

**A Framework for Moving Forward—*DePauw 2020* and  
Beyond**

**University Strategic Planning Committee Report to the President  
January 2016**

## Introduction

*DePauw 2020: The Plan For DePauw* charted an ambitious course for the university in the second decade of the 21<sup>st</sup> century. Some notable accomplishments have been made since that document was first drafted in 2010 and then updated in 2013, including significant renovation and transformation of the campus, improvement of the surrounding community, an enriched School of Music, a modified and globalized curriculum, a streamlined faculty governance system, expansion of Winter Term, new centers for career planning and student engagement, the launching of “The Campaign for DePauw,” creation of the Alumni Fund and the DePauw Trust, and achieving a balanced budget.

With the successes of *DePauw 2020* as our starting point, we turned our gaze to the future, and provide some strategic guidance for the long-term initiatives and priorities of the university. To that end, we gathered detailed information from all the Vice Presidents and relevant constituencies on needs, expenditures, and available financial resources. In addition—and in the interests of governance transparency—we sought broad-based input from the entire campus community (students, faculty, support staff, administrators). From these digested data, we identified a set of specific initiatives—some general, others quite specific—that we concluded are necessary for the continued strength and long-term viability of the university. We designated some of these initiatives as essential and urgent and others as important, but perhaps not as pressing.

With no mandate for the *implementation* of these suggestions (i.e., we are distinctly *not* a budget committee), we offer these initiatives as well-reasoned suggestions made in the service of the university’s mission and ultimately in the interests of our students. We do, however, provide a general assessment/estimate of the expenditures necessary to fund these initiatives based on budget projections. We strongly recommend a periodic evaluation (at 2- and 4-year intervals) of financial health targets and potential budgetary trade-offs.

Our charge was as difficult as it was complicated. We are a first-time committee tasked with the vital job of helping to chart the future course of the university. But we operated in a compressed time frame with no organizational precedent, no established procedural script, and no institutional memory. In addition, we faced the somewhat unenviable job of trying to balance a variety of drivers that are usually in direct conflict: imagination, ambition, courage, fairness, sensitivity, practicality, level-headedness, and sober realism. In short, we had to be simultaneously bold and responsible. And we had to accomplish all this in the context of a presidential transition, challenging national trends in higher education (rising costs, calls for diversity and inclusion, etc.), some inevitable demographic realities, and stagnating family finances.

It’s important to note that, by design, we started our deliberations with the question, “What is best for the institution?” rather than “What can we afford to do?” This

meant that we used a *strategic investment* lens, not a *constrained resources* lens in identifying areas of need. While not naïve about being fiscally prudent (this document is *not* an unfeasible “wish list”), we believed it was imperative to conduct our work—at least initially—without being instantly subdued by ominous financial limitations. In short, if we erred, we did so on the side of being too ambitious rather than too trifling.

Finally, in order to emphasize that DePauw’s mission is and will always be the service of our students, we have chosen to organize this document in a way that parallels the trajectory of a student’s “career”—from what happens before they get here to their experiences while on campus to what they do after they graduate. Students are not just our customers; they are the core product of this institution. And they remain a product of this university (indeed, ambassadors *for* the university) well after they graduate. Hence, any strategic plan *must* pay heed to the education they get while they’re here and to the fact that they are the visible representations of DePauw thereafter.

As the first joint faculty/administration/staff/student standing committee in our governance system, we see our exciting collaborative work as ongoing. We intend to devote the remainder of the school year to identifying timeline benchmarks and, if necessary, specific high-level trade-offs that will ensure this plan succeeds.

