

To: Board Members, Friends and Alumni of Concordia University, Nebraska
From: Brian L. Friedrich, President
Date: February 2011
Re: A periodic sharing of news, reflections and stories

Endowment Growth

During the January Board of Regents meeting, we celebrated the good news that as of December 31, 2010, the university's endowment had reached an all-time high: \$32,304,583. The highest previous month-end value was \$29.2 million in May 2007. It was also reported that our average return for the 2009-10 fiscal year was 18.1%, well ahead of the returns of most college and university endowments for the same time period based upon the 2010 National Association of College and University Business Officers/Commonfund Endowment Study. Based on data from 850 schools, the study reported an average return of 11.9%: the return for funds of \$25 million or less was 14.1%, and the return for funds of \$1 billion or more was 12.3%. Growing our endowment continues to be a top priority. By the rule of thumb that says university endowments should be at least two times the school's operating budgets, Concordia's endowment should be at least \$55 million. We have work to do, and we are making progress. We thank God for all who have given generously to fund the endowment and for those who wisely and prudently manage the fund's investment, allocation and distribution. In less than twenty years, despite two significant market downturns, the endowment has doubled three times!

Capital Projects Move Forward

In my last newsletter, I mentioned some deferred maintenance issues we hoped to address. I am pleased to report progress has been made because of gifts given to support renovations to Link Library and the music building. The first of eight phases to replace windows in Link Library is complete, and phase two is underway. As new windows are installed, we are also making structural repairs to the walls of the building. Additional phases of the window replacement project will be launched as the weather warms and funds are available. Once windows are replaced, we will address HVAC and interior renovation and technology issues that will enable and repurpose the library as a 21st century resource, learning and information center to better support our students. Also, last fall we installed a concrete ramp walkway to enable handicap access into the music building. During the summer, we intend to renovate the restrooms on the recital hall floor to make them ADA compliant. Because there are six different levels in this three-story building, we are working to determine if now is the time to add a lift from the main floor to the concert hall floor or if it is more prudent to wait until funds are received to install an elevator to provide access to all levels of the building.

A New Name

When President Orville Walz retired in July 2004, fundraising for the first two phases of the Health, Human Performance and Athletic Center had begun. Under Orv's leadership and guidance, the plan for the facility was established and the vision cast. A large portion of the vision Orv hoped to achieve through the facility is reality. It is a hub of activity and learning for our students, faculty and staff and a gathering place for exercise, entertainment and competition for members of the Seward community. While it took the entire "Concordia village" to build the building, it took one man to spark the fire and begin the project. To honor President Walz's fourteen year legacy of leadership as Concordia's president and his vision for the Health, Human Performance and Athletic Center, the Board of Regents has named the facility the **Walz Human Performance Complex**. On May 5, 2011, a naming ceremony will take place in conjunction with the Golden Alumni Reunion and Graduation weekend. We would be honored to have you join us.

Fundraising Results

The psalmist reminds us "God opens His hand and satisfies the desire of every living thing." During the month of December, Concordia experienced God's abundant provision in marvelous ways as we received \$1.74 million from friends and alumni of the university. We thank God for moving the hearts of hundreds of people to give generously. Through the first six months of the fiscal year, we have received \$4,593,348 toward our \$8.2 million goal for the year.

University Finances

Concordia was not immune from the financial challenges posed by the Great Recession. We have taken numerous measures to increase revenues and reduce expenses during the past 2.5 years. With approximately five months remaining in the fiscal year, we are on target, with God's blessing, to finish the year with a net operating surplus. Increased enrollment, especially in our graduate programs, and careful fiscal management have enabled us to weather the economic storm. In 2008 we asked fulltime faculty and staff to take reductions in pay. I am pleased to report we have restored two-thirds of the reduction and hope to restore the final third before the fiscal year ends. I continue to be inspired by the hard work and selfless service of my colleagues. Serving our Savior as we serve our students is priority one!

Strategic Plan

This is an exciting time for Concordia! To fulfill our vision for the future, Concordia's essential priorities are:

- Improve our online instructional capacity.
- Grow undergraduate programs.
- Resource technology (software, hardware, human resources).
- Achieve success in our fundraising efforts/campaign.
- Support organizational innovation.

While there are many ways to comprehend these goals, the Concordia community will operate with these understandings:

- Fulfilling priority goals will require **all** of us to think and act differently.
- Investing in technology is a **top priority**. The investment will include software, hardware and human resources.
- Building and fostering **The Concordia Experience** into all academic instructional delivery systems is imperative.
- Establishing benchmark measures and holding ourselves **accountable** enables us to celebrate success and reevaluate where we fall short.
- Allocating **resources**, short- and long-term, will be viewed through the lens of these priority goals.
- Empowering, enabling and motivating faculty and staff are most effective when achieved through **collective** effort.

I will update you on our progress as we strive to fulfill our vision: *By 2015 Concordia University, Nebraska will grow and expand its influence to diverse populations by fostering collaboration and adapting to our changing environment while remaining faithful to our mission of excellent Christian education.*

Spotlight on Faculty, Staff and Students

Dr. Joel Helmer, associate professor of geography, and senior education student **Nick Bloch**, Lincoln, Neb., co-authored "Teaching Geography in the Blogosphere," exploring blog use in classrooms and its usefulness in geography education. The article was published in the October 2010 edition of [The Geography Teacher](#).

Professor of Art **Lynn Soloway** was commissioned by the LCMS communications office and KFYO Radio to create the artwork for their annual Christmas greeting card sent to thousands throughout the world.

Dr. Jeffrey Blersch, professor of music, was a featured organist on National Public Radio's *Pipedreams* broadcast aired the week of January 17, 2011.

Janet Hruska and **Connie Butler** completed their Professional Human Resource (PHR) and Senior Professional Human Resource (SPHR) Certifications. The certifications signify these individuals possess theoretical knowledge and practical experience and have demonstrated mastery in strategic management, workforce planning and employment, human resource development, total rewards, employee and labor relations and risk management.

Students **Mia Pauluhn**, St. Louis, Mo., and **Rachel Uden**, Kenesaw, Neb., received awards in K-12 Physical Education and Exercise Science respectively from the Nebraska Association for Health, Physical Education, Recreation and Dance for meritorious service in their respective academic areas.

Nine Concordia art students were honored at the annual design competition held by the Nebraska chapter of the American Institute of Graphic Arts (AIGA). A photograph by **Tiffany Frerichs**, Bloomington, Neb., and an illustration by **Hannah Woollen** of Wilcox, Neb., earned gold awards. The competition is judged by professionals from across the country.

Twenty-seven fall sport student athletes were named NAIA scholar athlete award recipients. To receive the award, students must be juniors or seniors and have at least a 3.5 GPA. Concordia leads the NAIA in total scholar athletes.