A Message from the Trustees:
The New York Times Article

On Sunday, November 21st The New York Times contained the St. Paul’s article that we have been anticipating for several weeks. The School operated in good faith in all of its dealings with the newspaper. Unfortunately, the resulting article failed to present a journalistically accurate, fair, and objective picture. The Board wants to communicate those factual and perceptual errors to you, and correct them.

The Trustees provided The New York Times with all of the information that was requested and answered all of their questions. In October, at our suggestion and with the goal of offering candid and transparent access for any questions from the reporter, three Trustees met with the Times reporter in two separate meetings at her offices in New York. Further, a number of people from the school compiled and provided significant amounts of information as requested by The New York Times. This is the same cooperative approach the School followed with the New Hampshire Attorney General’s Office and The Wall Street Journal. We initiated and met with the Times reporter because we believe in openness, and because we are proud of how the School is managed and how decisions crucial to the continued excellence of St. Paul’s are made. We also understand that the perception of controversy may constitute news, and that the School’s excellent reputation makes St. Paul’s a tempting target for The New York Times and other news organizations.

Because The New York Times is our country’s newspaper of record, our concern and obligation are to ensure that the public record accurately reflects the facts. The picture painted of St. Paul’s in this article is distorted, often factually incomplete, and in several instances simply wrong.

There are many fundamental areas of factual error or perceptual misrepresentation in the article. The following are summary areas where major errors exist:

**School Turmoil**
A few individuals’ desire for the School to be in turmoil simply does not make it so. If one takes any objective measurement of St. Paul’s School, there are obvious benchmarks that dispel this notion. Student application and admittance trends, college admissions success, faculty and administration excellence, endowment growth and vitality during bull and bear markets, record annual donations, alumni and parent participation and support, and most importantly, the vibrant life in Millville – all of these factors affirm the reality that St. Paul’s School is stronger than ever. Moreover, the retirement of two long-serving Board officers, each of whom provided more than a decade of distinguished and valuable service to the School, was at their request and as part of the planned rotation of the Board’s leadership. The concept of “Life Trustees” was eliminated years ago. The article’s inference that this transition is connected to “turmoil” denigrates these individuals and the process itself.
The Retained Consultants

The *Times* article is totally wrong when it asserts that “…the school ... submitted to the scrutiny of experts on governance and investing…” In fact, it was the School which first suggested that consultants be engaged to review the School’s governance and investment practices, and it recommended that the Office of the Attorney General include two of its own choosing after the New Hampshire Director of Charitable Trusts conceded that his Office lacked the internal capability and expertise to conduct such a review. Our goal was to allow a complete and objective review of all processes related to governance and investments at the School. That process has been fully and completely reported by the School (see messages from the Trustees on our web site). Moreover, the process has been a healthy one, and has added impetus to our continuing efforts to maintain “best practices.” As a matter of fact, the process found no “wrongdoing” at the school.

The Agreement with the Office of the Attorney General of New Hampshire

The *Times* article completely misstates the facts when it claims that “…the attorney general’s office reached a most unusual agreement to supervise the school.” A careful and fair reading of the Agreement reveals that the Office of the Attorney General exercises no greater supervisory powers over St. Paul’s School than it does over any other New Hampshire charitable institution. The Agreement’s language simply affirms the Attorney General’s existing authority under New Hampshire law. No broader supervisory powers are alluded to, appointed, or suggested by the Agreement.

Regarding compensation, the Agreement does formalize the 10% compensation reduction volunteered by the Rector and Vice Rector months before the Agreement was executed and was not mandated by the Office of the Attorney General.

Despite any implication in the *Times* article, no wrongdoing of any kind is mentioned, implied, or supported by the terms of the Agreement -- because there was none. Neither is the Office of the Attorney General managing the day-to-day operations of the School, nor is it exercising any authority over the Board or over the ongoing work of the Board’s Investment Committee. “The Investment Committee…under the watchful eye of the attorney general” is, perhaps, a seductive closing line, but it is singularly untrue.

The Selection of Bishop Anderson as Rector

The *Times* article professes that “It is not clear how Bishop Anderson won the position…” In this instance, the *Times* reporter simply failed to inquire about the selection process that was employed by the School. The State of the School report that was provided to the reporter describes the process:

A seven-member Trustee Search Committee, assisted by a twelve-member Advisory Committee (representing faculty/staff members, parents, alumnae/i, and students) identified those parameters most needed in a leader for the School into the 21st century.

Donald Werner, a principal in *Educators Collaborative*, was intimately involved with and conducted the search process on behalf of St. Paul’s. As part of the research conducted in preparation of the “Werner Report,” Mr. Werner and his associate consultants met with
164 members of the School constituencies, in 44 individual and 18 small-group interviews. Among the 164 that were interviewed were faculty/staff members and spouses, administrators and Department Chairs, students, alumnae/i, parents of then-students and former students, and past and then-present Trustees.

