

Dear Classis Region 3 Churches,

When I last wrote to you all over the summer, it felt as if much of the country was anxiously preparing for a fall filled with uncertainty—the return of school, the expected news of vaccine trials, a presidential election—and Calvin’s leadership felt this uncertainty as well. I am writing now at a significant milestone: Calvin University was able to safely hold in-person classes for nearly the entire semester. In a challenging time to practice gratitude, I am grateful for this.

For this Board report, I want to first highlight a number of important updates before providing a general summary of the Board meeting. Those updates include: (1) Calvin’s COVID-19 response; (2) Calvin’s strategic plan; and (3) enrollment, the Calvin Global Campus, and graduate programs.

### ***COVID-19***

Calvin held in-person classes for nearly the entire semester thanks to the diligent work of the Safe Return Team *and* student cooperation. For a student’s perspective on the administration’s COVID-19 planning, see this [Chimes editorial](#). I also do not want to understate the importance of student cooperation. In conversations with Cabinet during the Board meetings, they made clear that student compliance was critical to being able to stay open—with very, very few cases of multiple infractions.

Calvin had always planned to transition to online courses at Thanksgiving, and it succeeded in this goal until Governor Whitmer’s order to transition to online classes beginning November 19, only four weekdays short of the plan. I consider that a huge success. Though Calvin did have cases throughout the semester, diligent testing and student cooperation kept the caseload low and it was even down to zero on-campus cases on September 30—an incredible feat in higher education.

Calvin will return on-campus for interim and spring semester pending state restrictions. Planning ahead, the administration has already made the difficult decision to cancel spring break and Easter break in order to encourage students to remain on campus and to finish the semester early.

### ***Calvin’s Strategic Plan***

Though Calvin’s primary goal this year is to have safe, in-person learning, the Cabinet continues to make progress on the 2019-2025 Strategic Plan and long-term goals. If you have not yet seen Calvin’s Vision 2030 [Strategy Map](#) for 2019-2025, I highly encourage you to review it, as it provides a helpful overview of the school’s priorities over 6 years and a clear understanding of where Calvin plans to be by 2030. The Cabinet has an operational plan with over 100 initiatives to implement the strategies and reach its goals, and they are continuing to complete these initiatives even during the pandemic.

I have found the strategy map a way to keep me hopeful about the future and grounded during a time in which we all seem to be focusing one day at a time. By designating Sarah Visser and Todd Hubers to lead Calvin’s Safe Return Team and COVID-19 response, President Le Roy has been able to maintain focus on Calvin’s long-term goals and strategies to reaching those goals.

As I am sure you all have experienced at times, it can certainly be challenging to find balance between crisis response and thinking long-term. It is difficult to make hard, financial decisions in the present

while planning for future goals that require investments. As will be noted later in the report, Calvin had its most successful fundraising year to date and, in the same year, announced significant budget cuts.

Calvin's operating expenditure cuts this year are the result of less operating revenue from fewer students. Net tuition and room and board alone make up around 90% of Calvin's operating budget, and wages and benefits make up approximately 65% of Calvin's operating expenditures, leaving limited options for cuts while keeping the university operating. The Calvin Annual Fund is the only fundraising effort that supports the operating budget; all other fundraising efforts are typically earmarked for specific assets, such as capital assets or the endowment. To safeguard its future, Calvin must operate with a budget that is structurally balanced.

### ***Enrollment, the Calvin Global Campus, and Graduate Programs***

Calvin's vision is to become a Christian liberal arts university with an expanded global influence. Our goal is to grow beyond being a traditional undergraduate college to advance Calvin's mission to broader audiences. To reach this long-term goal, the university must increase enrollment, which is the Cabinet's primary objective this year. New enrollment strategies, the Calvin Global Campus, and new graduate programs will support this objective.

Vice President Lauren Jensen, Associate Provost Kevin den Dulk, and President Le Roy reported that Calvin is expanding its undergraduate and graduate programs to reach new audiences, including degree completion programs, Spanish immersion programs, Calvin Prison Initiative expansion, and other professional certificates and badges. Vice President Jensen also explained current efforts in market development and lead generation targeted at growing the number of applications, which we believe is the key to growing undergraduate enrollment. She also referenced the Calvin Promise, a new program that promises at least \$21,000 per year for 4 years to students with a 3.8 or higher GPA.

For those who do not know, Vice President Jensen has a background in data analytics and has implemented a data driven approach to tracking the success of new enrollment strategies. The Board continues to be impressed by the scope of data they collect and how quickly her team pivots and implements new strategies as new enrollment data comes in.

In an email from President Le Roy since the fall Board meeting, he noted that the enrollment team is hitting their weekly goals for number of inquiries and applications for next year, which is great news!

### ***Board Meeting Summary***

In our first plenary<sup>1</sup> of the Board session, we approved the minutes from the May Board meeting and the two update meetings we had in August and September, and we welcomed our three new Trustees:

- Reverend Wayne Coleman (CRC Region 12 Trustee)
- Reverend Nathan DeJong-McCarron (CRC Region 11 Trustee)
- Perrin Rynders (Alumni Trustee)

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<sup>1</sup> Plenary meetings refer to meetings of the full Board, as opposed to Committee meetings. Board meetings typically have four plenary meetings per Board session.

Due to the virtual format, Board Committees met throughout the week, and Thursday afternoon was dedicated to the remaining Committee meetings.

