

USF Helps Students, Tightens Belt Amid Worldwide Recession

In the wake of a global recession and widespread credit turmoil, the University of San Francisco is assisting students whose families are experiencing financial difficulties, while at the same time moving to shore up the university's financial viability through a variety of cost-cutting measures.

USF received more than 400 inquiries to USF-Cares, USF's financial aid outreach program. Many inquiries were from families dealing with job losses.

In many instances, the university has helped students update their financial information so that their aid applications for this year can be reprocessed with the new circumstances taken into consideration. In other cases, USF has guided students through the financial aid process for the first time—many of these first-time applicants had not anticipated needing financial aid this year. Sometimes, all a family needs is a modified payment schedule. The combined efforts have been successful.

“Almost without exception, the students are still in school and are able to meet their financial obligations to the university,” said Susan Murphy, senior associate dean of academic and enrollment services.

The ability of students and their families to continue to afford school and acquire the loans and financial assistance needed is of primary concern to USF trustees and administrators.

“It is important to understand that the university's greatest financial vulnerability lies in its dependence on tuition, fees, and room and board, which account for 95 percent of the operating budget,” said USF President Stephen A. Privett, S.J.

Missing the university's projected enrollment by just 30 students, for example, would result in a \$1 million drop in tuition collected by the university.

As part of this commitment to students, USF has also launched a new scholarship drive, Keeping Faith with Students, that assures students they can count on the amount of financial aid awarded to them at the time of admission. Additionally, the university announced a tuition increase for 2009-10 that is the lowest percentage increase in more than 30 years, and the Board of Trustees approved a 2010 fiscal year budget that includes a 14.7 percent increase in financial aid.

USF also is implementing aggressive cost controls

as well as weighing options for growing revenues through increasing enrollment and/or expanding popular programs.

To date, USF has slashed travel and entertainment expenses to save an estimated \$2 million, moved to a 4-year cycle (from a 3-year cycle) for replacing faculty and staff desktop computers for an anticipated savings of \$1 million, and cut \$350,000 from catering costs for university events involving only university personnel. In all, the university has carved out about \$8.5 million in savings from this fiscal year's operating budget.


Major construction projects have been suspended until further notice, with only high-priority repairs going ahead to keep the university's facilities operational. This will allow USF to maintain \$4 million in reserve that is generally dedicated to paying for such upgrades.

A campus-wide faculty and staff hiring freeze has also been implemented with any exceptions requiring approval from the president's cabinet. Modifications have also been made to USF's supply purchasing, cellular phone usage, and data plans.

In preparation for what may turn out to be a multi-year economic downturn, Fr. Privett assembled a taskforce to review USF's assets and propose strategies to increase the amount of cash on hand on short notice. He also asked deans and vice presidents to prepare scenarios for cost cutting should overall revenue drop 5 percent, 10 percent, 15 percent, or 20 percent.

“Because we have no sure knowledge about the depth or duration of this downturn, we will continue efforts to stay ahead of a likely chain of events,” said Fr. Privett. But, he hopes that such dire forecasts prove unfounded.

While staff, faculty, and administrators are almost certain to feel the pinch, student services aren't expected to be affected, with Fr. Privett indicating that students' satisfaction with their education is key to USF's continued success.

“Faced with lower-cost educational options, students must remain convinced of the ‘value added’ by an education that combines the knowledge, skills, values, and sensitivities that ensure their success as persons of positive change in society,” Fr. Privett said. 

Read the perspectives of four USF professors on the recession.

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