

An aerial photograph of a college campus with several large brick buildings and parking lots. The image is partially obscured by a white rectangular text box with a black border. A blue vertical bar is on the left side of the white box, and a blue horizontal bar is at the bottom. The background shows a hilly landscape with trees in autumn colors.

STRATEGIC PRIORITIZATION

Report to Messiah College Employees

April 21, 2020

*Kim S. Phipps, president
Randall Basinger, provost*

BOARD OF TRUSTEES MANDATE

May 2019

The Board of Trustees authorizes the President and her cabinet to lead an ad hoc task force to conduct a prioritization process resulting in a **reduction of operating expenses by 5 million dollars no later than July 1, 2023.**

The Board reserves the right to **increase the target**, if necessary, and the board encourages the president to continue to lead program innovations that will yield increased enrollment of undergraduate, graduate and post-traditional adult students.



BOARD OF TRUSTEES MANDATE

February 2020

In February, the executive committee of the board approved **increasing the FY24 prioritization target to \$7.5 million.**



CORONAVIRUS (COVID-19)



Coronavirus (COVID-19)

How to prepare and protect yourself >

What to do if you think you are sick >

Alert President Trump has extended the Coronavirus Guidelines for America through April 30.

[Learn More >](#)

The New York Times

The Coronavirus Outbreak | [Latest Updates](#) | [Should I Wear a Mask?](#) | [Maps](#) | [Markets](#) | [What You Can Do](#)

LIVE UPDATES Updated 8 minutes ago

Coronavirus Live Updates: U.S. Death Toll Nears 10,000 as Hospitals Run Low on Supplies

A government report found medical facilities stretched to capacity



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Coronavirus disease (COVID-19) Pandemic

Public Advice

Country & technical guidance

Donate

CENTRAL PENN
BUSINESS JOURNAL

[FINANCE](#) | [HEALTH CARE](#) | [MANUFACTURING](#) | [REAL ESTATE](#) | [WOMEN IN BUSINESS](#) | [YOUNG PROFESSIONALS](#)

Coronavirus resources for area employers

Across the web, business associations and governmental organizations are offering vital information for employers as they keep employees and clients safe, manage remote working strategies and maintain their businesses during a nationwide closure. [Continue reading.](#)

April 6

Pennsylvania issues new orders for cleaning life-sustaining businesses

Pennsylvania businesses with in-person operations permitted under the governor's life-sustaining business orders, now have a new set of guidelines for maintaining and cleaning their buildings to prevent the spread of COVID-19. [Read more.](#)

NEWS | [NBC NEWS NOW](#) | [NIGHTLY NEWS](#) | [MEET THE PRESS](#) | [DATELINE](#) | [MSNBC](#) | [TODAY](#)

NBC NEWS

[CORONAVIRUS](#) | [DECISION 2020](#) | [OPINION](#) | [U.S. NEWS](#) | [BUSINESS](#) | [WORLD](#) | [SPORTS](#) | [PODCASTS](#)

CORONAVIRUS

A deadly virus has killed thousands in a global pandemic, leading to sweeping changes in our way of life as the world tries to slow its spread.

U.S. deaths near 10,000 as officials warn of hard week ahead

Falling through the cracks: Many Americans won't get coronavirus checks

[Live Blog / Latest news on the global pandemic](#)

FY20 COVID-19 FINANCIAL CHALLENGES

The unexpected upheaval created by COVID-19 has quickly and drastically changed our FY20 financial projections, and we now anticipate **an FY20 deficit of \$7 million as a result of unplanned costs**. The following cost containment strategies have been implemented for the remainder of the FY20 fiscal year:

