**University of Dubuque**

February 11, 2015

***A New Day Dawning*:**

Plan of Transformation for the

University of Dubuque Theological Seminary

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**Let me first share my fundamental conclusion and then we can paint the picture of why change is needed and what the change will look like.**

*Change is never easy, and disruptive Transformational change carries with it an extra burden of the uncertainty of the unknown along with the certainty that professional lives and institutional history will be affected. It is abundantly clear that mainline theological education, as it has been known for the last century, is at the end of its epoch. What makes this time even more difficult is that many of us have been engaged in this epoch for a significant portion of our professional careers and, thus, it is difficult to conclude a future that is anything other than what we have always known. Yet, ceding to that inertia is not a constructive solution or a healthy strategic plan, even though a new future may be full of challenge and uncertainty.*

**Introduction – An Enrollment Emergency**

Mainline theological education, as it has been understood and configured for the last 100 years, is dying. In fact, numerous studies and reports from entities ranging from the Association of Theological Schools, the Auburn Center and the Lilly Endowment all support this fact. What has taken many in the mission of theological education by surprise is the rapidity by which the decline in mainline influence has impacted enrollment of theological students. Just within the last decade, enrollment of Presbyterian Church (USA) ministerial candidates has declined by 51% (from a headcount of 4300 students in 1994 to 2200 students in 2013), and a recent Auburn study confirms that, of the 205 Association of Theological Schools that have available data from the last 20 years, the decline began in 2005, with losses in both Master of Divinity (MDIV) and academic Master’s degrees steeper than other programs. The mainline Protestant decline began decades ago, and so did enrollment in its theological schools, and though Evangelical Protestantism enjoyed a boom period in the late 20th century, enrollments have recently turned down in that sector as well.

Furthermore, the Auburn study notes:

*The downward direction of enrollment trends is sobering. Few institutions can count on substantial enrollment growth in the next period. Powerful religious and social trends, including shrinking college enrollments now that the number of 18-year olds has peaked, make an enrollment turnaround unlikely.*

*Therefore, schools that plan to stabilize themselves financially by greatly expanded enrollments should revisit those plans. The pool of prospective students is shrinking, and it is not realistic to expect substantial growth. Any school that is counting on such growth should have in place alternative strategies in case their enrollment hopes are not realized. Alternative strategies might include reducing expenses in order to function with less tuition revenue and raising funds to supplement streams of tuition revenue that are stagnant or drying up. Or, because smaller numbers of students almost always raise the cost per student in order to provide an adequate school infrastructure, schools that are already small and those that face major enrollment challenges should seriously consider whether it would be prudent to join a large education configuration (forming a federation of schools, for instance, or becoming part of a university or partner with a college).*

*New educational formats do not necessarily improve the enrollment prospects for theological schools. Many schools are now experimenting with distance education to bolster enrollment. These experiments are relatively new. It is too early to make conclusive judgments about the roles that distance education can play. The partial data available for this study, however, point in the direction of caution. Most small schools that have added distance education do not have stronger enrollment records than their peers of similar size, and success in larger schools, though more common, is by no means guaranteed.*

**UDTS Enrollment Emergency**

Over the last two decades, UDTS has managed to buck many of these trends. Enrollments in all of its degree programs have remained relatively constant until FY 2015 when we experienced a dramatic decline in both residential and distance MDIV students. For example, the addition of the DMIN degree in the late 90’s helped support a slight enrollment decline in the MDIV program during that time period. The introduction of the Distance MDIV program in the mid-2000s helped support a residential MDIV program that was declining in enrollment and, again, countered the national enrollment trends experienced by other ATS schools. The following 15-year MDIV enrollment trends for all denominations and, secondly, for the PC(USA) illustrates the point (Appendix 1).

Even with these adaptations over the last two decades, which have, in part, shielded our decline, we need to be cognizant of the “[p]owerful religious and social trends…” that the Auburn study notes. Combined with declines in student enrollment, mainline church attendance and congregations that can support a full-time pastor, these alarming trends suggest a serious examination of our UDTS *Mission*, and a ReVisioning of how we deliver our brand of theological education; what the Auburn report describes as an “…alternative strategy.”

**ReVisioning 2013-2014**

Even before these sobering trends became critically evident, President Bullock, Dean Longfield and the seminary faculty had, for several years, been discussing the changing demographics of theological education which culminated by enlisting the services of *WJS Consulting Group (WJSCG)* from the Twin Cities. Mr. Bill Svrluga (UD Board Member) and Mr. Tom Moss have led the seminary community through an exercise in ReVisioning UDTS which was built around the fundamental question: *“If we could invent UDTS from the ground up to address the contemporary missional situation of the church and our context as part of a university, what would we look like?”*

As part of this exercise, during February and March 2014, Bill Svrluga and Tom Moss interviewed nearly 60 individuals, equal numbers of seminary faculty, staff and students as well as opinion shapers which included alums, members of the seminary Council of Advisors, the CFO of ATS, and other leaders from around the church and the country, and condensed their findings to key themes. (Appendix 2)**.** They focused on four critical and essential interview questions:

1. What does the church need to be?
2. What kind of church leader is needed?
3. What should seminaries be doing to develop church leaders?
4. How do seminaries find and attract people who will be future church leaders?