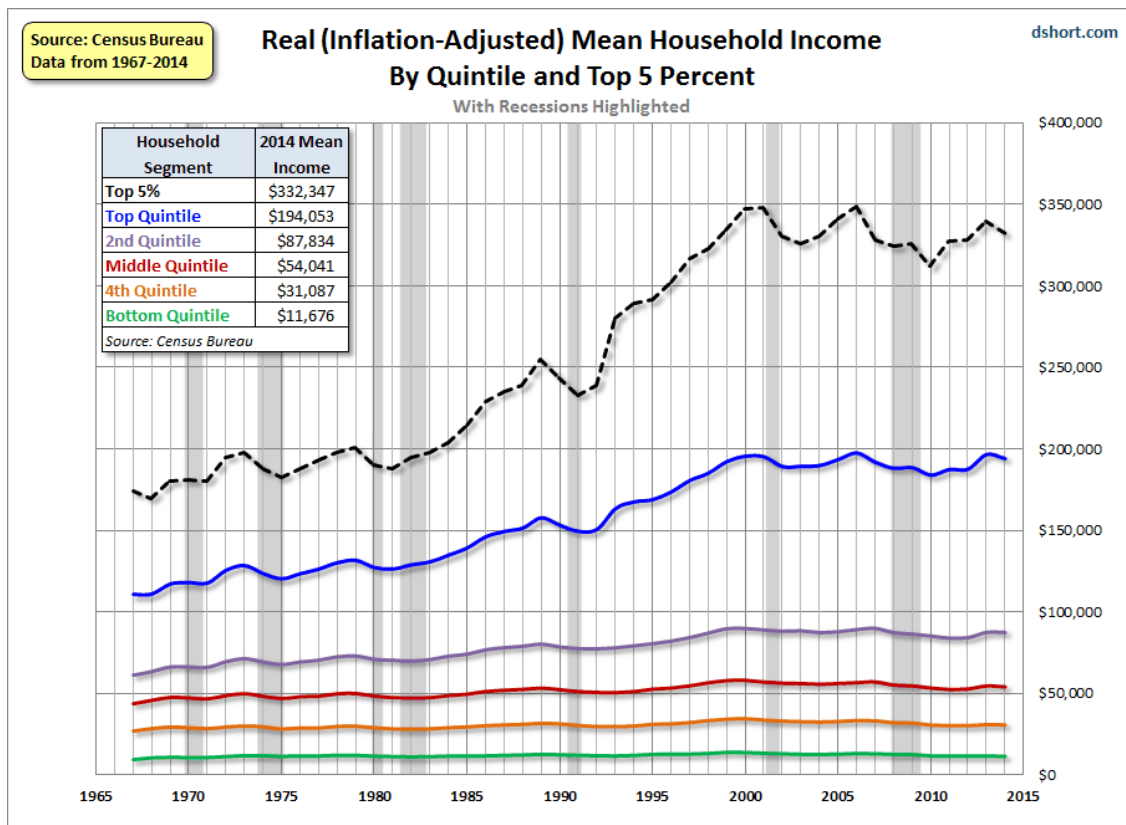
Although we provide no failsafe panacea, we are confident that our recommendations will serve as a useful road map that will enable DePauw to remain a thriving and robust university of national renown in the years to come.

## The National Context: Demographics and Trends in Higher Education

It is important to remember that DePauw operates within a national higher education environment where pricing, outcomes, and related value have been and will continue to be challenged in significant ways. These pressures will inevitably influence the strategic direction of the University. Hence any meaningful plan cannot exist in an institutional vacuum.

The cost (stated price to a student) of four-year private higher education has increased significantly over the course of the last 30 years. According to data published by College Board, average tuition, fees, room and board in 2015 dollars were \$16,213 for the 1975-76 enrollment year compared to \$43,921 in 2015-16. This increase reflects a 271% increase *above the rate of inflation* over that 40 year period. According to the same data, the cost of four-year private higher education has increased by 25% above the rate of inflation over the last ten years. In line with this national trend, DePauw's average net tuition per student (dollars collected after financial aid) has increased by 27% since 2008-09.

These cost increases come at a time when U.S. household incomes are flat or even declining, as the chart below (from the United States Census Bureau) shows.



For those families that are unable to save for college expenses, a much bigger percentage of household income must be allocated to higher education, especially in order to attend private colleges and universities.

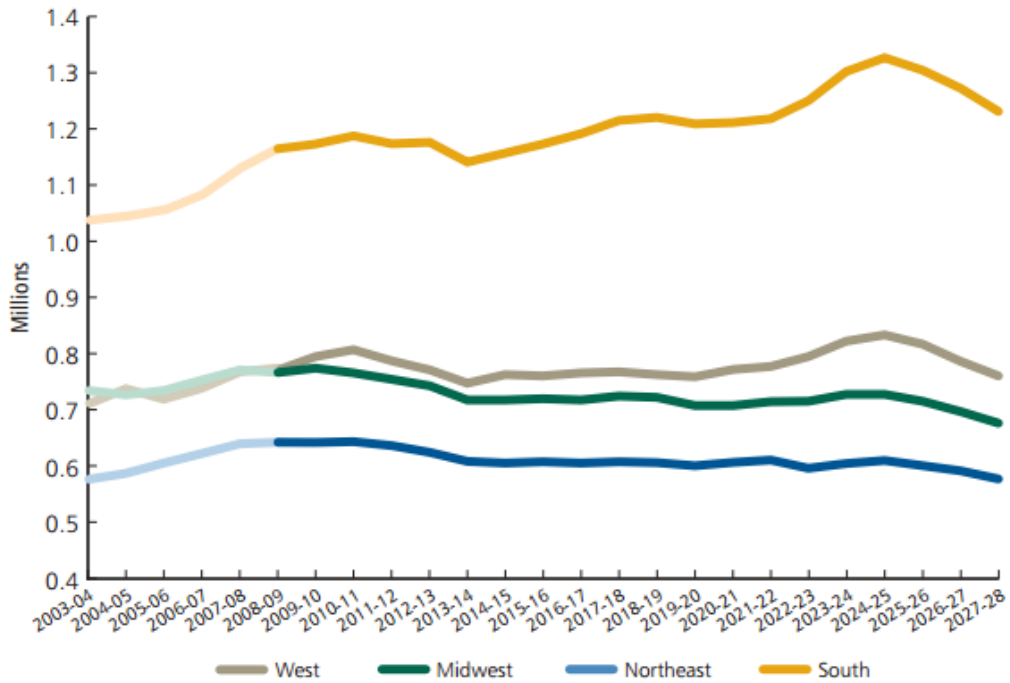
The daunting mismatch between the lack of household income growth on the one hand and increases in the cost of higher education on the other has resulted in:

- 1) increasing access challenges (some families simply can't afford a post-secondary degree),
- 2) heightened focus on the near-term value proposition (many families have begun to singularly define outcomes as financial earnings in first job from school), and
- 3) increased student and family borrowing for higher education.

