and in the increasingly aggressive competition from other schools. In order to remain fresh, relevant and viable, the College must constantly analyze, understand and adapt to these challenges. The reality of the dynamic marketplace in which we operate demands a thoughtful response that can only be achieved through careful planning.

For much of its recent history, the College’s planning, effective though it was, tended to be occasional, ad hoc and top-down. This was noted as a concern in the report of the visiting peer-review team that led the 10-year reaccreditation of Holy Cross in 2000. Since then, the College has worked to develop a more systematic, broad-based strategic planning process—a process that has helped bring about dramatic progress over the last 10 years.

In fact, when I reflect on this eventful academic and fiscal year on Mount St. James, I am struck by how our achievements, diverse as they are—from the official opening and blessing of the $64 million Integrated Science Complex, to the completion of the second year of Montserrat, to doubling the percentage of ALANA students in the student body over the last 10 years, to reaching an astonishing 53.9 percent participation in alumni giving—are all the results of careful strategic planning.
Over the course of the past decade, a culture of planning has begun to take hold on campus. From the institutional level—through our strategic planning process—to division and department goal-setting, as well as senior administrators’ leadership development, the College community has embraced planning and made it a priority.

Our institutional planning process demands rigorous analysis, modeling and forecasts. In addition to monitoring our own metrics and key indicators and benchmarking against peer institutions, we seek information and perspective from expert consultants, from staff and faculty working on the front lines, from alumni and from our students, who are ultimately, to use the language of business, our “consumers.”

As opposed to the previous top-down, occasional planning that marked the College prior to 2000, today’s planning is not confined to the president’s office or the finance office. Nor is it limited to once-a-year daylong retreats. It is ongoing. We reference the short- and long-term plans constantly, and we address them in different ways throughout the year. By incorporating many voices and perspectives and by making the process apparent in our day-to-day work, we facilitate wide-range consultation and buy-in. That ensures that throughout the College community there is an understanding of where we are headed and why.

Broad-based, careful planning takes patience and commitment. It can consume a great deal of time and energy. At Holy Cross, however, we are well aware that we risk our future if we are complacent and simply react to external changes, current problems or singular opinions. It is essential to our work—and to our mission and identity—that we take an active role in shaping our future, identifying our needs and aspirations, educating ourselves, and viewing with clear eyes the challenges and opportunities ahead of us. Effective planning allows us to set priorities and develop the resources to achieve our goals while being open to innovation, new ideas and unanticipated opportunities.
“Building blocks” of planning at Holy Cross

Every aspect of planning at Holy Cross is rooted in the College’s mission and identity. The College’s four-paragraph formal mission statement (see page 26) has been used to inform administrative and curricular planning since 2000. It is foundational to the development of our current strategic plan. That our mission is an essential part of our processes was recognized in compelling—and gratifying—terms very recently.

This spring, a peer-review team from the New England Association of Schools and Colleges (NEASC) was on campus for the once-a-decade reaccreditation visit. In its final report, the team wrote: “The Holy Cross mission statement is ... more widely read, actively understood and deeply valued than many [other colleges’] ... The mission statement is not only printed in all the customary places ... but also imprinted on the community. All individuals and groups we spoke with emphasized their keen awareness of the College’s mission.”

With our mission “imprinted” on working groups and departments alike, we engage in year-to-year planning as well as five-year planning and long-term forecasts. Along with these fixed planning schedules, we incorporate regular measures and evaluative processes throughout the College.

In June, each division and subdivision at the College submits an annual report. Together these individual reports become a comprehensive document published for the Trustees, Advisory Board and the Administration. The reports include not only statistics, charts and an accounting of what transpired in the past year, but also a narrative of the goals, objectives and challenges for the year ahead.

Supporting each division’s measures, goals and objectives are personnel evaluations, including 360-degree performance evaluations for myself, my cabinet and senior administrators. Each member of this leadership group is evaluated by direct reports, peers and supervisors according to a set...
The baseball team played in its first-ever Patriot League Tournament Championship in May, ultimately losing to Bucknell 12-7 in the final game.

The College named Milan Brown as the new head men’s basketball coach, making him the 16th head coach in the history of the program.