In May 2014, Bill Svrluga and Tom Moss convened a Design Lab team, which was comprised of three members of the UDTS community- (Prof. Annette Huizenga, Emeritus Professor Dr. Les Longden, and Pastor to Seminary students, Dr. Beth McCaw), and a diverse collection of creative individuals--some familiar with theological education and some not familiar with theological education--from business, education, consulting, and the arts. The purpose of the design lab was to review the findings to-date (interview data plus research on the state of the church and seminary education today), and to begin thinking creatively about the presenting question: *“If we could invent UDTS from the ground up to address the contemporary missional situation of the church and our context as part of a University, what would we look like?”*

The results of the design lab were extensive and enlightening, and have been condensed into a UDTS **Leadership Promise**. This **Leadership Promise** is both orthodox and contemporary inasmuch as it is rooted in the historic Christian faith and is acutely aware of contemporary missional challenges and opportunities. Specifically, UDTS and its future graduates understand that all of the following characteristics/outcomes are important to the graduate’s success in serving God in the church and the world, and agree that the graduate understands his/her maturing call to serve and grow in the grace, wisdom, passion and skills to live out that calling, and has a frame of mind, understanding of self, knowledge, ability to connect and utilize resources that allow the graduate to be:

-*Rooted* in scripture, grounded in the faith, discerning, and prayerful;

-*Culturally and generationally fluent*, a spiritually healthy teacher of the living Christ;

-*A leader* who engages/empowers others and can lead people along paths that reflect the Kingdom of God;

-*A social entrepreneur* who can lead in new missional paths and build new faith communities;

-*Has the vocational skills* that connect personal passions and gifts with the needs of the world;

-Is committed to *connecting to those who are spiritually and physically hungry*;

-*Has the desire and ability to earn and raise money* to support his/her calling and ministry, family and self.

This **Leadership Promise** informs a different approach to delivering theological education in this era of new missional opportunity and, through a series of illustrations (Appendix 3), begins to describe a number of proposed changes or continued enhancements to the UDTS experience. They are:

a) a need to move *from* one model of church (shepherds, teachers, caretakers) *to* preparing students for multiple models of church in whatever missional opportunity may arise;

 b) perfecting a “flipped classroom” (student consumes lecture outside of the class and utilizes classroom for discussion/learning activities);

c) movement away *from* a residential seminary that is primarily a graduate/professional school *to* a residential seminary where students are integrated into the college as instructors, RA’s, RD’s, counselors, coaches, etc., focused on young adults ministry as the new mission frontier, while interacting with all students, and,

d) *from* preparation of ministers/leaders which emanates from the UDTS Dubuque campus *to* preparation of ministers/leaders which emanate from outside Dubuque who are well-linked, but from various places in the UD and around the world.

In October 2014, Bill Svrluga and Dean Bradley Longfield presented these findings to the Board of Trustees and, later in the month, Bill Svrluga and Tom Moss presented these findings to the entire seminary faculty and staff, and sought thoughts, reactions and input. Interestingly, during the faculty/staff meeting, there was strong consensus that the time had come for a substantive change to the seminary education provided at UDTS. In fact, at several points in the initial interviews conducted at UDTS, the concern shared by members of the faculty/staff was that the changes wouldn’t be dramatic enough to really make a difference, or would be identified, but no action would be taken.

Finally, in December of 2014, the seminary faculty and staff gathered one more time with Dean Longfield and President Bullock to further reflect on the October 2014 session.

**ReVisioning Conclusion**

The ReVisioning exercise was thorough, and resulted in all of the key constituents of UDTS having an opportunity to weigh, reflect and respond to the presenting question: *“[i]f we could invent UDTS from the ground up to address the contemporary missional situation of the church and our context as part of a University, what would we look like?”* Purposely, WJS Consulting Group did not engage in a thorough financial analysis of the seminary, but focused its work on answering the four key questions:

1. What does the church need to be?
2. What kind of church leader is needed?
3. What should seminaries be doing to develop church leaders?
4. How do seminaries find and attract people who will be future church leaders?

The final product of our work together was the UDTS **Leadership Promise**, and the visual narratives that represent some of the strategies developed through the design lab and follow-up work by WJSCG with Jeffrey and Bradley, together, begin to illustrate a substantially different direction for UDTS (Appendix 4).

In conclusion, **this Revisioning exercise leads us to believe that inventing the seminary from the ground up implies rethinking the very essence of how we conceive of and deliver theological education**. There is a significant opportunity for substantive transformation at UDTS, which is made necessary by today’s dramatic cultural and ecclesiastical trends. These dramatic trends have irrevocably damaged the current UDTS recruiting and financial model to such a degree that significant restructuring is now imperative. Princeton Theological Seminary will continue to deliver its brand of theological education by supplementing its losses with its enormous endowment. On the other side of the continuum, Fuller Theological Seminary will continue to support its tuition-driven model by appealing to a largely evangelical audience. The opportunity now exists for UDTS to locate its ReVisioned identity in a challenging, new, and emerging theological market.