Not surprisingly, these factors and others have led to immense media and bipartisan political pressures for higher education reform. Colleges and universities have responded in numerous ways including: 1) increased curricular offerings (and related cost structures) in order to improve experience, outcomes and related value, 2) Decreased curricular offerings (and related cost structure) in order to meet value targets by lowering cost, and 3) entering new markets of prospective students in order to better leverage strengths/brand and better absorb fixed costs.

For DePauw, external pressures extend beyond financial demographics. The chart below from Western Interstate Commission for Higher Education's "*Knocking at the College Door*" report shows the projected decline in Midwestern high school graduates.

Figure 2.7. Public and Nonpublic High School Graduates, by Region, 1996-97 to 2008-09 (Actual) and 2009-10 to 2027-28 (Projected)



Hence, DePauw, like other Midwestern colleges and universities whose student body is primarily regional in nature faces imposing population and financial challenges when considering the experience and related investments that will be possible. The University Strategic Planning Committee considered these factors in assessing potential priorities of the University over the next five to ten years.

## **The Business Model**

DePauw boasts a very strong balance sheet with net assets as of June 30, 2015 totaling \$781 million. The University's endowment balance as of June 30, 2015 was \$644 million with long-term debt reported at \$119 million. DePauw's physical plant is valued, on a net basis, at \$235 million and reflects over 2.1 million square feet of academic, housing and administrative facilities on a campus that spans approximately 695 acres, including a 500 acre nature park that is adjacent to the core academic campus. During the ten-year period ended June 30, 2015, approximately \$140 million of capital investment was made in the University's physical plant. DePauw's deferred maintenance backlog is estimated at \$35-\$40 million with a current annual maintenance/renewal/replacement spend of approximately \$3 million.

Excluding financial aid awards, DePauw has an operating budget of just over \$100 million. In addition, the University awards approximately \$50 million of financial aid, over one-third of which is funded from restricted endowment. The University's operations are relatively endowment dependent with approximately 30% of operating revenues generated by the annual endowment draw for operations and approximately 40% of revenues generated from net tuition and fees.

A commitment to student access is evidenced by DePauw's support of a New York City and a Chicago POSSE scholar leadership cohort, long-running participation in the Bonner Scholars' Program and significant aid awards as part of the University's Rector Scholar, Holton Scholar and DePauw Trust initiatives. Though consistent with the core values of the institution, such commitment doesn't come cheap and has historically challenged the University's net tuition contribution. Recently, however, net tuition per student has shown a positive trend with growth of 27.9 % since 2008-09. Aggregate net tuition has also increased in each of the last five years despite a slight decline in enrollment over that period of time. The University's discount rate has remained relatively flat in recent years and was approximately 55% for the year ended June 30, 2015. Operating expenditures, on the other hand, have increased by only 9.4% since 2008-09. The University recorded total gifts of \$198 million for the five-year period ended June 30, 2015 including over \$38 million of gifts designated for current use.

With these inputs and an endowment draw that has averaged approximately 6%, DePauw has successfully balanced its operating budget, on a cash basis, in each of the last six years. When including the negative impact of non-cash depreciation expense, the University has consistently reported—on a GAAP basis—an unrestricted operating deficit with a reported deficit of \$4.1 million for the period ended June 30, 2015. These externally-reported, unrestricted operating results have improved significantly in recent years, however, from a deficit of over \$13 million reported in fiscal 2008-09. The University currently holds an A3 credit rating with a "Stable Outlook" from Moody's.

Unfortunately, DePauw's current run rate in operating results is flawed in three material ways:

- 1) Operational draws from the University's endowment are well above a suggested 5% rate.
- 2) Funding for plant maintenance is well below that required to significantly reduce the University's deferred maintenance backlog.
- 3) Operating funds are not currently available for investment in innovative strategic initiatives, resulting in full reliance on gift/grant funds for innovation.

Any effective strategic plan obviously requires financial stability and health. An assessment of what would be required, in today's dollars, for the University to reach exceptionally a level of financial health necessary to fund the initiatives we propose below can be found in the appendix.



## A Framework for Moving Forward: Summary of Strategic Priorities

### *“Before DePauw”*

#### 1. Recruitment & Enrollment

**Goal:** Attract, enroll, and retain talented and socially engaged students—nationally and internationally—from a breadth of backgrounds.

