

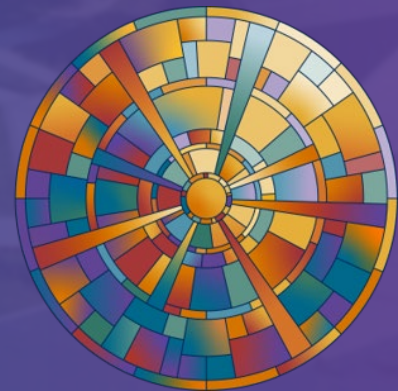


# Employee Town Hall

November 15, 2021

# Introduction

*Kim Phipps, President*



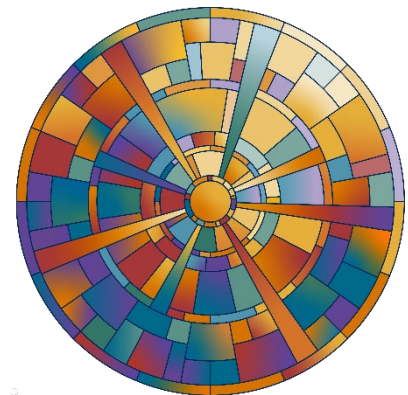
# THANK YOU



# Town Hall's Purpose

This session has been designed to give you an educational picture of Messiah's full financial profile by:

- Highlighting institutional strengths
- Acknowledging challenges
- Describing strategies to address challenges





# University Rising

STRATEGIC PLAN 2021-2024  
Community Day | August 17, 2021



## Our shared vision

Messiah University will expand its influence as an institution of educational excellence committed to Christ-centered learning for life where students are mentored toward **deeper intellect, professional competence, personal integrity and mature faith** expressed in love of neighbor.

### CONSTITUTIONAL DISTINCTIVES

- Commitment to a gracious Christian approach to faith and education expressed in love of God and neighbor
- Commitment to educational excellence for all programs across all levels
- Commitment to inclusive excellence rooted in the promotion of our missional outcomes of service, leadership and reconciliation



## THEME 1 Distinctive teaching and learning

With teaching and learning at the heart of our educational mission, we seek to leverage the distinctives of a Messiah education to reinvent or revitalize compelling teaching and learning practices for learners from high school age to elder years. In particular, we seek to attract, enroll and retain new students from outside of our current student demographic.

### GOAL 1

**Messiah University will strategically use technology and campus spaces to increase educational access and student success across the learning experience.**

- Assess curriculum to identify and clearly articulate the role of digital citizenship competencies (skills and ethics) in different learning environments (grad, undergrad and co-curriculum).
- Assess students' current access to technology resources and services to identify and work toward addressing gaps in equitable access and inclusion.
- Assess campus space to strategically align technology, room capacities, room utilization and course/section capacities with teaching & learning priorities.

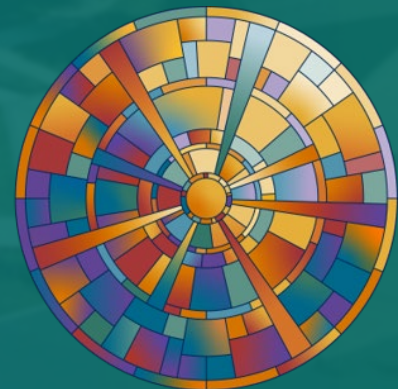
### GOAL 2

**Messiah University will reflect Messiah distinctives across educational programs, support structures and staffing.**

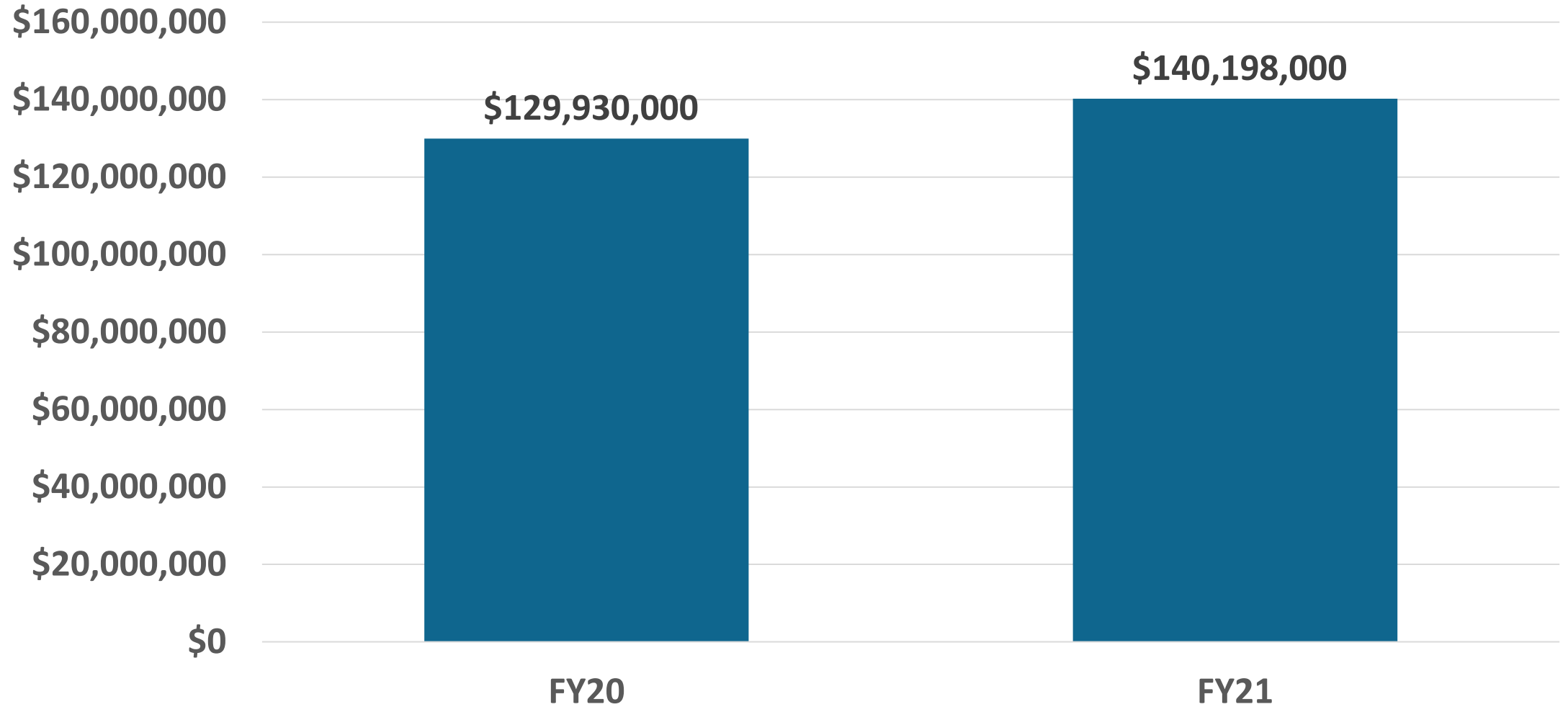
- Revise the undergraduate general education program to be flexible, compelling, relevant and reflective of Messiah's core mission, values and distinctives.
- Provide professional development for all employees toward increasing awareness, understanding, and integration of those distinctives into all aspects of the Messiah experience and equipping employees to effectively tell the Messiah story.

