



700 Luther Drive
Mankato, Minnesota
56001-6163
507.344.7000
www.blc.edu

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Dear Friends of Bethany Lutheran College,

At their annual convention in June 2023, the Evangelical Lutheran Synod (the church body that owns and operates Bethany Lutheran College [BLC]) tasked the College's Board of Regents, Synod Trustees, and the Administration of BLC with the requirement of creating balanced annual budgets for the College. The charge was necessary as the College had depleted its contingency funds that had often been used to cover annual operating deficits. When the assignment was completed, a six-strategy plan was presented to and approved by the Board of Regents in November 2023. The five-year plan for annually balanced budgets includes five revenue generating strategies and one set of recommendations for cost control measures that will result in budget savings of over \$300,000 annually.

Academic and extracurricular program assessments and subsequent decisions were made with considerable study and forethought examining external and internal demand for each program, enrollment trends in all academic majors, participation trends in extracurricular activities, cost-effectiveness reports for each program, and in consideration of each program's mission essentiality to the College. Throughout the process if changes were deemed necessary, the Administration was intent to make choices that would impact the fewest number of students and employees, and with the effort to save as many positions as possible at the College. This goal was accomplished in the fact that the decisions affected less than 2% of students within their majors, impacted programs would continue through teach outs or through the continuation of programs with adjustments, and no full-time employees would lose their employment at Bethany.

Decisions regarding program adjustments as a result of the study were announced to the campus first, and to the public shortly thereafter on November 27, 2023, and since then the Administration and Board of Regents have received and taken to heart significant advice and feedback. Countless hours of meetings occurred among Administration, and with others, to gain additional insight. The Board of Regents also met just a few weeks after the November announcement to consider questions and observations, but no new action was taken until their recent quarterly meeting on February 5-6, 2024. While the outcome of the meeting saw the Board remaining steadfast in their commitment to annually balanced budgets, the Regents resolved to address and revise two of their November decisions as outlined below:

Bethany Lutheran College Speech and Debate Team

In consideration of an enrollment recruitment investment strategy, the Regents resolved to drop the idea of a student-run speech organization, and instead to hire a full-time coach and recruiter with teaching duties. The program would be expected to recruit and maintain a roster of 18 new, unduplicated students over three years and will be evaluated for re-investment after that time. This arrangement is consistent with other coached and recruited teams including Bethany's golf and tennis teams where similar investment strategies are being employed.

Theatre Productions

As originally announced, Bethany will maintain our ongoing commitment to a full calendar of theatre productions. This includes the costs associated for contracted expenses related to set design and construction, lighting and sound design, and prop design and construction.

In Retrospect and Future Program Decisions

After reviewing the budget impacts of these modifications, Bethany Administration is able to confirm to the Regents that these adjustments continue to fit within the parameters of annually balanced budgets this year and over the next four years.

With regard to announced academic program eliminations (majors and minors), the Board of Regents remains committed to their November decision to discontinue all previously announced academic program reductions (American Studies, History, Social Studies, Theatre, Philosophy, and Global and Cross-Cultural Studies). Affected students in these majors and minors will be able to continue at Bethany through a teach out process allowing all those currently enrolled to earn degrees in these programs through Bethany. No new students will be accepted for enrollment into these programs. That being said, the Board of Regents invites the faculty to collaborate both within and outside their departments, and with the Vice President for Academic Affairs, to redesign and propose new programs that meet Bethany's financial and enrollment sustainability standards as outlined to them by Administration.

Finally, as President of Bethany Lutheran College, I pledge to you my full commitment to help our constituency move toward a better understanding of the College's challenges, and sometimes difficult decisions, that we face and how they affect our beloved institution. It is my prayer that we may be reunited and fully engaged as a campus community, church body, and family of alumni, friends, and supporters. I ask all to join with me in ongoing communication about the future of our college in large group settings, and especially in many small groups and perhaps even individual meetings, where we can meet face to face to talk and to collaborate. This effort will include education about how Bethany's mission can move forward and navigate in today's challenging society and college landscape. And it will require the sharing of Bethany's vision so that all may understand our identity as a Christ-centered, Confessional Lutheran liberal arts college, and the direction to which we aspire.

I'm confident that our gracious God who has so richly blessed the College for nearly 100 academic years in both times of abundance and great need, will continue to bless our efforts as we seek to serve Him and His Kingdom through our two-fold purposes to engage students with their Savior, Jesus, and to equip them for productive and fulfilling lives in their families, churches, workplaces, and communities.

In Service to Christ and His Church,



Gene R. Pfeifer, Ph.D.

President, Bethany Lutheran College