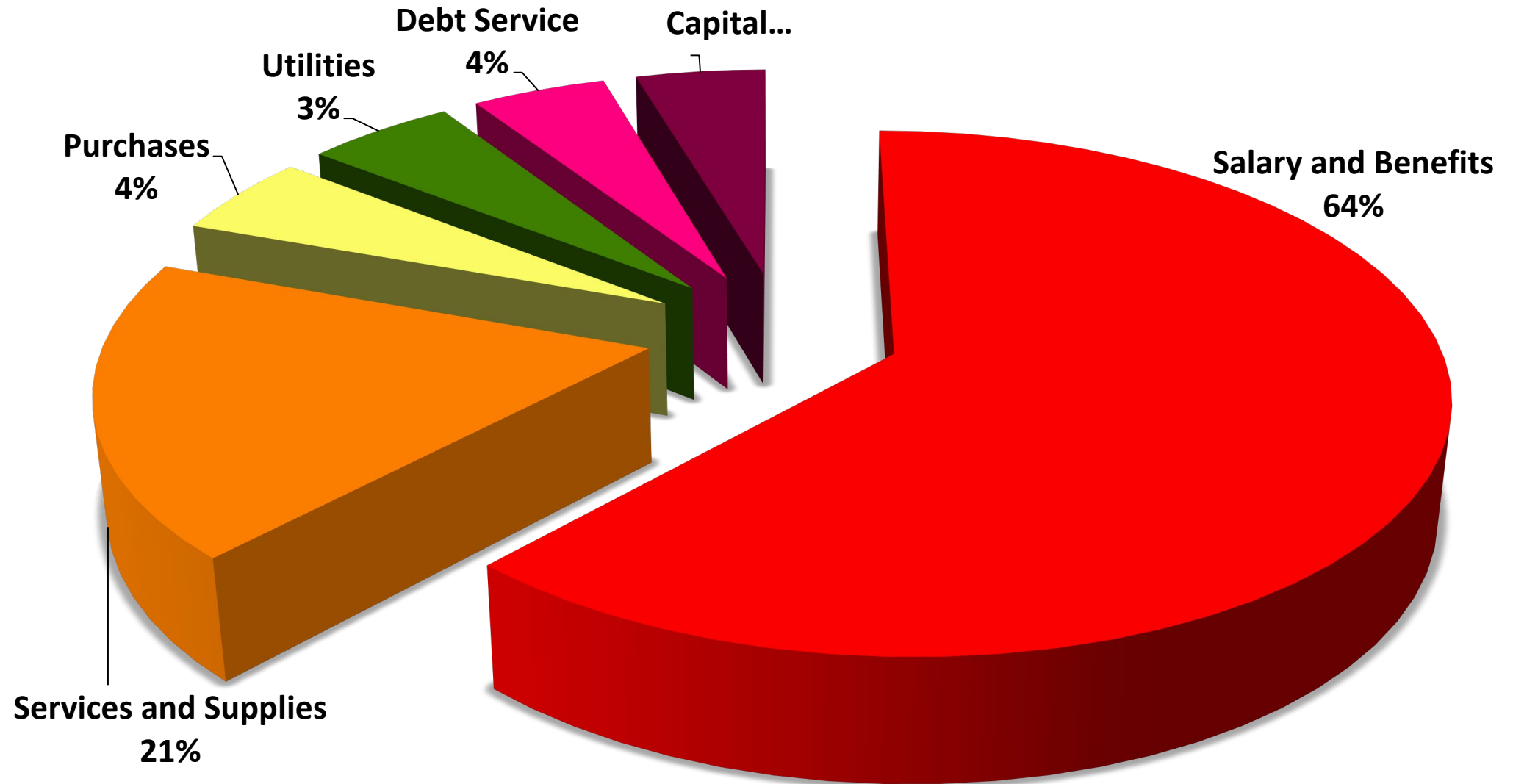
- Operational spending is frozen through June 30, 2020.
- Unspent capital funding is frozen through June 30, 2020.
- Temporary furloughs and compensation adjustments across all employee groups and institutional leadership.