16 Holy Cross varsity teams received Division I Academic Progress Rate public recognition awards from the NCAA, making the Crusaders sixth in the nation in number of teams honored for academic success.

The Detroit Tigers selected third baseman Matt Perry ’10 in the 41st round of the 2010 Major League Baseball First-Year Player Draft. And pitcher Bobby Holmes ’10 was signed as an undrafted free agent by the Florida Marlins.

Catcher Stephen Wadsworth ’13 was the 2010 Patriot League Rookie of the Year and selected to the All-Patriot League second team.

CAMPUS & COMMUNITY

As part of the 10-year reaccreditation process, Holy Cross completed its rigorous internal self-study and an external review team representing the New England Association of Schools and Colleges (NEASC) spent four days visiting campus in March. The visiting team’s evaluative report was submitted at the beginning of summer (see President’s Report), and the hearing and final determination by NEASC’s Commission on Higher Education will take place this fall.

The dedication and blessing ceremony for Holy Cross’ state-of-the-art, $64 million science complex drew hundreds to Swords Atrium in March. Nobel Prize winner Dr. Joseph E. Murray ’40 attended as a special guest.

716 students received their bachelor of arts degrees at the College’s 164th commencement ceremony. Principal speaker Mark Shriver ’86 urged graduates to pursue lives of service.

The Center for Religion, Ethics and Culture (CREC) sponsored the two-day conference “Biological Foundations of Morality? Neuroscience, Evolution and Morality,” CREC also presented “After the Fall: Capitalism and a Just Way Forward,” a lecture series and online forum exploring the U.S. economic system.


The every aspect of planning at Holy Cross is rooted in the College’s mission and identity."
Strategic planning at Holy Cross: a recent history

Institutionally, we are guided by internal five-year strategic plans. The Holy Cross strategic plans are developed by the administration and, more recently, a representative planning group, with active input from the Board of Trustees. The process begins with a painstaking institutional analysis, specifically an exercise where strengths, weaknesses, opportunities and threats (SWOT) are discussed and debated. Through this analysis, we examine possible new directions and initiatives, then determine how we can support them. What is the fundraising potential and feasibility for Project A? How will it impact Project B? Given the cost of Project A, should it be postponed so we can address the emerging needs of Project C in the next five years? With the expertise from many in the Holy Cross community (including alumni and outside advisers), we craft analyses and conclusions into a coherent plan, against which we can periodically measure progress.

Groundbreaking for a new 156-bed residence hall on McCarthy Lane kicked off the $20 million project, to be completed in 2011.

Fr. McFarland announced Holy Cross’ Climate Action Plan, which calls for a 20 percent reduction in carbon emissions by 2015.

Holy Cross was named to the 2009 President’s Higher Education Community Service Honor Roll, the highest federal recognition a college or university can receive for its commitment to volunteering, service-learning and civic engagement. Holy Cross is one of only 115 colleges nationwide to receive the honor “with distinction.”

$400,000 in federal funding was directed to support six Worcester community programs that work collaboratively with Holy Cross.

Students with the Holy Cross Science Ambassadors hosted dozens of Worcester children for the 12th annual hands-on science event called “Hogwarts at Holy Cross.”

The department of mathematics and computer science and the education department received a $240,000 grant from the Massachusetts Department of Higher Education to host workshops for middle and secondary school math teachers in the Worcester area.

Holy Cross hosted several conferences, including the 29th Annual Association of Jesuit Colleges and Universities (AJCU) Conference on Multicultural Affairs and Se Puede: Working Toward Latino Student Success.

FACULTY

13 new tenure-track faculty members were hired for the 2009-10 academic year.

The Dean’s Office announced three faculty promotions to associate professor with tenure: Steven Levandosky ’92, mathematics and computer science; Sylvia M. Schmitz-Burgard, modern languages and literatures and Karen Teitel, economics. Seven faculty were promoted to full professor: Lawrence E. Cahoon, philosophy; James M. Kee and Lee Oser, English; Robert Parkeharrison, visual arts; Kenneth N. Prestwich, biology; Richard Schmidt, psychology and Rev. Thomas Worcester, S.J., history.