**Initiative:** Improve access/end gapping via the DePauw Trust

### *“During DePauw”*

#### 2. The Teaching and Learning Experience

a. **Goal:** Enhance the student academic experience inside, outside, and beyond the classroom.

b. **Initiatives:**

- i. Renovate Roy O. West Library to provide greater access and a more effective center for student and faculty inquiry, creativity, and collaboration
- ii. Commit to implementing 3-2(1) standard course assignment for faculty
- iii. Fund new interdisciplinary programs
- iv. Increase study away and internship opportunities

#### 3. The Campus Climate

a. **Goal:** Create an inclusive on-campus experience that allows students, faculty, staff and administrators to thrive.

b. **Initiatives:**

- i. Institutionalize diversity/inclusion programming
- ii. Maintain and improve campus infrastructure

### *“After DePauw”*

#### 4. The Post-Graduate Experience

a. **Goal:** Effectively link DePauw education to post graduate endeavors and career preparation.

b. **Initiatives:**

- i. Increase alumni role in student career discernment
- ii. Strengthen pre-professional advising in the Hubbard Center to provide more information on careers in non-profits and social services

#### 5. Continuous Alumni Engagement

a. **Goal:** Foster lifelong contributions of alumni to the university.

b. **Initiatives:**

- i. Seek ways to enhance faculty role in identifying donors/investors
- ii. Seek ways for alumni to make non-monetary contributions to the university (service, mentorship, advising)

### **Before DePauw: Recruitment and Enrollment**

Any strategic plan driven by the need to serve student interests and outcomes must start where they do: deciding to attend DePauw. In an effort to optimize the financial aid budget, DePauw, like most other schools in the country, adopted a strategy known as gapping. Gapping is the practice of not fully meeting students' financial need as determined by the federal government. DePauw works with a financial aid consultant to determine where gaps in aid will have the least impact on yield and a model is developed and used by the financial aid office each year to allocate aid based on need. For this year's entering class, gaps for students averaged about \$5,400 per year. Despite having gaps, 139 students still made the decision to attend DePauw.

The continuation of this practice is, at best, risky and at worst unsustainable. As can be inferred from the data provided in the previous section, it is likely that the proportion of students who make the decision to enroll despite the gap will decrease in the near future. As consumers become savvier and experience larger discrepancies between money saved for college and the cost of a college education, more prospective students will only apply to institutions that do not gap and/or have net costs that are lower than their competitors.

Gapping impedes any capacity to fundamentally "shape" the DePauw student body (that is, to recruit exactly the students we want). Commonly the Admission staff has two conversations with the families of prospective students. In the fall, the first conversation is primarily about the value and quality of a DePauw education. This conversation with students and their parents is the easy one and frequently results in students wanting to attend DePauw (especially if accompanied by a student visit to campus). The second conversation in the spring is about financing a DePauw education. When conversation #2 dominates, conversation #1 fades. This is especially true and difficult when it is conducted with middle and lower income families of admissible students who simply cannot afford a \$5,000 gap.

The DePauw Trust, first implemented in academic year 2015-16, could be the single biggest difference maker in terms of providing access to students and allowing the University to fully invest in talented, socially engaged, and diverse students who will contribute mightily to the campus community. The yield for last year's students who were offered the DePauw Trust was 48%. This compares with a 19% yield rate for the class as a whole. Being able to convey to any student who wants to attend DePauw that it will be financially possible to do so will enable all of our conversations to focus on the value of a DePauw education instead of the financial gap. Unfortunately, the DePauw Trust is currently available only to small number of our students. Meeting the commitment to fully endow the trust, will allow DePauw to remain vital and innovative in the highly competitive admission market.

## **During DePauw I: The Teaching and Learning Experience**

### *1) Renovation of Roy O. West Library*

A library for the 21<sup>st</sup> century positions DePauw ahead of its peer institutions in expanding the opportunities for advanced technologies and productive spaces to foster our students' academic achievements and ambitions. It does so through the principle of asserting a space of academic tradition built on access and collaboration. As has long been acknowledged and asserted by Rick Provine, Dean of Libraries, books are but one collaborative model of knowledge acquisition. Rick has long been involved in digital librarianship, beginning with his work at the University of Virginia with media, continuing with his initial appointment at DePauw as the Technology Librarian, and continuing with his innovative work and participation in national conferences about Digital Librarianship. The access created by digital librarianship has significantly expanded research possibilities. Student outcomes in digital literacy reveal that they use databases, advanced licensed software, and specific technologies very competitively. To build on this success, in the most literal and long-lasting sense of the phrase, the Strategic Planning Committee supports a proposal to expand collaborative spaces within the Library. A Reading Room provides an aspirational trajectory within the space of the library that renders the academic endeavor more communal and visible: it announces the academic excellence of the institution to visitors, prospective students, and current students. An early concept design providing 25 collaborative work spaces (as opposed to the small ten spaces currently in the library) encourages group work that can benefit from the specialized technologies that the library hosts; it also fosters faculty-student collaboration on projects beyond the classroom and the lab.