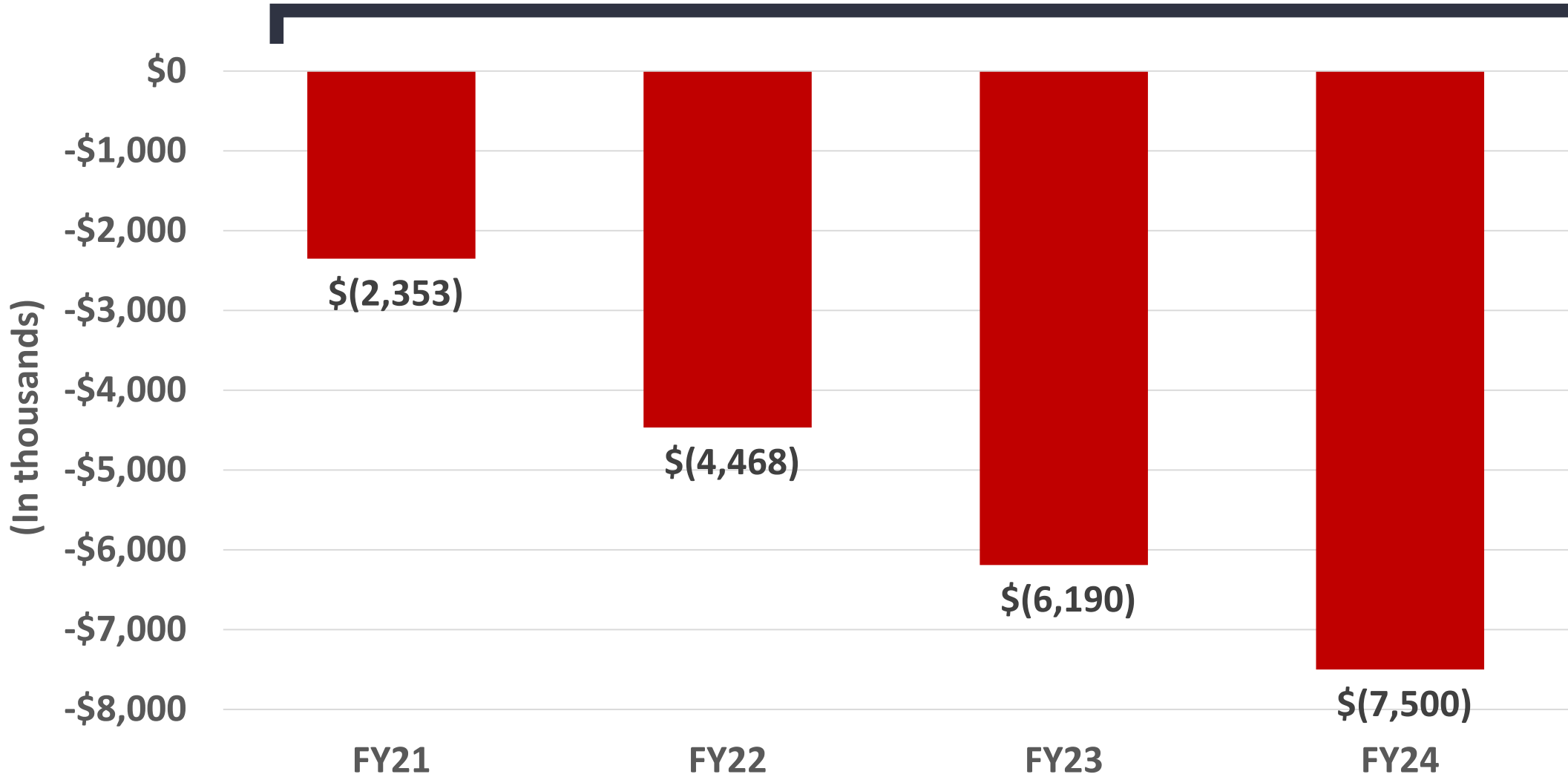
PRIORITIZATION GUIDING PRINCIPLE

To fulfill our mission by ensuring a
healthy and vibrant Messiah University
for the future.

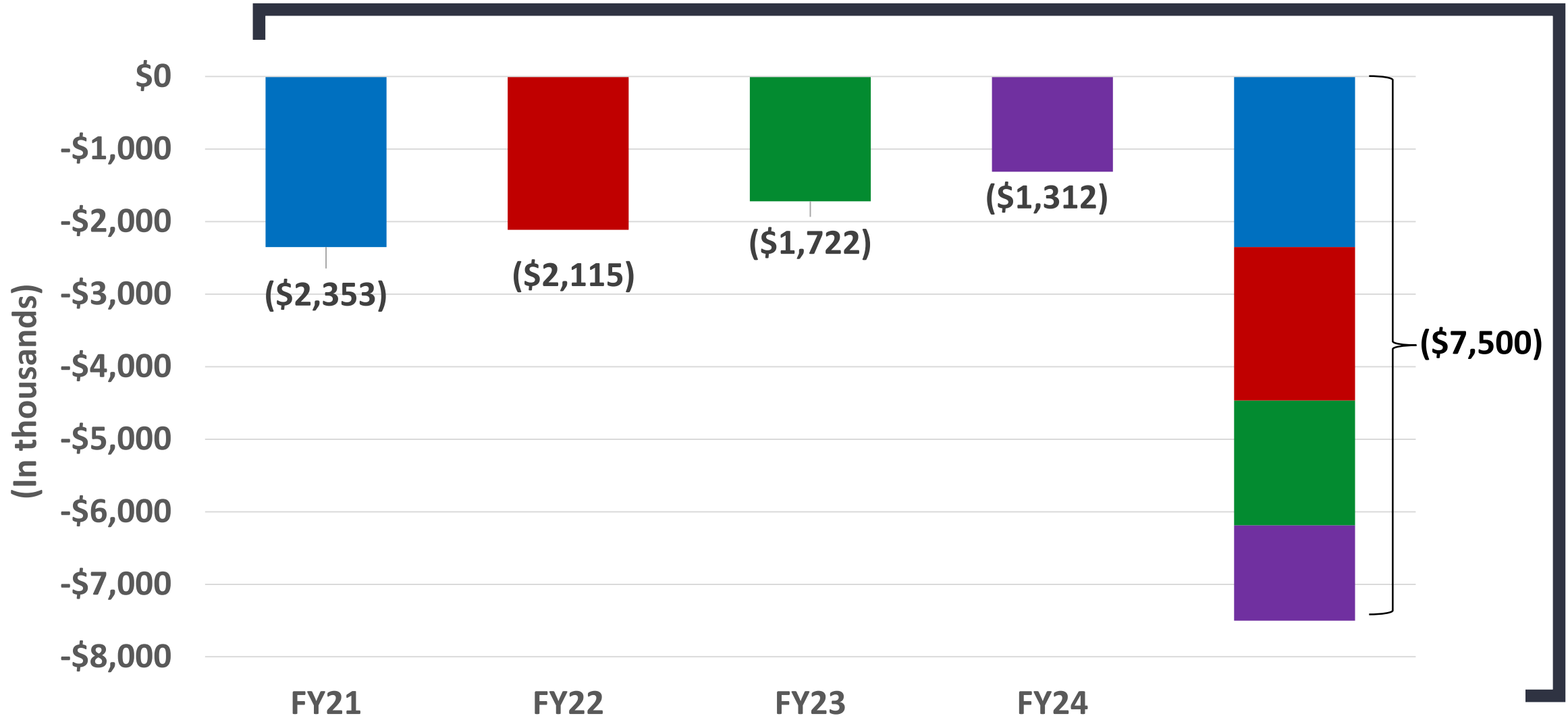
EXPENSE DISTRIBUTION



PROJECTED BUDGET RESULTS FY21-24



PROJECTED ANNUAL SAVINGS TARGETS FY21-24



PRIORITIZATION TASK FORCES

Administrative Prioritization Task Force
Chaired by Kim S. Phipps

Educational Prioritization Task Force
Chaired by Randall Basinger

Two task forces were formed and worked throughout 2019-2020.