Virginia Ragun, professor of visual arts and Dina Bangdel, associate professor of art history at Virginia Commonwealth University, curated Pilgrimage and Faith: Buddhism, Christianity and Islam at the Iris and B. Gerald Cantor Art Gallery.
The plan that shaped our direction for these years involved an administrative whitepaper and intensive discussions with the Board of Trustees. That work led to an articulated set of priorities—all of which were achieved, through hard work and the success of the $216 million Lift High the Cross campaign. These accomplishments, conceptualized and nurtured through planning, clearly have changed the face of our campus:

- Establishing 25 new faculty positions and reducing professors’ teaching load from six to five courses per year
- Adding new academic space through the construction of Smith Hall
- Creating the Center for Religion, Ethics and Culture
- Moving toward a more residential campus with the construction of the Williams Hall senior apartments
- Bringing more diversity to the student body, increasing the percentage of ALANA students from 10.8% in 2000 to 21% today

Kenneth Mills, associate professor of chemistry, received a $60,000 Henry Dreyfus Teacher-Scholar Award.

Psychology professor Mark Freeman received the American Psychological Association’s Theodore R. Sarbin Award.

English professor Sarah Stanbury was awarded a Guggenheim Fellowship.

Amy Wolfson, professor and chair of the psychology department, succeeded Rev. James J. Miracky, S.J., as associate dean for faculty development.

FINANCIAL AID

In 2009-2010, the College administered more than $46 million in need-based financial assistance to more than 1,700 students.

60 percent of the Class of 2013 received financial aid in some form from the College.

GIVING

The Crusader Athletics Fund raised more than $696,000 from a record 2,225 donors. This growth in donors represents a 15 percent increase from the previous year. The Athletics Fund provides budget-enhancing support for 27 varsity athletics programs.
“Effective planning allows us to set priorities and develop the resources to achieve our goals while being open to innovation and new ideas. …”

2007–2011

The subsequent strategic planning process, led by Senior Vice President Frank Vellaccio, was more complex and was designed to guide our operations to 2011. The process began in late 2003 and included a “visioning” retreat by the Trustees and the creation of a Strategic Planning Steering Committee (SPSC) of administrators, faculty and students. It included environmental scans, SWOT analyses and open forums seeking input from the College community. Then, the committee and our finance office developed a detailed budget plan for funding the objectives, which was presented for final approval by the Trustees. Those deliberations established the following priorities:

- Major renovation of the chemistry and physics buildings in order to keep Holy Cross competitive in science education. That vision became the Integrated Science Complex, which opened on time and within budget.

- Development of a new first-year curriculum. That became Montserrat, now in its third year of introducing incoming students to what it means to live and learn in a liberal arts community, immersing them right away into a rigorous academic experience and exploration of life’s fundamental questions.

- Additional curricular review, including re-examination of the common requirements and providing additional study abroad options

- Allotment of more resources to faculty compensation, to protect our competitive standing

- Creation of a Presidential Discretionary fund for additional initiatives, which ultimately supported the new Office of Assessment and Research, the new Office of Distinguished Fellowships and Graduate Studies and a system that will improve transportation between the campus and the city of Worcester

- Increased resources for financial aid, to ensure we retain our distinction as one of the few colleges that are need-blind in the admissions process and meet 100% of a student’s demonstrated need

- Admissions and marketing initiatives, designed to enhance the College’s national recognition and strategically increase the quantity and quality of the applicant pool

The Holy Cross Fund received gifts from alumni, parents and friends, surpassing last year’s record. Alumni participation was an astounding 53.9 percent, meeting the $500,000 challenge set by Jerry Sheehan ’52, P81, 80. Overall, gifts to Holy Cross totaled $19.6 million.

Parents Fund giving went up 22 percent, hitting $500,000+ for the first time. Overall parent giving went up 26 percent, totaling more than $1,012,000. (More than 1,000 non-alumni parents supported Holy Cross this year.)

**MEDIA**


*The Worcester Business Journal* recognized Holy Cross with a Central Mass Green Award. *Inside Higher Ed* touted the College’s goal to reduce carbon gas emissions 20 percent by 2015 and reach carbon neutrality by 2040.

*Kiplinger’s Personal Finance* ranked Holy Cross the No. 8 school on its list of “Top 50 Best Values in Liberal Arts Colleges,” and, in an article titled “What's Your College Degree Worth?”, *Bloomberg Businessweek* announced the College ranks 34th among 554 U.S. schools for net return on investment.