**The Seminary Financial Situation**

Until the 1960s, most mainline theological schools were supported by a particular denomination, and UDTS was no exception. But during the 1960s, as mainline Protestantism began its general decline, schools such as UDTS became autonomous; free standing institutions in relationship to their founding denomination. During this period, a few theological schools aggressively pursued endowment support to supplement denominational income. **Today in the PC(USA), Princeton Theological Seminary enjoys an endowment of over $1 billion**, with the majority of that endowment having grown from the 70s through 90s. **Pittsburgh Theological Seminary has an endowment approaching $200 million,** **with the other Presbyterian seminaries below those two high water marks. It is a fact that among ATS schools, PC(USA)-related seminaries are among the best endowed in the world and, still, most are struggling financially**.

As we know, the University of Dubuque’s endowment is approaching $100 million, but with most of that growth having taken place within the last 15 years. Consequently, while free-standing schools such as Princeton and Pittsburgh had boards of trustees whose singular focus was on raising endowment for their respective schools from the 1960s to the 21st century, UDTS was part of a larger University whose Board’s focus was necessarily on many other things, in addition to relatively recent endowment growth. Conversely, as part of one University, UDTS’ finances were not excised from the larger whole, nor should they have been and certainly endowment, though always an ideal, didn’t begin to take a sharp organizational focus until the late 1990s. In fact, as recently as 1998, the University’s endowment hovered around $15 million.

With the downturn in the financial markets of 2008/2009, and with the alarming trends that were becoming more evident in the church and culture, the administration formally began to internally track the UDTS financials beginning in FY 2009 with an aim of getting to revenue neutral by FY 2014. It was also during this period of time that the distance MDIV received extensive focus, both as a way of broadening the UDTS reach and as a way of generating non-discounted tuition revenue, thereby improving the seminary’s financial bottom line.

There were two primary rationales for this renewed focus. First, as undergraduate student debt became more of a competitive and national issue, the administration believed that reducing student debt was both a moral and competitive imperative. In other words, there emerged during this period a discomfort with using undergraduate tuition dollars to supplement the increasing shortfall from decreased seminary tuition. Secondly, in anticipation of such a time that theological education was not widely embraced by the larger culture, UD’s historical commitment to theological education rightly needed to continue, but with a financial model that was, at the very least, revenue neutral.

**For a period of about 6 years, the distance program moved the financial needle closer to the revenue neutral goal. In fact, from FY 2009 through FY 2014, distance ed tuition (FT & Unclassified) rose from $337,325 to $922,605. During that same period of time, total seminary Adjusted Net Income went from a loss of ($582,520) to ($157,262)—a significant improvement.**

**Alarmingly, for FY 2015, net distance education revenue dropped from $922,605 to $744,980, and we anticipate that loss will be greater in FY 2016 and beyond.** Combined with a shortfall in the residential enrollment target, the projected seminary Adjusted Net Income deficit jumped from ($157,262) in FY 2014 to a projected ($252,726) in FY 2015, and would have been significantly worse were it not for an increase in housing revenue. We believe that regression can be traced to a combination of factors. First, to significant political and ecclesial decisions in the PC(USA) that resulted in the disaffection of our more traditional core constituency. Second, there are simply fewer potential theological students to draw from, and whereas places like Princeton can cover their tuition revenue losses with endowment, UDTS cannot. **In FY 2012, for example, over $33 million (72%) of Princeton’s $46 million operating budget was supported by the endowment.** Finally, even with fewer theological students to draw on, there are fewer congregations able to support pastors on a full-time remuneration basis. In other words, there are fewer jobs available for graduates. Together, these changes, along with the changes in our culture, clearly illustrate a drastically different environment for mainline theological education.

**A complete financial spreadsheet from FY 2009 to FY 2014 illustrates this analysis** (Appendix 5)**.** Importantly, there are some critical assumptions that enter into the following spreadsheet. For example, these financials reflect direct seminary revenue and direct seminary operating expenses, but they limit indirect expenses to seminary marketing budgets. Indirect expenses such as building upkeep and maintenance, heating, cooling, cleaning, insurance, registrar, student financial planning, and other administrative overhead costs are covered as would be any other department within the University’s *Mission*. Significantly, these financials give a clear look at tuition revenue vs. salaries/benefits and other direct operating expenses. That is, **even while UDTS has done a fine job of reducing direct operating expenses, tuition revenue continues to fall well short of covering even the costs of faculty and staff salary/ benefits**.

**Financial Summary**

**These financials tell a very clear story.** Through FY 2014, significant progress was made in tightening UDTS fiscal operations. That progress was made primarily through non-discounted tuition revenue generated from a growing distance education program. Additionally, faculty and staff members increased their teaching loads from 12-18 credits per year, and direct operating budgets benefited from significant fiscal discipline. Between FY 2014 and FY 2015 (projected), a dramatic shortfall in new students in both the residential and distance programs eliminated a significant amount of the financial progress that had been made over the previous five fiscal years and, given the trends, these losses will continue to worsen. These financials also illustrate that UDTS has never had the endowment to supplement these losses, nor support an initiative to pursue additional seminary students with extremely attractive financial packages. In previous years, a case has been argued that the solution to our challenges is simply to raise more endowment money to support the mission of UDTS theological education. That is certainly a solution that has been pursued for many decades in mainline education and, in a few cases, it has been achieved with remarkable results. However, to date, UDTS has not been able to enjoy the success in endowment fundraising that some of the other PC(USA) schools have achieved, and a ReVisioning plan built around such a tactic is not realistic.

