



Meadville Lombard
Theological School

changing lives to change the world

May 22, 2009

Dear Unitarian Universalist,

Over the last 165 years, Meadville Lombard Theological School has changed itself to adapt to many social and economic challenges, evolving while still keeping true to the mission of educating students for service to Unitarianism, Universalism and Unitarian Universalism. The Board of Trustees takes seriously its task to steward our resources to achieve that mission in perpetuity, especially when those resources are shrinking.

The current economic downturn is forcing change at seminaries throughout the nation, regardless of denominational identity. Meadville Lombard is particularly affected by the shrinking of our endowment, which provides a third of our operating revenue. This comes at a time when we have been funding planned deficits from endowment to make the kinds of improvements that would increase enrollment. While our enrollment growth is on track, the reduced endowment cannot adequately fund the continued deficits, planned or unplanned.

At the recently concluded Board meeting, the Trustees, understanding that we cannot continue on our present course, took steps to begin to develop a mission-based plan that will lead to our financial sustainability, with a deadline for a direction no later than the end of this calendar year.

The Board approved an operating budget for 2009/10 that reduces the deficit by cutting administrative costs, accepting voluntary salary and/or budget reductions from staff and faculty, and capping expenditures in several key areas. The new budget does not affect the financial aid that Meadville Lombard makes available to students. The reduced deficit was accomplished through shared sacrifice while maintaining our educational priorities.

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A Unitarian Universalist seminary, affiliated with the University of Chicago.

The Board also authorized its Executive Team to work with Auburn Theological Seminary's Center for the Study of Theological Education to provide research that will enable the mission-based plan for financial sustainability to be developed. Specifically, Auburn will help us discover if we might partner with other seminaries to enhance our operations, investigate resizing our operations to fit emerging demographic trends in theological education, and project how our real estate holdings can be used to further our educational mission. As you may recall, our plans to build a new campus just south of the University of Chicago campus have been stalled by circumstances within the City of Chicago over which we have no control. Although not yet determined, it is likely that the plan we develop with Auburn will lead to new possibilities for meeting our facility needs.

There are many encouraging signs for Meadville Lombard. Our annual fund contributions are outpacing last year's results. Our incoming class will be larger than those of previous years. Many major donations have come our way, both to endow scholarships and to fund our new Meadville Lombard Educational Model. These signs demonstrate how valuable Meadville Lombard is to the future of Unitarian Universalism. We are especially grateful for your support and look forward to informing you as this period of discernment proceeds.

Sincerely

Lawrence Ladd, Chair
Meadville Lombard Board of Trustees

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