New England Cable News/Worcester News Tonight, *Inside Higher Ed*, the Worcester Telegram & Gazette and the Boston Globe all reported on the success of the College’s allergy-free kitchen for students with food allergies and special dietary needs.

Mathew Schmalz, associate professor of religious studies, became a regular contributor to “On Faith,” an online religion feature of *The Washington Post* and *Newsweek*.

Michael Lochhead, vice president for administration and finance, discussed the new GI Bill on NPR’s “All Things Considered.”


Fr. McFarland; Lynne Myers, director of financial aid; and Jill Coughlin ’10 discussed Holy Cross’ policies and procedures related to student debt load on WBUR’s “Morning Edition.”
SERVICE & JUSTICE

270 students participated in the Spring Break Immersion program run by the Chaplains’ Office, and 56 of those traveled for international immersions to Kenya, Jamaica, El Salvador and Nicaragua.

The College community stepped up with donations to help with earthquake relief in Haiti: The “Blues on the Hill” jazz concert in honor of Martin Luther King Jr. Day also became a fundraiser for Jesuit Refugee Services. And with a matching donation from the President’s Office, the Student Government Association sent $18,000 to Yele Haiti.

Student Programs for Urban Development (SPUD) continued to be the largest student organization on campus, with more than 350 active members volunteering at more than 25 service sites.

The men’s hockey program hosted “Pink The Rink,” during which they wore pink jerseys that were later auctioned off to support the Levine Cancer Center in Worcester.

SPEAKERS

The College welcomed dozens of notable speakers to campus, including Pulitzer Prize-winning poet Paul Muldoon, nationally syndicated columnist Marc Lamont Hill, NBC political host Chris Matthews ’67 and A Short History of Women author Kate Walbert.

The G.K. Chesterton Society of Worcester and the Center for Religion, Ethics and Culture presented “Chesterton in America and at Holy Cross,” celebrating the 80th anniversary of famed British writer and Catholic convert Gilbert Keith Chesterton’s visit to campus.

Three Cups of Tea author Greg Mortensen presented “Peace Through Education” as part of the Hanify-Howland Memorial Lecture series.

B.J. Cassin ’55, venture capitalist and chairman and president of the Cassin Educational Initiative Foundation (CEIF), gave the Thomas More Lecture on Faith, Work and Civic Life.

Rick Miranda ’74, professor of mathematics, provost and executive vice president at Colorado State University, gave the 17th annual Leonard C. Sulski Memorial Lecture in Mathematics, titled “Musical, Physical, and Mathematical Intervals: How Fretting a Guitar is More Complicated (and More Simple) Than One Might Think.”

Additionally, the 2006–2011 strategic plan called for creation of a campus master plan. The plan, completed in 2007, included additional residence halls; landscaping the center of campus for pedestrian use; new, expanded and renovated athletic facilities, including a turf field, tennis courts and indoor facilities; a fine arts complex; and additional academic and administrative space. That campus master plan was the guide for the now completed turf field and tennis courts, the construction of McCarthy Lane on upper campus and a new residence hall under construction adjacent to McCarthy Lane.

2012–2016

The next five-year plan—designed to guide our operations at least through 2016—is well under way, under the leadership once again of Senior Vice President Vellaccio. A new Strategic Planning Steering Committee was assembled last year and is meeting regularly, conducting a new SWOT analysis and making plans for retreats, open forums and financial blueprints. As a first step, the Committee (along with the Trustees and many other constituents across campus, including the Advisory Board, the Alumni Association, the Jesuit community, various student groups and the College’s governing councils) has examined and affirmed the College’s identity. We remain fully committed to our Jesuit and Catholic tradition, and to offering an educational experience for young men and women built around academic excellence, a rigorous liberal arts curriculum and development of the whole person, as we move into the next chapter in the College’s development.

What’s next?

Members of the SPSC have formed subcommittees and teams to conduct studies on athletics, financial aid, the fine arts, Jesuit and Catholic identity and residential community. These reports, analyzing needs and priorities...
and proposing possible initiatives in those areas, will be reviewed by SPSC, the administration and the Trustees. The resulting discussions and conclusions will not only lead to an articulated strategic plan for the next five years and beyond, but will also form much of the basis for the College’s next fundraising campaign. Our timeline calls for a new strategic plan to be finalized at a Trustee retreat in June 2011.