# Messiah's Financial Profile

*David Walker, Vice President for Finance and Planning*

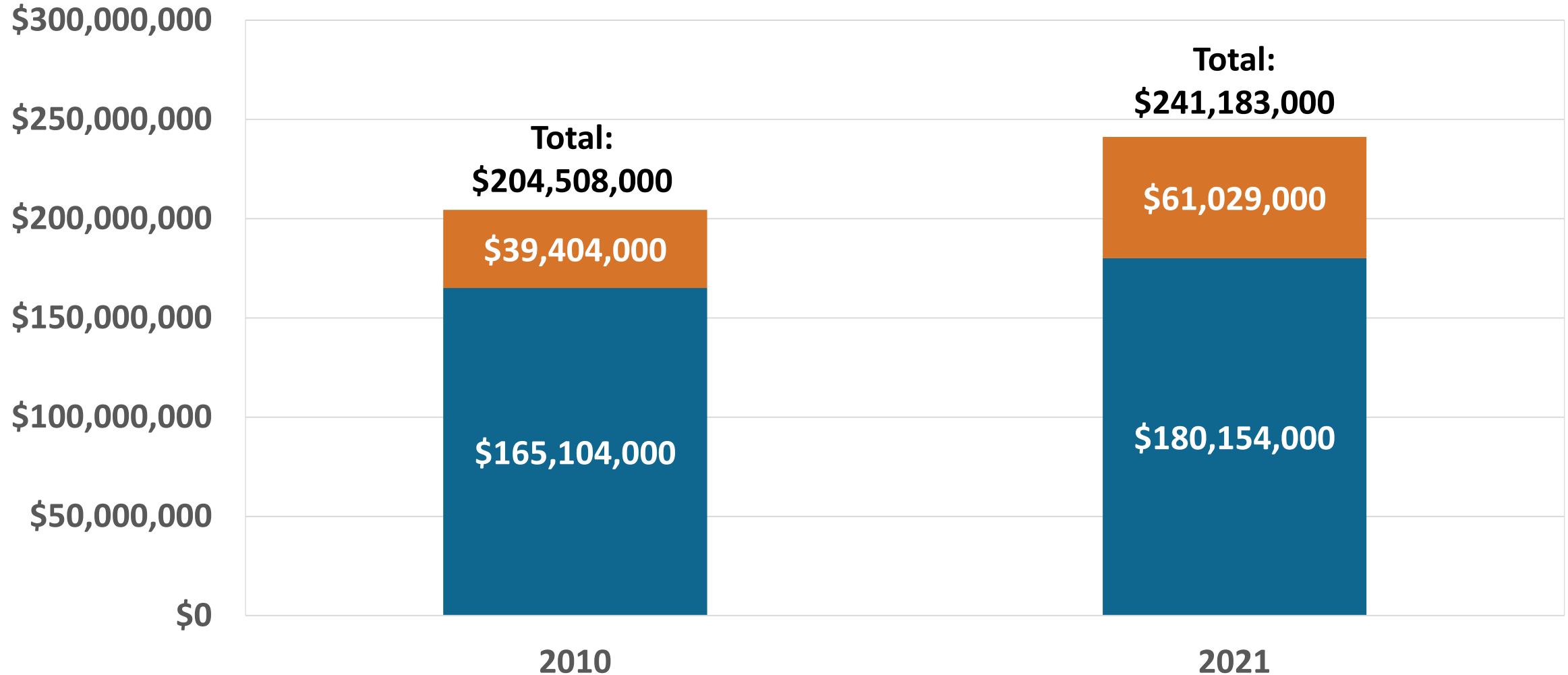


# Endowment Market Value



# Balance Sheet Net Assets

■ Unrestricted ■ Restricted

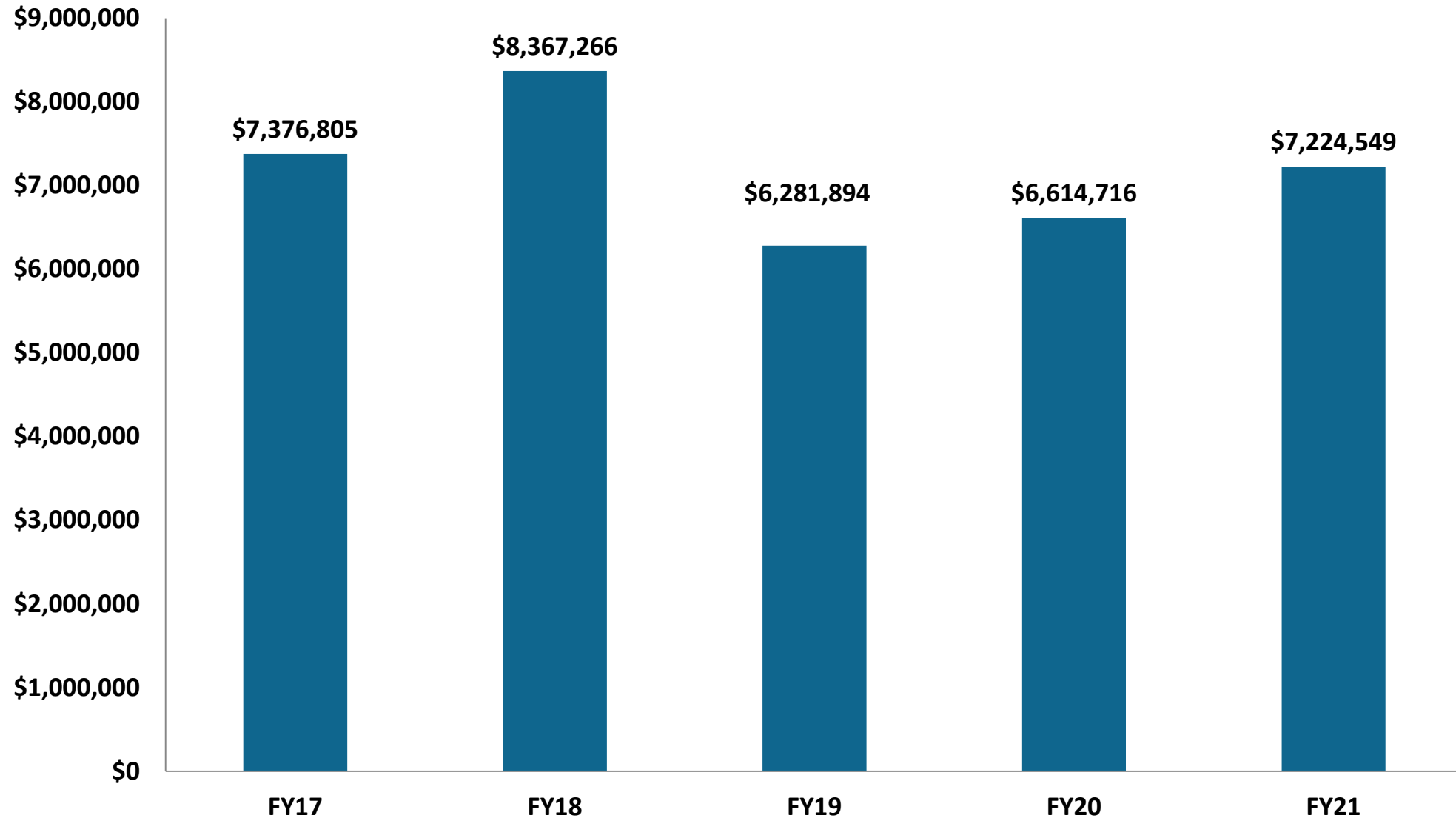




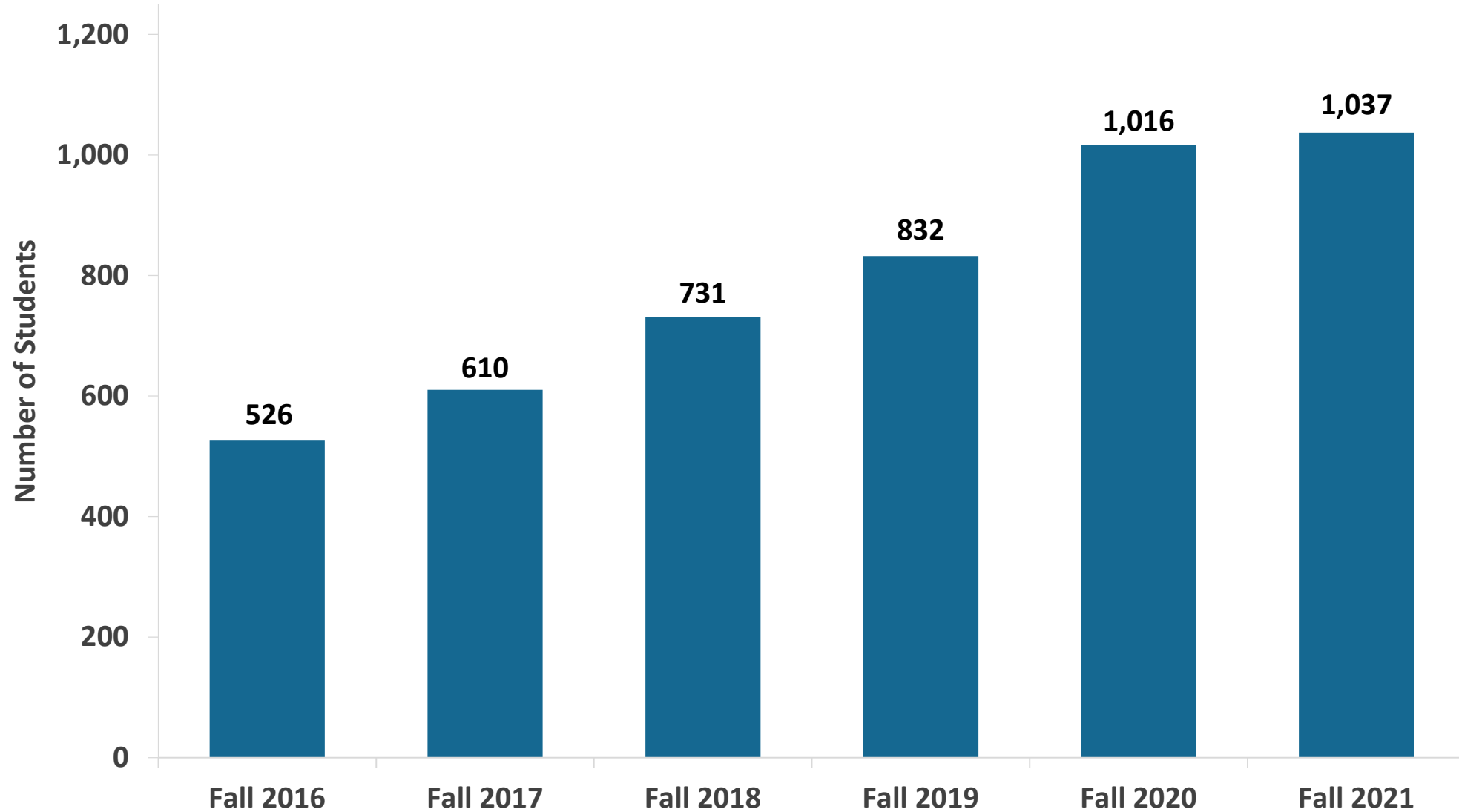
# Messiah University's Bond Rating

- What is a bond rating?
  - A Standard & Poor's (S&P) bond rating is a letter grade given to a bond that indicates its credit quality.
- Why is a bond rating important?
  - A higher rating allows us to borrow money at a better rate.
- What is Messiah University's bond rating?
  - Messiah University's municipal bonds have a long-term rating of A-/Stable.