By focusing on collaborative work spaces and the communal space of the reading room, the proposed Roy O. West revitalization presents a fiscally judicious and competitively compelling advantage for the student experience. Other liberal arts colleges (Williams, Kenyon, Smith, and Vassar) have recently made significant investments in the reconceptualization and physical renovation of their libraries.<sup>1</sup> A renovated library that becomes a space of access to knowledge and meaningful collaboration between faculty, students, and library researchers and is shaped by advanced technologies will make DePauw a national leader in the "learning commons" model of contemporary libraries.

Far from a storehouse of books, Roy O. West Library can now be fully visible, programmable, and experienced as a collaborative learning and research space. The faculty initiative of an Office of Undergraduate Research can be housed in the library as an exemplary model of faculty-student research, grant competitiveness, and scholarship. Just as the Welch Fitness Center serves as the campus's physical fitness

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<sup>1</sup> Kenyon's investment will be in the neighborhood of \$60-80 million; by comparison the proposal for DePauw's library renovation is around \$11 million (net of debt funding and committed gifts).

hub and Hoover Dining Hall will serve as the nutritional heart of communal student life, the renovation of Roy O. West library will nurture the life of the student mind. It will promote and elevate the academic enterprise of the institution for years to come.

## 2) 3-2(1) Standard Faculty Course Assignment

In the fall of 2015, the Vice President for Academic Affairs modeled a 3-2(1) standard course assignment based on data from AY2015-2016.<sup>2</sup> In round numbers and given a faculty of approximately 200, 150 of a potential 1200 courses at DePauw are currently reassigned. The 3-2(1) model presents an approximately 50-course differential, which could be met with minimal faculty expansion or curricular adjustment. Furthermore, the model indicated that about 20 faculty members feel as if their value is best added by continuing to teach 6 courses a year, providing a promising indication that the 50-course differential will actually be smaller.<sup>3</sup>

The modeling of the 3-2(1) arrangement also identified an exciting array of projects for faculty engagement of the reassigned course: faculty-student research,<sup>4</sup> nationally competitive grant writing, research and curricular collaborative work, involvement in affinity groups, and community engagement. Although many faculty already participate in these activities, the opportunity to commit to specific projects will enable us to publicly acknowledge this work, thereby substantially increasing opportunities for current and prospective students.

Simply put, a 3-2(1) standard course assignment safeguards faculty-student interaction beyond the classroom. All small liberal-arts colleges claim to offer students small classrooms and access to professors. With this initiative, DePauw can create opportunities for faculty to foster innovative work beyond the classroom that will continue to shape a dynamic academic experience for our students.

Delineating the specific activities, projects, and endeavors of DePauw's faculty positions us competitively with regard to several points of growing strength: greater faculty-student interaction, increased nationally-recognized scholarship, and an innovative and flexible curriculum that can intersect with campus- and nation-wide conversations hosted by our Centers (Prindle, McDermond, Pulliam). A 3-2(1) standard course assignment allows us to expand on existing internally competitive reassigned course awards (Fisher Time Outs, Faculty Fellowships, etc.) that have productively supported the service and scholarship of *some* faculty members over

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<sup>2</sup> Currently, the standard teaching assignment is 3 courses per semester (or 6 courses a year). In the 3-2(1) model, faculty members can choose to continue teaching 6 courses a year or use one course for an alternative activity or project.

<sup>3</sup> Please note that these numbers are rough estimates. In the spring, as we create an implementation plan, the committee will compile a more precise model.

<sup>4</sup> This type of project was the most frequently cited target of reassigned time among faculty.

the years. The University would now be poised to offer a reassigned course to *all* faculty members, thereby providing an additional competitive asset in attracting and retaining top candidates to teach here.

In our continuous efforts to recruit vibrant and professionally active young faculty members, a 3-2(1) standard course assignment presents an exciting and unique opportunity to candidates to begin formulating innovative co-curricular endeavors with students. In a national context, the committee believes that the attraction and retention of talented faculty is paramount in the ever-competitive world of higher education. Kenyon, Denison, and Wooster, for instance, all have 3-2 standard course assignments; Oberlin has a 2 ½ -2 arrangement. What makes 3-2(1) competitive is the ability to report out, in both our admissions materials and in our faculty development strategic planning, the exciting work that faculty do with students beyond the classroom. It sends a strong message of the importance of faculty in the academic experience of our students by maintaining a dynamic and current curriculum and by supporting important scholarship and creative work.

The importance of creating an intellectual environment where potential faculty are assured strong institutional support for their artistic work and scholarship cannot be overstated. This point is especially critical if we are committed to diversifying our faculty (see p. 16). PhD's of color remain statistically rare in many fields. And it's safe to say that many, if not most, liberal arts institutions are facing similar campus climate issues regarding inclusivity and justifiable pressures to expose students to faculty models and mentors from a multiplicity of identity backgrounds.

As we find ourselves facing stiffer competition with peer and aspirational schools to hire top quality new PhDs, it is in our collective interest to be as competitive as possible. To that end, we must present DePauw to potential candidates as an energetic intellectual destination that values both teaching and scholarship. This modest and cost-effective reorganization of faculty teaching will help to move us in that direction.