The lasting picture

At a meeting of leaders of Jesuit higher educational institutions from around the world held in Mexico City last December, Superior General Adolfo Nicolas, S.J., (who said he is the first Jesuit Superior General to use e-mail and surf the web) delivered a major address on the challenges to Jesuit higher education today. He spoke with concern about the “globalization of superficiality” and the paradox of being able to “quickly and painlessly” access information, but having less and less time to read, think and discern what to do with that information.

With our daily life punctuated by e-mail blasts, blog postings, Twitter feeds and Google news alerts, there is a temptation to think that we can or should move forward with the same velocity. But we need to remember and appreciate how our biggest successes, our most cherished moments and our secure futures do not happen instantaneously or easily. We plan them. Planning requires work done over time, through the face-to-face efforts, collective wisdom and valued contributions of the people throughout our College community.

Ad maiorum dei gloriam

**STAFF**

Five non-exempt employees were honored for outstanding service at a reception for receiving the 2009 Claire B. Burns Awards: Lillian M. Williams of Athletics; Debora M. Cain of health services; Lillian G. Carlson of dining services; and Helena J. Mahan, Robert L. Pratt and Sonia Manguel Corazzini of the physical plant/building services. Cain also received The Rev. William J. O’Halloran, S.J., Award.

The Holy Cross dining services department earned a silver medal in the 15th annual Tastes of the World Chef Culinary Conference for campus food services at the University of Massachusetts, Amherst.

Art Korandas, director of auxiliary services and Holy Cross employee since 1984, received the Theodore W. Minah Distinguished Service Award from the National Association of College and University Food Services (NACUFS).

**STUDENTS**

Student Programs for Urban Development (SPUD); Eco-Action, the College Democrats and the College Republicans hosted a Candidates’ Night Forum for the 2009 Worcester Municipal Election.

Elizabeth Conway ’10 and Patrick Grogan ’11 wrote theses that earned them the Maurizio Vannicelli Prize while completing the Washington Semester Away program.

Jake Street ’10 won the Prize for the Best Performance of French Music at the Andre Marchal International Organ Competition in Biarritz, France, and was one of three finalists for the “Grand Prix.”

WCHC 88.1 FM broadcaster Ryan Holt ’10 was named No. 8 on the Sportscasters Talent Agency of America’s annual list of the top 20 collegiate sports broadcasters from across the United States.

Katherine Andrew ’11 took first in the individual competition at the American Collegiate Moot Court Association championships. The College’s Moot Court team also dominated the Southeast Moot Court regional tournament, finishing 2nd, 3rd, 5th and 6th and winning three of the top 10 orator awards.

Emily Atkinson ’11 and Matthew Mullaney ’11 received the Mrs. Kate C. Power Medal, given to the second-year student with the highest class rank. Atkinson and Mullaney both earned a top-notch 4.0 GPA in their sophomore class of 723 students.
Mission Statement

The College of the Holy Cross is, by tradition and choice, a Jesuit liberal arts college serving the Catholic community, American society, and the wider world. To participate in the life of Holy Cross is to accept an invitation to join in dialogue about basic human questions: What is the moral character of learning and teaching? How do we find meaning in life and history? What are our obligations to one another? What is our special responsibility to the world’s poor and powerless?

As a liberal arts college, Holy Cross pursues excellence in teaching, learning, and research. All who share its life are challenged to be open to new ideas, to be patient with ambiguity and uncertainty, to combine a passion for truth with respect for the views of others. Informed by the presence of diverse interpretations of the human experience, Holy Cross seeks to build a community marked by freedom, mutual respect, and civility. Because the search for meaning and value is at the heart of the intellectual life, critical examination of fundamental religious and philosophical questions is integral to liberal arts education. Dialogue about these questions among people from diverse academic disciplines and religious traditions requires everyone to acknowledge and respect differences. Dialogue also requires us to remain open to that sense of the whole that calls us to transcend ourselves and challenges us to seek that which might constitute our common humanity.