# History of Successful Fundraising



# Fall Graduate FTE Enrollment



# Strong Financial Profile

## Non-tuition Revenue Sources

- Rider Musser
- Summer programming
- External catering

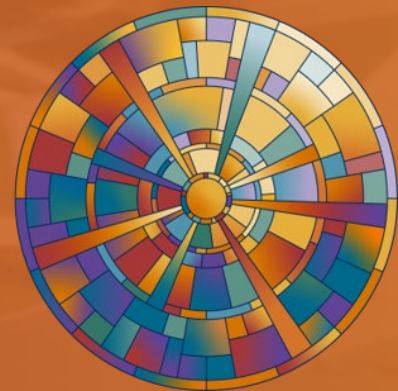


# Current Challenges

*Randall Basinger, Provost*

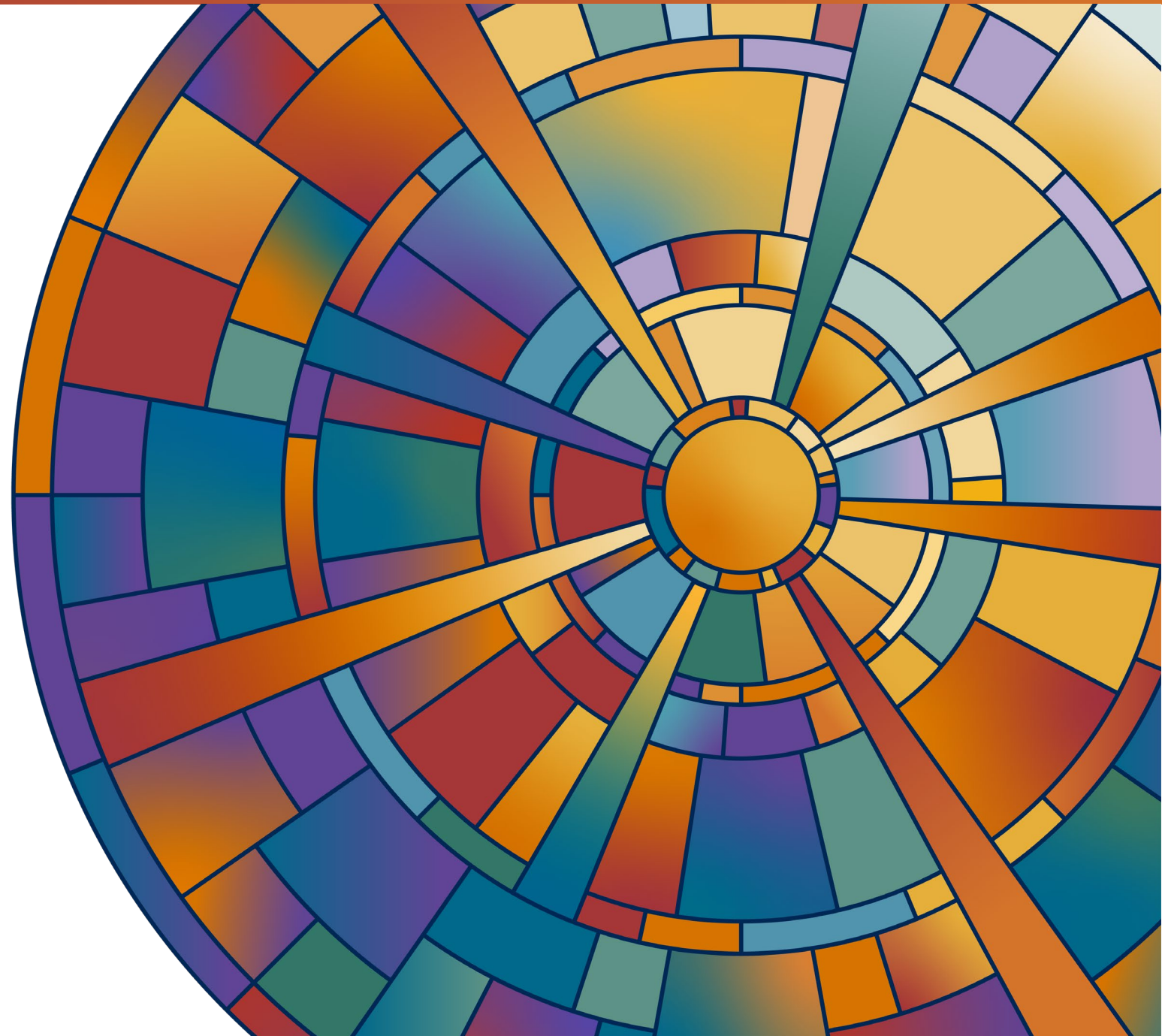
*John Chopka, Vice President for Enrollment Management*

*David Walker, Vice President for Finance and Planning*



# Balancing the Scale

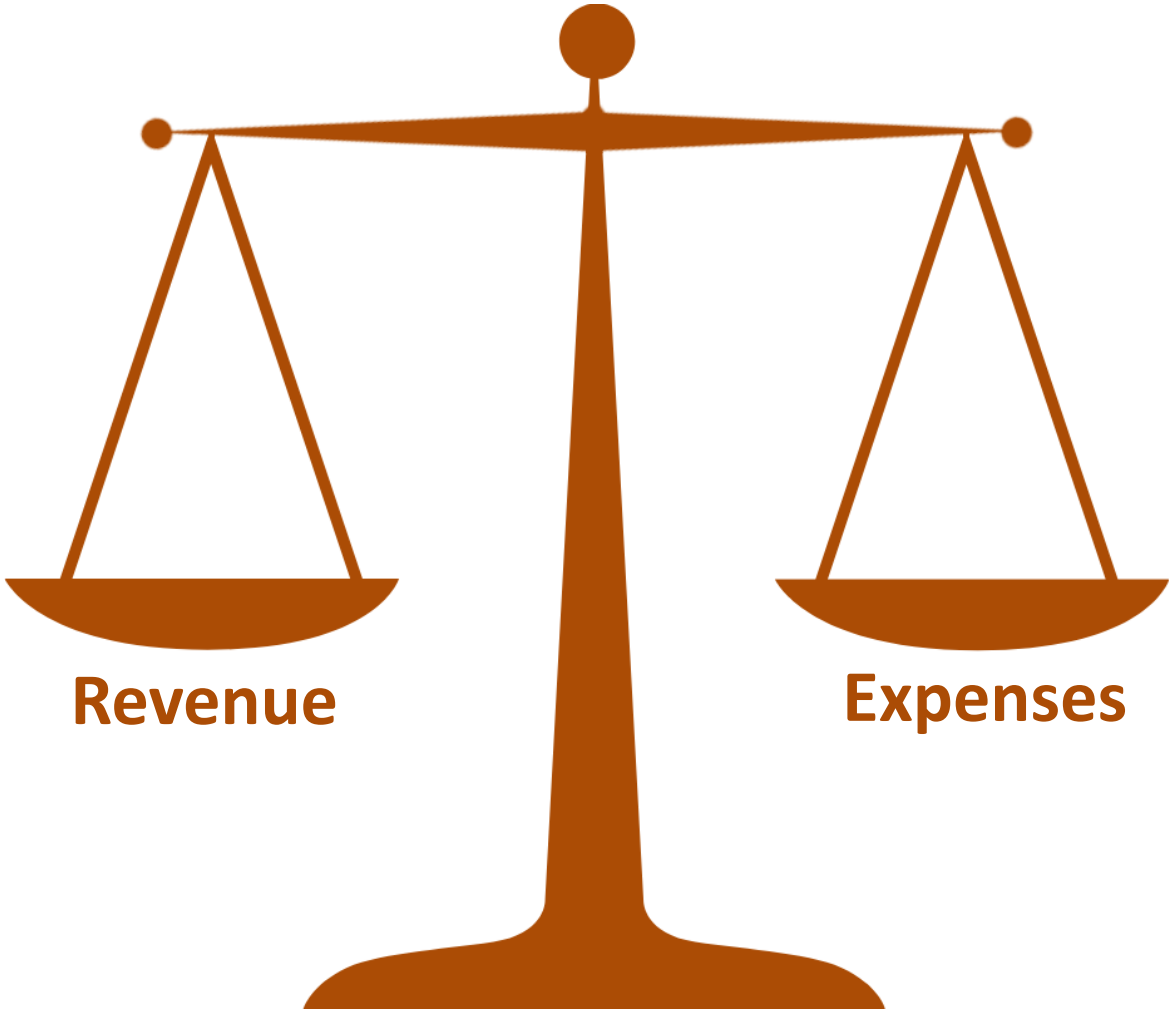
*Randall Basinger*  
*Provost*



# The Annual Operating Budget

- Fulfilling our **educational mission** requires sufficient **financial margin**.
- Sufficient financial margin in turn requires balanced annual budgets.