 Additionally, as mentioned in the Auburn study, it is also reasonable to assume that with such dramatic changes in both the church and the culture, a forward-looking recovery strategy built around substantial enrollment growth is an empirically unsubstantiated proposition with the same model of seminary education. Up to this point, a high-margin, growth strategy has worked for us as a result of both the reach and the financial margins of the distance education program, but we believe that opportunity is faded. We believe that we have come to a point in our history where we have two fundamental choices. They are: 1) continue to subsidize UDTS financial losses, primarily, but not exclusively, through undergraduate tuition revenue, or 2) radically transform the UDTS mission to adapt to changes in church and culture.

**An Opportunity for *Transformation***

We learned a lot from the *Transformation* of the late 1990s. Those were painful years in many respects, but we also understand that many of those difficult decisions have helped us to enjoy the vibrancy that we experience today. There were significant forces at work in those years as well, ranging from changing demography in undergraduate education to significant financial stress, all of which led us to believe that if we were to have a vibrant future, we needed to adapt to the challenges and the opportunities that were before us. Furthermore, we were about fifteen years ahead of the curve in this regard, as many of our peer institutions are only now considering the change that we made during that period. In retrospect, three of the most significant lessons that we learned from that period are: 1) Culture trumps strategy, 2) in a *Transformation*, there’s only one bite at the apple, and 3) you must have the right “product” for what the “market” needs.

*Culture*. Simply, organizations can have the best strategy in their respective fields, but if they don’t have the right culture, i.e., a meaningful mission, people within the organization who are willing to sacrifice for the mission, and a meaningful message that resonates with a targeted audience, the organization will never fully realize its potential. Most educational organizations nibble around the edges as it relates to being adaptive to their competitive environment. It’s often assumed that renewed life can be generated through a new website, renewed flashy pamphlets, increasing the size of the applicant pool, or most often by ratcheting up the tuition discount rate which in some of our competitive theological sector is over 90%.

Having the right culture means that the organization’s people have willingly and committedly coalesced around the organization’s primary mission to the point where they are willing to climb nearly any metaphorical mountain—and the next mountain—to ensure that organization’s strength through its mission.

*One Bite at the Apple*. Unless they are a well-disciplined organization, the mistake most educational institutions make in adapting to their changing environment is not to go big enough. By that I mean, most educational organizations will nibble around the edges rather than dramatically alter their delivery and educational offering. In this case, nibbling often takes the form of modest budget cuts, slight increases in responsibility whether that takes the form of teaching loads or additional administrative workload, delays in faculty or staff appointments, cuts in retirement contributions, etc. For a period of time, these adjustments can be seen as prudent financial management, but when nibbling becomes a perpetual part of the organization’s culture, it’s difficult not to walk away feeling as if one is part of a dying organization. Perpetual budget cuts are demoralizing to the organization’s culture; a death by 1,000 cuts. Increased administrative workloads and delays in hiring, though virtuous, are not sustainable for the long run. They prop up structures that, ultimately, are no longer useful for serving the present and future opportunity. Most leaders in theological education choose to announce dramatic change while effectively nibbling away at the edges. The *Transformation* taught us that “nibbling” is not the way forward to organizational health and missional vitality.

*Having the right product*. The product that UDTS offers must be theologically solid while it meets the needs of the marketplace. In essence, that is the purpose of the **Leadership Promise**. In mainline theological education, there is a significant disconnect between the education that a student receives and what that education prepares students to *do*. The UDTS **Leadership Promise** prepares students academically and culturally for the mission field that *is*, not for the mission field that used to be. Students living on campus will work as Graduate Assistants (GA’s), thereby immersing themselves in young adult culture, while distance students will be missionally formed in their current context. Both entities will benefit from investments and upgrades to our on-line pedagogy and technology, and will meet at least once per year for their residential intensives.

Clearly, there are brutal forces in play that affect the enterprise of theological education that most church members, faculty and staff members, denominations and denominational leaders, and clergy have come to experience as the norm over the last 100 years. Out of respect for that history, **it is tempting to nibble or attempt to ride out this moment as just another passing storm in the continuum we have known as theological education.** This non-strategy seems to be the road that is being taken by many ATS schools. Or, there may be another path before us. We believe that we are on the edge of a new epoch of theological education.

**An *epoch* is the beginning of a distinctive period of history. In this case the history of theological education.** As the previous illustrations demonstrate, we are moving from a moment in mainline ecclesial history where seminaries existed with a permanent, mostly tenured, faculty preparing men and women for full-time, fully compensated service to Christ’s church in congregations of various sizes, to a period where students are prepared for multiple models of church. Some students will serve as pastors of congregations in the conventional sense, but others will start house churches, some will open new worshipping communities in bars, health clubs, and coffee houses. Many of these new pastors will earn their living by teaching, selling insurance, or working as auto mechanics while they serve their worshipping community on Sunday morning—or Tuesday evening, or Thursday noon. These pastors will work in a mission field that doesn’t take going to church on Sunday morning as a given. They will have to earn the privilege of a hearing in conventional and unconventional ways. They will be missionaries to a largely secular culture-- theological and ecclesial entrepreneurs throughout this country, and throughout the world. In addition to lectures from tenured faculty members, these seminarians will learn their craft from YouTube, Ted talks, podcasts, and other emerging media. Regardless of denominational affiliation (if there is an affiliation), their ecclesiology will be much more horizontal than vertical, at least for this foreseeable period. It will be an unfamiliar epoch to most of us. But it is not without hope, particularly in our unique situation.

