

June 15, 2020

Dear AUB Community,

I wish to start by congratulating all of you on completing one of the most exacting academic years in our recent history. The combination of Lebanon's financial collapse, the global recession, the COVID-19 pandemic, and the economic challenges throughout the Arab world has made this a most formidable year.

Notwithstanding the uncertain future for Lebanon and the region, I write today to assure our community that AUB is making important strides towards becoming more excellent, more sustainable, more relevant, more inclusive, and more mission-oriented than we have been in years. We have achieved this progress by identifying needs, gaps, and opportunities through consultations with various stakeholders and experts, both inside and outside the university. At the same time, building a realistic budget that can reasonably accommodate wide uncertainties in local, regional, and global circumstances has been a key challenge. We are approaching this task through a dynamic and iterative process that balances long-term health against short-term pain, informed by a variety of perspectives.

We believe in the principles of shared governance. After obtaining substantial input from all stakeholders, we arrived at the budget for the upcoming academic year with critical contributions and careful oversight from our generous and wise Board of Trustees. Our Financial Planning Committee, which we initiated five years ago shortly after my arrival at AUB, includes representation from the Workers and Staff Syndicate (representing the non-academic staff), University Senate (representing the faculty) and the University Student Faculty Committee (USFC, representing the students). It has met repeatedly over the last several months to arrive at this challenging budget which the Board unanimously approved on June 4. The budget will be monitored and adjusted regularly with the Board over this upcoming year, given the extreme economic uncertainty Lebanon and the region face.

Mitigating impact of cost-cutting

In December 2019, I promised our faculty and staff that we would be able to pay their full salary and benefits through the rest of this academic year ending June 30, 2020, and so we have.

At this point, however, with substantially diminished revenue streams, it has become vital to reduce costs so that AUB's core missions can continue. Towards that end, we are about to initiate a series of layoffs that will regrettably affect many members of our beloved AUB community. After meticulous, lengthy, and painful discussions with the Syndicate, we will ensure that those individuals who depart AUB will receive generous severance packages with a sliding scale to recognize the service of those who have been at AUB for the longest time. Their children who have already started their studies at AUB will be financially supported as they finish their undergraduate education at our great university. We shall provide ongoing career counseling and psychological support for these individuals, and they will be eligible for continued health insurance as per our policies, be it through HIP, or through our enhanced and expanded Outpatient Department, an investment that will make the AUBMC more inclusive of what Daniel Bliss once described as "all classes of men (and women)." Finally, we are creating an AUB talent pool that will allow us to keep in touch with the best and brightest of our departing staff as the future evolves.

Sharing the burden

In moments of social unraveling and economic distress, it is important that those of us who can afford to sacrifice more do so. Last November, the accelerating financial meltdown in Lebanon and its impact on the community we serve became apparent to the Board of Trustees and me. Following the Board meeting, we initiated a series of voluntary contributions from the salaries of the leadership team. We now extend these to include all the most highly paid members of the community, including senior administrators, physicians, and faculty members, to support those less fortunate. With such contributions, we will be able to initiate substantial cost of living increases for those most vulnerable and help as many members of our community as possible have a more dignified life. This too is a result of our collegial, collaborative, and principled agreements with the Syndicate, University Senate, and the USFC.

Investing in faculty

For our most outstanding faculty members and physicians, it is vital that the university continue to build on the investment of the last 25 years towards making AUB a research university of global standing. AUB's ranking has never been higher due to the impressive output of our faculty members, who continue to produce world-class research. Ranking agencies such as QS and Times Higher Education continue to show that our university produces more high impact research per faculty member than any other university in the Arab world. Most impressively perhaps, our university consistently ranks among the top 50 universities in the world in terms of the employability of our students and their ability to get into top graduate, medical, and professional postgraduate programs. These investments in our professorial faculty must continue and, in order to do so, we have arranged for a proportion of their annual salary to be paid in US dollars for the first time in decades. This is a time-limited exercise to encourage and enable our faculty to obtain more external grant-based salary support for our healthcare system to create more international business, and to rebalance the university towards a more diversified revenue stream. We will do everything possible to retain our most productive and committed faculty members such that they can continue to mentor the next generation of stellar students.

Exchange rates

A university is first and foremost about students, and when one also has stewardship of a medical center, it is about patients as well. These constituencies must always be at the heart of our efforts. For our students, given the Lebanese government's current inability to set a realistic exchange rate, we will accept tuition payments in LBP at the the official dollar exchange rate for the fall semester. However, this will not be sustainable beyond the fall. Should the situation persist, AUB would have no choice but to reduce financial aid substantially or modify the US dollar tuition rate to something closer to the actual market rate.

Several years ago, the university set the peg to the US dollar to allow us to continue to obtain full grant funding and support from abroad from our multiple partners in MEPI, USAID, Mastercard Foundation, Al Ghurair, ULYP, and other scholarship donors. This hard currency tuition support is critical to the continued operation of AUB, and to providing opportunities for as many bright AUB students as possible.

In solidarity, we also urge all students whose parents earn their income abroad to contribute by paying the dollar rate, preferably abroad, so that those students whose parents earn their salaries in Lebanese pounds are able to afford a world-class education, as this will allow AUB to increase its financial aid and protect its valued diversity on campus at the same time. AUB must remain a university for the best and the brightest from all walks of life.

A brighter future

This approach will be necessary for the next several years while we pivot to become an AUB that takes advantage of our growing expertise and infrastructure in digital delivery to build out our eLearning and telehealth enterprises, one that becomes more attractive and available to an increasingly divided world, and one that remains united by our commitment to provide quality access to lifelong learning.

While we have put a hold on several capital projects including the new medical center extension, we shall continue to monitor economic conditions for when these projects can resume. While patient volumes at the AUB Medical Center have risen once more as the COVID-19 pandemic shows signs of relenting, it will likely be some years before Lebanon can become a major center for medicine and health, given the depths of its economic freefall and political deadlock. We are fully determined to resume our building and expansion plans at the AUBMC at the opportune time in the future, but in the meantime, with its new director at the helm, the medical center will focus on its objectives to become more efficient, lean, and inclusive while remaining the center of premier healthcare services that we have come to expect.

As we face these challenges, we must never forget to celebrate our graduates. Consequently, AUB is in the process of holding modified graduation ceremonies for the smaller cohorts in clinical disciplines and faculties and schools are working on holding award ceremonies for graduating students. This September, if health conditions permit, we will ensure that every newly graduated student who is able to attend will be afforded a graduation ceremony with their parents and classmates on our magnificent campus.

We have taken many of the difficult but necessary steps to make AUB more secure in the long term since our last message to you. We are confident that AUB will continue to be a sustainable, relevant, and inclusive example for others to follow and—in doing so—that we can serve those less fortunate and create opportunities for those who can in turn ensure a better life for others. I end by reassuring you that this great university, which has endured so much, and whose character has been tested on so many occasions, will be here to educate the best and the brightest for at least another 150 years, and will expand its role to ensure that not only individuals but the societies and the peoples of Lebanon and the region may have life and have it more abundantly.

Best regards,

Fadlo R. Khuri, MD
President