JOHN HARVARD’S JOURNAL

Yesterday’s News

From the pages of the Harvard Alumni Bulletin and Harvard Magazine

1912 The Associated Harvard Clubs have established scholarships for freshmen from southern and western states to ensure greater diversity within the University and wider influence without.

1922 No longer content merely to play traditional fight songs and marches at football games, the Harvard Band causes a sensation by “performing the most amazing sort of evolutions on the field”—a perfect wedge, a single file winding tightly into a circle and out again—while continuing to play in good time.

1927 Harvard’s hygiene department reminds undergraduates that “heretofore a certificate based on physical disability was the only one considered valid to excuse a student from his work. It is now recognized that a man may be equally handicapped by reason of emotional turmoil for which he is no more responsible than for an attack of pneumonia.”

1932 The Memorial Church, built in honor of the Harvard dead of “the World War,” is dedicated on the morning of Armistice Day.

1947 Harvard and Radcliffe Colleges have formalized arrangements to permit “joint instruction [of undergraduate men and women]…where separate instruction would be wasteful of Faculty personnel.” Most freshmen courses and all undergraduate activities remain separated.

1962 The Medical School has established a division of mathematical biology, in part to investigate the role of the high-speed computer in problems of medical diagnosis and research.

1977 Lecturing at Radcliffe’s South House, 74-year-old Lillian Hellman says of “the dangerous desire of all young people for simple answers…a good college education should knock this idea out of everybody’s head right away. There are no simple answers to anything. You must not believe life or learning is simple. It just has to be fought through, and thought about.”

cordingly, the Corporation has become more ambitious about using the funds. It has changed the policy from the prior target of distributing 4.5 percent to 5.0 percent of the endowment’s market value annually in support of University operations, to a new targeted aggregate spending rate of 5.0 percent to 5.5 percent (see discussion below). Given the endowment’s size, that seemingly modest adjustment means a great deal to the schools.

During fiscal year 2007, a previously undisclosed $100-million “decapitalization” from the Faculty of Arts and Sciences (FAS) endowment was used “primarily to fund construction and other facilities costs.” FAS has been investing heavily in buildings—several hundred million dollars for new science laboratories alone—and faces large deficits resulting from the debt incurred for those projects and the subsequent costs of operating them. This decapitalization (a one-time disbursement of accumulated funds within endowment accounts for discrete purposes) begins to relieve FAS’s problem—and may be a harbinger of more systematic, wider-ranging efforts to meet other faculties’ most pressing priorities when, as is now the case, the endowment has appreciated, but a capital campaign has been deferred.

Characterizing the year, vice president for finance Elizabeth Mora, the University’s chief financial officer, said, “The picture looks very positive.” Revenue rose 7 percent, to $3.21 billion, roughly the same pace as in fiscal year 2006. The 12 percent increase in endowment income distributed for operations, to $1.04 billion from $933 million in the prior year, was a principal factor. The $23.2-million rise in revenue from continuing and executive education programs (a 14 percent gain, to $193.2 million) also stood out.

Expenses increased only 5.7 percent, to $3.17 billion, a much more moderate pace than the 8.8 percent growth in the prior fiscal year. In part this reflects some one-time factors—the logging of employee-vacation allowances as new information systems came on line in the past couple of years, 2006 start-up funding for the Broad Institute, a genomics joint ven-