I recently sat down with two undergraduates for lunch at Heritage Center. For some time, I had been looking for the right moment to ask one of the young men if he had ever given any thought to considering the ministry. While he paused and looked at me, his sidekick friend blurted out, “Well, here we go again! We talk a lot about this topic!” after which the young man said, “Yes, I’ve thought a lot about it actually. And I’ve concluded that I can serve Jesus wherever I am, and in whatever I do. I don’t need to be a clergy-person to do that.”

In some respects, this young man’s response troubled me. It stung a bit, actually, because it was an unintended critique of a way of life and service that is very meaningful to me, personally. But his response was also a moment of joy for me, as this young man clearly identifies what our UD lexicon knows as *vocation*. In this case, he believes that he has been created to serve Jesus in any number of different capacities, perhaps by wearing jeans rather than a Geneva gown—and that’s o.k.

**It is abundantly clear that UDTS is uniquely positioned to deliver a ReVisioned experience of theological education because of our rather unique situation as a seminary in a relatively small Christian university.** That we don’t have a huge endowment, forces us to contemplate other forms of missional outreach and service. We can’t compete with Princeton for highly subsidized theological students, but we’re not going to wither on the vine like many other free standing seminaries which have a faculty, but virtually no students and, in my opinion, little prospect of attracting students, in addition to minimal prospects to generate revenue. Because failure isn’t an option for us, **we believe that God has given us an opportunity to be something quite different, and potentially very impactful in what our organizing question refers to as “…*this new missional environment.”*** Importantly, this proposed new direction is not about making lemonade out of lemons. Rather, it is a fundamental *transformation* and dramatic ReVisioning of a new and emerging missional opportunity.

**A ReVisioned Model for Delivering a UDTS Education** that answers the fundamental question: *“If we could invent UDTS from the ground up to address the contemporary missional situation of the church and our context as part of a university, what would we look like?”*

**We have demonstrated that mainline theological education, as it has been understood and configured for the last 100 years, is dying.** However, one of the things that we’ve learned at UD over the years is that “change is the new normal.” Change has long been a part of the University of Dubuque, and our theological seminary is no exception. What began as a small reading group in the basement of the “Blue Church” in Dubuque, Iowa, matured into a college and seminary community known as the University of Dubuque. Our seminary education has changed over the years as well; from German as the primary language of instruction when the seminary began to an emphasis on rural ministry, Native American ministry, and distance education, all at various points in our mission and history. In one way or another, UDTS has always managed to reposition itself in light of new and emerging missional opportunities and this new epoch should be no exception.

**Clearly, UDTS’ current model of engaging and delivering theological education is being impacted by changes in the culture, ecclesial culture, demographics of this region of the country, the economy, and the economics of higher education. These contrary forces are here to stay**, which is why we organized our exercise around the question *“[i]f we could invent UDTS from the ground up in response to the contemporary missional situation of the church and our context as part of a university, what would we look like?”* In hindsight, this question became a critical element in helping us to move beyond what has become an outmoded model of theological education. Throughout the exercise, we were naturally drawn to making incremental changes, but by the exercise’s conclusion, it became abundantly clear that whatever changes were to be made needed to be dramatic and consequential. We believe that now is the time to seize this opportunity to lead in the reformation of theological education, and to remake and rebrand UDTS as an adaptive, innovative, and faithful steward of our important history. **The proposed *(Named) Center for Christian Renewal and Engagement* is our answer to this new moment.**

**(Named) Center for Christian Renewal and Engagement**

The *(Named) Center for Christian Renewal and Engagement (CCRE)* is the ReVisioned entity through which the University of Dubuque will deliver theological education during this new epoch. The focus of CCRE is to deliver the **Leadership Promise** to all of its students. CCRE will offer credentialed (UDTS) as well as non-credentialed programs, picking up areas of service and opportunity formerly occupied by many mainline denominations and congregations which are no longer equipped to provide the services and training that faith communities need to grow and prosper. The *Center* will purposely integrate within the University by providing instruction, opportunities for student engagement, worship leadership, faith community planting and mentoring, among other forms of instruction and engagement. In this way, the *Center* is both an inward focused and outward looking organization inasmuch as it expands its offerings through a Lay Academy, International Academy, program for missional entrepreneurs, as well as more the more traditional teaching and theological research. The seminary faculty will function as an academic department, while the *Center* will inhabit both an inward and intentionally outward focus. The seminary will maintain its accreditations that support the MDIV, MAMC, and DMIN degrees, and the Lay Academy will develop a best in class reputation as it reaches out to serve individuals, congregations, and the church at large. Importantly, the *Center* is expected to be financially self-sustaining, and to provide support to the University’s bottom line. The *Center* will be organized in the following way:

**(Named) Center for Christian Renewal and Engagement (CCRE)**

UDTS Cred. UDTS Lay Academy xn leadership Miss Entre Test Site Inter. Academy

-MDIV -CRE -UG Curriculum -12-18 mo $ sup -Univ Wor Comm -Ghana?