The faculty and staff of Holy Cross, now primarily lay and religiously and culturally diverse, also affirm the mission of Holy Cross as a Jesuit college. As such, Holy Cross seeks to exemplify the longstanding dedication of the Society of Jesus to the intellectual life and its commitment to the service of faith and promotion of justice. The College is dedicated to forming a community that supports the intellectual growth of all its members while offering them opportunities for spiritual and moral development. In a special way, the College must enable all who choose to do so to encounter the intellectual heritage of Catholicism, to form an active worshipping community, and to become engaged in the life and work of the contemporary church.

Since 1843, Holy Cross has sought to educate students who, as leaders in business, professional, and civic life, would live by the highest intellectual and ethical standards. In service of this ideal, Holy Cross endeavors to create an environment in which integrated learning is a shared responsibility, pursued in classroom and laboratory, studio and theater, residence and chapel. Shared responsibility for the life and governance of the College should lead all its members to make the best of their own talents, to work together, to be sensitive to one another, to serve others, and to seek justice within and beyond the Holy Cross community.
Financial Summary Report

2010

By Michael J. Lochhead, Vice President for Administration and Finance

Overview

One of the best things that can be said about fiscal 2010 is that it wasn't fiscal 2009. One can only hope that the College, and the country for that matter, can learn from the tumultuous 2007–2009 period as it fades from our collective consciousness. The images of the oil gushing into the Gulf of Mexico this summer seemed to symbolize the many challenges facing the United States and the somewhat utter helplessness and vulnerability that we all feel to deal with them. Unemployment remains stubbornly high, the housing market has yet to find its footing and general consumer and business sentiment remains guarded and pessimistic. Talk of a “double dip” recession and “deflationary pressures” has crept into the collective dialogue and no doubt continues to influence behavior in a negative way.

As a contrast, despite challenges of its own, fiscal 2010 turned out to be a very successful operating year for the College. Operating revenues exceeded operating expenses for the 40th consecutive year—marking a milestone for the College. And as much as it is nice to pause and reflect on the successuses of the past 40 years, we can't be lulled into a sense of complacency. Challenges remain for the private higher education business model particularly in the areas of access and affordability. The continued emergence of new business models and partnerships, combined with the significant destruction of wealth due to the financial crisis and recession, will continue to put downward pressure on pricing within the industry. Holy Cross, like its peers, will need to exercise extreme diligence and nimbleness to navigate these challenges and remain relevant in the 21st century. This will require a dedicated focus on Holy Cross’ value proposition and making the necessary investments through our current strategic planning efforts in those initiatives that will build on Holy Cross’ core strengths and address the needs of the marketplace.
Financial Position

Endowment and Investment Assets (unaudited): The College’s endowment asset allocation as of June 30, 2010 can be seen in the chart in Figure 1. The endowment returned to positive territory for the fiscal year ended June 30, 2010, posting an estimated return of 9.4%. This return compared to an 11.9% gain in the S&P 500, a 15.7% gain in the Dow Jones Industrials Average and a 13.5% gain in the Russell 3000 during the same period. Income from the endowment provided 14% of the College’s operating support in fiscal 2010, essentially unchanged from the previous year.

Financial and Net Assets: Expendable financial resources used in the accompanying charts measure the level of resources that would be available to the College to cover its debt requirements or fund its operations under stressful and/or unusual circumstances. As of June 30, 2010, the level of the College’s expendable financial resources to its outstanding debt increased slightly to 2.4 times coverage (up from 2.2 times coverage as of June 30, 2009). Likewise, the level of expendable financial resources to operations increased to 2.8 times coverage in 2010, up from 2.7 times coverage in 2009. While these figures do signify improvements in the College’s balance sheet strength and are at very healthy levels, they remain below the levels posted in earlier years reflecting the impact of the issuance of new debt in 2008 along with the impacts from the financial crisis on investment values that have yet to recover fully. (See Figures 2 and 3)

Physical Assets: With the completion of the renovation of Haberlin Hall, January of 2010 was highlighted by the opening of the College’s $64 million Integrated Science Center (ISC), the most expensive and technically advanced building in the College’s history. The ISC also boasts another important characteristic—it is the College’s first building designed to meet Leadership in Energy and Environmental Design (LEED) standards. Despite significant challenges encountered during construction and renovation, the Physical Plant team worked smartly and diligently with the construction contractor and architect to bring the project in on time and on budget.