The School repeatedly asked the reporter to contact Mr. Werner, and Mr. Werner did call the reporter, who never returned his call. He also provided written responses to questions that she had for him. She never asked for the very good reasons Bishop Anderson was selected in this national search, reasons that would have been easy for Mr. Werner to provide. It is unfair to claim “mystery” when no reasonable effort has been undertaken to inquire about the process. Bishop Anderson was selected to be the eleventh rector of SPS because of his background in business, his teaching experience at the university and seminary level, his record of ministry as a bishop, his administrative and academic leadership as the head of the oldest seminary of the Episcopal Church, and his military leadership experience as an active and reserve officer.

**Faculty Benefits**
Contrary to the article’s unsupported claim, benefits for faculty and staff have increased steadily under the present administration. Health insurance benefits have increased overall, with special attention paid to offering more support for the costs of family plans. Tuition benefits have also increased, in total and per faculty child. During the last decade, the number of School employees participating in the tuition remission program has more than doubled. A portable tuition option for children of faculty who attend other independent schools has been added. For tuition remission, St. Paul’s pays approximately 90% of the total cost of tuition, room, and board -- a benefit worth approximately $30,000 per year to faculty and staff whose children attend the School. Although it is true that individual faculty and staff members have been asked to contribute approximately $3,000 towards the costs of an SPS education, the total allocations for tuition remission and portable tuition have increased. These facts about benefits (along with other pertinent benefits information) were included in the State of the School report provided to the *Times* reporter. Contrary to what the reporter writes, the School did not cut back in its support of childcare for employees of the School. In fact, that subsidy has tripled over the past decade.

**Faculty and Staff Turnover**
The *Times* article characterizes the faculty and staff turnover as being unusually high. First, in portraying the turnover as being “unusually high,” the article offers no statistical or even anecdotal comparison with any other comparably sized educational institutions.

The State of the School report (provided to the *Times* reporter) contains information which shows that the 1992-2002 faculty attrition totaled 69. Many of the full-time faculty members who left St. Paul’s did so in order to attain higher-level educational positions at other institutions; to pursue advanced professional degrees; and to accept leadership positions such as academic deans or heads of school, among other endeavors. In short, the turnover rate has been normal in historical terms.
Overall, faculty attrition levels at St. Paul’s School over the past five years fall well below the national and New England averages for independent schools. We have had the benefit of seeing the results of an extensive survey conducted by the CFO of a sister school. Conducted for the first time in 2001, that survey of 117 independent schools showed an average attrition rate for teaching faculty of 10.1% nationally. In New England, the attrition rate was 11.1%, and at St. Paul’s School it was 7% for all faculty, and slightly lower for teaching faculty. In 2002, the average attrition level for all teachers was 9.9% nationally (109 schools), 11% for New England schools, and 7% for St. Paul’s School faculty, and slightly lower for teaching faculty. In 2003, teaching faculty attrition for the national sample was 8.5%, for New England it was 8%, and at St. Paul’s School it was 4% for teaching faculty, and 7% for all faculty. In 2004, the attrition rate for all faculty was 10% at St. Paul’s School, and 5% for teaching faculty, again lower than the averages for other schools within this time period. (It should be noted that in determining faculty attrition numbers, none of the participating schools include the departure of part-time faculty, one year replacements or teaching fellows, faculty asked to leave, or retiring faculty. The number of faculty retiring from St. Paul’s School has remained steady for over 20 years with one to three faculty members retiring each year.)

In an attempt to control costs and run the school more efficiently, the administration, with Board support, reduced staff levels through attrition and elimination of positions. The reporter was briefed in detail on this process, yet mentions none of it. There is little recognition of the prudent financial planning that the School has undertaken in the last five years to further strengthen its fiscal position.

**Rectory Repairs**

One of the more outrageous claims in the Times article regarded the refurbishment and renovation of the Rectory. The Rectory was built before 1875 and is one of the oldest buildings on the grounds. It has undergone remodeling and renovation to include additions to the basic structure over the last several decades. During the previous administration, remodeling work was begun and completed when Bishop and Mrs. Anderson moved into the Rectory. Over the past few years, the house has been re-shingled, the foundation and heating system repaired, the entire building has been insulated, and the windows have been replaced. With regard to the kitchen, there are no marble countertops.

The most disappointing aspect of *The New York Times* article is that it neither captures nor accurately portrays the essence of St. Paul’s. It fails to explore the excellence of its students, administration, and faculty; the rigor and success of its academic program; the integrity and commitment of its leadership; and the soundness of its financial health. No institution is without its critics. Yet, when reporters refuse or decline to assess their sources with an objective, critical eye, the resulting article is sensational in tone, yet bereft of substance.

We would like to thank all of our loyal alumni, parents, administration personnel, and faculty who continue to support and carry out the mission of the School in such meaningful ways. We commit to continue to keep you informed as we seek to improve such a wonderful School.