-MAMC -Lay Personal Gr -3-5/entre/year @

-MA(1 yr) -Prof Dev $15k/yr

-DMIN -Faith Gr

Residential GA’s Sites

-work @ college

On-Line On-line

-best delivery

in the world

UDTS Credentialed - Prepared to deliver the behaviors/characteristics/outcomes so clearly needed in the church today.

UDTS will continue to provide degrees, which are accredited by HLC/NCA and ATS. Currently, UDTS offers the MDIV, MAMC, and the DMIN degree, and is visiting the possibility of a one-year MA degree, which is not possible through ATS, but is possible through our HLC/NCA accreditation. With the exception of residential intensives, all classes will be delivered through our distance format.

UDTS and UD program focused on ministry to younger adults.

The Residential GA program will begin by admitting no more than five students per year who will become graduate assistants. They may serve as instructors in the undergraduate Core Curriculum, tutors in the academic success center, assistant coaches, Resident Assistants, or career counselors. The possibilities are limitless. These GA’s will work with undergraduates (the new mission field) while they take their academic program, primarily on-line, over the course of three academic years (for a 75 credit MDIV). GA’s will receive their tuition, plus a modest stipend of between $12,000-$15,000 per year. Importantly, students in this program must be admitted to the seminary and be the person of choice in the position for which they are applying. We are the only seminary in the PC(USA) that can mount a program like this and, importantly, we will be the only University in the country with this kind of integrated program with a focus on the young adult mission field.

UDTS Distance Program – The best theological on-line program in the world.

The Distance program will continue on its current trajectory, but eliminating the three-year residential track will make its delivery more efficient. Efforts will be made with ATS to reduce this experience to a three-year program, and we will invest in growing our on-line presence so that it is technologically and pedagogically current, and the best theological on-line program in the world.

UDTS Lay Academy – Feeding the spirit and minds of dedicated professional Christians.

The UDTS Lay Academy will be the place in which the CRE program is located. Additionally, programs will be developed for laypersons focused on spiritual formation, faith enrichment, and Bible studies. The Lay Academy will primarily offer courses on-line, but it might also offer courses in a face-to-face format, such as our current Annual National CRE Conference. Additionally, we will test what appears to be a growing interest for such events like the Whitworth Institute for Ministry or the New Wilmington Missionary Conference. A Dubuque version of these events could take place on our campus, and be a 3-4 day renewal experience for pastors, laypersons, families, and children, while families can also take full advantage of all of our facilities, i.e., sports, recreation, lectures, family dinners, etc. A likely partner for these initiatives is the Omaha Presbyterian Foundation. The Lay Academy is designed for bankers and administrators, administrative assistants and stay-at-home parents; teachers and other leaders who seek to deepen their understanding of the Christian faith.

Christian Leadership Program – Developing “Christian Professionals” across many professions.

The Christian Leadership Program is a way for undergraduate and graduate students to further develop their understanding of “career as vocation” in service to Jesus. This program is designed for students who pursue careers as accountants, bankers, teachers and pilots, but who desire a more developed theological sense about how these careers become vocations, and how they function as intentional Christian leaders in the Kingdom of God. Calling this a program is a bit of a misnomer. In essence, we will strengthen our missional commitment towards a robust understanding and practice of Christian vocation throughout the University.

Missional Entrepreneur Program – Learning how to start new worshipping communities.

The Missional Entrepreneur Program is designed to assist qualified seminary graduates who endeavor to start new worshipping communities. Most seminary graduates will need to be bi-vocational, meaning that they will need earn a living even while they serve a struggling congregation that has potential for health, or they will start a new worshipping community in a coffee shop, home, or even bar. These entrepreneurs will need modest financial support for 12-18 months which will enable them to launch their ministries, but with the assurance that they have modest enough financial backing to pay rent, cover health insurance, and support themselves. Entrepreneurs will need to have an approved business plan before they can qualify for financial backing. A pool of dollars regularly supported thru philanthropic commitments will provide financial support for this program.

The new University of Dubuque Worshipping Community – a test site for growing new faith communities.

There is no better place to understand this new missional opportunity than through an undergraduate worship experience. Currently, the undergraduate chapel meets three times per week for twenty minutes at a time—and it is growing in popularity. It is now time to form a New Worshipping Community on the campus of the University of Dubuque aimed at undergraduates, seminarians, and members of the faculty, staff, and larger Dubuque community. In addition to being an incubator to test new ideas and practices, this faith community will be a sending organization for graduates who are moving into their careers/vocations. It will help graduates identify faith communities in the towns and cities where they settle, thereby extending the University’s reach even further.

UDTS International Academy – Reaching out to the world.

The UDTS International Academy is the mechanism through which the *Center* reaches out to the world, and the world reaches into our organization. The Academy will begin small, but will identify a relationship with a Christian organization in another country such as that which already exists in our current relationship with Trinity University in Ghana. This Academy will function very much like the UDTS Lay Academy providing education and leadership in places where formal theological education is very difficult to access. However, it is also well known that the places where Christianity is growing fastest around the world are the very places that are underserved with theological education. It is UDTS’ opportunity to learn and to share.

**Organizational Structure**

*(Named) Center for Christian Renewal and Engagement*

The organizational structure for the *Center* will be radically different than the seminary’s current organizational structure. To meet this new missional challenge in a way that is achievable and financially sustainable, the *Center* will need to be shaped in a way that addresses opportunities. It simply cannot reflect in its practices the current structure of mainline theological education. Of course, this change will entail making some very difficult decisions, particularly in the area of personnel.