On another positive note, after a deferral in January of 2009 due to the financial crisis, I am happy to report that the College has broken ground on the 156-bed senior apartment residence hall. The addition of these beds will result in fewer students living off-campus and will relieve some of the crowding issues experienced by our underclassmen. Construction is due to be completed in the summer of 2011 and ready for occupancy by the Class of 2012. Like the ISC, the new residence hall has been designed to meet LEED standards. Physical assets continue to be a large part of the discussion of the College’s strategic planning efforts. As programmatic plans and strategic initiatives begin to come into focus, the College will begin the process of translating these needs into capital plans stretching out over the next five to 15 years.

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Operations

Despite challenges in the macro-economic environment, the College was able to post a healthy surplus approximating $8.5 million or 5.7%. This compares favorably to the $1.6 million or 1.1% return in fiscal 2009. There were several important factors that led to this year’s operating budget surplus, including: 1) conservative enrollment management planning that resulted in an additional 67 students above plan; 2) the budgetary savings resulting from the voluntary early retirement plan offered at the end of fiscal 2009; 3) the reductions in base budgets to the tune of approximately $3.1 million; 4) the net positive impacts from deflationary pressures on utility costs; 5) endowment declines that were less than originally planned; and 6) conservative budget management practiced by the various divisions and departments on campus. Projections indicate that fiscal 2011 should be another solid year from an operating budget standpoint. The College will utilize excess cash flows generated from fiscal 2010 and projected for 2011 to fund the new residence hall project and other improvements to the students’ physical environment.

The charts, Figures 4 and 5, right, detail the key components of the College’s revenues (Sources of Funds) and expenses (Uses of Funds).

For fiscal 2010, it cost approximately $38,000 dollars to educate each Holy Cross student. Tuition and fees, net of any financial aid discounts, cover only 70% with the remaining coverage coming from external sources including endowment (19%) and contributions, gifts and grants (11%). (See figure 6, right)

As mentioned previously, there is likely to be continued downward pressure on net tuition which will require the College to identify new revenue sources and strengthen existing external sources of funding if it is to continue to build on and enhance the Holy Cross experience for our students. Alumni and friends of the College will continue to be a very important part of Holy Cross’ future and that of our future students.

The figures in this Report are unaudited as of presstime. The entire Report—with audited financial figures—will be posted on the president’s website at holycross.edu/abouthc/president/report/
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2010–2011

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## Five-Year Trends

### Student Enrollment

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<td>Applications</td>
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<td>6,706</td>
<td>7,066</td>
<td>7,227</td>
<td>6,652</td>
</tr>
<tr>
<td>Acceptances</td>
<td>2,270</td>
<td>2,313</td>
<td>2,331</td>
<td>2,441</td>
<td>2,426</td>
</tr>
<tr>
<td>Enrollment</td>
<td>723</td>
<td>754</td>
<td>719</td>
<td>738</td>
<td>747</td>
</tr>
<tr>
<td>Acceptance rate</td>
<td>48%</td>
<td>34%</td>
<td>33%</td>
<td>34%</td>
<td>36%</td>
</tr>
<tr>
<td>Enrollment yield</td>
<td>32%</td>
<td>33%</td>
<td>31%</td>
<td>30%</td>
<td>31%</td>
</tr>
<tr>
<td>Combined mean SAT</td>
<td>1266</td>
<td>1280</td>
<td>1278</td>
<td>1270</td>
<td>1281</td>
</tr>
</tbody>
</table>

### Total enrollment

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full-time</td>
<td>2,788</td>
<td>2,790</td>
<td>2,817</td>
<td>2,866</td>
<td>2,897</td>
</tr>
<tr>
<td>Part-time</td>
<td>28</td>
<td>31</td>
<td>30</td>
<td>32</td>
<td>35</td>
</tr>
<tr>
<td>Total enrollment</td>
<td>2,816</td>
<td>2,821</td>
<td>2,847</td>
<td>2,898</td>
<td>2,932</td>
</tr>
<tr>
<td>% Men</td>
<td>45%</td>
<td>44%</td>
<td>44%</td>
<td>44%</td>
<td>45%</td>
</tr>
<tr>
<td>% Women</td>
<td>55%</td>
<td>56%</td>
<td>56%</td>
<td>56%</td>
<td>55%</td>
</tr>
<tr>
<td>Full time equivalent students</td>
<td>2,797</td>
<td>2,800</td>
<td>2,826</td>
<td>2,877</td>
<td>2,909</td>
</tr>
</tbody>
</table>