Thank you, task force members, for your work.





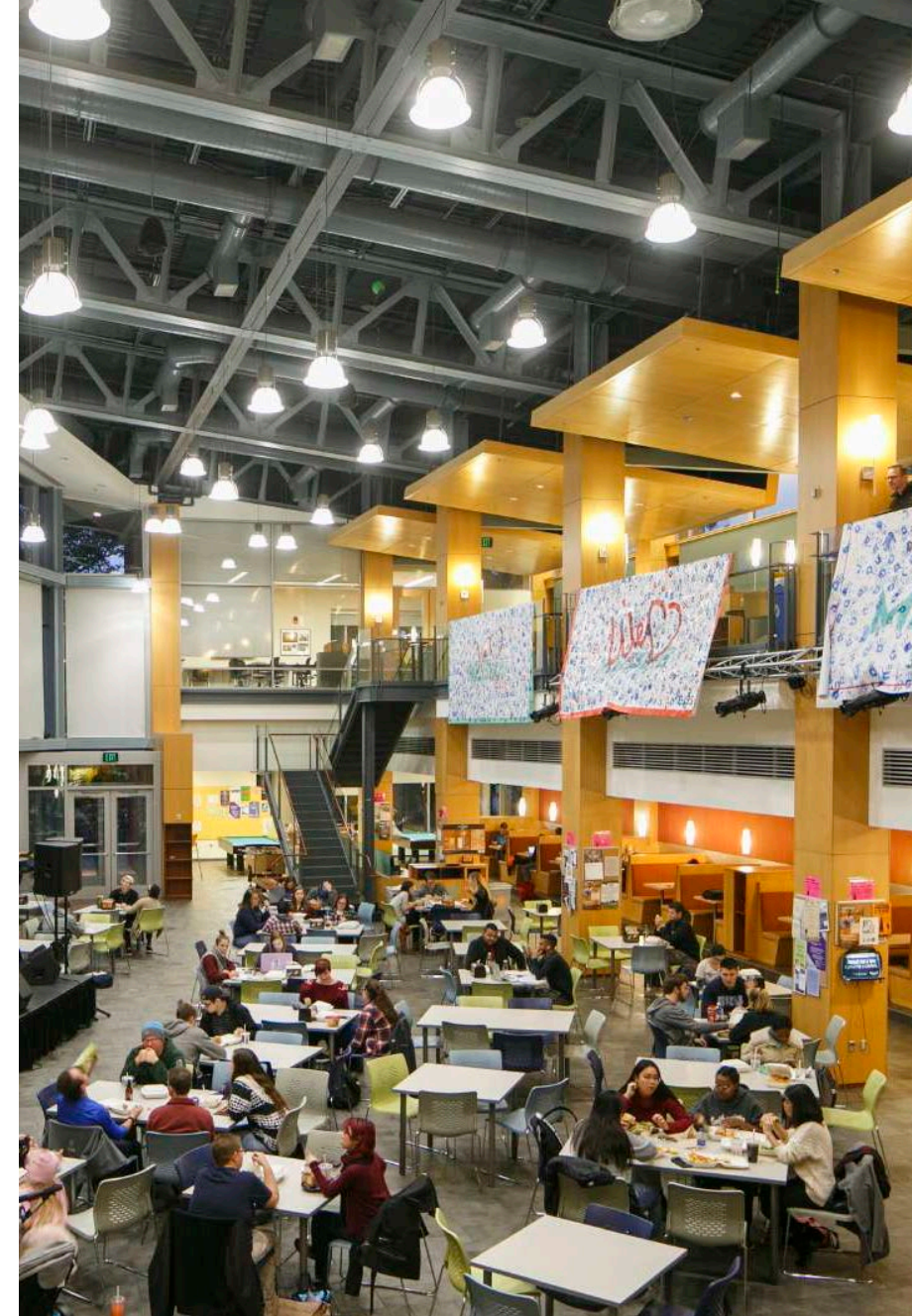
ADMINISTRATIVE PRIORITIZATION TASK FORCE GUIDING PRINCIPLE

To generate essential savings while maintaining critical support for the educational mission to our students.

ADMINISTRATIVE PRIORITIZATION TASK FORCE (APTF) RECOMMENDATIONS

TOTAL SAVINGS ACHIEVED: \$ 2,628,961

- Eliminate 27 FBE (full-time benefit eligible positions)
- Primarily, these were voluntary (4 involuntary)
- Change a variety of protocols and practices including:
 - Eliminate cable TV
 - Discontinue of cleaning individual campus offices and mail delivery to campus buildings
 - Eliminate some hospitality events
 - Reduce operational budgets and eliminate external communication consultant contract





EDUCATIONAL PRIORITIZATION TASK FORCE GUIDING PRINCIPLE

To effectively fulfill our educational mission by aligning curricular and co-curricular resources with the size and distribution of our current and future student body.