In the spring of 2016, the Strategic Planning Committee will continue its assessment of the cost and structures necessary for the timely implementation of this initiative.<sup>5</sup>

### *3) New inter-disciplinary programs*

To stay competitive in the current higher education environment, to reinforce our institutional commitment to the liberal arts, to aid in our recruitment and admission efforts, and to prepare students for exciting career paths, the committee supports

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<sup>5</sup> Key implementation issues we will address include the effect of 3-2(1) on tenure and promotion standards and on existing faculty development programs.

the addition of new interdisciplinary programs. Other GLCA institutions offer their students an exciting mix of interdisciplinary programs.<sup>6</sup>

DePauw faculty members have consistently collaborated on interdisciplinary programs that benefit from contributions across multiple departments. These programs allow for curricular growth and innovation using available resources. Hence they are fiscally responsible and competitively agile. We currently offer five major-granting interdisciplinary programs (Africana Studies, Asian Studies, Film Studies, Peace and Conflict Studies, Women's, Gender and Sexuality Studies).<sup>7</sup> The VPAA is working with interdisciplinary program directors to assess and strategically plan for the future of these programs as these contribute significantly to the general education requirements of the university and are a vital part of our admissions curricular profile.

In the coming year, the Curriculum Committee and the DePauw faculty will have before them a Global Health interdisciplinary program and a World Literature interdisciplinary program. Global Health connects Economics (international systems), Biochemistry (epidemiology), Mathematics (statistics), Biology (immunology), Anthropology (cross-cultural perspectives on the experience of health and illness), Sociology (health care policy), and Philosophy (ethics) with the potential for more departments becoming involved (science reporting in our Creative Writing major in English, for example). World Literature gathers and energizes offerings from several Modern Languages (including Arabic, Chinese, French, German, Russian, and Italian) as well as the department of Classics. Both Global Health and World Literature intersect with the new International Experience commitment in DePauw's general education requirements. In addition, discussions of an interdisciplinary major in neuroscience have also begun. These new programs are the latest in maintaining DePauw's vitality and to cohere around the university's commitment to global issues, amplify DePauw's competitive offerings, and expand students' post-baccalaureate opportunities.

#### *4) Increase Study Away and Internship Opportunities*

While the heart of DePauw's educational mission will always be centered around the learning that takes place when faculty and students come together in the classroom, our University has for generations provided opportunities for students to expand their education beyond the confines of the campus through study abroad and

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<sup>6</sup> Kenyon has Law and Society and Islamic Civilizations and Cultures programs; Oberlin hosts American Studies and Environmental Studies; Wooster offers Global Studies and Urban Studies; and Denison, in addition to its existing Queer Studies, International Studies, and Organization Studies, just announced its new Global Commerce interdisciplinary program.

<sup>7</sup> Interdisciplinary minors are currently offered in European Studies, Jewish Studies, Latin American and Caribbean Studies, and Russian Studies.

internship experiences. At their best, these experiences can enrich both students' understanding of what they learn in their courses, and also the campus academic environment, as students bring what they have experienced off campus back into the classroom. Off-campus learning opportunities are very much part of the DNA of our university and our student body, and our long-time focus on connecting collegiate education with a life's work.

At one time, DePauw was well ahead of the curve in providing this kind of educational experience in the context of a liberal arts college education. Today, this kind of flexibility is becoming increasingly commonplace, and some institutions are stealing a march on DePauw, particularly in regard to the diversity of their off-campus offerings. To stay competitive, DePauw will need to open up study abroad opportunities in new parts of the world, and internship options that span a wider array of industries and organizations than have been part of our offerings in the past. We must also make use of the resources of the Hubbard Center to ensure that off-campus learning experiences are well-integrated into the educational arc of our students and into the life of our academic community. Finally, as our University continues to work towards ensuring that our educational program is accessible to promising students from all walks of life, we must continue to find ways to financially support the availability of these experiences to all DePauw students.

## **During DePauw II: The Campus Climate**

### *1) Institutionalize Diversity and Inclusion Programming*

The initiatives identified here parallel those presented in the Diversity & Equity Committee's Campus Inclusion Plan. We offer similar suggestions here as part of this more holistic Strategic Plan to reinforce the fact that addressing matters pertinent to the campus climate reverberates across every other area of the university.

DePauw has historically sought to be demographically diverse, both in its faculty and student representation. In the spring 2015 semester, the University outlined a one-year plan identifying action items to be more intentional and holistic with both diversity and inclusion efforts. These efforts seek to embody, not only our institutional values of a diverse and inclusive learning and living community, but also our commitment to these endeavors. The 2015-16 inclusion plan addresses five broad areas: (1) Enriching and supporting diversity and inclusivity for faculty and students in the classroom; (2) Creating space, programming and events to increase and deepen our social and community connection with one another; (3) Providing information/data and training that prioritize and create an organizational structure that supports diversity and inclusion initiatives; (4) Enacting policies and practices that support recruitment and retention of diverse faculty, staff and students; and (5) Producing a long-term inclusion plan.