### Student Outcomes

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Degrees awarded</td>
<td>700</td>
<td>644</td>
<td>670</td>
<td>678</td>
<td>716</td>
</tr>
<tr>
<td>Six-Year graduation rate</td>
<td>91%</td>
<td>92%</td>
<td>92%</td>
<td>94%</td>
<td>89%</td>
</tr>
<tr>
<td>Freshmen retention rate</td>
<td>97%</td>
<td>96%</td>
<td>94%</td>
<td>95%</td>
<td>96%</td>
</tr>
</tbody>
</table>

### Academic Resources

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full-time equivalent faculty</td>
<td>277</td>
<td>278</td>
<td>272</td>
<td>296</td>
<td>285</td>
</tr>
<tr>
<td>Faculty with Ph.D. or terminal degree</td>
<td>92%</td>
<td>95%</td>
<td>94%</td>
<td>92%</td>
<td>98%</td>
</tr>
<tr>
<td>Student-to-faculty ratio</td>
<td>11 / 1</td>
<td>11 / 1</td>
<td>11 / 1</td>
<td>10 / 1</td>
<td>11 / 1</td>
</tr>
<tr>
<td>Library volumes</td>
<td>600,360</td>
<td>606,950</td>
<td>615,313</td>
<td>620,627</td>
<td>626,726</td>
</tr>
</tbody>
</table>

### Per-Student Charges

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition</td>
<td>$30,960</td>
<td>$32,820</td>
<td>$34,630</td>
<td>$36,710</td>
<td>$38,180</td>
</tr>
<tr>
<td>Room and board</td>
<td>9,220</td>
<td>9,580</td>
<td>9,960</td>
<td>10,260</td>
<td>10,620</td>
</tr>
<tr>
<td>Mandatory fees</td>
<td>484</td>
<td>493</td>
<td>512</td>
<td>532</td>
<td>542</td>
</tr>
<tr>
<td>Total student charges</td>
<td>$40,664</td>
<td>$42,893</td>
<td>$45,102</td>
<td>$47,502</td>
<td>$49,342</td>
</tr>
</tbody>
</table>

### Financial Resources ($000)

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total tuition and fees, gross</td>
<td>$87,546</td>
<td>$93,194</td>
<td>$99,743</td>
<td>$107,301</td>
<td>$113,076</td>
</tr>
<tr>
<td>Scholarship aid to students</td>
<td>$26,053</td>
<td>$27,804</td>
<td>$31,335</td>
<td>$34,605</td>
<td>$36,116</td>
</tr>
<tr>
<td>Debt outstanding</td>
<td>$123,515</td>
<td>$168,186</td>
<td>$177,324</td>
<td>$173,605</td>
<td>$168,290</td>
</tr>
<tr>
<td>Replacement value of plant</td>
<td>$486,953</td>
<td>$492,418</td>
<td>$533,483</td>
<td>$569,344</td>
<td>$581,088</td>
</tr>
<tr>
<td>Net assets:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted</td>
<td>$310,510</td>
<td>$367,916</td>
<td>$350,742</td>
<td>$271,117</td>
<td>$289,834</td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>160,902</td>
<td>213,046</td>
<td>192,181</td>
<td>123,741</td>
<td>135,446</td>
</tr>
<tr>
<td>Permanently restricted</td>
<td>123,581</td>
<td>129,325</td>
<td>137,382</td>
<td>145,269</td>
<td>149,452</td>
</tr>
<tr>
<td>Total net assets</td>
<td>$594,993</td>
<td>$710,287</td>
<td>$680,305</td>
<td>$540,127</td>
<td>$574,732</td>
</tr>
<tr>
<td>Endowment</td>
<td>$544,347</td>
<td>$660,608</td>
<td>$627,264</td>
<td>$500,378</td>
<td>$533,927</td>
</tr>
</tbody>
</table>

*(includes life income funds)*