EDUCATIONAL PRIORITIZATION TASK FORCE (EPTF) RECOMMENDATIONS

TOTAL SAVINGS ACHIEVED: \$3,464,497

PERSONNEL

- Eliminate 30 FBE (full-time benefit eligible positions)
- Primarily, these were voluntary
- Of the 30 FBE, eliminate 26 FBE in faculty lines, including several involuntary separations. Those identified for involuntary separation will be notified between April 15-May 15.
- Multiple non-faculty positions were reduced, both by voluntary and involuntary separation, and certain positions will be reduced from 12-month to 11-month positions.



(EPTF) RECOMMENDATIONS

PROGRAMMING

- Eliminate six academic majors and three areas of study affecting 12 current students across the six majors.
 - Majors in: Music Business, Art Business and Chinese Business eliminated as distinct majors.
 - Eliminate majors in: Art History, French and Ethnic and Area Studies
 - Eliminate programming in Latin, the German minor and the Academic English Program
- All students currently enrolled in discontinued majors can complete their degrees under a teach-out plan.



(EPTF) RECOMMENDATIONS

CURRICULAR

- Revision of the curriculum to reduce curricular need (FTE): focused and streamlined to match student enrollment and enable effective curricular delivery with reduced numbers of faculty.
- Eight departments need extensive curricular revision across one or more program areas in the department. The provost and EPTF will provide data and guidelines for implementation.
- All remaining departments will complete minor to moderate curricular revisions to increase efficiency and align curriculum with current enrollments.



(EPTF) RECOMMENDATIONS

CURRICULAR

- The hands-on component of Arts QuEST will be replaced with a standard lecture.
- Revision of the enrollment max and overload policy for online courses in the School of Graduate Studies.



(EPTF) RECOMMENDATIONS

CO-CURRICULAR

Reduction in the operating budgets of most areas of the co-curriculum, including athletics.

SCHOOL STRUCTURE REVIEW

- The president has authorized a review of the academic school structure to occur in FY21 for implementation in FY22.
Savings target is \$200,000.





JOINT TASK FORCE GUIDING PRINCIPLE

To be the best employer for a right-sized
employee base.



JOINT APTF/EPTF

RECOMMENDATIONS REGARDING
EMPLOYEE BENEFITS
TOTAL SAVINGS ACHIEVED: \$274,773

We will implement a spousal surcharge (no one will be uninsured). If your spouse has medical coverage at his/her place of employment and you elect to keep your spouse on the Messiah plan, you will pay a monthly surcharge.



JOINT APTF/EPTF

RECOMMENDATIONS REGARDING
EMPLOYEE BENEFITS
TOTAL SAVINGS ACHIEVED: \$274,773

Long-term savings will result from the following change to tuition remission benefit:

Employees hired **after August 1, 2021** will receive a benefit that includes only two tiers

- Tier one for Messiah (100%) remains unchanged
- Tier two will include all other institutions at 50%



We must implement
prioritization recommendations
because they are foundational to
our future strategic planning.