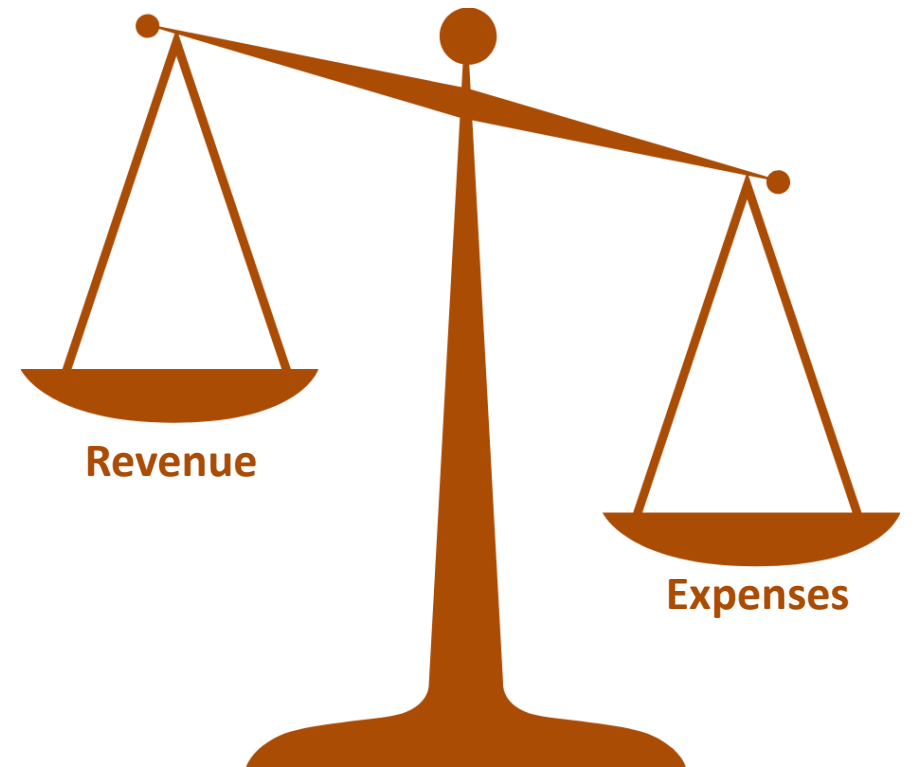
# Operating Budgets Are Like Scales





# Strategies for Meeting our Operating Challenge

- Reduce our annual expenses
- Add to our annual revenue
- **Do both**

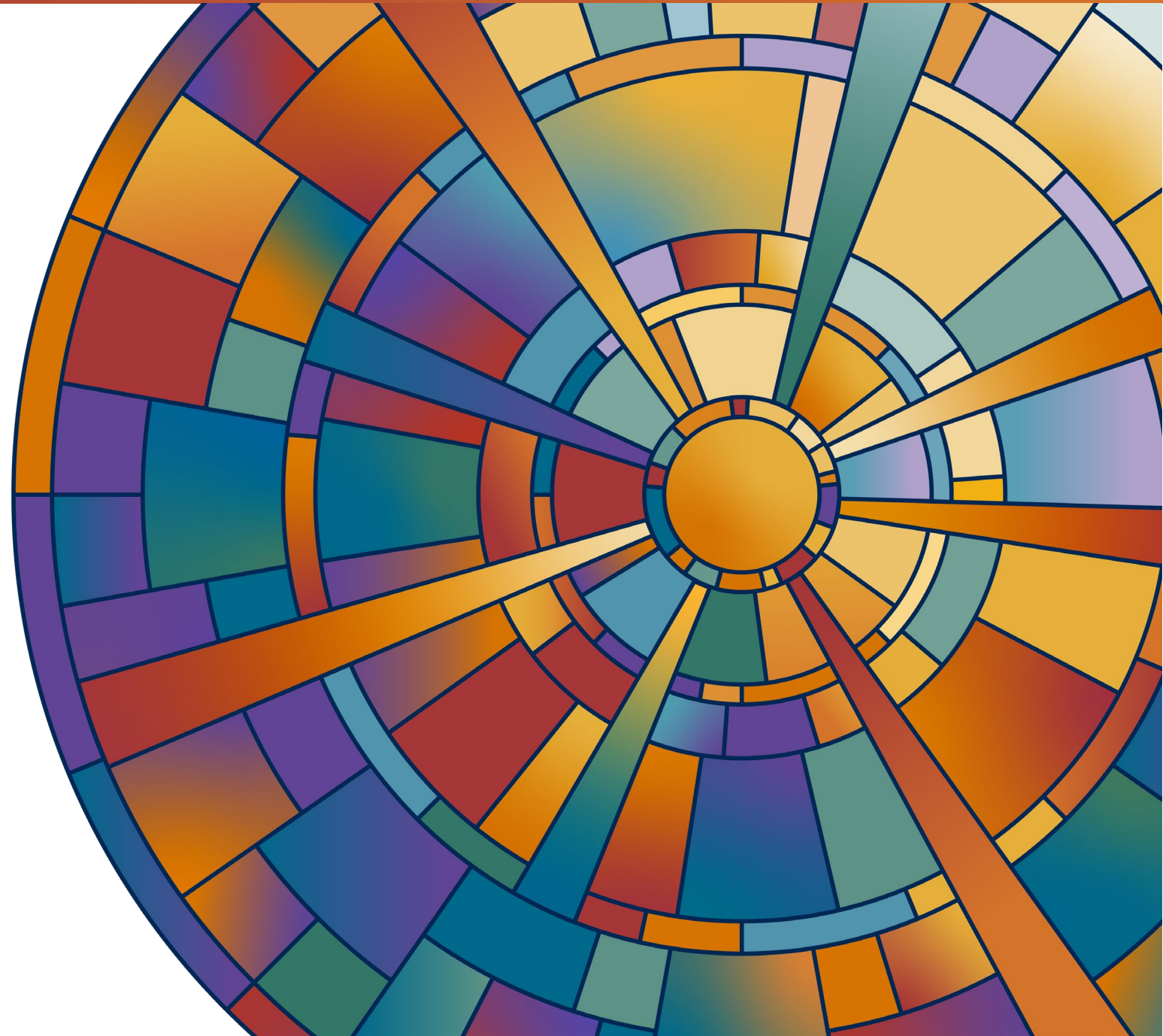


# Enrollment Challenges

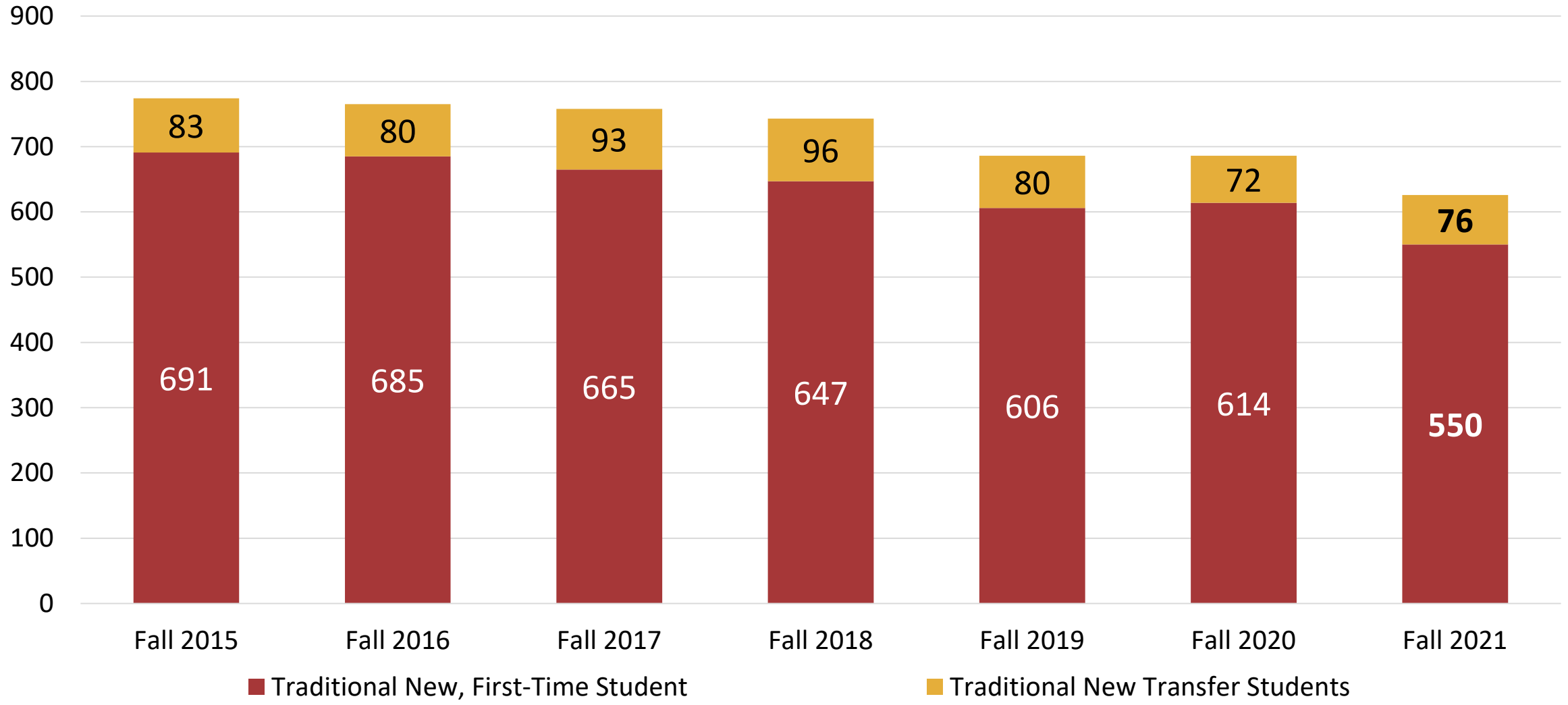
*John Chopka*

*Vice President for*