To become financially sustainable we will need to balance our operating budget. As we’ve already demonstrated, the seminary’s operating expenses have never equaled revenue. Though FY 2014 was short of breaking even by about ($157,000), FY 2015 saw a projected shortfall of ($252,726), and we are projecting an even more significant shortfall for FY 2016. Without a significant intervention, those shortfalls will continue to increase, thus putting additional strain on the University’s operating budget.

Our current organizational structure has done an adequate job of delivering theological education for many years as evidenced by our recent ATS re-accreditation report, but it is nevertheless a structure designed to support a student body that is shrinking in an epoch where the potential for growth continues to contract. Growing our way out of this deficit is not a realistic or sustainable option. The time has come to restructure our seminary so that expenses are quickly brought into alignment with revenues, even as we respond to the missional opportunity that is reflected through the *Center*. This restructuring may require the downsizing of our current faculty and staff. A core cadre of faculty and staff will teach at both an undergraduate and theological seminary level. They will teach in both undergraduate and on-line seminary programs and, critically, they will need to embrace the new missional opportunities that exist through the *Center*. Additionally, because the primary content delivery of the seminary will be in our hybrid online program, we will need to add to our small cadre of faculty expertise by enlisting the support of credentialed teachers who are already practicing some form of bi-vocational ministry as pastors, counselors, administrators, or scholars at other institutions. This restructuring will lower the fixed cost of delivering our educational experience while expanding the expertise needed to achieve the intended outcomes through the *Center,* and it will strengthen the undergraduate experience through a new major, and by having seminary professors interfacing with a new generation of students.

To focus strategic opportunities, the *Center* will operate in a fashion similar to the Wendt Center and will not require a separate Seminary Faculty and Staff Handbook. The *Center* will have an advisory board comprised of thought-leaders who may be faculty and staff members, trustees, or others. The purpose of the advisory board is to provide informed leadership, strategic thought and counsel in executing the *Center’s* purpose, and to fundraise and friendraise in accordance with the *Center’s* purposes. Within this redesigned structure, seminary faculty will be located in an academic department that is governed by the University Handbook. As part of the University Handbook, there will be a seminary-specific appendix to account for accreditation standards, which is identical to what will be in place for the new Physician Assistant program. Functions such as Seminary Admissions will be relocated to the University’s enrollment management unit. Spiritual Life will be relocated to University Campus Ministry, as are current cross-functions like the Registrar, Student Financial Planning, Finance and Auxiliary Services, Maintenance and Grounds.

Residential Faculty/Staff will embody an organizational culture that provides the best opportunity for sustainable success, which means that they will:

1. be fully supportive of this ReVisioned mission;
2. embrace this change as a new missional opportunity;
3. be equipped to successfully teach seminary, undergraduate, and lay students in face-to-face and on-line deliveries; and will
4. enthusiastically embrace this new paradigm.

Distance Faculty/Staff will embody an organizational culture that provides the best opportunity for sustainable success, which means that they will:

1. be employed by other organizations or ministries while joyfully and ably providing engaged instruction on-line;
2. be equipped to teach in disciplines that best support the students’ curricular needs, and strengthen the *Center’s* educational program;
3. will enthusiastically embrace this new model of theological education.

The Board of Trustees will enthusiastically support this *Transformation* by offering insight and encouragement, as well as by assisting with meaningful financial resources to transition from the current model to the new brand identity encompassed within the *Center*.

HLC/NCA and ATS will be engaged for the purpose of gathering additional expertise, and in order to fully comply with accreditation standards.

**Financial Assumptions**

There are a series of assumptions that inform this new financial model. They are:

1. The *Center* will contribute to the University’s bottom line;
2. Seminary faculty and staff members who meet the missional, cultural, and curricular requirements to teach at the undergraduate level will teach undergraduate and seminary students for a total teaching load of 24 credits per year.
3. Qualified faculty may be offered gradual retirement packages.
4. At the beginning of FY 2016, the curriculum will be moved to a three-year (75 credit) on-line delivery format which will realize teaching efficiencies and strengthen expertise in the pedagogy of on-line instruction.
5. Off campus faculty will be hired to teach in areas where there are curricular gaps, or in specialized areas. Relationships will be developed with:
	1. National Presbyterian Church, Washington, DC (PCUSA)
	2. Palms Presbyterian Church, Jacksonville, FL (PCUSA)
	3. First Presbyterian Church, San Diego (PCUSA)
	4. University Presbyterian Church, Seattle (PCUSA)
	5. College Hill Presbyterian church, Cincinnati, OH (ECO)
	6. First Presbyterian Church, Colorado Springs, CO (ECO)
	7. Highland Park Presbyterian Church, Dallas, TX (ECO)
	8. First Presbyterian Church, Tulsa, OK (PCUSA)
	9. Second Presbyterian Church, Indianapolis, IN (PCUSA)
	10. University Place Presbyterian Church, Tacoma, WA (PCUSA)
	11. First Presbyterian Church, Tacoma, WA (ECO)
	12. Redeemer Presbyterian Church, New York, NY (PCA)
	13. Other partners as identified
6. In Residence students (GA’s) will teach and perform other duties as assigned in return for tuition and a modest stipend of $12,000-$15,000 per year which should enable them to graduate with no debt (cost: $180,000-$225,000). Where appropriate, these positions will be supported by endowment dollars (appx. **$100,000**). Assuming 15 students teaching one class per semester, this will save approximately **$81,000** per year in annual adjunct expenses.
7. Appropriate endowment dollars will be used to help support all distance students.
8. Endowments that no longer meet the criteria for ethical use will be legally restructured to support the current and future comparable mission and use.
9. A financial model incorporating these assumptions will need to be finalized.