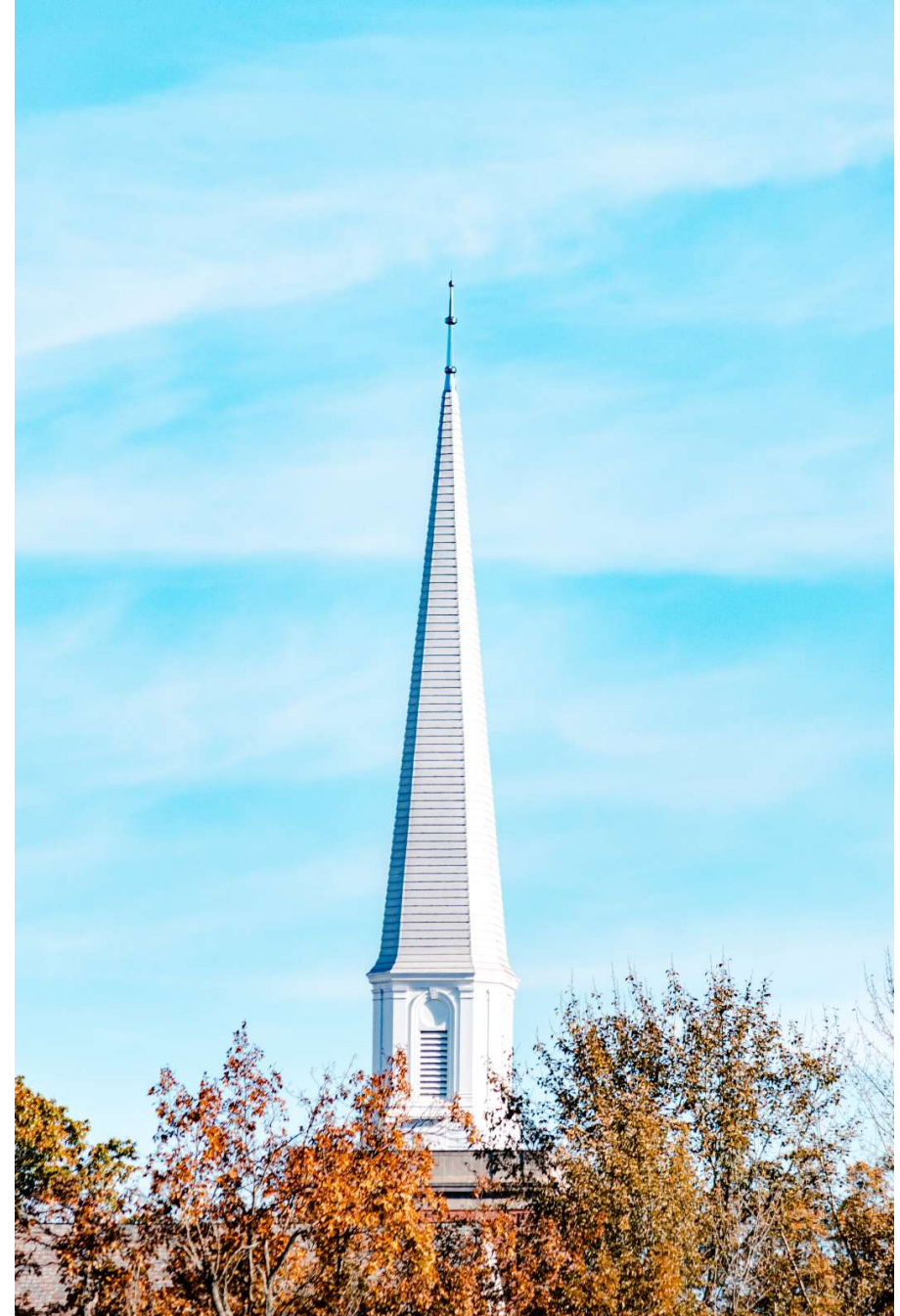
THE WAY FORWARD

We will continue to devote time, energy and resources to prioritization to achieve a **minimum of \$7.5 million of savings by FY24** – understanding that the target will likely be increased by the board of trustees.



THE WAY FORWARD

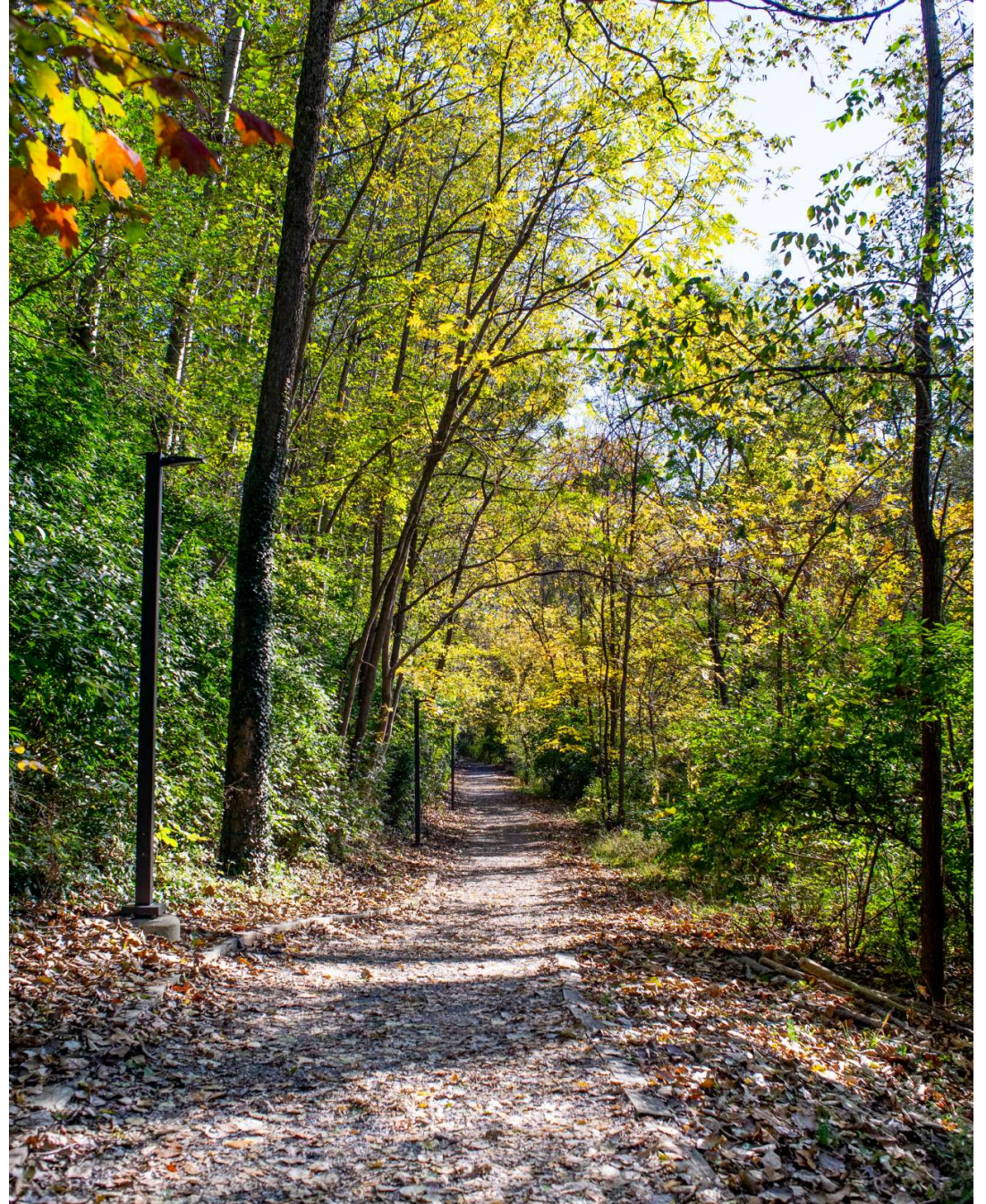
Throughout the summer and FY21 the President's and Provost's Cabinets and Working Group 1 of EPTF will continue to analyze additional cost savings for FY21-24 and that information will be communicated to campus via presidential updates and posted to the [prioritization website](#).