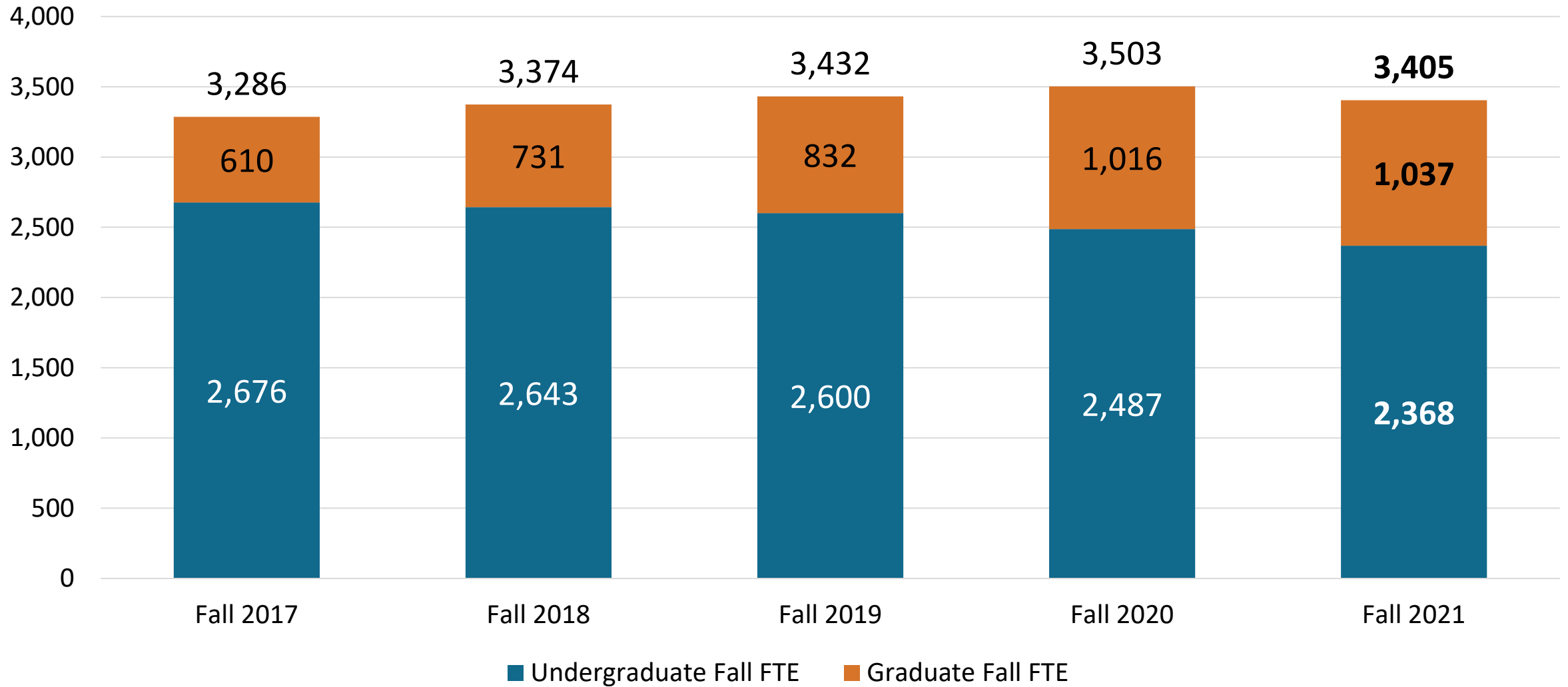
*Enrollment Management*



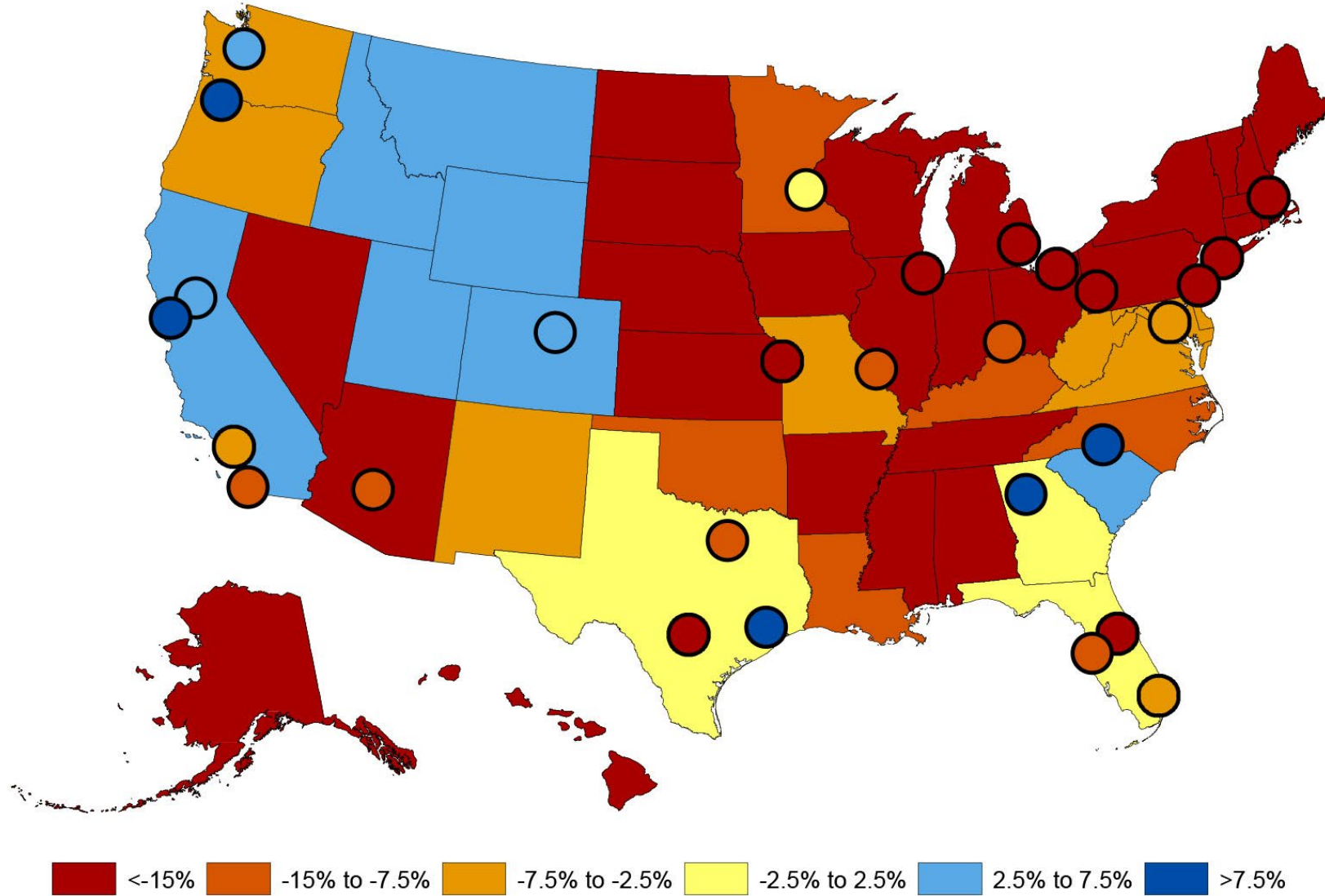
# UG New Student Enrollment History



# Fall Full-Time Equivalent Enrollment



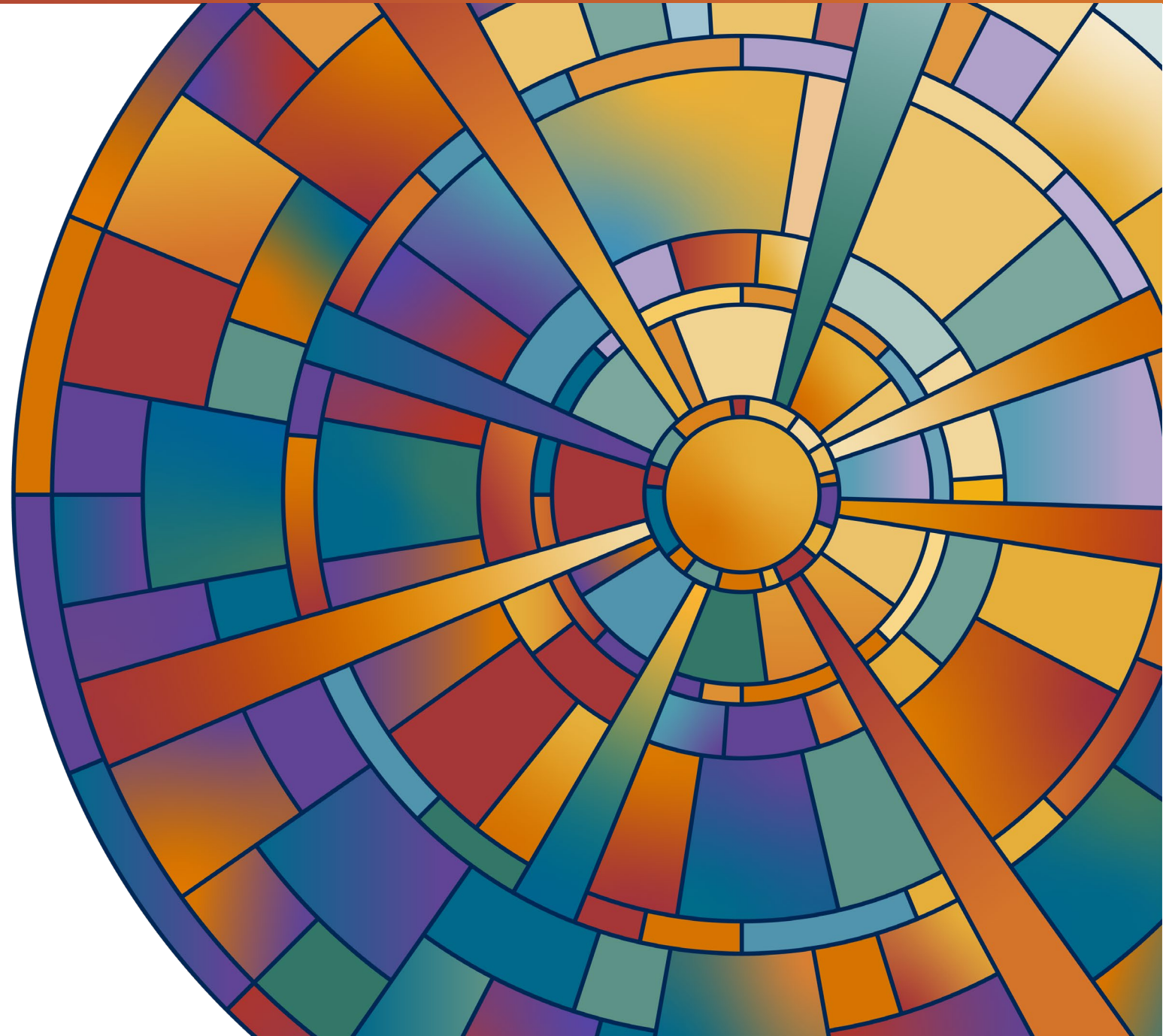
## Forecasted growth and decline in college-going students, 2012-2029



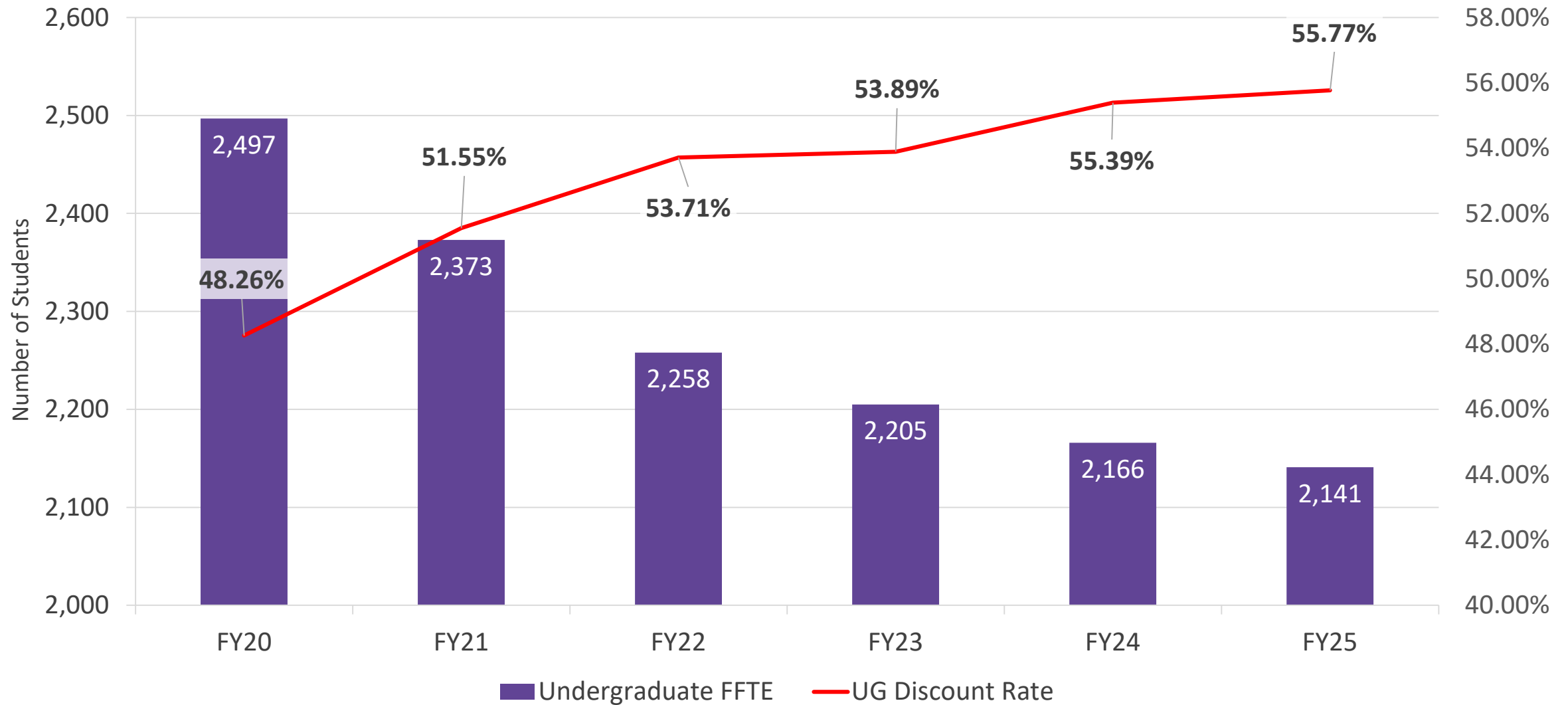
Source: Nathan D Grawe, Carleton College.pdf