**Approximate Timeline**

FY 2015 Deliver Plan to Trustees

 Deliver Plan to UDTS Faculty/Staff

 Apprise ATS/HLC of Plan

Board directive to implement plan and rewrite University Faculty Handbook.

FY 2016 Announce Plan

 Approve 73 credit MDIV

Review teach out/transfer options for current students

 Recruit first cohort of In-Residence GA’s

 Plan New Worshipping Community

 Develop Faculty/Staff teaching loads

 Staff adjustments completed

FY 2017 1st year of new plan

 Recruit 2nd In-Residence GA Cohort

 Launch New Worshipping Community

 Begin Christian Studies Program

Launch Review of current Lay Academy Program with recommendations for improvement

FY 2018 Recruit 3rd In-Residence GA Cohort

 Begin developing Missional Entrepreneur Program

 Begin exploring International partner

FY 2019 Launch Missional Entrepreneur Program

 Raise Start-up support for Missional Entrepreneur Program

 Finalize International partner

FY 2020 First Cadre of Missional Entrepreneurs

**Conclusion**

Change is never easy, and disruptive *Transformational* change carries with it an extra burden of the uncertainty of the unknown along with the certainty that professional lives and institutional history will be affected. It is abundantly clear that mainline theological education, as it has been known for the last century, is at the end of its epoch. What makes this time even more difficult is that many of us have been engaged in this epoch for a significant portion of our professional careers and, thusly, it is difficult to conclude a future that is anything other than what we have always known. Yet, ceding to that inertia is not a constructive solution or a healthy strategic plan, even though a new future may be full of challenge and uncertainty.

This Plan begins to identify a niche for theological education that is unique to UDTS. Through the *Center*, we continue to provide targeted theological education to a smaller cadre of GA students who live and are immersed in undergraduate culture, and who are then ideally prepared to be engaged missionaries to the larger culture, particularly emergent young adults, and to on-line students who are embedded in their own missional context. The *Center* continues to provide accredited and non-accredited on-line credentials to a growing non-traditional theological audience, and significant support to a growing lay audience. To be successful, the on-line program will have to set the bar for all theological programs in the world. All of these impulses are captured in the **Leadership Promise**. As importantly, the *Center* is the vehicle through which a more robust undergraduate program in Christian studies brings us into closer alignment with our *Mission*.

Importantly, these changes will affect both the lives and the livelihoods of our seminary faculty and staff members. The University will do its best to partner in that time of transition, abiding by the principles of fairness and transparency, and providing transitional financial support to the best of its ability. No one has done anything wrong in this scenario. Both the recruiting environment and financial realities have drastically changed, and significant action must be taken before the organization is put into further enrollment jeopardy and financial stress.

It is also important to conclude that this Plan is offered from a position of strength. Yes, there is a well-documented enrollment emergency that must be addressed. And, yes, just as clearly, there is a well-documented financial challenge that must be addressed. We do, however, find ourselves in the unique position, at least in the PC(USA), where, because of our relationship to a larger University, we have a different set of corrective alternatives at our disposal. Only at some future time will we be able to discern whether the future that has been identified through the *(Named) Center for Christian Growth and Engagement* creates that alternative niche for delivering our brand of theological education. I am of the opinion that we will be successful, and that this success will not only transform how we do theological education, but it will further strengthen our entire University. In fact, I am confident that we will ultimately be a model for organizations that have a similar profile. I am even more certain that pursuing any direction short of a radical *Transformation* will, in effect, be a vote to delay the inevitable demise of what has heretofore been the foundational history of the University of Dubuque. That direction is not an option.

**Critical Path Timeline**

August 2013: ReVisioning Exercise Begins

February 2014: Constituent engagement in ReVisioning

May 2014: Presentation to the Board of Trustees

September 2014: HLC/NCA Reaccreditation visit (10 years)

September 2014: Update to the Board of Trustees

November 2014: UDTS Faculty/Staff ReVisioning Presentation

November 2014: ATS Reaccreditation visit (10 years)

December 2014: UDTS Faculty/Staff ReVisioning debrief

February 2015: Concept presentation to the Board Seminary ReVisioning Task Force

February 2015: Concept presentation to the UPFC Committee

February 2015: Concept presentation to the Seminary Faculty/Staff

March 2015: Receive Feedback

 Update to Executive Committee

 By May 14, 2015: Board approves plan

June 1, 2015: Transitional Year begins

June 2016: *(Named) Center for Christian Renewal and Engagement* Launch

**Board Actions/Motions**

**Appendices**

Appendix One Enrollment graphs

Appendix Two Key Interview Themes (2/8/14) & Key Findings from Outside Interviews (4/29/14)

 Appendix Three ReVisioning Visual Illustration

 Appendix Four Leadership Guarantee/Illustrations

 Appendix Five 2009-2015 Seminary Income Statement