THE WAY FORWARD

COMMUNICATION PLAN

- Tomorrow, this PowerPoint presentation and a summary communique will be posted to the [prioritization website](#).
- Please send questions to campusstewardship@messiah.edu for a response.



THE WAY FORWARD

JULY 2020

Strategic Planning Leadership Retreat

LATE AUGUST 2020

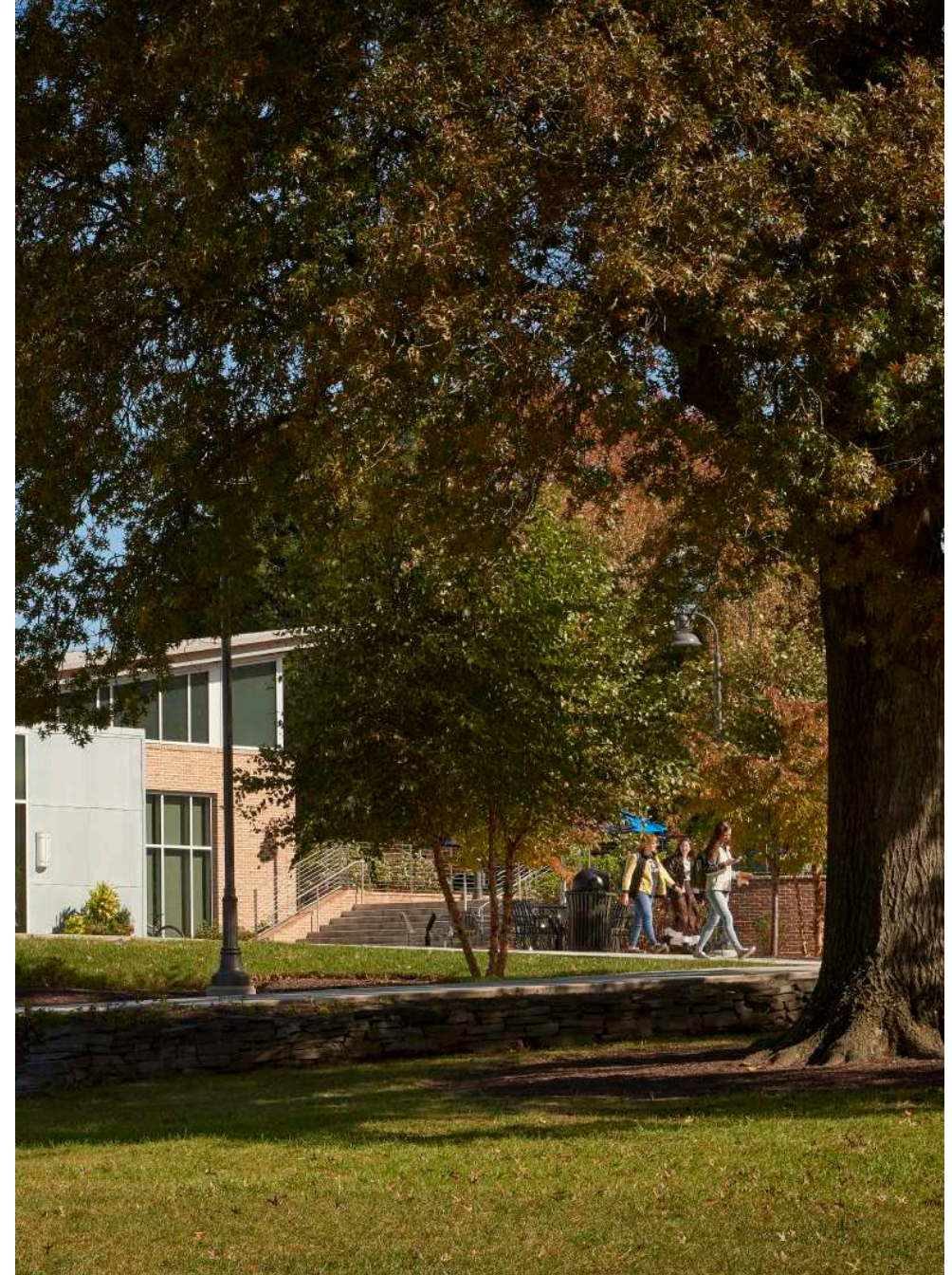
Employee Strategic Planning Input Sessions

SEPTEMBER 2020

Board of Trustees Executive Committee Input Session

OCTOBER 15-16, 2020

Board of Trustees discusses first draft of the plan



THE WAY FORWARD

NEW PROGRAMS LAUNCHING

Graduate and adult degree students are important audiences as we pursue a vision for Messiah University: Learning for Life.