The campus community has made significant progress on accomplishing the majority of the action items outlined in the one-year inclusion plan. Opportunities for professional development related to cultural competency, as well as sustained examination of our policies and practices continue. Additionally, a draft vision statement and definitions of diversity and inclusion have been shared with the campus community with opportunities to provide feedback. The Diversity and Equity committee, leading the university efforts with the inclusion plan, divided into four working groups to identify the priorities for the long-term inclusion plan. In the spring 2016 semester, the Committee will provide an update on the 2015-16 plan, share a revised draft of the vision and definition statements, the results of the faculty/staff climate survey, and share an initial draft of the long-term plan.<sup>8</sup>

A significant amount of research has shown that businesses that are more diverse are more competitive and successful. The field of higher education is not exempt from this ideal business model. Cultural competence prepares our students to be tomorrow's global leaders; however, when faculty and staff consistently feel valued for their unique perspective/experience (diversity) and respected for their contributions (inclusion), the university benefits too: institutional cost savings related turnover, replacement and absenteeism; enhanced problem solving, talent acquisition, and enhanced leadership effectiveness. To that end, the continued

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<sup>8</sup> It's worth noting that DePauw is one of the few schools conducting 1- or 5-year inclusion plans, putting us at the forefront nationally in addressing these important social issues.



commitment of our diversity and inclusion efforts by every stakeholder at DePauw will build upon our current position and ranking of liberal arts colleges and create new opportunities for all students, faculty and staff to intellectually and socially thrive.

## *2) Maintain and Improve Campus Infrastructure*

DePauw is fortunate in its campus facilities, but some parts of the campus are showing the effects of deferred maintenance required by budgetary pressures since the economic downturn. When the campus physical environment starts to fray, it can negatively affect every aspect of the University, from faculty pedagogy and scholarship to student recruitment and retention.

Student housing in particular will require investment in the years ahead, as will some academic buildings (some of these latter needs are already slated to be addressed in projects associated with Asbury Hall and Roy O. West library). Transitions in the backgrounds, perspectives, and expectations of college students will likely also require investment in new or re-designed student-centered spaces (the recent investment in the cultural centers represents a good start on this need).

An opportunity to re-shape some aspects of student life (most notably, a problematic drinking culture) will present itself when the Hub and Longden dining halls become available for re-purposing as student social space. DePauw would be well-served to take advantage of this chance to more intentionally design options for those students who have been desiring social spaces that do not revolve around the consumption of alcohol. Unlike many colleges of its kind, DePauw does not offer students many options in terms of social space, leaving the burden to fall disproportionately on fraternity houses to provide this function. This serves neither the fraternities nor the University well, and both would benefit from a richer set of options offered in University facilities.

## **After DePauw: Post-graduate Outcomes and Continuous Alumni Engagement**

### *1) The Post-Graduate Experience*

The creation of The Hubbard Center for Student Engagement and its corresponding programming are instrumental in DePauw's ability to continue to offer and enhance an exceptional undergraduate experience—both in and out of the classroom—that will produce accomplished graduates. DePauw has a long history of extraordinary success among its alumni constituency, a hallmark that is generally considered an outcome of its strong academic and social composition. Further development of DePauw's practicum experience, and particularly guidance in the exploration of potential post-graduate endeavors, will serve as a distinguishing factor that will better prepare DePauw graduates for an ever-changing world long after they've received their diplomas.

The past two academic years have shown some 93% of DePauw graduates have a firm destination upon graduation, whether directly into the job market (60%), graduate school (30%), or some other program of distinction such as Fulbright Scholarships, fellowships, or other national awards (3%). This is a strong position from which to build, but there is an opportunity for DePauw to achieve even more by equipping its "alumni army" to assist in guiding recent graduates.

Significant increases have been made in coordination between the career services area and the alumni engagement office in recent years. A harmonious effort is beneficial to all parties involved. There are a variety of ways to resource the institution, and assisting students with career mentorship and preparation for post-graduate work is an avenue by which many alumni start to "give back." Many studies reveal that volunteers who invest in a cause typically do so in a variety of ways, and that investment grows stronger over time with a positive experience.

Opportunities for students to explore careers in areas such as nonprofit or social service work are on the rise. DePauw's ability to expand Hubbard Center work to include these areas of growing opportunity—as well as preparation for students who plan to continue studies in graduate school—is important as we consider the future job market. Some researchers estimate that current graduates will experience an average of 17 job changes during the life cycle of their careers. Our alumni can and should be equipped to help DePauw graduates experience the power of a strong network that further distinguishes our alumni from those who experience other types of post-secondary education.

## *2) Continuous Alumni Engagement*

Philanthropy is a critical part of the university's business model, and engagement is the first step to any meaningful alumni relationship. As the university division tasked with securing resources in support of DePauw's multi-faceted operation, Development and Alumni Engagement holds a vested interest in creating positive engagement opportunities for alumni, parents, and friends.

There are a variety of ways in which alumni can invest in the life of the university. A DePauw education nets a significant benefit to the individual graduate. Hence, the ability for alumni to "pay it forward" is essential to this specialized form of education.