- **Academic Affairs:** Provost Brandsen updated the Committee on COVID-19's impact on student learning. Most instruction is face-to-face with physical distancing, and there are appropriate accommodations for students and faculty as needed. The division's strategic plan goals this year include (1) finalizing the new university academic structure, (2) continuing to develop new in-person and online graduate programs, and (3) revising the Core Curriculum.
- **Advancement:** Vice President of Advancement Erffmeyer reported that 2019-2020 was the best year in Calvin's fundraising history. Primary fundraising goals include (1) fundraising the new Commons Union (\$20 million has been raised), (2) continuing the feasibility study for a new Outdoor Athletic Stadium, and (3) partnering with the Enrollment division to launch a new social media strategy focused on working more closely with alumni to promote Calvin on social media.
- **Administration and Finance:** Major updates from the Committee included (1) an updated operating budget for Board approval to account for 150 fewer traditional undergraduate students this year and (2) Board approval of the proposal to proceed with the new construction of the Calvin University School of Business.
- **Audit:** The Committee met with the auditors on October 2 and reviewed the audited financial reports for the University. No material weaknesses or significant deficiencies were identified by the Plante Moran auditors, and the financial statements were given a clean opinion.
- **Enrollment:** Vice President of Enrollment Lauren Jensen provided an update that total enrollment this year is 3,307 (3,157 FTE), including 805 new students this year. The division's goals for this year include (1) employing new growth strategies to diversify and increase student enrollment and (2) equipping people to share their Calvin University stories and how Calvin is contributing to God's work in the world.
- **Investment:** Calvin's total endowment balance as of September 30, 2020, was \$188.8 million.
- **Student Life:** Vice President of Student Life Sarah Visser noted that the division's primary goals this year are keeping students safe, healthy, and engaged. Other divisional goals include (1) expanding the Calvin LifeWork program, (2) updating its Title IX/Safer Spaces policies and protocols, and (3) exploring the feasibility of a third-year residency requirement.<sup>2</sup>
- **Trusteeship:** The Board is currently exploring restructuring itself from having 16 Classis representatives from the 12 CRCNA regions to having 6 regions, where each region elects one Classis representative and between 1-5 at-large, regional positions (depending on the size of the region). These 16 representatives are in addition to the 15 at-large and alumni spots on the Board. With regards to skillsets, the Board seeks more individuals with experience in law, information technology, social media, and marketing.

The second plenary meeting began with President Le Roy's report. The focus of his update was on Calvin's progress towards its strategic plan. COVID-19 added a significant obstacle this year, and President Le Roy thanked his Cabinet for their work not only responding to the pandemic, but also continuing to move forward on strategic initiatives. As noted, President Le Roy's and his Cabinet's primary strategic goal this year is to grow enrollment. As part of the strategic plan update, Todd Hubers

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<sup>2</sup> Please note that the administration is currently exploring the feasibility of such a policy, and it will be brought forward to the Board for discussion at a later time.

reported and highlighted the establishment of the de Vries Institute for Global Faculty Development, the partnership with Wiley, the establishment of the Calvin Global Campus, the implementation of the first phase of Workday, the significant progress on the university structure and core curriculum revision, and the tremendous progress that has been made in investing in living and learning spaces, as evidenced in the new business school project.

Next, representatives from GMB Architects and Engineering and GDK Construction joined the meeting to share proposed plans for the building. After the presentation, the Trustees approved a motion to proceed with the construction of the Calvin University School of Business. Funds have already been received from the donor for the project. The target start for construction is March 2021, and the building will be ready for the 2022-23 academic year.

The third plenary began with auditors from Plante Moran joined the meeting to report on the annual audit. They commended the university for making the necessary cost reductions to end 2019-20 with such a small deficit (\$578,000, which is less than 1% of the operating budget). They reported that many other institutions ended the year with much higher deficits due to the economic impact of the COVID pandemic. They also reported on Calvin's strong gift year (over \$59 million) and a general reduction of debt over the last 5 years. Overall, the balance sheet shows an increase in net assets which strengthens the university's overall financial position even though budget reductions were necessary to balance out increased COVID-related expenses and a smaller-than-estimated enrollment. The auditors noted no material weaknesses and no passed judgements.

Following this was the presentation on enrollment strategy that I referenced earlier in this report.

The fourth and final plenary was dedicated to Committee questions and motions. Motions approved at the meeting in addition to the consent agenda:

- The revised 2020-2021 operating budget (reduced by \$9 million)
- Capital budget expenditures (~\$875,000)
- The line of credit to move to Level One Bank
- A proposal to investigate debt refunding
- Board committee assignments for 2020-21

The Board concluded its meeting with Executive Session that focused on President Le Roy's performance evaluation. While much of this conversation is confidential, I do want to say that the Board (and myself individually) continues to be grateful to President's Le Roy's *remarkable* leadership in his 8 years as president. He continues to be resilient trial after trial and has navigated the university through numerous crises while continuing to make progress towards long-term goals. He has built such a strong team to surround him and support him, too. I leave every meeting inspired by him and his team.

The students, administration, faculty, staff, and Board covet your prayers as we prepare for the spring semester. Though in many ways there is a light at the end of the tunnel, the next few months will require hard work to keep students, faculty, and staff safe.

Please do not hesitate to reach out if you have any questions or comments on this update.

Sincerely,

Alicia Smit Sinclair