



Meadville Lombard
Theological School

Frequently Asked Questions: Meadville Lombard and the Economy

June 2009

The current economic downturn is forcing dramatic change at all traditional, mainstream seminaries, regardless of denominational identity. Like the others, Meadville Lombard is 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 our 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.

As we move through this difficult process of research, discernment, and decision-making, we invite comments and suggestions from the larger Unitarian Universalist community and thank you for your ongoing concern, continuing financial support, and fresh ideas.

What are the options for Meadville Lombard?

Seminaries in our circumstances have four generic options available to them: Downsizing through austerity, selling off capital assets (property), adjusting programs, and entering into institutional partnerships. Usually, institutions will apply a combination of these solutions to meet economic challenges.

Which options will Meadville Lombard pursue?

It is too early to know our final direction, but we have already begun conducting research to determine if there might be a mission-based partnership that could strengthen our theological school.

What kind of partnership?

Partnerships come in many forms, from a handshake agreement to share specific administrative costs to a full-scale, legal merger. All possibilities are being investigated and researched.

Which seminaries might be available for such partnerships?

Although the seminaries under consideration will remain confidential, potential partners must be unapologetically progressive, financially sound and hospitable to Unitarian Universalist ministerial formation. There are a small handful of seminaries that meet these criteria.

How is the research being conducted?

Meadville Lombard has hired 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. One of their tasks will be to investigate the feasibility of forming a partnership with another school.

What other tasks is the Auburn Center conducting for Meadville Lombard?

At the request of the Trustees, Auburn is also investigating the feasibility of resizing our operations to fit emerging demographic trends in theological education and analyzing how our real estate holdings can be used to further our educational mission.

What will happen to the new Meadville Lombard Educational Model (MLEM)?

As we move into the future we know that one of our strengths is the experiential, communities-based formation model at Meadville Lombard. MLEM has received strong endorsement from leaders in theological education and we project an entering class that numbers between 17 and 20 in the fall.

What is the School's current financial profile?

We are debt free with total assets of approximately \$20 million: \$12 million in our endowment and pooled investments and \$8 million in real estate.

What is the current status of Meadville Lombard's projected new campus?

Our plans to build a new campus just south of the University of Chicago campus were originally stalled by circumstances within the City of Chicago (due to the economic downturn) over which we have no control. The space problems associated with our current buildings will not disappear and, although not yet determined, it is likely that the plan we are developing for our future will include new ways to meet our facility needs.

You say this downturn is having an impact on all traditional, mainstream seminaries?

Yes. Four (of five) Hyde Park seminaries are in the midst of radical decision making in order to deal with economic circumstances. The current issue of [Colloquy](http://www.ats.edu/Resources/Publications/Documents/Colloquy/09SpringColloquy.pdf) (www.ats.edu/Resources/Publications/Documents/Colloquy/09SpringColloquy.pdf), a publication of the Association of Theological Schools, outlines the impact on traditional seminaries throughout North America.

Hasn't the School faced similar downturns before?

Yes, but traditional seminaries of all denominational affiliations have long been significantly "undercapitalized." Rising costs, declining enrollments and two major stock market downturns within eight years have resulted in sudden financial stress for many schools. Although Meadville Lombard has experienced growth in fundraising and enrollments, we are a part of the larger trend facing mainstream theological schools.

What are some of Meadville Lombard's strengths?

- A distinguished Unitarian Universalist faculty that is committed to preparing ministers for service within Unitarian Universalism.
- Enrollment figures that have grown over the past decades while other traditional seminary enrollments have shrunk. We are projecting 17 to 20 new students in fall 2009.
- An innovative formation program (Meadville Lombard Educational Model (MLEM)) that is available and attractive to students who live throughout North America.
- A Board of Trustees that has the ability to realistically see our institutional circumstances and the will to address those circumstances.

What is not changing at Meadville Lombard?

- Meadville Lombard will continue to fulfill its mission of educating Unitarian Universalist ministers for Unitarian Universalism.
- Meadville Lombard will continue to provide its relatively high levels of scholarship assistance for ministerial students.
- Meadville Lombard will maintain its commitment to be in the vanguard of theological education with our Meadville Lombard Educational Model.

When can we expect the next update from the School on its plans?

Expect to hear from us following the next meeting of the Board of Trustees which takes place in November 2009.

Who Should I contact with my comments and suggestions?

Any member of the Executive Team of the Meadville Lombard Board of Trustees would be delighted to hear from you. They are:

- David Frost: defrosty1@aol.com
- Marjorie Girth: mgirth@gsu.edu
- Paul Johnson: psjohn1@msn.com
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