# Our Particular Challenge

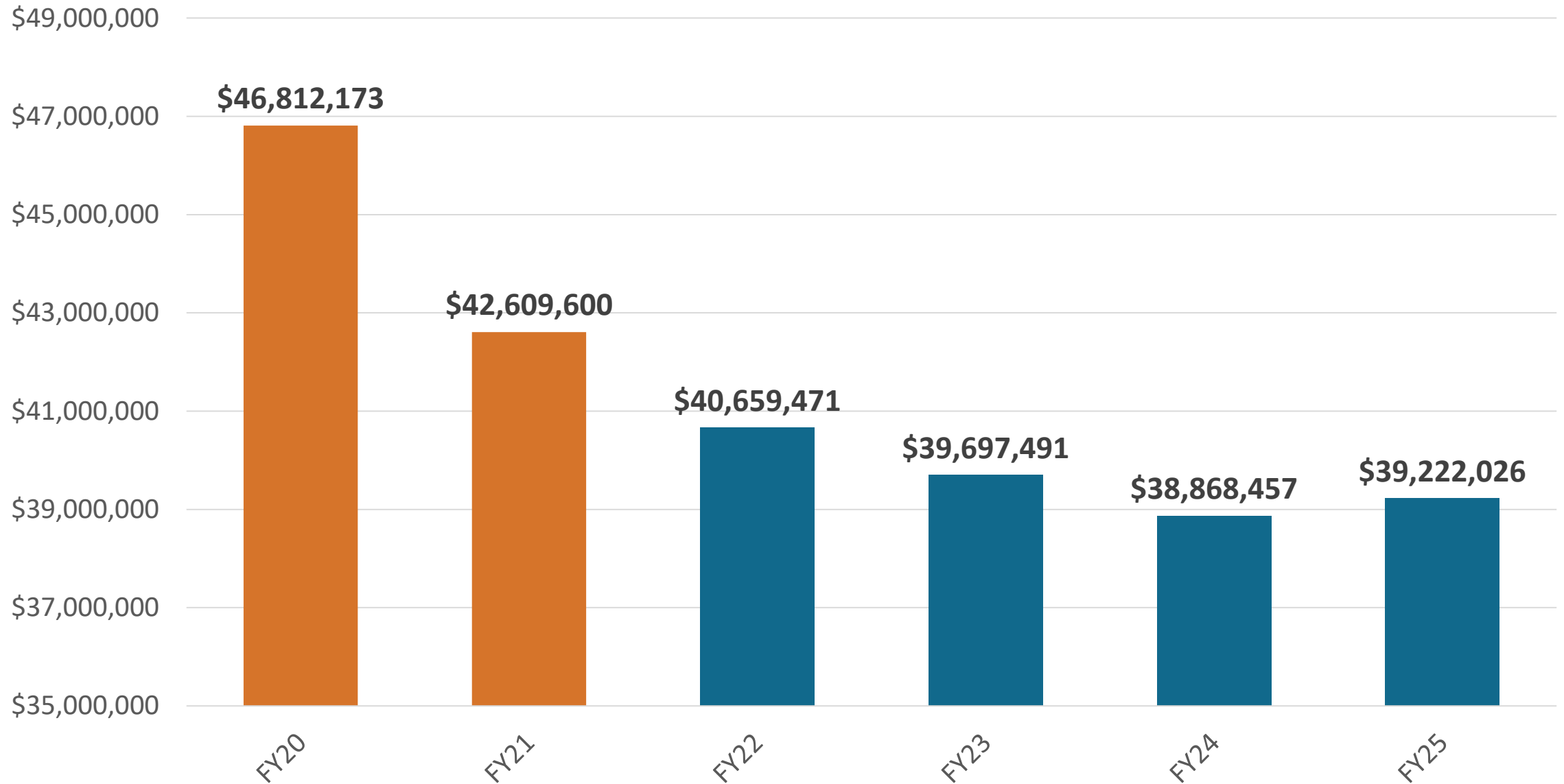
*David Walker  
Vice President for Finance  
and Planning*



