



January 15, 2009

**GIVING IN DIFFICULT TIMES  
INFORMATION TO SUPPORT VOLUNTEER CONVERSATIONS WITH ALUMNI**

**Endowment Impact Decline Elevates the Importance of Annual Giving:**

Since its high watermark of \$775 million in October 2007, Hamilton's endowment has seen its value decline by just over 25 percent. While the College remains in a position of relative strength, the net result will reduce the revenue stream, currently 21 percent, provided from endowed funds in support of current operations.

The College has a long standing compact with alumni, strong enough that the trustees budgeted \$6 million in unrestricted gifts knowing these dollars would be spent before they were raised. Hamilton has always put its trust in the good will and loyal support of alumni, especially in a time of urgent need. In this light, it is essential that the Annual Fund achieve its \$6 million goal. Fortunately, the case for giving to Hamilton is clear. Great students are the primary beneficiaries of the unrestricted support given by alumni.

It seems certain that there will be winners and losers in arena of higher education. Please know that Hamilton remains steadfast in its commitment to students. Classes are not being cancelled, art collections are not being auctioned, athletic teams are not being disbanded, student programs continue to flourish and students whose families demonstrate unexpected financial need are receiving extra support.

Please accept the thanks of all of us on the Hill for your volunteer support. It enables the College to preserve the superior quality of the educational experience on the Hill just as alumni predecessors have done for nearly two centuries.

**Response to Current Economic Downturn:**

- A self-imposed salary freeze was put in place by the Officers of the College.
- All non-essential and unfunded capital improvement projects have been halted.
- The endowment draw down will be reduced to preserve capital.
- All departments are accountable for budget reductions of 4-5% for each of the next two fiscal years.
- Discretionary administrative expenses will be limited to only those that are essential to the operation of the College.
- There is a freeze on new hires.
- Increased scrutiny is being placed on the necessity to replace existing positions when they become open.
- Additional financial aid is being targeted toward families with increased demonstrated need.
- It is likely that the anticipated increase in the rate of tuition and fees will be smaller than in the recent past reflecting Hamilton's sensitivity to the economic stress on the families of current and prospective students.

### **Framework and Responses to Alumni Questions or Concerns:**

The current economic situation creates an increased need for alumni generosity. As always, volunteers should be sensitive to the unique situation of each classmate they contact. If an alumna/us is unable to increase his or her gift or maintain the same giving level as last year please thank them for their consideration. But, please also re-emphasize the collective value that is created by the simple act of giving – regardless of the amount.

The two general examples below may help provide you with positive ways to empathize the need and the collective importance of many gifts:

- **“I'm not sure I can make a gift this year, or I may have to make a smaller gift.”**

Gifts of any size are essential and appreciated. Especially during these times, every gift is an endorsement of the College's commitment to its supporting students. What's critically most important is the continuity of your giving back. Combined with gifts from thousands of alumni, your gift helps the College leverage additional resources via foundations that look to participation rates as a sign of institutional strength.

- **“I can't give at the 1812 Society level this year (\$2,500 or higher). Please call me next year.”**

Please consider a smaller gift. It's your endorsement of the College's mission and your continued support that matters, not the size of the gift.