A key goal of the Development and Alumni Engagement division is to find ways to foster lifelong relationships with the alumni body. Our recent way of categorizing opportunities to contribute to DePauw is outlined in the following four categories:

- 1) Participation in the life of the University by attending events, either on campus or where an alumnus resides. Activity in support of DePauw generates energy, enthusiasm, and feelings of connection while also providing the institution ongoing opportunities to educate and stimulate our alumni. Taking DePauw to the place where our alumni reside is essential, as we know only a fraction of alumni will return to campus regularly during their lifetimes.
- 2) Provision of financial support to DePauw on a consistent basis by participating in annual, special and legacy giving opportunities. Although "writing a check" is not the only way to support DePauw, it is arguably one of the most important. DePauw has relied on philanthropic support since its beginning, and, as was pointed out earlier in this document, the need for increased financial support grows every year. It is therefore incumbent on the Development and Alumni Engagement division to help deliver the message of outcomes in its appeal to alumni, since most individuals don't understand the basic financial model of the institution. Including ways for other campus partners to assist with securing resources is critical. Although currently underutilized, professors, program managers, and other "content experts" may well be the best advocates in assistance of this cause, as is student involvement. Staff fundraisers are the conduit by which these resources reach the University, but the connection between alumni and those on campus is magical. It is necessary to apply best practices in our efforts to resource the university; the ability to effectively steward those who give is the key to future support.
- 3) Provision of support to DePauw by assisting with other needed activities such as offering internships, mentoring students, recommending prospective students, and assisting with career and graduate-school preparation. These opportunities to help students are meaningful ways

for alumni to participate. Not all alumni can make a financial contribution of substantial proportion, but all can find other ways to be engaged in the activities that assist students.

- 4) Staying connected to DePauw and its strong alumni network by taking advantage of ways to be in touch. Whether this is as simple as updating an email or mailing address, or as interactive as utilizing the EverTrue app or other social media outlets, the importance of our alumni staying connected to the institution cannot be understated. We see the application of recent strides in alumni engagement yielding outcomes already, and there is reason to believe we can continue to make significant gains here in the future.

In the coming years, it will be necessary to consider the impact of partnerships across campus and a coordinated effort among alumni, parents, and friends. We often hear on a college campus that “everyone is a recruiter,” but we seldom hear “everyone is a fundraiser.” However, *each person who touches an alumnus makes an impact on our ability to engage that person to help resource the university in the future.* Fortunately, experiences are often positive with a favorite faculty member, a staff mentor, or other campus friend. Our biggest opportunity for the future resides in our ability to educate the *current* campus constituency about the power of coordination and partnerships. DePauw alumni have the capacity to make a difference and we have the power to tap into that capacity with a team-oriented approach.

These initiatives, though crucial in enhancing the national reputation of DePauw and vital in meeting the immediate needs of our graduates, will require minimal budgetary investment.

Appendix

<u>Current State:</u>	Surplus (Deficit)	Endowment to Support
Fiscal 2014-15 Operating Surplus	\$ 1,247,000	\$ (24,940,000)
Fiscal 2014-15 Endowment Draw > 5.0%	(5,230,958)	104,619,160
Unfunded Maintenance/Equipment	(3,500,000)	70,000,000
<b>Foundational Challenge Annual</b>	<b>\$ (7,483,958)</b>	<b>149,679,160</b>
 <u>Priority Considerations (annual estimates):</u>		
Access: No Institutional Gapping Beyond Govt & Loans	\$ (3,000,000)	\$ 60,000,000
Faculty Support (Adjusted Course Assignments)	(2,000,000)	40,000,000
Academic Programming (Interdisciplinary, practicums, etc)	(1,500,000)	30,000,000
Increase Off Campus Study and Intern Opportunities	(750,000)	15,000,000
Additional Inclusion Support	(1,000,000)	20,000,000
Increase Alumni Role in Student Career Discernment	(250,000)	5,000,000
Expand Alumni Engagement	(250,000)	5,000,000
Expand Hubbard Center to Support Under-Addressed Areas	(250,000)	5,000,000
<b>Aspirational Challenge Annual</b>	<b>\$ (9,000,000)</b>	<b>\$ 180,000,000</b>
 <b>Optimal Operational Funding</b>	 <b>\$ (16,483,958)</b>	 <b>\$ 329,679,160</b>
 <u>Estimated Capital Investment</u>		
Library (net of debt funding and committed gifts)	\$ 11,000,000	
Student Housing	30,000,000	
Other	10,000,000	
Total Near-Term Capital	\$ 51,000,000	

As the chart shows, the University's annual operating challenge *without* any new initiatives is approximately \$7.5 million. The Strategic Planning Committee believes strongly that the absence of such initiatives would squelch meaningful innovation and severely damage the university's competitive positioning in the national context. Solving this challenge and providing for new initiatives (loosely estimated at \$9 million annually) will require some combination of improved net tuition, improved annual giving, endowed gifts, adjusted resource allocation or cost reduction.