

Otterbein University

Digital Commons @ Otterbein

University Updates & Communications from the
University President

University Documents & Records

7-7-2022

University Presidential Update- July 2022

Academic Affairs

Follow this and additional works at: https://digitalcommons.otterbein.edu/university_updates



Part of the [Educational Leadership Commons](#), and the [Higher Education Commons](#)

Campus Update from President Comerford

President Comerford <PresidentComerford@otterbein.edu>

Thu 7/7/2022 8:35 AM

Cc:Smith, Becky <rsmith@otterbein.edu>

Dear Colleagues,

I hope everyone is getting some time to recharge. You may not get rich working in higher education, but one of the great benefits is the flexibility provided by our generous leave policies. I hope you get some time with family and friends!

Fall Enrollment

Fall's enrollment is becoming clearer by the day. Our first-time, full-time enrollment continues to hover around 565-575. That is not far from last year's 568, but is a disappointment compared to our 625 target. New transfer students are on-track for our goal of 80. Most importantly, returning student registrations are about 50 below what we expected. There are still 95 eligible to return and staff in Student Success and Career Development are calling each of them now. If past summers are a guide, we would expect 25-30 of these students to yet register.

An unfortunate development over the past few weeks has been 56 students who lived on campus last year and were expected to do so again choosing to commute this fall. Our best guess is this is the direct impact of inflation and general economic uncertainty. Families are saying, 'You can go to college, but you'll need to live at home to save money.' This has a significant budget impact, but also worries me about student success and retention. Students who live on campus are naturally more connected, get better grades, and retain at higher rates.

Budget Development

As long as we are facing some unfortunate realities, we are seeing a number of other changes in our budget projections. Some are good - notably a return of companies wanting to lease space in the Point. We are also completing a space utilization study to look for other opportunities to consolidate and sell and/or rent under-utilized spaces.

But, most changes are bad and largely beyond our control. Our central heating and cooling plant is powered by natural gas, the price of which has surged from \$3 per dekatherm to \$9 per dekatherm in the past few months. Inflation is leading to much higher food, supply, and other contractual costs than we had anticipated. Rates for insurance are also coming in higher than planned.

There is still work being completed on the budget for this year (FY23), including unknowns like how much our tuition discount rate will be affected. But, it is clear we will have to lower expenditures to deal with increasing costs and decreasing enrollment revenue. Watch for more information in the coming weeks.

Partnership

I am sure your reaction to the above information is like mine - it's depressing. It seems we do all we

can to provide a truly outstanding educational experience, and yet we keep falling short of our enrollment and revenue goals. And the headwinds beyond our control are real - inflation, falling consumer confidence, a bear market, and a likely near-term recession not only affect Otterbein, they affect the students and families we serve. Even good news in the economy - low unemployment and higher starting wages - end up giving more young people an attractive alternative to college.

First, a reminder that all is not lost. Otterbein is still the envy of most private colleges. We have an attractive location, healthy reserves, and a very positive reputation. Many of our colleagues across the state and beyond would gladly trade places with us!

We must also face a reality - we need something different. We will never stop educating traditional undergraduates in a residential campus setting, but that will never fully pay the bills. We need to be in growth markets including adult degree completion, graduate programs, on-line and low-residency offerings, and corporate professional development programs.

Please mark your calendars for July 14 at 1:30 p.m. for an important livestream town hall where we will announce the first of the partnerships long under discussion. This partnership will put us into those educational spaces in a big way. I believe this new opportunity will offer growth and supplement the traditional programs we have always offered. Be on the lookout for an email with a link to the livestream event the morning of July 14.

Fundraising

Some more good news is that our alumni and friends (including 146 faculty and staff!) contributed to another successful fundraising year. I am happy to report that we exceeded our Otterbein Fund goal with a total of \$851,717 in unrestricted gifts. Philanthropic commitments to Otterbein totaled \$5.4 million, funding everything from scholarships to the Campus Center renovation. We are grateful for the confidence that our donors place in us to provide an excellent education for our students.

Campus Center

You have seen the exciting progress on the first phase of the Campus Center project. The build-out of the interior spaces (new lobbies, restrooms, etc.) is well underway. The exterior grounds construction will also soon begin. These elements are expected to be on-time for the students' return. The only part where we have hit a delay is the elevator. The elevator is a small building addition, requiring a new stable foundation. And the soils have not cooperated, thus new footers are required. That means we may not have a functional new elevator until mid-fall.

Clements House

I mentioned earlier a space utilization study looking to consolidate where we can. We have fewer employees and fewer students, thus we should need less space.

No such study is needed for Clements House (111 North West Street), which had served as the president's home since 1971. My family and I elected to live in our own home, so the house has been largely vacant for the past four years. On my recommendation, the Board has decided to sell the house. Houses should not sit vacant, we cannot rent it without paying significant property taxes, and it is not appropriate for anything other than single family housing.

As we think about consolidating, I expect a number of additional opportunities to sell or repurpose other houses Otterbein has come to own around the campus.

Summary

So - lots of good and lots of challenges. If ever you have wondered if your work matters, don't. It is times like these when each of us can have maximum impact. Working on easy street may be low stress, but it's also low impact. Right now, each faculty member's mentoring relationships will matter more than ever. The time each staff member takes in each caring interaction will matter. And we look to an exciting future together. Otterbein has always innovated, always done the right thing before it is popular. And we will do it again!

Sincerely,



John Comerford, Ph.D.
President



otterbein.edu/175