# Undergraduate FFTE/Discount Rate History

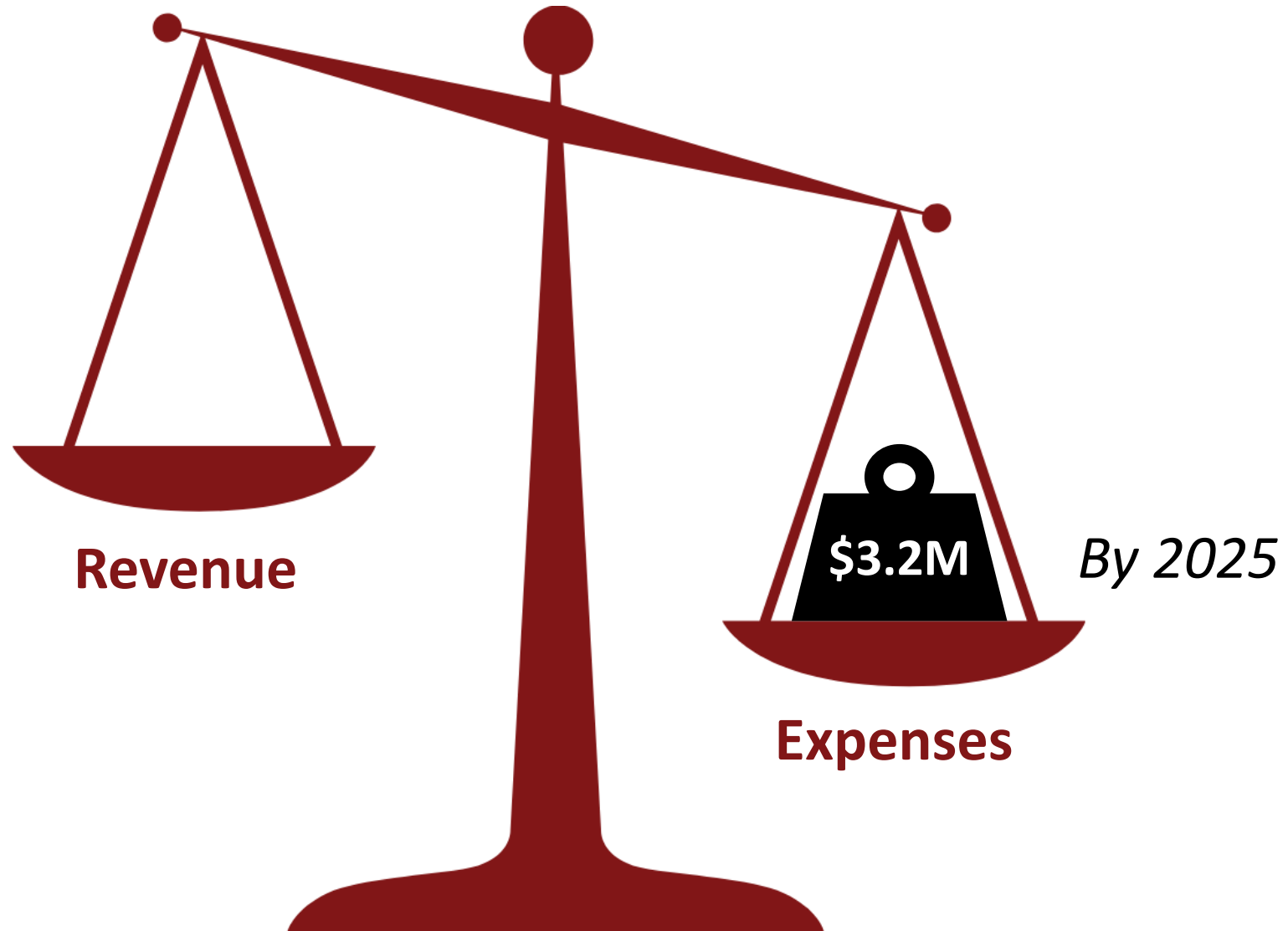


# Undergraduate Net Tuition Revenue

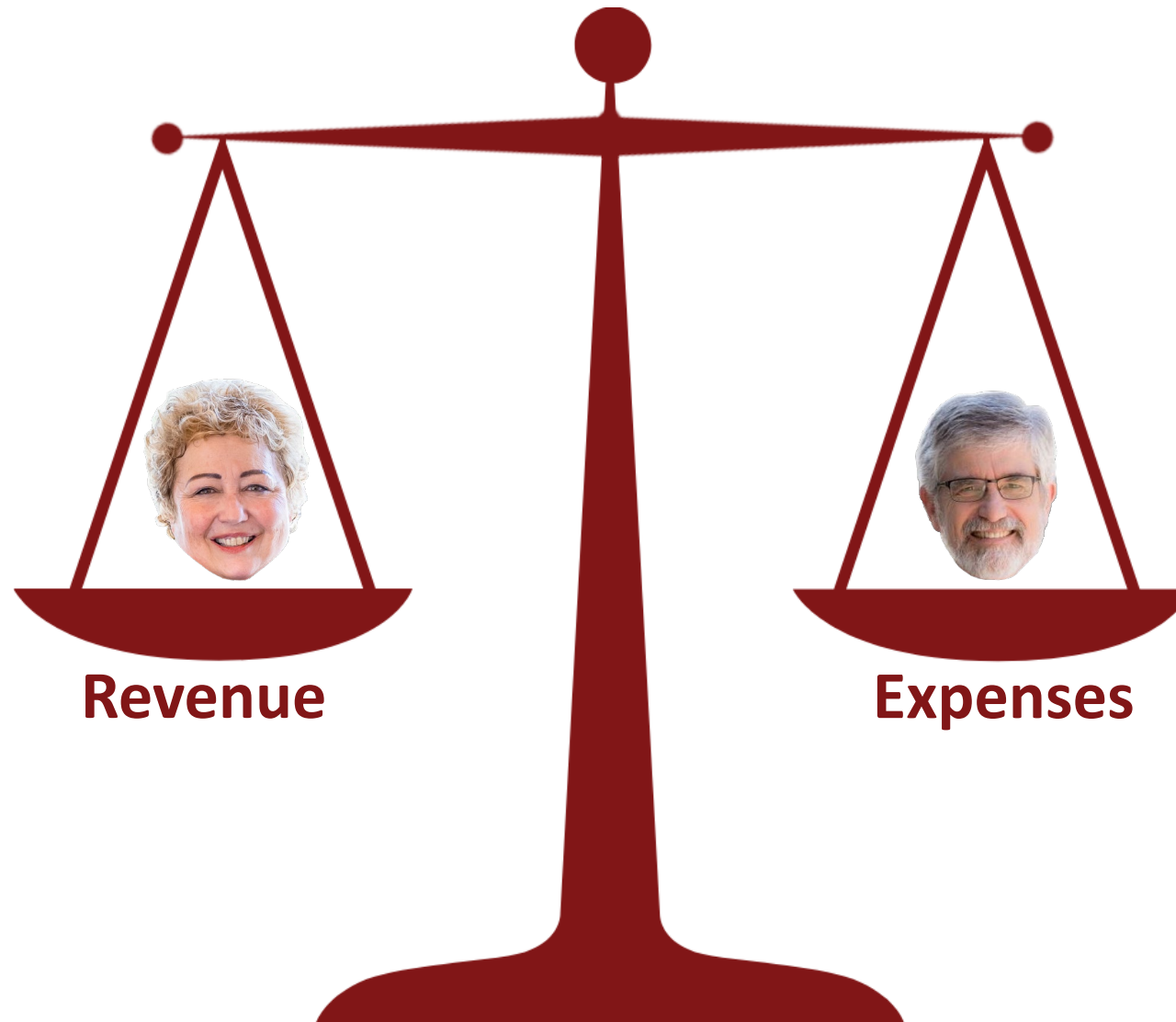




# FY22-25 Financial Challenge

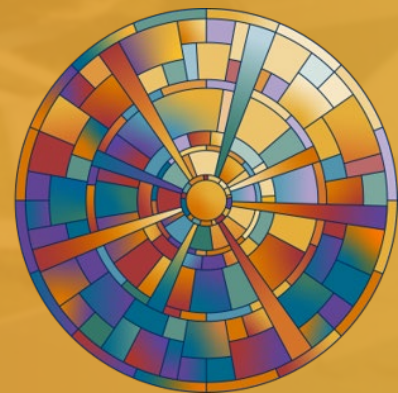


# FY22-25 Financial Challenge

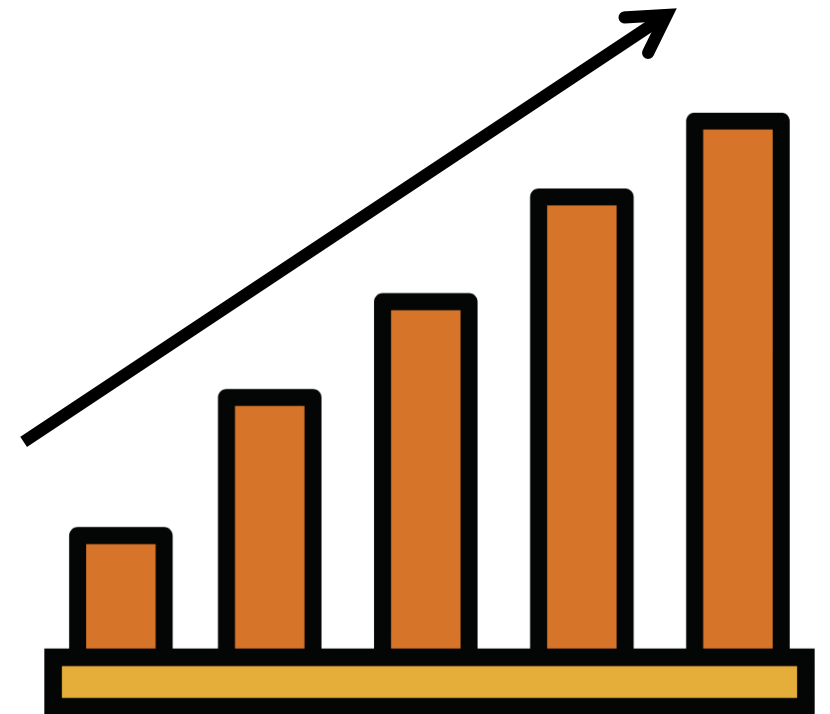


# Strategies to “Balance the Scale”

*Kim Phipps, President*



# Revenue Enhancement Strategies

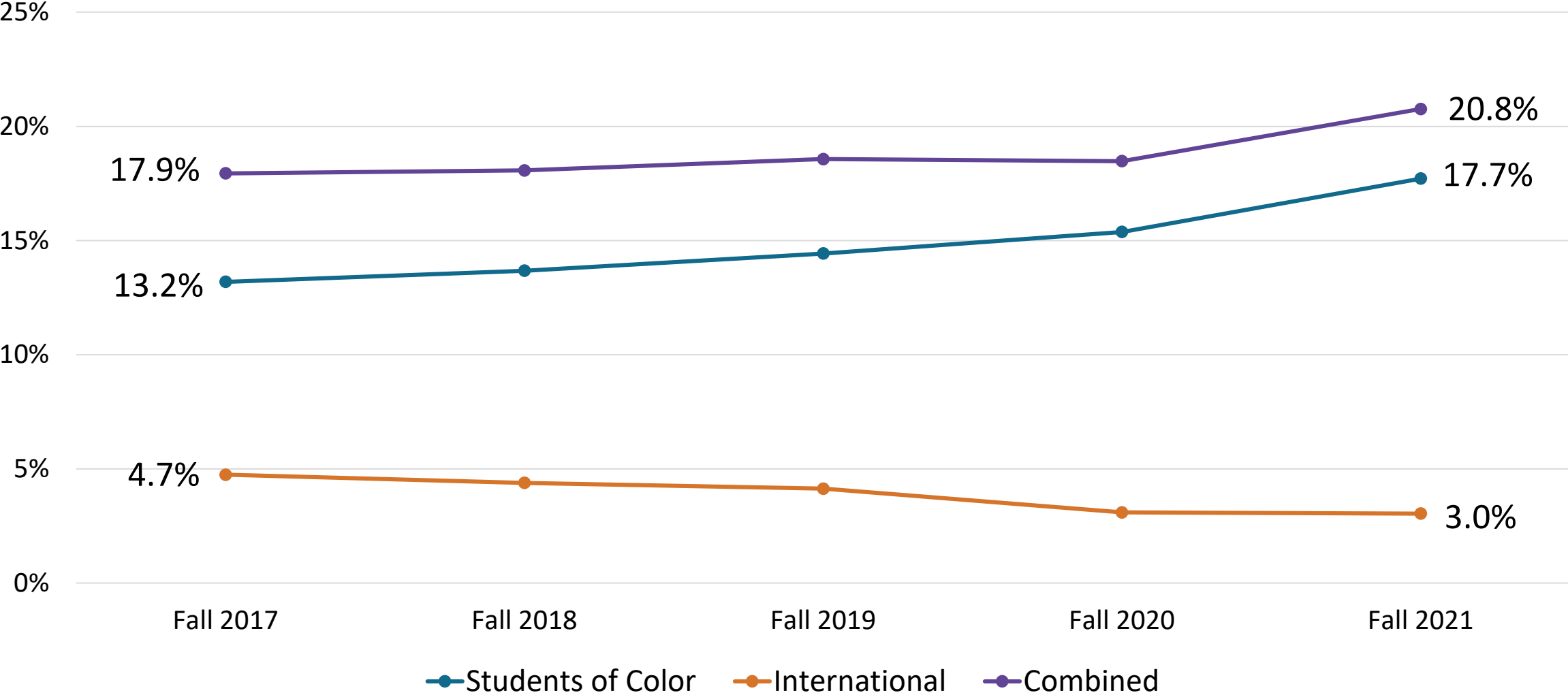


# Tuition & Fees Revenue

- Enhanced marketing and enrollment strategies for:
  - Undergraduate
  - Graduate
  - Adult Degree Programs (including certificates)

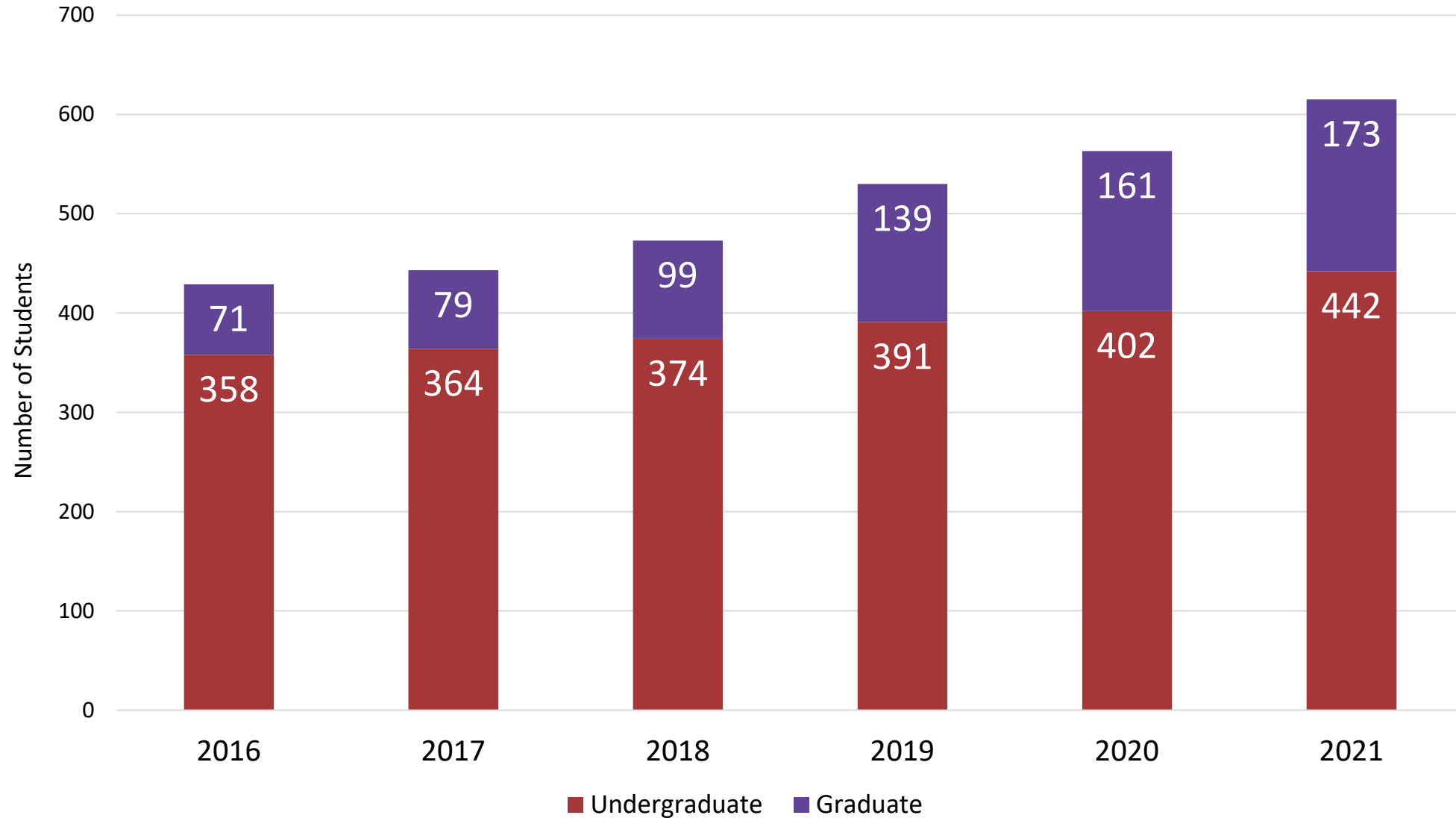


# UG Overall Domestic Students of Color and International Students



Source: Messiah University, Office of Institutional Research

# Total Enrolled Domestic Students of Color



# Tuition & Fees Revenue

- New educational programs
  - Undergraduate
  - Graduate
  - Summer academies & camps
- Workforce professional development
- Retention increase