Graduate examples include:

- Post-Masters DNP in Nurse Leadership
- Two new 5-year MOT degrees
- MA, Healthcare Leadership
- MED: Secondary Ed. (initial PDE cert.)
- Healthcare-related concentrations to the MBA and graduate certificates in health care and education.

Adult degree program for Aug. 2020:

- RN to BSN
- BBA, Bachelor's in Business Administration

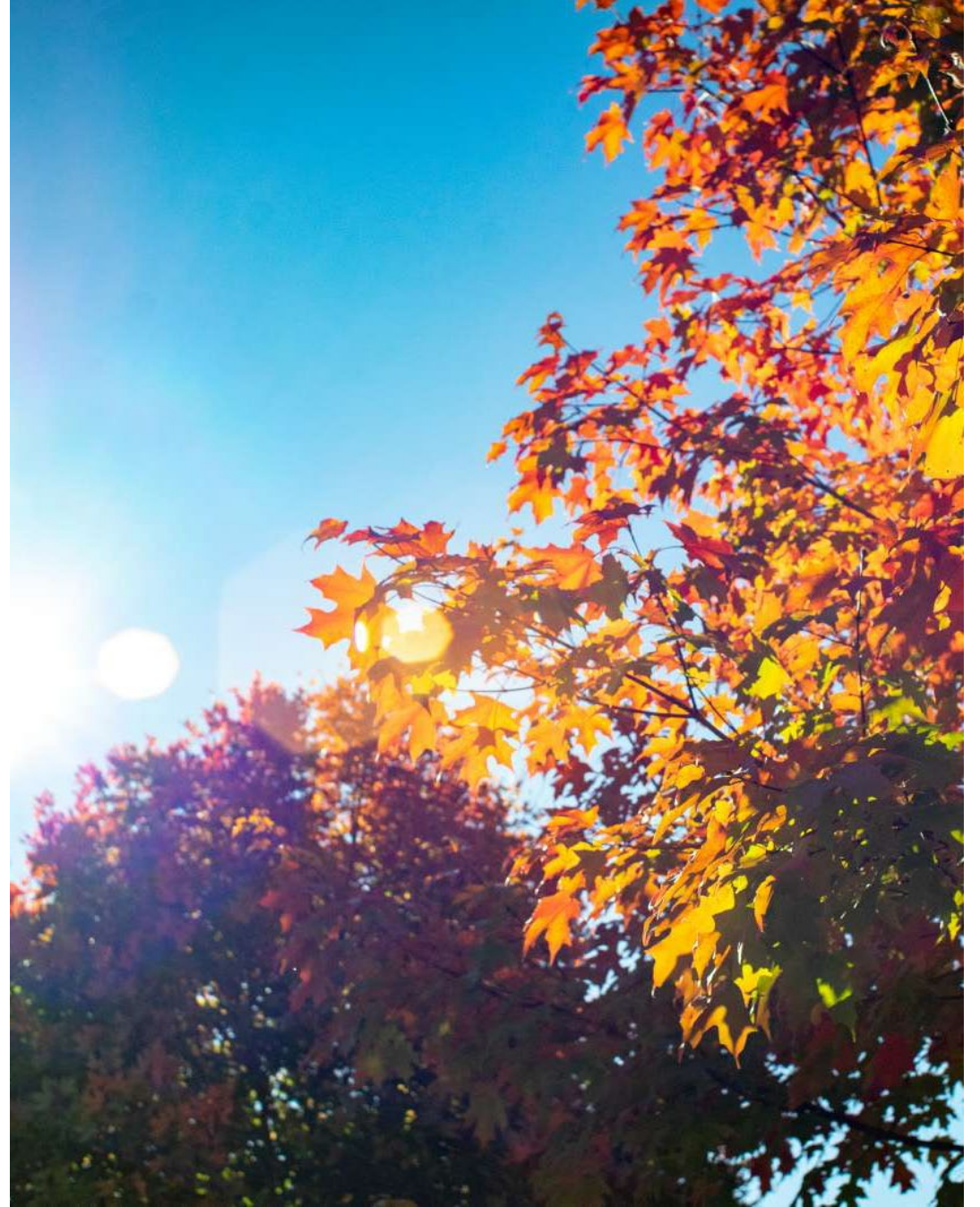


THE WAY FORWARD

Join me in praying for each other, our students and their families and all members of our campus and extended community.

The LORD gives strength to His people, the LORD blesses His people with peace.

Psalm 29:11





THANK YOU