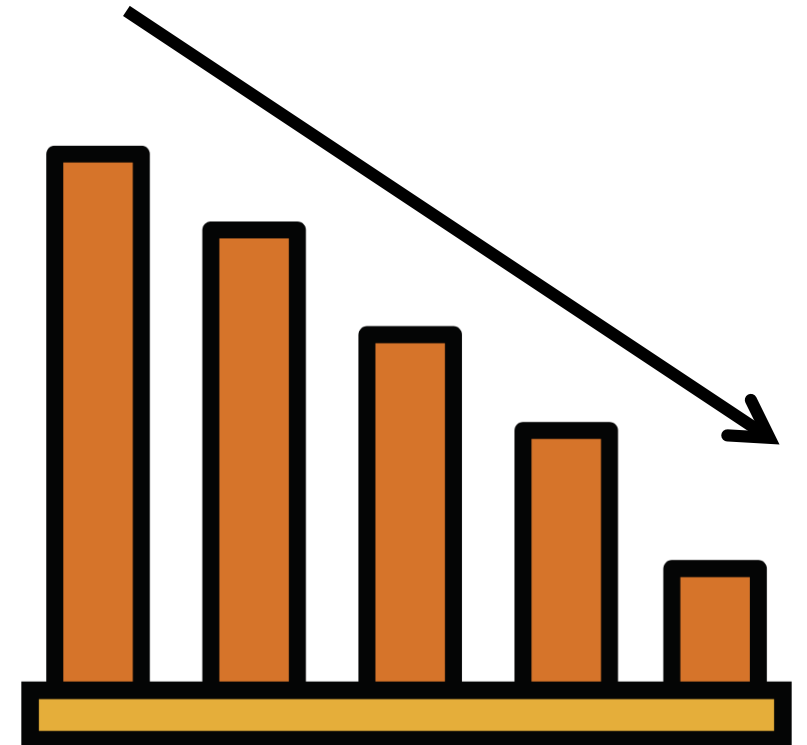




## Non-Tuition Revenue

- University partnerships
- Residential and commercial phase of RMD
  - Residential completed and will begin contributing to MU budget in 2024
  - Commercial on hold due to cost, but we secured over \$7M for infrastructure
- Summer Programming

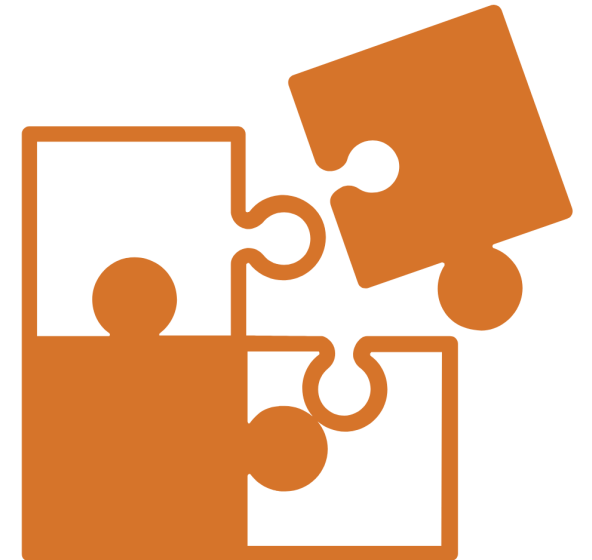
# Expense Reduction Strategies



# What we have already completed:

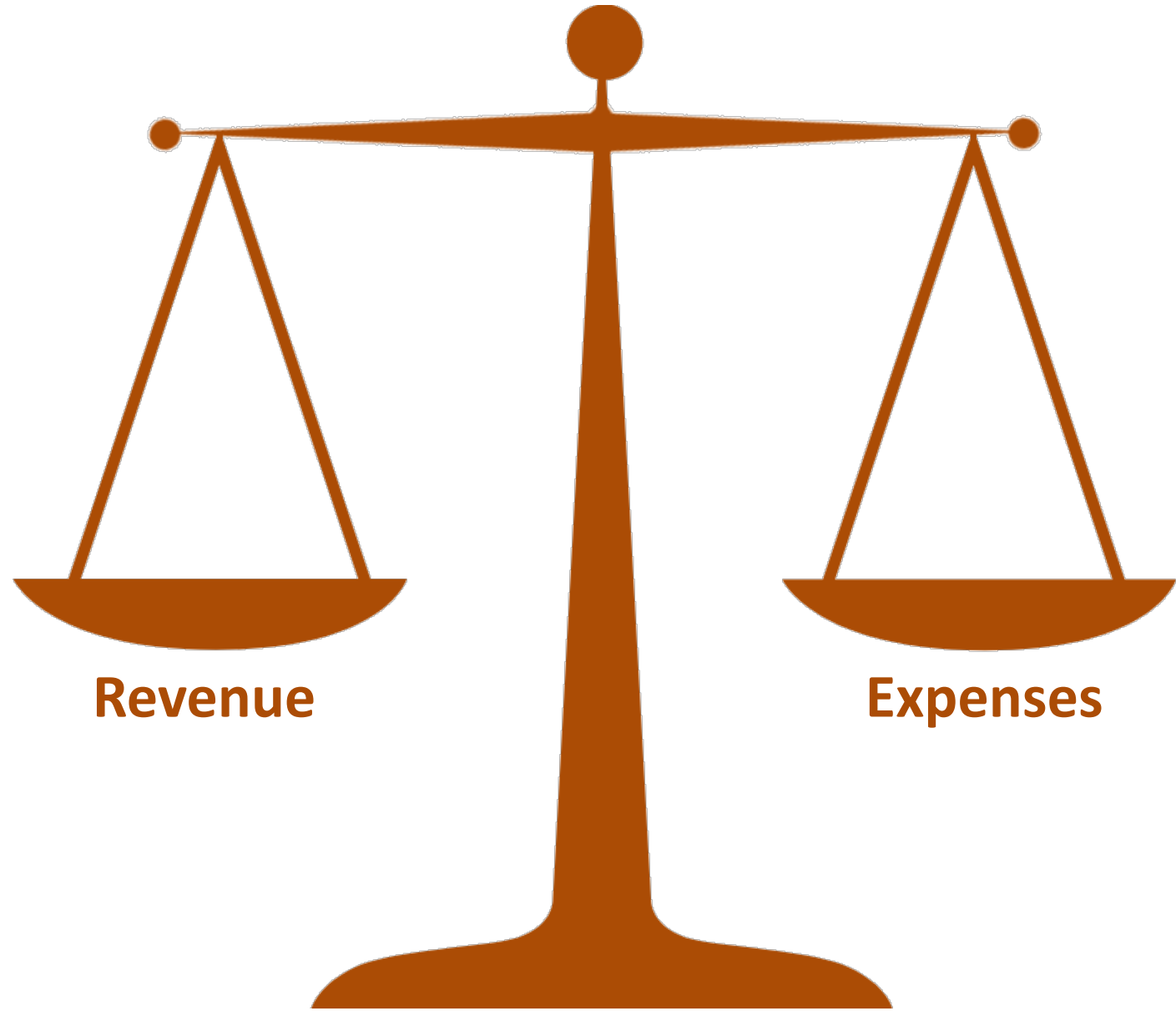
- Reduced over \$6M in expenses while maintaining competitive health insurance, tuition remission, retirement match and benefits.
  - Offered a voluntary separation program taken by 69 employees.
  - Eliminated and streamlined curricular, co-curricular and administrative programs and processes.

# A Combined Approach



# A Combined Approach to Rebalancing the Scale:

- Continued work at reducing our cost structure.
- Developing new programs and non-tuition revenue initiatives as outlined in the University Rising strategic plan: graduate, undergraduate, and post-traditional

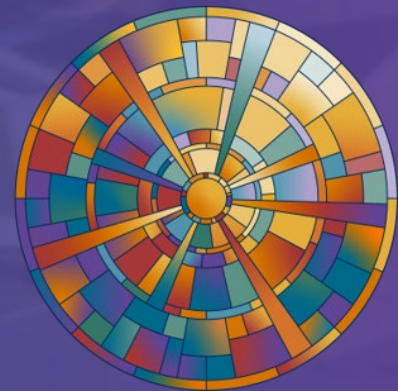


**Revenue**

**Expenses**

# What Can You Do to Help?

*Kim Phipps, President*





Be a positive  
influencer at  
Messiah and in  
your community

see anew





Refer a  
Student  
(incentives to  
come!)

see anew



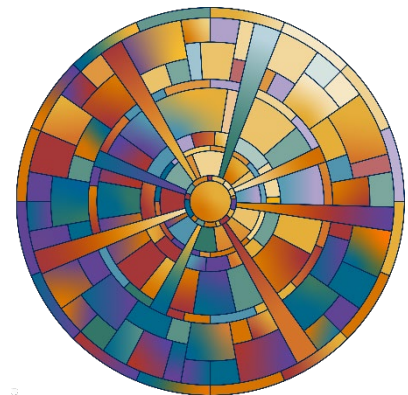
Participate in the  
processes  
designed to save  
costs and  
generate revenue

**see anew**

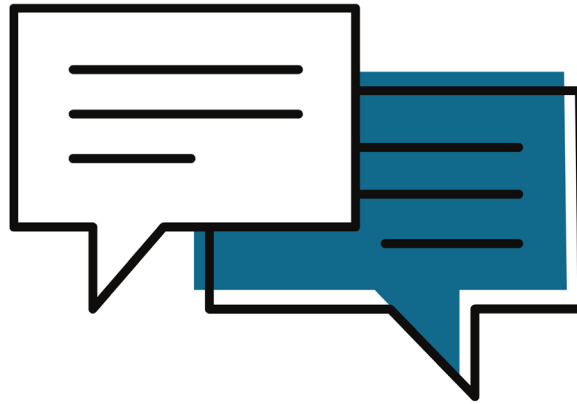
# Town Hall Summary

During this session we:

- Highlighted institutional strengths
- Acknowledged challenges
- Described strategies to address challenges



# Q&A



Go to the microphones and ask your questions or send an email to:  
[president@messiah.edu](mailto:president@messiah.edu)